Honoraria Policy

Purpose
The purpose of this policy is to provide the framework and guidelines for consistent application when offering honorarium payments to individuals who have been asked to provide services to the College.

Scope
This policy applies to non-employees only who provide services to the College. The College will not provide honorarium to employees.

Policy
An honorarium is an ex gratia payment made to a person for their services in a volunteer capacity, or for services for which fees are not traditionally or legally required.

An honorarium is typically a payment made on a special or non-routine basis to an individual who is not an employee of the College, to recognize or to acknowledge the contribution of gratuitous services to the College.

Examples include:
- participating as a board/committee member at the College
- peer reviews
- conducting a seminar or workshop
- serving as guest speaker at an educational event or other similar function
- accreditation reviews

An honorarium is not based on an agreed amount between the individual providing services and the College representative seeking services. If payment is agreed upon, this constitutes a contractual agreement and will involve invoicing, taxes, and related factors.

Any conflicts of interest or engagements with related parties must be disclosed to the College in advance of any services being rendered.

PROCESS

Payment
Honorarium payments are subject to the limits set by the Finance and Audit Committee of the College, unless specifically authorized by the registrar. Notable exceptions might be for medical-legal reviews and opinions, or keynote speakers at major events.

Canada Revenue Agency (CRA) regulations state that all honoraria payments are considered taxable income under the Income Tax Act of Canada and subject to a T4A slip being issued at each calendar year-end.
Note: for non-resident honorees, Regulation 105 of the Income Tax Act requires the College to deduct and withhold a 15% tax unless waiver application form R-105 is completed by the honoree and approved by the CRA. The application should be sent to the CRA at least 30 days prior to the start of the honoree’s services in Canada, or 30 days before the first payment to the applicant for those services. Please contact the accounting department to inquire about the CRA waiver application procedure. A T4A-NR slip will be issued at the calendar year end for non-resident honorees.

In order to process an honorarium payment, an Honorarium and Non-Employee Expense Claim form must be completed and signed by the honoree and then submitted to the College for approval by the appropriate signing authority. Please be prepared to provide the following information on the honorarium claim form:

1. name of honoree
2. whether you have a medical office practice
3. the mailing address for the cheque
4. the purpose of the honorarium or type of service provided
5. meeting location, or location where services are provided
6. date of engagement
7. social insurance number or business registration number if payment is not made to an individual
8. time or effort being recognized and amount being claimed

Honorarium claims should be submitted to accounting department within 30 days following completion of the services provided and may not be paid if submitted after 90 days. Payments are usually processed within 10 working days from the date claims are approved.

Travel and business expenses are reimbursed in accordance with the College’s Travel & Business Expense Policy and are not subject to a T4A.

FORMS

The forms referred to in this policy can be obtained by contacting the accounting department at 604-733-7758 or by email at accounting@cpsbc.ca.

Amendments: To be reviewed at least every two years by the registrar, chief operating officer and controller, or as circumstances warrant to determine whether amendments are necessary.