HONORARIUM GUIDANCE

**What is an Honorarium?**

An honorarium is a one-time payment made to an individual (not a corporation, business or partnership), who is not an employee, student employee, or a student of the University, for a special and non-recurring activity or event with a short duration for which a fee is not legally or customarily required and which fixed business price has not been set.

Honoraria are typically paid to persons of scholarly or professional standing expertise with the intent of showing good will and appreciation for voluntarily service to the university.

**Determining if an Honorarium is Appropriate**

Use the following questions as a guide to determine the appropriateness of an honorarium request. If any question is answered “yes”, the payment does not qualify as an honorarium.

**Questions:**

* Is the payment being made to a business, corporation, or partnership?
* Was the amount and timing of the payment negotiated between the university and the individual?
* Is there a contractual agreement?
* Are the individual’s services recurring?
* Is the individual an employee or student employee?
* Did the individual set the price?

**Appropriate**

The following are allowable honoraria payments. All have a short duration period of service:

* Payments to a guest speaker. A guest speaker is someone who possesses advanced knowledge of a particular subject area and speaks about that subject area to a group or organization with which he or she is normally not involved.
* Participation as a judge in a writing or photo contest
* Participation in a panel discussion
* A special lecture or short series of such lectures
* Appraisal of a manuscript or an article to be submitted to a professional publication
* Reviewing research findings prior to the final report being published

**Not Appropriate**

The following are not allowable honoraria and should not be requested as such:

* To pay for services requiring an executed contract and/or purchase order
* To replace or circumvent procedures for paying consultant
* To pay professional motivational speakers who perform such services as a career and charge a fee to participate in the event
* To pay for a recurring activity or service
* To pay for the services of a facilitator in a small group workshop. A facilitator’s job is to get others to assume responsibility and take the lead. This person is a guide or a discussion leader who contributes structure to the workshop
* To pay for performances including comedic, dramatic, musical, or other similar artistic performances
* To pay for personal services provided in the connection of a bona fide business, trade or profession such a reviewing or editing an article by a publisher
* To pay a faculty, staff or student employee for their services
* To pay expense reimbursement, if applicable, which should be submitted separately on a payment require form
* As an award to an individual where the primary intent is to confer distinction on, or to symbolize respect, esteem, or admiration for the recipient
* When the services require access to university proprietary information (Such services are considered consulting)
* Solely as a reimbursement in lieu of undocumented expenses
* To pay a foreign visitor (nonresident alien) not approved to work in the United States

**How to Submit an Honorarium Request**

**Domestic**

Domestic honorarium requests need to be entered as a Payment Request in Compass and have the following documents attached as backup:

* Signed Supplier Individual Information Form (SIIF)
* Supporting documentation (memo, email, letter) indicating the honorarium recipient, amount and approval

**International**

International honorarium requests need to be entered as a Payment Request in Compass and have the following documents attached as backup:

* Signed Supplier Individual Information Form (SIIF)
* Foreign Source Statement
* W-8BEN
* Supporting documentation (memo, email, letter) indicating the honorarium recipient, amount and approval

**Honorariums are Taxable**

The University is obligated to report to the Internal Revenue Service (IRS) on Form 1099 all U.S. Citizens and Resident Aliens receiving cumulative remuneration greater than the annual threshold amount of $600.