

KEAN UNIVERSITY

OFFICE OF RESEARCH AND SPONSORED PROGRAMS

Policy Name: PAYMENT OF STIPENDS/SCHOLARSHIPS FROM INTERNALLY AND EXTERNALLY FUNDED PROJECTS

Approval Authority: Office of Vice President, Academic Affairs

Issued: August 9, 2011

Revised/Updated: October 25, 2012



1. **Policy Statement**

This policy establishes the requirements of and includes the procedures for budgeting released time for grant-funded projects. This policy applies to all full-time undergraduate and Graduate Students whose compensation is charged in whole or in part to an internally or externally sponsored project of any type.

2. **Reason/Purpose for Policy**

This document describes the University's policy with regard to payment of stipends and scholarships to students from internally and externally funded projects.

3. **Policy Applies To**

This policy applies to all University undergraduate and graduate students who receive stipends from internally funded projects and stipends/scholarships from externally funded projects.

4. **Contacts**

- A. Office of Research and Sponsored Programs
- B. Vice President, Academic Affairs

5. **The Policy**

The University requires that undergraduate and graduate students who receive stipend payments or scholarships be treated differently as to their method of payment.

The Office of Research and Sponsored Programs (ORSP) will manage the payment process and all questions relating to the process of payments for stipends/scholarships for internally and externally funded projects should be addressed to the Grants Post-Award Administrator.

Graduate Students who receive a 12-month assistantship are not eligible to receive stipend payments.

Graduate Students who receive a 9-month assistantship are eligible to receive stipend payments only in summer following the termination of the assistant for the academic year.

Definitions

- Stipends are defined as receiving payment for performing some type of work or a promise of work from an internally or externally funded project. Stipends in this category will be taxed and payment will be made through payroll. A W2 form will be sent to the student for tax reporting purposes.
- Scholarships are defined as a sum of money or other aid granted to a student, because of merit, need, etc., to pursue his or her studies. Scholarships in this category will be processed through financial aid/student accounting. A 1098T form will be sent to the student for tax reporting purposes.

6. Procedure

Stipend Payment processing for internally and externally sponsored projects

- The Project Director/Principal Investigator has the responsibility of insuring that all paperwork required to process the stipend payment is completed properly and receives all the needed approvals.
- The Project Director/Principal Investigator should contact the Grants Post-Award Administrator.
- The following documents are needed to process a stipend payment:
 - a. Stipend Contract
 - b. W4 form
 - c. Copy of the student's social security card.
- All completed documents should be forwarded to the Grants Post-Award Administrator for processing.

Scholarship Payment process for externally funded project

- It is the responsibility of the Project Director/Principal Investigator to coordinate scholarship payments with the Student Financial Services and to inform Scholarship Director that the scholarship is available so that it can be advertised.