



DATE: October 5, 2020

TO: Department Managers; Student Worker Managers

We are writing to address the process the University will use to compensate our international students who are living overseas and performing Brown-related work. This is an unusual arrangement for Brown brought about by the COVID-19 pandemic, which has left many of our international students in their home countries. At the same time, we know that many serve in roles assisting students who are located in the same time zone.

If your department has undergraduate student workers who are non-US citizens/permanent residents/resident aliens located outside of the United States, and if these students are currently not working and not going to work remotely, please end their jobs in Workday as soon as possible and no later than October 16, 2020. If these students are currently working or about to begin work, we have to adjust the way we pay them. Please reach out to your international student workers located overseas as soon as possible and have them register as suppliers. This means they will be paid as independent contractors providing a service to Brown.

When international students are working overseas, we cannot pay them through payroll. According to the United States Internal Revenue Service, wages earned by nonresident aliens for services performed outside of the U.S. for any employer are foreign source income and therefore are not subject to reporting and withholding of U.S. federal income tax. Moreover, the wages are also not subject to Social Security and Medicare contributions. Such wages, therefore, cannot be processed through our regular payroll, which is set up for all employees working within the U.S. and for US citizens and permanent resident aliens working overseas. The only way for us to pay these international students working abroad is as independent contractors (suppliers), who issue invoices for their services. Please note that the standard process for hiring independent contractors does not apply to these individuals.

Once any international student worker registers as a supplier and completes the necessary forms (as outlined in the draft communication to students below), they will need to submit bi-weekly invoices to your department, and you will need to work with your department's Financial Coordinator to create supplier invoices in Workday to process their payments. To facilitate this process, we will provide students with templates of invoices for their use. Every time you receive

an invoice, please attach their form W-8BEN, which the student has to complete and submit to you. These students should not submit their time in Workday once they are approved to begin work, because that process is for regular student payroll.

It is important that the student worker supervisor continues to monitor work progress on tasks assigned to the student so that supervisors can verify the invoices as they come in on a bi-weekly basis. Invoices should reflect all hours of work that have already been completed.

UHR Student Employment should be contacted by emailing [student\\_employment@brown.edu](mailto:student_employment@brown.edu) as soon as any changes occur related to the employment and location of your international student workers, or if you have any questions. For questions on supplier registration, please contact [SupplierManagement@brown.edu](mailto:SupplierManagement@brown.edu). UHR will be hosting a webinar on this topic this Wednesday, October 7, at 2 p.m.