

Central Washington University

Employee/Independent Contractor Determination Checklist

NOTE: This form should be used by a department to assist in determining whether to hire a person as an employee or an independent contractor BEFORE making a commitment to an individual to be paid as an independent contractor.

This three page checklist helps determine whether an employer/employee relationship exists for federal, state and FICA tax purposes. The questions below will provide information as to the degree of control and the degree of independence in the relationship between the individual performing services and CWU, although additional information may be requested to make the appropriate determination. The third page shows specific factors from IRS rules that will be used in the final determination. Final determination is made by Business Services and Contracts working with Human Resources and is based on consideration of all the known facts and not any one answer alone.

Sections 1, 2 and 3 should be completed by the requesting department or by the individual performing service. After completing the checklist, contact BS&C at 2354 for a review of the information.

Section 2 requires only one part (A, B, or C) to be completed

Part A is for guest lecturers

Part B is for high level researchers such as co-principal investigators on sponsored projects

Part C is for all other individuals

SECTION 1	Current Employer/Employee Relationship	YES	NO
A.	Is this individual currently employed by CWU, or any other State agency?	<input type="checkbox"/>	<input type="checkbox"/>
B.	Was the individual on the CWU payroll (regular or temporary appointment) during the 12 month period prior the date these services are to begin?	<input type="checkbox"/>	<input type="checkbox"/>
C.	Does CWU plan to hire this individual as an employee soon after the period of his or her services as an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>
D.	Is this individual currently working as an independent contractor for CWU, and/or has he or she worked as an independent contractor for CWU within the past 12 months?	<input type="checkbox"/>	<input type="checkbox"/>

SECTION 2	COMPLETE ONLY ONE PART (A, B, OR C)	depending on the services to be provided by the individual	
<u>Part A: Lecturer/Instructor</u>			
NOTE: If the guest lecturer/instructor's visit to CWU will be for less than two weeks, the Checklist is NOT required.			
1.	Is the individual a "guest lecturer", e.g., an individual who lectures at only one or two class sessions?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Is the individual the primary instructor in a department course being offered for academic credit toward a university degree?	<input type="checkbox"/>	<input type="checkbox"/>
3.	Is the individual responsible for the content of the lecture/presentation (versus presenting materials that have been prepared/dictated by the University)?	<input type="checkbox"/>	<input type="checkbox"/>

Part B: Researcher

Individuals engaged to perform research services for a department or sponsored project will generally be treated as employees, unless they are faculty at another research institution/university.

		YES	NO
1.	Will the individual serve in an advisory or consulting capacity with a University faculty member or director in a "collaboration between equals" type arrangement?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Will the individual perform research in an arrangement whereby a CWU faculty member or director serves in a supervisory capacity?	<input type="checkbox"/>	<input type="checkbox"/>

Part C: Individuals who are not Instructors/Lecturers or Researchers

YES NO

- 1. Does the individual routinely provide the same or similar services outside of CWU to the general public as part of a continuing trade or business? YES NO
- 2. Will the department provide the individual with specific instructions, supplies, and equipment to perform the required work, rather than rely on the individual's expertise, supplies and equipment? YES NO
- 3. Will the university set the number of hours and/or days of the week that the individual is required to work, as opposed to allowing the individual to set own work schedule? YES NO
- 4. Will the university pay the individual an hourly rate similar to what other employees are paid on campus for similar work? YES NO
- 5. Does the individual engage in entrepreneurial activities in an established business at risk for loss? YES NO
- 6. Does the individual have his/her own insurance for work-related injuries? YES NO
- 7. Does the individual provide similar services to other clients? YES NO

SECTION 3 Tax Compliance

Is the vendor or the beneficiary of the payment a U.S. Citizen or U.S. Permanent Resident Alien? If no, see the CWU Nonresident Alien Tax Compliance Manual regarding IRS tax status in the CWU Payroll Office.

Yes No (Circle one)

SECTION 4 General Information

Specific services to be provided: _____

Location where services will be provided: _____

Start Date: _____ End Date: _____ Total Fee \$ _____ *

How fee is determined: Fee is Fixed _____ Milestone Based _____ Hourly Rate _____ Other _____
(Rate) (Describe method)

*** Please note that per CWU Procurement Policy, contract services over \$500 require a Standard Agreement, IRS W-9 Form and a Purchase Requisition to be completed.**

Also contract services over \$5,000 may require competition before an agreement can be approved. If you need to reference more detailed [information](#), or contact the Purchasing Department at 1001 or email purchasing_office@cwu.edu.

Independent Contractor OR Employee?

Factors that indicate “Independent Contractor” status include:

- Has investment in facilities
- Has authority to hire and fire workers
- Can earn a profit or have a loss
- Cannot quit without liability, must meet contract specifications
- Works for more than one firm
- Is paid by the specific job
- Offers services to the general public
- Sets own hours
- Furnishes own significant tools
- Establishes the order and sequence of work
- Performs the work on own premises

Factors that indicate an “employee” relationship are:

- Relationship ongoing
- Follows instructions about when, where and how to work
- Works for one employer, essentially devotes full-time to one business
- Is hired, supervised and can be fired by person(s) for whom work is performed
- May quit without any liability
- Has set hours of work
- Follows sequence or order of work as set by person(s) for whom work is done
- Receives reimbursement for expenses
- Is trained by employer
- Submits regular reports to person(s) for whom service is performed
- Payment is by hours, week or month, rather than by the job or commission
- Work is performed on employer’s premises
- Work is an integrated part of overall business operations