# Announcing Enhancements to the JHU Resident Advisor (RA) Compensation Plan

### December 13, 2018

Residential Life and the Office of Student Financial Services are pleased to announce enhancements to JHU's Resident Advisor compensation plan that will take effect for all RAs beginning in the 2019-2020 school year. The level of financial support will increase for all students under the plan, regardless if they are receiving need-based financial aid at Hopkins or not. The following principles helped shape the new plan:

- RAs provide a critical service to JHU and should be compensated as paid student leaders who reside in university owned residence halls
- All RAs, regardless of their financial circumstances, must benefit under the compensation plan in order to attract a diverse and talented team of applicants
- The meal plan component of the compensation is crucial for building a sense of community and fellowship among residents

## The New Compensation Plan for 2019-2020

- 1. RAs will be considered student employees under the new plan, with an expectation that they work anywhere from 15-20 hours per week during the academic year. An annual stipend of \$5,100 will be paid to RAs semi-monthly from September 1<sup>st</sup> through May 31<sup>st</sup> of each year.
- RAs will have the cost of a single room covered. RAs must live and work on campus as a condition of employment and their room charge will be covered by Hopkins (approximate value of \$10,278 in 2018-2019). RAs on aid will no longer see a reduction in their package based on the cost of room. This benefit is considered non-taxable income and is not subject to withholding. Students on need-based aid will still be eligible to receive aid to cover education expenses.
- 3. **RAs will continue to have the cost of the** *Anytime Dining* **meal plan waived (**currently valued at \$7,160). This ensures that RAs can continue to enjoy meals with their residents and other guests, helping to foster a greater sense of community, belonging, and connection to fellow students. Since waived costs result in a lower overall cost of attendance, financial aid awards will be proportionally lower for aided students.
- 4. The average value of the compensation plan for all RAs (aided and non-aided) is estimated to be \$22,538.

We believe these changes will make it possible for all students to consider the RA experience as an option during their time at Hopkins. More information will be shared about the specifics of the plan when students receive their RA appointment letter early next year. In the meantime, the Q&A below may help answer some of your questions about the program.

### Questions and Answers about the new RA Compensation Plan

#### 1. How was the decision made to adopt the RA Compensation plan for JHU?

RA compensation is reviewed every few years. In 2014, Residential Life and Student Financial Services studied RA compensation at other schools and found that our approach was comparable to the majority of peers. Upon learning of new concerns from students in 2017, both offices began meeting regularly to review policies and to discuss a range of solutions. Recognizing the tremendous value that RAs bring to the Hopkins community, our goal was to develop a compensation plan that would enable all students, regardless of financial circumstances to consider becoming an RA.

### 2. I am a financial aid recipient. How will the new RA Compensation Plan impact my financial aid award?

We will continue to meet 100% of need for all students on aid and starting in 2019, no student on aid will have a loan in their package. Since the meal plan cost is being waived, all RAs will have a lower cost of attendance. Your room will still be provided by the University, but rather than the room charge being waived, the cost will be covered by the University since RAs must live and work on campus as a condition of their employment. Students on financial aid will also receive their aid package which they can use for educational expenses other than housing. All students, including those on aid will receive a salary \$5,100 that is subject to all applicable federal and state income tax withholdings. The value of the room benefit is not subject to tax withholding and does not need to be listed as income on federal or state tax returns.

Note: Students on aid who become RAs in their sophomore year, will need to report earnings from the stipend and the value of the room & meal benefits as non-taxable income on the FAFSA and CSS PROFILE they submit in their senior year. This may impact eligibility for federal aid programs in their senior year.

# 3. As a financial aid recipient, how can I learn more about my financial aid award prior to making a decision about becoming an RA?

The <u>financial aid advisors in the Office of Student Financial Services</u> are available to help students understand the impact RA compensation might have on their financial aid package. Financial Aid will work closely with Residential Life to arrange meetings with current and prospective RAs on aid to review their aid application materials and will provide students with an early financial aid award. In the future, we will also have worksheets on our website to help students plan.

If you have not yet completed your financial aid documents for 2019-2020, please do so as soon as possible, and no later than the January 15<sup>th</sup> deadline. Financial aid advisors will also be available to meet with students individually during the Interview Process on February 8th to address any concerns.

### 4. I have a job in addition to my RA position? Can I still work?

The RA compensation plan includes a stipend of \$5,100, allowing Resident Advisors the freedom to focus on RA responsibilities without requiring the need to work outside of the residence hall. The total number of hours expected from RAs ranges from 15-20 per week.

RAs may still work an additional job, but will need to obtain approval from their residence hall supervisor. Students who work on campus are limited to 20 hours per week when class is in session over the fall and spring terms. The approval is to ensure that RAs are not exceeding the 20 hour per week limit across all on campus jobs.

#### 5. Is the RA stipend considered earned income and are there any tax implications?

RAs are considered student employees. The \$5,100 stipend is taxable income subject to all applicable federal and state tax withholdings and will be reported on a Form W-2. The room portion of the RA benefit (\$10,278) is non-taxable income and therefore is not reportable on Form W-2.

### 6. How will the stipend be paid to RAs?

*The stipend will be paid on the* 15<sup>th</sup> *and* 31<sup>st</sup> *of each month starting in September and continuing through May* 31<sup>st</sup>.

# 7. Do I need to contact Student Employment Services and complete any documents prior to receiving the stipend?

*Residential Life will work closely with <u>Student Employment Services</u> to ensure that all necessary payroll forms are complete at the start of each academic year.*