

OBJECTIVE

This document provides an overview of fellowships, which are often used in an educational context to support students in their studies or professional development and can provide a sum of money. We discuss best practices in crafting an “inclusive” fellowship that is available for all students regardless of immigration status. We also include a sample fellowship announcement and a sample fellowship agreement.

This document is not intended as legal advice and is not a substitute for obtaining legal advice from a qualified attorney.

WHAT ARE FELLOWSHIPS?

Basic Fellowship Definition

Fellowships are generally defined as short-term opportunities, lasting from a few months to several years, that focus on the educational and/or professional development of the fellow.¹ Fellowships can support a variety of things, including study in a specific field; research to advance work on a particular issue; development of a new community-based organization or initiative; training to support a fellow’s growth; opportunities to further explore a particular field of work; and more.²

Who Can Sponsor Fellowships

Fellowships can be sponsored by various entities, including but not limited to educational institutions.³

Fellowship Stipends

Fellowships can include a stipend.⁴ Stipends are generally defined as an amount paid to the fellow to aid in the pursuit of the fellow’s study or research.⁵

WHAT ARE “INCLUSIVE FELLOWSHIPS”?

“Inclusive Fellowships” (a term coined by Immigrants Rising) are fellowships that are accessible to individuals regardless of immigration status. Since they do not require recipients to have work authorization or a social security number, “Inclusive Fellowships” are flexible mechanisms by which educational institutions can provide paid opportunities to individuals regardless of immigration status. This document will focus on “Inclusive Fellowships”.

“Inclusive Fellowships” vs. “Non-Inclusive Fellowships”

Generally, there are two different types of fellowships: 1) “Non-Inclusive” Fellowships require an individual to perform a past, present, or future service in order to receive payment; since the required service is generally considered to be employment (or “work”), recipients are required to be work-authorized;⁶ 2) “Inclusive Fellowships” are the more common type of fellowships; since they do

not require the recipient to perform a past, present, or future service and are *not* considered to be employment (or “work”), recipients are *not* required to be work-authorized.⁷

“Inclusive Fellowships” vs. Campus-Based Employment

“Inclusive Fellowships are not the same as campus-based employment opportunities. Campus-based employment (e.g. work study positions, student assistants, lab aides, etc.) is limited to individuals with work authorization and, therefore, is not accessible to immigrants without legal status.⁸ Conversely, “Inclusive Fellowships” can be created to be accessible to individuals regardless of work authorization and, therefore, individuals regardless of legal status.

GUIDELINES TO DESIGNING “INCLUSIVE” FELLOWSHIPS

In designing “**Inclusive Fellowships**” that are available to all individuals regardless of their immigration status, the general recommendation is to adhere to the following guidelines:

- Grantors should provide fellows with training, hands-on/experiential learning, professional development, and/or networking.⁹
- The relationship between fellows/grantors should resemble a trainee/trainor or advisee/advisor; it should not resemble an employee/employer relationship (e.g. grantors should not set work hours, require work be done in a specific and highly supervised way, etc.).¹⁰
- If fellowships have a study or research component, the primary purpose of that study or research must be to benefit the fellow’s education, professional growth or training; the primary purpose of the study or research should not be to benefit the grantor.¹¹
- Grantors can offer stipends to fellows as long as the stipends are not considered wages (i.e. stipends should not be offered for past, present or future work or service). These non-wage stipends do not need to be reported to the IRS on any form (including Form 1099) and fellows do not need to provide grantors with a W-9.¹²

STEP-BY-STEP GUIDE TO CREATING AN “INCLUSIVE FELLOWSHIP”

1. Draft Fellowship Description

Draft a Fellowship Description that includes the primary purpose, scope and specific details. Follow the “Guidelines to Designing ‘Inclusive Fellowships’” (above) to make sure your fellowship is available to all individuals regardless of their immigration status.

2. Get Stakeholders on Board

Share the fellowship description with campus stakeholders in order to solicit feedback, define areas of responsibility, manage expectations, and get everyone on board. Stakeholders might include faculty, representatives from human resources, student affairs, financial aid and student leaders.

3. Finalize Fellowship Description based upon stakeholder input.

4. Create Fellowship Application Process

Fellows should be selected in an open, competitive process. We recommend defining clear eligibility criteria and an application timeline and process. We also recommend creating a written application to determine applicants' eligibility and solicit information about their academic background and career goals.

5. Draft and Publicize Fellowship Announcement

Create a Fellowship Announcement, which will explain the fellowship and invite interested individuals to apply for the fellowship. The announcement should include the following: fellowship overview (e.g. terms of the fellowship, duration,); stipend amount; eligibility requirements; and logistical information (e.g. application deadline, application submission process, point of contact). See Appendix A for a Sample Fellowship Announcement. Begin publicizing the fellowship.

6. Undertake Fellowship Selection Process

Review all written application submissions to determine eligibility. Follow-up interviews may provide additional clarity about applicants' interest and availability. Select the fellow(s) that are the best fit for the fellowship program (e.g. benefit to fellows, availability, etc.).

7. Draft Fellowship Agreement

You should draft a formal Fellowship Agreement as notification of acceptance into the fellowship program and agreement of the fellowship terms. The Fellowship Agreement should include the following: fellow name and contact information; notification of acceptance; benefits to the fellows, fellowship terms (e.g. what type of engagement the fellow can expect to have); and clarification that this is not employment. It should be signed by the fellow, supervisor, and any other grantor representative who is responsible for the fellowship. See Appendix B for a Sample Fellowship Agreement.

8. Review Fellowship Agreement with Fellow(s).

Make sure to go over the Fellowship Agreement individually with each fellow you are accepting into the fellowship program. Answer any questions and be sure they understand all elements of the agreement.

9. Sign the Fellowship Agreement

Once all questions have been answered and the fellow understands all elements of the fellowship, all parties should sign and keep a copy of the agreement.

APPENDIX A: SAMPLE FELLOWSHIP ANNOUNCEMENT

This sample can be used as a starting point for your Fellowship Announcement. Make sure to change the contents so that the language reflects the fellowship that is being offered.

Introduction: *New American University is offering the Success Fellowship, a fellowship for Academic Year 2019-2020 that provides hands-on/experiential learning, professional development, and networking for students from diverse backgrounds. The fellowship includes a yearly stipend of \$6,750.*

Application Deadline: *June 28, 2019*

Stipend Amount: *Stipend of \$6,750 for Academic Year 2019-2020 (\$2,250 per quarter). This stipend is contingent upon the successful completion of the fellowship program.*

Application Submission Process: *Students must complete the application form and email it, along with a resume and a one-page cover letter explaining their interest, to Ms. Jane Doe, the Fellowship Director of New American University, at janedoe@newamericanuniversity.edu.*

Eligibility: *Students must: (1) have demonstrated interest in their field of study/research; (2) be in good academic standing; and (3) come from a diverse background (e.g. race/ethnicity, sexual orientation, immigration status, national origin, etc.)*

Fellowship Description: *Success Fellows will:*

- *Participate in a hands-on/experiential learning project in their field of study/research (10 to 15 hours per week)*
- *Submit bi-monthly reflections on their learning project*
- *Be matched with a faculty/staff mentor in their field of study/research who will review bi-monthly reflections and provide ongoing feedback on learning project*
- *Participate in monthly leadership and professional development training seminars*
- *Be part of cohort of other fellows*

If you have any questions, please contact Ms. Jane Doe, the Fellowship Director of New American University, at janedoe@newamericanuniversity.edu

APPENDIX B: SAMPLE FELLOWSHIP AGREEMENT

This sample can be used as a starting point for your Sample Fellowship Agreement. Make sure to change each of the specific content areas so that the language reflects the actual fellowship that is being offered.

Dear John Doe:

We are pleased to sponsor you as a fellow at New American University, reporting to Fellowship Director of New American University, Ms. Jane Doe. If you accept this offer, you will begin your fellowship with New American University on September 1, 2019 and will be expected to be engaged ten to fifteen hours per week.

Your fellowship is expected to end on May 31, 2020. However, your fellowship with New American University is “at-will,” which means that either you or New American University may terminate your fellowship at any time, with or without cause and with or without advance notice.

Your fellowship will consist of the following:

- 1) Participation in a hands-on/experiential learning project in your field of study/research (10 to 15 hours per week)*
- 2) Completing bi-monthly reflections on your learning project to your faculty/staff mentor*
- 3) Monthly meeting with your faculty/staff mentor to receive ongoing feedback on your learning project (meeting times/dates to be determined with your mentor)*
- 4) Attendance in monthly leadership and professional development training seminars (no more than 2 absences permitted)*
- 5) Participation in cohort of other fellows*

Through participating in this fellowship, you will benefit in the following ways:

- Receive hands-on/experiential learning*
- Be mentored in your field of study/research*
- Receive leadership and professional development training.*
- Sharpen communication skills, time-management, and interpersonal skills*
- A \$9,000 stipend to support participation in the program. The stipend will be disbursed in quarterly installments of \$2,250 upon successful completion of fellowship requirements and responsibilities, as evaluated by the Fellowship Director.*

CREATING FELLOWSHIP PROGRAMS (FOR EDUCATIONAL INSTITUTIONS)

As part of this fellowship, New American University is not liable for injury sustained or health conditions that may arise for you while participating in this fellowship. In addition, since this fellowship is not considered to be employment, you will not receive any of the employee benefits that regular New American University employees receive, including, but not limited to, health insurance, vacation or sick pay, paid holidays, or participation in the 401(k) plan. You will receive your fellowship stipends directly from New American University. Fellowship stipends are not reported on a year-end tax form (either W-2 or Form 1099), but you may still be required to self-report them on IRS Form 1040 and may need to make estimated tax payments directly to the IRS. Please check with your tax accountant regarding the need to make estimated tax payments.

By accepting this offer, you agree that throughout your fellowship you will observe all policies and practices governing the conduct of New American University, including our policies prohibiting discrimination and harassment. This letter sets forth the complete offer we are extending to you, and supersedes and replaces any prior inconsistent statements or discussions. It may be changed only by a subsequent written agreement.

Please indicate your acceptance of this offer by signing below and returning it to Ms. Jane Doe, the Fellowship Director of New American University, at janedoe@newamericanuniversity.edu. If you have any questions, do not hesitate to contact me.

Best,

Ms. Jane Doe, Fellowship Director of New American University.

I accept the fellowship with New American University on the terms and conditions set out in this letter.

Date: _____

Fellow Signature

Date: _____

Jane Doe, Fellowship Director of New American University

ENDNOTES

- ¹ U.S. News, [What is a Fellowship and Why You Might Want One](https://www.usnews.com/education/best-graduate-schools/paying/articles/what-a-fellowship-is-and-why-you-might-want-one), <https://www.usnews.com/education/best-graduate-schools/paying/articles/what-a-fellowship-is-and-why-you-might-want-one>. See also, University of California, Berkeley, [Fellowships](https://career.berkeley.edu/InfoLab/Fellow), <https://career.berkeley.edu/InfoLab/Fellow>
- ² University of California, Berkeley, [Fellowships](https://career.berkeley.edu/InfoLab/Fellow), <https://career.berkeley.edu/InfoLab/Fellow>
- ³ As evidenced by the various entities in both nonprofit and private sectors engaging with individuals through fellowship programs. See, CORO, [CORO Fellowship](http://www.corofellowship.org/), <http://www.corofellowship.org/>. See Also, Google, [Google PhD Fellowship](https://ai.google/research/outreach/phd-fellowship/), <https://ai.google/research/outreach/phd-fellowship/>
- ⁴ 26 CFR § 1.117-3
- ⁵ Id., See also, Internal Revenue Service, [Topic No. 421, Scholarships, Fellowship Grants, and Other Grants](https://www.irs.gov/taxtopics/tc421), <https://www.irs.gov/taxtopics/tc421>.
- ⁶ John Barrett et al., University of California Office of the President-CFO Division, [Tax Issues Associated with Reporting Fellowships](https://postdocs.ucsf.edu/sites/postdocs.ucsf.edu/files/tax-issues-for-fellowships-201), <https://postdocs.ucsf.edu/sites/postdocs.ucsf.edu/files/tax-issues-for-fellowships-201>
- ⁷ University of Colorado Boulder Campus Controller's Office, [Fellowships/Stipends vs. Wages](https://www.colorado.edu/controller/sites/default/files/attached-files/Fellowship1.pdf), <https://www.colorado.edu/controller/sites/default/files/attached-files/Fellowship1.pdf>
- ⁸ Justia, [Work Authorization](https://www.justia.com/immigration/work-authorization/), <https://www.justia.com/immigration/work-authorization/>
- ⁹ University of California, [Berkeley Career Center](https://career.berkeley.edu/InfoLab/Fellow), [Fellowships](https://career.berkeley.edu/InfoLab/Fellow), <https://career.berkeley.edu/InfoLab/Fellow>
- ¹⁰ U.S. Department of Labor, [Fact Sheet #71: Internship Programs Under the Federal Labor Standards Act](https://www.dol.gov/whd/regs/compliance/whdfs71.pdf), <https://www.dol.gov/whd/regs/compliance/whdfs71.pdf>
- ¹¹ Columbia University Student Financial Services, [Payments to Students and Their Taxability](https://sfs.columbia.edu/files/sfs_new/forms/payments-to-students.pdf), https://sfs.columbia.edu/files/sfs_new/forms/payments-to-students.pdf
- ¹² IRS, [Instruction for Form 1099-MISC](https://www.irs.gov/pub/irs-pdf/i1099msc.pdf), <https://www.irs.gov/pub/irs-pdf/i1099msc.pdf>

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ABOUT US

Founded in 2006, **Immigrants Rising** transforms individuals and fuels broader changes. With resources and support, undocumented young people are able to get an education, pursue careers, and build a brighter future for themselves and their community. Immigrants Rising is a fiscally-sponsored project of Community Initiatives. For more information, visit www.immigrantsrising.org.

For inquiries regarding this resource, please contact Samuel Park, Legal Policy Associate, at samuel@immigrantsrising.org.