



UNIVERSITY of NORTH CAROLINA PEMBROKE

Honorarium Procedures

1. Definition

An honorarium is a one-time payment made to an individual, who is not an employee of the University, for a special and non-recurring activity or event for which a fee is not legally or traditionally required.

It is provided as a token of appreciation for participation in the University's educational, research, or public service activities or events, and not as a contractual obligation to pay for services rendered. Honoraria may be paid to foreign visitors in accordance with University policy and subject to the restrictions of their visa classification.

- Example: Honoraria are paid to persons of scholarly or professional standing in conjunction with an academic activity.

2. Allowable Payments (Non-Sponsored Funds)

The types of activities for which honorarium payments may be made include the following:

- a.) Token of gratitude for activities for which custom or propriety precludes a price to be set.
- b.) Award to an individual for special achievement, or renewed for participation in (but not leading or conducting) a short-term activity or event that is of an educational, research, or public service nature and no specific deliverable or specific result is requested or expected.

Examples: Guest lecturers; presentation of research results; reading of papers; participation in workshops and seminars; and presentation of an address or speech; a noted international scholar is invited to participate in a scientific symposium.

3. Allowable Payments

- a.) Honorarium payments generally are not allowed to be charged to Federal funds unless the sponsored project specifically authorizes such payments. Payments for the conduct of seminars, workshops, and for giving special lectures may be allowable charges to certain Federal grants if it can be established that such a service benefits the project.
- b.) Non-government sponsored projects may be charged for honoraria where appropriate and with the specific approval of OSP.

4. Unallowable Payments

An honorarium may not be used:

- a.) If there is a predetermined legally required fee or to replace procedures for paying consultants or other independent contractors providing services.
- b.) As an award to an individual where the primary intent is to confer distinction on, or to symbolize respects, esteem, or admiration for the recipient.
- c.) For temporary teaching, part-time employment, or any contracted services
- d.) As a payment for specified services rendered by either an independent contractor or a University employee
- e.) Solely as a reimbursement in lieu of undocumented expenses (e.g. covering the expenses of printed materials, rental of audio visual equipment, etc.)

5. Procedures

- a.) Honorarium payments should be specified as direct cost items at the time a sponsored project proposal is prepared.
- b.) The University is required to report honorarium payments equal to or greater than \$600 on form 1099-MISC; therefore, a Social Security number from the recipient is required. The entire amount of the honorarium and related travel expenses will be reported on the recipient's Form 1099-MISC unless the recipient chooses to document travel expenses separately and provide appropriate receipts within 60 days after the expenses were paid or incurred.