



OFFICE OF HUMAN RESOURCES

**SUBJECT:** PROCEDURES FOR ADDITIONAL PAY, SPECIAL PAYMENTS, ETC.

**DATE:** EFFECTIVE: 11/10/2006

Because we are responsible by law for tax implications, certain payments to employees need to be processed through payroll:

- I. For any employee (faculty, staff, admin, or student), special payments for awards, additional work, guest lectures, etc. are processed through Payroll via a Payroll Change Form.
- II. Students who are being paid for a one-time event such as providing musical accompaniment are processed through Payroll via a Request for Student Single Payment.

Certain other payments do not have income tax implications and therefore, are processed via Accounts Payable:

- III. Reimbursements for expenses paid by any employee for College business are processed through Accounts Payable via a Request for Payment Form. (Receipts will be required.)
- IV. Payments to any employee for a specific object or product, such as a work of art, are processed through Accounts Payable via an invoice from the seller.

Upon rare occasion, an employee may have a personal business separate and apart from his/her work here on campus. If the College wishes to contract that employee in the separate business, the following steps must be taken:

- a. The employee, as owner and proprietor of the business, must draft a contract that details the terms of the agreement.
- b. The contracted work must be conducted separate and apart from the employee's regular work for the College.
- c. The schedule, hours, and completion of the project are controlled by the employee as owner and proprietor of the business and per the terms of the contract.
- d. The College pays the employee as owner and proprietor of the business through Accounts Payable via an invoice submitted by the employee as owner and proprietor of the business. The invoice must be accompanied by a W-9 tax form.

Finally, we are sometimes asked to make a donation to a charity or third-party in lieu of a payment. Accounts Payable will not make payments to a third-party organization on behalf of an employee in lieu of paying an honorarium or award. Such payments to a third-party organization will be the responsibility of the employee.

If a person who is **not** an employee wishes to have an honorarium or fee paid to his/her own organization/business instead of to him/her directly, the payment will be processed by Accounts Payable via an invoice or request for payment and the accompanying completed W-9 form.

Please note that all requests for additional/special payments require the appropriate signatures prior to submission. If you have any questions regarding a special payment, please contact Don Lerew in Payroll or Teri Rader in Accounts Payable.