

**CALS Lump Sums for**

**NRA Fellowships and Scholarships Process**

**Background information:**

* NRA: Non-Resident Alien
* This process is based on a decentralized unit
* Scholarship payments made to a foreign national student are processed differently, depending on the student’s tax status
* The procedure outlined below ensures that foreign national students are paid and taxed properly.
* To determine if scholarship recipient is an international student, check information from department/unit, student, SIS and/or Common Scholarship Application (CSA)
* Work with your divisional scholarship coordinator to ensure scholarship procedures are completed/finalized prior to payment
* Division HR Resources: [..\..\..\HR Resource Guide\P\Payroll NRA Lump Sums](../../../HR%20Resource%20Guide/P/Payroll%20NRA%20Lump%20Sums)

| **Step** | **Responsible Party** | **Task** |
| --- | --- | --- |
| 1 | Unit | Receive notification that an individual is recipient of scholarship or fellowship  |
| 2 | Unit | Determine if individual is NRA – use information provided by the individual, SIS, and/or CSA (common scholarship application) (if have access to SIS and CSA) |
| 3 | Unit | If NRA, notify appropriate payroll representative (if unit has specific payroll person) |
| 4 | Unit | Check whether individual already has an Empl ID and/or appointment in HRS* Part A: If individual **does not** have an Empl ID, send [NRA template letter](https://uwmadison.box.com/shared/static/76hzh185ckbhlql52jlixrylj1d4yu0t.docx) to individual – this alerts individual to complete direct deposit forms. Letter also informs individual about Glacier process.
	+ Continue to Step 5
* Part B: If individual **has an Empl ID**, send email to glacier@ohr.wisc.edu (and cc: CALS HR Assistant) to determine tax status of: Resident Alien (RA) or Nonresident Alien (NRA)
	+ Four or more scholars:
		- Use the Glacier Team’s [scholarship spreadsheet template](https://uwmadison.box.com/shared/static/avakp7v5x9h2o1eqlyclpr3xr4cry0wn.xlsx)
	+ Three or fewer scholars:
		- Email with scholar/s name, HRS Empl ID, and email address
	+ Notes:
		- Confirm with the scholarship recipient if they will be inside or outside the U.S. at time of payment Send email no later than two weeks prior to the payroll calc you wish to pay the scholar/fellow
		- Email subject line should start with: *X*M (X=the month the scholarship should be paid) (*Your Department Name*) NRA Tax Status
		- Spreadsheets will be reviewed on a first come-first serve basis

\*Part B next step:* + If the individual **does not** have a scholar or fellow record, continue to Step 5
	+ If the individual **does have** an active lump sum scholar or fellow record with the appropriate department, email CALS HR Assistant to update Reports to field in HRS and then skip to Step 9

\*If individual receives another lump sum fellowship/scholarship in the future and the same Employee record still is available, it should be used. \*\*If individual already has an A basis or C basis Fellow or Scholar active appointment in HRS, a new Empl record and appointment should be added to reflect the lump sum appointment and to ensure fringes are not applied.Notes on spreadsheet:* Submit spreadsheet to Glacier team as soon as you are aware of the scholarship payments to ensure process can be completed and payment made – submit at least two weeks prior to the calc you want these to pay on
 |
| 5 | Unit | **If individual is not in HRS (no Empl ID) or if the individual does not have a lump sum scholar or fellow appointment:** Create JEMS hire, as follows:* Person tab
	+ Check Foreign National box in JEMS (Check box)
* Person Contact tab
	+ Enter valid email address
* Position tab
	+ Position Effective Date: should follow the A-basis pay schedule
	+ Empl Class: SA1
	+ Job Code: Y21NN (Fellow) or Y22NN (Scholar)
		- **Fellow Y21NN:** UW Madison Graduate Students, funds are defined as fellowship
		- **Scholar Y22NN:** Undergraduates and Graduates, special students, non-degree students, funds are scholarship
	+ Continuity Code: 02A
	+ Reports To: name of the Scholarship Coordinator (if known)
* On the Job tab
	+ Enter Expected End Date (for one-time payment, enter one-month appointment duration)
	+ Enter Additional Pay/Lump Sum amount
	+ Pay Basis = L (Lump; Comp Rate should be 0.00)
 |
| 6 | Unit | Review spreadsheet from Glacier team with the following results:* Resident Alien: **Do not follow this process.** Make payment as you would a U.S. Citizen through the Bursar's office.
* Nonresident Alien (NRA): Continue to Step 10
* Glacier incomplete: Glacier team send an email to the Employee to complete Glacier submission as soon as possible. The unit HR point of contact will be copied on this email.
* See info in [Additional Considerations](#AddtConsi) section as needed
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| 7 | Unit | Send email to CALS HR Assistant * Attach fellowship or scholarship notification letter that was provided to the individual and the [Lump Sum Payment Request Form](https://hr.cals.wisc.edu/templates-forms/forms-and-documents/#lump-sum-payments)
* Send any documents related to the scholarship being given to the individual (i.e. who was on the committee, what criteria were used to award the scholarship, etc.)
* Include the email from the OHR Glacier team on the individual’s tax status

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| 8 | Division – HR Asst | Review JEMS hire, update Reports To field on Position tab in JEMS as needed, and push to HRS  |
| 9 | Unit | When the scholarship recipient has an Empl ID (will receive an email from JEMS), return to Step 4 and complete steps in Part B |
| 10 | Unit | Add funding information to HRS as soon as Oracle email with the Empl Rcd # is received (if person did not already have an Empl ID)Note: Do not use Program Code 9Add a time approver on the TL security page (in HRS)* TL security must be added for lump sum to be approved
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| 11 | Unit | Receive completed Direct Deposit (DD) form from individual and ensure individual has provided his or her email address. Before sending or faxing to OHR, please indicate “NRA Lump” on the bottom of the DD so processing can be expedited. |
| 12 | Individual | Receive two emails from Glacier and completes the required tax documents and treaty benefits information. * Individual prints the Glacier forms and returns them to OHR-Payroll, 21 North Park with the letter provided by the unit/division
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| 13 | Campus | Review DD and Glacier paperwork. Verify individual is NRA and notify division of tax status. * Resident alien – paid through Bursar’s office
* Nonresident alien – paid through HRS
* Incomplete – unable to determine tax status because Glacier account is incomplete; next steps based on location of scholar
* Permanent resident or naturalized citizen – paid through Bursar’s Office
* Will include a comment for everyone listed on spreadsheet
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| 14 | Division | Take additional action as needed (confirm with the scholarship recipient if they will be inside or outside the U.S. at time of payment)* If nonresident alien is outside the U.S., Foreign Source Income Documents are collected and submitted
* If scholar is in U.S. and the form is incomplete, update Glacier and re-submit spreadsheet
* If scholar is outside the U.S. and the form is incomplete, collect and upload foreign source income documents to confirm tax resident status – once uploaded, resubmit spreadsheet for payroll review
 |
| 15 | Division | Enter lump sum on additional pay screen in HRS (see [KB 17094](https://kb.wisc.edu/hrs/page.php?id=17094))* Earnings code = SFF
* \*The additional pay must be entered prior to the first pay sheet creation.

Notes:* Best practice is for addl pay to be fully approved before pay sheets created
* If approved at level 1 after pay sheet is completed, level 2 approval cannot be guaranteed for that payroll
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| 16 | Division – P&B Spec | Scholarship Coordinator approves as Level 1 approver  |
| 17 | Campus | OHR verifies NRA is OK to pay and approves as Level 2 approver. NRA will pay out on next payrollNote:* If treaty-eligible, there’s no level 2 approval if treaty documents have not been submitted – 14% tax will be withheld
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Additional considerations:

* The student's taxes could be incorrect and require additional tax collection if Glacier is not complete.
* Do not send the Glacier team request for a future month until the current monthly payroll has calculated. For example, while working on the 2M, do not send requests for the 3M or 4M scholarships.
* The dates and turnaround time is driven by the UW Service Center payroll monthly schedule and nightly processes run by Glacier. Refer to the timeline for each month.
* The I-9 form is not required since scholar/fellow is a non-service payment.
* Payments can be made via the monthly payroll on-cycle process. They do not meet the missed payroll request criteria and cannot be paid on the bi-weekly payroll.