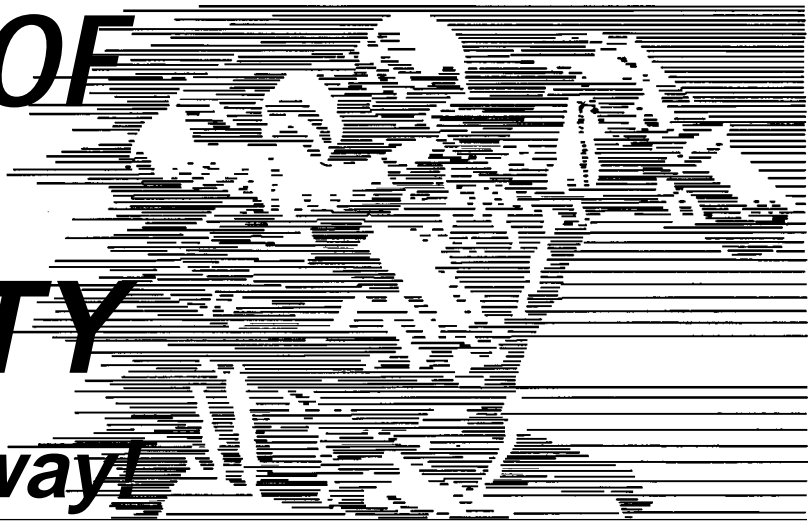


DIVISION OF SOCIAL SECURITY

...leading the way!



Student Exclusion Overview

Voluntary social security and medicare coverage for the employees of Kentucky boards of education is provided through an agreement between the federal government and the state. As the legal provisions for such agreements are included in Section 218 of the Social Security Act, they are referred to as "Section 218 Agreements".

All of Kentucky's boards of education have provided social security coverage to designated groups of employees by entering into Section 218 Agreements with the Division of Social Security. Once a Section 218 Agreement is enacted, any services performed by an employee will be covered for social security purposes, unless specifically excluded in the agreement--such as services performed in KTRS positions.

Boards of education have also designated certain groups as optional exclusions to social security and medicare coverage in their Section 218 Agreements. These exclusions have to be included in the Section 218 Agreement at the time of its ratification. The agreement cannot be modified to add an exclusion at a later date unless Congress enacts legislation allowing such choices. Contact the State Division of Social Security for the optional exclusions applicable to each board of education's agreement.

Student Exclusions

Most Kentucky school boards opted for the student exclusion to be a part of their Section 218 Agreements. Under the student exclusion, school boards exclude student services from social security and medicare coverage if the services are performed in the employ of a school by a student who is enrolled and is regularly attending classes at such school.

The school for which the work is done need not be the same school the student is attending, but both must be a part of the same school district. Thus, where the student exclusion was taken, services of a student attending classes at a high school and working part-time at a grade school, both of which are integral parts of the same school district, are excluded.

The student exclusion applies only during periods of regular school attendance, whether during the regular academic year or in summer session. The exclusion does not apply to work done during summer vacation if the student is not attending a summer session. This is true even though the student was enrolled and regularly attending classes in the school during the previous year and expects to return to school the following year.

Services performed by students on holidays--such as Christmas break--weekends, seasonal breaks and between semesters falling within the academic year when classes are not scheduled are excluded.

Examples

(Assuming student exclusion applies)

- * Students enrolled at a school are hired as bus monitors on the trips to and from schools within the district. The student exclusion would apply to these services.
- * Services provided by students who are employed by their schools to participate in extended school services tutorial programs are excluded.
- * Co-op students participating in business education programs who work and receive academic credit for providing clerical services at the board of education's central office are excluded.

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