ERSO Documentation Memorandum

The purpose of the ERSO documentation memorandum is to officially record decisions, interpretations or clarifications made at the executive level that will have broad impact on operations within ERSO. Such documentation is to guide future action in order that ERSO operations are consistent across and within teams. Memorandums are assigned an alpha-numeric identifier in sequence based on Key Unit as follows: Executive Office (EO), Human Resources (HR), Payroll (PR), Information Technology (IT), Research Services (RS) and Research Administration (RA).

Date: January 17, 2008

Subject: GSR Fee Remission for Federal Projects

Key Unit: Research Administration

Identifier: RA-3 DRAFT GSR Fee Remissions

Discussion:

The University of California, Berkeley Graduate Division establishes fee remission eligibility for Graduate Student Researchers (GSRs) based on the percentage of the appointment and that all other eligibility requirements are met. A description of the fee remission eligibility can be found at: http://www.grad.berkeley.edu/policies/pdf/fee_remission_eligibility.pdf

This is critical when appointing GSRs and actively advising faculty of the financial implications and the impact to the student of appointment combinations, etc.

For instance,

- If a student has a 25% GSR and 25% GSI appointment, the student is eligible for partial fee remission - University Registration Fee, Educational Fee, and Health Insurance Fee. The Berkeley Campus Fee and Class Pass will not be paid through the appointment.

- If a student’s appointment is not for the entire semester, any prior fee remission paid will be reversed and the student will be charged on their CARS account.

Always remember: When combining appointments, the total percentage of the combined appointments may result in a proportioned partial fee remission assessment to the fund you designate.

In addition, it is critical to discuss the impacts of appointment combinations when federal funds are being utilized and to check the award document for compliance issues with...
other funding sources. For appointments charged to federal funds, the amount of fees and tuition that are allowable is determined by the institution’s normal practice to similarly compensate students. Therefore, for a 25% GSR appointment only partial fee remission will be covered, excluding Berkeley Campus and Class Pass Fees. In this situation, Berkeley Campus and Class Pass Fees can not be paid with federal funds. A PI can choose to pay these fees with discretionary funds or the student can personally cover these fees. As an RSO, it is critical to anticipate these situations and actively advise faculty and students.

Findings:

Under OMB Circular A-21 the following sections relate to allowability of tuition and scholarships and student aid which pertain to this memo’s discussion:

**Section J.10.f.2 states:**
“Fringe benefits in the form of employer contributions or expenses for social security, employee insurance, workmen's compensation insurance, tuition or remission of tuition for individual employees are allowable, provided such benefits are granted in accordance with established educational institutional policies, and are distributed to all institutional activities on an equitable basis”.

**Section J.45.a states:**
“Costs of scholarships, fellowships, and other programs of student aid are allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsoring agency. However, tuition remission and other forms of compensation paid as, or in lieu of, wages to students performing necessary work are allowable provided that (1) The individual is conducting activities necessary to the sponsored agreement; (2) Tuition remission and other support are provided in accordance with established educational institutional policy and consistently provided in a like manner to students in return for similar activities conducted in non-sponsored as well as sponsored activities; and (3) During the academic period, the student is enrolled in an advanced degree program at the institution or affiliated institution and the activities of the student in relation to the Federally sponsored research project are related to the degree program; (4) the tuition or other payments are reasonable compensation for the work performed and are conditioned explicitly upon the performance of necessary work; and (5) it is the institution's practice to similarly compensate students in non-sponsored as well as sponsored activities.

In addition, OMB Memorandum M-01-06 further clarifies that “Tuition remission and other student support shall be subject to the reporting requirements stipulated in Section J.8, "Compensation for Personal Services," of OMB Circular A-21, or an equivalent method for documenting the individual’s effort on a research project.” In UCB’s case, the method for documenting an individual’s effort would be the Effort Reporting System.
Guidance:

OMB clearly indicates that payment of individual employee tuition is allowable provided that payment of such benefits are in accordance with the “educational institutional policies, and are distributed to all institutional activities on an equitable basis.” However, based on the UC Berkeley Graduate Division Fee Remission Policy, in situations where GSR appointments do not cover all the tuition and/or fees, it is critical to advise faculty at the time the GSR is being appointed that federal funds (check allowability on other funding sources) cannot be used to supplement the cost of these unpaid fees.

In situations where a GSR is not appointed for the entire semester, the GSR is not eligible for tuition and fee remission and federal funds cannot be used to pay for any of the associated fees or tuition. Again, it is critical to advise the faculty of the impact and provide further guidance; if the student does not require units but is working on the project, it may be more appropriate to appoint the employee to a non-academic title (consult with HR for options).

RSOs should consult their Team Lead or ERSO HR regarding any questions associated with GSR appointments not listed herein that may involve tuition and fees and may have a financial impact on the project or the student.