MEMORANDUM

To: Sponsored Programs Directors
    Contracts and Grants Directors

From: Sarah Smith

Date: January 2, 2014

Subject: Federal Per Diem Use for Travel Supported by Sponsored Awards

The use of Federal Per Diem rates for travel support by sponsored awards should be limited by UNC campuses. The State of North Carolina Per Diem rates should prevail in most all cases. If UNC campuses choose to allow the use of Federal Per Diem rates they should develop campus-specific procedures for their limited use consistent with the following:

Federal Per Diem rates for food may only be used when:

1. The RFP for the award requires the use of Federal Per Diem rates in budgeting and the PI specifically identifies the use of Federal Per Diem rates in the budget and provides substantial justification in the budget narrative; or

2. The Contract, Grant or Cooperative Agreement award is from a Federal Sponsor and the award supports reimbursement of Federal employees’ travel; and

3. University procedures have been established to allow the use of Federal Per Diem rates under unlike circumstances consistent with this guidance, the North Carolina State Budget Manual and appropriate level of review and approval.

This guidance is effective January 17, 2014. Please let me know if you have any questions.

cc: Dr. Christopher Brown