

**PRINCETON UNIVERSITY
OFFICE OF THE DEAN OF THE COLLEGE
403 West College**

TO: Department Chairs and Department Managers
Program Directors and Program Managers

April 2008

FROM: Nancy Weiss Malkiel and Chris McKinley

SUBJECT: Academic Prizes and Awards – Commencement 2008

We are writing to outline the procedures to be used this year for the administration of academic prizes and awards.

As you know, each year at this time many offices and departments work closely together to accomplish this task in a very limited period of time. The help of the academic departments and programs is critical, not only to select winners in accordance with the terms of each award, but also to act in a timely fashion. The selection of the winner must be made early enough to permit the following to occur, where appropriate: (1) the Registrar must take whatever actions are necessary to add the prizes to students' transcripts; (2) the Communications Office must include the proper name of each prize and winner in the Commencement Program; (3) the Treasurer's Office must prepare checks in accordance with your instructions and the deed of gift; (4) our office must acknowledge your decision and prepare prize certificates (if requested) for presentation; and, (5) the certificate, check, and envelope must be collated and returned to you for presentation at your departmental reception on Class Day (Monday, June 2).

The following guidelines should be used to avoid delays and other mishaps:

1. Please complete the Prize Recommendation Forms as soon as the prize winners are determined. **The Prize Recommendation Form is available on the Dean of the College website (see "Faculty & Departments") at www.princeton.edu/odoc/.** Please note that all forms must be printed and signed before submission to the Office of the Dean of the College as described below.

Please use the student's full name, including the middle name, as it appears in StuView. Include the student's class year, UAID, and residency status. Program personnel should call departmental secretaries for the spelling of the student's name to ensure accuracy. Also, please be sure that the name of the prize is accurate.

2. The Prize Recommendation Form may also serve as a University voucher, where appropriate. The Treasurer's Office, however, will accept this form as a voucher only if it bears an appropriate prize or departmental project grant number and an original, authorized signature. (A list of the University prizes awarded by your department/program, available prize funds, and project grant numbers is attached. Questions regarding the amounts of the prizes should be directed to Chris McKinley, 8-2882.)
2. Send--as promptly as possible--the *printed and signed* Prize Recommendation Form to the Office of the Dean of the College, 307 West College. Please hand deliver any prize materials prepared after Friday, May 16.

ALL PRIZE RECOMMENDATION FORMS ARE DUE IN THE OFFICE OF THE DEAN OF THE COLLEGE NO LATER THAN NOON ON TUESDAY, MAY 27

Continued on reverse side...

4. Where a specific prize is delayed because of a late exam schedule please call Chris McKinley to develop a clear understanding about our procedure for handling that problem. (Do not delay sending the other prize forms for your department or program because of this delay. Send as many of the completed prize forms as early as possible, please!)
5. Prize certificates and checks will be prepared in accordance with your instructions. You will be notified by our office when certificates and checks are ready for pick-up. Please be sure to mark the "by certificate" box on the form if you would like a certificate to be prepared.
6. If you plan to withhold the award of a particular prize this year, please prepare the form, listing that prize and noting that it will not be awarded this year, and then send the form to us.

The time in which to process Prize Recommendation Forms, checks, certificates, and envelopes becomes very short indeed. We greatly appreciate your understanding and cooperation in helping us administer the academic prizes and awards as efficiently as possible. Thank you in advance.

Enclosures

cc: Mr. Robert Bromfield, Registrar's Office
Ms. Deborah Herrington, Treasurer's Office
Mr. Mahlon Lovett, Communications Office
Mr. Richard Olexa, Finance
Ms. Rose Paulsen, Invoice Processing
Ms. Sharon Nash, Finance
Ms. Lorraine Sciarra, Office of General Counsel
Mr. John W. Yuncza, Treasurer's Office

****IMPORTANT NOTES:** *Tax rules affecting scholarships, fellowships, prizes, and awards generally give rise to tax consequence for prize recipients. All student prizes are taxable with the exception of those that are really scholarships and used to pay for "tuition, fees, books, supplies and equipment required for courses of instruction."*

As for prizes that do not come within the scholarship exception, the IRS requires the following:

1. *For US citizens and resident aliens, the University must report prizes to the IRS on Form 1099 but does not have to withhold tax. It is the responsibility of the prize recipient to report the taxable prize payment to the IRS*
2. *For non-resident alien students, the University is required to withhold tax on the full amount of any prize (normally at 14% for enrolled students and 30% for non-enrolled students) and to report the prize amount to the IRS and to the student on a Form 1042s. If tax is withheld, the student may be eligible to receive a refund for some or all of the withheld amount upon filing a non-resident alien income tax return in April next year. We will notify the student if tax has been withheld from the prize award. A student may also avoid tax withholding if he or she is from a country that has a tax treaty with the US; the prize payment is covered under the treaty; and the student has signed up for the treaty with Payroll.*