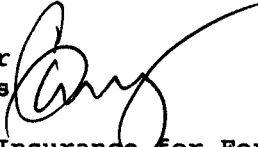


KANSAS STATE UNIVERSITY
Manhattan, Kansas 66506

Division of Human Resources Circular 03-02
December 22, 2003

To: President, Provost, Vice Presidents, Deans, Directors,
and Department Heads

From: Gary E. Leitnaker, Director
Division of Human Resources 

RE: Unemployment Compensation Insurance for Foreign Residents

Foreign Residents have historically been considered exempt from Kansas Unemployment Compensation Insurance (UCI). This week the Kansas Department of Administration, Division of Accounts and Reports, has advised our office that Foreign Residents are not necessarily exempt from UCI just because they hold a F-1 or J-1 Visa. Those Foreign Residents who are employed on student appointments are eligible for the UCI exemption following the same rules as any other student employee. However, those Foreign Residents employed in Faculty or other non-student positions are subject to UCI. Therefore, effective immediately, our office will update all tax records for affected Foreign Resident employees so that UCI is charged as an employer tax, beginning with the December 7, 2003 through December 20, 2003 pay period paid on January 2, 2004, and later.

This policy does not affect the Social Security and Medicare coverage exemption which continues for Foreign Residents in possession of the appropriate Visa, and who have not met the Substantial Presence Test.

If you have questions, please contact Frieda Beat, Human Resources, via email at frieda@ksu.edu, or by phone at (785)532-1884.