

James Madison University Office of Sponsored Programs-Administrative Services Standard Operating Procedures			
TITLE: Participant Support Costs			
SOP # 5	Revision # 1	Effective Date: 7/31/2026	Page 1 of 3

OBJECTIVE

To describe the policies and procedures relating to Participant Support Costs.

GENERAL DESCRIPTION

Under Uniform Guidance (2 CFR Part 200) and other agency guidelines on budgeting costs for Federal assistance, the term “Participant” carries a special connotation. Generally, Participants (2 CFR 200.1, s.v. Participant) are beneficiaries of the activities conducted under a Federal award. They are not responsible for implementation, and though they may receive stipends related to their time spent on grant-related activities, they do not receive compensated effort (see 2 CFR 200.430). Employees, instructors, consultants, and other project staff are generally not considered Participants.

Participant Support Costs (2 CFR 200.456) are typically incurred for projects that include an education or outreach component. By definition, Participant Support Costs belong to a restricted budget category that does not carry indirect costs (F&A). Therefore, these costs must be budgeted and accounted for separately.

The National Science Foundation (NSF) places additional restrictions on the determination of Participants and the use of Participant Support Costs (see PAPPG II.D.2.f(v)).

DEFINITIONS

Participant: an individual participating in or attending program activities under a Federal award, such as trainings or conferences, but who is not responsible for implementation of the Federal award. Individuals committing effort to the development or delivery of program activities under a Federal award (such as consultants, project personnel, or staff members of a recipient or subrecipient) are not participants. Examples of participants may include community members participating in a community outreach program, members of the public whose perspectives or input are sought as part of a program, students, or conference attendees.

Participant Support Costs: direct costs that support Participants and their involvement in a Federal award, such as stipends, subsistence allowances, travel allowances, registration fees, temporary dependent care, and per diem paid directly to or on behalf of Participants.

RESPONSIBILITY

Principal Investigators are responsible for:

- Determining Participant eligibility
- Clearly identifying Participant Support Costs in proposal materials
- Assigning and charging costs appropriately

OSP-AS is responsible for:

- Reviewing Participant determinations and Participant Support Costs at the proposal stage

EXAMPLES

The following information is meant to be illustrative and should not be considered exhaustive.

Who is NOT a Participant?

- Employees of the University*
- Employees of the sponsor
- Invited speakers
- Trainers
- Consultants
- Anyone who is receiving payment as project personnel
- Anyone who has a deliverable or is primarily providing a service to the project

*For some educational projects, the participants being trained are employees. In such cases, the costs may be classified as Participant Support Costs if payment is made through a stipend or training allowance method. Students may also be eligible to be Participants, depending on their primary role in a project, but generally cannot receive funding both as project personnel and as Participants.

What costs CANNOT be included as Participant Support Costs?

- An incentive payment to encourage an individual to participate as a human subject in a research study. (These must be treated as other direct costs.)
- Honoraria or fees paid to a guest speaker or lecturer.
- Expenses for collaborators to meet at a single destination and discuss a research project's progress and direction. (Such expenses should be budgeted under travel or other expenses as allowed by the sponsor.)

PROCEDURES

Principal Investigators must determine which individuals are eligible to be Participants, then clearly identify and justify any requested Participant Support Costs in proposal budgets. As a rule, Participant Support Costs can only be budgeted, and charged, if the project involves eligible Participants.

When an award with Participant Support Costs is received, OSP-AS will work with SPFA to budget these costs under a unique department ID or budget category. Departments must monitor costs closely to ensure the appropriateness of this category and ensure that Participant Support Costs are not used for reimbursing employee travel/training or other inappropriate expenses for this category.

In the event of a budget reallocation requiring the transfer of funds out of Participant Support Costs, Principal Investigators must work with OSP-AS and SPFA to receive prior approval from the sponsor (2 CFR 200.308(f)(5)).

REVISION HISTORY

Version No.	Brief Description of Changes	Created on Date
00	Creation of SOP	7/31/2026

SIGNATURE HISTORY

Name and Title	Signature	Date
Brent Arehart Director, Office of Sponsored Programs-Administrative Services		7/31/2026

REFERENCES

- 2 CFR 200.1, 2 CFR 200.308, 2 CFR 200.430, and 2 CFR 200.456.
- NSF Proposal & Award Policies & Procedures Guide (PAPPG)