

## Appendix B: Common Terms and Definitions

### Definitions

**Affiliate Institutions:** For the purposes of this policy, clinical hospitals and research institutes that formally partner with Harvard University on patient care and clinical training are considered affiliate institutions.

**Compensation:** Payment for services, also known as a salary and wages. Payment may be based on an hourly rate or percentage of effort.

**Employee:** Individual performing services for compensation, wages or salary. An employee may or may not qualify for benefits.

**External Post Doc or Fellow:** A nonemployee working at Harvard to continue their personal research or professional development scholarship under the general supervision of a Harvard faculty member.

**Fellow:** The term fellow may be used interchangeably with other terms such as scholar, Post Doc, trainee, grantee, stipendee, awardee, teaching fellow, research fellow, etc. For nonstudents, the title of Fellow often denotes an academic appointment at Harvard. A fellow may be an employee or nonemployee position based on their work. Fellows often hold doctorates, but not always.

**Fellowship or Fellowship Grant:** Usually a short-term opportunity to support an individual in the pursuit of their professional development, personal learning or scholarship. Fellowship payments often represent payment for living, travel, or research expenses and are not considered wages and do not create an employee-employee relationship.

**Grantor:** See Sponsor.

**Harvard Student:** A student enrolled in a degree program at Harvard.

**Internal Postdoc or Fellow:** A Harvard employee doing work for and supported by funding under the direction of a Harvard Principal Investigator.

**Nonemployee:** An individual who does not have a formal employment relationship with Harvard.

**Non-Paid or Unpaid Appointment:** Individual who holds an appointment at Harvard, but is not paid by Harvard.

**Nonqualified Expenses (taxable):** Payment to aid in an individual's living expenses or pursuit of study or research. A fellowship may take the form of a travel award or allowance. These expenses are not related to performance of services on behalf of Harvard.

**Outside Entity/Other Entity:** An entity that is not Harvard University or affiliate.

**Optional Practical Training (OPT):** Is a temporary employment that is directly related to an F-1 student's major area of study. OPT must be paid as compensation and not a stipend. Length of employment eligibility and additional restrictions are individual-based.

**Paid Appointment:** Individual who holds a paid appointment at Harvard. The individual may or may not be considered an employee.

**Participant (in relation to Participant Support Costs):** A non-Harvard employee who is the recipient, not the provider, of a training associated with a workshop, conference, seminar, symposium, or other short-term instructional or information sharing activity. Participants are not required to provide any deliverable to the University and they are not subject to Harvard human resources policies (e.g., they cannot be terminated for failure to perform). Participants may include students, scholars, and scientists from other

institutions, representatives of private sector companies, teachers, and state or local government agency personnel.

**Postdoctoral:** Often an individual completing post-graduate work. Most often postdoctoral work, but not always.

**Primary Beneficiary:** Harvard or the sponsor is the primary beneficiary for work that is more than de minimis or insignificant and includes one or more of the following: 1) services are for a grant that has a deliverable to the sponsor; 2) individual is performing a function that directly enhances the program or activities of Harvard or the sponsor; 3) individual is participating in an activity that generates income to Harvard or the sponsor; 4) primary purpose of the work is for Harvard to obtain useful results from the individual's research; 5) Harvard or the sponsor have the right to use the research results or own the patents or copyrights; 6) Harvard determines the research activities and/or the individual's research services directly support a faculty member's project or research program

**Qualified Expenses (nontaxable):** Books, supplies, and equipment required for courses of instruction at such an educational organization. In order to receive nontaxable treatment, the recipient must be a degree candidate.

**Qualified Scholarship (nontaxable):** Scholarships used to pay for "qualified tuition and related expenses" received by an individual who is a candidate for a degree at an educational institution.

**Qualified Tuition and Fees (nontaxable):** Tuition and fees required for the enrollment or attendance of a student at an educational organization. These are nontaxable if the recipient is a degree candidate.

**Salary:** See Compensation.

**Scholarship:** an amount paid or allowed to, or for the benefit of, a student at an educational organization to aid them in pursuing of their studies. Amounts qualify as a scholarship or fellowship grant if the primary purpose of the studies or research is to further the education and training of the recipient in their individual capacity. For where the sponsor derives some incidental benefit from a grant, see "Research Activities (Fellowships) Versus Research Services (Employee Compensation)" above.

**Sponsor:** Sometimes call Grantor. The agency or entity from which project funding is received. The source of funding may be internal Harvard funds (gifts, endowment, etc.) or external funds (formal agreements with federal, state, local governments, non-profit or for-profit organizations, or other entities including foundations and universities).

**Stipend:** Stipends are payments made to individuals for subsistence support or to defray expenses during a period of academic appointment. Stipend payments are not compensation for services rendered and, therefore, are not allowable on federal awards unless the purpose of the agreement is to provide training to selected participants and the charge is approved by the sponsoring agency (OMB Circular Uniform Guidance, Subpart E).

**Stipendee:** Individual receiving a stipend – at Harvard this is typically a nonemployee fellow.

**Student:** An individual formally enrolled and recognized as a student at Harvard.

**Trainee:** Individual participating in a training program on a training grant. Trainees on training grants are paid stipends.