

2009 Information for Summer Research Students and Sponsoring Faculty

Please use the attached form if participating in a summer research grant program. The student should complete the first page and sign it; then the faculty member should complete the second page, sign it, and forward it to the Office of the Dean of Faculty. It will NOT be necessary for individual faculty to submit a payment request to Payroll or to Accounts Payable.

Students whose forms are received by Friday, April 24, 2009 will receive priority for housing, after which date housing is not guaranteed. Single rooms are not guaranteed, but may be available. Research Housing begins on Wednesday, May 27, 2009.

There are two types of payment the student may receive:

- **Fellowship** - Student is working on her own research project – the professor is providing guidance to the student. Most summer research students receive fellowships.
- **Employee** - Student is working for the faculty member. Additional information about the differences between these two follows: **“What is the Difference between Payroll and Fellowship?”**

Payments will be made bi-weekly and are allocated over the specified period of the research. Housing payments for students living off-campus (on grants which allow for housing) will be paid in the same manner. Faculty with students doing research at off-campus sites should verify that the student has filled in information about where payment is to be sent. Employee payments will be made through the Payroll Office while fellowship payments will be issued through Accounts Payable. If a student is being paid as an employee and currently has her check direct deposited it will continue to be direct deposited. Fellowship payments through Accounts Payable cannot be direct deposited and will be made by check.

Students being paid through payroll will have all appropriate taxes withheld (state, federal and, in the case of US students, FICA) and a W-2 will be issued at year end for tax purposes. International students are exempt from paying FICA while on F-1 visa status.

U.S. students receiving fellowship payments are not subject to tax withholding on the fellowship and MHC is not required to issue a Form 1099. The student is responsible for reporting the amount she receives as well as the value of any housing provided to her on her federal and state tax returns.

Payments to international students from countries that do not have a tax treaty with the U.S. will be subject to withholding at a rate of 14%. The value of housing provided is considered a taxable benefit and will also be subject to withholding for these students. International students will be issued a Form 1042-S at the end of the year, which they will need to file their taxes.

Housing cost will only be covered by MHC for the period of the research. There will be a charge for the entire duration of a student’s housing reservation dates, regardless of whether the student actually occupies the room for that entire period. Any additional time a student stays in housing will be her financial responsibility and billed to her account at a rate of \$400 a month, \$100/week or \$15/day. **Note that a student must request any additional time in housing directly from the Office of Residential Life, and such housing is subject to availability at the time of the request.**

WHAT IS THE DIFFERENCE BETWEEN PAYROLL AND FELLOWSHIP?

Why does it matter if students are paid as employees or as a fellowship?

IRS rules require that we properly categorize payments to individuals, and the College can be penalized for improper classification. It is also possible that students could run into visa issues as a result of improper classifications.

There are a number of differences, both to the institution and the individual, between the two types of payment. Some of these are:

	Employee	Fellowship
Student covered by workers compensation	Yes	No
Student covered by social security (FICA) (US students only)	Yes	No
Student can be reimbursed for business expenses	Yes	No
Salary overhead charged to grant	Yes	No
Visa restrictions may apply (International students only)	Yes	No
Earnings subject to W-2 reporting	Yes	No
Earnings subject to withholding for income tax and FICA	Yes	No

You will note that some of these differences may make one classification appear more favorable than the other, depending on what it is that one is considering most important. However, these are outcomes of the proper characterization of payments—they are not permissible in determining the characterization.

How to determine whether a student should be classified as an employee or a fellowship payment?

The easiest way to determine how to classify a student for payment is to ask the following questions:

1. Am I directing the work?
2. Is it my research that I plan on using in publication or at a conference?
3. Is the major benefit of the work going to benefit me and/or the College?

If the answer to the above questions is **YES** then the student should be on payroll.

The other questions you can ask to prove that the payment is a fellowship:

1. Is the payment for research that the student is undertaking?
2. Am I only acting as a “mentor” to the student?
3. Is the benefit primarily to the student?

Mount Holyoke College Summer Research Program 2009
Student Employment/Fellowship and Housing Information

INSTRUCTIONS TO STUDENT: Complete Personal Data and Housing Sections below, then sign and date the form and return to your research advisor or supervisor.

Personal Data

Student name: First: _____ Last: _____

Title of research project: _____

Are you a U. S. citizen? Yes No

Are you an ALANA student? Yes No

Are you on financial aid? Yes No

Gender: _____

Class: _____ Social Security #: _____ Mount Holyoke ID #: _____

E-mail address: _____

Local address and phone (this academic yr): _____

Permanent address and phone: _____

Emergency contact person/phone: _____

CHECKS WILL BE SENT TO YOUR MHC P.O. BOX

If you do NOT want your check sent to your MHC P.O. Box please provide the address where the check should be sent: _____

Housing

Do you request on-campus summer housing? Yes No

(Research Housing begins on Wednesday, May 27, 2009. Your on-campus housing costs will be covered for the period of your research appointment, plus move-in and out days approved by your faculty advisor or supervisor. If you wish to request additional days in campus housing, you must contact the Office of Residential Life directly. Such days are subject to availability. Any additional days granted will be your financial responsibility, and will be billed to your student account at the rate of \$400.00/month \$100/week or \$15/day.)

If Yes, specify your desired arrival and departure dates below:

Arrival date (no more than two days before your research program begins):

Departure date (no more than two days after your research program ends):

If No, please give your off-campus address and phone:

Student Signature: _____ Date: _____

