

ADMINISTRATIVE REGULATIONS

TITLE: HONORARIA

CATEGORY: FINANCE

NUMBER: 5050

CIRCULATING UNTIL FEBRUARY 19, 2025

I. Rationale:

School District No. 46 (Sunshine Coast) from time to time gives a small gift or payment (honorarium) in appreciation for services without a normal fee. The services involved vary, but are generally associated with presentations or guest speakers at school or district-sponsored functions.

II. Definition

- a. "Honorarium" is defined as a token of appreciation (small gift or payment) given to an individual for services performed for which formal payment is not required. The arrangement between the individual and the School District is not recurring. It does not involve situations in which a service contract exists or would be more appropriate. If there is an expectation of payment for goods or services received, this is not an honorarium and regulation 5060 (Purchasing) must be followed.

III. Procedure

- a. In general, tokens of appreciation (i.e.: cup, pen, etc.) are the preferred method of honoraria, but it is understood that from time to time it is necessary to give a small monetary reward.
- b. All monetary honoraria must be approved by the Administrator responsible for the program or activity and an account provided to process payment. Gift certificates and gift cards are permissible as a form of honoraria provided the guidelines in regulation 5060 (Purchasing) have been met.
- c. The amount of an honorarium should not be geared to lost fees or wages, expenses or other opportunity costs incurred by the service provider, but to the amount of recognition appropriate for the service provided. Honoraria are typically in the range of \$20-100 and cannot exceed \$250 for any one occurrence without the approval of the Secretary-Treasurer.
- d. If monetary honorarium is to be paid to an individual, the guidelines are as follows:
 - i. Monetary honoraria are paid by cheque through Accounts Payable.
 - ii. Approved requests must be made via cheque requisition to the Finance Department.

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- iii. In order to process a request for an honorarium, the following information must be provided with the cheque requisition: the recipient's full name, mailing address, postal code, and social insurance number, as well as information regarding the function for which the honorarium is required and an account number.
 - iv. Minors who are below the legal age of work in BC are not eligible to receive monetary honoraria, subject to any exceptions in the law.
 - v. School district employees who have been paid honoraria during the calendar year will receive a T4A, issued by Finance, showing the income as taxable regardless of the amount received, unless exempted under the Income Tax Act or other legislation.
 - vi. Individuals not employed by the district who have been paid honoraria during the calendar year will receive a T4A, issued by Finance, showing the income as taxable if cumulative payments received are in excess of \$500.00.
- e. Cash honoraria are reserved for ceremonial Indigenous practices. District staff should consider the circumstances and appropriateness of a cash honorarium or gift for each occurrence. In considering the appropriate use of honorariums and gifts, the district will aim for consistent treatment of similar circumstances and consult the District Principal of Indigenous Education and/or an Indigenous Elder/Knowledge Keeper where the protocol is uncertain.

Cash honoraria are only permitted with the advance approval of the Secretary Treasurer when the following criteria are met:

- i. The only individuals permitted to offer this type of honorarium are the Superintendent of Schools, their approved designate, and the District Principal of Indigenous Education.
- ii. Individuals authorized to provide gifts cannot transfer these authorities to others.
- iii. Prior written approval is required using the district's form.
- iv. The names of individuals who receive cash honoraria will be recorded and a T4A may be issued, if the total value of all honoraria exceeds \$500 in a calendar year,

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unless exempted under the Income Tax Act or other legislation.

- v. It must be clearly identified if individuals who receive cash honoraria are members of one or more First Nations, and if the cultural ceremony occurred on the property of the shíshálh Nation or the reserve land of the Skwxwú7mesh Nation.
- vi. Employees of School District No. 46 are not eligible to receive cash honoraria.

Received: May 2023

References: Board Policy 1.3. (v), 12