

Allocability of GA Tuition and Stipends on Sponsored Projects

UTC strongly encourages faculty to consider budgeting for sponsored research and employment opportunities for students whenever feasible on external and internal grant awards. However, we recognize that this can be challenging in situations where tuition or stipends must be prorated. While UTC generally requires internal grants to follow similar regulations as required by federal funders, this is one area where exceptions may be made for specific internal funding opportunities that operate under the auspices of the Vice Chancellor for Research including CEACSE, Faculty PREP, and BRIC programs.

Requirements for Federal Awards

Per federal regulations, both student compensation AND tuition & fee payments from federal programs must be directly allocable to the grant award (this requirement is codified within the federal Uniform Guidance 2 CFR § 200.405 - Allocable costs). Meeting this requirement is straightforward in terms of stipends or compensation: grant funds should only be used to pay students for their effort that benefits a specific grant award. However, for tuition and fee payments, it is equally important that specific grant awards only bear the costs directly allocated to the student's work on the project.

Examples include the following:

- A full-time PhD or other Graduate Assistant expends their full effort on a federal grant that ends during the course of the semester. The grant should be charged a pro-rated amount of tuition, fees, and student stipend payments consistent with the amount of time during the semester that the project was active.
- A full-time PhD or other Graduate Assistant worked on several different federal projects during the course of a semester. Each sponsored project should be charged proportionally for tuition, fees, and student stipend payments based on the student's effort on each project.

Since tuition is charged at the beginning of each semester, it is important to remember to adjust the amount of the tuition and the account distribution in the GA SharePoint site when it is necessary to move the student worker on or off a grant account mid semester. The change in SharePoint will cue a change in Banner for the distribution of these awards on the student's UTC account, which cues a change on the grant/departmental accounts in IRIS. Please work with your department's administrative specialist to administer these type of changes.

Exceptions for Internal, VCR-Supported Awards

While the federal regulations are non-negotiable, the issue of tuition allocability to a specific sponsor is one area where UTC policy differs from federal sponsors. At UTC, employee effort on and compensation from projects funded by internal sources must still be allocable to a specific grant; however, the Accounting Services office and the Vice Chancellor for Research have created an internal funding exemption **that applies to tuition only**. This exemption means that PIs may charge the full amount of a student's tuition to a grant, even if the student does not work the entire semester on that grant.

Examples include the following:

- A full-time PhD or other Graduate Assistant expends their full effort on a UTC-funded PREP grant that ends during the course of the semester. The grant must be charged a pro-rated amount of student stipend payments consistent with the amount of time during the semester that the project was active, but the student's tuition for that semester may be paid in full.
- A full-time PhD or other Graduate Assistant worked on both a federal grant and a UTC-funded CEACSE grant during the course of a semester. Each grant should be charged proportionally for student stipend payments based on the student's effort on each project, but the student's tuition for that semester may be paid in full by the CEACSE grant.

Frequently Asked Questions

Q: *If I pay a PhD student from an internal grant that runs July 1, 2020, to June 30, 2021, how much tuition can I charge to that grant?*

A: If the student works only on that project throughout the year, you may charge full tuition for Fall 2020, Spring 2021, and Summer 2021. In each of those semesters, the tuition payment deadline is within the grant period. Summer 2020 tuition may not be charged to the grant, because the tuition payment deadline is prior to July 1, 2020.

Q: *If I pay a PhD student from an internal grant that runs July 1, 2020, to June 30, 2021, can I pay the student in advance for July and August 2021?*

A: No. Student stipends may only be paid during the period of performance of a project. If you fund a student from a grant that ends in the middle of the summer, you must find additional funding for the rest of the summer, either from your department or another grant (provided you pay the student from the grant for the project on which the student does the work).

Q: *If I pay a PhD student from a federal grant that ends June 30, 2021, can I charge the student's full summer tuition to that grant?*

A: No. You may only charge to that grant the amount of tuition proportional to the student's time on that grant. In this case, you can only charge pro-rated tuition and fees for the summer semester up to June 30. Any remaining tuition must be paid by the student or from another source.

Q: *If I pay a PhD student from a grant (federal or internal) that ends June 30, 2021, can I charge the student's full summer stipend to that grant?*

A: No. You may only charge to that grant the amount of tuition proportional to the student's time on that grant.

Q: *If I pay a PhD student from a federal grant and an internal grant, both of which end March 31, 2021, how should I allocate the student's tuition and stipend payments?*

A: No matter the source, grant funds should only be used to pay students for their effort that benefits a specific grant award. Each grant should be charged proportionally for student stipend payments based on the student's effort on each project. The federal grant may not be charged full tuition for Spring 2021 because the student will not be working on the project after March 31. The internal grant, however, may be charged for the full spring tuition amount, provided the student works on the project in the spring before the March 31 end date.