

BLOCK GRANT INSTRUCTIONS

Graduate programs receive an allocation of funds in the form of a “Block Grant” to award fellowships to new and continuing students. These funds **are restricted for use as living allowance (stipend), in-state fees or nonresident tuition fellowships**. Block grant funds **cannot** be used over the summer, to bring students to campus for pre- or post-admissions recruitment visits, research costs, or to fund student appointments such as research and teaching assistantships. No expectation of research or teaching effort can be tied to a Block Grant Fellowship.

IMPORTANT DATES TO REMEMBER

- March 2** Priority Deadline for students to file a *Free Application for Federal Student Aid* (FAFSA). Students may file the FAFSA after this date, but may not receive a Graduate Studies award until the FAFSA is on record. All domestic graduate students must file the FAFSA to receive block grant fellowships or internal fellowships.
- April 15*** Programs cannot require students to respond to fellowship offers prior to April 15. Programs may withdraw a fellowship offer **in writing** if a student has not accepted the award by the specified date. The following statement must be included in the offer letter *“Failure to respond by April 15, 2009 will be interpreted as a declination and this award may be withdrawn.”* Awards made March 16 or later should indicate that the student has 30 calendar days in which to make a decision to accept the award.
- September 19** It is strongly suggested that all block grant awards be entered into GradTrack\$ before Graduate Financial Aid begins packaging need-based awards.
- 8th week of the quarter** If a student’s fees have not been paid by the end of the eighth week of enrollment, the student’s registration status for the following quarter will be inactivated. The student will also be dropped from any course work s/he has enrolled in for the following quarter and her/his employment or fellowship for that quarter may be jeopardized.
- June 1** Last day to enter block grant awards in Grad Track\$.

* If the deadline does not fall on a weekday, the deadline will be extended until the following business day.

TYPES OF AWARDS

Block grant fellowship funds can be awarded as:

- A. Living Allowance (Stipend)
- B. In-State Fees/Nonresident Fees
- C. Nonresident Tuition Fellowships (NRTFs)

A. Living Allowance (Stipend)

1. The living allowance (stipend) can be awarded in one- to nine-month increments, October 1 through June 30. Payments are made one month in arrears (**e.g., October living allowance [stipend] is paid November 1**) in order to put block grant awards on the same schedule as teaching or research employment pay.
2. Students must be registered and enrolled with fees paid before payment will be issued.
3. One-time payments can be issued when the stipend total is less than \$1,000. This ceiling can be removed, but with the understanding on the part of those programs authorizing the one-time payments that Graduate Studies will not recover stipends that have already been paid to students if those students fail to enroll for the fall term. A *One-time Payment Agreement* form, signed by the program chair, must be on file with Graduate Studies and updated every year (see attachments).
4. Domestic students, both residents and nonresidents of California, will be paid through Student Accounting.
5. International students will be paid through payroll. Graduate Studies will notify the department of required PPS entry for students paid through payroll.

B. Fees

1. Awards may be estimated to cover the cost of fees for the upcoming year. Fees differ slightly for residents and nonresidents of California and include registration, education, health insurance, Graduate Student Association and Memorial Union fees, etc. For the current fee structure, please see the Office of Resource Management and Planning URL: <http://www.ormp.ucdavis.edu/studentfees>.
2. Awards may be made to cover full **or** partial fees.
3. The award letter should clearly describe how a change in fees will be addressed by the fee fellowship. For example, if you award “full fees” and the student later receives a teaching assistant (TA) appointment, you may indicate that your fee fellowship will be reduced to cover only the balance owed after the fee remission and will not generate a refund to the student. Please refer to *Student Academic Appointments* (page 6) to see what effect (if any) academic appointments may have on fees.

4. The Student Health Insurance Plan (SHIP) fee is \$618 per quarter, or \$1,854 per year, for 2008-09 with an expected increase for 2009-10. Students who opt out of the SHIP will have their in-state fees reduced by this amount. The block grant award to the student will be reduced accordingly. Students should not expect to receive the difference between the full amount and the reduced amount.

C. Nonresident Tuition Fellowships (NRTF)

1. Awards may be made to cover part or all of the cost of nonresident tuition.
2. U.S. citizens and permanent residents are ineligible for NRTF's after the first year at UC Davis (refer to *UC Davis Residence Information* attached). **Students must begin the process of establishing residency immediately to avoid missing required deadlines.**
3. New and continuing international students may be awarded NRTFs.
4. The award letter must clearly describe that should the student receive a GSR appointment during the effective period of the award, NRTR provided as a non-taxable benefit to all eligible GSR's supersedes the block grant award funding.
5. **Reduced NRT After Advancement To Candidacy:** Effective fall 2006, a policy was implemented to reduce the nonresident tuition charged to Ph.D. students who have advanced to candidacy by the first day of the quarter. The reduction is 100% of the current charge. The student is eligible for the reduction for up to three calendar years after advancement to candidacy. If the student has not completed their degree after three years, the charge will revert to the full current tuition amount. Please note that time spent on PELP counts in the three-year limit.

STUDENT ELIGIBILITY FOR GRADUATE STUDIES AWARDS

- A. All domestic students must have filed a FAFSA to receive fellowship support.
- B. Students must be registered, enrolled and maintain a minimum of 12 units. Students who do not meet the minimum unit requirement are subject to withdrawal of the award. Students on PELP or Filing Fee do not meet the registered status requirement.
- C. Recipients must meet the minimum GPA criteria established by the Graduate Council for eligibility. A GPA of 3.0 is required for a living allowance/stipend fellowship, an in-state fee fellowship and for a Nonresident Tuition Fellowship (NRTF). Students who do not meet the minimum GPA requirement are subject to withdrawal of the award.

PROCEDURES FOR AWARDING NEW AND CONTINUING STUDENT BLOCK GRANT FELLOWSHIPS

- A. Applications:** Each program should develop its own internal application process for block grant fellowships. The graduate programs may develop their own unique block grant fellowship application. Please include clear instructions to submit the block grant application directly to the graduate program, not to the Office of Graduate Studies.
- B. Review and Nomination:** Student applications and supporting materials should be sent directly to graduate programs. The graduate program staff should prepare all materials for review by their fellowship committee. The fellowship committee ranks the applicants and awards the fellowships.
- C. Notification of Awards:** Programs send award letters directly to students.
1. **Award letter must specify:** full name, date of letter, address, student ID number, name of specific fellowship offered (e.g. the Earl C. Anthony or Edward Wickson Fellowship), type (living allowance (stipend), in-state fees, and/or nonresident tuition), amount, method of payment (e.g., paid in equal monthly installments through Student Accounting), the effective period of the award (e.g. October 1, 2009 to June 30, 2010) and program contact information for questions (the award letter should not refer the student to the Office of Graduate Studies). The notification should also include the FAFSA filing requirement for domestic students.
 2. TA/GSR appointments are **not** considered fellowships and should be listed as a separate form of support on offer letters.
 3. Programs **must** enclose a copy of *Regulations for Graduate Students Receiving Fellowships*, *Council of Graduate Schools Resolution* and *Residence Information Sheet for Domestic Nonresidents of California* with the award letter (see attachments).
 4. In accordance with the Council of Graduate Schools Resolution, students cannot be required to accept or decline their award offer prior to **April 15**. Awards made March 16 or later should indicate that the student has 30 calendar days in which to make a decision to accept the award.
 5. Student must be registered and enrolled full time (12 unit minimum) with fees paid before payment will be issued.
 6. For information regarding tax regulations, recipients should be referred to the form *Regulations for Graduate Students Receiving Fellowships* (see attachment) or a commercial tax consultant.

D. Changes in Awards

Changes to an award must be entered in BANNER using Grad Track\$ (Graduate Award Tracking System). Programs must notify students, in writing, of such changes and maintain signatures from students and the program chair in program files.

GRADUATE STUDENT APPOINTMENTS

A. Fee Remissions

Students who have an appointment as a graduate student researcher (GSR), teaching assistant (TA), or other teaching title, which together total 25% or more, will have all or a portion of their in-state fees paid through fee remissions.

If a Fee Fellowship or NRTRF was awarded in Grad Track\$ prior to the initiation of the appointment in PPS, the fellowship award will block the remission. The Office of Graduate Studies will contact you to remove the award so the fee remission can post appropriately.

For current fee remission amounts please see:

<http://studentaccounting.ucdavis.edu/feeremissions.cfm>

B. GSR Appointments

1. All GSRs are eligible for remission of the Graduate Student Health Insurance Program (GSHIP) fee, the education fee, the registration fee, and campus based fees specified in campus policy.

2. **Nonresident Tuition Remission (NRTR):** Beginning Fall 2004, NRTR is provided as a non-taxable benefit to all eligible GSRs. **The cost of nonresident tuition remission is charged as a direct cost to the fund source that supports an eligible GSR's salary.** This program does not modify fee remission policy for GSRs that were in place as of July 1, 2004.

Exception: Principal investigators, with the written permission of their graduate program and the Office of Graduate Studies, may divert the NRTR expense from the GSR salary fund source to another fund source where the NRTR is allowable. An exception may be requested only when the following circumstances **apply to the salary fund source:**

- If the granting agency considers nonresident tuition to be an allowable expense, then NRTR must be charged to the fund source that provides the GSR's salary. This category includes most federal agencies such as NIH and NSF. For proposals submitted prior to October 1, 2003, the NRTR expense may be diverted to another fund source under the control of the hiring unit or the student's graduate program (i.e., block grant, gift account, research and education fund, indirect cost return fund, etc.) provided that fund allows the NRTR charge. These NRTR charges may not be

diverted to another sponsored program fund source; NRTR charges must be based on the effort and salary allocated to a sponsored award.

- If a GSR is hired on General Funds (199XX), s/he is entitled to receive NRTR. However, NRTR may not be charged to State General Funds (19900). Units that choose to hire nonresident GSRs on 19900 funds must request to have the NRTR expense diverted to an alternate fund source under the control of the hiring unit (e.g., block grant, gift account, research and education fund, indirect cost return fund, etc.) that allows the NRTR charge. If units only have State General Funds available, they will need to request Office of Graduate Studies approval to hire a GSR with NRTR. Once the hire is approved, the NRTR expense will be diverted to University General Funds (19933), as NRTR may be charged to this funding source. To fund the NRTR cost, the hiring unit's General Funds (19900) Sub 3 budget will be reduced by a corresponding amount.
- If a granting agency or if a specific fund source does not permit nonresident tuition to be charged, the NRTR charge must be diverted to a program-controlled fund source where NRTR is allowable (i.e. block grant, gift account, research and education fund, indirect cost return fund, etc.). Information regarding agencies that do not permit payment of nonresident tuition is available from the Sponsored Programs Office. Most prominent on this list are awards from state agencies (CalTrans, California Water Resources Board, etc.) and some USDA awards (structured as cooperative agreements).
- If a student is hired as a GSR on a non-federal fund source and the budget is insufficient to fund NRTR, that expense may be diverted to another non-sponsored fund source where NRTR is allowable (i.e., block grant, gift account, research and education fund, indirect cost return fund, etc.).

When the NRTR policy was implemented, Provost and Executive Vice Chancellor Hinshaw established an emergency fund to assist faculty during the three-year transition (2004-2007) to full implementation of the nonresident tuition remission policy. One important consequence of the end of the transition period is that the emergency fund will not be accessible after June 30, 2007. Programs and faculty must plan to secure funding for all nonresident GSRs from other sources effective Fall Quarter, 2007.

NRTR diversions must not be entered through Grad Track\$. NRTR for GSRs supersedes any block grant nonresident tuition fellowship awards. (More information available online at http://www.gradstudies.ucdavis.edu/facstaff/nrt_remission.html.)

C. TA/AI Appointments

1. Fee Remission

TA/AI Appointments of 25% or greater will receive a partial in-state fee remission. Per the labor contract, TA fee remission includes 100% of the Ed and Reg fees. With the exception of the Student Services Health Fee, campus-based fees are **not** included in the partial fee

remission provided to students with TA appointments. This amount for 2008-09 is \$215.30 per quarter. **TA/AI Appointments do not include NRTR.**

2. TA Fee Remission and Other Awards

As TA appointments only pays partial fees, if your fellowship offer awards “full fees” and the student later receives a TA appointment, indicate whether or not the fee fellowship will cover the balance owed after the fee remission.