



RESEARCH CORPORATION
of the **UNIVERSITY OF GUAM**

RESOLUTION NO. 15-08

RELATIVE TO APPROVING THE STIPEND AND HONORARIA POLICY

WHEREAS, the Research Corporation of the University of Guam (RCUOG) was established by Public Law 32-114 as a public corporation; and

WHEREAS, the purpose of the RCUOG includes the promotion of assigned educational, scientific and literary pursuits of the University of Guam's grants and contracts through aiding in the development of study, training, and research and to furnish the means and methods to do so; and

WHEREAS, honoraria and stipends are periodically charged to federal grants and RCUOG is in need of a policy to communicate when these charges are appropriate and allowable.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby adopts the Stipend and Honoraria Policy for the Research Corporation of the University of Guam.

Adopted this 11th day of September, 2015.

Dr. Robert A. Underwood, Chairperson

ATTESTED:

Dr. Kate A. Moots, Secretary



STIPEND AND HONORARIA POLICY

Purpose:

To ensure that RCUOG properly accounts for stipends and honoraria made available through federal grants where allowable.

Federal Guidance for Stipends

Awards where the training intention is described clearly and accepted by the federal sponsor can include stipend expenses. The scope of work in the proposal should state explicitly that training or research training of selected participants is a purpose of the award. In such cases, when the proposal is approved by the federal sponsor, stipend expenses are expected and allowable (CFR 200.466).

Stipends are not considered compensation

Stipend payments are not compensation for services rendered and, therefore, are not allowable on federal awards unless the purpose of the agreement is to provide training to selected participants and the charge is approved by the sponsoring agency. Stipends are payments made to individuals for subsistence support or to defray expenses during a period of academic appointment.

The meaning of stipend within this guideline is strictly intended to help the stipend recipient defray living or other expenses but is not intended as compensation for services rendered. Each agency or sponsor may have its own specific definition of "stipend" and that definition should be applied to awards from the respective sponsors. The *National Institute of Health's (NIH) Grant Policy Statement (GPS)* provides the following guidance: a stipend is "a payment made to an individual under a fellowship or training grant in accordance with pre-established levels to provide for the individual's living expenses during the period of training. A stipend is not considered compensation for the services expected of an employee." Students must be academically associated with the activities of the sponsored project to receive a stipend. Stipend recipients may work on the activities associated with the award, in pursuit of their academic goals, but are not required to perform services for the project in exchange for the stipend.

Stipend Ceiling

RCUOG's stipend ceiling is \$2000. Amounts exceeding \$2000 should instead be categorized as salaries. PI's may determine the amount of the stipend based on funding availability and/or duration of training. Stipends exceeding \$2000 must be accompanied by a memo justifying why the requested stipend amount is reasonable, required, and allowable by the federal sponsor.

Honoraria

Honoraria are given to professionals for services rendered for which fees are not traditionally required. Honoraria can be awarded to those individuals who are giving a lecture, leading a workshop, or for other academic purpose directly relating to a sponsored award.

There is no fixed honoraria rate, however most honoraria range from \$500 to \$2000 depending on the individual effort required to fulfill the designated purpose. Honoraria exceeding \$2000 must be accompanied by a memo justifying why the requested honoraria amount is reasonable, required, and allowable by the federal sponsor.

Initiating Stipend or Honoraria payments:

To initiate a stipend as part of a federal award, the PI/PD prepares a memo with the following information and submits it to RCUOG:

- a. List of stipend recipients including: names, amounts, and payment terms - The payment terms should address how the stipend will be issued and for what periods. Stipends are normally paid in one or two installments. Honoraria are normally paid in one installment.**
- b. Title of sponsored award and the associated account to which the stipends/honoraria should be charged.**
- c. A complete set of W-9 Forms for each stipend recipient on the list. The W-9 Form can be downloaded from the IRS web site. (The form requires the individual's name, address and SSN and must be signed and dated in order for RCUOG to process the stipend request. On the form, students should be advised to check the box indicating individual.)**