Research Stipends

This guidance is applicable to students being paid a research stipend through accounts payable from a non-federal source. The payment should be processed in Workday as a Supplier Invoice Request and this form should be attached as backup with the Certification & Acknowledgment section completed and signed by both the student and faculty member.

Description

The College considers the definition of a research stipend to be:

Payments made to students through accounts payable to defray expenses during training or research and no service to the College is expected in return for the payment.

The College recognizes research stipends as a fellowship for both tax & reporting purposes.

The term “stipend” is often used as a reference to compensation. It is important for the faculty member to determine the purpose of the payment upfront in order to evaluate whether or not the payment is compensation for services rendered. If services are expected as a condition of payment, the student would be considered an employee and the payment would be treated as wages, processed through payroll, and reported on Form W-2.

Conditions

Research stipends must meet all of the following conditions:

1) the payment is from a non-federal source.
2) the research is educational in nature.
3) the research is in pursuit of the student’s degree.
4) the student is currently enrolled in an undergraduate program at an accredited college or university. (not applicable to recently graduated Beckman Scholars).
5) the research is performed under the direct guidance of a faculty member.

While some non-federal, externally-funded sponsored awards may offer flexible spending guidelines, it should be clear that the purpose of the research stipend is to defray expenses while providing an educational experience to the student. In addition, the payment of a research stipend must be allowable by the sponsor.

The payment should not be for services rendered or to assist a faculty member achieve their own research goals more than providing an educational experience.
Tax & Reporting Requirements

Research Stipends (Spend Category: Student Research Stipend)

For a U.S. Citizen or Resident Alien:

Not reportable to the IRS by Haverford College but the payment is Taxable income to the student. [IRS Topic Number 421 - Scholarships, Fellowship Grants, and Other Grants]

Form W-9 is required for Supplier setup in Workday.

For a Nonresident Alien:

Reported to the IRS on Form 1042-S.

Form W-8BEN is required for Supplier setup in Workday.

If eligible for a tax treaty benefit 0% tax is withheld

If not eligible for a tax treaty benefit and present in the U.S. under an F-1 visa status, then 14% tax is withheld (any other visa status, then 30% tax is withheld).

International students should refer to the Scholarships/Fellowships section on the College’s webpage for more information.

Certification & Acknowledgment of the above information

Student’s Name:

Student’s Field of Study:

Location of Research:

Amount Awarded: $

Academic Year: Term: Fall Spring OR Summer of 20_______

Faculty Member’s Name:

Student’s Signature Date

Faculty Member’s Signature Date