

# INDEPENDENT CONTRACTOR PRE-HIRE WORKSHEET AUTHORIZATION

Vendor Name \_\_\_\_\_ Contact \_\_\_\_\_

Contact Phone \_\_\_\_\_ Contact Email \_\_\_\_\_

Division \_\_\_\_\_ College/Department \_\_\_\_\_

1. **Is this individual a current CSU employee?**  Yes  No

If **YES**, stop here. Individual should not be hired as an independent contractor unless circumstance does not conflict with State of California Public Contract Code. (See Section 4.C. of the Independent Contractor Administrative Guidelines for further details.)

2. **Was the individual a CSU employee any time during the last two years?**  Yes  No

If **YES**, please contact Human Resources Management (Director, Human Resources Service Group) for further direction before completing this Worksheet any further.

### IRS DETERMINATION FACTORS

Before a worker is hired as an independent contractor, the following checklist *must* be completed to help determine whether an employer/employee relationship exists. Check the box that applies.

### IRS DETERMINATION FACTOR TABLE

**Behavioral Control:** Right to direct and control details and means by which worker performs services.

Factor	Description	Employee (Yes)	Contractor (No)
(1) Instructions	Will the university have the right to give the worker instructions about when, where, and how he or she is to do the job? <i>(Employees are subject to this type of instruction, generally, independent contractors are not.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Training	Will the worker receive training from the university? <i>(Employees generally receive training from their employer, independent contractors typically determine their own work methods.)</i>	<input type="checkbox"/>	<input type="checkbox"/>

**Financial Control:** Right to direct and control economic aspects of the worker's activities

Factor	Description	Employee (Yes)	Contractor (No)
(3) Significant Investment	Has the worker failed to invest in facilities (such as an office) used to perform services? <i>(Employees generally do not personally own or rent an office, shop or equipment.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Payment of Expenses	Will the university pay the worker's business or travel expenses? <i>(Employers pay all expenses for an employee, whereas independent contractors often absorb these expenses.)</i>	<input type="checkbox"/>	<input type="checkbox"/>

<b>(5) Services Available</b>	Does the worker not make his or her services available to other employers? <i>(A worker who provides services for a number of unrelated persons or firms is generally an independent contractor.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<b>(6) Payment by Hour, Week, Month</b>	Will the university pay the worker by the hour, week, or month rather than by commission or by the job?	<input type="checkbox"/>	<input type="checkbox"/>
<b>(7) Realization of Profit or Loss</b>	Will the arrangement prevent the worker from realizing a profit or suffering a loss? <i>(Employees are paid a salary whether or not the company is profitable.)</i>	<input type="checkbox"/>	<input type="checkbox"/>

**Relationship of Parties:** Intent of parties concerning status and control of worker

<b>(8) Right to Terminate</b>	Could the university terminate the worker at any time without incurring liability? <i>(Most independent contractor agreements require at least a 30 days' notice for early termination.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<b>(9) Regular Business Activity</b>	Is the work to be performed part of the regular business of the university, such as teaching or research? <i>(In most cases, such duties would be performed by an employee.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<b>(10) Written Contract</b>	Will a written contract not be executed describing the worker as an independent contractor? <i>(Absent such a contract or purchase order, employee status is normally presumed.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
<b>(11) Employee Benefits</b>	Will the worker receive any employee benefits?	<input type="checkbox"/>	<input type="checkbox"/>
<b>(12) Withholding of Payment</b>	Is the university not entitled to withhold payment for unsatisfactory work? <i>(Most independent contractor agreements allow withholding payment, while employer-employee relationships do not.)</i>	<input type="checkbox"/>	<input type="checkbox"/>

**TOTALS**

<b>Total all "YES" or "NO" responses</b>		
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**SCOPE OF WORK** Duties to be performed (Use another piece of paper if necessary):

Start Date \_\_\_\_\_

End Date: \_\_\_\_\_

Amount to be paid: \_\_\_\_\_

**SPECIAL INSTRUCTIONS**

Background Check Required



**RECOMMENDATION (BY DEPARTMENT)**

Hire worker as an employee

Hire worker as an independent contractor

**DEPARTMENT AUTHORIZATION BY APPROPRIATE ADMINISTRATOR**

**Prepared By**

Signature \_\_\_\_\_ Date \_\_\_\_\_

Print Name and Title \_\_\_\_\_ (Level 4)

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**DETERMINATION BY HUMAN RESOURCES MANAGEMENT**

Granted

Denied

Associate Director, Staff Human Resources \_\_\_\_\_