

# HONORARIUMS

ACCOUNTS: 51950 51951

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## *What is an Honorarium?*

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An honorarium is a monetary token of appreciation in lieu of payment for services.

### **Expense Account Code Descriptions**

51950 **Honorariums:** This minor account includes the payments to professional persons for services rendered when custom or propriety forbid the setting of fees.

51951 **Honorarium-Expense Reimbursement:** This minor account includes substantiated travel and expense reimbursements to professional persons for services rendered when custom or propriety forbid the setting of fees.

- Your department determines the appropriate amount to pay an individual or guest that performs a service for your department.
- The vendor does not invoice dept.
- The department can elect to pay just an honorarium to the non-employee and no travel expenses.
- The honorarium expenses are processed on a Small Purchase Voucher (SPV) using account code 51950.

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## *University Policy Regarding Honorariums*

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### **9. Non-Employee Honoraria Travel**

Honoraria are the responsibility of the department contracting for the personal services of a non-employee. Departments shall document invitations with a form letter and it shall include the amount of the honorarium offered. If payment is from state or federal funds, this amount shall cover all expenses, including travel expenses, incurred by the non-employee in lieu of a separate reimbursement. For an exception to this rule, the department must provide a written request in advance to the University Controller's Office including the reasons for the exception. The Controller's Office will forward the request to the Office of State Budget and Management for their decision.

Source document: [Travel Requirements for University Employees](#)

[http://www.fis.ncsu.edu/controller/travel\\_guidelines/default.asp](http://www.fis.ncsu.edu/controller/travel_guidelines/default.asp)

## *How is an Honorarium Paid?*

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Honorariums for services are paid on a Small Purchase Voucher (SPV) using account code 51950.

### **What about the travel expenses?**

Do not process honorarium expenses through the Travel Center. When a department elects to pay for or reimburse travel expenses, in addition to the honorarium for services, those expenses should be paid on one Small Purchase Voucher.

Proper account coding depends upon the Funding Source (project) used to pay the related travel expenses:

#### ***State or Federal funds***

- o Travel expenses (receipted and non-receipted) must be added to the honorarium and all of the expenses must be coded to 51950 on one SPV.

#### ***Non-State (Trust or Discretionary) Funds***

- o Receipted travel expenses must be coded to 51951. The honorarium fee itself is coded to 51950 on same SPV to make one payment.
- o Un-receipted travel expenses must be coded to 51950. The honorarium fee would also be coded to 51950 on the same SPV to make one payment.

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## *Accounting Distribution Examples*

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SPV paying **honorarium** for services **only**:

**Honorarium:** \$500.00 for service

**Project:** Any project

→ **Code all to Account 51950**

SPV paying an **honorarium** for services and **receipted travel expenses** from **state funds**:

**Honorarium:** \$750.00 (\$500 for service & \$250 receipted travel expenses)

**Project:** 2xxxxx (state funds)

→ **Code all to Account 51950**

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SPV paying an **honorarium** for services from **state funds** and **receipted travel** from **trust**:

**Honorarium:** \$750.00 (\$500 for service & \$250 receipted travel expenses)

**1<sup>st</sup> Project:** 2xxxxx

→ **Code \$500 to Account 51950**

**2<sup>nd</sup> Project:** 6xxxxx or other trust account

→ **Code \$250 to Account: 51951**

SPV paying an **honorarium** for services, **receipted** and **non -receipted travel expenses**:

**Honorarium:** \$750.00 (\$500 for service, \$65 un-receipted per diem meals, and \$185 receipted travel expenses)

**1<sup>st</sup> Project:** Any project

→ **Code \$565 to Account 51950** (un-receipted must be paid using 51950 code)

**2<sup>nd</sup> Project:** Any project except state or federal

→ **Code \$185 to Account 51951**

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## *Extras*

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All non-receipted travel expenses, regardless of project used to pay from must be added to 51950.

Follow the same coding procedure when using **51970 and 51971** for Academic Instruction/research services.