

## GRADUATE SCHOOL BLOCK GRANT FELLOWSHIP ALLOCATIONS TERMS AND CONDITIONS

**All Block Grant funds are subject to regular internal audit by the Department of Audits**

Block Grant Fellowship funds for 2008-09 will be transferred to the program's Block Grant ChartField string using the following information – (Fund) 1000, Your DeptID, (Account) 600202 (Program) 20563. (NOTE: Please contact Julie Parker at [parke052@umn.edu](mailto:parke052@umn.edu) to let her know your DeptID.) Transfers will be processed after July 1, 2008. No other University or outside funds may be transferred into this ChartField string; likewise Block Grant funds may not be moved to any other departmental ChartField string for expenditure. Departments may not charge expenditures to Account values other than 800301, 800302, 800303, 800304 and 800601. All awards from Block Grant fellowship funds must acknowledge the Graduate School as the source of funds.

### Use of Funds

**The Graduate School expects programs to make awards competitively on the basis of merit. Because of the restricted nature of the funds, all stipends must be in the form of non-service awards to students registered for credit in the Graduate School.**

Exemplary use of funds: summer fellowships to speed students' research progress; partial academic year fellowships paired with assistantships or partial external awards (i.e., good leveraging of Graduate School funds); and tuition awards paired with non-tuition-paying external fellowships. Less effective use of funds: outright fellowship or tuition awards without leveraging other department funds and conference travel grants.

**Block Grant funds may be used in the following manner:**

**1. Fellowship stipends** – It is expected that most awards will extend for one or two semesters, or for a summer, either as a partial fellowship, or as a supplemental fellowship to other support such as a graduate assistantship. Students may also be awarded small special one-time fellowship stipends for travel—e.g., research fellowships to conduct research in distant archives or to learn research techniques in a laboratory at another institution. *Awards for conference travel are a lower priority.* Note: Graduate School funds may not be used to create named honorific awards unrelated to the Graduate School. Named awards should be created with non-Graduate School funds raised expressly for that purpose.

Fellowship Award Terms – Recipients must be registered for credit (not GRAD 999) in the Graduate School. They must be notified of the award in writing, with all terms and conditions—such as the inclusive semesters of award, registration requirement, number of credits to be completed, grade point average to be achieved, consequences of withdrawing from any courses during a semester, and any other departmental expectations or requirements—spelled out clearly in the letter. Students must also be informed in the award letter that fellowship stipends are subject to taxation, and that the amount of any loans or other need-based aid they are receiving from the Office of Student Finance (OSF) may be affected by the award.

Method of Fellowship Stipend Payment—All fellows supported on Block Grant funds for more than one semester must be appointed in the HR/Payroll system to the non-employee non-service payroll class #9561 (“Graduate School Fellow”), which is reserved for fellowship holders registered in the Graduate School. However, small one-time travel fellowships, such as those described above should be paid using the designated EFS Account value 800303. (Currently these awards are paid on a PVA using CUFS object/sub object codes 7800/50, but a new EFS process will be in place effective 7/1/08 to replace the PVA.)

Smaller fellowship stipend payments of, say, \$500 that are not designated for travel should be paid via the UM Scholarship process (formerly the BA25 form). Instructions on how to get access and use the on-line process can be found at <http://oess.umn.edu/OSF/Procedure/options.html>. All questions should be directed to [saosf@sossgw.stu.umn.edu](mailto:saosf@sossgw.stu.umn.edu). Payments using this method should be completed before the start of the semester for which the award is intended. All awards must be processed before June 15 to make the cut off date for fiscal-end expenditure. Questions on preparing payment documents should be directed to Julie Parker in the Graduate School Budget Office, 625-6686, or [parke052@umn.edu](mailto:parke052@umn.edu).

**2. Tuition**—The first priority should be for students who hold departmental or other University-administered fellowship stipends that equal, in dollar value, graduate assistantships at quarter-time or more, in the spirit of maintaining some equity with the level of graduate assistantship support. The second priority would be for students who receive non-University fellowships that do not cover tuition, or that require the institution to pay the tuition (the Graduate School does not retain discretionary funds for this purpose). A lower priority is tuition for students who have no other fellowship support. Programs may authorize tuition payments for full-time or part-time registration, for a full year or for a single semester. Block Grant funds may not be used for tuition in any college but the Graduate School.

You may also choose to cover a student's University fee.

Award Terms—Recipients should be notified of the award in writing; the letter should indicate the number of credits the award will cover and whether or not the University fee will be covered. It should describe any other program academic expectations or requirements. The students must also be informed that if they cancel part or all of their registration, they will be billed for any nonrefundable tuition payments. *Programs are strongly advised to verify that recipients actually register for the credit load or award amount authorized.*

Method of Tuition Payment—Choose either A or B

(A) Complete the internal billing authorization form available at <http://process.umn.edu/groups/ppd/documents/form/fa864.pdf> and send it to Third Party Billing, Office of Student Finance, B-1 Fraser Hall, East Bank. If covering the U fee, check "Other" and specify U fee and the amount. Note: Do not use this form to authorize health insurance coverage through the Graduate Assistant Health Insurance Plan, see below.

(B) Send a request on letterhead to Third Party Billing (see address above). Be sure to include the student's name, ID#, dollar amount authorized for tuition, semester(s) of authorization, and ChartField string (see Example 1, next page).

Resident-rate Tuition Privilege for Non-resident Fellows

Non-residents are eligible for resident tuition rates, if they receive a departmental fellowship stipend that is equivalent to a 25% graduate assistantship salary (see Example 2).

The tuition structure will be available on the web in summer 2008 through OneStop at [http://onestop.umn.edu/onestop/Tuition\\_Billing/Tuition\\_Rates.html](http://onestop.umn.edu/onestop/Tuition_Billing/Tuition_Rates.html)

**3. Health Insurance**—Programs may pay for eligible fellowship-holders' health insurance on the Graduate Assistant Health Insurance Plan, via direct charges to the Block Grant budget on the "Authorization Request for Health Insurance" form. Please contact the Graduate Assistant Health Insurance Office at 625-6936 with questions regarding health insurance payment procedures.

Spring 2008

**EXAMPLE 1**

Department Letterhead

**SAMPLE: Requesting Tuition Payment from Block Grant Funds**

DATE:

TO: Third Party Billing, Office of Student Finance  
B-1 Fraser Hall, East Bank

FROM: \_\_\_\_\_  
Name Department/Program

For the following students, please charge ChartField string \_\_\_\_\_

<u>Name of Student</u>	<u>ID#</u>	<u>Tuition Amt Authorized</u>	<u>U Fee</u>	<u>Semester(s)</u>
Michael xxxxxx	xxxxxxx	\$xxxx	\$xxx	F08 & Sp09
Sally xxxxxxxxx	xxxxxxx	xxxx	0	F08

If you have questions, please contact me by telephone at \_\_\_\_\_ or by email at \_\_\_\_\_.

**EXAMPLE 2**

**Resident-rate Tuition Privilege for Non-resident Fellows**

Non-residents are eligible for resident tuition rates, if they receive a departmental fellowship stipend that is equivalent to a 25% graduate assistantship salary. (In 2007-08 the minimum academic year 25% salary is \$6,325.) The program should send a letter to the Graduate School Fellowship Office, 314 Johnston Hall, requesting that resident rates be assessed. The letter should include the student's ID# and the semester(s) involved (see example below). A copy of the department award letter must be attached to the request, verifying eligibility for resident-rate privileges.

Department Letterhead

**SAMPLE: Requesting Non-resident Tuition Waiver for Fellowship Recipients**

DATE:

TO: Graduate School Fellowship Office  
314 Johnston Hall, East Bank

FROM: \_\_\_\_\_  
Name Department/Program

RE: Request for Non-resident Tuition Waivers

The following students have received a departmental fellowship stipend that is equivalent to a 25% graduate assistantship. Please assess resident rates to the following students:

<u>Name of Student</u>	<u>ID#</u>	<u>Semester(s)</u>
Michael xxxxxx	xxxxxxx	F08 & Sp09
Sally xxxxxxxxx	xxxxxxx	F08

Attached are the students' award letters, outlining the terms of the fellowship (stipend, semesters of award, registration requirement, etc.)

If you have questions, please contact me by telephone at \_\_\_\_\_ or by email at \_\_\_\_\_.