

# USF Controller's Office

## Accounts Payable – Honorarium Payment

### Philosophy:

In accordance with effective internal control procedures and established accounting processes, as well as university regulations, these guidelines are offered regarding accounts payable procedures.

### Definition:

An **Honorarium** is a gratuitous payment to a person for that person's participation in an academic activity such as a lecture, teaching, or performance for which **no fee is legally required**. An honorarium is provided as a **token of appreciation** for participation in an activity or event, and not as a contractual obligation to pay for services rendered. An honorarium is usually a one-time payment made to an individual (not a corporation, business or partnership) who is not an employee of the University, for a special and non-recurring activity or event.

### Procedure:

Check the Bull Marketplace Supplier file to see if the individual has an active record. If not, submit a New Supplier Request. Once the individual is established as a supplier, submit a **Payment Request Form** with Payment Request Type as Honorarium and attach the award letter to the individual being "honored" that provides details of the arrangement.

Honoraria paid to US Citizens and/or Resident Aliens are subject to 1099 reporting. Non-Resident Alien payments may be subject to 30% withholding unless a tax treaty exemption is in place, and must be reviewed by the Payroll department before being submitted to Accounts Payable.

### Determination of Honorarium Payment:

1. Is the individual a business, corporation or partnership?
2. Was the payment amount negotiated between the University and the Individual?
3. Is there a contractual agreement?
4. Are the individual's services provided more than one time?
5. Is the individual an employee or student employee?
6. Did the individual set the price?

If you have answered "**yes**" to any of the above questions the payment **does not qualify** as an honorarium. (Exceptions will be reviewed on a case by case basis.)

### Resources:

For more information, contact the AP Helpdesk at [aphelp@usf.edu](mailto:aphelp@usf.edu).