Introduction:

The Scholarship/Fellowship Payment Request Form is used for payments to further the personal education and scholarship of an individual. No past, present, or future services can ever be expected in exchange for receiving a scholarship/fellowship payment. Amounts received for teaching, research, or other services to The University are compensation and must be paid through Payroll. Conversely, since a Scholarship/Fellowship cannot pay for services, Scholarship/Fellowship payments cannot be paid through Payroll. Once a scholarship/fellowship is awarded, should conditions ever change and services to The University are expected, all Scholarship/Fellowship payments should be immediately cancelled and the department should take appropriate steps to pay the recipient for services rendered through the University Payroll system.

What is a Scholarship or Fellowship?

IRS Definition of a Scholarship (Topic Number 421):
A scholarship is generally an amount paid or allowed to a student at an education institution for the purpose of study.

IRS Definition of a Fellowship (Topic Number 421):
A fellowship grant is generally an amount paid or allowed to an individual for the purpose of study or research.

The majority of scholarships/fellowships at the University of Utah are processed and dispersed through the Scholarship Administration System. The Accounts Payable (AP) Scholarship/Fellowship Payment Request Form is only to be used for the limited situations where payments cannot be processed through the Scholarship Administration system. These situations include but are not limited to:

- Payments are for non-matriculated or currently non-enrolled students.
- Scholarship/Fellowship monies exist where the award stipulates the monies cannot be applied to current charges on the student’s bill in Income Accounting.
- Scholarship/Fellowship stipends that require 3 or more consecutive monthly payments.
- Scholarship/Fellowship payments for Post-Doctoral Fellows.
- Scholarship/Fellowship payments for non-University of Utah students. Note: Departments paying for tuition at other institutions, should pay directly to the institutions distributing funds through their Financial Aid systems. See the Student & Educational Payments payment type in ePR.
- Emergency Scholarships to aid a student in a personal crisis.

TAKE NOTE! - Educational Grant payments for Traineeships, Participant Support costs/awards, etc. are not paid on the Scholarship/Fellowship Payment Request. Please use the Educational/Research Traineeship Payment Form available on AP’s website. Additionally, payments for scholarship/fellowships made from grant monies should use the Educational/Research Traineeship Payment Form.

Scholarship/Fellowship payments and their taxability:

Scholarship/Fellowship payments may be taxable income to the recipient. It is the recipient’s responsibility to track and determine the amounts they receive and whether those amounts are taxable. Departments should inform the recipient that no tax reporting i.e. 1099 MISC, W-2, etc. will be generated/provided. Recipients should contact their personal tax consultant or accountant for tax advice.
Required Backup:

Scholarship/Fellowship payments should be submitted with the following backup at minimum:

- Scholarship/Fellowship Payment Request Form
- Signed Original Award Letter
- Educational Payments Direct Deposits Form (for requests with 3 or more consecutive monthly payments).

University Employees receiving Scholarship/Fellowship payments:

When making a scholarship/fellowship payment to an University of Utah employee, there may be additional tax considerations. These requests will be routed to additional departments including Tax Services for review.

Educational Payments Direct Deposit Form:

1. Direct deposits for scholarships/fellowships can only be set up at the beginning of a recurring monthly scholarship/fellowship payment cycle.
2. A new, completed Educational Payments Direct Deposit form must be completed for each Scholarship/Fellowship payment cycle. A copy of the Direct Deposit form may be used for establishing future Scholarship/Fellowship payments, if it is signed and dated again by the Scholarship/Fellowship recipient.
3. Scholarship/Fellowship recipients may authorize Accounts Payable to use bank account information already on file with the university through Campus Information Services student tab. If this option is not selected, then a voided check or a deposit slip must be attached to the Direct Deposit form, or if unavailable, a memo from the bank stating the bank routing and account numbers.
4. The payee email address must be complete in order to receive electronic payment advice. There is no paper payment advice available.
5. The sponsoring department must sign the form authorizing direct deposits (Sponsoring Department Disclosures section).
6. The sponsoring department is responsible for verifying the validity of the bank information provided. The sponsoring department must acknowledge and certify as such by completing the Preparer Acknowledgements section.
7. Funds can only be deposited into one bank account.
8. If an individual’s bank account changes, the individual receiving the funds must immediately notify the sponsoring department and submit a new Direct Deposit form.
9. The Educational Payment Direct Deposit form can only be used for monthly recurring Scholarship/Fellowship payments—or—monthly recurring Traineeship payments.

Cancelling an ongoing Scholarship/Fellowship:

Complete and submit Stop Monthly Schedule Educational Payments Form. Departments are responsible for recovering any funds that have been paid before the cancellation of payments is completed.
Completion of Form:

Section I – Recipient Information

Please complete all items to facilitate the timely processing of the Scholarship/Fellowship. If the recipient is a University student or employee, then enter their UNID; if the recipient is not associated with the University, then enter the last 4 digits of their Social Security Number and have the recipient complete a W-9 form (https://www.irs.gov/pub/irs-pdf/fw9.pdf) to be submitted with this form.

Non-resident aliens are required to complete registration with the Tax Services Office. Payment cannot be made until this registration is completed. To make an appointment, verify information, or receive instructions on how to register, call Tax Services at 581-5414. TAXES WITHHELD: In the event the non-resident alien does not choose to meet with the Tax Services Office and/or does not qualify for an exemption, 14 percent of the Scholarship/Fellowship amount will be withheld and remitted to the Internal Revenue Service.

Section II – Payment Explanation

Please provide a brief explanation describing what the payment. The short explanation is to simply identify what the payment is for. The explanation should not be more than one or two sentences long. This will help AP to quickly determine if the payment can be made using this form.

Examples:

- This is for a 6 month Post Doc Fellowship.
- This is a one-time emergency scholarship to pay for this student’s utility bill.
- This is a Summer Research Fellowship. Non-University of Utah students come in and do study/research in a lab.

Section III – Payment Information

All information in this section is important to avoid problems with the payment of the Scholarship/Fellowship. This information will affect the total amount paid to the Scholarship/Fellowship recipient as well as the number of payments received. What follows is a review of the various payment types and examples of each. If payments are coming from two different chartfields – complete both Section II payment boxes. The “Grand Total” field will auto populate and should agree with the total amount due to recipient.

SINGLE PAYMENTS:

1. Enter the Chartfield(s) that payment will be made from;
2. Enter the amounts to be paid from each chartfield.
3. Totals and subtotals will calculate and update automatically.

---

<table>
<thead>
<tr>
<th>Educational Payment(s) - Activity 1</th>
<th>Supplemental Payment(s) - Activity 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BU</strong></td>
<td><strong>ORG</strong></td>
</tr>
<tr>
<td>01</td>
<td>00000</td>
</tr>
<tr>
<td>Initial Payment:</td>
<td>ePR Amount:</td>
</tr>
<tr>
<td>Recurring Pmt:</td>
<td>Quantity</td>
</tr>
<tr>
<td>Final Pmt:</td>
<td></td>
</tr>
<tr>
<td>Scheduled Total:</td>
<td></td>
</tr>
<tr>
<td>Activity Total:</td>
<td>ePR Total:</td>
</tr>
</tbody>
</table>
MULTIPLE (RECURRING) MONTHLY PAYMENTS:

Multiple payments to be made to a recipient **must total to three (3) or more payments**. If only two payments need to be made, then the department will either need to submit separate payment requests or consider combining the two payments into one. **Also see ‘Periodic Payments Other Than Monthly’ below.**

Note that ePR not only routes these payments for approval, it generates the first payment. That first payment will always release as soon as the request in ePR completes workflow. Subsequent payments will be scheduled directly through PeopleSoft paying on the first of each month. The first box represents the initial ePR payment and the boxes below describe how subsequent payments will be scheduled. When only a single payment is required, the lower boxes can be left blank.

For multiple monthly payments, all payments can be the same, or the first and last payment amounts can be different from the other payment amounts.

1. Enter the chartfields
2. Enter the first payment amounts. These will be released by ePR as soon as the request is approved.
3. Enter the equal recurring payments in terms of the number of months and the recurring monthly amount.
4. Indicate the start and end month. Note that the start month must be an open accounting period.
5. Enter any remainder left over for the last month's payment.
6. The totals and subtotals will calculate and update automatically.

<table>
<thead>
<tr>
<th>Educational Payment(s) - Activity 1</th>
<th>Supplemental Payment(s) - Activity 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BU</strong></td>
<td><strong>ORG</strong></td>
</tr>
<tr>
<td>01</td>
<td>00000</td>
</tr>
<tr>
<td><strong>Initial Payment:</strong></td>
<td><strong>ePR Amount:</strong></td>
</tr>
<tr>
<td><strong>Recurring Pmt:</strong></td>
<td><strong>Qty:</strong></td>
</tr>
<tr>
<td><strong>Final Pmt:</strong></td>
<td><strong>Total:</strong></td>
</tr>
<tr>
<td><strong>Scheduled Total:</strong></td>
<td><strong>Activity Total:</strong></td>
</tr>
<tr>
<td><strong>Activity Total:</strong></td>
<td><strong>ePR Total:</strong></td>
</tr>
</tbody>
</table>

PERIODIC PAYMENTS OTHER THAN MONTHLY:

Multiple payments can only be scheduled to be paid monthly i.e. on or around the first of each month. Any payment schedules that are not monthly, i.e. not paid on the first of each month, can be accommodated only by submitting a series individual payment requests just prior to the time each payment is required.

**Section IV – Approvals**

Required signatures on this form are as follows:

- Account Executive or Department Chair

This signature indicates that the signor attests that this payment(s) complies with the IRS definition of a scholarship or fellowship and also certifies that no services to the University, past, present, or future are/were required from the recipient as a result of this payment.

**PROCESSING AND PAYMENT:**

Completed Scholarship/Fellowship forms are due in Accounts Payable by the 15 of the month preceding the month in which the first recurring payment is to be made to the recipient. For example, if the first payment is scheduled to be received in December, Accounts Payable must have received the form by November 15th. All recurring payments are processed at the beginning of the month. Recurring payments will be made via Direct Deposit, except for Non-resident Aliens, who will receive a paper check.