

Arkansas Sub-Minimum Wage Form FAQ

1. Why am I being asked to fill out this form?

To increase all student employees' wage rate to \$11 would have required a higher tuition increase, reduced available student employee hours, or resulted in fewer available student jobs. To avoid these outcomes, beginning in fall 2021, JBU will hold student wage rates at \$10.16 per hour, with the exception of certain positions. Those exceptions are made based on governmental regulation or skillset requirements tied to particular positions.

2. How did JBU decide on the wage of \$10.16 an hour?

We came to \$10.16 by calculating the **actual net amount** that a minimum wage employee would make working somewhere other than JBU. While working at JBU, students are not required to pay 7.65% FICA taxes (Social Security and Medicare Taxes) on wages earned while employed by a university during the academic year. For your reference, here is the calculation comparison:

- Earned at JBU: Gross \$10.16 JBU student rate/hour without tax **equals \$10.16/hour** net rate of pay.
- Earned Elsewhere: Gross \$11.00 minimum wage per/hour less \$0.84 FICA taxes **equals \$10.16/hour** net rate of pay.

Working on-campus also means no gas expense or commute time to work, and most JBU student positions offer a flexible work schedule arranged around your classes and activities. Working at JBU also gives you access to a wide variety of professionals who can provide references for your future career or graduate school.

3. Is it legal for JBU to pay less than minimum wage?

Yes, Arkansas law requires that student workers be paid the federal minimum wage, which is \$7.25, but Arkansas does not require the full state minimum wage be paid to students when employed by a university during the academic year as long as the wage paid is 85% or greater of the state minimum wage. The wage of \$10.16 is more than the required amount.

4. What happens if I sign the form and my position is one of the exception positions where I will be paid more than \$10.16?

You will be paid the higher wage rate for that position. JBU needs a completed form for all student employees because some students work in more than one type of student position on campus during a year.

5. When is the form due to be returned?

The form is due by the first day of school, August 23rd. You will have several opportunities to complete it: new student registration, dorm meetings on Sunday August 22nd, work-study meetings, or you can return it to HR or Financial Aid on your own.

6. What if I do not complete the form by the deadline?

If the form is not completed you will not receive your electronic Green to Go Ticket, and will not be allowed to work on campus. **Please note:** you may have already seen your Green to Go status or were Green to Go last year. Since this is a new process, you are not considered Green to Go until you have completed this form.

7. The form says I have to provide proof of enrollment, how do I do that?

JBU will be submitting that on your behalf. JBU will also monitor your hours to make sure you do not go over the required **max of 20 hours per week considering all of your jobs**. Workstudy students still work approximately 7.5 hours per week.