

A **student** is defined as anyone enrolled for course credit at Baylor and is not classified as an employee. During the Summer terms if a student is not enrolled in courses, but has not graduated, they are still considered a student.

Payment includes any form of remuneration, including cash-based prizes or gift cards, when allowable.

All payments to students should be characterized as one of the following:

- Compensation or fee-for-service payments
- Scholarships, fellowships, and other academic awards (not associated with compensation)
- Payments to defray and/or reimburse a student's travel or research
- Reimbursement for expenses incurred for the benefit of the University

## *Compensation/Service-Based Payments*

Determining the nature of the payment as a scholarship/fellowship or compensation is based on whether the recipient was "paid to work" or "paid to study". Are the student's activities for the primary benefit of the educational organization (work) or do they further the student's education and training (study)?

### **Process**

Any payments for work performed by a student must be disbursed through the payroll process. Requests for such payments should be routed to Student Employment.

## *Scholarships, Fellowships, and Academic Awards*

Scholarships, Fellowships, and Academic Awards are distinguished from fee-for-service based on the nature of the service performed and whether it primarily benefits the University (compensation) or furthers the student's education and training (scholarship). Awards include any amounts paid to a student based on past or future academic performance. Factors to determine if a payment is related to an academic program:

- The recipient is required to use the disbursement for educational purposes,
- The recipient is eligible to receive the funding solely because he/she is a student, or
- The recipient payment is related to the student's university courses or degree completion (e.g. an academic contest).

### **Process**

All forms of scholarships, fellowships, and academic awards are managed and disbursed by the Student Financial Services office. Refer to Appendix B for details regarding the process for submitting award requests.

## *Expense Reimbursements*

Students, whether or not they are also 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. Examples of business-related expenses include the following.

- 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 University at the request of a department member.
- Reimbursement for departmental operating supplies and business entertainment (e.g. meal purchased for a departmental meeting).

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## Process

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Such reimbursements should be submitted to Accounts Payable through Ignite with appropriate documentation provided. Refer to Ignite training materials for creating an expense report or payment request for further details.

## *Certain Payment Types*

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### Travel or Research Payments

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Payments to a student for travel or research should be classified as either payments which primarily benefit the student or payments which primarily benefit the University.

- Payment of expenses for travel or research initiated and conducted by the student (the student's own research project, thesis, dissertation, etc.) or payment of funds from a grant specifically for the purpose of enriching the student's education are considered related to the student's academic program. Such payments should be characterized as an Academic Award and follow the Scholarships, Fellowships and Academic Awards process.
- Payment of funds to defray or reimburse authorized personal expenses for participation in a university activity (e.g. accompanying research faculty to present at an academic conference) are considered University-related expenses. Such payments should follow the Expense Reimbursements process.

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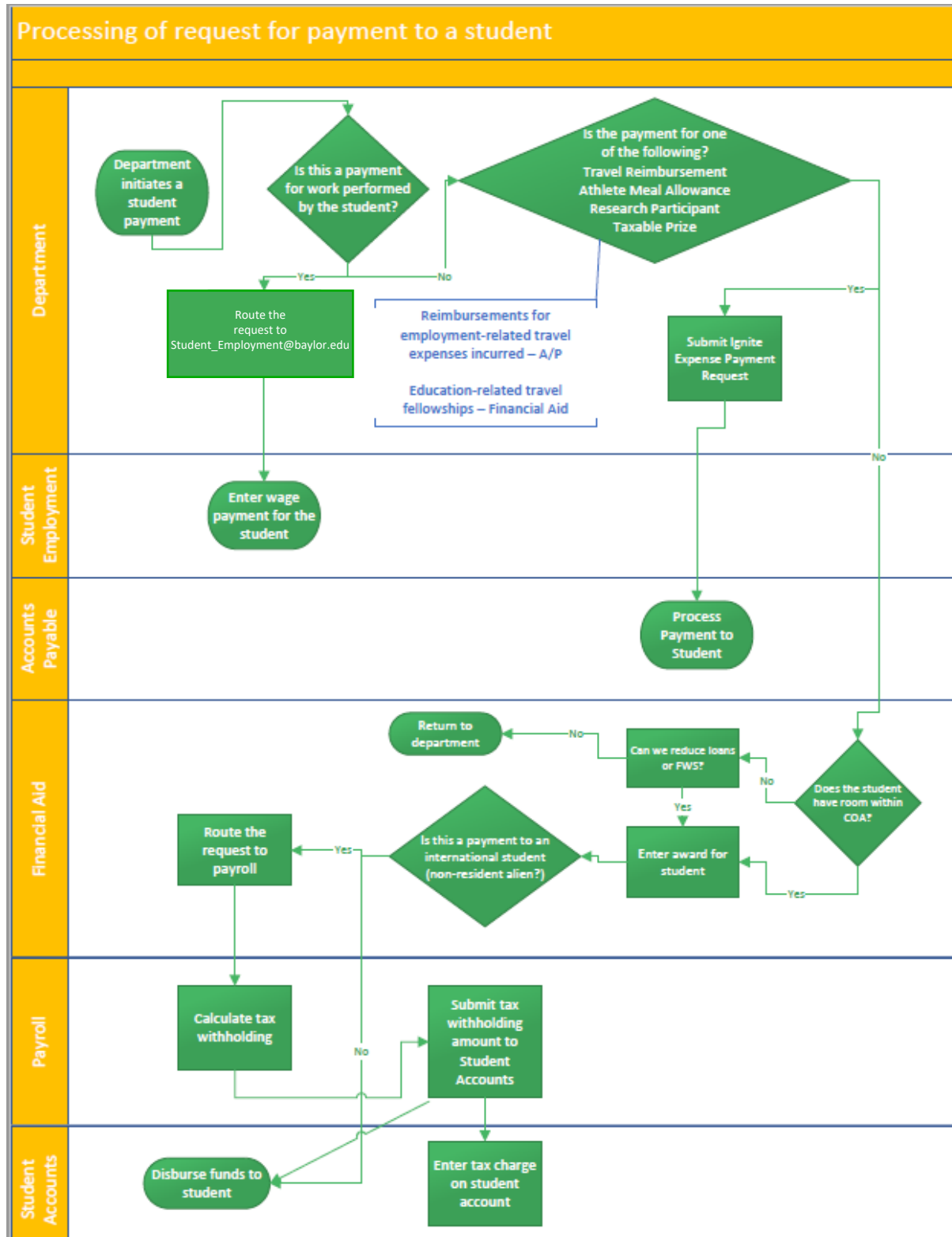
### Academic Prizes and Awards

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Payments for academic prizes and awards are typically managed and disbursed as a form of financial aid. However, there are certain scenarios in which these payments managed through accounts payable as a taxable prize.

- Prizes or awards that are intended to recognize academic achievement (e.g. an award to the top student in an academic program) should be characterized as an Academic Award and follow the Scholarships, Fellowships, and Academic Awards process.
- In some cases, academic prizes or awards are given to students who are no longer enrolled at the University. When this occurs, the payment will be characterized as a **taxable prize** and disbursed through Accounts Payable as a Payment Request.
- When prizes are earned through winning a judged competition, the payment will be characterized as a **taxable prize** and disbursed through Accounts Payable as a Payment Request.

## Appendix A. Student Payment Flowchart



## ***Appendix B. Scholarship, Fellowship, and Academic Awards Process***

To request financial aid processing for a student scholarship, fellowship, or award, email a completed Student Payment Request form to [scholarships@baylor.edu](mailto:scholarships@baylor.edu). If you do not have a Student Payment Request form, you can use this email address to request a form. Student Financial Aid (SFA) will notify you once student payment(s) is awarded.

Student Financial Aid may not award a student any form of financial aid that exceeds the student's cost of attendance (COA). If, after reviewing the student's COA and other forms of aid, SFA determines that no additional awards are permitted without exceeding COA, SFA staff will contact the awarding department to determine a course of action. Options for resolution include the following.

- In some cases, it may be possible to raise the student's cost of attendance. This option is only available if the student has documented educational costs above those include in COA. For example, the student has been awarded a \$750 travel grant to present her work at an academic conference. The actual travel costs incurred may be considered to raise COA.
- Other forms of financial aid awarded to the student may be reduced to make room for the award. For example, if the student has loan disbursements for the academic term for which the award is applied, the loan can be reduced by the amount of the award.
- The award can be rescinded because the student has no ability to benefit from it.

Once processed, students can view their student payment(s) by accessing their financial aid awards in BearWeb.

The cashier's office will apply all student payments directly to the student's account balance. If the payment creates a credit balance and the student is enrolled in direct deposit, we will process a refund to the student's designated bank account within 5-7 business days. If the student has a balance on his or her account, the student can request the payment to be refunded and paid to them by submitting a request through [www.baylor.edu/sfs/contactus](http://www.baylor.edu/sfs/contactus) > Refunds.

Students must enroll in Direct Deposit to receive a refunded payment. To sign up, students must login to BearWeb > Student Financial Services > Student Account > Direct Deposit.