871.1 PURPOSE

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

871.2 DEFINITIONS

1. **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.

2. **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.

3. **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

871.3 POLICY

Conformity with Tax Requirements

It is the policy of the ASC 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 ASC of his or her personal duty to settle all lawfully imposed tax liabilities. The ASC will provide recipients with appropriate documents in connection with all such payment, but ASC 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.

871.4 ADMINISTRATIVE PROCEDURES

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

b) 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.

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

871.1STIPEND PROCESS

1. **Stipends Processed through the Universities.**

   When possible, ASC will transfer stipends payment to the university.

   External funded projects identify if funds are available for CSUF student stipends and tuition. Project should develop a payment schedule which indicates: Project Title, project account number, Project Director Name, Student Name, Student CWID#, payment amount., CSUF Payment for Student Participants (Appendix B) has to be attached to the check request form. The check request is approved by the Project Director and Project Coordinator to ensure that the expense is allowable, reasonable and allocatable. The check request is payable to CSUF, Cashier Office/Student Financial Aid. When the check is issued, an expense transaction is recorded in ASC general ledger and is billable to the external funding agency.

   a) Upon receipt of ASC checks, CSUF shall deposit the check into campus bank account, creating records in student financial module for each of applicable student record.

   b) Student Tuition account will be credited and monthly stipend check will issue to the student according to the payment schedule.

c) CSUF will issue tax document to recipient annually in accordance with the financial support received from the campus to meet IRS requirements.

2. **Stipends processed through ASC**

In the event that the stipends could not be processed through the university ASC's accounting staff will process a monthly report for all student stipends recipient and submit the report to the CSUF financial Aid office. The report should include the students I.D. number, Name, Date and amount paid.

(Appendix A)

CSU FULLERTON
Auxiliary Services Corporation
Serving the University in the Spirit of Excellence

2600 Nutwood Ave, Fullerton CA 92831

STIPEND FORM

Project #_____

Date_____

	Mark One

Name _____

Student ID_____

CSUF STUDENT   Yes _____

    No _____

OTHER STUDENT   Yes _____

Address _____

    No _____

_____

Non-STUDENT   Yes _____

Stipend Pay Period: Start Date _____   End Date_____

Requesting Stipend in the Amount of $_____

Reason for Stipend (To be completed by Department)

_____

_____

_____   _____

Student/ participant Signature   Date

By my signature below I certify that:
Acknowledges that these expenditures are authorized per the terms and conditions of the Grants/Awards.
There is no employee–employer relationship between ASC /CSUF and the payee.

_____   _____

Principal Investigator/Project Director   Date

_____

Printed name of Signatory

CSU FULLERTON
AUXILIARY SERVICES CORPORATION

CSUF PAYMENT FOR STUDENT PARTICIPANTS

CSU FULLERTON
Auxiliary Services Corporation
Serving the University in the Spirit of Excellence
2600 Nutwood Ave Suite 275, Fullerton CA 92831-3137

ASC ACCOUNT # _____   TRANSFER TO CSUF CAMPUS FOR STUDENT STIPEND PAYMENTS

Students Accepted into the _____ Program funded by US Department of Education for FY 20XX-20XX

Each student allotted $ _____ stipend and $ _____ for tuition & associate fees

_____ graduate students @ $ _____ /yr = $ _____

Name of the Students	CWID#	TOTAL FY	Fall 2XXX 9/XX	10/XX	11/XX	12/XX	Spring 2010	2/XX	3/XX	4/XX	5/XX	Books,	TOTAL
		FINANCIAL AID & Fees	Tuition & Fees	Stipend	Stipend	Stipend	Stipend	Tuition & Fees	Stipend	Stipend	Stipend	Stipend	Computer	SPONSOR
													Misc. Exp	FUND
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payable to CSUF in 9/XX @50%			0.00										
Payable to CSUF in 2/XX @50%			0.00										

Books, equipment and other misc. expenses will require receipts and be paid by ASC.