

Compensating Graduate Students

Graduate student funding support packages can be comprised of funds from a variety of sources and can differ from student to student. Funding sources include scholarships, graduate fellowships, and part-time employment such as graduate teaching assistantships.

It is important to recognize such payments are either “financial aid and awards” or “work for pay” as the tax treatment and required deductions differ greatly. The processing route is not a choice but is to be determined based on the strict definition surrounding the payment circumstances.

The two tables below outline scholarship/graduate fellowship funding and “work for pay” part-time employment funding - the two general methods of funding graduate student funding support packages.

Funding for Graduate Student Education: Scholarship/Faculty Research Award

Lakehead University faculty, staff, students, and outside funding agencies use a wide variety of terms when describing funding given to graduate students to pursue their education. i.e., award, scholarship, fellowship, grant, studentship, stipend, etc. These payments are need-based or merit-based. This category of payment will be paid out through the Colleague Student awards system to the student account. While each term may have meaning to the person or agency using it, the Office of Graduate Studies (OGS) has created two broad definitions of graduate student funding support.

1. **Scholarship:** Lakehead uses the term **scholarship** when the funds for come from an agency and/or university funds.
2. **Faculty Research Award:** Lakehead University uses the term **faculty research award** when the funds come from a research grant.

Funding Type	Funding Source	System Paid Through	Lakehead Definition	Canada Revenue Agency (CRA) Tax Treatment
Scholarship	Agency, University Funds	OGS, nominated by graduate program	<p>Lakehead uses the Canada Revenue Agency (CRA) definition: "Scholarships are amounts paid or benefits given to students to enable them to pursue their education. Scholarships usually apply to education at a post-secondary level or beyond, such as at a university, college, technical institute or other educational institution. Scholarships normally assist the student in proceeding towards a degree, diploma, or other certificate of graduation."</p> <p>CRA Definition</p>	T4A slip is issued for these funds; because these funds are classified as a scholarship related to the student's registration in a qualifying graduate program, the income may be fully tax exempt: Income Act s. 56(3)(a).
Faculty Research Award	Research Grant	OGS, nominated by	To provide financial support to enable students to	T4A slip is issued for these funds; because these funds are classified as a fellowship

		graduate program	participate full-time in a graduate program as per the OGS minimum funding guarantee or per the Program/Department/Faculty funding package requirements. It is a position funded by a supervisor's research grant where the student conducts research that is aligned with the supervisor's research program, often leading to jointly authored research publications. It is used to assist the student's training to become an independent researcher and to complete research related to their own thesis or own academic pursuits (still does contribute to the professor's overall research) and tasks will include those necessary to learn to become an independent researcher. This	related to the student's registration in a qualifying graduate program, the income may be fully tax exempt: Income Act s. 56(3)(a). The income is not insurable for purposes of making benefit claims under employment insurance and is not pensionable under the Canada Pension Plan. Income will not impact students' RRSP deduction limit.
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			is a non-employment relationship. CRA Definition	
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Funding for Graduate Students: Related Employment

Employment is one way for graduate students to earn income. Some types of employment - Graduate Assistants (GA I and III, as outlined in the CUPE Collective Agreement) - are directly linked to graduate student funding support packages.

Employment is one of the ways programs fund their graduate students.

Employment Type	Funding Source	System Paid Through	Lakehead Definition	Canada Revenue Agency (CRA) Tax Treatment
Graduate Assistant/Research Assistant I and III CUPE Collective Agreement	University Funds	HR Payroll system, Funding Recommendation form submitted to Office of Graduate Studies	Graduate Assistant/Research Assistant I/III – defined under the CUPE agreement for roles such as demonstrating, tutoring, marking, research & teaching assistantship.	T4 - Employment
Graduate Assistant/Research Assistant II	University Funds	HR Payroll system and Workflow I Request to Hire submitted to Office	Defined under the CUPE agreement for roles such as demonstrating, tutoring, marking, research & teaching assistantship.	T4 - Employment

CUPE Collective Agreement		of Human Resources		
Employment Under Research Funded Positions Policy <i>-includes titles such as Research Assistants, Research Associates, Research Analysts etc.</i> link to the policy	Research Grant or contract	HR Payroll system, Laserfiche Request to Hire form , submitted to Human Resources;	Employment under the Research Funded Positions Policy allows graduate students to be hired in research staff roles - such as Research Assistants, Research Associates, and Research Analysts, etc. - funded by research grants. While the policy applies broadly and is not specific to graduate students, it provides an additional avenue for financial support.	T4 - Employment