

## Princeton University Employee/Independent Contractor Determination Checklist

***Before*** an individual is hired as an independent contractor, the following checklist ***should*** be completed to help determine whether an employer/employee relationship exists. Mistakenly classifying an employee as an independent contractor may result in significant fines and penalties. The questions provided below will assist in determining whether the individual performing services will be classified as an employee of the university for federal, state and FICA tax purposes or as an independent contractor. If you still have questions after completing this checklist, you may want to contact the Office of Human Resources (8-3300) or the Office of General Counsel (8-2500).

Please mark each  as it applies.

| <b>1. Current Relationship with Princeton University</b>   | <b>YES</b>  | <b>NO</b>                                   |
|--|---|---|
| <b>A.</b> Does this individual currently work for Princeton University as an employee?   | <input type="checkbox"/>                                | <input type="checkbox"/>                    |
| <b>B.</b> Does Princeton University desire to hire this individual as an employee immediately following the termination of his or her services as an independent contractor?   | <input type="checkbox"/>                                | <input type="checkbox"/>                    |
| <p><i>If the answer is "NO" to both questions, proceed to questions in Section 2, Classification Guidelines.</i></p> <p><i>If the answer is "YES" to either of these questions, the individual should be classified as an employee and paid through Princeton payroll.</i></p> |   |   |
| <b>C.</b> During the 12 months prior to the date on which the services commenced, was the individual on the Princeton payroll (regular or temporary appointment)?  | <input type="checkbox"/>                                | <input type="checkbox"/>                    |
| <p><i>Proceed to Section 2; a "YES" here should be considered a factor weighing toward employee status.</i></p>  |   |   |
| <b>2. Classification Guidelines (Complete only <u>one</u> section, A, B or C, depending on the services to be performed by the individual.)</b>  |   |   |
| <b>A. Lecturer/Instructor</b>  | <b>YES</b>  | <b>NO</b>                                   |
| 1. Is the individual a "guest lecturer", e.g., an individual who lectures at only one or two class sessions?   | <input type="checkbox"/><br><b>Treat as Ind. Cont.</b>  | <input type="checkbox"/><br><b>Go to #2</b> |
| 2. Is the individual the primary instructor in a department course being offered for academic credit toward a university degree?   | <input type="checkbox"/><br><b>Treat as an Employee</b> | <input type="checkbox"/><br><b>Go to #3</b> |

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| 3. Is the individual responsible for the content of the lecture/presentation (as opposed to presenting materials that have been prepared/dictated by the University)?  | <input type="checkbox"/><br><b>Treat as Ind. Cont.</b> | <input type="checkbox"/><br><b>Treat as an Employee</b> |
| <b>B. Researcher</b>   | <b>YES</b>   | <b>NO</b>   |
| Researchers hired to perform services for a university department are initially presumed to be employees of the university. Please complete the following questions:   |  |   |
| 1. Will the individual perform work using University facilities (as opposed to facilities available to him/her outside of Princeton)?  | <input type="checkbox"/><br><b>Treat as Employee</b>   | <input type="checkbox"/><br><b>Go to #2</b>             |
| 2. Will the individual perform research for a university faculty member under an arrangement whereby the university faculty member serves in a supervisory capacity (i.e., the individual will be working under the direction of the University faculty member)?                             | <input type="checkbox"/><br><b>Treat as Employee</b>   | <input type="checkbox"/><br><b>Go to #3</b>             |
| 3. 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"/><br><b>Treat as Ind. Cont.</b> | <input type="checkbox"/><br><b>Go to Section C</b>      |
| <i>If the answer is "NO" to all three of these questions, proceed to Section C.</i>  |  |   |
| <b>C. Individuals Not Covered Under Sections 2A or 2B</b>  | <b>YES</b>   | <b>NO</b>   |
| 1. Does the individual routinely provide the same or similar services outside of Princeton to the general public as part of a continuing trade or business?  | <input type="checkbox"/><br><b>Treat as Ind. Cont.</b> | <input type="checkbox"/><br><b>Go to #2</b>             |
| 2. Will the department provide the individual with specific instructions regarding performance of the required work rather than rely on the individual's expertise?  | <input type="checkbox"/><br><b>Treat as Employee</b>   | <input type="checkbox"/><br><b>Go to #3</b>             |
| 3. Will the department provide the individual with significant equipment or supplies and/or hire assistants for the individual?  | <input type="checkbox"/><br><b>Treat as Employee</b>   | <input type="checkbox"/><br><b>Go to #4</b>             |
| 4. 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 and/or pay the individual an hourly rate similar to what other employees are paid on campus for similar work? | <input type="checkbox"/><br><b>Treat as Employee</b>   | <input type="checkbox"/><br><b>Treat as Ind. Cont.</b>  |

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|---|--|--|
| 5. Does the individual engage in entrepreneurial activities in an established business at risk for loss? (In other words, can the individual make a profit or suffer a loss as a result of the work, aside from the money earned from the project.) | <input type="checkbox"/><br><b>Treat as Ind.<br/>Cont.</b> | <input type="checkbox"/><br><b>Treat as<br/>Employee</b> |
| 6. Does the individual have his/her own insurance for work-related injuries?  | <input type="checkbox"/><br><b>Treat as Ind.<br/>Cont.</b> | <input type="checkbox"/><br><b>Go to #6</b>              |
| 7. Does the individual provide similar services to other clients?   | <input type="checkbox"/><br><b>Treat as Ind.<br/>Cont.</b> | <input type="checkbox"/><br><b>Treat as<br/>Employee</b> |

**3. General Information**

\_\_\_\_\_ (Service Provider's Name) Please Print \_\_\_\_\_ (Social Security Number or Tax ID #)

\_\_\_\_\_ (Service Provider's Mailing Address) \_\_\_\_\_ (City) \_\_\_\_\_ (State) \_\_\_\_\_ (Zip Code)

Specific service to be provided: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Location where services will be provided: \_\_\_\_\_

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

Fee is based on: \_\_\_\_\_ Fixed Fee \_\_\_\_\_ Hourly Rate \_\_\_\_\_ Cost per unit \_\_\_\_\_ Other \_\_\_\_\_ Total Fee: \$ \_\_\_\_\_