

STATE WORK STUDY Employer Handbook

Contents

Employer Checklist	I
Becoming an SWS Employer	2
Employer Eligibility	2
How to Become an Employer	2
Working With Colleges	3
Hiring Process	3
Recruiting	3
Determining a Student's Eligibility	1
Interviewing	1
Student Workers	5
Pay & Performance	5
Setting Student Wages	5
Student Earnings	5
Payments to Students	7
Ensuring Performance	3
Reimbursements & Time Sheets	3
Getting Reimbursed	3
Contacts & Questions)
Commonly Used Terms)

Employer Checklist

- Determine your need for State Work Study (SWS) student employees by clearly defining the type of work you need performed.
- □ Complete the SWS Employer Contract & Business Profile, and Job Description forms located on our website at <u>www.wsac.wa.gov/employers</u>.
- Submit all forms to the participating college you plan to hire students from. If you want to hire students from more than one college, you will need to submit the forms to each college.
 - Private colleges review Employer Contracts & Business Profiles and Job Description forms and forward them to the Washington Student Achievement Council for approval. Public colleges review and approve all forms.
 - You can expect approval within two to four weeks of submitting the forms to the college. You will receive a copy of your approved Employer Contract & Business Profile and Job Description forms by email.
- □ Interview SWS-eligible students referred to you by the college.
- Before hiring students, ask for written verification of eligibility for the SWS program, such as a financial aid award letter or a referral letter from the college. A financial aid award letter or referral letter is an official letter, signed by a college officer, that lists the SWS award amount and the time period during which the student must earn the award.
- □ Follow all of your company's standard personnel procedures to hire an SWS student and notify the student's college upon hiring. Train and orient your new student employee as you would any other employee.
- Track wages to ensure student employees don't earn more than their SWS award. A sample Student Earnings Spreadsheet, which can be used to track wages, is on page 7 of this handbook and on our website at <u>www.wsac.wa.gov/employers</u>.
- Pay the student for the gross hourly wages earned (minus any deductions) by either check or direct deposit. Ask the student to certify receipt of wages by signing the SWS Time Sheet.
- Time sheets are available on our website at <u>www.wsac.wa.gov/employers</u>. Verify that the hours were worked and the student's performance was satisfactory by signing the time sheet yourself.
- □ Send the time sheet to the student's college for reimbursement. You will receive a reimbursement check or direct deposit within three to six weeks.

Becoming an SWS Employer

Employer Eligibility

Is my business or organization eligible?

To participate in the State Work Study (SWS) program, eligible employers must agree to adhere to the terms of the SWS contract. The following types of employers may be eligible to participate in the program:

- Public and private colleges
- State and federal agencies
- Nonprofit organizations
- For-profit business entities (employers producing goods or providing a service for sale or release to others)



The following types of employers may not be eligible to participate:

- Any church or entity that has a direct association with a controlling sectarian organization (e.g., church-sponsored daycare centers or educational institutions). However, religiously affiliated hospitals may be allowed to participate if certain conditions are met; please contact Washington Student Achievement Council (WSAC) directly for more information.
- Any employer who does not comply with federal, state, and civil rights laws.
- Any employer who will not pay comparable pay rates.
- Any elected official who would use the student's work to enhance their political goals.
- Students who own or are part owners of a business.

How to Become an Employer

Complete the State Work Study Employer Contract & Profile and Job Description forms. These forms are located on our website at <u>www.wsac.wa.gov/employers</u>.

Submit all forms to the college you want to hire students from. If you want to hire students from more than one college, you will need to submit the employer profile and job description forms to each college. WSAC requires only one contract per employer.

How long does the contractual period run?

The contract year runs from July 1–June 30. Renewal is required each year. Renewal instructions will be emailed to your organization each May.

Who signs the contract in my business or organization?

Staff authorized to approve expenditures should sign the contract. The authorizing signature indicates compliance with all provisions of the contract. The contract outlines employer responsibilities and the rules for claiming reimbursement. It is a good idea to ask everyone involved in the SWS program, from the student's supervisor to the payroll specialist, to review the contract.

Working With Colleges



Do all the colleges in the state follow the same procedures?

Colleges generally follow the same procedures, although some differences exist. *Public* colleges approve contracts and job descriptions, and process reimbursements on behalf of WSAC. Due to state constitutional requirements, WSAC must approve contracts and job descriptions and process reimbursements for *private* colleges.

Each college will have a set of operating procedures and guidelines. Some rules may be unique to each college. If you have questions, call the college to verify its requirements.

Tips for Working with Colleges:

- Determine what college(s) you would like to work with. For a list of participating colleges, visit our website at <u>www.wsac.wa.gov/employers.</u>
- When contacting a college, ask to speak to the Student Employment Administrator.

Questions to Ask:

- ? Ask how your job(s) will be advertised.
- ? Ask about internships. Internships can often be combined with SWS awards to allow the student to be paid for work and receive academic credit.
- ? Ask the college about its policy for summer SWS. Not all colleges give students a State Work Study award during summer vacation.
- ? Ask for an academic calendar that includes breaks and vacations. Student availability may change during breaks. Dates of academic terms vary depending on the college.

Hiring Process

Recruiting

How and when are students recruited?

In general, the best time to recruit students is in the fall when most students begin a new academic year and are looking for part-time jobs. In the summer, many students look for full-time work to earn money for college.

Ask college(s) you plan to work with about upcoming job fairs. Some colleges regularly hold job fairs for employers interested in hiring student workers. Participating in these or setting up recruiting times on campus may save you time in finding the right student.

Recruiting good employees is a major issue in today's labor market. The SWS program allows you to try out potential employees before graduation and train them the way you would like. You can assess their performance on a low-cost basis, and then offer employment upon graduation if they fit into your organization.

Determining a Student's Eligibility

Can I hire any student?

To qualify for reimbursement, you must hire a college student who is eligible for SWS. Most students will identify themselves as eligible when they call or visit you to inquire about a job. Ask them to bring a copy of their financial aid award letter or referral letter to the interview. While these forms vary from college to college, most will include the following:

- A statement that the student is eligible for State Work Study
- The total amount the student can earn, called the "award amount"
- Eligibility dates

Some forms provide a place for you to verify you have hired the student. If so, sign the form and return it to the college. Other forms are informational only. Award amounts and eligibility dates should be clearly stated. If they are not, call the college. Make sure you keep a copy for your new employee's personnel file.

Interviewing

Do I have to hire any student referred to me?

No. Select a student worker as you would any other worker. Outline the job requirements, conduct interviews, and hire the best person.

How many candidates can I interview before I select one?

You should interview as many as you think necessary. Due to the program's popularity and limited funding, there are many more jobs than students to fill them each year.



Tips for Hiring and Interviewing:

- Prepare an accurate description of job duties to attract the most appropriate candidates.
- Explain your expectations for the position so that the student can assess their ability and interest in performing the work.
- Provide the student with information on what skills will be acquired while working in the job.
- Explain any special work requirements, such as safety issues in a hazardous work environment or legal issues in working with children.
- Outline causes for termination.
- Outline personnel rules and procedures, such as setting work hours or calling in sick.
- Show the student where the work will be performed, and introduce the student to the key people they will work with.

Student Workers

What is the "typical" student like?

The student population has become increasingly diverse. It includes traditional students, ages 18 to 21, who are eager to excel in their first work experiences, as well as older students seeking to make mid-career changes or add cutting-edge skills to their existing work experience.

What kind of time commitment can I expect from a student worker?

Most students can work two to four hours a day during the academic year. Some students also will be available to work full-time during college breaks and summer vacation.

Students can earn varying amounts based on their financial need, as determined by the college. If their eligibility award is low, the time commitment they can offer you may be limited.



What may be different about employing student workers?

Every student is required to make satisfactory academic progress in college while holding an SWS position. If a student's grades fall, they may be required to stop working. Therefore, the student's work schedule should be flexible enough to accommodate studying and exam times.

What are my responsibilities once the State Work Study student starts work?

As an employer, you are responsible for doing the following:

- Providing adequate and reasonable supervision for the student employee.
- Ensuring that the student employee does not work more than an average of 19 hours per week while in college and no more than 40 hours per week during breaks.
- Ensuring that total earnings do not exceed the amount for which the student is eligible, the student does not start work before the start date listed on the award letter, and does not work beyond the end date. If you are uncertain about those dates, contact the student's college for assistance.
- Notifying the college of any changes in the student's employment, such as changes in wage rate or job title, promotion, or termination.
- Notifying the college of any changes to your business name, address, or Employer Identification Number (EIN).
- Attesting that wages were paid to the student by signing the time sheet.
- Following all state and federal employment laws.

Are these "needy" students unskilled workers who can't find jobs on their own?

No. Many students need additional financial help to get through college. This is not a reflection on their ability to do a good job for you. As college costs continue to rise, more and more students need financial help. These students are as skilled and academically capable as students who don't need assistance.

Do I have to hire this student when they graduate?

No, you are under no obligation to offer permanent employment to a student employee. However, many employers view this program as a good tool for identifying and hiring permanent workers.

Pay & Performance

Setting Student Wages

Students must be paid on an hourly basis at a rate that is comparable to what a non-student would earn in the same position. Students must also be paid at or above the <u>State Minimum Wage</u>. When local laws require a higher minimum wage, the minimum wage for SWS students working within that locality must align with local minimums in order to maintain comparability.

What is a comparable wage?

An hourly rate of pay equal to the entry-level rate of non-student employees performing similar duties with the employing organization. Factors for determining comparability include major duties and responsibilities, distinguishing characteristics, judgment required, and skills and knowledge required to do the job. The nature of the work will determine appropriate rate, not student status or minimum qualifications.

If I have no other workers who are performing this kind of work, how do I determine a fair wage?

The pay rate should be appropriate within the context of your pay schedule. Consider major duties and responsibilities, level of tasks and duties, distinguishing characteristics, typical work, judgment required, and the skills and knowledge required to do the job. The college you plan to hire students from can assist you in setting the wage if you have difficulty determining the appropriate level.

Student Earnings

What is the best way to monitor student earnings?

Keep track of the student's award amount and the gross amount earned, not just the employer share. Encourage the student to keep records too.

During the academic year, students may work up to an average of 19 hours per week, depending on their State Work Study award amount. During college breaks and summer terms, students may work up to 40 hours per week, if their award allows.



When the student has earned most of their award, the student can check with the college to determine eligibility for an additional award. If the student is not eligible for additional State Work Study funds, the student must stop working. However, if you want to keep the student on, you can pay the entire wage without receiving reimbursement for amounts in excess of the award.

Student Earnings Spreadsheet

This sample worksheet will help you monitor your student's earnings against their SWS award.

Example: Jane receives a \$3,000 SWS award for fall quarter (September 1–January 6). Jane's rate of pay is \$15.00 per hour.

IDENTIFIER: Jane	ENTIFIER: Jane Smith OTHER:						
INSTITUTION OR EMPLOYER	ર	Community College					
AWARD		\$3,000.00	TOTAL AWARD RECEIVED:				\$3,000.00
AWARD TERM:		Fall Quarter	CUMULATIVE EARNINGS:			\$	525.00
DATE AWARD ENDING:		January 6th	TOTAL AWARD REMAINING:			\$	2,475.00
NOTES:			ESTIMATED HOURS AVAILABLE PER AWARD TERM:			200.0	
			CUMULATIVE HOURS WORKED:				35.0
			ESTIMATED HOURS REMAINING:			165.0	
PAY PERIOD FROM: TO:		HOURLY	HOURS WORKED	AMOUNT PAID	COMMENTS		
9/7/2017 9/1	4/2017	\$ 15.00	12.00	\$ 180.00			
9/20/2017 9/2	9/2017	\$ 15.00	15.00	\$ 225.00			
10/5/2017 10/1	3/2017	\$ 15.00	8.00	\$ 120.00			

To calculate the average number of hours per week a student may work:

Step 1

<u>Total award amount (\$3,000)</u> = Total hours in award term (200.0 hours) Hourly wage (\$15.00)

Step 2

<u>Total hours in award term (200 hours)</u> = Average number of hours per week student can work (11)

Number of weeks in award term (18)

Payments to Students

The employer must pay each student at least once a month for their total earned compensation, less deductions. Deductions must include Federal Insurance Contributions Act (FICA) which comprises Social Security at 6.2 percent and Medicare at 1.45 percent for a total tax rate of 7.65 percent. The student must be paid by check or direct deposit in order to ensure a proper audit trail. Other deductions may include workers' compensation, unemployment insurance, federal withholding tax, and/or state retirement.

Can I pay student workers on a commission basis?

No. The terms of the contract require you to set an hourly wage for the duties performed. If your organization pays workers by commission, bonus, or other special compensation, in addition to an hourly wage, you will be reimbursed for only the agreed upon percentage of the hourly wage.

Can I offer room and/or board or other goods and/or services in exchange for hours worked? No. The student must be paid an hourly wage for hours worked.

Ensuring Performance

What if a student is not performing satisfactorily?

Point out the problem and take corrective measures right away. To prevent performance problems, clearly outline your expectations. If you have an ongoing need for student employees, consider writing State Work Study procedures into your standard personnel procedures manual.

Each time you sign the time sheet to verify hours worked, you also are verifying that the work was performed satisfactorily.

Can I fire a State Work Study student for performance problems?

Yes. However, if possible, first offer the student a chance to correct the problem. If you do fire a student employee, inform the student's college of the reason, preferably in writing. This will help the college counsel the student for future positions.

You may want to apply your normal performance-review procedures to student employees, or modify your standards by reviewing performance more often.

Can a State Work Study student be laid off?

Yes, if necessary. However, the student may take another job and may not be available later.

Reimbursements & Time Sheets

Getting Reimbursed

The employer must pay 100 percent of gross student wages and benefits prior to reimbursement. To receive reimbursement, the employer must ensure a daily record of the hours worked by the student is maintained on a SWS time sheet. The employer will then be reimbursed a percentage of gross wages, including paid sick leave hours authorized by Initiative 1433, per the employer type.

<u>Initiative 1433</u>'s passage requires that Washington employers provide all employees with paid sick leave.

Beginning January 1, 2018, all Washington employers must provide paid sick leave to all their employees, including SWS student employees. Employees must accrue at least one-hour of paid sick leave for every 40 hours worked.

Because the minimum paid sick leave hours as defined by I-1433 are a required component of state-mandated employee compensation, and not a fringe benefit such as employer-provided health insurance, or a required tax owed to the state or federal government such as Workers' Compensation or FICA, the paid sick leave hours required by I-1433 are eligible for SWS reimbursement as hours worked. Please remember that the employer is responsible for employee benefits costs, including payments due as an employer's contribution under workers' comp, federal Social Security laws, state retirement laws, and other applicable law.

Where do I get time sheets and how do I complete and submit them?

Time sheets can also be found on our website at <u>www.wsac.wa.gov/employers</u>. The college can also provide paper time sheets. The time sheet is a record of hours worked and wages paid and must be mailed directly to the college the student is attending. The student and their supervisor need to sign the time sheet in ink.

What reimbursement percentage will we receive?

The State Work Study program will reimburse you a percent of the gross wages you pay to the student employee. The reimbursement rate is based your employer type.

Employer Type	Reimbursement Rate
For-profit	40%
 Public institutions Private institutions Governmental agencies - city, county, state, & federal 	60%
 Nonprofit community service providers School districts STEM - businesses whose primary business activity is in the fields of science, technology, engineering, and/or mathematics 	70%

What payment to the student is not reimbursable?

The employer may not claim reimbursement for the following:

- Wages earned or paid but not submitted to the institution by the specified deadline dates
- Hours worked over the student's award amount
- Deductions
- Commissions
- Bonuses
- Holiday pay
- Travel reimbursement

How and when do I submit time sheets?

You must submit time sheets within 15 days of the end of your payroll period to prevent delay or denial of reimbursement. For public colleges, follow the college's instructions for submitting time sheets and keep a copy for your records.

WSAC will reimburse your organization if you hire students from a private college. It is especially important to submit all time sheets for June hours on or before July 10. The state can make reimbursements only for hours worked during the fiscal year (July 1–June 30). Please note June and July hours must be submitted on separate time sheets.

How long does it take to receive reimbursement?

In general, you should receive reimbursement within three to six weeks after submitting time sheets to the student's college. To avoid delays in reimbursement, please make sure time sheets are error free.

Contacts & Questions

Whom should I contact with questions about contracts, job descriptions, or time sheets?

Contact the college first. If you still have questions, contact the State Work Study program at (360) 753-7848, or email us at sws@wsac.wa.gov. When calling or emailing, please have the following information available:

- ✓ Your Employer Identification Number (EIN)
- \checkmark The student's name
- \checkmark The name of the student's college

Commonly Used Terms

Award: The maximum amount of State Work Study funds (gross) a student can earn to help pay for college.

Award Letter: A letter from the student's college that indicates State Work Study eligibility. The award letter should state the award amount and the starting and ending dates of the award.

College: A generic word used to describe all facilities of higher education, whether universities, colleges, vocational education institutions, or other campuses teaching postsecondary courses.

College – Private: An independently funded, nonprofit college accredited by the Northwest Association of Schools and Colleges.

College – Public: A publicly funded college.

Displacement of Regular Employees: In general, State Work Study student employees may not fill positions previously filled by regular employees during the current or prior calendar or fiscal year.

Eligible Employer: An employer that meets all of the conditions for participation in the State Work Study program.

Employer Contract: The contract between the employer and the Washington Student Achievement Council for the State Work Study program.

Employer Identification Number (EIN): A nine-digit number assigned by the Internal Revenue Service (IRS), used for tax identification. The State Work Study program uses the EIN as the primary identification number, and it must be included on all State Work Study correspondence.

Federal Withholding Tax: An amount withheld from employee wages each pay period, according to the number of allowances claimed by the employee on the W-4 form. Only employees who did not have to pay income tax last year and who do not expect to pay tax this year may claim an exemption. If this is the case, the W-4 form must be completed annually, by February 15 of each year.

FICA (Federal Insurance Contributions Act): A tax imposed by the federal government on both employers and employees to fund Social Security and Medicare. The employer must follow FICA regulations on withholding and paying the employee's share of the tax. For more information, contact the <u>US Internal Revenue Service.</u>

Industrial Insurance, Washington State: A tax, also called Workers' Compensation or Medical Aid, paid by the employer on behalf of employees to cover job-related injuries or illnesses. Contact the <u>Washington State Department of Labor and Industries</u> for more information.

Job Description: A form on which the employer describes the duties of the job, the educational benefits derived from performing the work, the minimum qualifications required to perform the job, and the pay rate.

Job Fair: An event sponsored by a college to bring together students looking for employment and employers looking to hire.

Monitoring the Award: Tracking the total amount a student may earn to ensure they do not earn more than their State Work Study award. The award is the gross amount the student may earn, not the employer's share.

Need: The amount of financial aid a student needs in order to pay college costs, as determined by the college.

Package/Financial Aid Package: A mix of grants, loans, state or federal work study, scholarships, and/or other aid awarded by the college to meet the student's need for funds to pay college costs.

Pay Rate: An hourly wage, appropriate within the organization or field, for work performed. Employers in Washington State must pay at least the <u>state's minimum wage</u>. When local laws require a higher minimum wage, the minimum wage for SWS students working both on- and offcampus within that locality must be aligned with local minimums in order to maintain comparability.

Referral Form: A form completed by a college that shows the student's State Work Study award amount and the starting and ending dates of the award.

Reimbursement Rate: The State Work Study program reimburses employers a percent of the gross wages an employer paid to the student employee. The reimbursement rate is based on the employer type.

Statewide Vendor Number (SWV#): A number assigned by the <u>Office of Financial Management</u> when an organization submits a registration for payments from the state. The SWV# is a requirement for any employer hiring students from a private college.

Supervision: Overseeing the daily work of SWS student employees to ensure duties are performed safely and satisfactorily.

Unemployment Insurance, Washington State: An employer-paid benefit, which may or may not apply to State Work Study employees. For more information, contact the <u>Washington State</u> <u>Employment Security Department.</u>

Unified Business Identifier (UBI) Number: A nine-digit number that registers you with several state agencies and allows you to do business in Washington State. A UBI number is sometimes called a tax registration number, a business registration number, or a business license number.

Washington Student Achievement Council (WSAC): The state agency responsible for administering the rules and regulations of the State Work Study program.