

Policy

HONORARIUM POLICY

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Approving Authority: Vice-President, Finance and Administration
Designated Executive Officer: Vice-President, Finance and Administration
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Associated Procedures: Purchasing Policy and Procedures

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1.0 BACKGROUND

- 1.1 The University of Northern British Columbia (UNBC) engages a variety of external service providers to support its academic, administrative, and community-focused activities. When compensating these service providers, the appropriate method of payment depends on factors such as the nature of the service, frequency, and associated risks. In certain cases, an honorarium may be issued to recognize a voluntary contribution, while in other instances, a formal service contract is required to ensure compliance with legal and institutional standards.

2.0 PURPOSE

- 2.1 The purpose of this policy is to establish conditions for issuing honoraria and defining what constitutes an honorarium. This policy aims to ensure that honoraria are used appropriately to acknowledge voluntary contributions while maintaining compliance with institutional guidelines and relevant tax frameworks.

3.0 SCOPE

- 3.1 This policy applies to:
- 3.1.1 Individuals that are external to the University; and
 - 3.1.2 Faculty members who deliver presentations at special events and conferences outside of their own faculty or department.
- 3.2 This policy does not apply to:
- 3.2.1 Contractors or employees who provide services to the University, as these services require formal agreements;
 - 3.2.2 Services of a traditional nature provided by Indigenous peoples, which may follow different cultural practices and arrangements; or
 - 3.2.3 Payments governed by other regulations, such as those mandated under the *Degree Authorization Act* or similar legislative requirements.

4.0 DEFINITIONS

- 4.1 **Honorarium** means small financial payment made on a special or infrequent basis to an individual or organization to recognize voluntary services, given without expectation of payment.

- 4.2 **Infrequent** refers to services or events that are "irregular in nature," occurring occasionally and not as part of a regular or recurring arrangement within a year.
- 4.3 **Nominal** is an amount that may be lower than the recipient's market rate and shall not exceed \$500.
- 4.4. **Recipient** is the individual receiving the honorarium.
- 4.5 **Service** means any infrequent volunteer work, speaking, or presentation, for which the recipient does not expect compensation.

5.0 POLICY

- 5.1 Honoraria may be provided to recipients under the following conditions:
 - 5.1.1 The service provided is voluntary with no legal or traditional expectation of payment.
 - 5.1.2 The service is infrequent and not part of an ongoing or contractual arrangement.
 - 5.1.3 There is no expectation of receiving more than a nominal payment for the service.
 - 5.1.4 If there is a formal agreement specifying payment terms, a service contract or letter of engagement, as appropriate, must be used instead of an honorarium.
 - 5.1.5 The honorarium is not based on the actual value of the work performed but is a token of appreciation.
- 5.2 Eligible services include the following:
 - 5.2.1 guest speaking or lecturing;
 - 5.2.2 conducting a seminar or workshop;
 - 5.2.3 participating in educational or outreach events;
 - 5.2.4 assisting as a volunteer in event setup or support activities;
 - 5.2.5 other situations as deemed eligible by the Vice-President, Finance and Administration.
- 5.3 If a recipient requests a specific fee or submits a formal quotation, a service contract must be issued. The Contracts & Supply Chain Management Department determines the appropriate payment structure.

- 5.4 Honoraria are considered taxable income by the Canada Revenue Agency and is reported as required under the *Income Tax Act*.
- 5.5 The Finance Office may conduct audits of honoraria payments to ensure compliance with the policy and procedures.

6.0 REPORTING

Not applicable

7.0 AUTHORITIES AND OFFICERS

The authorities and officers for this policy are as follows:

Approving Authority: Vice-President, Finance and Administration
Designated Executive Officer: Vice-President, Finance and Administration
Procedural Authority: Vice-President, Finance and Administration
Procedural Officer: Director of Finance

8.0 RELEVANT LEGISLATION

- 8.1 Canada Revenue Agency (CRA) Guide to Ex Gratia Payments, Honoraria and Gifts and T4A reporting – [CRA](#)

9.0 RELATED POLICIES AND OTHER ASSOCIATED DOCUMENTS

- 9.1 Purchasing Policy and Procedure
- 9.2 Protocol for inviting Elders and Knowledge Holders to campus – [Guidelines](#)