

ADMINISTRATIVE REGULATIONS

TITLE: HONORARIA

CATEGORY: FINANCE

NUMBER: 5050

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 informal. It does not involve a contract and invoicing is not required. 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.

Received: May 2023

References: Board Policy 1.3. (v), 12