

## CENTRAL SERVICES PROCEDURE— PAYROLL

### *STUDENT WORKERS - ELIGIBILITY FOR FICA EXEMPTION*

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**Purpose:** IRS Procedure 98-16 published on January 16, 1998 sets forth guidelines as to who can be classified, as a “student worker.” Individuals who are classified as a “student worker” are exempt from FICA taxes. Individuals who do not qualify as a “student worker” are not exempt from FICA taxes. This procedure is intended to help the institution comply with IRS Procedure 98-16.

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#### **Student Employment Confirmation form:**

The Responsibility Code Manager hiring a student worker must complete a “YCCD Student Employment Confirmation” form. This form will replace “Payroll Clearance Form for Student Workers.” Distribution of this form is as follows:

##### Modesto Junior College

The Responsibility Code Manager should retain a copy and forward the original form to Human Resources with the Loyalty Oath, W-4, and I-9.

##### Columbia College

The Responsibility Code Manager should retain a copy and forward the original to the Columbia College Business Office. Columbia College Business Office should retain a copy and forward the original to Human Resources with the Loyalty Oath, W-4, and I-9.

*Note: Forms are available electronically by contacting Human Resources.*

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#### **Unit Verifications:**

At the time of hire, the Responsibility Code Manager of the student worker must verify that the student is enrolled in 3 or more units in a summer term or 6 or more units in a fall or spring term by checking the STAL screen on Datatel and then signing off on the YCCD “Student Employment Confirmation” form.

Following the campus census period\*, the Responsibility Code Manager must re-verify that the student is still enrolled in the minimum amount of units. This re-verification process must be documented at the unit level on a copy of the “Student Employment Confirmation” form and should then be retained at the unit level.

\* The census period for the summer term is the 20% point of the class; the census period for the fall and spring terms is the 4th week of classes.

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#### **Loss of Student Status:**

Following are situations in which students lose their student status and must either be put on short-term contract or released from duty:

1. Student’s units drop below half-time (3 units during summer semester; 6 units during fall and spring semesters),

2. Student works for the institution during the summer, but is not enrolled in summer school classes,
  3. Student works during school breaks that last longer than 5 weeks.
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**Work Hour Limitation:**

While the IRS has eliminated the 20-hour per week limitation, YCCD will continue to support the 20-hour per week limitation to ensure student success. **Exceptions to this limitation may be granted by the College President or designee.**

<b>Effective Date:</b> 01/1999
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<b>Revised:</b> 03/2009
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<b>Questions:</b> Lisa Latt, Payroll Supervisor (X6538)
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