“It is thrifty to prepare today for the wants of tomorrow”
What is Federal Work Study?

Federal Work-Study is a federally subsidized financial aid program that provides part-time jobs for undergraduate and graduate students, allowing them to earn money to help pay education expenses.
How students benefit when having FWS?

1. Students who work at UA can earn money to help in meeting their college expenses.

2. Students keep what they earn. While you have to pay back student loans back with interest, work-study earnings are yours to keep.

3. FWS earnings are excluded as income on your FAFSA and will not affect your eligibility for other aid such as grants and loans.

4. Reward can be more than just financial, such as the opportunity to gain valuable work experience while pursuing a college degree.
What is the impact of FWS for the University of Arizona?

1. Offset of Payroll expenses. UA will be reimbursed 75% of the student’s gross earnings.

2. UA is responsible for 10% administrative fee which is processed each pay period based on gross earnings. This fee is automatic through payroll and can only be paid with a non-sponsored account (using object code 4290).

3. ERE is the responsibility of the department. Current ERE rate for students is 1.7%. Effective July 1, 2022, the ERE rate will become 2.0%.

4. In essence, government pays for 75% of student salary, UA pays for 25% of student salary in addition to a 10% administrative fee. Overall, the savings is 65%.
To illustrate the potential savings for ALVSCE – see the example below:

Example for Pay Period Ending 3/6/22 – Total Student Wages - $62,274

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursed 75%</td>
<td>$46,705</td>
</tr>
<tr>
<td>Wages</td>
<td></td>
</tr>
<tr>
<td>Admin Fee</td>
<td>$6,277</td>
</tr>
<tr>
<td>UA Cost 25%</td>
<td>$15,569</td>
</tr>
</tbody>
</table>

Total Savings if all students were eligible:
$46,705 - $6,277 = $40,428
Employees who have been awarded FWS, but authorization form needed.

14 Student Employees
FWS forms have been sent to department Business Mgr/HR Representative for completion.

Total dollar amount awarded for the 14 Student Employees = $70,509/yr.

SET’s will be completed once Melva receives authorization form.
Employees eligible for FWS but have not yet contacted Financial Aid to be awarded.

51 Student Employees
Have met eligibility requirements but have not contacted Financial Aid to request.

Recommendation: Business Manager or HR Representative inform student employee to let them know they are eligible, provide the Q&A document, and next steps should they choose to pursue.

Estimated potential FWS awarded – 51 X $4,500 (est. FWS average) = $229,500/yr.
Employees who have not submitted FAFSA but have the potential of being awarded FWS

62 Student Employees
No FAFSA submitted.

Recommendation: Business Manager or HR Representative inform student employee to let them know of their potential eligibility, provide the Q&A document, and next steps should they choose to pursue.

Savings could rise significantly should they choose to participate.

See attached Q&A document for detailed information.
Employees who are not eligible

97 Employees do not meet the requirements to be granted FWS.
Potential Student Wage Savings for ALVSCE per yr.

14 student emp submitted forms $ 70,509
51 students eligible – FAFSA submitted ($4,500 avg) $229,500
62 student - No FAFSA submitted (est. 25% are eligible - 15 students x $4,500 avg) $ 67,500
7 students already have FWS (est. 7 x $4,500 avg) $ 31,500
97 student do not meet requirements

Total Yearly Potential Student FWS Awarded $399,009

Total Yearly ALVSCE Potential Student Wage Savings (75% $299,257 - $39,901 10% fee) $259,356
Inform all departments and student employees of the opportunities provided by the Federal Work Study program.

Suggest that the FWS program be introduced to each student during the new hire process/checklist. Provide the Q&A document for review and provide the student the opportunity to contact the Office of Financial Aid for any additional questions or further clarification needed. Should the student decide to take advantage of this opportunity, please complete the authorization form and submit to Melva as part of the new hire process/checklist.

The FWS program has the capability to greatly reduce cost of wages for ALVSCE student employees.

Include a comment in all student job postings such as: All student employees are encouraged to apply including those students who have Federal Work study granted.
Additional information:

Click here for FWS Q & A’s

Click here for FWS Authorization Form
https://arizona.box.com/s/kgilz0agxxllttxzepdb41dhg5x8a6aj

Detailed Information
https://arizona.box.com/s/g42lpapggxt7d3bq0ozpao2lxaw8sj

Special thanks to Tara Mysak, Brian Berrellez, Gavin Ng, and Melva Gutierrez for their assistance in helping me gather information required for this presentation!
THANK YOU
Comments, questions or suggestions welcome: