Saint Mary's College of California
External Grants Participant Support Costs Policy

Responsible Officers	Senior Vice President for Academic Affairs and Provost and Senior Vice President for Finance and Administration / Chief Financial Officer
Responsible Offices	Academic Affairs and the Business Office
Issuance Date	08/26/2025
Effective Date	08/26/2025
Applicability	This policy applies to Saint Mary's administrators, faculty, and staff who apply for or participate in external grants, contracts, and subawards that are awarded to Saint Mary's College of California.

I. POLICY SUMMARY

As a recipient of sponsored funding, including federal funding, Saint Mary's College of California is responsible to comply with sponsor policies and regulations as well as to comply with College policies. This policy outlines the purpose, scope, and implementation of guidance related to **participant support costs** at Saint Mary's College of California (SMC).

These costs are commonly associated with projects funded by the National Science Foundation (NSF) and other federal agencies. The policy ensures compliance with federal regulations, and supports consistent interpretation and use of participant support costs across the College. The policy applies to sponsored grants and charitable grants and encompasses funding applications by Saint Mary's faculty and staff to governmental, organizational, foundation, and corporate funders.

II. POLICY TEXT

Purpose and Scope
This policy provides institutional guidance for defining, budgeting, and managing participant support costs on externally sponsored projects.

Applicability
This guidance applies to all SMC faculty, staff, and administrators involved in proposing, managing, or reporting on federally funded projects that include participant support costs.

What are Participant Support Costs?
Participant support costs, as defined in 2 CFR §200.1 and §200.456, are direct costs for items such as stipends or subsistence allowances, travel allowances, registration fees, temporary dependent care, and per diem paid directly to or on behalf of participants (but not employees) in connection with externally funded training projects.

Participant support costs are subject to sponsor-specific terms and conditions. Typically, these expenses are incurred for projects that include an education or outreach component. The funding opportunity announcement will indicate when these expenses are allowable as direct costs to the project.

Participant support costs should not be confused with costs associated with participants in a research project, such as incentive or human subject payments. Neither should they be confused with salaries or

wages of research collaborators or assistants who are expected to produce a deliverable or provide a benefit to the research outlined in the project scope of work.

Who Qualifies as a Participant?

Participants:

- Receive training or educational instruction.
- Do not provide services or deliverables to the college.
- Are not employees of the College or the sponsor.

Eligible participants include:

- Undergraduate or graduate students
- Teachers, scholars, and community members
- State or local government personnel

Who Does Not Qualify as a Participant?

- College employees
  - Note: this includes student employees. A student who is an employee may not be categorized as a participant for purposes of a grant.
- Project collaborators
- Human subjects in research
- Advisory board members
- Guest speakers receiving honoraria

What costs may be included as participant support costs?

Allowable participant support costs

- Stipend (predetermined amount regardless of actual costs) for housing and subsistence allowance* **See under definitions for further information on the terms "stipend" and "award."*
- Travel: Transportation and lodging for training-related travel
- Subsistence: Meals and housing during the activity
- Registration fees: Admission to workshops or conferences related to participation
- Other direct costs: Participant-specific supplies and materials

Unallowable participant support costs

- Honoraria
- Gifts or souvenirs
- Human subject incentives
- Catering or general event support
- Staff or faculty travel
- Institutional infrastructure costs
- Overhead or indirect costs

III. IMPLEMENTATION OF THE POLICY

Use of Funds

- Participant support costs may not be used for employees, consultants, or subrecipients involved in project activities.
- Funds are restricted to eligible participant expenses and require prior written approval from the sponsor and SMC's Authorized Organizational Representative for reallocation.

Accounting & Segregation

- Participant support costs must be tracked separately in the College's accounting system via dedicated fund codes or sub-accounts.
- The Business Office will assign and monitor these codes for segregation and compliance.

Documentation Requirements

- The PI/PD, their school or unit, and the Business Office must retain auditable records to demonstrate:
  - Allowability, reasonableness, and allocability of expenses
  - Participant eligibility
  - Evidence of attendance (e.g., sign-in sheets, agendas)
  - Purpose and justification of costs

Budgeting & Revisions

- Participant support costs must be separately itemized in proposal budgets and justifications.
- Post-award changes (e.g., reallocating funds or expanding participant support costs types) require sponsor prior approval.
- Movement within participant support costs categories (e.g., from stipend/award to travel) generally does not require sponsor prior approval.

Indirect Costs

- Participant support costs are excluded from the indirect cost base unless specifically allowed by sponsor terms.

Compliance and Oversight

In post-award, the **Business Office**, in coordination with relevant **academic units** and the **Office of Research**, is responsible to ensure that participant support costs are implemented in accordance with federal and institutional requirements.

The **Office of Research** is responsible to provide training and guidance for participant support costs to the **PI/PD** to ensure understanding of participant support costs policy and compliance expectations.

The **PI/PD** and **designated school or unit administrative contact** are responsible for determining participant eligibility, ensuring that participant support costs expenses are allowable, and following Business Office procedure to document participant support costs.

The **Business Office** assigns and manages dedicated fund codes (e.g., GL 12-1-2222-3333-444) for each award to ensure participant support costs expenditures are properly segregated and monitored for compliance.

Key responsibilities include:

Responsibility	Responsible Parties
Provide training and guidance to PI/PD, schools, and units to ensure they understand participant support costs policy and compliance expectations	Office of Research Business Office
Review and approve participant support costs budgets and justifications during proposal development	Office of Research Business Office
Monitor and account for participant support costs expenditures in post-award for proper classification and use	PI/PD PI/PD's school or unit Business Office
Ensure all activities comply with the Uniform Guidance and sponsor-specific terms	PI/PD PI/PD's school or unit Business Office
Manage communications with external sponsors related to changes in participant support costs, re-budgeting, or approvals	Business Office and/or Office of Research on behalf of the PI/PD

IV. RELATED INFORMATION

Payment and Documentation Process

Setup and Forms

- The PI/PD, in coordination with the administrative contact for the school or unit, requests a participant account from the Business Office by providing the following information:
  - **GL Account Code**
  - **Award Letter** (includes payment amount, dates, purpose, and participant support costs documentation)
  - **Check Request Form** (signed by administrative contact, students do **not** complete this), using procedures for check requests posted on the Accounts Payable and Purchasing section of SMC's Business Office website at www.stmarys-ca.edu/offices-services/business-office/accounts-payable-and-purchasing.
- Paperwork is routed to the **Business Office – Accounts Payable** (not Payroll) email account at accounts.payable@stmarys-ca.edu

Review and Approval

- The **Office of Research** ensures the participant support cost is allowable at the time the budget is developed.
- The **PI/PD's school or unit** is responsible to implement the budget and allowable cost categories as awarded and therefore is responsible to ensure that the participant support cost is allowable and properly documented.
- The **Business Office** confirms GL code setup at the time of award set-up.

Payment Issuance

- Payment is issued as a **check through Accounts Payable** following SMC Business Office procedures for student payments.

V. CONTACT INFORMATION

Office of Research
Website: https://www.stmarys-ca.edu/office-research
Email: office_of_research@stmarys-ca.edu

Business Office Grants Accountant
Website: www.stmarys-ca.edu/offices-services/business-office/accounts-payable-and-purchasing
Email: rl31@stmarys-ca.edu

Payroll and Accounts Payable
- Director of Payroll – payroll@stmarys-ca.edu
- Accounts Payable Manager – accounts.payable@stmarys-ca.edu

VI. DEFINITIONS

Grant – A grant is a type of financial assistance awarded to an organization for the conduct of research or other program as specified in an approved proposal. When an award is made to Saint Mary's College of California for work undertaken by faculty or staff member(s), Saint Mary's is the legal recipient of the grant and responsible to establish and adhere to standards for documentation of personnel expenses charged to the grant, including time and effort and associated salary and wages.

Participant – A participant is defined as a non-employee who is the recipient, not the provider, of a service or training opportunity or information sharing activity funded by a sponsored award. Participants may be, but are not limited to, students, scholars, scientists from other institutions, or teachers who are not employees of Saint Mary's College of California.

Participant Support Costs – Participant support costs are typically incurred for projects that include an education or outreach component. Participant support costs are allowable with prior sponsor approval, per the Uniform Guidance.

Principal Investigator (PI) / Project Director (PD) – The lead individual responsible for the design and implementation of the sponsored project.

Stipend – Payment provided to a participant for attending an event or training activity.
*Note: The use of the term "stipend" in federal agency budget guidance differs from the term's usage by SMC's Business Office. Costs that agencies define as "stipends" are defined as "awards" by SMC.

Rebudgeting – Reallocation of funds between budget categories within a sponsored award.

VII. SOURCES

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200:

- Electronic Code of Federal Regulations 2 CFR §200.1 Definitions of "Participant" and "Participant Support Costs"[1]
- 2 CFR §200.456 Participant support costs regulation[2]

National Science Foundation (NSF):

- *Proposal and Award Policies and Procedures Guide* (PAPPG) 24.1, section II.C.2.g.v Participant Support[3]

National Institutes of Health (NIH)

- *Grants Policy Statement*, Allowability of Costs / Activities[4]

VIII. FREQUENTLY ASKED QUESTIONS

- **Can I use participant support costs to pay a guest speaker?**
  - No. Honoraria or speaker fees are not allowed under participant support costs
- **Can a Saint Mary's student be considered a participant?**
  - Yes, if the student is attending a training or educational activity and not providing services.
- **Can participant support costs be used for catering or venue costs?**
  - No. These are institutional costs and must be charged to other categories.
- **What if I need to reallocate participant support costs?**
  - Do not reallocate any participant support funds without express agency prior approval. Please contact the Grant Accountant to request agency approval if required.
- **What happens if a student participant begins performing services?**
  - The payment must be reclassified as compensation and processed through Payroll
- **Should participant support costs be identified in the budget / budget justification?**
  - Yes, participant support costs must be explicitly identified in the budget and budget justification. If the budget form you are using does not have such a section, but you plan to include participant support costs, please explicitly identify any participant support costs in the budget and budget justification.

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[1] Retrieved 04/30/2025 from the Electronic Code of Federal Regulations, 2 CFR 200.1 Definitions, from https://www.ecfr.gov/current/title-2/part-200/section-200.1#p-200.1(Participant) and https://www.ecfr.gov/current/title-2/part-200/section-200.1#p-200.1(Participant%20support%20costs).

[2] Retrieved 04/30/2025 from the Electronic Code of Federal Regulations, 2 CFR 200.456 Participant support costs, https://www.ecfr.gov/current/title-2/section-200.456.

[3] Retrieved 04/30/2025 from the National Science Foundation Proposal & Award Policies & Procedures Guide (PAPPG) II.C.2.g.v Participant Support https://www.nsf.gov/policies/pappg/24-1/ch-2-proposal-preparation#ch2D2fv.

[4] Retrieved 04/30/2025 from the National Institutes of Health Grant Policy Statement, 7.9 Allowability of Cost/Activities https://grants.nih.gov/grants/policy/nihgps/html5/section_7/7.9_allowability_of_costs_activities.htm

IX. REVISION HISTORY

- This policy was developed in collaboration between Saint Mary's College of California's Academic Affairs and Business Offices.
- This policy is effective 08/26/2025
- This policy replaces Saint Mary's previous NSF Participant Costs statement dated May 16, 2014.