Tuesday Tips is an outreach effort by OGCA. The idea behind Tuesday Tips is to convey tips, tricks and other helpful information around the area of research administration. Our goal is to post on (almost every) Tuesdays. If there is something you would like to see covered on Tuesday Tips, email: UAF-GCReATE@alaska.edu. For more Tips visit OGCA website.

Distinguishing Between Stipends for Training and Salaries/Wages for Student Compensation

Comparison

Stipend	Salaries & Wages
Financial assistance or support paid to university students; no work assigned.	Compensation for performance of assigned work.
No	

No Workers' Compensation

extramural awards made to UAF, administered jointly Office of Grants and Contracts Administration (OGCA)and the responsible unit or department.	requires coordination with Office of Grants and Contracts Administration (OGCA).
Amounts based upon reasonable need or stipend limits set by the sponsor of the training or fellowship grant.	Amounts restricted by University salary scales.

A stipend is a periodic payment other than wages paid to a student in connection with educationally related activities undertaken by the student. Stipends may be paid in various forms. It can be an amount paid to a graduate, undergraduate, or postdoctoral st udent as a scholarship, fellowship, financial assistance grant, training grant, or other contribution to support educational or training expenses, including tuition, living costs and other incidental expenses.

Stipends are not compensation, and cannot be paid, for services rendered. A stipend is distinct from wages or salaries because it is not intended to compensate a student for work performed. Rather, it is intended to free up a student to undertake a role in connection with educational studies or rese arch that would

functions in determining indirect costs. If funds used to support effort directly benefiting organized research are coded as stipends, these costs are excluded from the research base in viol ation of the federal cost principles.

National Institutes of Health

The National Institutes of Health Grants Policy Statement (Revised December 1, 2003) states explicitly that stipends are not allowable on research grants. This definitive statement appear s twice in Part II: Terms and Conditions of NIH Grant Awards Subpart A: General; Selected Items of Costs. Under Salaries and Wages, it states: "Payments made for educational assistance may not be paid from NIH research grant funds even when they would appe ar to benefit the research project." Further, under the entry for Stipends, it states: "Stipends are not allowable under research grants even when they appear to benefit the research project."

National Science Foundation

The National Science Foundation Grant Proposal Guide allows for stipends only in support of participant costs at conferences, symposia, workshops, or other specific training activities. In these cases, the scope of work should include a description of the training activity and NSF would have acknowledged that participant costs would be funded by stipends. NSF guidelines do not provide an allowance for payments to non -employees or non-consultants for activities that benefit a research award.

Given this clear guidance from NIH and NSF, University policy follows this guidance for all federal awards, regardless of agency.

For additional Information visit the Office of Grants and Contracts Administration