Nonservice Pay Authorization

NOTE: The website URL for **Workday reference guides** that are referenced in this section is: https://confluence.esg.wsu.edu/display/WKB/Workday

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 the Accounts Payable Section of the Controller's Office.

PROCESS SUMMARY

The submitting department prepares a Nonservice Pay Authorization form to establish the payment schedule.

Routing

The department completes the Create Supplier Request business process in Workday to establish a payee.

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Routing (cont.)

For nonservice payments (e.g., stipend, honorarium, guest speaker, etc.), after establishing the payee, the department e-mails a Nonservice Pay Authorization to:

accounts.payable@wsu.edu

Accounts Payable

Accounts Payable processes payments for fellowships, traineeships, internships, and other nonservice programs. Payments are not subject to federal withholding tax or social security tax. (The recipient may be liable for federal or state income tax on these funds.)

Tax Forms

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.

Records Retention and Disposition

Completed Nonservice Pay Authorization forms contain confidential information (e.g., Workday Supplier IDs). 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 at:

policies.wsu.edu/prf/index/forms/

Completion Instructions

The following instruction numbers are keyed to the sample below. Sections not described are considered self-explanatory.

Control Number and Date

Enter a sequential departmental control number which is a reference number for the documented transaction. Enter the date the form is prepared.

Direct Deposit

Indicate whether or not the payment is to be provided by direct deposit. If direct deposit is preferred, the recipient must register for direct deposit payments in Workday. (See *BPPM* 95.21 and the

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Direct Deposit (cont.) Workday Payment Elections reference guide regarding authorizing direct deposit of payments.)

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

Address Payments are made by direct deposit or check to the address indicated on the form.

Changes If the recipient changes the mailing address, they must also:

- Notify the department,
- Notify Accounts Payable, and
- Update their profile in Workday. (See the Getting Started with Workday—Modify Personal Information reference guide for instructions.)

NONSERVICE PAY AUTHORIZATION

ACCOUNTS PAYABLE
WASHINGTON STATE UNIVERSITY
PULLMAN, WA 99164-1025
509-335-2060

Refer to BPPM 30.30 for instructions.

DEPARTMENT CONTROL NUMBER 1234	DATE PREPARED 1/6/21	DIRECT DEPOSIT ■ YES ☐ NO	
NAME OF RECIPIENT (Last, first, middle initial) Smith, Joe R.			ACTION REQUESTED: ■ BEGIN ☐ END ☐ OTHER (Specify in Comments.)
STREET ADDRESS OR PO BOX PO Box 345			DATES AUTHORIZED (Not to exceed one year) 2/1/21 1/31/22 — AMOUNT AUTHORIZED 12,000
CITY Pullman	STATE WA	ZIP CODE 99164	COMMENTS (Include a brief description of the nonservice pay.)
WORKDAY SUPPLIER ID SU0004275	WSU ID NUMBER		
DEPARTMENT NAME Research Services	Is the recipient a U.S. citizen? ■ YES ☐ NO		
VISA TYPE	COUNTRY OF CITIZENSHIP	DATE OF BIRTH	

* WSU requires that individuals requesting payment from WSU who do not have a WSU ID number disclose social security number pursuant to Section 6109 of the Internal Revenue Code.

DISBURSEMENT PLAN
(NOTE: Nonservice pay disbursements are allowed with FN017 and FN057 funds only.)

ACCOUNT NAME	ACCOUNT CODE								STIPEND AMOUNT	PERIOD (e.g., month)	DISBURSEMENT DATE (First of month)	CONTROLLER'S OFFICE USE
	COST CTR	REGION	FUND	FUNCTION	GIFT	GRANT	PROGRAM	PROJECT				
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Feb	02/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Mar	03/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Apr	04/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	May	05/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	June	06/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	July	07/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Aug	08/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Sept	09/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Oct	10/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Nov	11/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Dec	12/01/2021	
L. Sam Res.	CC0155	RG10	FD001	FN017	GF000009	GR00998877	PG00002345	PR00087654	1000	Jan	01/012022	

REFER QUESTIONS TO: Sam Jones	TELEPHONE 5-1234	E-MAIL ADDRESS sam.jones@wsu.edu

ROUTING: The originating department retains a copy and sends the original to Accounts Payable and copies to Financial Aid and the recipent.

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Figure 1

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Other Information	Include the individual's WSU identification number and/or Workday Supplier ID. Indicate whether or not the individual is a U.S. citizen. If not a U.S. citizen, indicate: • Visa type, • Country of citizenship, and • Date of birth.
Action Requested	Check all actions that apply.
Begin	Authorizes nonservice payments to an individual on the effective date.
End	Stops a Nonservice Pay Authorization before the final date of the authorization. NOTE: Contact Accounts Payable *immediately* if the nonservice payment is to end prior to the final date of authorization.
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.
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	If the amount authorized is for actual expenses incurred by the recipient, e.g., books, indicate "actual" on the form and submit receipts.
Limits	Specify any limits on the expenditure.

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Disbursement Date	The disbursement date is the first working day of the month. This may be a prepayment or a payment for the previous month. A department may set another disbursement date only if there is a compelling reason. A different disbursement date requires extra effort for the Controller's staff. The department is to obtain advance approval from Accounts Payable if a different disbursement date is required.
Contact Employee	Specify someone who can answer questions about the action including a telephone number and e-mail address (if available).
Authorization	Departments and colleges may require that chairs, deans, or directors approve Nonservice Pay Authorizations. This is not a University requirement.
DISBURSEMENT	Submit the Nonservice Pay Authorization to the Accounts Payable e-mail account (accounts.payable@wsu.edu) by the 15th of the month for a first-of-the-month disbursement. NOTE: The payment recipient must be established as a Workday supplier prior to disbursement.
Disbursement Plan Changes	If the disbursement plan changes, the originating department prepares and submits a revised Nonservice Pay Authorization.
Series of Payments	If there is a series of payments to be made to a recipient, Accounts Payable schedules the payments in accordance with the plan indicated on the Nonservice Pay Authorization. NOTE: *Immediately* notify Accounts Payable if disbursements are to be discontinued prior to the date indicated on the spending plan. If Accounts Payable makes payments which should not be made due to lack of notification, the department is responsible for recovery of the improper payments.
Holding a Check	Departments may request that a check be held and not mailed to the recipient. In such cases, a departmental representative picks up the check in the Controller's Office. This may be necessary if there is a need to process the check in some special way for the recipient. Holding checks requires extra effort by the Controller's staff and should be requested only when necessary.