

UNIVERSITY OF WISCONSIN – SUPERIOR

Policy Subject: **Student Employment**
Cabinet Division: **Administration & Finance – Department of Human Resources**
Policy History: **March 1, 2016**
Effective Date: **March 1, 2016**

I. Purpose

The purpose of this policy is to outline the University of Wisconsin Superior (UWS) provisions specific to student employment and to provide guidance to university departments in complying with the Patient Protection and Affordable Care Act (“ACA”) as those requirements relate to student employees.

II. Background

This document outlines the UWS policies that specifically apply to student employment and includes related policies for treatment of student employees for purposes of the ACA. The ACA was enacted in 2010 with phased-in requirements. Two of the primary requirements effective beginning in 2015 are the Employer Shared Responsibility Mandate (the “Employer Mandate”) and Sections 6055 and 6056 reporting. The ACA requires large employers (50 or more full-time and full-time equivalent employees) to offer affordable minimum essential health coverage to a sufficient number (i.e., to at least 95% in 2016 and following years thereafter) of employees working full time as defined by the ACA; that is 30 or more hours/week coverage, in order to avoid penalties under the Employer Mandate, and to report on the offerings and results. Section 6055 requires employers providing Minimum Essential Coverage to report to the IRS about the coverage provided and to whom it is provided. Section 6056 requires reporting about the type of coverage provided (or not provided) by applicable large employers. ACA reporting requirements were effective starting January 1, 2015 and require action on the part of reporting employers in order to be compliant and avoid penalties.

In contradiction to ACA, under Wisconsin State laws, student employees are not eligible for employer sponsored health insurance; therefore, adherence to regulating student employment hours is of utmost importance.

The UW System will report as one (1) employer with multiple campuses. If a campus is found to be out of compliance with the Employer Mandate, that campus could receive penalties. The UW System will not pay for individual campus penalties.

III. Definitions

Federal Work Study: The federally funded, need-based program in which the federal government and an employer share the payroll cost of employing a student.

Full time status: Under the ACA, a full-time employee is an employee working an average of 30 or more hours per week (or 130 hours per month or an annual total of 1,560).

Hours of service: Included are hours worked, and hours for which a worker is paid but does not work, such as vacation, holiday, illness or disability, jury duty, military duty, or paid leave of absence. For

purposes of student employment, hours of service do not include hours credited due to participation in a Federal Work Study program or under the titles of Resident Assistant, Hall Manager, Assistant Hall Manager and Academic Resource Coordinator.

Standard Measurement Period: The designated period is set by the Annual Benefit Enrollment Period (e.g., October 5 – October 4). The Standard Measurement Period is used in calculating work hours used to determine benefits eligibility. This period will fluctuate from year to year based upon the Annual Benefit Enrollment Period set by ETF.

IV. Policy

Student employment is to assist in meeting the employment needs of the university, to provide university students with financial support in pursuit of their academic goals, and to provide opportunities for academic or administrative job experience or experiential learning. UWS has historically employed a high percentage of financially needy students. UWS recognizes that if on-campus employment is restricted, it could severely hinder the needs of the university but more importantly, it could hinder the needs of the students. On-campus employment has proven to be an effective tool for the retention and success of students.

The job duties and responsibilities of student employees vary greatly and may or may not be related to their field of study; however, UWS recognizes that upon further investigation, some “jobs” may not necessarily be employment relationships. Historically, UWS has paid (or provided a lump sum payment) student employees for tasks that are experiential learning in nature rather than a ‘job’ as defined by IRS. UWS recognizes the need to distinguish between a ‘job’ and experiential learning and to support the student financially for either of those opportunities through the proper resource channel. An example of this is Student Government positions.

University of Wisconsin Superior must adhere to all applicable federal and state laws and regulations regarding student employment. Student employees are subject to general UWS workplace and employment policies and procedures listed below. UWS shall communicate to supervisors and student employees the conditions of employment, performance expectations, and insurance coverages (e.g., worker's compensation).

- (1) All student hourly positions are at-will employment positions and may be terminated at any time provided the reason is not prohibited by law.
- (2) All students are eligible to work multiple on-campus jobs so long as the total number of hours worked does not put them into the full-time status.
- (3) Under [Wis. Stat. § 108.02\(15\)\(i\)](#), student employees are not eligible for unemployment insurance benefits.
- (4) Under [Wis. Stat. §40.02\(25\)\(b\)](#), student employees are non-benefits eligible for employer-sponsored health insurance coverage through the UW System.
- (5) UWS conducted an alpha test for the dates of October 2014 through October 2015 to ensure that no students were eligible for ACA based on hours worked for that identified period of time. For purposes of the test, lump sum payments were converted to hourly

pay. Even with the inclusion of lump sum associated hours, no students were eligible for ACA based on hours worked for the identified period of time. This test did NOT exclude work study hours, to ensure a conservative calculation.

- (6) The test provided UWS with documentation that supports IF the lump sum payments are converted to hours worked, NO students will be full time employees.
- (7) All positions, with the exception of Resident Assistants (RA) as defined above, will be converted to hourly pay as of January 1, 2016. Lump sum payments to student employees in other positions is not an option.
- (8) All student employment total hours, for all jobs, will be monitored on a bi-weekly basis to ensure that no student employees would potentially work at an annual full-time status.
- (9) UWS will project the expected number of hours a student will work based on the bi-weekly monitoring report. If a student is projected to be full time, the student will be released from one or more of the jobs they hold, or required to limit their hours, to be compliant.

All student employees will be paid on an hourly basis and all hours of service will be tracked accordingly. Any exceptions must be approved by the campus Vice Chancellor for Administration & Finance, as campus policy does not allow lump sum payments to student employees. However, if an exception is granted for services, the lump sum compensation will be at or above the hourly minimum wage for the hours associated with the task. In addition, the campus has a method to record hours worked per week and hours must be entered into the payroll system at the time payment is submitted for the lump sum payment. RA positions, as defined above, will also be handled this way.

Student employee positions are not intended to be either benefits eligible or WRS eligible positions, therefore; beginning January 1, 2016, student employees' total hours of service will be monitored on a bi-weekly basis and projected for the Standard Measurement Period.

Student employees may work in excess of the 25 hours per week if the projected number of hours does not put them into full time eligibility status. Hours credited due to a Federal Work Study program do not count toward the calculation of hours of service earned for purposes of the ACA or the weekly hour maximum.

Student employee hours are aggregated for purposes of the Employer Mandate and IRS reporting under the ACA among all departments. Thus, a student employee's hours will be combined for all employment positions a student holds at the UWS campus, and if a student employee holds an employment position at another UW institution, those hours of service will also be combined. UWS is responsible for monitoring all student employee hours of service to ensure that student employee hours of service do not put them into full time eligibility status (excluding hours of service credited under a Federal Work Study program, and in an RA position) for all UWS employment positions held by a particular student employee in the standard measurement of time.

Resident Assistants, Hall Managers, Assistant Hall Managers and Academic Resource Coordinators are currently exempted from this limitation until further clarification is released. Individuals who are classified as Resident Assistants, Hall Managers, Assistant Hall Managers

and Academic Resource Coordinators may be paid by lump sum payments until such further clarification is released by UW System, but those student employees will be moved to a separate job code, and UWS will be responsible for tracking their hours of service, as noted above.

Student Government positions will be provided financial support for experiential learning as a disbursement through the Financial Aid Office.

5. Related Documents:

The University of Wisconsin System policies that apply to student employment are:

- [Employment of Student Help \(G18\)](#)
- [Student FICA Exemptions \(G18A\)](#)
- [Payment Methods and Timing for Payroll \(G32\)](#)
- [Personal Services Payments \(F31\)](#) – includes information on federal regulations and special restrictions that apply to the employment of international students

V. Compliance

Compliance to UWS policy will be enforced and could potentially result in either a reduction of jobs held by one student, or a limitation of hours worked. UWS recognizes and acknowledges that compliance with the ACA could involve penalties and fines to UW System, and the campus.