ERSO Documentation Memorandum

The purpose of the ERSO documentation memorandum is to officially record decisions, interpretations or clarifications made at the executive level that will have broad impact on operations within ERSO. Such documentation is to guide future action in order that ERSO operations are consistent across and within teams. Memorandums are assigned an alpha-numeric identifier in sequence based on Key Unit as follows: Executive Office (EO), Human Resources (HR), Payroll (PR), Information Technology (IT), Research Services (RS) and Research Administration (RA).

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<td>Subject:</td>
<td>Payment to Visiting Scholars on Federal Projects</td>
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<td>Key Unit:</td>
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<td>Identifier:</td>
<td>RA-5 Visiting Scholar Stipends / Long-Term Travel per diem</td>
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Discussion:

Visiting Scholars are individuals who possess a Ph.D. or its equivalent, and whose primary purpose for residence on the Berkeley campus is to conduct independent research*. The length of stay for a visiting scholar is at least one month and, normally, not more than two years. Visiting scholar positions are not compensated. However, units may provide a stipend of up to $10,000 per year. Such stipends can be used to cover subsistence expenses, travel costs, and incidental research expenses, but not as a form of salary compensation.

* Individuals who are participants in research projects of members of the Berkeley faculty and/or who are training under the direction and supervision of faculty mentors should obtain appointments as Postdoctoral Scholars.

Source: https://vspa.berkeley.edu/

Question: Can Visiting Scholar Stipend or Long-Term Travel Per Diem (for living expenses while in residency at UCB) support to Visiting Academic Titles on Federal projects? NO

Findings:

From OMB Circular A-21, section C-4-a(1):

"Allocable costs. A cost is allocable to a particular cost objective...if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received or other equitable relationship.” A cost is allocable to a sponsored agreement if “(1) it is incurred solely to advance the work under the sponsored agreement..."
Given the primary responsibility of Visiting Scholars is to conduct independent research; by their title, Visiting Scholars are not expect to perform work and do not receive salary/wage as compensation, so no employer-employee relationship exists; as a result, there is no basis to allocate visiting scholars' efforts to federally sponsored projects. Therefore payments made to visiting scholars are not considered wages, but miscellaneous income.

Guidance:

Long-term per diem** and stipends for visiting scholars are considered subsistence expenses, not wages for work performed. Subsistence for living expenses does not constitute a contribution to a specific research project; as a result, there is no basis to allocate visiting scholar’s efforts to federal sponsored project, thus a disallowable cost.

If the visiting scholars are devoting effort on a research project, acting as co-investigators, or being trained under the direction and supervision of faculty mentors on a specific sponsored project, then the Principal Investigator should request that the individual be hired as employees. To discuss hiring options, contact ERSO HR Operations at ersohrops@erso.berkeley.edu.

If Principal Investigator would like to provide supplemental support to Visiting Scholars, we recommend requesting Visiting Scholar Payment (stipend) which cannot exceed $10K and funded through non-federal sources, such as unrestricted funds or industry sponsored projects, if allowable. Instructions on how to request a Visiting Scholar Payment can be found on ERSO website in HR section.

Finally, this guidance pertains to all visitors with non-salary appointments including Visiting Professor titles.

**Long-term per diem applies to the daily subsistence allowance authorized for traveler on University travel status of 30 days or more.

Reference: UCOP Business and Finance Bulletin G;28
http://www.ucop.edu/ucophome/policies/bfb/g28.pdf