

Policy on Allocation of Cost of Graduate Student Compensation (20.11/80.20)

Approval Authority: Cabinet
Responsible Executive(s): Provost and Vice President for Academic Affairs
Chief Financial Officer and Vice President for Finance and Treasurer
Responsible Office(s): Office of Sponsored Programs
Office of Sponsored Accounting
Office of Graduate Education
Effective Date: June 7, 2022

I. Purpose of This Policy

Stevens provides compensation to graduate students in the form of assistantships and fellowships on a competitive basis for research and teaching activities related to their degree programs. Assistantships may be accompanied by (a) Wages, (b) Stipends and/or Tuition Remission. The purpose of this Policy is to clarify the circumstances in which these forms of compensation paid as, or in lieu of, wages to graduate students may be charged as a Direct Cost to other internally or externally funded activity (“Funded Project”) where the terms of the award do not prohibit such charges.

Capitalized terms used in this Policy without definition shall have the meanings set forth in Section III.

II. Policy

A fiscal officer (“Fiscal Officer”) may charge the Wages, Stipend and/or Tuition Remission of a graduate student working on a Funded Project as a Direct Cost provided that (i) the student is conducting activities which are necessary to the Funded Project, (ii) such activities occur during the semester the student is enrolled in a graduate degree program at Stevens; (iii) the activities of the student in relation to the Funded Project are related to the graduate degree program of the student, and (iv) the tuition or other payments are reasonable compensation for the work performed and are conditioned explicitly upon the performance of necessary work.

Each academic year, the Office of Graduate Education shall establish approved levels of Tuition Remission and Stipend, in each case based on rates published by the Office of Graduate Education. The Office of Graduate Education shall make its determinations in consultation with the Office of the Provost and the Division of Finance and, with respect to any Stipend, with the department chair in which a graduate student is enrolled. Wages are determined by the Office of Graduate Education considering the rate of increase for merit adjustments at Stevens generally in that year and in consultation with the Office of the Provost and the Division of Finance.

A. Compliance

The Fiscal Officer must ensure that any form of compensation charged to a Funded Project is subject to Effort reporting consistent with the University's Effort Reporting Policy. Compensation for graduate students working on more than one Funded Project in any one semester must be pro-rated and charged to each Funded Project in a manner which correlates to the proportion of the student's Effort on each Funded Project.

B. Cost Sharing by Stevens

To facilitate growth in research, Stevens, through the Office of the Provost, may provide additional support (beyond amounts which may be charged to a Funded Project) to supplement the Tuition Remission costs or the Stipend for certain research assistantships. When such support is available, the support is considered voluntary, uncommitted cost-sharing on the part of Stevens.

III. Definitions

Direct Costs: Costs that can be identified specifically with a particular research project, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy and, in each case, are allowable for purposes of a Funded Project. Costs incurred for the same purpose in like circumstances across the University must be treated consistently as either Direct or Indirect Costs.

Effort: The amount of time spent on a particular activity, including the time spent working on a Sponsored Project to which salary is directly charged or contributed. Individual effort is expressed as a percentage of the total amount of time devoted to work-related activities for which the University compensates an individual, including instruction, research and administrative work.

Fiscal Officer: The Stevens employee tasked with oversight of a Funded Project, including responsibility to determine how funds are spent and managed. Typically, the Fiscal Officer on a Funded Project is the principal investigator, the Department Chair or other designee of the Dean.

Indirect Costs: Indirect Costs, also known as facilities and administrative (F&A) costs, are costs incurred by the University for a common or joint purpose or activity benefitting more than one budgetary cost objective, and not readily assignable to the individual objectives. For example, Uniform Guidance specifically identifies office supplies, postage, local telephone costs and memberships as costs which will normally be treated as Indirect Costs.

Tuition Remission: The provision of tuition as compensation to a graduate student performing research or teaching activities on behalf of the University.

Stipend: A fixed payment made to a graduate student for subsistence support or expenses incurred during a semester in which the student is enrolled in a graduate degree program at Stevens. Receipt of a stipend does not create an employer/employee relationship.

Wages: Compensation to employees for services performed in connection with academic, administrative or research activities.