

**Off. of Postsecondary Educ., Education**

**§ 675.26**

(6) It involves lobbying on the Federal, State, or local level.

(Authority: 42 U.S.C. 2753)

[52 FR 45770, Dec. 1, 1987, as amended at 57 FR 32356, July 21, 1992; 59 FR 61419, Nov. 30, 1994]

**§ 675.23 Employment provided by a private for-profit organization.**

(a) An institution may use up to 25 percent of its FWS allocation and re-allocation for an award year to pay the compensation of FWS students employed by a private for-profit organization.

(b) If a student is employed by a private, for-profit organization—

(1) The work that the student performs must be academically relevant to the student's educational program, to the maximum extent practicable; and

(2) The private for-profit organization—

(i) Must provide the non-Federal share of the student's compensation; and

(ii) May not use any FWS funds to pay an employee who would otherwise be employed by that organization.

(Authority: 42 U.S.C. 2753)

[52 FR 45770, Dec. 1, 1987, as amended at 57 FR 32356, July 21, 1992; 59 FR 61419, Nov. 30, 1994; 64 FR 58294, Oct. 28, 1999]

**§ 675.24 Establishment of wage rate under FWS.**

(a) *Wage rates.* (1) Except as provided in paragraph (a)(3) of this section, an institution shall compute FWS compensation on an hourly wage basis for actual time on the job. An institution may not pay a student a salary, commission, or fee.

(2) An institution may not count fringe benefits as part of the wage rate.

(3) An institution may pay a graduate student it employs a salary or an hourly wage, in accordance with its usual practices.

(b) *Minimum wage rate.* The minimum wage rate for a student employee under the FWS program is the minimum wage rate required under section 6(a) of the Fair Labor Standards Act of 1938.

(Authority: 42 U.S.C. 2753)

[52 FR 45770, Dec. 1, 1987, as amended at 59 FR 61419, Nov. 30, 1994]

**§ 675.25 Earnings applied to cost of attendance.**

(a)(1) The institution shall determine the amount of earnings from a FWS job to be applied to a student's cost of attendance (attributed earnings) by subtracting taxes and job related costs from the student's gross earnings.

(2) Job related costs are costs the student incurs because of his or her job. Examples are uniforms and transportation to and from work. Room and board during a vacation period may also be considered a job related cost if they would not otherwise be incurred except for the FWS employment.

(b) If a student is employed under FWS during a vacation or other period when he or she is not attending classes, the institution shall apply the attributed earnings (earnings minus taxes and job related costs) to the cost of attendance for the next period of enrollment.

(Authority: 42 U.S.C. 2753)

[52 FR 45770, Dec. 1, 1987, as amended at 59 FR 61419, Nov. 30, 1994]

**§ 675.26 FWS Federal share limitations.**

(a)(1) The Federal share of FWS compensation paid to a student employed other than by a private for-profit organization, as described in §675.23, may not exceed 75 percent unless the Secretary approves a higher share under paragraph (a)(2) or (d) of this section.

(2) The Federal share of the compensation paid to a student may exceed 75 percent, but may not exceed 90 percent, if—

(i) The student is employed at a private nonprofit organization or a Federal, State, or local public agency that—

(A) Is not a part of, and is not owned, operated, or controlled by, or under common ownership, operation, or control with, the institution;

(B) Is selected by the institution on an individual case-by-case basis;

(C) Would otherwise be unable to afford the costs of this employment; and

(ii) The number of students compensated under paragraph (a)(2)(i) of this section is not more than 10 percent of the total number of students paid