

3/16/2007

Training Notes for E56XX payments

1. Object code E2690 should no longer be used when paying for student tuition/fees

2. Policy regarding use of departmental non-grant funds for payments

- a. PPM 6320.050 now formally incorporates the policy to allow tuition for graduate students to be paid from non-appropriated departmental funds, such as restricted fees.
- b. When paying from departmental non-grant funds, departments should indicate on the payment document that the payees are graduate students
- c. If the student is an undergraduate and payment is not in lieu of salary, then the payment may still be completed if using Foundation funds. Funds requested from the Foundation should be deposited into departmental accounts in order to make the payment and the department should indicate on the payment document that the payee is an undergraduate and that the original source of funds is the Foundation.
- d. All checks requested from the Foundation should be deposited to departmental accounts. Departments should not send Foundation checks to the Cashier's Office to be directly applied to student accounts/sponsorships. This will allow all payments to be accompanied by the new form "Payments to/on behalf of individuals with Object Codes E56XX".

3. Form to be completed along with payment documents

- a. The form, "Payments to/on behalf of individuals with Object Codes E56XX" is available in E-forms in the Savable Forms category.
- b. It is to be completed and referenced on all payment documents using E56XX, regardless of the source of the funds being used (grants, departmental non-appropriated or Foundation)
- c. It does not need to be printed out and submitted with paper payment documents. The saved document number may simply be referenced on the payment document.
- d. The form may be completed once for situations where multiple payments of the same nature will be made. The document number of the saved form can just be referenced on all applicable payment documents.
- e. The saved forms can also be used by departments to help answer questions payees may have regarding why/how they were paid.

4. New object code “E5610 – Tuition in lieu of salary”

- a. Information on payments under this object code will be provided to Human Resources electronically, so this code requires a separate payment document. Other object codes may not be used on a payment document that is using E5610. The document must include payee name, employee ID, SID/WID, and amount applicable to each payee.
- b. This object code requires Human Resources to make adjustment to the payee’s withholdings and W-2, therefore it cannot be used to pay individuals that are not also on payroll and receiving paychecks at the time of the payment.
- c. If you previously were sending paper document copies to Human Resources, that is no longer necessary (they now have reports they use to get the necessary information).

5. Special instructions for grants

- a. A-21 guidelines are explained in detail on the new form to ensure compliance on grant-funded payments.
- b. If the grant is not a student aid or training grant, the new E5610 object code will need to be used
- c. Departments are also advised to ensure that grant-funded students are not receiving higher compensation than non-grant funded students doing the same work.