To: Margaret

Memorandum

TO: All Home Department Coordinators

FROM: Vivian Chiang, Payroll Director

DATE: April 13, 2004

SUBJECT: Summer Student Employment

NEW CHANGES FOR THIS SUMMER

1. New incoming students, once registration is confirmed, may obtain on campus employment prior to the first day of classes. Employee status will be activated upon submission of all required documents along with proof of registration or a print out from SIS.D.SRC. Use object code 12740. Wages are subject to FICA and disability taxes. After classes begin, remember to set up new funding line using the appropriate student object codes.

2. New incoming international students may obtain on campus employment not earlier than 30 days before the first day of school. This year, employment may begin on July 23, 2004. Use appropriate student object codes.

3. Teaching assistants and research assistants must enroll in at least one session in the summer in order to qualify for student FICA exemption. Non-enrolled TA/RAs wages will be subject to FICA and disability taxes. For TA/RAs in a teaching or research assistant position, use the appropriate 1460x object code. For "student worker" positions, use object code 12740 if not enrolled.

Reminder: Non-enrolled international students with F1 visa are subject to FICA and disability taxes if the student has passed the Substantial Presence Test, e.g., exceeds 5 tax years of presence from first date of arrival in the US.

SUMMER COLLEGE WORK STUDY

First day to use Summer CWSP awards: Wednesday, May 12, 2004 (Biweekly #11).

Last day to use Summer CWSP awards: Friday, August 20, 2004 (Biweekly #18)

Object code: 14720 (enrolled or non-enrolled). May use summer CWSP even if not enrolled.

Biweekly #11: two separate time reports required to reflect hours worked on each award.
Time Report #1: May 6 through May 11 for Spring CWSP award
Time Report #2: May 12 through May 19 for Summer CWSP award

Students enrolled in at least one of the Summer Sessions wages will NOT be subject to FICA-O, FICA-M or Disability taxes and the department will NOT be subject to fringe charges.

FICA and Disability on non-enrolled CWSP: Students not enrolled by June 3, 2004 will be automatically converted to FICA/Disability = YES. Taxes deducted starting in BW 12.

Fringe charges on non-enrolled CWSP: Departments will be charged full fringe for the departmental portion by a Journal Entry and reflected on your ASR at a later date.

SUMMER CWSP ON BIWEEKLY #14

Biweekly 14 period ending is June 30, 2004, it is the last payroll cycle for fiscal year 2004.

Early Time Report deadline: Time Reports and Tip Reports due at noon on Tuesday, June 29th.

STUDENT WAGES

Enrolled Students: Non-CWSP Students enrolled in at least one of the summer sessions are paid using object code 14710. Not subject to FICA or Disability taxes, and the department is not subject to Fringe charges.

Non-Enrolled Students: Students not enrolled in either of the summer sessions are paid on object code 12740. This object code can only be used **during May through August** each year, please refer to the attached chart for more detail. The wages are subject to full fringe charges. Students MUST pay FICA and Disability taxes.

FALL COLLEGE WORK STUDY PROGRAM

First day to use Academic Year CWSP: July 1, 2004.

Non-Enrolled: Students using academic year awards in July and August (BW 15 through 18) and who are not enrolled are paid on object code 14720 but will be charged FICA and Disability taxes and the department will be assessed full fringe via a JV at a later date.

NON-RESIDENT ALIEN STUDENT WORKERS

An F-1 student may be employed over the summer in a student position even if not enrolled as long as they intend to register in the fall. There are no restrictions on the number of hours worked during the summer.

Per F-1 visa terms, F-1 students do not pay FICA or Disability taxes during the first 5 tax years in the US as long as students maintain visa status or student status due to enrollment. If student is in their 6th tax year and are not enrolled over the summer, FICA and Disability will be withheld.

Summer Session funding lines for F-1 Student Workers:

Enrolled Student:	Department sets up funding line.
Non-enrolled Student:	Payroll must set up funding line. Submit a Data Form with funding information. Object code 14710 will be used if student is in the first 5 tax years.

F-1 visa holders working on their "Practical Training" may work during the summer. Use applicable object code.

Summer Student Employment

By FICA/Disability

Summer Students	Object Code	FICA/ Disability	Fringe Benefit
Enrolled Summer CWSP	14720	NO	NO
Enrolled Student Worker	14710	NO	NO
Enrolled F-1 student worker	14710	NO	NO
Non-enrolled F-1 Student worker (in first 5 tax years)	14710	NO	NO (2)
Enrolled Graduate Student (TA, RA or Dissertation)	14600 14610 14611	NO	NO
Non-enrolled Summer CWSP (as of 6/3/2004)	14720	YES	YES
Non-enrolled Academic CWSP (start 7/1/2004)	14720	YES	YES
Continuing, non-enrolled student (intend to register in fall)	12740 (1)	YES	YES
New incoming student (proof of registration required)	12740 (1)	YES	YES
NRA (F1 visa) non-enrolled, 6th year of presence in the US	12740 (1)	YES	YES
Non-enrolled graduate student (TA, RA or Dissertation)	14600 14610 14611	YES	YES

(1) Object code 12740 can only be used during May to August each year. It is subject to full fringe.

(2) Submit Data Form to Payroll to set up funding line

April 13, 2004