



THE UNIVERSITY of
NEW ORLEANS

ADMINISTERED BY: Office of Vice
President for Business Affairs

Policy No: AP-BA-18.4
TITLE: Payment of Honoraria
EFFECTIVE DATE: March 21, 2014*
(*Policy Revised, see below)
CANCELLATION:
REVIEW DATE: Spring 2026

PURPOSE

To set forth the guidelines and standard procedures to be followed in the payment of honoraria.

AUTHORITY

Part Two, Chapter III, Section IV of the Bylaws and Rules of the University of Louisiana System.

DEFINITIONS

Honorarium (pl. honoraria) - A one-time payment for general services in education, research or public service for non-recurring, short-term activities/events. Examples include visitors, job candidates, or similar persons invited to the University in an official capacity.

Taxpayer Identification Number (TIN) – is an individual’s or company’s federal identification number used for tax purposes. For an individual, it is the Social Security number; for other entities, it is the Employer Identification Number (EIN).

Form W-9 – is the IRS form Request for Taxpayer Identification Number (TIN). All honorarium payments require a complete federal Form W-9 to be on file in the Office of Accounts Payable.

Backup Withholding – is the federal tax withheld from any and all payments made to a recipient where the recipient has failed to furnish a TIN. Failure to furnish the W-9 will result in withholding the maximum amount from any payments made based on the current approved rates.

Form 1099 – is the IRS form required for reporting compensation and certain other payments made to individuals who are not employees of the University of New Orleans. Currently, payments amounting to \$600 or more during a calendar year are subject to this reporting requirement.

GENERAL POLICY

Subject to the availability of funds, job candidates, visitors, and other authorized persons invited to the University in an official capacity may be compensated in connection with their visit, as determined by the department. The payment of an honorarium is based on the assumption that an employer/employee relationship has not been established and the individual is neither an employee nor a student of the University of New Orleans. If the individual is an employee of the University of New Orleans, he/she will normally be reimbursed through additional compensation in Workday or an expense report. Payment of student's stipends must comply with AP-BA-23.2, Federal Work-Study and Budget Student Employment Program.

The prior written approval of the President is required in all instances where the compensation for services is in excess of \$500 per day and/or the total payment to an individual, including travel expenses, exceeds \$1,500.

Submit a supplier invoice request in Workday. If payment amounts to \$600 or more, the visitor will receive a Form 1099 at the end of the tax year.

The University offers two options with regard to the reimbursement of travel expenses in connection with honoraria:

Option 1: Non-Accountable Reimbursement Plan

Under this option, the University will pay the visitor in a lump sum the total amount owed in connection with his/her visit, as determined by the soliciting department. In this instance, the visitor **does not** have to attach receipts for expenses incurred, and will receive a Form 1099 at the end of the tax year if the total payment equals or exceeds \$600.

Option 2: Accountable Reimbursement Plan

Under this option, the University will reimburse the visitor separately for actual services rendered, and separately reimbursed for expenses incurred for travel, lodging, rental car and meals, in accordance with [PPM-49, State General Travel Regulations](#).

The visitor should use the CBA to purchase airfare, lodging and rental car. All airfare arrangements must be through the State's Contracted Travel Agency. However, a reimbursement can be issued to the visitor for meals & incidentals, and fuel. The department must complete an expense report in the name of the visitor (ECM), upload the original receipts and approved authorization in Workday.

The visitor must be informed of the maximum allowable limits of reimbursement. Please refer to PPM-49.

Under this option, the University will not issue a Form 1099 for reimbursed travel expenses.

PROCEDURE

The department creates a supplier in Workday, attaching a completed federal [Form W-9, Request for Taxpayer Identification Number](#), which has been signed by the recipient. The department will create a supplier invoice request and attach any pertinent documentation.

If the visitor has any travel needs, the department creates an External Committee Member (ECM) in Workday. The department will create a spend authorization which needs to be approved prior to any travel arrangements being made. After the ECM's visit is over, the department will create an expense report listing all approved travel items.

If the honorarium requires the President's approval, as defined in the **GENERAL POLICY** above, and the payee has opted to be paid under **Option 1**, the request for payment must be routed through channels at least two weeks in advance of the date that actual payment is expected. The check for the total amount of the honorarium will be available to the recipient after completion of the activity.

On the other hand, if the payee has opted to be paid under **Option 2**, after completion of the activity s/he will be paid for the portion which is considered payment for services rendered, and will be reimbursed for travel expenses separately after an expense report has been processed and approved. This process may take from two to three weeks to complete.

Examples of how to determine if the honorarium requires President's approval:

A.	Compensation for services, one day	\$ 510.00	
	Estimated plane fare	400.00	Requires President's approval ---
	Living expenses	<u>150.00</u>	Compensation for services more than \$500 per day
	Total	\$1,060.00	
B.	Compensation for services, two days	\$ 600.00	Does not require approval ---
	Estimated plane fare	560.00	Compensation for services less than \$500 per day and total payment less than \$1,500
	Living expenses	<u>250.00</u>	
	Total	\$1,410.00	
C.	Compensation for services, three day	\$ 750.00	
	Estimated plane fare	560.00	Requires President's approval ---
	Living expenses	<u>450.00</u>	Total payment more than \$1,500
	Total	\$1,760.00	

In those instances, where the approval of the President is required, the department will be responsible for uploading the approval documentation in the supplier invoice request and/or the expense report.



John W. Nicklow
President
University of New Orleans

**Policy updates: 06/27/2023
10/31/2017*