1.0 GENERAL INFORMATION

1.1 Expenditures for grants are governed by the Federal cost principles and must conform with sponsoring agency policies, grant special provisions and the University internal policies. FAMU must ensure that costs claimed under grants are allowable, allocable, and reasonable. In the event FAMU anticipates charging an item of direct cost that might subsequently be disputed, an authorized FAMU official should discuss the matter with the sponsoring agency grants officer and document the conditions or factors surrounding the item in order to avoid possible subsequent disallowance.

1.2 Review and approval of sponsored program’s expenditure requests is a crucial process in the administration of sponsored programs. Costs must be in accordance of the approved budget and must meet the allowability test. Four general tests for allowability of costs are:

1.2.1 Cost must be reasonable;

1.2.2 Cost must be allocable to sponsored agreements under the principles and methods provided in the circular;

1.2.3 Costs must be given consistent treatment through the application of generally accepted accounting principles appropriate to the circumstance; and

1.2.4 Cost must conform to any limitations or exclusions set forth in the Circular or in the sponsored agreement as to types or amounts of cost items.
1.3 Funds provided for participant support may not be used by FAMU for other categories of expense without the specific prior written approval of the sponsoring agency program officer/grants officer.

1.4 Participant support allowances may not be paid to trainees who are receiving compensation, either directly or indirectly, from other Federal government sources while participating in the project.

1.5 All expenditure requests from sponsored research programs have to be reviewed and approved by the Office of Sponsored Programs (OSP), prior to their referral to the processing area.

1.6 A non-sponsoring agency Federal employee may receive participant support allowances from grant funds provided there is no duplication of funding of items and provided no single item of participant cost is divided between his/her parent agency and the sponsoring agency grant funds.

1.7 All expenditure requests must have all required signatures and approvals according to the applicable OSP procedures.

1.8 Average turnaround period of 24 hours for review, approval/denial and referral of the document to appropriate area.

2.0 DEFINITIONS

Participant support costs are 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 meetings, conferences, symposia or training projects.

3.0 RESPONSIBILITIES

3.1 Principal Investigator (PI) is responsible to ensure that participant support costs are only used as specified in the approved budget and in accordance with the statement of work.

3.2 Office of Sponsored Programs (OSP) is responsible for the review and approval of participant support costs according to the sponsoring agency’s guidelines, approved budget and contract terms and conditions. The OSP is responsible for reviewing and approving revisions of budget and program plans and ensuring compliance with university, state, and federal regulations governing the charging of participant support costs to sponsored projects. The OSP is responsible to ensure proper management and retention of documents.

3.3 Dean is responsible for the reviewing and approving proposed participant support costs budget.

3.4 Office of Contracts and Grants (C&G) is responsible for the invoicing to the sponsoring agency participant support costs of sponsored projects and the preparation of fiscal and financial reports. C&G is responsible to ensure proper management and retention of fiscal documents.

3.5 The Payroll Office (PO) is responsible for reviewing and processing all payroll requests. PO is responsible for the payroll payment process.

3.6 The Purchasing Office is responsible for procuring the goods, services and equipment and determining that they conform to University policies and procedures.

3.7 Training Team is responsible for the development and coordination of training on regulatory requirements for all individuals with responsibilities in the review and approval of participant support costs charged to sponsored projects, including but not limited to PIs, OSP staff, C&G staff and grants administrators.
4.0 **General Procedures**

4.1 The contract specialist in the OSP reviews and coordinates the execution of new awards. In the review process it is determined whether there are funds awarded for participant support costs.

4.2 In those instances where the new award includes budget for participant costs, the contract specialists establishes two projects in PeopleSoft. One project and its corresponding budget for all costs, except participant support costs; and another separate project and budget for participant support costs. The separation of budgets into two projects makes possible the monitoring of participant support expenditures.

4.3 The new award is electronically submitted to C&G, PI and the Dean.

4.4 The PI uses the unique project and account number assigned to the participant support cost budget to submit expenditure requests.

4.5 The OSP staff follows the applicable procedures for the review and approval of payroll and non-payroll expenditure requests as well as for any other related activity.

5.0 **Distribution of Documents**

5.1 To return documents, the staff will either place them in the pick-up tray in the front desk or refer them to the Grants Specialist to mail them back to the PI. Documents that are picked-up must be logged-out in the Tracking System by the staff in charge of the account. A letter signed by the OSP Director accompanies documents that are returned through campus mail bust. The staff uses the return letter template available in the DSR-Post Award Database.

6.0 **Records**

The appropriate record retention guidelines should be followed for the retention and disposition of documents. Generally, documentation should be maintained for three years following the submission of the final financial report unless sponsoring agency requires it to be maintained for a longer time period.