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GENERAL INFORMATION

Federal Regulations

Federal Title IV regulations require institutions to monitor and limit total financial resources awarded to students receiving federal financial aid. Federal financial aid includes scholarships/fellowships, grants, need-based employment, and loans.

Students receiving federal aid cannot have total resources in excess of their cost of attendance. In addition, students receiving federal aid based on financial need cannot have resources in excess of their need. An 'over-award' occurs when the student receives more aid than he or she is eligible to receive. The institution is required to resolve all over-awards.

DEFINITIONS

Student

For the purposes of this document and discussion of policies for giving funds to people, ‘student’ refers to a person seeking a degree or other educational credential at Indiana University. A student ceases to be a student when they graduate or otherwise separate from Indiana University.

Cost of Attendance (COA)

The cost of attendance for a student is an estimate of educational expenses for the period of enrollment, and it provides an upper limit on financial resources. Expenses include tuition and fees, books and supplies, transportation, room and board, and personal expenses.

Changes to estimated budgets are made automatically for students on IU Overseas Study programs administered through the Study Abroad Office (OVST). All study abroad costs for programs administered by the departments and schools must be approved by the OVST who will forward the information to the Office of Student Financial Assistance (OSFA).

Other changes may be made based on an appeal by the student, with documentation of unusual expenses in excess of the estimates. Appeal approval or denial is solely at the discretion of the financial aid office. Questions from departments about reasonable costs may be directed to the OSFA email deptsch@indiana.edu. If the award is designed to offset additional educational costs, the department should contact the OSFA at deptsch@indiana.edu in order to specify the costs to be considered as a part of the students' COA.

Expected Family Contribution (EFC)

The EFC is determined by federal formulas applied to student-supplied data on the Free Application for Federal Student Aid (FAFSA). Changes to the FAFSA data components may be made on appeal when the student and/or family's financial circumstances change. Appeal approval or denial is solely at the discretion of the financial aid office.

Financial Need = COA - EFC

Need is defined as the difference between cost of attendance (COA) and the expected family contribution (EFC). A student with federal aid awarded on the basis of need cannot have total
resources in excess of need. All resources count toward need with the exception of non-need-based federal and private student loans. Depending on the student’s individual situation, financial need may be affected by adjustments to COA or EFC. Unmet need is need not met by financial aid or other resources.

**Resources**

A “resource” is used to compute need and is part of the EFC. A resource can be “work income”—like non-need-based employment. “Financial aid” is used to meet need or meet COA (like unsubsidized Federal Stafford Loans and Federal PLUS loans meet COA and replace all or part of the EFC). However, financial aid can also be “work income”—like Federal Work-Study or any other need-based employment.

**Financial Aid Package**

The combination of federal, state and institutional aid awarded to meet a student’s need or to cover the cost of attendance is referred to as the ‘financial aid package.’ Resources from any other source, e.g. scholarships from Rotary Club, departmental fee remission, etc., must be accommodated in the package within the restrictions that apply based on the student’s eligibility, need and types of federal aid awarded. Just like COA, a student’s financial aid package covers a specific period of enrollment.

**Estimated Financial Assistance**

Federal financial aid eligibility is restricted by the cost of attendance and any other financial assistance that must be counted as a resource available to meet financial need. Any educational benefits paid because of enrollment in college are considered to be part of the financial aid package. This includes scholarships and grants from any source, fee waivers, fellowships and assistantships and even private education loans. If new resources are awarded, eligibility for federal aid must be re-evaluated. When these resources can be anticipated early there is less disruption in the aid package and less confusion for the student.

**IU Policy**

- Any funds awarded by the institution to an IU student, regardless of the timing of awards, are considered a resource with the limited exception of prizes (defined below). This includes scholarships, fellowships, fee waivers, and all monetary benefits with the exception of wages for service to the University which must be paid through Payroll.

- Regardless of the timing of an award, it must be attributed to the enrollment period it was intended to cover even if that period has ended. SIS award entry is restricted to one week prior to the last day of each academic term. Please be aware of entry deadlines provided by the OSFA.

- An IU student may receive institutional funds intended for periods of non-enrollment (usually summer) if this is consistent with the purpose of the funds.

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Funds for IU students are awarded through the Student Information System (SIS). This ensures that resources are tracked in the event that a student who was not previously receiving federal aid subsequently applies for and receives federal aid.

Indiana University strives to comply with the intent of donors when administering funds to students and others on their behalf. However, donor intent, no matter how specific or strongly worded, may not supersede the University's obligation to meet federal regulations that apply to students receiving federal financial aid.

The regulations for federal financial aid recipients allow for certain limited exceptions, as well as the manipulation of loan funds for accommodating additional resources and resolving overawards. Evaluation of the circumstances and determination of appropriate treatment is at the discretion of the financial aid office. It is important to note that any awards made by the institution are considered as awards made by the financial aid office—not by an outside entity.

A student’s COA may be able to be increased when departments are awarding funds to offset additional COA and students have insufficient room in their need or COA for the full award. Departments must submit documentation to the OSFA via a form designed for that purpose. The OSFA will then review the documentation and student on a case-by-case basis and make allowable adjustments to the COA, after which the department may post the award in the SIS.

It is the IU department’s responsibility to monitor the expenditures on their accounts including scholarships/fellowships awarded, disbursed, adjusted or cancelled.

IU General Information

Processing payments through a disbursement voucher or other system that circumvents the Student Information System (SIS) could result in financial aid over awards and potential liabilities for the university.

Many departments do not want payments to impact financial aid. However, Indiana University must comply with federal aid regulations to maintain participation in the federal programs, and federal aid recipients have statutory restrictions regarding how other resources affect eligibility. In many cases, the award will not impact the student’s aid when processed through the SIS. If an adjustment is needed, it will generally result in a reduction in loans reducing the student’s education loan debt.

Aid awarded through the SIS will be disbursed through the student’s bursar account and will be applied to any outstanding bursar charges. Aid entered through the SIS Scholarship Entry Page must be entered prior to the “lock down” of this entry page which is one week prior to the end of

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2 Based on DOE Packaging guidelines (Federal Student Aid Handbook, Volume 3, Chapter 8) as well as DOE Overaward guidelines (Federal Student Aid Handbook, Volume 5, Chapter 1), www.ifap.ed.gov/ifap/.

3 Based on DOE Overaward guidelines (Federal Student Aid Handbook, Volume 5, Chapter 1), www.ifap.ed.gov/ifap/.

the term. Some students who are receiving federal aid may not have eligibility for additional funds.

All pre-doctoral recipients of scholarships, fellowships and fee remissions should be made aware of the fact that these types of financial aid are counted against a student’s eligibility for other types of financial aid processed by the OSFA. Any scholarships, fellowships or fee remissions processed after the OSFA creates financial aid packages may result in a reduction of aid previously offered. Departmental assistance processed by May 15 preceding the academic year or April 15 preceding summer terms will enable OSFA to offer financial aid that takes these funds into consideration up front. Regardless of the timing, the combination of assistance granted by the department and aid offered by the OSFA cannot exceed reasonable expenses associated with a student’s studies.

The university is also required to provide IRS Form 1098-T to all payers of qualified educational expenses. This statement summarizes payments made in the SIS on behalf of a student throughout the calendar year.

**Characterizing a Payment**

1. Is the individual required to perform services to Indiana University as a condition to receive the funds?
2. Does the University control or define the work schedule?
3. Is the individual providing teaching/instruction or research services?
4. If the individual is performing research
   a. Does the University choose the research topic?
   b. Does the University retain rights to the research?
   c. Is the research “primarily” for the University’s benefit (vs. the student’s educational experience)?
5. Are the funds included as part of a NHSCS or armed forces program?
6. Visiting Scholars?
7. Are the funds identified as payment for work or research in a federal grant proposal?

If you answer “Yes” to questions above, the payment is for services rendered and should be processed through payroll. Please see the section on [Student Travel and Research](#) below if the payment involves travel.

If the answer is generally “No” please continue with the following question:

1. Does the student have to attend IU to receive the funds? Answering “Yes” generally means the award should be processed in the SIS through the departmental entry pages.
   Exception:
   a. Payments for personal enrichment expenses not associated with credit-bearing course
      • (Example: Trip to East Africa as part of a Volunteer Service Work Organization). In most cases, any payment to cover the cost of attendance components (tuition, fees, room, board, and personal expenses) should be processed in the SIS.

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5 A calendar outlining all academic year awarding deadlines for scholarships, fellowships, and fee remissions is available on the OSFA Scholarship Processing Intranet. Questions about the calendar and requests for access to the intranet should be directed to the OSFA email deptsch@indiana.edu.
Please note that in some cases, students with federal aid may not have eligibility for additional funds (i.e. although they receive a scholarship, because they do not have room for that additional amount in their need/COA, other aid will be reduced). Please take this into consideration before notifying students of awards after the start of the semester as they may not receive a “windfall” payment of funds.

Departments are reminded that there may be donor restrictions governing how the award should be paid. For example, there may be money through Federal Title III (Groups, McNair) that further specifies method of payment.

Commonly Asked Questions Related to Payments

1. What if the funds are for the summer and the student is not enrolled?

_Contact your campus financial aid office for assistance in processing the payment in the SIS. These should be processed in the SIS unless the student has never been enrolled and has no emplid (see below). Circumstances may occasionally require that these awards be processed via the DV process; however, the majority of these awards should be processed in the SIS. The DV process creates compliance risk, thus awards should be processed through the SIS in case the student subsequently enrolls._

2. What if the funds are for an individual(s) who has never attended IU?

_If the individual has never attended IU, payment can be made via a DV._

3. My department made a mistake and failed to pay a student from the previous award year. The ability to enter the award in the SIS for the prior award year is no longer available. How can the payment be processed?

_Contact your campus financial aid office for assistance in processing the payment in the SIS._

4. How can funds for student (non-study abroad) travel expenses be processed?

_If the payment is for student research pertinent to a degree, process in the SIS. The departments also need to provide documentation to the OSFA of the specific costs to be offset by the travel and research funds—at the time the awards are made in the SIS in order to avoid over-awards._

_If the payment is for conference travel that primarily benefits the department, process reimbursements through Travel Management Services._

5. How are funds processed for a student doing research to help defray travel and living expenses?

_Per the above process, who is the research for? If it’s for a student’s degree, process in the SIS. If it’s for the university, e.g. departmental conference, then process through Travel Management Services. The departments also need to provide documentation to the OSFA of the specific costs to be offset by the travel and research funds—at the time the awards are made in the SIS in order to avoid over-awards._

6. How is a research payment processed for an international student studying in the summer (student is not enrolled for summer but has been enrolled during the academic year)?
Contact your campus financial aid office for assistance in processing the payment in the SIS. Circumstances may require that these awards be processed via the DV process; however, the majority of these awards can now be processed in the SIS. The DV process creates compliance risk, thus awards should be processed through the SIS in case the student subsequently enrolls.

7. How is an already-disbursed award cancelled by a department?

Contact the OSFA to see if an award can be cancelled in the SIS. For example, if the term has ended and cancelling the award would create outstanding IU charges as well as unmet financial need for the student, it may not be cancelled.

Prizes

The Department of Education considers payments or winnings because of enrollment at a postsecondary institution or for the purpose of aiding a student’s study, training, or research as scholarships or fellowships. Payments or winnings won in a contest are considered a scholarship, if any of the following conditions apply:

- The recipient is required to use the disbursement for educational purposes.

  Payment from a contest that can only be used when enrolled as a degree candidate at an educational institution is considered a scholarship. For example, a competition is held and prizes for 1st, 2nd, and 3rd places are awarded to students who must use the competition prize for their education. In this instance, the competition “prize” would be considered a scholarship and should be processed through the SIS.

- The recipient is eligible to receive the funding because he/she is a student.

  Payment from a contest for which the recipient is eligible because of his/her status as a student at an educational institution is considered a scholarship. For example, a school holds a beauty pageant that is limited to students. Therefore, the “prize” is considered a scholarship and should be processed through the SIS because her eligibility was contingent upon her status as a student.

- The contest is related to the student’s university courses or degree completion.

  Payment from a contest in which the criteria for judging are measures of excellence based on university studies or academic performance is classified as a scholarship. An example of this type of scholarship is a departmental “prize” for the best thesis/dissertation. The competition payment in this instance would be considered a scholarship and should be processed through the SIS.

Note: Per federal financial aid regulations, cash-based ‘prize’ scholarships (including gift cards) awarded to Bloomington students are considered scholarships, and the value of these scholarships should be entered into the SIS. The value of educational equipment (e.g. iPads) awarded to Bloomington students should also be accounted for in the SIS. Contact the
Bloomington Office of Student Financial Assistance ([deptsch@indiana.edu](mailto:deptsch@indiana.edu)) with processing questions.

If the payment does not meet any of the conditions mentioned above, the payment or winnings would be considered a prize by IRS definition. If the payment from a contest is not classified as a scholarship, the prize would be includable as taxable income to the recipient. A prize would have to be processed in one of two manners to ensure appropriate reporting by the university:

- If the contest prize is a cash payment, it will need to be processed through FIS DV. Please note, documentation on how the prize contest was conducted should be entered into the DV notes section. For further questions regarding processing awards through FIS DV, please contact Rozzie Gerstman at 855-1123.
- If the contest prize consists of a non-cash item, please refer to Indiana University Fiscal Policy VII-4 for processing guidance. Some examples of non-cash item are cash equivalents such as gift cards, tangible personal property, and complimentary services. For further questions regarding Indiana University Fiscal Policy VII-4 and the Prize Tax Data Collection Form, please contact FMS Tax Department at [taxpayer@indiana.edu](mailto:taxpayer@indiana.edu).

**Student Travel and Research**

Payment is to help defray student travel and research expenses pertinent to a degree.

Payment for students who are participating in any study abroad program coordinated through the IUB OVST (including IU-administered, Co-sponsored, non-IU OVST, and IU department sponsored programs) must be processed through SIS financial aid. Additional expenses for all of these programs are coordinated by the OVST and reported to the OSFA to accurately offset any increased cost of attendance incurred by the student for overseas travel and study prior to the beginning of the enrollment period in which the study abroad will occur. Likewise, any funds designed to offset study abroad costs should be posted in the SIS prior to the enrollment period in which the study abroad will occur.

1. If it's for a student’s degree, process the payment in SIS.
2. If it’s for the university (departmental conference), then process the payment through Travel Management Services.

If payment is for educational research, but the student is not enrolled for the term during which the research is being conducted, contact the financial aid office to discuss appropriate processing.

**UNDERGRADUATE STUDENT SCHOLARSHIPS**

**Undergraduate Student Scholarships**

Scholarships include all unrestricted, non-service related stipends, regardless of the funding source or name of the award for the purpose of aiding an undergraduate student’s study, training, or research. “Unrestricted” means that funds are not limited to paying certain expenses, such as tuition. Scholarship recipients are expected to enroll in at least 1 credit hour per term (including summer term) If the intention is to post the scholarship in a specific term, the student must be enrolled in that term.
If the student is enrolled, expense for this category is to be processed through SIS, and the resulting award disbursement to the student will be deducted from the GL account.

The student’s enrollment must be equal to or greater than the enrollment required for the scholarship to disburse (as set up on the SIS item type). If the student’s enrollment is less than the required enrollment, a manual disbursement request must be submitted via the OSFA scholarship processing intranet.

The best way to ensure that a scholarship processed through SIS will be processed with minimal impact to the student is to enter the awards prior to the semester disbursement date (10 days before the first day of classes each semester).

If the individual is a non-IU student, expense for this category is to be processed through the DV process.

**Undergraduate Scholarships for Overseas Student Enrollment**

Students who are participating in a non-IU study abroad program through the IUB Office of Overseas Study may be eligible to receive institutional and federal student aid through the SIS. Students must complete a contract with the OVST. Depending on the type of aid the student wishes to receive and the type of OVST program, the student will be enrolled in a zero credit hour placeholder course.

1. Students enrolled in OVST Y496 are eligible to receive institutional and federal financial aid.
2. Students enrolled in OVST Y498 are eligible to receive scholarships only.
3. Students enrolled in OVST Y499 are ineligible for all types of aid.

Scholarships for students who are enrolled in OVST Y496 or Y498 will be manually disbursed to their bursar accounts by OSFA no more than ten (10) days before the start of regular semester classes. Departments do not have to request a disbursement override for these students to receive their scholarships.

**FEE REMISSION FOR UNDERGRADUATE AND GRADUATE STUDENTS**

Fee remissions for regularly enrolled students, unrelated to either employment or sponsored programs, are to be processed through SIS third party contracts (Office of the Bursar). The following information applies to both undergraduate and graduate fee remissions:

Fee remissions offered to students who are receiving federal financial aid will not credit to students’ accounts until they are reviewed and approved by the OSFA. Additional research or processing may be required if the student does not have adequate unmet need after federal aid has disbursed. The best way to ensure that fee remissions will be processed by the OSFA in a timely manner is to enter the awards prior to the semester disbursement date (10 days before the first day of classes each semester).

All fee remissions for undergraduate and graduate students are reflected in the financial aid package using estimated, non-disbursing placeholder Item Types to comply with federal regulations regarding reporting estimated financial assistance. The amount of the placeholder award is initially based upon the amount entered as estimated financial aid in the SIS third party contracts by the awarding department; however, in the case of “no-maximum” fee remissions (with an SF max of 9.999.999), the placeholder amount may be increased by the OSFA to
reflect the estimated tuition amount reflected in the student’s financial aid budget for full fee remission. It is imperative that initial estimates be as accurate as possible based on the amount the student will actually receive in fee remission funds. Inflated award amounts will reduce the amount of federal aid that a student can receive. Underestimated award amounts will cause the student to be over-awarded putting Indiana University out of compliance with federal regulations and potentially delaying a reduction to a student’s other aid until after disbursement and the student may be placed in a liability situation as the university must collect funds from the student for any balance created.

Fee remissions intended to cover ALL of the student’s enrolled hours without maximum can be estimated using the standard cost of attendance (or budget) figures provided on the OSFA website http://studentcentral.indiana.edu/financial-aid/stay-informed/cost.shtml. The tuition and fees figures for resident and non-resident undergraduates are based on full-time enrollment (12-17 credit hours). The same figures for graduate students are based on eight credit hours per academic semester. For more detailed information on individual tuition and fee amounts, the Office of the Bursar’s website provides an estimator tool http://bursar.indiana.edu/home/index.php/tuition-fee-rates/tuition-estimator/.

Fee remissions should be finalized prior to the last day of classes each semester. However, late changes to fee remission amounts are possible after the end of each academic term. Be aware that increases to fee remissions will still be subject to review by the OSFA for any federal financial aid recipients. After the end of each academic term, any decreases to fee remissions can no longer be replaced with other federal financial aid. If you reduce a fee remission after the end of the academic term without providing alternate assistance, the student may be placed in a liability situation as the university must collect funds from the student for any balance created.

Fee remissions can only be awarded to students who are studying abroad in an IU-sponsored program coordinated by the Office of Overseas Study. Students in a non-IU-sponsored program will not have tuition and fee charges at IU and thus there would be no charges to which a fee remission could apply.

**Sponsored Program Student Fee Payments**

Fee remissions awarded to students on behalf of sponsored programs or special institutes should be recorded as 5870. Examples include tuition and fees paid on sponsored contract and grant accounts, fee remissions for exchange students, and fee remissions for summer institute and workshop participants.


Expense for this category is to be processed through SIS third party contracts (Office of the Bursar). These funds are reflected in the student’s financial aid package as “Estimated Fee Remission.”

**Graduate Student Academic Appointee (SAA) Fee Remission**

The mandatory fee remission policy states that students with academic appointments of 50% FTE or more should receive a full fee remission. Fee remissions may be awarded for a maximum of 30 hours per 12-month period beginning with the start of the fall semester with at most 12 hours in any semester or combined summer session. The stated fee remission award will cover a minimum of 90% of the credit hour fees for a resident and a minimum of 95% for a
non-resident. Fee remissions do not cover G901, mandatory, course-related, or miscellaneous fees. Fee remissions may be awarded for less than 50% FTE at the discretion of the department but cannot be charged to sponsored programs.


Note: Student Academic Appointees that hold an FTE of 37.5 or more are eligible for SAA Health Insurance based on their appointment.

GRADUATE STUDENT FELLOWSHIPS

Graduate Student Fellowships

Fellowships include all unrestricted, non-service related stipends, regardless of the funding source or name of the award for the purpose of aiding a graduate or professional student's study, training, or research. “Unrestricted” means that funds are not limited to paying certain expenses, such as tuition. Expenses for this category are to be processed through SIS, and the resulting award disbursement to the student will be deducted from the GL account.

Pre-doctoral fellowship recipients are expected to enroll in a minimum of 6 credit hours (or as defined in the University Graduate School Academic Bulletin http://www.indiana.edu/~bulletin/iu/gradschool/2013-2014/policies/full-time.shtml in each academic-year term, Fall or Spring, in which the student receives a fellowship. Students who receive $3,470 or more per academic-year term, Fall or Spring, in total fellowship funding will be eligible for SAA Health Insurance. This includes non-IU (external) Fellowships which are routed through the OSFA to be posted by the student’s department.

Fellowships for pre-doctoral students who are enrolled in a minimum of one summer course are entered in the SIS as financial aid. The resulting award disbursement will be deducted from the GL account.

Exceptions to these guidelines must be sent to the Bloomington Campus Fellowship/Scholarship Advisory Group, in care of Rozzie Gerstman (gerstma@indiana.edu) or 855-1123.

See the processing procedures listed on the CATS website: CATS: Campus Administrative Training Series

The best way to ensure that a fellowship processed through SIS will be processed with minimal impact to the student is to enter the awards prior to the semester disbursement date (10 days before the first day of classes each semester).

The student’s enrollment must be equal to or greater than the enrollment required for the fellowship to disburse (as set up on the SIS item type). If the student’s enrollment is less than the required enrollment, a manual disbursement request must be submitted via the OSFA scholarship processing intranet.

Pre-Doctoral Fellowship

This excludes fee remissions i.e. student support that is restricted to paying student fees. Expense for this category is to be processed through SIS financial aid. The resulting award disbursement to the student will be deducted from the GL account.
Standard exceptions:

1. Enrollment in one approved thesis or dissertation course such as G901 is considered “full-time.” Definition of full-time is based on campus-wide guidelines published by the IUB Registrar. The IUB Registrar maintains the list of approved thesis and dissertation courses.\(^6\) Fellowships for students who are enrolled in approved thesis/dissertation courses will be disbursed to their bursar accounts no more than ten (10) days before the start of regular semester classes. Departments do not have to request a disbursement override for these students to receive their fellowships unless the Item Type requires more than full-time enrollment (8 credit hours).

2. C&G proposal that has separate definition of required enrollment. Student must still be enrolled in at least 1 credit hour.

3. Definition of degree-seeking based on SIS “Program” in which a student is enrolled.

The best way to ensure that a fellowship processed through SIS will be processed with minimal impact to the student is to enter the awards prior to the semester disbursement date (10 days before the first day of classes each semester).

For non-enrolled pre-doctoral students, who have no intention of enrolling in the summer, expense for this category is to be processed through FIS using the DV process. In the College all summer fellowship students must enroll in a minimum of 1 unit.

**Fellowships Reportable Post-Doctoral**

Same as Fellowships except that it pertains to post-doctoral appointees, and does not carry the same enrollment requirements.

Expense for this category is to be processed through payroll. Health insurance is payable to post-doctoral students (non IU degree-seeking students).

**Professional Fellowships**

These are fellowships that only professional graduate students are qualified to get. Expense for this category is to be processed through SIS using object code 5822.

**HEALTH INSURANCE**

**SAA Health Insurance Planning Practices**

The student’s fellowship or academic appointment salary is charged to a non-general funded account, and that student qualifies for SAA Health Insurance. It is recommended that you plan for all expenses associated with fellowships or academic appointments that your unit provides to graduate students, including costs related to SAA Health Insurance.

That account will be charged for up to 100% of the institutional SAA health insurance premium. These premium charges are billed proportionally to all accounts that fund a student’s fellowship(s) or academic appointment salary.

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\(^6\) A list of financial aid approved thesis and dissertation courses is available on the OSFA Scholarship Processing Intranet.
Example: - If a student is receiving only one fellowship for $3,000/semester from a 26- account (e.g. IU Foundation funded), no SAA Health Insurance charges will be charged to the non-general account because the fellowship is below the $3,470 minimum. However, if the student receives an additional fellowship from a different 26- account in a different school/department and that fellowship is $500/semester, this results in a total of $3,500 in fellowship funding for the student. As a result, the student qualifies for SAA Health Insurance and both 26- accounts will be charged a proportion of the costs for the insurance premium.

Units may move the insurance premium expense to a general fund account to be covered if extra funds are needed. You may use either the DI or GEC to distribute the expense.

Non-IU (external) fellowship funding should be made payable to Indiana University and sent to the Office of the Bursar. The Office of Student Financial Assistance will work with the student’s department to post the scholarship via an account administered by the department. Any applicable SAA health insurance premium will be charged to that same account.

**Mandatory Student Health Insurance**

Students will qualify for Mandatory Health Insurance based on one of the following:

1. **Fellowship Recipients:**
   a. Student receives minimum combination of fellowships as defined in the Budget Construction Attachment.
   b. Fellowship processed by required date (Sept 30, Jan 31)
   c. All fellowships are included in determining a student’s eligibility for Mandatory Health Insurance.

2. **Academic Appointees:**
   a. Student is appointed at a level of at least 37.5% FTE, processed by required date (Sept 30, Jan 31)"

If a student’s fellowship or academic appointment salary is charged to a general fund account, the charges for the SAA Health Insurance premium are covered by campus funds held by the Budgetary Administration and Planning Office.

**Object Codes and Item Types**

Please review your current use of financial aid object codes across all fund groups to ensure that they comply with these guidelines. In cases where object code usage for actual expenditures needs to be updated, it may be necessary to coordinate changes to Student Information System (SIS) item types, which are used to process awards for students in the financial aid and student financials (Bursar) systems.

Questions regarding SIS item types and their setup for the student financials accounting feed can be directed to the OSFA, email: schauth@indiana.edu. New item types, and requests to change current item types may be requested via the item type request form available on the OSFA Scholarship Processing Intranet, https://www.sharepoint.iu.edu/sites/bosfa/scholarships/default.aspx.

1. Tax implications of scholarships, fellowships, and fee remissions, students should be referred to IRS publication 970.
2. International students should be referred to: http://www.fms.indiana.edu/tax/NRA/Scholarship_stud.asp
3. For departmental scholarships, students are directed to contact the respective department that processed the scholarship.

Table 1: Object Codes and Descriptions

<table>
<thead>
<tr>
<th>Object Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4866</td>
<td>- Prizes: not for the purpose of aiding the student’s study, training, or research and not considered scholarship or fellowship</td>
</tr>
<tr>
<td>5400</td>
<td>- Graduate Student Academic Appointee (SAA) fee remission</td>
</tr>
<tr>
<td>5610</td>
<td>- SAA health insurance</td>
</tr>
<tr>
<td>5810</td>
<td>- Graduate student fee remission for regularly enrolled graduate and professional students</td>
</tr>
<tr>
<td>5820</td>
<td>- Fellowships for pre-doctoral graduate students enrolled in minimum of one summer course</td>
</tr>
<tr>
<td>5821</td>
<td>- Fellowships reportable post-doctoral without enrollment requirements of 5820 (process through payroll)</td>
</tr>
<tr>
<td>5822</td>
<td>- Fellowships that only professional students qualify</td>
</tr>
<tr>
<td>5860</td>
<td>- Undergraduate student scholarships for non-enrolled students (DV process)</td>
</tr>
<tr>
<td>5861</td>
<td>- Graduate student fellowships for non-enrolled students (DV process)</td>
</tr>
<tr>
<td>5865</td>
<td>- Undergraduate student travel and research</td>
</tr>
<tr>
<td>5866</td>
<td>- Graduate student travel and research</td>
</tr>
<tr>
<td>5870</td>
<td>- Non-compensatory research expenses, study-related travel for pre-doctoral students</td>
</tr>
<tr>
<td>5880</td>
<td>- Sponsored program student fee remissions</td>
</tr>
<tr>
<td>5880</td>
<td>- Undergraduate student scholarships for enrolled students</td>
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</tbody>
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