Developing Policies and Procedures Required of NSF Grantees

The college policy for all grant expenditures should state clearly that the college will adhere to all applicable federal and agency guidelines in the use of grant funds and in implementing grant-funded activities.

Procedures should be item-specific.

Step 1: understand what NSF requires (see excerpt below from PAPPG 2020 that addresses Participant Support).

Step 2: develop a college procedure for the expense item/budget category that conforms to PAPPG specifications for the item. Adhere as closely as possible to definitions provided and explicit requirements.

Step 3: ensure that the college follows the policy and procedures that are established by the institutions for management of grant funds.

How to develop a procedure

Using the first two paragraphs of the PAPPG regarding Participant Support, a college procedures for Participant Support funds could be developed similar to the example below:

Procedure for grant expenditures classified as Participant Support

Participant support 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. Unless included in a specific grant proposal budget and budget justification and approved by NSF when the award was made, expenditure of grant funds on 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) is not allowed.

For some educational projects conducted at local school districts, the participants being trained are employees. In such cases, the costs will be classified as participant support if payment is made through a stipend or training allowance method. For such payment to be made, the school district must have an accounting mechanism in place (i.e., sub-account code) to differentiate between regular salary and stipend payments.

EXCERPT from 2020 PAPPG

(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

This material is based on work supported by the National Science Foundation under Grant No.1501183 and 1840856. Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the National Science Foundation.

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). Speakers and trainers generally are not considered participants and should not be included in this section of the budget. However, if the primary purpose of the individual's attendance at the conference is learning and receiving training as a participant, then the costs may be included under participant support. If the primary purpose is to speak or assist with management of the conference, then such costs should be budgeted in appropriate categories other than participant support.

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.

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. Costs related to an NSF-sponsored conference (e.g., venue rental fees, catering costs, supplies, etc.) that will be secured through a service agreement/contract should be budgeted on line G.6., "Other Direct Costs" to ensure appropriate allocation of indirect costs.

Funds may be requested for the travel costs of participants. If so, the restrictions regarding class of accommodations and use of U.S.-Flag air carriers are applicable.[19] 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 usually allowed on participant support costs unless the grantee's current, federally approved indirect cost rate agreement provides for allocation of F&A to participant support costs. Participant support costs must be accounted for separately should an award be made.

This material is based on work supported by the National Science Foundation under Grant No.1501183 and 1840856. Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the National Science Foundation.