FIN-002 Payment for Academic Services

Effective Date Thursday, April 1, 2004

Status Final

Last Revised Tuesday, September 2, 2025

Policy Type University

Contact Office Procurement Services

Oversight Executive
Vice President and Chief Financial Officer

Applies To Academic Division and the College at Wise.

Table of Contents

Policy Statement
1. Acquisition and Payment
2. Compliance with Policy

Procedures

Reason for Policy

This policy describes how various types of academic services are classified and paid by the University.

Definition of Terms

Academic Services

Description

Services for which payment is required at a pre-determined rate, that are provided by a non-employee, and that are directly related to the classroom instruction of students.
Examples of Academic Services:

- **Academic Consulting:**
  An individual serving in an advisory or consulting capacity with a University professor or employee for purposes directly relating to the instruction of students, such as research or course design. (This arrangement should be distinguished from one in which an individual performs services for a University professor or employee while the University professor or employee acts in a supervisory capacity. Such an individual should be paid as an employee, not as an independent contractor.)
- **Short-term Instruction:**
  - Provides a course in duration of no greater than seven calendar days.
  - The course is a one-time presentation only.
  - Students will not receive University credit for attending the course/presentation.
  - The course is offered by the same provider to other agencies or institutions.

- **Non-Teaching Assistance**:
  Services such as grading papers or academic testing. Activities must relate directly to the instruction of students, and the same or similar services must be offered by the service provider to the other entities or the general public as part of a trade or business.
- **Translation**:
  Must be for the translation of material used in research or classroom instruction. Translation may be into or from a foreign language or to provide access to hearing or sight impaired students or employees.

Consulting Services

Description

Advice or assistance of a purely advisory nature provided for a ***predetermined fee*** to an agency by an outside individual or entity. Individuals providing consulting services must always meet the criteria defining an Independent Contractor.

Contracted Services

Description

Work to be performed under contract by an independent individual or entity where the service does not consist primarily of the acquisition of goods.

Employee (1)

Description

A person appointed through UVA Human Resources and paid through University payroll to perform services through the University, who performs services that are subject to the will and control of the University -- both what is done and how it is done. The University's right to control, not the exercise of that right, is a key factor. The University can allow the employee considerable discretion, so long as the University has the legal right to control both the methods and results of the services.

Independent Contractor

Description

An entity or individual who has entered into a contractual agreement to provide goods or services to the University, and meets the following criteria:

- Is not currently an employee of the University.
- Has no expectation of becoming an employee at the end of contractual service.
- Did not have an official UVA appointment within the three months prior to the commencement of the contractual service.
- Relied or will rely upon own expertise rather than following specific instructions from the department regarding performance of the required work.
- Performed the work to the specifications of, but not under the direction of, a University employee or student.
- Did not have the required number of work hours and/or days of the week set by the University.

Honorarium

Description

A token of appreciation paid to an individual for services performed **for which payment is not required**. The services involved vary but are generally associated with presentations made at University sponsored functions. The arrangement between the individual and the University is informal. It does not involve a contract, and invoicing is not required. An employee may not receive an honorarium from the University.

Policy Statement

Users of academic services are granted greater leeway in the acquisition of these services in recognition of the specialized needs associated with research and instruction. The services provided may or may not be for consulting. The provider of these services may be either for-profit or not-for-profit, an individual, or a firm. The services may be contractual or non-contractual. The provider of these services must NOT be an employee of the University and individual persons providing these services must meet the University's criteria for defining an *independent contractor*. Requisition of academic services, like all University contracts and transactions, shall comply with the requirements of the Virginia State & Local Government Conflict of Interest Act (VA Code Section 2.2-3100, et seq).

Academic services, for which payment is required and predetermined, should be distinguished from services for which payment is not required, which can be rewarded with an honorarium.

1. **Acquisition and Payment:**
   For all types of academic services, consulting and short-term instruction, **as defined above**, acquisition and payment are treated no differently than other types of services, and must be processed under the current guidelines for competition, using either a Purchase Order or a Purchase Requisition.

   Providers must be properly certified as independent contractors on the appropriate form in order to be paid.

   Pre-payments for academic services are not permitted.

2. **Compliance with Policy:**
   Failure to comply with the requirements of this policy may result in disciplinary action up to and including termination or expulsion in accordance with relevant University policies.

   Direct questions about this policy to Procurement Services.

Procedures

Guidelines for Competition
Purchase Requisitions
Payment Vouchers
Independent Contractor Checklist

Related Information

For information regarding independent contractors, honoraria, and payments to foreign nationals, please see:

FIN-012: Scholarship/Fellowship Payments to Foreign Nationals
FIN-014: Academic Honorarium Payments to Short-term, Non-Immigrant Alien Visitors

Major Category Finance and Business Operations

Next Scheduled Review Saturday, September 2, 2028

Revision History

Confirmed 9/2/25; Added Compliance section 7/19/21; Updated 7/21/10. Previously addressed in Consulting Policy VI.G.4 from 7/1/01 to 3/31/2004.

Supercedes Policy Text

Consulting Policy VI.G.4.

Approved By Policy Review Committee

Approved Date Thursday, April 1, 2004