

Policy on Participant Support Costs

Effective: January 15, 2013

Background

Participant support is provided by a number of federal agencies and other sponsors. The National Science Foundation has the most restrictive policies governing the budgeting, expending and reporting of these funds. Therefore, this policy is based on NSF requirements.

In general, participant support costs are those costs paid to (or on behalf of) participants or trainees (not employees) for participation in meetings, conferences, symposia, and workshops or other training activities, when there is a category for participant support costs in the award. Typical participant support costs may include registration fees, travel allowances, supplies, and stipends. Stipend payments are not compensation for services rendered and, therefore, are not generally allowable on federal awards unless the purpose of the agreement is to provide training to selected participants and the charge is approved by the sponsoring agency (OMB Circular A-21, Section J45). An individual who is being paid for the services he or she provides to the College should be considered either an employee or an independent contractor.

Funds intended to support training or research training will state that intention clearly in the agency program announcement. The scope of work in the proposal and award agreements should also state explicitly that training or research training of specific individuals is a purpose of the award. In such cases, stipend expenses are expected and allowable. Typical training awards include NIH "T" and "F" awards, NASA's various fellowship programs, and NSF REUs. Other awards where the training intention in Olin's proposal and award agreement is described clearly and accepted by the sponsor can also include stipend expenses. Examples of Olin programs that are currently approved to provide stipend payments include the Olin College Faculty Summer Intellectual Vitality Program and the Olin College Innovation Funding program.

Participant support allowances that are paid from federal awards may not be paid to trainees who are receiving compensation, either directly or indirectly, from other Federal government sources while participating in the project. Federal funds provided for participant support may not be used by the College for other categories of expense without the specific prior written approval of the sponsor.

Procedure

Participant support stipends are made through the Olin Accounts Payable Office for direct payment to the participant. Required forms for processing are the program Award Acceptance letter (sample attached), any required documents, if applicable, from the list on the Acceptance letter, and a check request form. The following object codes are used to properly expense and track stipendee expenses:

- 6541 – Participant Stipends
- 6542 – Participant Travel
- 6543 – Participant Subsistence

Stipend payments will be made on a monthly basis, per semester, for the approved period of time unless the stipend is for a one-time payment.

Note: All stipends received are potentially taxable; ultimate taxability depends on individual taxpayer circumstances. Payments of scholarships, fellowships, and grants paid to U.S. citizens and resident aliens are not generally reportable to the IRS and are not generally subject to withholding of tax. However, payments of taxable scholarships, fellowships, and grants to nonresident aliens are generally reportable to the IRS and are generally subject to withholding of U.S. Federal income tax (IRC Section 117).