### Payment of Services and When/Why The Need to Hire an Employee 5/2010

# University of California Agriculture and Natural Resources

Making a Difference for California

#### **HONORARIUM**

An honorarium is a payment or an award granted to an individual in recognition of a special service or distinguished achievement for which custom or propriety forbids any fixed business price (e.g., hourly rate) to be set

#### Examples for use:

- Payment for a special lecture or short series of lectures.
- Payment for conducting a seminar or workshop
- Payment for a guest speaker at a 4-H event or similar function.
- Payment for judging a 4-H event.

Payments are requested using the Direct Charge Request form, and must include the individuals SS# and home address.

4-H units should use the Request for Payment of an Honorarium for the 4-H Program Form <a href="https://ucanr.edu/sites/UC4-H/files/20009.pdf">https://ucanr.edu/sites/UC4-H/files/20009.pdf</a>.

The Honorarium Processing for 4-H Payment FAQ https://ucanr.edu/sites/UC4-H/files/20007.pdf and Flow Chart https://ucanr.edu/sites/UC4-H/files/20008.pdf provides other information.

## INDEPENDENT CONTRACTOR

An independent contractor relationship exists when the University has the right to control only the result of the service, not the manner in which the service is performed. Services are provided by an individual vs. a company, and are generally infrequent, technical or unique functions.

Examples of services:\*

- Drafting
- Technical editing
- Translation
- Maintenance & housekeeping
- Farm labor
- Bookkeeper
- Tax Preparer

An Independent Contractor Pre-Hire Worksheet must be completed, approved by the UCD Purchasing Department, and a purchase order issued prior to any work being done.

Payments are made upon receipt of invoice after services have been performed.

\*Services provided by a company vs. an individual can be paid by direct invoice.

#### **EMPLOYEE**

An employer-employee relationship is one in which the University has the liability and responsibility to supervise and control the manner of performance, as well as the result of service.

Examples include:\*

- Cook
- Lifeguard
- Health Supervisor
- Camp Director

Limited term appointments are less than 1,000 hours in 12 consecutive months.

University position descriptions must be used. The process is handled between the county office and the CE Business Operations Center.

Payment is made via UC Davis payroll directly to the employee.

\*Sample position descriptions can be found on the 4-H website http://4h.ucanr.edu/.

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