POLICY:	Stipend/Fellowship	POLICY NO. AP 265 STIPEND/ FELLOWSHIP	
SECTION:	Accounts Payables	EFFECTIVE:	06/15/2020
APPROVED BY:		HISTORY:	

265.1 PURPOSE

Establish a policy and related procedures for administering stipends for scholarships and fellowships.

265.2 DEFINITIONS

a) Salaries and Wages

Payments which represent compensation for past, present or future employment services performed primarily for the benefit of the employer where the work is under the direction or supervision of the employer, whether or not such payments are subject to taxation.

b) Stipends

Amounts paid to a graduate, undergraduate, or postdoctoral student as a scholarship, fellowship, financial assistance grant, training grant, or other contribution to support educational or training expenses, including tuition, living costs and other incidental expenses, which will enhance the individual's level of competence in a particular area, and which may or may not be accompanied or supplemented by a full or partial tuition waiver. No employment relationship is created by a stipend, since no services are required.

c) Dual Role

The role of a student who concurrently holds a position of employment with the university under which salaries and wages are received during the same period for which a stipend is also received

265.3 POLICY

Conformity with Tax Requirements

It is the policy of the UAS to undertake to administer payments of salaries and wages and of stipends in conformity with all applicable laws and regulations, including those governing by the contracts and grants and those governing both taxable and tax exempt payments.

Nothing in this policy and procedure relieves a recipient of payments from UAS of his or her personal duty to settle all lawfully imposed tax liabilities. UAS will provide recipients with appropriate documents in connection with all such payment, but UAS cannot provide legal or accounting advice.

Since the student is ultimately responsible for establishing that grant amounts are properly

excluded from his or her income for the year, the student is responsible for keeping appropriate records to substantiate qualified tuition and expenses. It is important for students to retain copies of bills, receipts, cancelled checks, or other documents that would show the use of the grant amount.

265.4 ADMINISTRATIVE PROCEDURES

1) Stipends will be paid as tax exempt payments through the accounts payable system. Prior to issuing the check UAS accounting staff will confirm student enrollment status. In addition programs participants need to complete and sign a Stipend form.(Appendix a)

2) Payments to students in a dual role will be administered in accordance with the policies applicable to the respective payments and subject to the conditions thereof, i.e., stipends will be paid through the accounts payable system, and salaries and wages through the payroll system.

3) Payments to students who are not candidates for a degree, including postdoctoral fellows, UAS will report the total stipends paid under this section on an annual basis to the Internal Revenue Service on IRS Form 1099.