

Villanova University
Undergraduate Student Payment Guidelines
August 30, 2023

Overview

The Office of the Provost and Human Resources Department, in consultation with the Office of General Counsel, have developed the following guidance regarding when students who are receiving payment for engaging in research or participating in University related activities should be considered Villanova employees or non-employees. Onboarding and payment processes will differ for employees, who are paid wages vs non-employees, who are paid a stipend through procurement. Table 1, below, outlines key factors relevant to student research or academic activity that will aid in determining whether a given role/program qualifies as employee or non-employee. This guidance can apply to either summer or academic year experiences.

In general, experiences approved as non-employee research or academic experiences will fall under a formal program offered by a college or program office. These programs will offer clear guidelines regarding application and evaluation/award processes. Current programs/experiences approved as non-employee research or academic experiences include: Center for Research and Fellowships Undergraduate Research Fellowships Program (VURF); Center for Research and Fellowships First-Year Match Research Program; Department of Chemistry Summer Undergraduate Research Fellows.

In rare cases, non-employee stipend payments may be allowed on sponsored awards to defray expenses or provide an allowance. Such instances are clearly budgeted and justified at pre-award or through a sponsor approved revision which takes advance planning. Non-employee stipend payments will be budgeted in operating account lines 7497 (NSF Participant - Stipend) or 7429 (Student (Non-Employee) Stipend). All expenses on sponsored awards are subject to OG&C approval as outlined in Villanova's costing policy. If payment is not approved and a commitment has been made to a student, the requestor is responsible for identifying an alternate unrestricted funding source.

Employee v. Non-Employee Designation

Table 1: Chart of (non-exhaustive) factors relevant to categorizing student research or academic activity as an employee or non-employee position. Opportunities should be configured proactively and intentionally to fit clearly within one of the two tracks below.

Non-Employee	Employee
<ul style="list-style-type: none">• The activity directly relates to the student's educational program or is a degree requirement • Students are selected based upon university policies that determine financial need or merit through competition	<ul style="list-style-type: none">• The activity may or may not directly relate to the student's educational program and is not a degree requirement • Students are selected by a principal investigator, lead researcher, or supervisor based on competency, skills, knowledge, availability, and ability.

<ul style="list-style-type: none"> • Funds are provided to defray expenses or provide an allowance, and not based on actual hours of work or services rendered. The stipend is not based on the Human Resources wage scale. • Hours are not tracked or verified for purposes of payment • Primary benefit of activity is to student 	<ul style="list-style-type: none"> • Student is paid a wage or compensated based on hours worked or for services rendered, based upon the prevailing Human Resources wage scale. • Hours are tracked or verified for purposes of payment • Primary benefit is to University/faculty. For research work, consider whether: <ul style="list-style-type: none"> ○ The work helps faculty member achieve their own research or academic program goals, beyond providing an educational experience to the student. ○ If student was not assisting, the supervisor would have to hire someone else or do the work on their own
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Process for Non-Employee Stipend Payments

- Requests for non-employee stipend payments are made via the [Procurement Student Stipend Payment Request Form](#). As indicated on that form, such requests must include:
 - a written explanation for why the position should be appropriately considered a non-employee position based on any relevant factors shown in Table 1 above as a guide; and
 - documentation that the following language was provided in writing to the student participating in the non-employee research or academic experience:

Villanova is providing you with this research/academic [*choose language as appropriate*] opportunity as part of your educational experience at the University. The research/academic program will help you build transferable analytical and critical-thinking skills under the mentorship and guidance of experienced faculty/staff in preparation for your future educational and career endeavors. Recognizing that your participation in this educational program may prevent you from assuming compensated employment, the University will also provide you with a lump-sum stipend to help defray your expenses. This stipend is not a wage or compensation for work performed and the University does not consider you to be an employee based on your activities under this research/academic program. The University will not issue tax documents for non-employees. Each student is responsible for reporting taxable stipend payments along with any other payments they receive, and for remitting any tax due with their personal income tax return. For specific questions about your tax responsibilities, please contact the Internal Revenue Service, an accountant, or an income tax service.

This language can be included in an award letter provided to the student by the host department/division or could be provided as a separate document. In either case, this

documentation must be included with the submission of the Student Stipend Payment Request Form in Concur for Procurement to process payment.

- Academic leadership within the colleges should determine whether a given experience or program aligns with a “research / academic experience” given the above guidance. If there are questions or concerns, those should be raised to Amanda Grannas (Vice Provost for Research) and Tim Hoffman (Vice Provost for Finance & Administration) and the Office of the Provost will make the final determination, in consultation with the Office of General Counsel.
- Approval for the request is granted at the college level, by the College Finance Manager, or designee as determined by the College. College-level approval is indicated by signature of the College Finance Manager, or designee, on the Procurement Student Stipend Request Form.
- College-level approval should also ensure consistency in student payment amounts across similar types of programs/experiences.
- If payment is approved as a non-employee stipend, the college approval process will ensure that the student has access to the facilities and resources available to carry out the project.
- Students who are paid as non-employees will be paid their stipend via Procurement using the [Student Stipend Payment Request Form](#), and should not be onboarded through the Office of Human Resources.
- Non-employee stipend payments from external grant sources (5-indexes) will be approved by the Office of Grants and Contracts in Concur to confirm availability of funds and that the payment is an allowable cost per the sponsored research agreement. Requests for expenses on external grant sources must also include a copy of the budget justification. Any communication to the student should reflect the role as described in the budget justification. *The Office of Grants and Contracts does not approve positions as employee or non-employee, merely the availability of funds and allowability of the expense.* Colleges or programs must be prepared to make alternate arrangements for funding if OG&C does not approve the expense on a sponsored award.

Process for Employee Payments

- Student employees must be fully onboarded through the Office of Human Resources prior to beginning work and will be paid via Payroll on the student payroll schedule.

Undergraduate student non-employee stipend payment guide

Is student engaged in an **established program** that determines eligibility through merit or need? Approved programs: Villanova Undergrad Research Fellowships Program, First Year Match, Chemistry Dept Summer Undergrad Research Fellowship).

Or

If student is engaged in a **Sponsored Research Project (5 index)**, is the role budgeted as either a NSF participant (account: 7497) or non-employee stipend (account: 7429)?

If
yes

College to issue award letter following non-employee guidance (no reference to number of hours, 'working', etc.).

Payment request is submitted by college to Concur following the non-employee guidance. Award letter is included as back up support, and there can be no reference to number of hours or "working".

If
no

If
yes

Payment request is submitted by college to Concur following the non-employee guidance. Budget justification must be included as back up support, and there can be no reference to number of hours, "working" or any internally funded programs.

OG&C reviews and approves all expenses on sponsored awards. College should be prepared to support the expense on an unrestricted index if a commitment has been made to a student and expense is not approved.

If
no

If not approved program or not budgeted specifically on a sponsored award, payment as a non-employee stipend is not permissible. Student should be hired as an employee.