Guidelines for using Single-Payment Vendor ID to process non-1099 Reportable Student Payments

Starting FY14, a new CUNYFirst enhancement has been implemented to simplify the process for senior colleges to pay non-1099 reportable student payments (stipends). "Stipends", in general, refer to programs like scholarships, fellowships, grants, and tuition waivers paid directly to students.

There is no need to request CUNY Central Vendor Management Unit to apply a unique SFS vendor ID for each student in order to pay their non-1099 reportable student payments. Accounts Payable should use the following Single-Payment Vendor ID to pay non-1099 reportable student payments to multiple students.

<table>
<thead>
<tr>
<th>SetID</th>
<th>CUNYFirst Vendor ID</th>
<th>SFS Vendor ID</th>
<th>CUNYFirst Vendor Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMPNS</td>
<td>8999999999</td>
<td>0100000012</td>
<td>SP CUNY Student</td>
</tr>
</tbody>
</table>

Inappropriate use of the Single-Payment Vendor ID can put CUNY in a position of noncompliance with IRS and NYS policies and may be subject to NYS penalties. Accounts Payable should exercise caution when using the Single-Payment Vendor ID. The following guidelines must be adhered to:

- **Payee:**
  - This Single-Payment vendor ID can only be used by senior colleges (community colleges are not included).
  - The payee must be a student.
  - The student must be a U.S. citizen or U.S. resident or resident alien for tax purposes. (Regarding payments for nonresident aliens, GLACIER Online Tax Compliance System is required and the payment should be processed through payroll. Please refer to Payroll Bulletins CU-329 and CU-345 regarding questions for non-resident alien payments)

- **Payment:**
  - The student payments are for stipends and as such do not require a 1099.
  - Do not use this Single-Payment Vendor ID to process an individual's travel and expense reimbursement.
  - Student payments cannot be paid for services that have been provided or will be provided to CUNY by the student. If the student provides services to CUNY, the payment should be reported as wages on Form W-2, which requires employment tax withholding.
  - The student cannot provide any goods or services to CUNY in exchange for payment.
  - The payment must not be a financial aid payment.
  - The payment must not be an honorarium payment (conferences, presentations... etc).

- **Program:**
  - The stipend must be from a program offered by the college. The college must keep all program information (including outline of the program purpose, marketing flyers, posters, notices, agreements, guidelines, emails...etc) and all student payee information (including student name, SSN, address, payment amount, date...) for future auditing purposes.
  - The use of this Single-Payment Vendor ID is subject to audit by CUNY Internal Audit, the NYS Comptroller, and/or the IRS.
  - Refer to NYS Guide to Financial Operations for additional information.