

# Independent Contractor Analysis Form

## INSTRUCTIONS

This form is required before processing payment for services to an individual using a Social Security Number. ***It should be completed prior to the beginning of services.*** If the University is contracting with an individual as an independent contractor, it is important to establish that the nature of the service does not constitute an employee/employer relationship. The following questions are necessary to enable proper tax withholding and reporting. Please complete the following with the prospective payee's cooperation.

## GENERAL INFORMATION

Name of Individual or Service Provider: \_\_\_\_\_

Soc Sec # (last 4 digits): xxx-xx-\_\_\_\_\_ Banner ID (if applicable): \_\_\_\_\_ Taxpayer ID (if applicable): \_\_\_\_\_

Department: \_\_\_\_\_ Form Preparer: \_\_\_\_\_ Phone: \_\_\_\_\_

## SERVICE INFORMATION

Start: \_\_\_\_\_ End: \_\_\_\_\_ Location of Services to be Provided: \_\_\_\_\_

Method of Payment:  Lump Sum  Hourly Rate  Other (explain): \_\_\_\_\_

Purpose of Work:

## DETERMINATION OF STATUS ANALYSIS

Check "**YES**" or "**NO**" to the following questions. In the space provided, give a description as to why yes or no was checked. If more space is needed, use the back of the form or attach a separate sheet. In addition, below each question is an explanation of the reasoning behind each question.

Independent Contractor status is determined by the level of control the University has over the individual. There are two major types of control when referring to independent contractor status, BEHAVIORAL and FINANCIAL. It is important to understand the difference between the "parameters of an assignment" and "controlling the means and methods of accomplishing an assignment". The parameters of an assignment may include instructions over laws, policies, or guidelines or quality assessments that relate to the acceptance or rejection of the end work product. On the other hand, the controlling of means and methods may include ongoing supervision, training given that suggests the work be performed in specific manner, and the submission of regular or written reports.

1. Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Once the individual receives the assignment, does the University have the right to further supervise or control how the individual must go about completing the work?</b>
BEHAVIORAL CONTROL	<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <p><i>Explanation: Supervision or control can consist of: when and where to do the work; dates/times when the work must be completed; what tools/equipment to use; what workers to hire to assist with the work; where to purchase supplies/services; what work must be performed by a specified individual; what routines/patterns must be used; and what order the sequence must follow. The right to control how the individual must complete the work after the assignment is given would make it difficult to prove Independent Contractor status.</i></p>

2. Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Does the University have control over the expenses or business activities related to the work assignment?</b>
FINANCIAL CONTROL	<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <p><i>Explanation: If the University has no control over the expenses in which the individual should incur to complete the work, then the individual is most likely an independent contractor. If the University requires the individual to make a significant investment (ex. requiring the individual to use equipment, tools, services, etc. of high value) in order to do the work, then this represents an independent contractor.</i></p>

3. Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>May the individual cease providing services prior to completion of the work without incurring any legal liability?</b>
FINANCIAL CONTROL	<div style="border: 1px solid black; height: 40px; margin-bottom: 5px;"></div> <p><i>Explanation: If the individual has the right to end his/her relationship with the University at any time without incurring liability, this indicates an employer-employee relationship. The University's ability to withhold payment(s) for unsatisfactory or incomplete work is characteristic of a liability.</i></p>

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4. Yes  No  **Does the individual provide services exclusively for SIUC? (The individual does not provide services to the general public.)**

FINANCIAL CONTROL

Explanation: Providing services as a part of his or her business to the general public resembles independent contractor status.

5. Yes  No  **Will SIUC provide long-term assistance to the individual such as additional personnel, support, supplies or equipment?**

FINANCIAL CONTROL

Explanation: If the University furnishes significant tools, materials, and other equipment, then the relationship tends to show the existence of an employer-employee relationship, whereas personal investment shows a lack of financial control of the University and represents independent contractor status.

6. Yes  No  **Is there a regular or on-going relationship with the individual? (The University is contracting with the individual for more than a one-time task?)**

RELATIONSHIP STATUS

Explanation: Back-to-back, recurring contracts could be considered a continuing relationship rather than a separate, finite relationship. Also, any expectations or guarantees for a new contract after the current request would resemble an employer-employee relationship.

7. Yes  No  **Has the individual performed similar work for the University as an employee within this calendar year?**

RELATIONSHIP STATUS

Explanation: If an employee is to perform similar duties to that of their previous job, they should be hired as an employee. Different duties may qualify the individual as an independent contractor; however, this alone does not constitute justification for independent contractor status.

8. Yes  No  **Is the Supplier, or a family member of a supplier, currently an employee on any SIU campus?**

RELATIONSHIP STATUS

9. Yes  No  **Have you been employed by SIU or the State of IL in the last 3 years OR has a member of your immediate family been employed by SIU or the State of IL in the past 2 years?**

RELATIONSHIP STATUS

I attest that all information on this form is true and correct to the best of my knowledge. I understand that the services will be performed as an independent contractor and not as an employee. The University will not withhold any taxes from the payments made under this contract. The payments of the services will constitute self-employment income for income tax purposes and may be subject to reporting to the Internal Revenue Service on Form 1099. If I also certify that I am eligible to perform services based on the following status: US Citizen  Permanent Resident  Foreign National with proper work authorization

PROSPECTIVE PAYEE SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

I certify that the information on this form is true and correct to the best of my knowledge. I understand the responses to this questionnaire may serve as evidence or support in an accurate reflection of services provided, and that I may be held accountable for any willful misrepresentation of the services provided in the event of an IRS audit.

FISCAL OFFICER SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

Department: \_\_\_\_\_ Contact: \_\_\_\_\_ Email: \_\_\_\_\_

**\*Upon completion, forward this form to Human Resources, Mailcode 6520 or fax to 618/453-1353. Once reviewed, form will be returned to the requesting department for further processing.\***

**HR USE ONLY:** Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

STATUS: Extra Comp (FA/AP)  Continuing Ed  Civil Service Extra Help  Student Employee  Independent Contractor