



Supervisor and Business Manager Training

Issues in Student Employment

Agenda

- What is Student Employment
- The Yale Student Employment Process
- Federal Guidelines
- Yale Wage Rates
- The Provost 50/50 Split Program and Federal Work-study
- Legal Issues in Student Employment
- Common Payment Questions
 - Where do paychecks go?
- Time Sheet Guidelines
- Student Rights
- The I-9 Class

Additional Information

Enclosures: Student FAQs for Student Employment, Policies & Procedures for Student Employment

What is Student Employment?

Yale's Student Employment Office....

Oversees the administration and processing of employment matters for both graduate and undergraduate students at Yale University who are conducting hourly wage-based work for the university.

Who falls in the purview of Student Employment?

- Undergraduates performing hourly wage-based, time sheet-driven, jobs.
- Graduate students who are performing hourly wage-based, time sheet-driven, jobs.

Who does not go through Student Employment?

- **Non-Yale students** (including withdrawn students and those on Leave of Absence)
 - These are Casuals processed by departments or Human Resources Information Systems (HRIS) Transaction Team.
- **Yale alumni** (including recent graduates)
 - These are Casuals processed by departments or Human Resources Information Systems (HRIS) Transaction Team.

What does Student Employment do?

- **With On Campus Employers**
 - Oversees and provides support for job postings and on-line application process
 - Provides advice and assistance on employment paperwork
 - Processes student hire request on to the university's Oracle HR/Payroll System
 - Provides advice and assistance with problematic student employment situations
 - Assists with problems associated with payment and/or payroll processing of student employees
- **With Students**
 - Assists students in finding jobs
 - Assists students in completing employment paperwork
 - Oversees the dissemination of payment (checks and deposit vouchers)
 - Assists with problems associated with payment and/or payroll processing
- **With Local Agencies and Employers**
 - Operates Community Service Employment for Yale Federal Work-study students.
 - Recruits local employers to post jobs for Yale students

Applicable Federal Guidelines for Student Employees at Universities

- **Each job must have a written job description and assigned wage**
- **Students must be supervised**
- **Students must be enrolled at least half time**
- **Students must have a time sheet**
- **Time sheets must be signed by a supervisor before the time is submitted for payment**

Fair Labor Standards Act

Provisions that pertain to
Student Employees:

- Minimum Wage
- Over-time
- Child labor Standards
- Record-keeping
- Breaks

Student FICA Exemptions

Generally, individuals do not have to pay FICA if they...

- work at the institution at which they are enrolled AND*
- are students enrolled at least half-time AND*
- are not considered career employees.*

(Section 3121(b)(10) of the Internal Revenue Code (the "Code"))

- Or are International Students*

(Section 3121(b)(19) of the Code)

Dealing with Exceptions:

- Summer FICA system
- Less than full-time

FMLA

- Family Medical Leave Act (1993)
- FMLA only covers “regular continuing non- bargaining employees.” Student employees are not eligible

Common questions on Payment Issues:

Expenditure Type

- ☐ Students use 725300 for all hourly positions
 - 725400 is no longer used
 - 725500 is used for central accounting purposes.
- ☐ In your accounting statements, 725500 will be displayed on line items that are being picked up by the Provost Office as a part of the 50/50 split program.

One-time payments and stipends:

☐ Stipends

(a fixed sum of money paid periodically for services or to defray expenses)

- “The fact that remuneration is termed a “fee” or “stipend” rather than salary or wages is immaterial. Wages are generally subject to employment taxes and should be reported on [Form W-2](#)” See <http://www.irs.gov/govt/tribes/article/0,,id=135046,00.html>
- According to state and federal law, the only legal stipend is one that is educationally related and considered a “scholarship.” In practice, this means graduate students who are receiving stipends as a part of their agreement to attend a particular program. Thus, in practice, **stipends for undergraduates do not exist**. See <http://www.irs.gov/faqs/faq-kw246.html> and Publication 970, *Tax Benefits for Education*
- *Why is this?* Legal authorities want employers to tax wage income correctly and abide by labor law and the protections these provide for employees (e.g., over time laws, lunch periods, etc).
- *What should you do?* You should hire your students into a student job, and pay them an hourly wage for their work.

☐ One Time Payments

(a fixed sum of money paid one time for services or to defray expenses)

- One Time payments essentially function the same as stipends. Wages are subject to employment taxes and labor laws.
- *Can I use Check Requests?* No. Check Requests are used for 1099 miscellaneous income for independent contractors and those not eligible as W-2 employees of the university. See www.yale.edu/ppdev/Procedures/ap/CR/CRProcedure34012.pdf
- *What should you do?* You should hire your students into a student job, and pay them an hourly wage for their work.

Student Time sheet Guidelines:

General

- ☐ Time sheets must be either a physical piece of paper or an electronic version, as long as it complies with federal e-signature laws.

Recording Time

- ☐ The time sheet should record in and out times and total hours worked by day.
- ☐ Time should be recorded by students in 15 minute increments (i.e., not “10:03am” but rather “10:00am, or 10:15am”).
- ☐ Total hours should be calculated and then displayed in quarter units (i.e., .25, .50, .75).

Signatures

- ☐ It must bear the student’s signature in pen.
- ☐ It must be a supervisor’s signature in pen.
- ☐ The supervisor signing the time sheet should be someone who has direct knowledge that the person worked the hours recorded on the time sheet.

Policy & Legal Issues

- ☐ Students should not record hours at work for times they are scheduled to be in class.
- ☐ On days that show seven or more hours of work, a break of at least 30 minutes should also be clearly shown.

Verification

- ☐ Any corrections on the time sheet should be initialed and explained if unclear.
- ☐ If time is entered into the Payroll system in any way that differs from the time sheet (e.g., entered on a different week), the time sheet should bear notes about the change and indicate a legitimate reason.
- ☐ Time should be double-checked for errors in addition and the total hours verified.

Record Keeping

- ☐ Time sheets should be retained for at least seven years.
- ☐ Time sheets should be accessible when requested for auditing purposes by Student Employment and Financial Services.