

**T4A Requirements - VIU**

**Table 1: CRA guiding Rules on T4A**

- 1 Primary Instructions from CRA T4A Guide: T4A Needs to be generated when an organization is the PAYOR and it provides a Benefit to the student.
- 2 Instructions from CRA Donations Guide: T4A needs to be issued when qualified Donor does not specify student recipient
- 3 Primary Instructions from CRA T4A Guide: T4A should not be issued in situations where the payor makes a payment for the student in relation to employee training

**Table 2: Decision Rules**

- 1 Student Benefits from VIU (CRA T4A Rule) (A student does not benefit when the employer receives the benefit - Employer Training)
- 2 3rd Party Donor has Specified the Student (CRA Donation Rules)
- 3 VIU is the Payor (Direct cost incurred by VIU)
- 4 In situations where both 1 and 2 are not satisfied, Rule 3 is utilized to determine T4A applicability.

**Table 3: Definitions**

- 1 Not Defined by CRA - VIU Interpretation ---> Payor - The entity/organization that incurs a direct cost to provide the benefit to the individual student.
- 2 Not Defined by CRA - VIU Interpretation ---> Student Benefit - A student receives a benefit from VIU when VIU has incurred the direct cost of paying for the Students SLED amount.
- 3 CRA Definition (Tax Folio S1-F2-C3) ---> Scholarship & Bursary - Scholarships and bursaries are amounts paid or benefits given to students to enable them to pursue their education. Contract - Legally binding signed documents outlining specific delivery requirements of both parties. For VIU's purpose, we understand these documents to consist of service agreements and contracts. Excluded from this list are word of mouth
- 4 Not Defined by CRA - VIU Interpretation --->

**Table 4: Decision Table**

Rule 1 - Student Benefits	Rule 2 - 3rd Party Donor Specifies Student	Rule 3 - VIU is the Payor	T4A?
Yes	No	Yes	T4A
Yes	No	No	T4A
Yes	Yes	No	No
No	Yes	No	No
No	No	No	No

**Table 5: Decision Table**

No.	AR Category	FRS Category	Future UBW Type / AR Category	Future UBW Sub Category	Examples	Purpose / Nature of Contract	Rule 1 - Student Directly Benefits from VIU	Rule 2 - 3rd Party Donor Select/Specifies Student (Trumps Rule 1+3)	Rule 3 - VIU is the Payor (Incurs Direct Cost)	T4A Requirement	Future Changes to Documentation or Process
1	Contracts - TR	Government Supported	Contract 3rd Party (No SLED Impact)	No Employer Training - No Educational Cohorts	1. ITA Primary Funds	1. Government Contracts 2. No SLED Impact	No Benefit from VIU to student	Not Donor Specified	No	No T4A	1. Signed Service Agreement/Contract must be on Customer File 2. As there is not direct SLED impact, major concern is document retention. 3. Follow Domestic Contract Process
2	Contracts - TR	Employer Training	Contract 3rd Party (SLED Impact) - Domestic Exclude Funds Intended for Foundation	Employer Training		1. 3rd Party Contracts 2. Contract consisting of Employer Training offered by VIU.	No Benefit from VIU to student	3rd Party Donor Specified Student	No	No T4A	1. Signed Service Agreement/Contract must be on Customer File. Contract/SA must indicate that it is for employer training and specify tax implications. 2. Contract Details Form + Class List Received by Treasury prior to applying any clearing payment type in SLED. 3. Contract must be changed to specify language surrounding responsibility of T4A and employer training. 4. Contract Details Form Must specify whether the service offered relates to Employee Training. 5. Class list must segregate students who are receiving employer benefit. 6. Follow Domestic Contract Process
3	Contracts - TR	Non Employer Training (Educational Cohorts)	Contract 3rd Party (SLED Impact) - Domestic Exclude Funds Intended for Foundation	No Employer Training - Contracts for Educational Cohorts - 3rd Party does not specify Student	1. Provincial Government Ministry Contracts (with SLED Impact) 2. Federal Government Department Contracts (with SLED Impact) 3. Other Provincial Government Agency Contracts (With SLED Impact).  Note: Any Contract with a third party where students are specified. (May also	1. 3rd Party Contract 2. Contract is for Funding to be applied against student SLED ledgers. 3. No Employer Training.	Benefit to Student	Not Donor Specified	No	T4A	1. Signed Service Agreement/Contract must be on Customer File. Contract/SA must indicate that it is for employer training and specify tax implications. 2. Contract Details Form + Class List Received by Treasury prior to applying any clearing payment type in SLED. 3. Contract must be changed to specify language surrounding responsibility of T4A and employer training. 4. Contract Details Form Must specify whether the service offered relates to Employee Training. 5. Class list must segregate students who are receiving employer benefit. 6. Follow Domestic Contract Process
4	NA	NA	Contract 3rd Party (SLED Impact) - Domestic Exclude Funds Intended for Foundation	No Employer Training - Contracts for Educational Cohorts - 3rd Party Does specify students.	1. School District Contracts - Where students are specified.	1. 3rd Party Contract 2. Contract is for Educational Cohorts offered by VIU. 3. No Employer Training.	Benefit to Student	3rd Party Donor Specified Student	No	No T4A	1. Signed Service Agreement/Contract must be on Customer File. Contract/SA must indicate that it is for employer training and specify tax implications. 2. Contract Details Form + Class List Received by Treasury prior to applying any clearing payment type in SLED. 3. Contract must be changed to specify language surrounding responsibility of T4A and employer training. 4. Contract Details Form Must specify whether the service offered relates to Employee Training. 5. Class list must segregate students who are receiving employer benefit. 6. Follow Domestic Contract Process
5	TR	Scholarship/Award/Burs	External Sponsorship	External 3rd Party Scholarship Letter- VIU Flow Through.	1. Balenas Scholarship Letter 2. Knights of Columbus Scholarship Letter	1. 3rd party wishes to distribute scholarship to Student using VIU as a flow through. 2. Scholarship Donation Letter Received from Donor (Student may provide letter) 3. 3rd Party Selects Student and 3rd party could	Benefit to Student	3rd Party Donor Specified Student	No	No T4A	1. Signed Sponsor Form or Sponsor Letter must be on customer master file prior to applying Sponsor Clearing Payment type. 2. SO must be created using Sponsor Clearing Products (Full Ledger Suite) 3. Follow Domestic Sponsor Process
6	Contracts - TR	Government Supported	External Sponsorship	Government Department or Ministry Payment- VIU Flow through.	1. ITA Secondary Funds. 2. MCFD Funds	1. Government Funds Received 2. Students Specified by government body.	Benefit to Student	3rd Party Donor Specified Student	No	No T4A	1. No SO required. Arrangement made between 3rd party payor and student. When money arrives apply EFT payment type to student account.

7	Sponsorships	Sponsorships	External Sponsorship	External 3rd Party Sponsor Letter	1. Sponsor letter from Cowichan Tribes	1. Student has independent agreement with 3rd party 2. 3rd party pays on behalf of student (By EFT). 3. EFT notification received by Treasury	Benefit to Student	3rd Party Donor Specified Student	No	No T4A	1. Signed Sponsor Form or Sponsor Letter must be on customer master file prior to applying Sponsor Clearing Payment type. 2. SO must be created using Sponsor Clearing Products (Full Ledger Suite) 3. Follow Domestic Sponsor Process
8	Cost Centre Charge	Scholarship/Award/Burs	Student Loans from VIU	Student Loans. Re-payment Expected.	1. Emergency Student Loans issued by Fin Aid	1. Loans issued by Fin Aid to Students in need.	No Benefit from VIU to student	Not Donor Specified	No	No T4A	1. New process required. 2. Fin Aid Applies Emergency Student Loan payment type to students account. (Generates credit note) (Not Matched to Tuition Owing Amounts). Fin Aid must ensure banking information is on SLED account. 3. Fin Aid Emails Treasury Clerk of student and amounts. Treasury Clerk runs AR remittance (refund) and emails FinAid that remittance is complete. 4. AP creates refund cheque. 5. Fin Aid Applies Emergency Student Loan Charge Type to record amount owing once remittance is run by Treasury
9	Contracts - TR	Government Supported	VIU FDN S&B	FDN VIU Flowthrough of Contract Funds (SLED Impact)(Fledger Impact)	1. AVED - VIC 2. Elevie (Master Card Fdn Money) 3. Year End AVED Various Funding letters (May be included)	1. Certain Amounts of Provincial Government Funding and Major 3rd Party Funding is distributed from VIU to the FDN for Administrative Purposes 2. Three Part Process Required. First, VIU SO created for the receipt of Funds from VIU to 3rd Party. Second, SO created from FDN to VIU to receive funds into the FDN. Correspondingly AP pays this invoice. Third, FDN Fledger distribution process used.	Benefit to Student	Not Donor Specified	No	T4A	2 Step Process: 1. Create SO - See FDN Major Contracts Process 2. Disbursements from FLEDGER - See FDN Fledger Disbursements Process  Changes: 1. Service Agreement with VIU 2. Ensure batch posts in student detail for all elements of process. 3. Ensure Student Payments batch drives to Other Fees Ledger + Pmnt type has t4a Enabled. 4. Ensure Student Tuition Credit batch drives to Tuition and is matched against tuition.
10	TR	Scholarship/Award/Burs	VIU FDN S&B	1. Fledger Distributions for S&B - Donor funds received directly by FDN 2. Payments to be disbursed to students	1. Student S&B distributed by Fledger. 2. Funds to be given to student without credit on tuition.	1. Contributions to VIU from VIU FDN (VIU FDN to be disbursed into Student SLED ledgers. - 2. Giving VIU Fund, no selection of student 3. Fin Aid Distributed FLEDGER amounts	Benefit to Student	Not Donor Specified	No	T4A	1. Batch Fledger File to support FDN AP, itemized by student (possibly). 2. Batch Fledger File to post into SLED to relieve Student account (Batch by student detail in FDN Clearing) 3. SO created to clear Clearing (FLEDGER Batch file for sales order support). 4. Follow Foundation S&B Process - Payment Disbursement
11	TR	Scholarship/Award/Burs	VIU FDN S&B	1. Fledger Distributions for S&B - Donor funds received directly by FDN 2. Tuition Credit to be applied to student accounts.	1. Student S&B distributed by Fledger. 2. Tuition Credit to be applied to student accounts.	1. Contributions to VIU from VIU FDN (VIU FDN to be disbursed into Student SLED ledgers. - 2. Giving VIU Fund, no selection of student 3. Fin Aid Distributed FLEDGER amounts	Benefit to Student	Not Donor Specified	No	T4A	1. Batch Fledger File to support FDN AP, itemized by student (possibly). 2. Batch Fledger File to post into SLED to relieve Student account (Batch by student detail in FDN Clearing) (Match to Student Accounts) 3. SO created to clear Clearing (FLEDGER Batch file for sales order support).
12	Cost Centre Charge	VIU Paid Tuition	VIU Internal Employer Benefit	VIU Paid CUPE Tuition	1. CUPE Employee's CUPE T&D	CC Pays - CUPE T&D	No Benefit from VIU to student	Not Donor Specified	No	No T4A	1. Type of form - CUPE PTD Request Form (Ensure Standardization)
13	Cost Centre Charge	VIU Paid Tuition	VIU Internal Employer Benefit	VIU Paid Non CUPE Tuition	1. Trades Department Cost Center covering portion of tuition.	VIU Paid Tuition (staff+student) - CC pays	No Benefit from VIU to student	Not Donor Specified	No	No T4A	1. Type of documentation - Email support from department (Ensure Standardization)
14	Cost Centre Charge	Scholarship/Award/Burs	VIU Internal S&B - Domestic - Monetary Disbursement	Domestic Internal S&B - Monetray Disbursemt	1. Childcare Allowance 2. Travel Stipend 3. Perdiem 4. Cash Bursaries 5. Cash Awards 6. Living Allowances 7. Allowance for Books 8. Residence Allowance	Cost centre distributes funds to student  (Note: Funds must not be from a contract source. Use Contract Process in these cases)	Benefit to Student	Not Donor Specified	Yes	T4A	1. Cost Centre Student Payment Form is sent by Area Financial Representative to Treasury. Form should include class list if multiple students apply. 2. Treasury Clerk applies payment type "Domestic S&B Fund Disb T4A" to "Other Fees" Ledger. Apply WO as indicated on Form. 3. Treasury Clerk performs AR Remittance process to "refund" the amounts to students.  Changes: 1. Single cost centre payment (cost centre student payment) form to be created. Standardization of Form. Specification required if the cost centre requires funds to be disbursed or if it is a Tuition Credit. Ensure that the form also indicates to the area that they will need to remind the students that the payment is applicable to, that they will need to update their addresses.
15	Cost Centre Charge	Scholarship/Award/Burs	VIU Internal S&B - Domestic - Non Cash Equivalent	Domestic Internal S&B - Non Cash Equivalent	1. Buss Pass 2. Food Cards	Cost centre pays Non Course Fees on behalf of student (Things are distributed to students)  (Note: Funds must not be from a contract source. Use Contract Process in these cases)	Benefit to Student	Not Donor Specified	Yes	T4A	1. When VIU buys bus passes, expense was incurred and recorded. 2. Area Financial Representative provides treasury with Non-Cash Items along with List of students to whom they apply. 3. When a student comes to collect an item, Treasury Clerk applies SLED Charge "Domestic S&B Non Cash equivalent" 4. Then immediately applies Payment type "Domestic S&B Non Cash equivalent"  Changes: 1. Single cost centre payment (cost centre student payment) form to be created. Standardization of Form. Specification required if the cost centre requires funds to be disbursed or if it is a Tuition Credit.
16	Cost Centre Charge	Scholarship/Award/Burs	VIU Internal S&B - Domestic - Tuition Credit	Domestic Internal S&B - Tuition Credit	1. Cost Centre providing Tuition Credit of any Form (covering AR on SLED)	Cost centre pays Course Fees on behalf of Student (Tuition Credit Applied to Student Accounts)  (Note: Funds must not be from a contract source. Use Contract Process in these cases)	Benefit to Student	Not Donor Specified	Yes	T4A	1. Area financial representative populates Cost Centre Tuition Payment Form and submits to Treasury. Include class list if there is more than one student. Email documents. 2. Treasury Clerk applies "Internal Scholarship and Bursary T4A" Payment type to SLED Ledger.  Changes: 1. Single cost centre payment (cost centre student payment) form to be created. Standardization of Form. Specification required if the cost centre requires funds to be disbursed or if it is a Tuition Credit.
17	Cost Centre Charge	Scholarship/Award/Burs	VIU Internal S&B - IE - Monetary Disbursement	International Education Internal S&B - Monetary Disbursement	1. Childcare Allowance 2. Travel Stipend 3. Perdiem 4. Cash Bursaries 5. Cash Awards 6. Living Allowances 7. Allowance for Books 8. Residence Allowance	Cost centre distributes funds to student  (Note: Funds must not be from a contract source. Use Contract Process in these cases)	Benefit to Student	Not Donor Specified	Yes	T4A	1. See IE Processes

18	NA	NA	VIU Internal S&B - IE - Non Cash Equivalent	International Education Internal S&B - Non Cash Equivalent	1. Buss Pass 2. Food Cards	Cost centre pays Non Course Fees on behalf of student (Things are distributed to students)  (Note: Funds must not be from a contract)	Benefit to Student	Not Donor Specified	Yes	T4A	1. See IE Processes
19	Cost Centre Charge	Scholarship/Award/Burs	VIU Internal S&B - IE - Tuition Credit	International Education Internal S&B - Tuition Credit	1. Cost Centre providing Tuition Credit of any form (covering AR on SLED)	Cost centre pays Course Fees on behalf of Student (Tuition Credit Applied to Student Accounts)  (Note: Funds must not be from a contract source. Use Contract Process in these cases)	Benefit to Student	Not Donor Specified	Yes	T4A	1. See IE Processes
20	NA	NA	VIU Internal S&B - IE - Various	International Education - Internal S&B - Tuition Credit + Disbursement	1. QES	1. Certain Amounts of Provincial Government Funding and Major 3rd Party Funding is distributed from VIU to the FDN for Administrative Purposes 2. Three Part Process Required. First, VIU SO created for the receipt of Funds from VIU to 3rd Party. Second, SO created from FDN to VIU to receive funds into the FDN. Correspondingly AP pays this invoice. Third, FDN Fledger distribution process used.	Benefit to Student	Not Donor Specified	No	T4A	2 Step Process:  1. Create SO - See FDN Major Contracts Process 2. Disbursements from FLEDGER - See FDN Fledger Disbursements Process  Changes: 1. Service Agreement with VIU 2. Ensure batch posts in student detail for all elements of process. 3. Ensure Student Payments batch drives to Other Fees Ledger + Pmnt type has t4a Enabled. 4. Ensure Student Tuition Credit batch drives to Tuition and is matched against tuition.

Exceptions:						
AR Category	Type	Description	Criterion 2 - Selection	Criterion 3 - T4A	Payment Type	Process
Contracts - TR	Government Supported	Essential Skills Program	VIU - Selects Student recipient	No T4A	NA	No fee assessment - No T4A
TR	Treated as contract	3rd party agrees to pays on behalf of student. No Sponsor Document.	VIU - Selects Student recipient	T4A	VIU S&B	Fundamentals of Forestry. Mt Waddington and Niviats
Contracts - TR	Non Employer Training	Non Employer Training - With Contract	External Party - Selects student recipient	T4A - But shouldn't be	VIU S&B	SD Tries to Fill Class - Contract for set number. They will fill gaps with adult students, (these students pay SD directly - These students get a T4A from us)
Scholarship cheques from Donors directly. Processed as S&B						