

Student Stipends and Tuition Reimbursement Policy



Policy Number: 600-019
Effective Date: April 3, 2007
Last Updated: July 1, 2008¹
Issuing Authority: Vice President for Research and Compliance
Responsible Offices: Office of Sponsored Programs/Research Administration; Office of the Vice President and Controller; Grant and Contract Accounting; Office of Financial Aid, Scholarships, and Student Employment; International Student Services; and Payroll

Purpose:

To ensure that Howard University and all related entities, business units, subsidiaries and affiliated organizations including, but not limited to, Howard University Hospital (hereinafter referred to collectively as “Howard University”) properly accounts for and allocates student stipends and tuition reimbursement derived from sponsored awards. Funds for stipends and tuition reimbursement are often made available through sponsored training awards.

Policy:

It is the policy of Howard University to allocate and account for student stipend and tuition funds properly. Howard University may grant student stipends and/or tuition reimbursements to students assisting with sponsored projects and enrolled at Howard University. Student stipends are granted only to Howard University students, **unless** the stipend funds for non-Howard University students are required and supported by the sponsor (e.g. student assisting with a Howard University sponsored project enrolled at the University of the District of Columbia). In cases of student stipends for non-Howard University students, the Principal Investigator/Project Director (PI/PD) must confirm compliance with three requirements:

1. The sponsor provides the funding for the non-Howard University stipends *and* requires them as part of the award
2. Students receiving the stipends participate in activities beneficial to the sponsored project
3. Students meet the eligibility criteria for the stipend established by the sponsored award, Howard University, and the relevant academic department

Business Process Description:

The PI/PD determines whether the sponsored project includes funds for student stipends or tuition reimbursement and identifies eligible student recipients. If the PI/PD has questions concerning the terms and conditions of the training award, the Office of Sponsored Program/Research Administration (OSP/RA) is contacted. **Complete documentation related to this process should be retained by the PI/PD.**

¹ Minor changes to enhance clarity, assure consistency with other policies or correct misspellings and other grammatical errors have been made after the initial approval date.

Student Stipends

The meaning of “stipend” within this policy is strictly related to a payment intended to help the stipend recipient defray living or other expenses but not intended as compensation for services rendered. Each agency or sponsor may have its own specific definition of “stipend” and that definition should be applied to awards from the respective sponsors. The *National Institute of Health’s (NIH) Grant Policy Statement (GPS)* provides guidance that will be helpful in many cases. According to the NIHGPS, a stipend is “a payment made to an individual under a fellowship or training grant in accordance with pre-established levels to provide for the individual's living expenses during the period of training. A stipend is not considered compensation for the services expected of an employee.” Students must be academically associated with the activities of the sponsored project to receive a stipend. Stipend recipients may work on the activities associated with the award, in pursuit of their academic goals, but are not required to perform services for the project in exchange for the stipend.

Note: If the term “stipend” is used elsewhere in the university with another meaning that *does* create an employment relationship, this policy does not apply. Such situations, including but not limited to research assistantships and pre- and/or post-doctoral positions, are governed by human resources employment policies. (See Personnel Issues in Hiring for Sponsored Programs as well as general Howard University human resources policies.)

1. The PI/PD determines if a student meets the eligibility requirements for a stipend based on the terms and conditions of the agreement (e.g., a specific grant may require the recipient to be a U.S. citizen enrolled as an Engineering major). **It is the responsibility of the PI/PD to maintain documentation of this verification.**
2. PI/PD completes and submits the following information to Accounts Payable (AP)
 - a. A Service Request with a list of student stipend recipients including:
 - i. Names
 - ii. Amounts
 - iii. Payment terms - The payment terms should address how the stipend will be issued and for what periods. (For example: The PI/PD may decide to have the stipend paid in a lump sum or paid a week at a time for a specific number of weeks.)
 - b. An indication of the sponsored award and the associated account to which the stipends should be charged
 - c. A complete set of W-9 Forms for each stipend recipient on the list. The W-9 Form can be downloaded from the IRS web site. (The form requires the individual’s name, address and SSN and must be signed and dated for AP to process the stipend request. Students should be advised to check the box for individual.)
 - d. As necessary, international students should coordinate with International Student Services to obtain requisite approval in order to proceed.
3. The PI confirms that the student stipend payment is consistent with the terms and conditions of the award, encumbers the sponsored award, forwards the original forms to Accounts Payable (AP) and maintains a copy with all supporting documentation. (See the Roles and Responsibilities section for approval authorities based on the amount of the stipend.)
4. AP pays the stipend according to the payment schedule. (Student stipends are typically paid every two weeks.)
5. The sponsored award’s account is charged.

Tuition Reimbursement

Tuition reimbursement is provided to assist students participating in the activities associated with a sponsored project to defray the cost of higher education.

1. The PI/PD determines if a student meets the eligibility requirements for tuition reimbursement based on the terms and conditions of the award. **It is the responsibility of the PI/PD to maintain documentation of this verification.**
2. The PI/PD completes the *Financial Aid Requisition Form* with all required signatures and submits it to Grants and Contracts Accounting for processing (GCA). After reviewing the documentation from the PI/PD, GCA encumbers funds in the financial system against the sponsored award's account, forwards the form to the Office of Financial Aid, Scholarships and Student Employment, and maintains copies of all supporting documentation.
3. The Office of Financial Aid, Scholarships and Student Employment reviews the tuition reimbursement to determine how it affects the student's overall financial aid package.
4. The tuition reimbursement is paid directly to the Howard University student account from the sponsored award's account. This payment is made using the funds encumbered above.

Roles and Responsibilities:

Academic Department:

- **Principal Investigator/Project Director (PI/PD):** The PI/PD is responsible for completing the required documentation package for student stipends and the *Financial Aid Requisition Form* (for tuition reimbursement) and submitting them to GCA for processing. The PI/PD is also responsible for certifying the student's eligibility for either a student stipend or tuition reimbursement, and justifies stipends for non-Howard University students. The PI/PD is responsible for maintaining complete documentation related to participants, eligibility decisions, and any other term or condition of the award.
- **Student:** The student is responsible for maintaining his/her eligibility for stipends/tuition reimbursement by being enrolled at Howard University or, for non-Howard University students, at an applicable institution. The student is responsible for completing and submitting the required documentation and forms to the appropriate department.

The Office of Sponsored Programs/Research Administration (OSP/RA):

- **Research Administrator (RA):** The RA is responsible for confirming Howard University's current tuition rate and anticipating a tuition rate increase on proposals. In the event there is an award made and the submitted tuition rate on the proposal is not the current tuition rate, the RA coordinates with the sponsor to obtain approval and funds for the current tuition rate. The RA also interprets the terms and conditions of the award.

Grants and Contracts Accounting (GCA)

- **Accountant:** After reviewing the documentation from the PI/PD, the GCA Accountant encumbers funds in the financial system against the sponsored award's account, forwards the form to the Office

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of Financial Aid, Scholarships and Student Employment, and maintains copies of all supporting documentation.

Office of Financial Aid, Scholarships and Student Employment:

- **Counselor:** The Counselor reviews the Financial Aid Requisition form(s) and determines how the payment will affect the student's financial aid package.

Accounts Payable:

- **Assigned Personnel:** Pays the approved stipend according to the established payment terms.

Related Policies & Procedures

- Direct and Indirect Charging Policy
- Cost Sharing Policy
- Hiring Students Procedure
- Personnel Issues – Sponsored Program Hiring Policy

Forms and Links

- OVPRC Website <http://ovprc.howard.edu>
- Application to Seek Off Campus Funds
- Financial Aid Requisition Form
- Time & Attendance Form