

CAL POLY POMONA PHILANTHROPIC FOUNDATION

Participant Stipend Payment & Acknowledgement



Please click this link for the [number generator](#) and enter it here _____ Form/Document#

Vendor Number: _____

7320

(Enter Project No.)

(Object No.)

Period of Award: _____ Amount of Award: _____

Please check one of the following: **Student:**

Foreign National

Student Must Provide CPP Bronco ID #: _____. This stipend might affect your Financial Aid. [Please click here for details.](#) For questions related to stipend payment, please email Financial Aid Office at scholarships@cpp.edu, call at (909) 869-3700 or visit in person SSB 121-First Floor, Blue Counter.

NOTE: This form is for Student and Foreign National only. University Employee/Faculty will need to complete an Employment Transaction Form (ETF) and submit to Enterprise Foundation Employment Services.

The Cal Poly Pomona Philanthropic Foundation processes payments to participant stipend recipients with this signed Notice of Acknowledgment through Foundation Employment Services. I hereby certify that I have read the below information and understand that I am responsible for reporting any taxable fellowship or participant stipend award to the IRS.

| | | |
|-------------------------------------|--|-------|
| Grant Agency (if applicable): | | |
| Grant Project Name (if applicable): | | |
| Recipient Name: | | |
| Recipient Email: | | |
| Address: | | |
| City/State/Zip Code: | | |
| Recipient Name & Signature: | | Date: |
| Approver Name & Signature: | | Date: |
| Philanthropic Approval | | Date: |

If you are a nonresident alien, please discuss your status and income tax withholdings with the University's Nonresident Alien Tax Specialist (NRAT) who can be reached at (909) 869-2611 and obtain their signature and the following withholding amounts for the Cal Poly Pomona Philanthropic Foundation to withhold:

| | | | |
|-------------------|-----------------|----------------------|-------|
| NRAT Signature: | | | Date: |
| Federal withhold: | State withhold: | Net amount of award: | |

Prepared By: _____ Tel #: _____ Date: _____

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Participant Stipends are generally an amount paid for the benefit of an individual to aid in the pursuit of the recipient's academic study or fellow-initiated research and in recognition of the recipient's promise as a researcher or teaching scholar. Participant Stipend awards are for scholarly study or research by postdoctoral scholars, and undergraduate and graduate students at the UNIVERSITY or at other locations in conjunction with UNIVERSITY academic programs.

If you are the recipient of a participant stipend award, all or part of the amounts received may be tax-free. Participant Stipend awards are treated as tax-free if the following conditions are met:

- Undergraduate or graduate student must be a candidate for a degree at the UNIVERSITY;
- Amounts received are used for tuition and fees required for enrollment or attendance at the educational institution, or for fees, books, supplies, and equipment required for courses at the educational institution, referred to as "support payments"; and
- The award does not represent payment for teaching, research, or other services required as a condition for receiving the payment. **Exceptions.** The payment for teaching, research, or other services are tax-free if the funds are received under:
 - The National Health Service Corps Scholarship Program, or
 - The Armed Forces Health Professions Scholarship and Financial Assistance Program.

[If a student receives awards that would cause their total aid from all sources to exceed the cost of attendance \(COA\), then adjustments must be made. To the extent possible, the financial aid office will reduce and/or replace unmet need first, then loans and work-study prior to adjusting any other grants or scholarships. In general, unless the award is considered wages, it is other financial assistance and must be factored in.](#)

Participant stipends are taxable if the funds are used for incidental expenses, such as room and board, travel, and optional equipment, and generally amounts received as payments for teaching, research, or other services required as a condition for receiving the fellowship or participant stipend.

Participant stipend payments are nonwage payments because the recipient is not performing a service for the benefit of the Cal Poly Pomona Philanthropic Foundation. In many cases, a fellowship or participant stipend award is paid in a summer outreach and enrichment program. Service refers to teaching, research, or other work that the recipient must agree to perform in order to obtain the fellowship or stipend award. Service does not include research initiated by the recipient, research primarily for the training of the participant, or such incidental activities such as preparing progress reports or giving a speech on the results of the recipient's research. A service is not constituted by a general condition that the recipient comply with degree requirements even though the person is required to teach or engage in research in order to obtain the degree. If the terms of the award require the recipient to provide a service, the person must be an employee of the Cal Poly Pomona Philanthropic Foundation and paid a salary or wage for the service provided.

The Cal Poly Pomona Philanthropic Foundation will withhold federal income tax from participant stipend payments to nonresident aliens unless the person can claim partial or total exemption. A nonresident alien who claims a partial or total exemption from federal income taxes is responsible for providing documentation in support of his or her claim.

The Cal Poly Pomona Philanthropic Foundation must review all claims for exemption on a case-by-case basis to determine the amount, if any, of the payment that is exempt from income tax. Penalties and interest can be severe for not following Internal Revenue Service (IRS) withholding and reporting requirements. The payment for such liabilities is the responsibility of the Cal Poly Pomona Philanthropic Foundation

The Internal Revenue Service (IRS) does not require the Cal Poly Pomona Philanthropic Foundation to report fellowship or participant stipend award payment amounts to either the recipient or the IRS. It is entirely the responsibility of the recipient to report any taxable income. We encourage you to review IRS Publication 970 – Tax Benefits for Education and consult with a professional tax advisor.