

Guidelines for Contractual Services v. Honoraria Payments

The following summarizes the appropriate process and method of payment for contractual services and honorarium.

Contractual Services	Honorarium
Types of Payments (included, but not limited to)	
<ul style="list-style-type: none"> • Pay for hours worked (ex: paying \$10/hour for 3 hours of services) • Acting <ul style="list-style-type: none"> ○ Can fall under pay for hours worked classification ○ Can be for video or training purposes (acting as patient/client/etc.) • Musical Performances • Mentor or Coaching (ex: one-on-one mentorship/coaching) • Consultation • Tutoring <ul style="list-style-type: none"> ○ Dependent upon the scope of service, frequency, and length of total services, consider adjunct faculty position ○ Supplement student learning outside of class time ○ Error correction ○ Providing additional material to enhance in-class subjects • Editing (ex: manuscript/article edits) • Training (ex: CPR class leader, yoga instruction, leading a workshop) • Other Services <ul style="list-style-type: none"> ○ Massage therapists ○ Translation services ○ Transcription Services • Multiple appearances/payments over course of year for same/similar type of work 	<ul style="list-style-type: none"> • Guest Speaker <ul style="list-style-type: none"> ○ One-time presentation about a specific subject ○ Not contracted through a speakers bureau ○ Not a professional speaker <ul style="list-style-type: none"> ▪ Pay the individual, not the speaker's limited liability corporation ○ Note: payments to professional speakers or bureaus, or any individual providing professional services may <i>not</i> be reimbursed using the Travel, Business Entertainment, Honoraria, and Miscellaneous Reimbursable Expense policy. Contact a Purchasing Services Procurement Specialist for assistance in developing a contract. • Panel Member • Meeting Participant <ul style="list-style-type: none"> ○ As a "token of appreciation" or a "thank you" for attending – payment is not expected • Judge <ul style="list-style-type: none"> ○ Selecting winning essay or speech ○ Thesis defense • One-time payment: person will not be performing this action again in the near future, or no expectation of return (note: this does not affect those being paid at an hourly rate)
Payment Method	
<p>Identifying Worker Classification using this process is required:</p> <p>Independent Contractors - must be paid through the PantherExpress System. Visit this page for detailed instructions.</p> <ul style="list-style-type: none"> • A services agreement or purchase order must be in place prior to the services being rendered. • Forms: <ul style="list-style-type: none"> ○ Short Form Service Agreement: \$10k or less <ul style="list-style-type: none"> ▪ If no special terms/conditions or provider edits, does not need review/approval from Purchasing Services. ○ Service Agreement: > \$10k+ <ul style="list-style-type: none"> ▪ Required review/approval from Purchasing Services ○ Supplier Provided Agreement: any value 	<p>Concur – visit this page to learn more about making Honoraria payments.</p>

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Employees - must be paid as either a regular or temporary employee through Human Resources. Visit [this page](#) for detailed instructions.

Guidelines Applying to Contractual Services and Honoraria Payments

- Forms **required** – must have both of the following:
 - W-9 or W-8 (Foreign Nationals); and
 - Document stating amount paid and purpose of payment
 - **Every payment to a Foreign National is required to include the W-8 even if they have been paid previously**
- Payments are IRS Form 1099 reportable
 - An IRS Form 1099 Non-Employee Compensation (NEC) will be generated and sent if total reportable payments to individual from the University meet or exceed the \$600 threshold in a calendar year
 - Reported in Box 1 of the IRS Form 1099 Non-Employee Compensation (NEC)
- Foreign Nationals will receive an IRS Form 1042S
 - Initiated by the Payroll Office