



PROCEDURE: 200.38.01

SECTION: Finance	
TOPIC: Honorarium Payments	
EFFECTIVE DATE: May 16, 2017	REPLACES: N/A
LATEST APPROVAL DATE: May 16, 2017	
NEXT REVIEW: May 2020	OWNER: Director of Financial Services
APPROVING AUTHORITY: <div style="text-align: center;">   </div> <div style="text-align: right; margin-top: 10px;">Original signed by President + CEO</div>	

INTENT:

The purpose of this procedure is to provide guidance for the consistent application when offering relatively small payments to individuals who have been asked to provide unique services to the Alberta College of Art + Design (ACAD).

SCOPE:

This procedure applies to all honorarium payments made to non-employees on a non-routine basis. An honorarium is typically a small payment made to an individual who is not an employee of ACAD, to recognize or to acknowledge the contribution of gratis services to ACAD.

Examples would be a payment to a nonprofessional guest speaker or lecturer as a “thank you” as a gesture of good will and appreciation, or a token payment for other unique, incidental and infrequent services not traditionally required on an on-going basis. Examples include:

- guest speaker or lecturer,
- external party for a special classroom lecture or short series of such lectures,
- individual for conducting a seminar or workshop,
- guest speaker at an educational event or other similar function,
- guest speaker participating at outreach events,
- payment to a volunteer for assistance for set-up or supporting activities at special events, or
- payment to an external examiner whose services are engaged on a one-time or very infrequent basis.

This procedure does not apply to functions/events under the purview of the ACAD Lodgepole Center, as it has a separate dedicated protocol.

DEFINITIONS:

Honorarium means a gratuitous payment made to a person for their voluntary services for which fees are not traditionally nor legally required.

PRINCIPLES:

1. An honorarium is appropriately given to a person who has agreed to offer their time and effort to ACAD and who is not otherwise being remunerated for the service provided. The payment is not reflective of the value of the work done.
2. An Honorarium is not appropriate if ACAD is obtaining the services of a professional speaker or consultant who performs the requested service for a living.
3. Honorarium payments should be infrequent and one-time in nature. Total value of the honorarium per recipient per calendar year should be limited to a maximum of \$500, unless specifically exempted by a Vice President or the President + CEO.
4. All honorariums are subject to a T4A, and Canada Revenue regulations state that honorariums exceeding \$500 cumulatively in one year are to be considered a taxable benefit. Exceptions to this will only be made to non-residents of Canada who produce an exemption authorized by the Canada Revenue Agency.
5. ACAD will not provide honorarium payments to existing employees.
6. Travel expenses may be reimbursed or paid directly on behalf of the guest provided they are in accordance with ACAD's governing policies and procedures (<https://infolab.acad.ca/tools/PoliciesandProcedures/Procedures/200%20Finance%20Procedures/Forms/AllItems.aspx>)

PROCEDURE:

1. No honoraria payment can be agreed to/authorized without the written approval of the Manager/Chair (i.e. budget holder) in advance of the honorarium event.

2. Once complete and approved by all signatories, the Honarium Payment Request Form shall be submitted to Accounts Payable, which will normally process the payment within thirty (30) days of receipt.
3. Honoraria payments are processed by Accounts Payable in compliance with respective taxation requirements and legislation.
4. The Honarium Request Payment form must be completed and signed by all parties. Please be prepared to provide the following information
 - Name of honoree/speaker/individual
 - The mailing address for the cheque
 - Purpose of honorarium
 - Date of engagement
 - Time or effort being recognized
 - Amount offered
 - Signatures of sponsoring faculty/staff member and their Manager/Chair and the respective Vice President
 - Cost Centre to be charged

REFERENCE:

Travel Expense Claim Procedure 200.05
Honorarium Payment Request Form
Lodgepole Center Protocol