

Summer Fellowship Payment Process 2013

Instructions subject to change in future years.

The Department must determine whether the fellowship is:

- **Affiliated (UR related)** – the student is working for UR faculty/staff member.
- **Unaffiliated (non-UR related)** – the student is not working for a UR faculty/staff member, and the experience occurs off-campus and in no way will benefit the University other than the educational benefit to the student.

Affiliated Fellowships — all payments will be made through Student Employment/Payroll.

- If they have not previously worked on campus, students must complete the required pre-employment paperwork in the Financial Aid Office prior to beginning work. They will need an original social security card, birth certificate or unexpired passport, or other acceptable I-9 documents to complete the pre-employment paperwork.
 - International students who have not previously worked on campus must complete their paperwork through the Office of International Taxation (OIT). International students must receive a Release to Work form from OIT prior to starting work on campus. Allowing a student to work before completing the appropriate documentation can jeopardize the student's visa status.
- For grant-funded fellowships (27xxx, 28xxx and 29xxx funds) — stipend request forms must be submitted to the Grants Accounting Manager for verification. The form may be found here:

<http://controller.richmond.edu/common/pdf/accounting/grants/student-summer-request-form.pdf>

Grants Accounting will review the information, ensure that the fellowship is permitted to be charged to the grant and if so, forward the approved form to Student Employment/Financial Aid for processing.

- Grant fellow payments must be coded to account 6413 (Grant – Student).
- Fringe benefits of 8% for students working on Federal grants or 10% for students working on private or foundation-sponsored grants will be assessed on amounts paid since students are not FICA exempt in the summer.
- Students who work more than 40 hours during the University's official Sunday – Saturday work week will receive overtime pay, in compliance with Department of Labor regulations. Supervisors who anticipate that their summer research fellows may exceed the overtime threshold should contact Laurie Melville in the Controller's Office (lmelvill@richmond.edu or extension 8162) to discuss how grant-related overtime should be handled.

- For all other fellowships — stipend request forms must be submitted to the Student Employment/Financial Aid Office using the student stipend template. The form may be found here:

<http://studentjobs.richmond.edu/supervisors/stipendtemplate.xlsx>

- The payment should be coded to account 6314 (Students - Other).
 - Fringe benefits of 10% will be charged on the amount paid since students are not FICA exempt in the summer.
 - If the hours worked exceed 40 hours in a given week, overtime pay will be charged to the index/fund initially provided.
- Fellowship payments will be paid bi-weekly over the course of the fellowship based on the published student payroll calendar at the following:
<http://studentjobs.richmond.edu/payroll/calendar.pdf>
 - Students may set up Direct Deposit by completing the information on the Payroll website: <http://controller.richmond.edu/common/pdf/payroll/direct-deposit-student.pdf> and selecting the “payroll” option.
 - Although students will be paid on a flat rate basis, they must track the number of hours worked in Banner Web Time Entry (WTE). Hours worked must be submitted in WTE by the published deadlines. Students will receive an email reminder to their UR email address before each deadline.
 - If hours are not submitted in WTE by the cut-off, the student must use the timesheet document that is sent as an attachment on the email reminder to submit hours to the Payroll Office. Students who do not submit their time by the stated deadline may not be paid in that payroll period.
 - For students who are charged to grants, WTE will replace the grant student log process. Students will no longer be required to maintain separate logs of the time worked.
 - If the total hours reported for all UR jobs combined exceed 40 hours for a given week, the University must pay the student overtime pay. This amount will be charged as noted above.
 - Supervisors or their proxies must approve time that was submitted in WTE by the published deadline. Supervisors and proxies will receive an email reminder via their UR email address before each deadline. Failure to approve time by the indicated deadline may result in the student not getting paid in that payroll cycle.
 - For grant funded fellowships (27xxx, 28xxx and 29xxx funds), the approver or his/her designated proxy must have first-hand knowledge of the time worked by the student. This is a requirement under Circular A-21.
 - Instructions for approving time in WTE, including how to designate a proxy, may be found here: <http://controller.richmond.edu/common/pdf/payroll/web-time-approval.pdf>

- Students will receive a Form W-2, reporting wages earned and taxes withheld, at calendar year-end.

Unaffiliated Fellowships — all payments will be made through Accounts Payable

- The check request form should indicate the appropriate index or fund and charge account code 7579 (Summer Fellowship).¹
- Payments to students receiving unaffiliated fellowships will be disbursed in two installments:
 - Eighty percent (80%) will be disbursed prior to the commencement of the fellowship based on the fellowship award letter.
 - Twenty percent (20%) will be disbursed upon satisfaction of the conditions for receipt of a fellowship award, including receipt of the student’s self-evaluation and employer evaluation forms, as stated in the award contract.
- Check requests must be submitted at least two (2) weeks in advance of the desired payment date and include the following:
 - Identify payment as a fellowship.
 - A copy of signed award contract must be attached as documentation.²
 - Checks will be mailed to the address provided in the award contract form. Students may set up direct deposit by completing the information on the Payroll website, which may be found here: <http://controller.richmond.edu/common/pdf/payroll/direct-deposit-student.pdf> and selecting the “accounts payable” option.
- For students who are U.S. citizens or permanent residents, the Internal Revenue Service does not require that the University either withhold taxes from this payment or report the payment for tax purposes. However, the payment may still be considered taxable income depending on the student’s individual circumstances.
 - Students will not receive a Form 1099 or W-2 at year-end reflecting this payment.
 - Students will receive a form letter from the Controller’s Office advising them of the general treatment of this amount for tax purposes and recommending that they consult with their tax advisor.
- For students who are non-resident aliens (NRA) for income tax purposes, different rules may apply which may require that the University withhold taxes.
 - NRA students should be encouraged to consult with the Office of International Taxation to discuss their specific situation and to determine whether withholding is required.
 - In most cases, fellowship payments will be reported on Form 1042S, Foreign Person’s US Sourced income Subject to Withholding, at calendar year-end.

¹ Account #7579, Summer Fellowship, is not a budgeted account line. Charges to it will create a negative balance. The department will need to ensure that there are sufficient balances from other account lines in the department’s budget to cover the fellowship expenditures.

² Please utilize the UR Summer Fellowship Award Contract with the approved language regarding taxation. Contact Katybeth Lee, klee3@richmond.edu for a template.

- Exceptions to the 80/20 disbursement schedule or the account coding convention may be considered if required to comply with the terms of the external grant or donor agreement, e.g., the grant from which a student's fellowship is to be paid requires, as a condition of the grant, that payment be made on a different schedule or the payment schedule is milestone based. If you believe that the funding source used to pay your summer fellows has special requirements, please contact Tammy Hicks in the Accounting Office to discuss. Approval must be obtained from the Controller's Office prior to submitting payment.

Housing

On-campus housing will be available between May 20 and August 2, 2013. If students need accommodation before or after these days, they may apply for Extended Stay. Further information on housing may be found here:

<https://housing.richmond.edu/summer/research/index.html>

Students should make housing arrangements before the end of the spring semester, but not before April 2. The terms of such housing are governed by the University's housing contract, which students will be required to sign.

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