Title: Payments to Students
ID: UA- 62
Administrative Division: Financial Affairs
Unit: 502200-Student Account Services (SAS)
Effective Date: 07/01/2017
Contact: Kristy Pritchett
Revision Date: 07/01/2018

Purpose:

The purpose of this policy is to ensure The University of Alabama is in compliance with federal financial aid, Internal Revenue Service (IRS), student privacy and grants management regulations. This policy applies to all students.

This policy applies to the following payments:

- Scholarships, fellowships, and other academic awards, not associated with compensation.
- Payments to defray and/or reimburse a student's travel, research, or other institutionally authorized personal expense.
- Reimbursement for expenses incurred for the benefit of the University.

This policy does not apply to compensation or any other form of fee-for-service payment. The form of the payment does not override the reason for the payment when determining whether this policy or, instead, compensation policies are applicable.

Payments to students from grants and contracts must also comply with the policies located on the Office for Sponsored Programs Policy and Procedures web page, http://ovpred.ua.edu/sponsored-programs/policies-and-procedures/ .

For international students, special tax rules and potential federal withholding may apply. Further information is available at http://taxoffice.ua.edu/international-tax.

Policy:

Scholarships, Fellowships, and Other Academic Awards

A scholarship, fellowship or academic award made to an enrolled student must be recorded through the Scholarship Tracking/Financial Aid System and should not be submitted on a Miscellaneous Disbursement Voucher (MDV), or on a Payroll Personnel Action form.

For undergraduate student awards, process through the scholarship coordinator for your school or division. Use the Banner account code 781213.

For areas processing Undergraduate (UG) scholarships or other UG academic awards that do not have a school or divisional coordinator, the following information should be submitted to Lacie Nolan in Undergraduate Scholarships, 203-O Student Services Center, Box 870132, lacie.nolan@ua.edu.

- Award amount
- Award distribution (e.g., ½ Fall 2006, ½ spring 2007, etc.)
- Student's full name

- Student's CWID
- Name of Fund awarding the scholarship
- FOAP of scholarship
- Scholarship Subcode (example: 81238L)

For graduate and law student awards, process as follows:

- Single semester payments (or payments for two semesters) – Provide the same information as specified under undergraduate students above.
- For graduate students use Banner account code 781214
- For law students use Banner account code 781227.

Graduate student awards which are to be disbursed monthly – Complete the Graduate Scholarships, Fellowships, and Other Academic Awards Payable Monthly form and process to John Chambers in the Graduate School, jchamber@bama.ua.edu, 101 Rose Administration, Box 870118.

If the funding source is from a sponsored program, the form must be submitted to the Office of Contract and Grant Accounting for approval and forwarding to the Graduate School. For graduate students use Banner account code 781214, and for law students use Banner account code 781227. The award will be applied to the student account. For presentation purposes, departments may use a letter or certificate of their choosing.

Note: A student must be or have been enrolled for the award period to receive the scholarship or award. If a student is selected for an award (e.g., Honors Day) in a year subsequent to his last enrollment and the student is not expected to return in the upcoming semester, the award must be processed on a Miscellaneous Disbursement Voucher, and sent to the Accounts Payable office. Note on the MDV that the payment is for a non-enrolled student.

Expenses Incurred for the Benefit of the Student

Payments provided to defray and/or reimburse a student's travel, research, or other department approved personal expenses (actual or estimated), not expressly related to University business, include the following examples:

- Payment of funds solicited by the student for research or travel (funding awarded by graduate school, Student Government Association, department matching funds, etc.).
- Payment of expenses for travel or research initiated and conducted by the student (the student's own research project, thesis, dissertation, etc.).
- Payment of funds from a grant specifically for the purpose of enriching the student's education and training (e.g., training grants).
- Payment of funds to defray/reimburse authorized personal student expenses for participation in a University of Alabama function (dry cleaning expenses associated with participation in the Million Dollar Band and Capstone Men and Women, etc.).

These type payments should be submitted on a Payment to Student form and sent to Geneva Dove in Student Account Services; gdove@fa.ua.edu, 105 Student Services Center, Box 870120. Groups of awards directed through Student Account Services may be processed by sending the information specified above in a spreadsheet. When processed through Student Account Services, the payment will be credited to the student's account and deposited via direct deposit. When the student's account is in a delinquent status, Student Account Services reserves the right to apply the payment to the student account and not refund the amount to the student.

A student must be enrolled when the expenses were or will be incurred; or, must anticipate returning for the subsequent enrollment period. If the student incurred the expenses while not enrolled and will not be returning, the

payment request must be processed on a Miscellaneous Disbursement Voucher through the Accounts Payable Office. Indicate on the MDV that this is a non-enrolled student payment.

Expenses Incurred for Benefit of University

Undergraduate, graduate and law students (whether or not they are employees) may be reimbursed for expenses incurred on behalf of the University when there is a direct connection between the expense and the business purposes of the University. Such reimbursements are not reportable to the IRS by the University as income to the student, provided the required documentation is submitted. Business related expenses reimbursable to students include:

- Expenses incurred by a student, necessary to further a department member's research project or otherwise to fulfill the University's obligations under a contract or grant.
- Expenses to attend a conference/event at which the student is officially representing The University of Alabama at the request of a department member.
- Reimbursement for departmental operating supplies and business entertainment.

Such reimbursements should be submitted to Accounts Payable on a Non-Employee Travel Voucher (http://accountspayable.ua.edu/forms/) or Miscellaneous Disbursement Voucher with expense documentation attached. In addition, attach the Certification Statement for University Business Expense Student Reimbursement form signed by the department member who authorized/requested the student to incur expenses for the benefit of the University. To ensure the timely and accurate reporting of all University expenses, reimbursements should be substantiated, documented, and reported by the student on an approved Travel Voucher or MDV no later than sixty (60) days after completion of a trip or the date on which the business related expense was incurred. Any expense reimbursement request submitted more than 60 days after the expense was incurred is treated as taxable income, subject to withholding per IRS regulations.

Scope (Policy applies to the following audience):

☒ Students
☒ Faculty
☒ Staff
☐ Contractors
☐ Volunteers
☐ Other – Specify: Enter other scope description here.

Approved by: VP-Financial Affairs, April 28, 2017

The University of Alabama
Department Certification Statement
for University Business Expenses
Student Reimbursement

Student's Name:

Student ID Number:

Date(s) Expenses Incurred:

Description of Expense:

The attached student expense reimbursement is submitted as a business expense of the University for the following reason(s) – check all that apply:

☐ The expenses were necessary to further a department research project or a University contract/grant project under my direction.

☐ The student attended a conference/event to officially represent the University at my request.

☐ The expenses were necessary departmental operating supplies or business entertainment.

☐ Other (explain)

I certify that the foregoing is an accurate description of the primary reason that the attached expenses were incurred, to the best of my knowledge and belief.

_____ _____

Authorized Signature* Date

_____

Print Name* & Title*

This certification statement is to be signed by the project director, manager, department head, dean or authorized faculty member who requested the student to incur the attached expenses on behalf of the University.

Exhibit A

Student Payment Processing Flowchart of Instructions

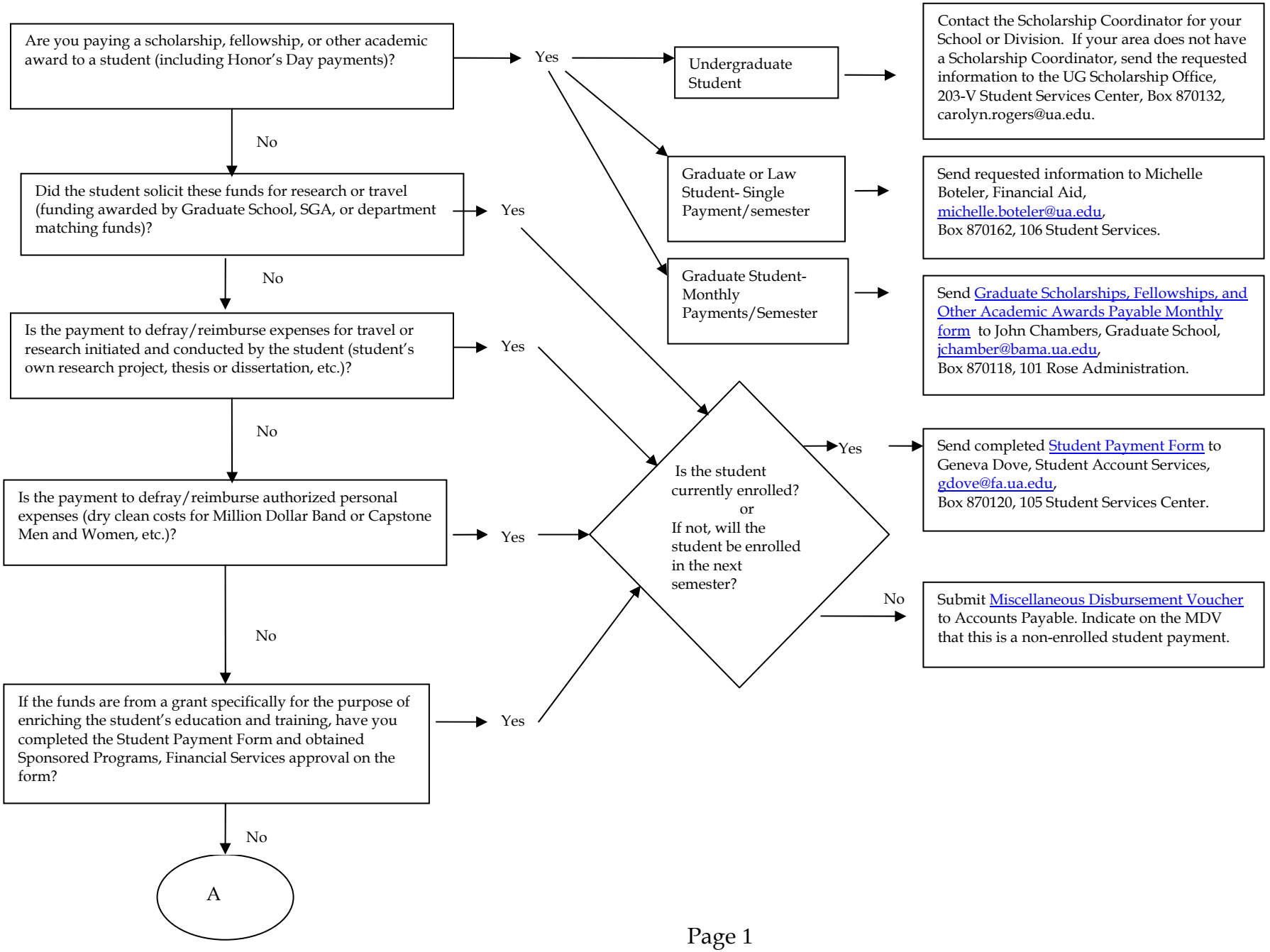
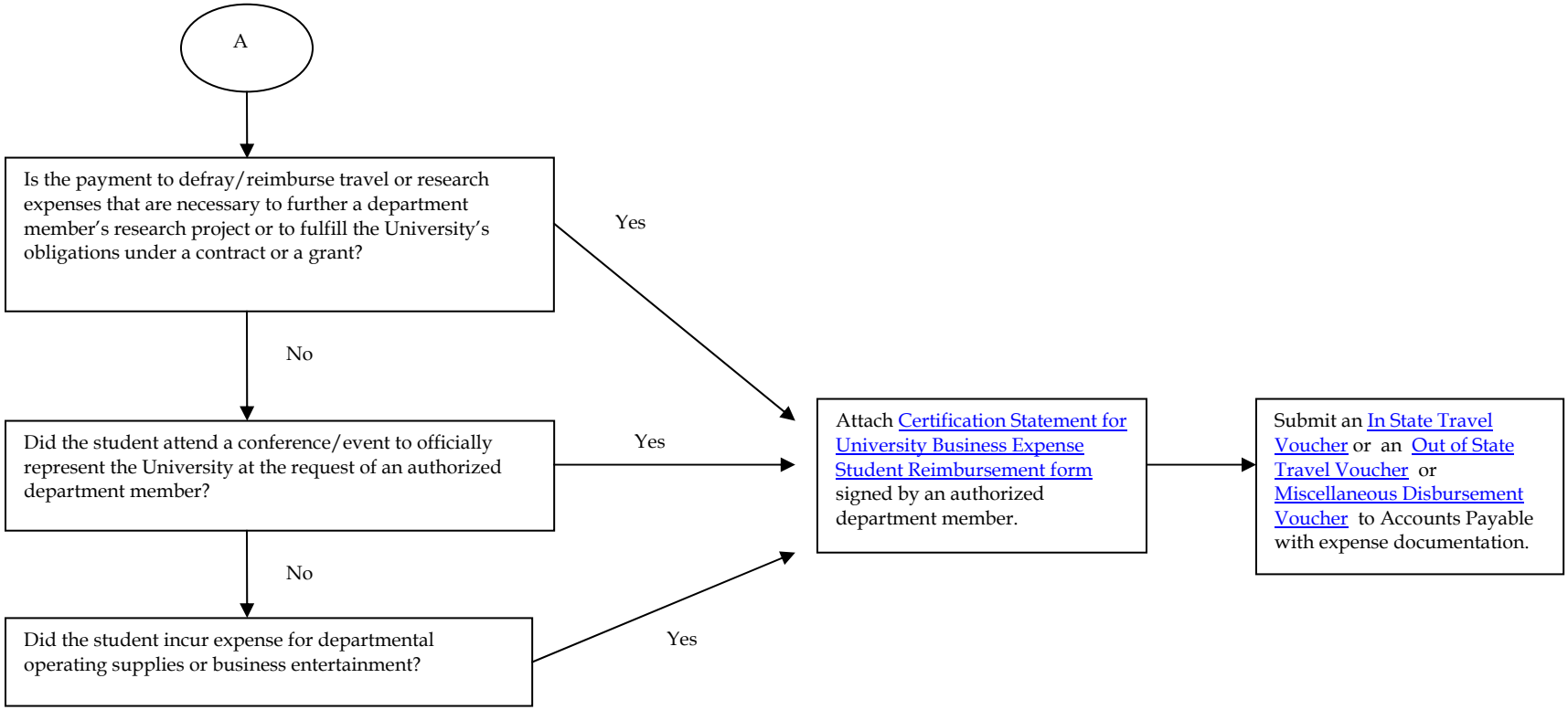


Exhibit A **Student Payment Processing Flowchart of Instructions**



THE UNIVERSITY OF ALABAMA OFFICE OF STUDENT ACCOUNT SERVICES PAYMENT TO STUDENT FORM

DATE:		PAYMENT AMOUNT:	$

PURPOSE OF PAYMENT:	

IS THE STUDENT CURRENTLY ENROLLED? (Y/N)	
IF NOT CURRENTLY ENROLLED, WILL THE STUDENT BE ENROLLED IN THE NEXT SEMESTER? (Y/N) (If no, see instructions under Purpose of Form below.)	

STUDENT ID #:	
STUDENT NAME (F/M/L):	

FOAP TO BE CHARGED:	COA	FUND	ORG.	ACCT	PROG

PURPOSE OF FORM:

This form is used to process student payments for the purpose of providing funds to defray, or reimburse a student's travel, research, or other department approved personal expenses, in whole or in part (estimated or actual).

This form should not be used for compensation, or to reimburse a student for University business expenses.

For further details, see the Student Payment Policy & Procedures at http://studentaccounts.ua.edu/payments-to-student-policy/

Note: A student must be enrolled when the expenses were or will be incurred; or, must anticipate returning for the subsequent enrollment period. If the student incurred the expenses while not enrolled and will not be returning, the payment request must be processed on a Miscellaneous Disbursement Voucher through the Accounts Payable Office. Indicate on the MDV that this is a non-enrolled student payment.

APPROVALS

Department Head

Dean or Principal Investigator*

Sponsored Programs, Financial Services*

* Required, if Sponsored Programs funded.

Student Account Services use only:	
Processed Date:	
Prepared by:	

University Department Name: _____

Departmental contact for this transaction: _____

Contact's e-mail address: _____ Contact's telephone #: _____

Send this completed form to Student Account Services, attention Geneva Dove, 105 Student Services Center, Box 870120. The credit will be applied to the student's account, and a refund generated unless the account is delinquent. Transactions will appear on the student's financial account. The refund will be direct deposited into the bank account that the student provided in their student financial account.