



LUNDS
UNIVERSITET

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Vice-chancellor

Lund University regulations for educational and postdoc scholarships

Approved by the vice-chancellor, 1 October 2020

Supported by Chapter 2, Section 5 of the Higher Education Act, Lund University decides to adopt the following rules concerning the management of scholarships as the principal source of maintenance for both first and second-cycle students (educational scholarships) and for research development (postdoc scholarships).

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1. Introduction

1.1 Limitations

These regulations do not regulate:

- Scholarships to fund tuition fees¹
- Exchange-programme scholarships/similar²
- Marie Curie scholarships³
- Supplementary funding for doctoral scholarship recipients⁴

1.2 Definitions

Scholarship: A distinctive feature of a scholarship is that there are benevolent motives behind it and that it is not a remuneration for a performance or work. A scholarship is typically intended to pay for a specific type of future expense, for example living expenses, studies or travel. Scholarships are tax-exempt as a rule, both for the donor and the recipient.

Establish a scholarship: Decide that a scholarship is to be issued.

Announce a scholarship: Advertise that a scholarship is open for applications, with information about the application procedure.

Award a scholarship: Decide which individual/s are to receive the scholarship.

Internal, administered or external scholarships

The scholarships managed by Lund University could entail all, some or none of the *establish, announce, award* and *disburse* stages.

If the University manages every part of the process, this is referred to as *internal scholarships* in these regulations.

If the scholarships have already been established by a party other than the University but the University manages all or some of the remaining stages, this is referred to as *administered scholarships* here.

Lund University also sometimes welcomes scholarship recipients who receive scholarships paid out directly from an external funding body, which is referred to as *external scholarships* here.

¹ For students obliged to pay fees, there are special scholarships that can be applied for to fund all or part of the study fees. These are regulated by a special ordinance (2010:718) and by separate local regulations (see Rules and Regulations).

² There are a number of programmes, e.g. Erasmus+, NordPlus and MFS, in which students accepted onto the programme can apply for scholarships, often to cover any rise in living costs when studying abroad. This applies to both students who come from other parts of the world to Lund University and to students studying at Lund University and travelling abroad for studies or work placements. In these and similar cases where an external party has established an educational scholarship and the University is contractually bound to manage all or part of the administration of that scholarship, the rules stipulated by the issuer are to apply.

³ Income Tax Act, Chapter 11 Section 46: "Research scholarships (Marie Curie scholarships) issued directly or indirectly by the European Union or the European Atomic Energy Community are to be subject to the Income Tax Act." The word "scholarship" is misleading. Marie Skłodowska Curie funds are a grant used to create an appointment as doctoral student, postdoc or researcher and is never paid out as a scholarship.

⁴ The management of supplementary scholarships to doctoral students is regulated in the Admission rules for doctoral education at Lund University

2. Internal scholarships

2.1 Educational scholarships

Scholarships for maintenance of first and second-cycle students

The **purpose** of educational scholarships is to give first and second-cycle students early practical experience of research work, in order to strengthen the connection between education and research and encourage future doctoral studies.

Scholarships can either be awarded for studies on an existing course or for a shorter period of practical research experience.

Educational scholarships can also be issued in centrally established development programmes to create the opportunity for students to develop ideas of a socially-progressive/innovative nature under supervision.

The scholarship amount for educational scholarships is recommended to correspond to the level that can be obtained from CSN in the form of student loans, including the grant for the period of the scholarship.

2.2 Postdoctoral scholarships

Scholarships for maintenance during research development after the completion of a doctoral degree

Postdoctoral development within research after the award of a PhD degree is first and foremost to be funded through fixed-term postdoctoral fellowships in accordance with the central collective agreement. Scholarship funding is to be avoided wherever possible. In contacts with funders, the advantages of appointments are to be emphasised in order to persuade the funder in question to instead provide a grant that can be used to fund a postdoctoral fellowship.

Particular care should be taken when establishing internal scholarships for postdoctoral professional development, as it can be difficult to differentiate postdoctoral professional development from work carried out. Such scholarships should only be established in exceptional cases, and then ideally in the form of supplementary scholarships to external postdoc scholarships where the level of it, despite attempts to raise it, does not reach the recommended amount for established scholarships.

The **purpose** of postdoctoral development, regardless of the form of funding, is to promote internationalisation and contribute to qualifications within research following the completion of a doctoral degree.

Applicable candidates are those who have completed a doctoral degree or who have a foreign degree deemed to correspond to a doctoral degree, and who have completed this degree a maximum of three years before the application deadline. In exceptional cases, the doctoral degree can have been completed earlier than this. Exceptional cases include leave due to sickness, parental leave, clinical attachment, elected office in trade union organisations or other similar circumstances.

The **scholarship amount** for postdoc scholarships is recommended to correspond to the initial salary after tax, at the time of the establishment of the scholarship, for postdocs employed at Lund University within the relevant subject area. When establishing the scholarship amount, any travel costs to and from the location of scholarship at the beginning and end of the period of the scholarship should be taken into account. No supplementary amounts are paid out for any family members.

Before establishing postdoc scholarships, the calculations should take into account the fact that the department needs to contribute resources, because the host department is expected to provide the workplace and certain equipment, for example.

2.3 Funding

Internal scholarships may only be established using funds from external donors who have approved in writing that the grant may be used for disbursing scholarships. If this is not specified in the contract, written consent should be sought from the donor before the scholarship is established. The donor may not demand any reimbursement for the scholarship.

Exception: If the relationship with the donor has been terminated and Lund University is not obliged to reimburse according to the contract and may freely dispose of any surplus funds, the agency capital that arises upon the termination of the project may be used to fund internal scholarships.

2.4 Tax exemption

Scholarships intended to be used for the recipient's education are tax-exempt according to the Income Tax Act (Chapter 8, Section 5). To maintain this tax exemption, the educational scholarship must:

- not constitute remuneration for work (Ruling of the Supreme Administrative Court 1979 Aa 26)
- not be issued by the individual's employer: a scholarship from their own employer is considered "contaminated" by the employment even if it has been designated a scholarship (Swedish Tax Agency)

Scholarships intended to be used for other purposes than education, such as postdoc scholarships, are tax-exempt according to the Income Tax Act (Chapter 8, Section 5) if:

- they are not remuneration for work carried out or to be carried out on behalf of the issuer, and
- they are not disbursed periodically⁵

There is always a risk that the Tax Agency later assesses the scholarship to be funding for work carried out on behalf of Lund University, which leads to taxation for both the scholarship recipient and the University. This type of assessment can also entail that the scholarship recipient becomes employed until further notice by the University.

If there is the slightest doubt as to whether a previous or current salary/remuneration could "contaminate" the scholarship, the details should always be checked against the Tax Agency's most recent information.⁶

The scholarship recipient may not, within the scope of the scholarship, be granted any form of remuneration that could be equated with an employee's benefits or that could be considered remuneration for work, such as annual leave, holiday pay, sick pay, parental benefit supplement, per diem, housing benefits and similar salary benefits.

⁵ The Swedish Tax Agency's website, 8 September 2020: periodically defined as "... for a period of three years or more, or on a monthly basis over an entire year or more".

⁶ According to the Tax Agency, educational scholarships can, under certain circumstances, retain their tax-exempt income status even if the recipient also carries out or has carried out certain remunerated work for the issuer.

Scholarships can entail complex delimitations and decisions based on the University's scholarship rules are no guarantee of tax exemption. Wherever there is doubt, the most recent information from the Tax Agency should always be consulted. They offer guidance as to whether scholarships are subject to taxation or not.

If the Tax Agency were to decide that taxation is required, the department/equivalent is responsible for the financial consequences.

2.5 Establishment and announcement

Department/unit applies to establish a scholarship. The application should contain as a minimum:

- special grounds for establishing the scholarship (applies to postdoc scholarships)
- specification of the purpose of the scholarship
- confirmation that the donor has consented for the grant to be used as a scholarship
- scholarship amount
- signature from head of department/equivalent

The decision to establish a scholarship is taken by the *dean* of the relevant faculty. The power to make such decisions may not be delegated further. The vice-chancellor takes such decisions for units that do not belong to any faculty.

Established scholarships are to be announced by the department/unit in an appropriate manner and are to be available to all eligible candidates. The announcement should clearly specify that it is a scholarship, and the advert should not be designed in a way that could confuse the announcement with an appointment. The period of the announcement should run for at least two weeks. Exceptions can be made on special grounds. Such decisions are to be made at the same time as a decision is taken on establishment.

2.6 Awarding and disbursement

Decisions to award scholarships should be taken by the *head of department*. The power to make such decisions may not be delegated further.

The *dean* takes award decisions for faculty-wide scholarships, with the option of delegating decision-making powers to the head of the faculty office.

The *university director* takes award decisions for scholarships established within the university administration, with the option of delegating decision-making powers to the head of division/office.

The decision should contain as a minimum:

- the name of the scholarship recipient and personal identity number/equivalent
- study plan/plan for research development
- confirmation that the scholarship recipient has been informed about what receiving a scholarship entails
- scholarship amount and period
- signatures of the head of department and scholarship recipient (applies to postdoc scholarships)

The plan for the postdoc scholarship recipient's research development should be concrete, including a description of how the research will lead to development. Work tasks involved in research development are to be carried out under supervision and cease once the scholarship recipient has learnt the task.

Independently conducting work tasks is not in accordance with this form of scholarship. It should also be specified that the scholarship does not represent remuneration for work on behalf of Lund University. The plan should also specify that the scholarship recipient is to have a supervisor.

Other conditions include:

- The total scholarship period for an individual recipient may not exceed 24 months.
- Award decisions may cover a maximum period of 6 months. Exception: For postdoc scholarships, award decisions may apply to periods of 12 months if this is required to help the recipient obtain a residence permit.
- An updated research development plan should be attached to each new award decision (applies to postdoc scholarships).
- Scholarships are to be disbursed directly to the recipient,
 - on a monthly basis in advance for educational scholarships,
 - in advance for typically a three-month period for postdoc scholarships.
- This disbursement is administered in accordance with instructions from the Finance Division.
- Once a scholarship has been paid out, it cannot be reclaimed.
- Scholarship recipients are to complete their education/career development and be present in line with their course plan/study plan/professional development plan. In the event of misconduct, or if the recipient is not deemed able to complete their education/qualification due to illness or on other grounds, scholarship funds that have been granted but not yet paid may be withdrawn.

3. Administered scholarships

When an external party has established a scholarship and the University is contractually bound to manage all or part of the administration of that scholarship, the same rules as for internal scholarships are to apply to applicable areas. However, see the exception concerning scholarships within programmes in footnote 2 in the introduction.

4. Receiving external postdoc scholarship recipients

The University occasionally receives requests to welcome a postdoc with funding via an external scholarship, that is, a scholarship disbursed directly to the individual from the issuer.

The decision to take on an external scholarship recipient is made by the *head of department*. The power to make such decisions may not be delegated further.

The recipient must fulfil the qualification requirements for postdoctoral development and there must be a plan for the recipient's research development.

Before deciding to admit the recipient, the following should be taken into account:

- Postdoctoral research development after the award of a PhD degree is first and foremost to be funded through fixed-term postdoctoral fellowships.
- The scholarship amount must correspond to the level for internal scholarships.
- The department will need to contribute resources because the host department is expected to provide the workplace and certain equipment, for example.

5. General rules

5.1 Residence permit

A residence permit is required for scholarship recipients from countries outside the EU/EEA. For more information, refer to the Swedish Migration Agency. The department admitting the individual is responsible for checking that the recipient has a valid residence permit.

A letter of invitation/equivalent as a basis for residence permit applications, for example, is to be signed by the *head of department*. The signature of the letter may not be delegated any further.

5.2 Information to the recipient

The head of department/equivalent is responsible for ensuring correct information regarding the conditions governing the scholarship is conveyed to the recipient in good time. This includes, for example, information regarding residence permits, that the scholarship does not confer a right to sick leave pay, parental leave pay, holiday entitlement pay or pension contributions, what kind of insurance the recipient is covered by and which private insurance schemes they need to have in addition, and that the scholarship must be reported in any tax return, etc.

5.3 Registration

Postdoc scholarships should be registered in Lund University's staff directory, Lucat, upon commencement of research development at the University. It should be clearly specified that the account belongs to a postdoc scholarship recipient.

5.4 Work environment

In accordance with the Work Environment Act (1977:1160), Lund University has a work environment responsibility for all persons regularly present on the University's premises, which also applies to scholarship recipients regardless of funding.

Scholarship recipients are to be treated equally as far as possible and are to enjoy equal conditions compared to students/researchers in an equivalent position but with other sources of funding. For example, postdoc scholarship recipients are to be given access to the University's occupational health service and the opportunity to take part in qualifying training courses. Costs for occupational health services and courses are to be borne by the department in which the scholarship recipient is registered.

5.5 Travel

If the scholarship recipient's education contains obligatory components such as travel for study purposes, or if the plan for postdoctoral development entails

participation in research conferences, for example, the relevant department is to purchase and pay for the travel, accommodation and any fees in line with normal purchasing rules. Insofar as the scholarship recipient in exceptional cases needs to pay themselves for this type of expense, ordinary procedures in place for compensating out-of-pocket expenses are then to be used.

6. Entry into force

The present regulations enter into force on 1 October 2020 when the University's currently applicable *Policy and regulations for scholarship funding for maintenance during studies or for personal and professional development after the completion of a doctoral degree* (Reg. no PE 2013/356) cease to apply.