

Participant Support Costs on Sponsored Projects

Federal agencies have differing rules regarding the definition and treatment of participant support costs on sponsored projects. This guidance provides an overview of participant support costs and issues of which principal investigators and fiscal officers should be aware.

NOTE: The regulations and policies of the sponsoring agency should be followed in all cases. Contact OSPA/GCA for assistance in interpreting and applying the agency regulations.

Definition

Participant support generally refers to the costs of transportation, per diem payments, stipends, and other related costs for participants or trainees (but not employees) in connection with externally-sponsored conferences, meetings, symposia, training activities and workshops. Generally, funds budgeted for participant support may not be used for other categories of expense without the specific prior written approval of the funding agency.

Participant support typically includes the following types of costs:

- Stipends, per diem payments, or subsistence allowance paid by the conference or training organizer to defray the personal costs of participants while the participant is participating in a conference or training activity.
- Travel allowances that cover travel costs of participants, including transportation activities for training activities that involve field trips or other program-sponsored travel. Travel allowances, if allowable for an award agreement, would be explicitly noted in the pertinent program solicitation and in the grant award.

Costs Unallowable as Participant Support Costs

Other costs associated with the sponsored activity are not considered participant support costs unless they are directly paid to, or on behalf of, a participant. For instance, salaries or stipends for instructors or speakers at a conference are not participant support costs. Generally, food provided at an event involving participants is not allowable except under very specific conditions. Marketing or promotional material to recruit participants are not considered to be participant support costs.

Additional Information

- Indirect Costs – Indirect costs are not applied to participant support costs.
- Incentives/Gifts/Prizes for Participants – Such items are generally unallowable. However, when necessary to accomplish program objectives, and if reasonable in amount, these costs may be allowable, subject to funding agency approval. These costs must be fully disclosed and explained in the budget justification and incorporated into the award terms and conditions. If these costs are not included in the original award budget, but later determined to be necessary for the success of the project after an award has been issued, an amendment specifically approving the costs must be requested from the funding agency. Acceptable incentives may include certificates, plaques, ribbons, or inexpensive instruction-related material such as pens, pencils, and other materials and supplies that are nominal in cost.

Project Administrative Guidance

Proposal preparation - All participant support costs should be fully disclosed and appropriately budgeted and documented in the proposal. In preparing the budget, careful consideration should be given to what the sponsoring agency considers to be allowable participant support costs.

Accounting – A separate Budget Purpose must be created to which participant support costs are posted. This allows the University to demonstrate the detailed participant support costs charged to a project and assure that these costs are appropriately treated according to the agency requirements. No costs other than allowable participant support costs should be posted to this BP. Principal investigators should work with the office OSPA to establish the necessary budget purposes.

Project Administration – Care must be taken to assure that only allowable participant support costs are charged to the grant, in accordance with the approved budget. Any deviation from the participant support cost budget should be carefully evaluated and, if necessary, approval sought from the sponsoring agency. Principal investigators should consult with OSPA to determine allowable costs.

Documentation – Detailed documentation of all costs charged to the grant should be retained by the PI, FO or department administrator (as appropriate). Failure to retain the necessary documentation can lead to the disallowance of costs in the event of an audit.

NOTE: Care should be taken if items of significant value, or which would be inventoried by the university, are provided to participants and charged as participant support costs. University policy may require that title to such items be retained by the University and so the items cannot be gifted to the participants without appropriate approvals. Equipment and other durable items purchased with federal funds may be considered federal property unless appropriate approvals are obtained.

NOTE: Participant support as described herein does not refer to support provided to participants in human subject research, such as incentives for participating in the research. These are generally treated as direct costs to a sponsored project funding the human subjects research. Providing incentives such as cash or gift cards to research participants is subject to University policies. Researchers planning to provide incentives should check with their department administrators to determine the appropriate process before submitting a protocol for review by the Human Subjects Committee.

Adapted from NSF PAPPG, USDE guidance and 2 CFR 200.456.