

Central Michigan University
PROCESSING PAYMENTS TO NON- CMU STUDENTS FOR PARTICIPATION IN LEARNING
EXPERIENCES

BEFORE THE LEARNING EXPERIENCE

LEARNING EXPERIENCE QUESTIONNAIRE – Student Employment Services

All learning experiences must be approved by Student Employment Services BEFORE proceeding below. Please download and complete the [Learning Experience Questionnaire](#) and submit to Amy Thering, Student Employment Services, at least 10 business days in advance of the learning opportunity.

The program director will provide participants with a [Learning Experience Agreement](#). The participants will sign the agreement and return the original to the program director. Please retain a signed copy as documentation for the stipend payment.

BEFORE REQUESTING STIPEND

GRANT FUNDED PROJECT – DOCUMENTATION – ORGS/Grant Accounting

If grant funded, before stipends are requested, the program director will send the following to *Melinda Brakenberry* (meyer1mm@cmich.edu), *Sarah Hall* (casza1sr@cmich.edu) (ORGS), and the grant accountant of the award:

1. A listing of the names of all non-CMU students participating in the research/learning experience;
2. The estimated or planned dates of stipend, and estimated stipend amounts
3. The approved Learning Experience Questionnaire

The program director will receive an email from ORGS confirming whether the documentation provided is in alignment with grant/sponsor guidelines. The goal is for this communication to be provided within 2 business days of this email being received by ORGS. Please do not submit the request for stipend payments until you receive the approval email from ORGS indicating the stipend payment plan is in alignment with the grant/sponsor guidelines.

PARTICIPANT INFORMATION AND DOCUMENTATION – Payable Accounting

Domestic: The program directors will send via email to each domestic, non-CMU student the ACH form and a W-9 with instructions to complete and return to the program director.

The program director (or administrative support staff) should also provide participants with the *CMU Participant Tax & Financial Aid Document*.

International: The program directors will send via email to each international, non-CMU student the ACH form and W8-Ben, with instructions to complete and forward back to the program director. The program director (or administrative support staff) should also provide participants with the *CMU Participant Tax & Financial Aid Document*.

STIPENDS PAID TO INTERNATIONAL INDIVIDUALS – Payroll Travel

Program directors or administrative support staff should contact Becky Gilbert, Payroll Travel, hagge1rl@cmich.edu or 774-1055 to discuss stipends for international participants. International participants in learning experiences may be subject to the same tax rules as non-CMU students. Please be aware that if tax payments are withheld from the intended stipends, the net amount may be less than anticipated. Becky will work with you to determine the tax implications and advise you on the proper stipend amount to request.

REQUESTING STIPEND

PARTICIPANT STIPEND PAYMENT PROCESS – Payable Accounting NPO Process

The following process will be initiated at least 10 business days in advance of a non-CMU student stipend payment.

1. The program director (or administrative support staff) will prepare invoice vouchers (NPOs - Non-Purchase Order) for each stipend payment (possibly 3 to 4 payments per individual per semester/summer). Sending all of the NPOs will afford Payable Accounting the ability to set up and forecast the payments for the entire semester/summer. Alternatively, you may send NPOs individually. This is helpful if payments change over the semester/summer.
2. The program director (or administrative support staff) will deliver/send the following in HARDCOPY to Payable Accounting 10 business days in advance of the first stipend payment.
 - An approved Learning Experience Questionnaire;
 - An NPO for each stipend payment, with dates to be processed clearly indicated;
 - Backup for the NPO; the signed Learning Experience Agreement; backup may also include a listing of participants or a sign in sheet from the event
 - W-9; (with initial payment only)
 - ACH Direct Deposit form (with initial payment only)

Hardcopy of the initial documentation is advisable for the confidentiality of the W-9, and ACH direct Deposit form.

3. Payable Accounting will process the electronic payments of stipends
4. Individuals will receive the stipend payment electronically into the bank account they provided via the ACH form. Please allow 10 business days from the time a payment request was received by Payable Accounting with complete and proper paperwork; payments are issued on Wednesdays. Checks are run the Thursday after. ACH may take 2-3 days to process to an individual's bank account.

ADDITIONAL PARTICIPANT SUPPORT

PARTICIPANT TRAVEL/REIMBURSEMENT, ETC.

REIMBURSEMENTS: Submit a non-employee/student reimbursement voucher with appropriate back up to Payable Accounting for reimbursement of any travel related expense.

ROOM AND BOARD:

- Pay for all housing/meals via internal transfer to the other CMU entity (CMUBS, Residence Life, etc.)
- Pay for all housing to external CMU entities. Contact Contracting and Purchasing Services *prior* to making any housing commitments or agreements with external CMU entities.

FINANCIAL AID REPORTING AND TAX IMPLICATIONS

The program director (or administrative support staff) will provide the participants with the *CMU Participant Tax & Financial Aid Document*.

If a non-student enrolls in a CMU course during the time period CMU is providing participant stipend, housing, meals, etc., the program directors should consult with the Office of Scholarships and Financial Aid (OSFA), Payroll, Payables, and ORGS (if grant funded) as soon as possible to discuss any new reporting requirements.

Stipend payments, housing, meal allowances, and travel reimbursements for non-CMU students will not be reported to the CMU Office of Scholarships and Financial Aid (OSFA).

Tax Implications:

A 1099 will be issued to non-CMU student participants for stipend payments, meal allowances, and housing allowances (payments) made directly to a non-CMU entity. The annual amount paid to the participant must exceed \$600 for the university to generate this form.