

The University of Alabama
Office for Research
Tuition, Stipends and Other Student Payments

3/27/07

I. Policy

The University of Alabama will follow federal regulations under OMB Circular A-21 Section J.45 for the payment of student support (scholarships, fellowships, tuition, health insurance benefit and other student financial aid). **Regardless of the source of funding, all students employed as Graduate Research Assistants will be provided with tuition remission and will be offered the Graduate Assistant Health Benefit.**

A. Research Grants may only be charged for tuition, health insurance or any other form of payment to benefit the student as part of an institutional compensation package (see **B**, below). Compliance with the related consistency principle requires the University to provide to all graduate students in like circumstances the same tuition remission and other support, including health insurance, regardless of the student's source of funding.

Each student appointed as a Graduate Research Assistant (GRA) must, therefore, be provided:

- A tuition grant based on the FTE of the assistantship(s) as defined in the "Tuition Grants" section of the University Department Guide to Graduate Assistantships, <http://graduate.ua.edu/publications/dept/guidetoc.html>.
- The opportunity to elect University coverage of Health Insurance, within the policies regarding level of coverage, qualifications and enrollment found in the Graduate School Administration document, Graduate Assistant Health Benefit at <http://graduate.ua.edu/admin/gahealthins.html>

It is not permissible to assign a student performing the duties of a GRA to another type of assistantship in order to avoid this consistency principle. A GRA paid from a sponsored grant or contract that does not provide for the cost of tuition and/or health insurance must, nevertheless, be provided tuition and offered the health benefit in accordance with the above policy.

B. Tuition remission and other forms of compensation paid as, or in lieu of, wages to students performing necessary work are allowable provided that the payment is:

- for activities necessary to the sponsored agreement
- provided in accordance with established institutional policy
- for a student enrolled in an advanced degree program at the institution and the grant compensated activities of the student are related to that degree program
- reasonable compensation for the work performed and conditioned upon performance of that work
- part of a consistent institutional practice to similarly compensate students in nonsponsored as well as sponsored activities

Tuition remission costs do not have to be treated as employee salaries and wages for Internal Revenue Service purposes in order to be allowable as described above (OMB Clarification memorandum M-01-06).

C. Non-Research Grants: Other “costs of scholarships, fellowships, and other programs of student aid are allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsoring agency”

A **stipend** is defined in the NIH Grants Policy Statement as “A payment made to an individual under a fellowship or training grant in accordance with preestablished levels to provide for the individual’s living expenses during the period of training. A stipend is not considered compensation for the services expected of an employee.” There are University departments that may apply the term “stipend” to other types of student payments. The **substance and purpose** of the payment, rather than the form or the name for it, are the factors that **must be considered when determining allowabilty.**

II. Procedure:

Pre-Award:

Proposals will be reviewed to ensure that tuition and health insurance cost is included in the budget for any proposed GRAs. If tuition is not included due to sponsor or other restrictions, OSP will require written confirmation from the department that, should the proposal be funded, it will provide funding for the GRA tuition. Similarly, if health insurance is not included due to sponsor or other restrictions, OSP will require written confirmation from the department that, should the proposal be funded, it will provide funding for health insurance for any GRA electing to be covered by the University sponsored health insurance plan.

Post Award:

Tuition and stipend charges to grants, contracts or cost share funds must be documented by use of the forms provided by C&GA at <http://osp.ua.edu/internalforms.html>

Salaries/wages are processed on a Personnel Action Form. Please notice the “Guidelines for Assignment of Graduate Student Position Numbers” published by Human Resources at http://hr.ua.edu/payroll_services/documents/GuidelinesforGraduateStudentPositionNumbers.pdf

Forms and other information regarding the Graduate Assistant Health Insurance Benefit can be found <http://graduate.ua.edu/admin/gahealthins.html>