

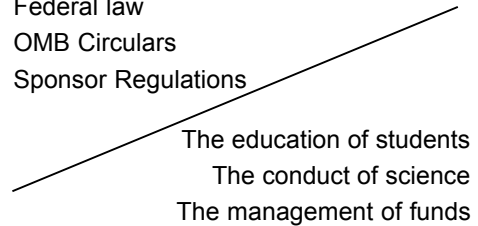
Regulatory Issues in Graduate Student Support

GFS User Forum
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Research and Graduate Policy

The Regulatory Environment

Federal law
OMB Circulars
Sponsor Regulations

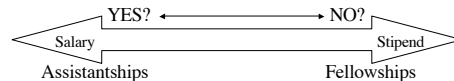


Compliance concerns

- Allowability of charges on grants/contracts
 - Salary vs. stipend, Tuition Allowance, health insurance
- Student employment issues
 - I-9, taxes, work limitations
- RAs working at SLAC
- Sponsor “salary caps”
- Fellowship issues

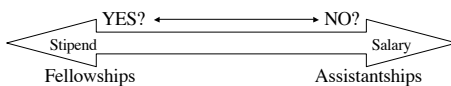
Salary Indicators

- Compensation for work performed (teaching or research)
- “Employer-employee” relationship
- Paid through Payroll, taxes withheld
- Limits on hours worked (Stanford policy, visa limitations)



Stipend Indicators

- Financial aid to provide a “living allowance”
- No services/work required
- Paid through SFS, no tax withheld
- May limit supplemental employment



KEY DISTINCTIONS

SALARY

- ALLOWABLE cost on research grants/ contracts
- Subject to rules about employment, tax withholding
- Charged fringe benefits (4.0% in 07-08 for RAs, TAs)

STIPEND

- NOT ALLOWED on research grants/ contracts, except Training Grants, Fellowships
- Not employment (tax-reportable income, may limit supplemental employment)
- If Stanford-funded, charged stipend surcharge (5.25%)

Having to change from one to the other can be very painful.
Always try to get it right the first time.

More on Allowability

To be allowable, costs must be consistent with University policies

Visiting Researchers may not be paid as RAs (may be paid as hourly employees, no associated TAL)

Health insurance subsidy maximum is 50% of premium, paid from fringe benefit pool (no additional insurance may be charged to sponsor)

How TAL is charged

- Allowable only if student is paid a SALARY (i.e., NOT allowable unless the student has an assistantship appointment)
- TAL may not be charged until it is earned, i.e., at the END of the quarter.
 - Student's tuition is paid at start of quarter
 - Shows as a "prepaid expense" at the beginning of the quarter (not burdened - no IFC)
 - Converted to project charge at the end of the quarter (burdened at this point, if applicable)

Tax and other payroll issues

SALARY

- Student must have I-9 and SSN on file
- Paid twice monthly
- Federal and state tax withheld
- Student employees not subject to Social Security deductions
- W-2s provided

STIPEND

- No I-9 needed
- Paid quarterly
- No taxes withheld, but is "tax-reportable"
- May not be paid to someone on an H-1 visa
- No W-2 issued

Both payments can make use of "direct deposit"

Students and Social Security

- Student employees are exempted from Social Security (FICA) and Voluntary Disability Insurance (VDI) deductions as long as:
 - they are matriculated and enrolled in units
 - they are employed for less than a 40-hour per week schedule during the quarter
- Reason for 2002 change to Summer Quarter Assistantships (now capped at 90%)

Work Limitations during the School Year

- For all students with assistantships during Autumn, Winter, Spring quarters
 - Maximum appt is 50% with full enrollment
 - May work up to full time during breaks between quarters
 - Break = period between last day of finals and first day of the next quarter (see Academic Calendar)
- US students may work an additional 8 hours/week (hourly employment) during the quarter

For international students

- Normally admitted on F-1 or J-1 visas (see Bechtel for process)
- Status reported automatically through SEVIS (uploaded from PeopleSoft), e.g., enrollment, change of address
- May not work more than 20 hours per week during the school year (50% assistantship)
 - MAY work up to 40 hours per week, on campus, during breaks between quarters.

More on citizenship

- Participation in Stanford programs is not restricted on the basis of citizenship.
- SLAC screening requirement for citizens of, or individuals born in:

Cuba, Iran, North Korea, Sudan and Syria

If you are going to pay a student from one of these countries at SLAC, contact SLAC at least 6 months (two academic quarters) BEFORE you expect the student to start work there.

Contact: Daphne Mitchell, (650) 926-5377
dmitchell@slac.stanford.edu

Compensation "Caps"

NIH limit on grad student compensation

- NIH will not provide more funding for a grad student than for a first-year NIH postdoc
- Department may charge up to what a first-year postdoc in your discipline receives
 - Compensation = salary + tuition + benefits
 - Chargeable amount is based on your departmental norm for a new postdoc
 - NIH permits rebudgetting, but they won't provide added funds

Sample: Student/Postdoc Comparison

Grad Student	Postdoc
- 12-month salary	- 12 month salary
\$25,200	\$38,000
- 4 quarters tuition	- 4 quarters registration
\$18,668 *	\$500
- 4 insurance subsidies	- Benefits @ 20.1%
\$1312	\$7638
TOTAL ~ \$45,180	TOTAL ~ \$46,138

NIH will provide up to \$36,996 (current NRSA stipend for a first-year postdoc)

* 65% of regular Grad Tuition, current rate

Fellowship considerations

- Don't use in the place of employment
- If an external award, be aware of donor requirements:
 - Do they permit added employment?
 - What student expenses do they permit?
- Coming Attractions:
An NIH limit on allowable grad student tuition (NIH training grants)

Thank you.

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