

Section on Participant Support from *NSF Proposal & Award Policies & Procedures Guide*

https://www.nsf.gov/pubs/policydocs/pappg18_1/pappg_2.jsp#IIC2gv

(v) Participant Support (Line F on the Proposal Budget)

This budget category refers to direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with NSF-sponsored conferences or training projects. Any additional categories of participant support costs other than those described in 2 CFR § 200.75 (such as incentives, gifts, souvenirs, t-shirts and memorabilia), must be justified in the budget justification, and such costs will be closely scrutinized by NSF. (See [Chapter II.E.7](#)). For some educational projects conducted at local school districts, however, the participants being trained are employees. In such cases, the costs must be classified as participant support if payment is made through a stipend or training allowance method. The school district must have an accounting mechanism in place (i.e., sub-account code) to differentiate between regular salary and stipend payments.

To help defray the costs of participating in a conference or training activity, funds may be proposed for payment of stipends, per diem or subsistence allowances, based on the type and duration of the activity. Such allowances must be reasonable, in conformance with the policy of the proposing organization and limited to the days of attendance at the conference plus the actual travel time required to reach the conference location. Where meals or lodgings are furnished without charge or at a nominal cost (e.g., as part of the registration fee), the per diem or subsistence allowance should be correspondingly reduced. Although local participants may participate in conference meals and coffee breaks, funds may not be proposed to pay per diem or similar expenses for local participants in the conference.

Funds may be requested for the travel costs of participants. If so, the restrictions regarding class of accommodations and use of US-Flag air carriers are applicable.²³ In training activities that involve field trips, costs of transportation of participants are allowable. The number of participants to be supported must be entered in the parentheses on the proposal budget. Participant support costs must be specified, itemized and justified in the budget justification section of the proposal. Indirect costs (F&A) are not allowed on participant support costs. Participant support costs must be accounted for separately should an award be made.

Participant Support Costs Explained

The Policy Office receives questions related to many aspects of proposal and award policy. The most common questions as of late, however, revolve around the topic of participant support costs. The policy as stated in Proposal & Award Policies & Procedures Guide (PAPPG) Chapter II.C.2g(v) defines the participant support budget category as direct costs “such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with NSF-sponsored conferences or training projects.” This definition is straight from the Uniform Guidance (2 CFR § 200.75). In accordance with the PAPPG, participant support costs must be specified, itemized and justified in the budget justification of the proposal; indirect cost recovery is not permitted.

The questions we receive cover a wide range of issues related to participant support, so we have included a representative sampling below. Of course, you can always send your specific questions to policy@nsf.gov.

Q: May I include conference speaker fees in the participant support costs section of the budget?

A: No, the participant support category is for the support of participants or trainees only. Speakers and trainers are not considered participants and should not be included in this section of the budget.

Q: We would like to rebudget our NSF award to move funds out of the participant support category. Do we need NSF approval to do this?

A: Yes. While NSF does provide rebudgeting authority for many categories, you must receive the

approval of the cognizant NSF program officer to reallocate funds **out of** the participant support category. You may, however, rebudget funds **into** this category without prior NSF approval.



Q: How should student employees be budgeted?

A: A student cannot be compensated partially as an employee and as a participant on the same grant. It is up to the proposing organization to determine whether they should be a student employee or a participant based on the role of the student in the project. Student employees are compensated for services rendered and their level of compensation is tied to the number of hours worked. Participant support costs should be used to defray the costs of students participating in a conference or training activity related to the project.

Q: Are costs such as room rental fees, catering, supplies, etc. related to an NSF-sponsored conference considered participant support costs?

A: No, the participant support cost line in the NSF budget should not be used for such costs.

Q: Do participant support costs apply for all participants, or do they only apply for non-awardee organization participants?

A: Participants from the submitting institution and other institution(s) could be considered participants.

Q: May human subjects that are being paid as survey takers be considered participants?

A: No, the participant support section of the budget may not be used to provide incentive payments to research subjects. Human subject payments should be included on line G6 of the NSF budget under “Other Direct Costs,” and indirect costs should be calculated on the payments in accordance with the organization’s federally negotiated indirect cost rate.

Q: We are preparing a Research Experiences for Undergraduate Research (REU) proposal. Is it acceptable to categorize students as both employees and participants if we have made the appropriate determination?

A: No, the REU program is different in that the goal of the program is to provide a practical educational experience for undergraduate students, rather than simply a job. The role of an REU student differs from the role of a student employee because the REU program is aimed at developing the students’ research skills and providing a high-quality mentoring experience. Based on this role, an REU student is considered a participant in a training activity and funds for their support should be included as a stipend in the participant support cost section of the budget.

If you don’t see your specific question here, feel free to send it to policy@nsf.gov! ■

Participant Support Costs (PSC) Roles and Responsibilities

**Participant support is most common in NSF awards; therefore, guidance is tailored to their agency. Check award terms and conditions for other sponsors.*

Stage	PI/Department/Division	RSP	Sponsor
<i>Proposal</i>	<ul style="list-style-type: none"> • Budget appropriately, for both <ul style="list-style-type: none"> ○ PSC (NSF has four categories) <ul style="list-style-type: none"> ▪ Stipend for participants ▪ Travel for participants ▪ Subsistence allowance <ul style="list-style-type: none"> ✓ Housing & per diems ▪ Other (<u>specify</u>) <ul style="list-style-type: none"> ✓ Fees (registration fees, laboratory fees) ○ Non-PSC (primary project) <ul style="list-style-type: none"> ▪ PI & other personnel salaries & travel ▪ Facility/room rental ▪ Media equipment rental ▪ Catering & supplies (for conferences) 	<ul style="list-style-type: none"> • Review budgeted costs • Submit proposal to sponsor 	<ul style="list-style-type: none"> • Review and approve/reject proposal
<i>Award Setup</i>	<ul style="list-style-type: none"> • Request a separate project in WISPER for participant support costs • Include 0% F&A rate for participant support project when MTDC base is used 	<ul style="list-style-type: none"> • Set up at least two projects, at least one for primary project and one dedicated to participant support costs • Ensure that 0% F&A rate is entered for participant support project when MTDC base is used 	<ul style="list-style-type: none"> • Participant support costs must be accounted for separately from other costs
<i>Management</i>	<ul style="list-style-type: none"> • Conduct project as specified in the approved scope of work • Follow budget <ul style="list-style-type: none"> ○ e.g., per NSF guidance, rebudgeting is generally only allowed within participant support costs category without prior NSF approval • Initiate transactions <ul style="list-style-type: none"> ○ Pay stipends using PIR method & correct account codes <ul style="list-style-type: none"> ✓ 5709 UW System student ✓ 5710 Non-UW System student or non-student ○ Code all other expenditures appropriately <ul style="list-style-type: none"> ▪ e.g., lodging out-of-state is 2851 	<ul style="list-style-type: none"> • Answer rebudgeting/reallocating questions/concerns • Review and submit prior approval requests as appropriate • Monitor expenditures to ensure compliance with period of performance, overall budget authority, and University and sponsor policies • Draw funds from NSF as expenditures are made 	<ul style="list-style-type: none"> • Review and approve/reject prior approval requests • Issue notifications as appropriate <ul style="list-style-type: none"> ○ e.g., approval

Stage	PI/Department/Division	RSP	Sponsor
<i>Management (continued)</i>	<ul style="list-style-type: none"> • Create prior approval requests as necessary (NSF uses Research.gov) <ul style="list-style-type: none"> ○ Two common requests: <ul style="list-style-type: none"> ▪ To reallocate participant support costs <u>OUT</u> of the participant support costs category and into the award's other budget categories ▪ To reallocate funding to the participant support costs category of "other" if proposed costs not already specified in sponsor-approved budget ○ See RTC Prior Approval Matrix or award terms and conditions • Monitor financial progress of projects 		
<i>Closeout</i>	<ul style="list-style-type: none"> • Review expenditures to ensure on correct project • Ensure back-up documentation is complete and available upon request 	<ul style="list-style-type: none"> • Perform final review of expenditures • Electronically file final review documentation • Close out award, including financials <ul style="list-style-type: none"> ○ e.g., NSF is after 120 days following end date 	<ul style="list-style-type: none"> • Close out award, including liquidation of all obligations within 180 days following end date
<i>Post-Closeout Audit</i>	<ul style="list-style-type: none"> • Provide back-up documentation • Retain records for the appropriate period 	<ul style="list-style-type: none"> • Act as liaison between sponsor/auditor and department • Provide University response to audit reports and implement corrective action plans (as needed) 	<ul style="list-style-type: none"> • Ask questions • Request back-up documentation • Publish audit findings