

Stipend Payment Procedure

The Stipend Payment Procedure is intended to provide additional payments to employees outside of their base salary. Stipends are to be used as a means to pay out monies to employees in the following circumstances:

- Monies paid out under a grant
- Monies paid out for additional responsibilities accepted by the employee that are not a function of their primary position
- Monies paid to reward high performance or exceptional work against goals and expectations. Employees must demonstrate exceptional performance beyond normal expectations.

Supervisors must be able to document specific achievements that have been made, measurable contributions and provide specific examples of exceptional overall performance during a set period of time.

Employees are not eligible for stipend payments for activities related to student recruitment or securing financial aid as they are prohibited under the US Department of Education regulations. Such activities include:

- Recruitment activities including: targeted information dissemination to individuals, solicitations to individuals, contacting potential enrollment applicants, aiding students in filling out enrollment application information.
- Services related to securing financial aid including: completing financial aid applications on behalf of prospective applications including activities which are authorized by the Department such as FAA Access tool.

For a complete list of the activities, please refer to the regulations.

Please contact the Human Resources Department for any questions related to the substantiation and justification of requesting a stipend.

Eligibility: Employees may be eligible for a stipend payment based on the above criteria.

Tax Implications: Stipend payments are reportable as additional compensation and are subject to all applicable taxes and withholdings.

Procedure:

- The individual authorizing payment will complete the Stipend Request Form in its entirety.
- Completion of the form will require specific detail of the individual's contributions and performance and/or accomplishments which justify the payment of the stipend.
- The individual authorizing payment is required to forward the completed form along with any supporting documentation to the Vice President of the Division for approval.
- Assuming the Vice President of the Division approves, he/she forwards the completed form with any supporting documentation to the Executive Vice President of Business Affairs for approval.
- Once the Executive Vice President of Business Affairs approves, the Stipend Request Form is sent to the Payroll Department for processing according to the directions on the request in the next payroll processing for the employee's normal bi-weekly pay.
- Requests that do not include the supporting detail can't be processed for payment.
- All stipends are processed with a 25% federal withholding rate.

Effective February 1, 2018