

PAYING OUT FUNDS TO STUDENTS - Berkeley Law

Revised 08/29/19

REASONS FOR PROVIDING FUNDS TO STUDENTS	REMINDERS
<ul style="list-style-type: none"> • Compensation for work performed; student provides good or service that would otherwise be fulfilled by someone who would be hired (Section A) • Prize or reward such as writing prizes and trial competition awards (Section B) • Award for a limited contribution to a one-time activity that benefits student's education and is related to a class or course material (Section B) • Participant support for education and training activities (Section C) • Reimbursement for expenses for travel/research activities with receipts (Section D) 	<ul style="list-style-type: none"> • A student must be registered during the previous academic year (fall-spring-summer) and/or registered or eligible to register for the current or next academic year (fall-spring-summer) • If term 'reward' is used, cannot be for work performed if job would otherwise be fulfilled by a hired individual. 'Compensation' implies work. • Work implies a employee-university relationship; there are benefits & tax withholding implications.
Section A: Compensation	What you should know:
<ul style="list-style-type: none"> ➢ Hiring a student is appropriate if work is needed and a student is capable of fulfilling the work. ➢ Student will be hired either as a student assistant employee or as an academic student employee (GSR, GSI, Tutor). ➢ Student is compensated for time worked (not a specific dollar amount) through: <ul style="list-style-type: none"> • payroll (UCPath) • federal work study (Financial Aid, SIS) • fee remission (SIS) 	<ul style="list-style-type: none"> ➢ Speak to HR before you agree to hire a student and absolutely before work begins. HR will help to classify the work and estimate the cost. Start here: https://www.law.berkeley.edu/human-resources/hire-a-student/ ➢ Students are typically limited to working <20 hours per week during the academic year, but there are exceptions. ➢ If student is compensated through fee remission or work-study, these financial aid sources may interfere with other financial aid sources such as accepted student loans. ➢ If student is compensated through payroll (UCPath) this ensures that there is no unintended interference with existing or future financial aid awards. <p>Resource: Berkeley Law HR - www.law.berkeley.edu/human-resources/ www.law.berkeley.edu/human-resources/hire-a-student/</p>
Section B: Prizes & Awards	What you should know:
<ul style="list-style-type: none"> ➢ Send request to Law FAO to provide the student name, award amount, purpose of award, and chartstring via the: Financial Aid Award Payout Request Form ➢ Paid through the financial aid component of the Student Information System (SIS) 	<ul style="list-style-type: none"> ➢ Financial aid (FA) awards may interfere with other aid sources (i.e. accepted loans). If the student is already at their FA limit, the student may not receive additional cash-in-hand. Student may be able to increase their FA limit by inquiring with the Law FA office, especially for educational travel/research related expenses. ➢ Funds <i>may</i> disburse to outstanding university charges before the student receives funds in hand. ➢ Appropriate for student contributions so long as the student is not being compensated for work that would otherwise be fulfilled by a hired individual (see Section A.) <p>Resource: BL Financial Aid Office Director - financial-aid-law@berkeley.edu</p>
Section C: Participant Support	What you should know:
<ul style="list-style-type: none"> ➢ Includes payments to students receiving a training/ education opportunity from the project, usually on a sponsored award* ➢ Paid through either financial aid (SIS) or BearBuy depending on nature of the payment. 	<ul style="list-style-type: none"> ➢ Must include documentation of the specific training/educational opportunity along with request to pay. ➢ Reimbursements are paid through BearBuy by submitting a Payment Request Form. Otherwise, email BL financial aid director to process other participant support. ➢ It is not participant support if the student is providing a good or service. <p>Resource: BL Business Services for reimbursements - inquiries@law.berkeley.edu</p>
Section D: Reimbursements	What you should know:
<ul style="list-style-type: none"> ➢ To reimburse a student for supplies, conference registration fees, travel/entertainment. ➢ Paid through disbursements; submit BearBuy payment request with receipts. 	<ul style="list-style-type: none"> ➢ Expenses must be accompanied by receipts; cannot reimburse for time. ➢ GSR/GSI childcare expenses are also considered a reimbursement but are paid through HR/payroll. ➢ Travel advances may be appropriate if the student will incur a travel expense and does not have the funds to pay for the expense up front. <p>Resource: BL Business Services - inquiries@law.berkeley.edu</p>

*Reference: <https://controller.berkeley.edu/financial-operations/accounts-payable/guidelines-processing-and-recording-participant-support-costs>