



WESTERN MICHIGAN UNIVERSITY

1903 W Michigan Ave. Kalamazoo, Michigan 49008 (269) 387-4253 (Accounts Payable); (269) 387-6000 (Financial Aid)

Student Payment Guidelines-Payments are contingent upon the relationship of student status to the nature of the payment.

➤ **Accounts Payable and Payroll**

In general, Accounts Payable and Payroll will handle payments that will contribute to a student's income and wages related to being hired as an employee. Please note that wages and related elements are factored into the calculation of the expected family contribution (EFC) on the Free Application for Federal Student Aid (FAFSA)¹. This includes many/most items related to employment and/or "University business expenses". In order to meet the criteria of "University business expense," the activity needs to be for the University's benefit, rather than for the student's benefit.

➤ **Financial Aid**

In general, Financial Aid will handle expenses related primarily to a student's education, enrollment status or academic pursuits as those apply towards the student's cost of attendance (COA) budget as *estimated financial assistance (EFA)*. Items for consideration here include tuition and fees, housing and meals, books, transportation, and some miscellaneous items (including some personal expenses).

Note, student reimbursements are of a complex nature. ***Some expenses incurred by students are deemed the students' responsibility and are not reimbursable through Accounts Payable and are not considered eligible for submission to Financial Aid.*** Listed below are the guidelines used by Payroll and Disbursements and Financial Aid to determine if an expense is processed through Payroll and Disbursements or deferred to Financial Aid:

Summary of transactions processed by Accounts Payable and Payroll:

- Wages paid to students hired as employees.
- Expenses directly related to the University, where WMU is the primary beneficiary and the results of the expense will benefit the University.
- Expenses for services performed to fulfill a University obligation to an external entity.
- Expenses related to student events performed primarily for University purposes.

¹ This provides the framework for Financial Aid Office review, but a student need not have a completed FAFSA on file or already be receiving financial aid for the Financial Aid Office to review the expense reimbursement.

- Expenses for reimbursements for approved professional development or enrichment activities that do not fall under EFA (as explained above). 1099 reporting will apply where applicable.

Summary of transactions processed by Financial Aid:

- As a general guideline: Other than non-need-based employment², an award that is contingent upon the student's enrollment is generally treated as, or reviewed for, EFA going towards educational expenses (in the COA) that remain after accounting for wages, income, or related elements that are factored into the EFC on the FAFSA.
- The expense is related to an activity integral to the student's program or degree requirements, including, but not limited to, specific course requirements.
- The expense is related to an activity supported by the student's scholarship/grant.
- Expenses related to student hardship must be submitted to Financial Aid.

Payment Types Processed by Accounts Payable and Payroll

Participation Incentives

Payments to students as incentives for contest or competition participation or raffles, and made using a prize award form, are processed after being ruled out as potential EFA by Financial Aid. Note that payments to students in the form of a gift card must follow the Accounts Payable gift card policy.

Supplies

While supplies in most instances are directly charged to departments, if an occasion arises requiring a student to purchase department supplies, the expense will be processed through Accounts Payable using a payment voucher.

Travel reimbursement

All employees, graduate students and undergraduate students employed by the university or representing the university in intercollegiate athletics, scholastic or music competitions and other sanctioned university events are eligible to travel and be reimbursed for WMU business expenses. Additional criteria for student travel reimbursements are as follows:

- Expense directly supports a faculty member's project or research program
- Expenses are related to student presentations, exhibits, performances (not attendance only) at a conference, on behalf of WMU with required documentation reflecting the student as a presenter
- Expense is the result of a student group or team travel participating in off-site WMU events.
- Expense is related to a WMU work assignment performed by a student employee or graduate assistant.
- Travel support provided to students, for legitimate expenses for approved travel to conferences, workshops, or other professional development or enrichment activities that are solely voluntary and

² An example of need-based employment is Federal Work Study.

not tied to course or program requirements or to degree completion requirements, shall be paid through Accounts Payable, presuming there is no overlap with EFA³.

Payment Types Processed by Financial Aid

Participation Incentives

Payments to students as incentives for contest or competition participation or raffles, and made using a prize award form, whether as a gift card or in another form, must be examined for potential as EFA, if participation in the event is predicated upon holding WMU student status (i.e., is not an event open to the/a broader community).

In lieu of payments, items that can be utilized for prizes and excluded from consideration for EFA are:

- Plaques, medals, trophies or the like
- Coffee-table books (versus textbooks or course-required readings)
- Other items that do not fall under student cost of attendance (COA) categories

Items that will need consideration for estimated financial assistance (EFA) include school supplies, food that could fall under regular “board” or miscellaneous expenses, gas cards, personal miscellaneous items, and/or items that are likely to be exchanged for cash (hence, presumably used for meeting educational costs).

Please refer to the Financial Aid website for additional information at <http://wmich.edu/finaid/>.

Scholarships and Gift Aid (Federal, State, Institutional, Private) Professional development and educational opportunities

These awards are distinguished by their applicability to admitted students for course and or program enrollment and degree completion. When there is uncertainty as to whether a payment or award should be categorized as scholarship or aid, Financial Aid will review the payment to see if it should be counted towards a student’s cost of attendance and the student’s financial aid budget. With the exclusion of categories otherwise established in this document, Financial Aid will review a payment or award for applicability as EFA.

Travel Reimbursement

Reimbursement payments to students for traveling for educationally related pursuits must be examined for potential as estimated financial assistance (EFA). Some types of reimbursements that can generally be handled in an expedited manner (ruled easily in or out for consideration as EFA) include:

- Cost of attendance related expenses associated with study-abroad courses (for WMU approved programs) that are over and above a student’s current budget can be added to increase the budget and allow for a student to receive additional financial assistance, if available, to pay for them.

³ Care must be taken that these are properly reimbursed so that payments do not factor into cost of attendance. For instance, just to make the point (via something one isn’t likely to do in the first place): Reimbursements for hotel costs for a workshop held at WMU, given to a student who is a Kalamazoo resident, may overlap with room and board costs already accounted for in COA.

- Expenses associated with WMU courses that include travel in the United States should be examined for impact on estimated financial assistance and, similar to study abroad courses, increases in the student's current budget.

As previously noted, travel for purpose of voluntary involvement in academic enrichment and professional development opportunities, will be processed through Accounts Payable if it is not deemed EFA. In this particular context, Accounts Payable will forward to Financial Aid for review any travel expenses where the status as EFA is unclear. If determined to be EFA, then they will inform Accounts Payable, who will return the voucher to be resubmitted as a scholarship disbursement authorization located at <http://wmich.edu/finaid/faculty-staff>.

Supplies

Expense reimbursements for supplies purchased by students related to academic enrichment activities should be submitted to Financial Aid for review as a Cost of Attendance Appeal. Certain conditions apply, including requirements for receipts. Appeals are evaluated on an individual, case-by-case basis and by federal regulations, and may not be applied simply to broad categories of students. Students should contact Bronco Express at (269) 387-6000 for details.

You may also refer to the Accounts Payable website, <http://wmich.edu/payroll/accounts-payable/forms> for additional information.