

STIPEND PAYMENT PROCESS

Business & Finance Department

August 4, 2021



Agenda

- Purpose & Objective
- Definitions
- Award Budget Info Update
- Award Payment Options
- Process thru Accounts Payable
- Important Information
- Summary Flowchart
- Questions/ Discussion

Purpose & Objective

- To provide clarity, as well as structure, on avenues to submit request for payment for grant awarded funds obtained by Delaware State University (DSU) for various programs. This is to be the framework for the various departments to be informed and know how to proceed pertaining to the grant awarded funds.

Definitions

➤ Fellowship/ Scholarships

- Def: Funds provided to students, undergraduate or graduate, in purse to a degree (bachelors, masters, or doctoral) to help defray qualified expense related to a candidate.
- Taxable – Amounts used for incidental expenses, such as room and board, travel, living expense and optional equipment OR amounts received as payment for teaching, researching, or other services required as a condition for receiving funds.
- Non-taxable – Candidate for a degree at an educational institution that maintains a regular faculty & curriculum and normally has regularly enrolled body of students & amounts received as qualified expenses.

Definitions (continued)

➤ Qualified Expenses

- Def: Expenses related to tuition, required fees for enrollment, books, supplies and equipment required for courses at the educational institution.

Definitions (continued)

➤ Stipend

- Def: A fixed amount of money paid for non-qualified expenses that are not tied to any services or employment.
 - Examples:
 - Room & Board
 - living expenses
 - incidentals

Definitions (continued)

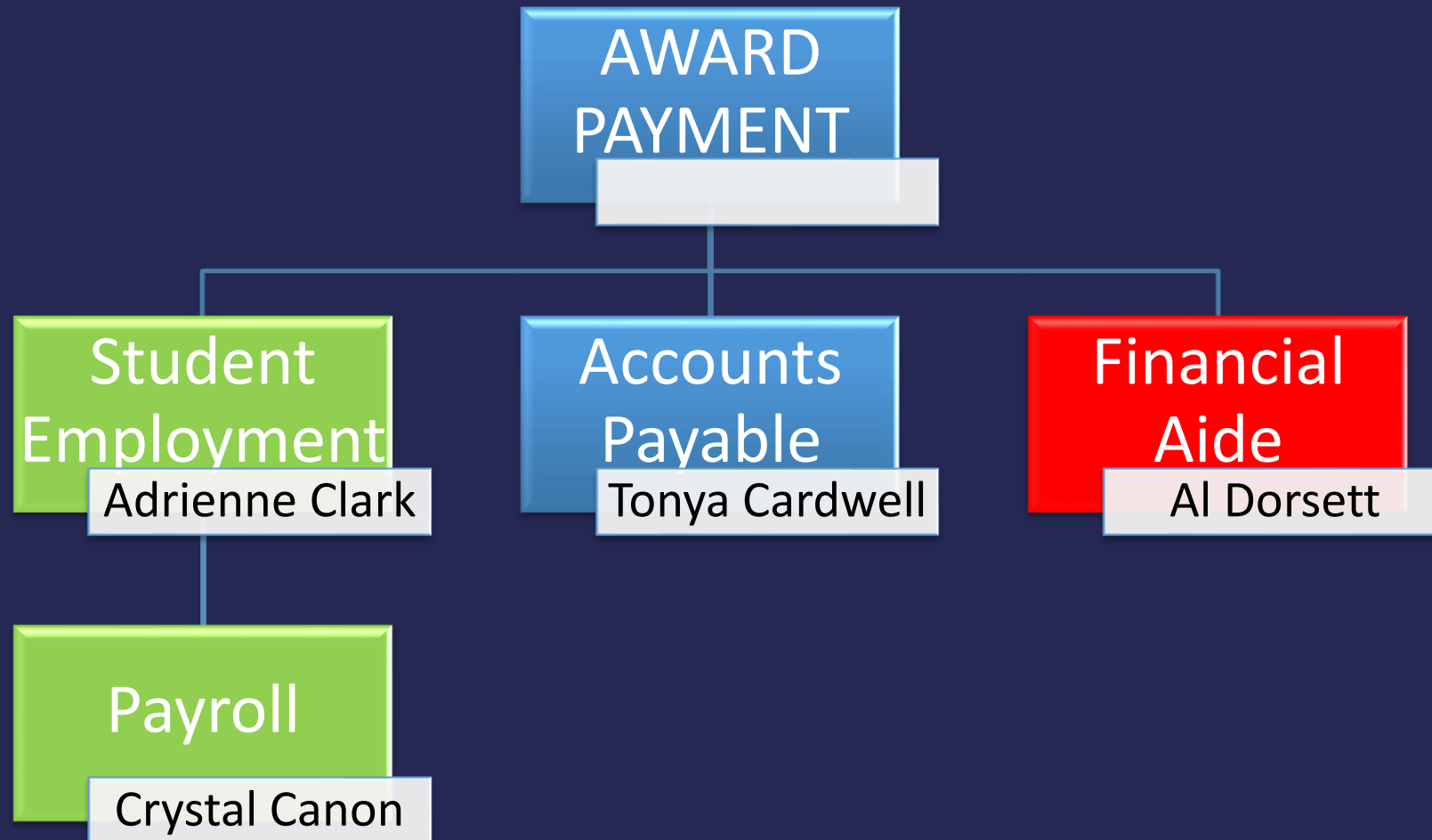
➤ Prizes/ Awards

- Def: Amounts received primarily in recognition of religious, charitable, scientific, educational, artistic, literacy, civic achievement or as a result of entering a contest.

Award Budget Information Update

- Principal Investigator
- Participant Support
- Other Direct Cost
- **Indirect Cost**
 - i.e. Worker's Compensation

Award Payment Options



Four P's Process (4P's)

- Preparing
- Paperwork
- Processing
- Payment

1. Preparing

- Make sure the awardees information is accurate with our records
 - Update with Student Accounts & Procurement
 - Reduces likelihood of payment being addressed incorrectly
- Move student info to Vendor side (Procurement)
- Awardee Proposed Budget
 - Incorporated Indirect Cost or Not????

2. Paperwork

➤ Awardee Proposed Budget

- This outlines how the awarded funds intend to be spent
- May expand over a specific period
 - Year 1 Example (Aug 20X1 to April 20X2)
 - Cross-Year Example (May 20X1 to Aug 20X1)
 - Multi-Year Example (July 20X1 to June 20X3)

2. Paperwork (continued)

➤ Stipend Payment Request form

- Obtains all information needed to properly process payment
- Need to have student's D#
 - Move from Student Accounts side to Vendor side (Procurement)
- Used for one-time payment

➤ Multi-Student Payment Schedule

- For more than 1 awardee receiving payments throughout period (semester or entire school year)
- Used in conjunction with Stipend Payment Request form
 - More than 1-time payment and/ or more than one awardee

*~ EXAMPLES OF
FORMS ~*

3. Processing

- Submitting signed paperwork to Accounts Payable (email)
 - accountspayable@desu.edu
 - Must have all the necessary signatures on the forms to process
 - Incomplete forms will be returned and may delay payment
- A/P will input the info into Banner
 - Current & future payments
 - Internal Controls – RFA or OSP needs to approve towards payment

4. Payment

- Checks are processed once a week for payment
 - Mailed out to respective awardees
 - Picked-up by P.I. or representative appointed by
 - Email will be provided when the checks are ready
 - DON'T DIRECT AWARDEE/ FAMILY MEMBERS TO COME PICK UP CHECKS
 - If not picked-up within 7-days, checks will be mailed out to awardee

Important Information

- Invoices related to grant needs to go to invoices@desu.edu
- DSU is not required to provide stipend awardees, program coordinators, or any program personnel with tax filing information
 - Example: 1099-MISC, 1099-NEC, payment history report
- DSU's Business & Finance Dept will not provide tax advisory to awardees

Stipend Flowchart thru A/P (4P's)

Step 1 – Preparing

- ~ Accurate awardees information
 - Update with Student Accounts & Procurement
 - Reduces likelihood of payment being addressed incorrectly
- Awardee Proposed Budget
- Incorporated Indirect Cost or Not????

Step 2 - Paperwork

- ~ Award Budget/ Spending Outline
- ~ Stipend Payment Request Form
- ~ Multiple Student Payment Schedule
- Email information to accountspayable@desu.edu
- Make sure all requested signatures on included on forms
- 7-days prior to awardee's start OR 14-days prior to 1st payment date

Step 3 - Processing

- ~ Review for all information request is included
 - Incomplete information will be sent back for correction
 - Could yield possible delay in payment
- ~ Load info into Banner for payment
- Current & future payments
 - Need approval in Banner from someone in OSP/RSF

Step 4 - Payment

- ~ Check availability
- Mailed out to Awardee directly
- Pick-up will be provided to P.I. (email notification)

Questions/ Discussions