

F. HONORARIA AND INDUSTRY

“Honoraria” are payments for service, such as making a presentation at an external event, for which custom or propriety forbids a price to be set. Because honoraria meet the definition of gifts under the Illinois State Officials and Employee Ethics Act and industry is a prohibited source under the Act, the speaking or other engagement performed for industry must be done on the SIUSOM faculty or staff member’s own time. Employee benefit vacation time will be taken when the activity relates to the honorarium. This engagement is thus considered secondary employment for the individual and is allowed.

Faculty and staff members wishing to accept an honorarium from industry, regardless of the type of engagement, must obtain approval for the honorarium in advance by the individual’s department chair for academic areas or by the individual’s unit administrator in the case of non-academic units. The engagement will also be reviewed by the Conflict of Interest Administrator, on behalf of the Conflict of Interest Committee. See Attachment D – Honoraria and Associated Expenses and Attachment E – Sponsored Travel Examples – Approval for additional information.

As noted in E.2 Personal External Relationships – Compensation and Expense above, industry-provided honoraria will be paid directly by the external organization to the faculty or staff member. Agreements between an SIUSOM employee and industry must provide that remuneration paid by the external entity go directly to the faculty/staff member, who is acting in his/her private capacity and not as an agent of SIUSOM or SIU HC.

The honoraria should be reasonable and at Fair Market Value (FMV). There is no simple formula or resource for determining FMV. Faculty rank, specialty, SIUSOM and SIUHC compensation amounts, and other considerations will determine what constitutes FMV. Any honoraria must be included on the recipient’s conflict of interest/commitment online form within applicable regulatory time frame requirements or at least annually. (See Attachment B – Additional Definitions for a working definition of FMV.)