

GUIDELINES:

Prize and award payments are either paid through the Payroll Office or the Accounts Payable Office. Prizes and awards that are related to the individual's employment with the University are paid through by the Payroll Office by submitting the Prize and Award Form (not to exceed \$1,000). Prize and award payments that exceed \$1,000 must be submitted on a 211/220 form.

Prizes/Awards Related to Work (Faculty, Staff and Student Employee)

This is defined as payments made for teaching, research and/or other activities performed for the benefit of the University, including activities for the University. Award payments to staff/faculty are generally issued to recognize a staff/faculty member for some purpose unrelated to the staff/faculty member's active employee position. Staff/faculty award requests that are related to services performed as an employee should be submitted on an extra compensation form (211 for those paid salary, 220 for those paid hourly). All staff/faculty awards are treated as taxable income to the staff/faculty member.

Any prize or award given to a student employee that is related to their position as a student employee of the University is considered compensation for services related to work and should be processed by the Payroll Office (e.g., outstanding student worker in a department).

All prizes/awards to University employees will be paid through the Payroll Office and will be included on the employees Form W-2. All award payments processed for students who are non-resident aliens for tax purposes will be taxed at a flat rate of 30% per IRS regulations.

Prizes and Awards Paid to Students Not Related to Work

All student award/prizes not related to employment should be submitted to Accounts Payable on the RFP/F4 form for processing. This would include:

- Academic achievement awards given to students in recognition of meritorious and academic accomplishment that are unrelated to employment.
- Award/prize payments to students that are *generally issued* during Commencement ceremonies and are received primarily in recognition of charitable, scientific, educational, artistic, literary or civic achievement or are received as the result of entering a contest (poster contest).

A student award/prize is generally taxable income to the recipient. If required, the University will report the award to the IRS and the student on IRS Form 1099-MISC. All award payments processed for students who are non-resident aliens for tax purposes will be taxed at a flat rate of 30% per IRS regulations and will be reported to the IRS and to the student on Form 1042-S.

PAYMENT:

Payment will be issued in a separate live check. Direct deposit of prize/award checks is not available. Please allow 5 business days for processing request. Award/prize checks will not be issued during the processing of the normal payroll cycle which is defined as the time interval between the date Payroll begins processing pay data for a designated pay period and the date Payroll concludes processing pay data for a designated pay period.

SUBMISSION OF FORMS:

Submit completed form directly to University Payroll Office, Box 278893, Rochester, NY 14627-8893, email to payroll@hr.rochester.edu, or fax 585-427-7188.

Contact the Payroll office with questions @ 5-2040 or via e-mail to payroll@hr.rochester.edu.