Nonservice Pay Authorization

OVERVIEW

Nonservice Pay Authorization forms authorize disbursements to individuals who are not obligated to provide services to WSU in exchange for the payments.

- University officials may not require services in exchange for nonservice disbursements.
- Recipients may not have a related employment relationship with the University while receiving nonservice payments.
- Recipients may not teach credit courses or receive WSU benefits in exchange for nonservice pay.
- Individuals with service responsibilities to the University should be appointed as University employees. Such individuals are not to receive nonservice pay for personal services provided to the University.
- Nonservice Pay Authorizations may not be used to process student scholarships. See BPPM 30.90 for departmental scholarship procedures.

Use

Nonservice pay typically includes payments for fellowships, traineeships, internships, and other nonservice programs.

Questions

Direct questions regarding nonservice pay to the appropriate dean or director.

Direct questions regarding the appropriateness of nonservice pay to Human Resource Services.

Direct questions regarding nonservice pay procedures to Payment Services in the Controller's Office.

PROCESS SUMMARY

The University department prepares a Nonservice Pay Authorization form to establish the disbursement contract. The department retains the Nonservice Pay Authorization for documentation.

Routing

The department submits the Create Supplier Request task in Workday to establish a payee (e.g., supplier, external committee member). NOTE: A Funds Transfer Authorization form must be completed for electronic disbursement. See BPPM 95.21.
Nonservice Pay Authorization

Routing (cont.) A Create Supplier Invoice Request task initiates the workflow for each payment in Workday. See the Workday How Do I Create a Nonservice Payment reference guide for instructions.

Taxability In accordance with IRS regulations, the University does not complete or send recipients copies of 1099-Misc tax forms. For nonservice payments to non-U.S. citizens, the IRS requires the University to complete and send the 1042-S (Foreign Person's U.S. Source Income Subject to Withholding) tax form to recipients. (See the Workday How Do I Create a Nonservice Payment reference guide for instructions.)

Records Retention and Disposition Completed Nonservice Pay Authorization forms contain personally identifiable information (PII). Departments must ensure the protection of the records during the retention period and reduce the documents to an illegible condition at destruction. See BPPM 90.01 and 90.05 regarding University records retention and disposition requirements and management of confidential records.

NONSERVICE PAY AUTHORIZATION FORM

Form Supplies The Nonservice Pay Authorization form is available in PDF format on the Procedures, Records, and Forms (PR&F) website.

Completion Instructions The following instructions reference the sample in Figure 1. Sections not described are considered self-explanatory.

Department Control Number (Optional) and Date The department may enter a sequential departmental control number which is a reference number for the documented transaction. The department must enter the date the form is prepared.

Electronic Funds Transfer Indicate whether or not the payment is to be provided by electronic disbursement. (See BPPM 95.21 and the Workday Payment Elections reference guide.)

Name Enter the payee's name using coding conventions in BPPM 90.75.

Remit Payments are remitted according to the information in the payee's current Workday record.

Revision If the payee contact information is changed, the department must complete a Create Request for Supplier Change task in Workday. (See the Workday Create Request for Supplier Change reference guide for instructions.)
Nonservice Pay Authorization

Other Information
Include the payee's Workday Supplier ID, if applicable. The payee's WSU identification number is optional.

Indicate whether or not the payee is a U.S. citizen. If not a U.S. citizen, indicate:

- Visa type
- Country of citizenship
- Date of birth

Action Requested
Check the applicable action. NOTE: Each payment action requires a separate Nonservice Pay Authorization form.

Begin
Authorizes nonservice payments to a payee.

End
Stops a Nonservice Pay Authorization before the final date of the disbursement contract. Contact Payment Services to ensure termination of funds transferred to payee.

Other
Specify any other communication or action requested in the Comments block.

Dates Authorized
Specify the dates of this authorization. Prepare a separate form for each year if the fellowship, internship, or traineeship is for more than one year.

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NONSERVICE PAY AUTHORIZATION

NAME OF RECIPIENT (Last, first, middle initial)
Smith, Joe R

PAYMENT SERVICES
WASHINGTO N STATE UNIVERSITY
PULLMAN, WA 99164

DATE PREPARED
12/31

ACCOUNT CODE
GF00005

FUNCTION
PMT001

DRAFT PROGRAM
PMT001

PROJECT
GF00005

STIPEND AMOUNT
$1,000.00

NOTE: Nonservice pay is restricted to awards and fellowship funds.

DEPARTMENT NAME
Research Services

STREET ADDRESS OR PO BOX
P.O. Box 345

CITY
Pullman

STATE
WA

ZIP CODE
99164

PAYEE ID NUMBER (optional)
RU0004275

BEGIN
Authorizes nonservice payments to a payee.

END
Stops a Nonservice Pay Authorization before the final date of the disbursement contract. Contact Payment Services to ensure termination of funds transferred to payee.

OTHER
Specify any other communication or action requested in the Comments block.

DATES AUTHORIZED (not to exceed one year)
1/1/21 - 12/31/21

AMOUNT AUTHORIZED
$1,000.00

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DISBURSEMENT PLAN

NAME/ACCOUNT NUMBER
CC0055

FUNCTION
PMT001

DRAFT PROGRAM
PMT001

PROJECT
GF00005

STIPEND AMOUNT
$1,000.00

PERIOD (e.g., months)
1/1/2021 - 12/31/2021

MONTHS
1

ADDRESS
123 Main St

CITY
Pullman

STATE
WA

ZIP CODE
99164

CONTACT PERSON
John Smith

TELEPHONE
509-335-3355

EMAIL ADDRESS
john.smith@wsu.edu

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* W2C2 requires that individuals requesting payment from W2C2 who do not have a W2C2 ID number disclose social security number pursuant to Section 815D of the Internal Revenue Code.

** Payment Services retains a copy, distributes a copy to Financial Aid, and uploads a copy to Workday as proof of expense.

ROUTING: Origination department retains a copy, distributes a copy to Financial Aid, and uploads a copy to Workday as proof of expense.
Nonservice Pay Authorization

Amount Authorized
Indicate the amount authorized for the specified period.

Department Name
Specify the department administratively responsible for the program.

Disbursement Plan
Prepare a disbursement plan for the period. Include the account worktags, the amounts to be disbursed, the disbursement period, and disbursement dates.

NOTE: Nonservice pay disbursements are allowed with FN017 and FN057 funds only.

Actual Expense
See the Workday Create Expense Report reference guide for instructions.

Limits
Specify any limits on the expenditure.

Disbursement Date
The disbursement date is the first working day of the month.

Contact Employee
Specify someone who can answer questions about the action including a telephone number and e-mail address (required).

Authorization
Departments and colleges may require that chairs, deans, or directors approve Nonservice Pay Authorizations.

DISBURSEMENT
In Workday submit the Nonservice Pay Authorization using the Create Supplier Invoice Request task by the 25th of the month for disbursement or before the middle of the following month. NOTE: The payee must be established as a Workday supplier or external committee member prior to disbursement.

The University department prepares and submits a Create Request for Supplier Change type and a Create Supplier Invoice Request task to set or change the disbursement. (See the Workday Create Supplier Invoice Request reference guide.)

Series of Payments
A single payment installment is established by using a Create Supplier Invoice Request each month. The University department is responsible for recovery of incorrect payments.