

Participant Support Guidelines

April 22, 2019

Background

Some sponsors, most commonly NSF, include a budget category called participant support costs. Participant support is allowable for NIH proposals and awards only when specified in the specific funding opportunity. This category is used for non-Mason individuals who will benefit from a conference, meeting, symposia, workshop or other training type of event. Funds provided for participant support may not be used by grantees for other categories of expense without the specific prior written approval of the sponsoring agency (2 CFR §200.308). Payments issued to Participants will be subject to tax reporting.

Who is a Participant?

A participant is a non-Mason employee who is a recipient of a service or training session associated with a workshop, conference, seminar, symposium or other information sharing activity funded by a sponsored award. Participants are beneficiaries of the event, and do not perform work or services for the event or for the benefit of the award or the institution.

While students working as graduate assistants and student wages receive W-2s from the University as do other Mason employees, exceptions can be made for student “participants” of a service or training program as long as the students’ employment is not associated with the sponsored project (i.e. students working at the Eagle Bank Arena or the library).

Examples of cases involving allowed participant support payments to Mason students:

- An NSF project has an REU supplement that will enable undergraduate students to participate in a summer research project. The REU students are considered participants in the training activity and are eligible to receive participant support stipends. (REU students cannot be compensated as student wage employees. The goal of the program is to develop student research skills and provide students with high quality mentoring without a work component)
- An externally funded training event on STEM education to be held in Philadelphia is recruiting graduate students in education/science/math fields of study. A Mason graduate student is selected to participate and does not hold any GRA appointments at Mason. This student is eligible to receive participant support benefits.

Examples of cases involving students where participant support benefits are **not** allowed:

- A federally funded project employs an undergraduate student on a research project as a student wage. This project also receives a supplement to host a conference, with participant support costs identified. The undergraduate student may attend, but can **NOT** receive participant support benefits for attending the conference.
- An externally funded project is hosting a workshop. The PI employs a graduate student in other research projects, but who wishes to also attend this specific workshop. The graduate student may attend, but can NOT receive participant support benefits.
- An NSF project, which has undergraduate students (participants) participating in a summer training camp. The PI has hired an undergraduate mentor for the students. The mentor is not a participant of the project.

What are Participant Support Costs?

Participant support costs are direct costs for items such as participant stipends or subsistence allowances, travel allowances and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects. Participant support costs can typically be directly attributable to individual participants.

Participant support costs are limited to the following types of expenses **and must be detailed in separate line items of the proposed and awarded budgets:**

- Stipends, per diem or subsistence allowances, or travel allowances for Participants
- Participants' meals and incidental expenses (individual per diem)
Where meals 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.
- Lodging paid directly to the event facility, only if the payment is made on behalf of, or reimbursed directly to, the participant. Where lodging is furnished without charge or at a nominal cost (e.g., as part of the registration fee), the allowance or stipend should be correspondingly reduced.
- Event or conference registration fees and other related fees
- Individual transportation costs to/from the event (Fly America Act applies to international flights)
- Group transportation for training activities which involve field trips
- For some educational projects conducted at local school districts, 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.

Participant support costs **DO NOT** include the following types of expenses:

- Event support costs, such as facility room rentals, media equipment rentals, translation services, audio visual, webcast, and computer services for recording, transmitting and transcribing the proceedings
- Event catering
- Research subject payments to individuals participating in research studies (Research subject payments are included in a separate budget line item on the main award)
- Reimbursement for travel, food and beverage, or other support costs of the PI and other Mason faculty and staff involved in the project
- Honoraria or fees for speakers, consultant, speaker lecturers, or trainers
- Reimbursement to the participant's employer to defray costs, including substitute teachers, related to sending the participant to the event
- Participant workshop materials (Participant supplies account codes are inactive, use account code that best describes the type of material)

Award Set-up Process

If an award includes funding for participant supports costs, OSP will establish separate funds for both the primary and participant support portions of the project in Banner. The participant support portion of the award is set up as a separate fund in order to meet any requirements to account for these costs separately, restrict budget changes and avoid charging F&A. If the award is solely for participant costs, only one fund will be set up.

Example:

PI	Project	Grant	Fund	Grant Start Date	Grant End Date	Funded Amount	Expenses To Date	Commitments	Avail Amount
	NSF/S	20 45	20 45	5/1/2016	9/30/2019	104,471.00	53,990.93	0.00	50,480.07
	NSF/S PartSupp	20 45	20 46	5/1/2016	9/30/2019	108,000.00	82,614.81	0.00	25,385.19

Fund 20xx45 is used for the primary award activities.

Fund **20xx46** is used for **Participant Support costs only**.

Documenting Participant Support

Participant Support Costs are charged to the fund designated for this purpose. The award letter will include a budget and fund number for this portion of the award. The following expenditure categories must be used for processing participant support costs.

Account Code	Definition	How to Process	Comments
73641 – Participant Services Excluded from F&A	TOEFL exam fee, event registration fees, group (field trip) travel	eVA, PCard	Purchase following purchasing policies and procedures.
73865 – Participant Travel Excluded from F&A	Reimbursable domestic airfare, lodging, transportation to and from event, parking, subsistence allowances	Travel Request System (for reimbursement to participant), PCard (if airfare only)	In TRS be sure to check the box for participant support travel.
73867 – Airfare, Foreign, Participant Excluded F&A	Airfare for travel to or from a foreign country	Travel Request System (for reimbursement to participant), PCard (if airfare only)	Foreign travel must comply with Fly America Act (FAA). In TRS check the box for participant support travel. Use FAA decision tree for flight compliance.
78583 – Participant Allowance Excluded from F&A	Payment to help defray personal expenses such as meals, incidentals and transportation costs incurred by a participant	Participant Support Allowance Form	

The federal income tax withholding will be charged for all of the expenditures when paid to “nonresidents for tax purposes”, unless expressly exempt from the tax withholding by the Internal Revenue Code, or by the tax treaty. Payments to “nonresidents for tax purposes” are subject to the International Tax Office review and require additional supporting documents. See **Tax Reporting** on page 4.

Monitoring the Project

Verify that all charges and credits are posted to the correct fund and account code. Reconcile funds per University Policy 2114: <https://universitypolicy.gmu.edu/policies/reconciling-departmental-and-sponsored-fund-accounting-records/>

Tax Reporting

Participant support allowance payments to individuals who are US Citizens or Permanent Residents must be reported to the Internal Revenue Service on IRS Form 1099MISC if total payments during the calendar year equal or exceed \$600.

Payments to “nonresidents for tax purposes” are subject to the International Tax Office review and require additional supporting documents. The applicability of the tax will be reviewed on a case by case basis. Most “nonresidents for tax purposes” will receive an IRS form 1042S and a thirty percent (30%) tax may be withheld from all payments unless the individual is eligible to claim a tax treaty exemption or a reduced tax rate.

Procedures: <http://fiscal.gmu.edu/wp-content/uploads/2015/07/Travel-Reimbursements-to-Foreign-Nationals-2015.07.24.pdf>

If tax is being withheld and the PI chooses to gross up the reimbursement, it must be charged to a non-sponsored source.

Fiscal Services Step-By-Step for Participant Support Payments (includes directions for payments to nonimmigrant visa holders): <https://fiscal.gmu.edu/accountspayable/pay-participant-support/>.

Rebudgeting funds into the participant support category does not require NSF approval unless funds are being moved into the “other” category of participant support. However, rebudgeting funds out of the participant support category requires prior approval of the cognizant NSF Program Officer.

Additional Information

NSF Proposal & Award Policies & Procedures Guide: Participant Support Cost Policy: https://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf19001

NSF Proposal and Award Policy Newsletter - May/June 2017: Participant Support Costs Explained (p4) <https://www.nsf.gov/pubs/2017/nsf17084/nsf17084.pdf>

Research T&C Prior Approval Matrix: https://www.nsf.gov/bfa/dias/policy/fedrtc/appendix_a.pdf

Research Terms and Conditions Appendix A								
Prior Approval Matrix (Participant Support Costs)								
10-Dec-18								
	Reference	RTC Overlay	NSF	DOE	NIH	USDA NIFA	DOC	NASA
Prior Written Approval (prior approval)*	200.407							
Revision of budget and program plans	200.407(d)							
Transfer of funds budgeted for participant support costs to other categories of expense.	200.308(c) (1)(v)	Required	Required ²	Required	Waived ⁸	Required	Required	Waived ²²
Participant support costs	200.407(t)							
Transfer of funds into the participant support cost category.	200.456	Waived	Waived ⁴	Waived	Required ¹³	Waived	Waived	Waived
Transfer of funds budgeted for participant support costs to other categories of expense.	200.308(c) (1)(v)	Required	Required	Required	Waived ⁸	Required	Required	Waived ²²
* Any of the authorities may be over-riden by a special term or condition of award.								
² This action requires the prior written approval of the cognizant NSF Program Officer.								
⁴ Unless funds are being moved into the "Other" category of participant support.								
⁸ Waived, unless change in scope. For the purposes of Kirschstein-National Research Service Award (NRSA) programs, this term does not apply. NIH will continue to use the terms trainees, trainee-related expenses, and trainee travel in accordance with NRSA Regulations. Participant support costs are only allowable when identified in specific Funding Opportunity Announcements (FOAs).								
²² Waived unless results in a change of scope.								