Policy 501.20

1 Introduction

1.1 This policy provides guidance related to honorariums provided by Appalachian State University to insure compliance with all applicable federal and State laws, and University policies.

2 Scope

2.1 This policy applies to all faculty and staff.

3 Definitions

3.1 Honorariums

An Honorarium is a non-negotiated gift for services. It is a token payment or ‘thank you’ gift given to a guest speaker, performer, or other individual who, at no charge, provides a service to the University. An Honorarium is not a ‘Fee’.

3.2 Fee

A ‘fee’ is compensation for services or expenses negotiated in advance and subject to the policies of the University, State of North Carolina, IRS, and other relevant agencies of the State and Federal government.

3.3 Non-Resident Alien

An individual who is not considered a U.S. Citizen or is not a resident alien is considered a non-resident alien (NRA)

3.4 Resident Alien

An individual who is not a U.S. Citizen, but meets the IRS ‘Green Card’ test or the ‘Substantial Presence Test’.

4 Policy and Procedure Statements

4.1 The origination of an Honorarium is the responsibility of each department arranging for the provision of services.

4.2 In no event shall the Standard Contract for Independent Personal Services be used for any honorarium payments.

4.3 Written Invitation: Each department shall send a written invitation to the guest in the form prescribed on the Controller’s Office website; available on the Controller’s webpage at: http://controller.appstate.edu/contracts-personal-services-honorariums-and-foreign-visitors.
Honorariums

The invitation letter must clearly state that the amount to be paid as an honorarium is a token of appreciation and shall be for the purpose of refunding the expenses incurred by the person receiving the honorarium. The invitation shall also include the date(s) of the service, and a detailed description of services related to the honorarium.

4.4 The total amount of an Honorarium may not exceed $2,000.00 and shall include all expenses, including travel expenses, incurred by the recipient in lieu of a separate reimbursement for travel. Amounts in excess of this limit must be approved in advance in writing. Such requests for exception must be submitted to the appropriate Vice Chancellor for approval and shall include the reasons for the exception. The approval of this request shall be forwarded to the Controller’s Office with all other documentation for payment.

4.5 Honorariums cannot be provided for: (i.e. arrangements would be considered Contracts or employment)

1. Any current employee whether part-time, full-time, or temporary.
2. Negotiated amounts or fees between the individual providing services and individuals seeking services. Negotiated fees would constitute a contractor relationship.
3. Any verbal or written negotiated agreement in which ASU will be obligated to pay for services
4. Independent Contractors or consultants.
5. Arrangements where an individual provides services on numerous occasions over a given period of time.

4.6 Any conflict of interest, actual or perceived, with related parties must be disclosed in advance to the appropriate dean or department head.

4.7 Payments for Honorariums are completed using the Direct Payment Form. This form must be completed and approved by the appropriate signatories and must have a copy of the invitation letter, referenced in 4.3 of this policy, sent to the guest providing the services attached.

4.8 Payments to NRAs for honorariums may be made, however due to the complexity in paying NRAs additional procedures are required and additional documentation is required to be obtained BEFORE visitors arrive on campus. The Office of International Education and Development(OIED)should be consulted well in advance of a visitor’s arrival on campus.

5 Additional References

6 Authority

7 Contact Information

Controller’s Office 828-262-2110
OIED 828-262-2046

8 Original Effective Date

April 8, 2014
9 Revision Dates

May 27, 2014