

## STANDARD OPERATING PROCEDURE (SOP)

SOP Number: 18 Effective Date: 10/18/18 Last Reviewed: 03/21/22  Title: <b>Participant vs. Employee</b>	<b>Sponsored Programs Contact Information</b>  Business Hours: 8:00 a.m. to 4:30 p.m., Monday-Friday (excluding holidays).  Main: 920-424-3215 E-mail: <a href="mailto:OSP@uwosh.edu">OSP@uwosh.edu</a> ; Website: <a href="http://www.uwosh.edu/sponsoredprograms">www.uwosh.edu/sponsoredprograms</a>
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### I. Overview

This procedure provides guidance on what constitutes a Participant versus Employee, and the proper handling of these two classifications during grant proposal development and during payment disbursement.

### II. Applicability

Inclusion of Participant Support Costs will follow guidance under [2 C.F.R. 200.75](#). Pre-award staff will work with the PI and Human Resources (as applicable) to ensure the grant proposal properly categorizes Participants in the grant budget. The Grants Accountant will work with Human Resources during award setup to ensure that proper WISER subaccounts are established and that Participant stipends are compensated following institutional policy.

### III. Procedure

The proposed roles and responsibilities of individuals will determine how they are classified in the grant budget. It is important that OSP staff and the PI have a clear understanding of anticipated roles of individuals to ensure proper categorization of costs in the proposal budget. Table 1 below provides a comparison of Participant vs. Employee characteristics.

**Table 1. Comparison of Participant vs. Employee**

	<b>Participant/Trainee</b>	<b>Employee</b>
<b>Role</b>	<ul style="list-style-type: none"> <li>• Individual is solely involved for their educational benefit</li> <li>• No expected work effort or benefit to the grant project</li> <li>• Common with training grants and conferences</li> </ul>	<ul style="list-style-type: none"> <li>• Effort directly benefits the PI's research</li> <li>• Performing work for the Institution</li> <li>• Not typically a training grant</li> </ul>
<b>Budget Category</b>	Participant Support Costs <ul style="list-style-type: none"> <li>• Stipend</li> <li>• Scholarship</li> </ul>	Other Personnel <ul style="list-style-type: none"> <li>• Salary/Wages &amp; Fringe</li> </ul>
<b>Allowable Costs</b>	<ul style="list-style-type: none"> <li>• Travel stipends</li> <li>• Subsistence stipends</li> <li>• Housing stipends</li> <li>• Research stipends</li> </ul>	<ul style="list-style-type: none"> <li>• Wages, Fringe in Personnel category</li> <li>• Indirect Cost</li> <li>• Travel costs under Travel category</li> </ul>
<b>Purpose of Payment</b>	Defray costs of participating in a conference or training activity	Compensation for services provided to the project and University

## 1. Participant/Trainee Support Costs:

- i) **Definition:** A participant is defined as an individual who is the recipient (not the provider) of a service or training associated with a conference, workshop, seminar, or training grant. Participants are involved in the event specifically for their educational benefit and do not perform work that benefits the project or program. Participants may include students but also scientists from other institutions, scholars, private sector representatives, teachers and local or state government personnel.
- ii) **Participant Support Costs** (as defined in 2 CFR 200.75) mean direct costs for items such as stipends and subsistence allowances that are paid on behalf of participants or trainees (not employees) in connection with conferences and training projects. Participant support costs must be incurred within the project performance period and must be specifically allowed by the sponsor.
- iii) **Unallowable Participant Support Costs** include honoraria for guest speakers (speakers are generally considered Consultants, not Participants), expenses for project staff or collaborators to attend meetings, conferences or seminars; payments to graduate research assistants, or incentive payments made to human research subjects.
- iv) **Scope of Work:** Proposals that include Participant costs should include a training component in the project scope of work that includes defined learning outcome with activities that clearly constitute training versus employment. The training role should be clearly stated in the grant proposal and budget so the sponsor understands the participant involvement.
- v) **Budgeting:** If the individual's role is appropriate as a participant then the associated costs are included under the "Participant Support Costs" category in the budget. This category is separate from the Personnel category that is designated for UW Oshkosh employees serving as project staff.
- vi) **Reallocations:** Reallocations of Participant Support Costs to other budget categories must receive prior approval from the funding agency prior to those funds being reallocated for other uses in the budget.
- vii) **Subawards:** If the grant award issues Participant Support Costs to a subrecipient collaborator then the UW Oshkosh PI will review all subrecipient invoices to ensure Participant Support Costs are accounted for separately and that they are allocable and allowable.

## 2. Employee Costs: Project employees are UW Oshkosh employees whose efforts provide a direct benefit to the grant-funded project. Employee costs are budgeted as salary or hourly wages under the Personnel category in the grant budget and are disbursed through the standard payroll process at the University. Fringe is included as an associated cost to any salary or wages and the fringe rate will vary by job classification.

- i) **Student Employees:** Students must meet minimum enrollment requirements: be enrolled in a minimum of six undergraduate credits or 4.5 graduate credits in the fall/spring. For summer, the student must be enrolled in three credits for undergraduate and graduate OR enrolled at least half-time in upcoming Fall semester. Per regulations under the Affordable Care Act, Student workers must work within an allowable hourly maximum of 25 hours per week (20 hours/week for international students) for fall and spring semesters. Students are permitted to work up to 40 hours/week during the summer, for up to 12 consecutive weeks.

## IV. Guidance Documents/Policy Links:

- [Uniform Guidance 2 CFR 200.75-Participant Support Costs](#)
- [UW Oshkosh Human Resources-Student Employees](#)
- [Affordable Care Act Student Employee Work Hours Eligibility Schedule](#)

- Current UWO Fringe Rates: <https://uwosh.edu/sponsoredprograms/frequent-data/>
- United States Department of Labor, Fair Labor Standards Act (FLSA): <https://webapps.dol.gov/elaws/whd/flsa/scope/ee15.asp>

## V. Templates/Forms

## VI. Definitions

**Participant/Trainee:** Involvement in the grant proposal has a main goal of training with no expected work effort. Involvement of the student is designed to contribute to their educational experience and individuals are non-UWO employees paid via stipend, scholarship or other lump sum payment.

**Employee:** Project employees directly benefit the grant project and are considered University employees. Students designated as grant project staff must have Student status with the University. These positions are budgeted in Personnel category in the grant budget and are disbursed as salaries and wages and have an associated fringe rate. Employees are rarely paid via lump sum payment. Plan to include employee compensation as an hourly rate or using base salary x % effort.

## VII. Contact Information

For questions or comments, please contact [OSP@uwosh.edu](mailto:OSP@uwosh.edu) or 920-424-3215

## VIII. Revision History:

Created: 10/18/18

Revised: 03/05/20; 03/21/22