

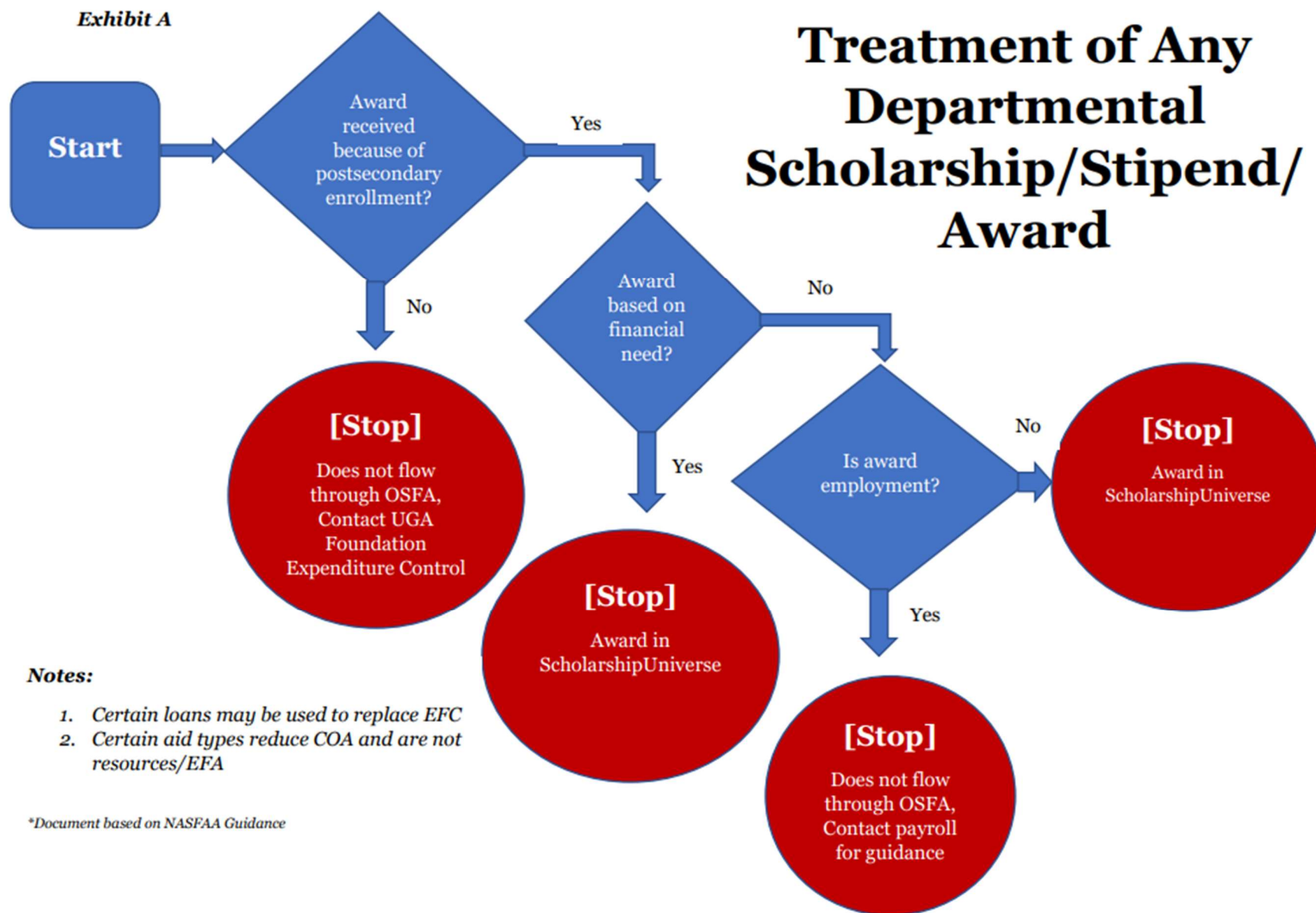
## **Payments for Student Financial Aid:**

Any resource or aid, to include scholarships, awards, or stipends that a student receives due to their enrollment at UGA should be processed through Scholarship Universe. This system facilitates proper reporting and ensures compliance with IRS rules and the requirement that any educational benefits paid to a student, regardless of the source, are considered in the determination of eligibility for federal financial aid. Processing aid through any method that circumvents the Scholarship Universe system (except for an award made due to employment via payroll) could result in financial aid overawards and potential penalties and fines for UGA. See Exhibit A for a flow chart and decision points on student payments.

On the rare occasion an award or resource is noted where payment cannot be made via a student's account and will be paid directly to a UGA department, such as the Health Center, please reach out to the UGA Foundation's Expenditure Control team ([askfsap@uga.edu](mailto:askfsap@uga.edu)) for instructions on facilitating this payment.

The UGAF, Bursar, and Accounts Payable are familiar with Federal laws and regulations as to what should be processed through Scholarship Universe (SU). The Office of Student Financial Aid (OSFA) relies on their offices to determine if an award from a certain account can be processed through Scholarship Universe.

Exhibit A



## **Enrollment**

Is the recipient receiving an award because they are a UGA student (e.g. they would not receive the award if they were not enrolled at UGA)?

- If yes, needs to be processed via SU
- If no, does not need to be processed via SU

## **Employment**

**Is the stipend/award considered employment under federal and state law?**

- If considered as employment, does not need to be processed via SU. It is income and will appear as income on the following year's tax return and on the following year's Free Application for Federal Student Aid (FAFSA). Check with HR if you have questions about this.
- If not considered employment, should be processed via SU

## **Contest/Award/Prize/Gift Card**

Is the contest/award/prize open to the public-at-large (e.g. a student or non-student may receive the award)?

- If open to the public-at-large, does not need to be processed via SU or reported to OSFA
- If only open to a student, should be processed via SU since the contest/award/prize is only available to students.
- Gift cards or prizes (e.g. camera) are not processed via SU; however, the dollar value should be reported to OSFA.

## **Reimbursements**

A student attends a school sponsored conference and pays their direct expenses (e.g. transportation, meals, lodging) out of pocket. The student submits receipts to the school and the school reimburses the student for exactly those expenses.

- If the student will only be reimbursed for the direct expenses, this does not need to be processed via SU. This is viewed as a third party (hotel, etc.) is receiving the funds, not the student.
- If the school reimburses the student for expenses where receipts are not provided or the award is based off of an estimate, this should be processed via SU as the student could use the reimbursement for "other educational expenses" instead of the actual reimbursement expense.

## **LLC**

Is the award for an LLC that is made up of *multiple members (students and possible investors)*?

- If yes, should not be processed via SU

Is the award for an LLC made up of a *single-member* (the student)?

- If yes, should be processed via SU

## **Accounts**

Questions about accounts or how the funds can be used should be directed to the UGAF, Bursar, or Accounts Payable.