

Federal Work-Study Program Overview for Employers

This resource is designed to provide an overview of the <u>Federal Work-Study (FWS) program</u> from an employer's perspective to help determine if participation is an appropriate option.

Overview

FWS is a form of need-based federal financial aid, and eligibility is determined when undergraduate students annually file the Free Application for Federal Student Aid (FAFSA). Participation requires students be enrolled a minimum of 6 credit hours and be meeting all federal financial aid criteria to receive this funding. The funding is good for one academic year, which typically begins in May and ends the following April.

From an employer's perspective, it can be a great way to include undergraduate students in your workplace and help defray some of the costs of employing them. Part of the point of the program is to help create jobs that would not otherwise exist.

The Funding

While departments can create jobs solely funded by FWS, to fully support students and the unit they are working for, it's best practice to have a funding backup plan. This is because the amount of funding provided can vary per student and is tied to enrollment and other variables, which can fluctuate during the academic year.

Absent backup funding, it's wise to let students know from the beginning that the position will end once their funding is exhausted, and plan how their duties will be met when that day comes. How quickly that will occur will depend on the student's individual pay rate and how frequently they are scheduled to work.

If the department plans to create FWS-only positions, it will be important that the supervisor (or their liaison) monitors the FWS usage of their employees after each pay cycle to prevent wages from being drawn from the unit's general fund. This biweekly attention to usage is less crucial if the department has their own funding.

The Mechanics

For FWS funds to work systemically, both the student and the position need to be eligible. Departments create FWS-eligible positions in Workday that have been vetted by Student Financial Aid (SFA). When an FWS-eligible student is hired into an eligible position, Time Tracking codes hours worked in a way that the Payroll system tags those earnings as being payable to the Federal Share (aka FWS). At the end of the month Central Finance identifies FWS wages that have been charged to departments and transfers 75% of those charges to the Federal Share. If the department is auxiliary or revenue-generating, the remaining 25% remains the responsibility of the department. If the department is not revenue-generating, fiscal staff may add an additional worktag to the student's costing upon hire that will transfer the remaining 25% to a separate fund administered by SFA.

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The Students

Not all undergraduate students are eligible for this form of need-based federal financial aid. There are roughly 45,000 undergraduate students at Ohio State, and we provide approximately 4000 students with these funds annually. The average FWS offer is \$4000, but this does vary by student. How long each student's funding will last will vary by individual pay rate and work schedule. SFA monitors usage for each worker after each pay cycle to identify those who are at risk of running out. If we have funding available and the student is eligible for more need-based aid, we will increase their offers to help them remain employed. However, because we cannot promise we'll have the funds and not all students are eligible for more aid, it is wise to budget to what the student has and/or have backup funding prepared to cover them should they run out of funds or experience an eligibility issue.

Further, <u>Human Resources Student Employment policy</u> states that student employees cannot work more than 28 hours per week while enrolled; out of those 28 hours, 20 hours per week may be paid with FWS. FWS federal regulations state that students cannot be scheduled to work when they are supposed to be in class.

The Jobs

Student positions are appropriate for FWS if they fall into the Job Profiles of Student Assistant 1-3. They also cannot displace existing staff or conflict with the Fair Labor Standards Act (FLSA); SFA relies on Human Resources (HR) staff to be the subject matter experts within the unit on these matters. Individual pay rates within the job profile range are at the discretion of the unit, however per federal regulations for the FWS program, SFA is tasked with ensuring rates are equitable and consistent. That is accomplished by ensuring the Job Profile matches the job description/qualifications, as each job profile has a specific pay range associated with it.

Next Steps

If FWS sounds like a good option for your unit, we would welcome you to join the program! The first step is to draft a position description and discuss this with unit HR. They will help walk the supervisor through the job requisition process. A meeting between the supervisor, unit HR and the FWS Coordinator can be arranged if there are remaining questions.

Detailed information and resources can be found on our website: https://sfa.osu.edu/jobs

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