



EMPLOYEE VERSUS INDEPENDENT CONTRACTOR (Excluding Visiting Lecturers)

Date

If the person is a visiting lecturer/instructor/invited speaker, please complete the Honoraria Checklist for Invited Guest Speakers form instead at <https://busfin.colostate.edu/depts/AP.aspx>.

The information provided below will assist the University in determining whether an individual performing services will be classified as an employee of the University or as an independent contractor for federal, state, FICA, and FSLA laws and tax purposes. Complete Section 1, Section 2, and if necessary, Section 3 and 4 and attach completed form to the Kual vendor record and requisition or disbursement voucher document when classified as an independent contractor.

SECTION 1. GENERAL

Payee Name:		Is the Individual a PERA Retiree:	
		Yes	No
Is the payee a: (check one)		If a Foreign National, please specify visa type:	
<input type="checkbox"/> US Citizen or Permanent Resident <input type="checkbox"/> Foreign National			
Department Contact Name:		Department Name:	
Department Contact Email Address:		Dept #:	

SECTION 2. MULTIPLE RELATIONSHIPS WITH THE UNIVERSITY

Yes No Does this individual currently work for the University as an employee?

Yes No Does the University expect to hire this individual as an employee to provide the same or similar services immediately following the termination of their independent contractor service?

Yes No During the previous 6 months prior to the date on which the independent contractor service commences, did the individual have an active CSU employee assignment (including hourly or temporary) paid through CSU payroll to provide the same or similar service?

Yes No Will the individual primarily teach a course and use a curriculum established by the University, use course materials that are created or selected by a member of University Academic Personnel or other employee, or evaluate or grade students for official Colorado State University academic credit?

If the answer is "Yes" to ANY of the above questions, the individual should be classified as an EMPLOYEE and paid through the normal HR process. See footnote*.

If the answer is "No" to ALL the above questions, proceed to the appropriate section below.

If applicable, complete Section 3. Otherwise proceed to Section 4.

SECTION 3 RESEARCHER

Researchers hired to perform services for a University department are presumed to be employees. If, however, the researcher is hired to perform research for a particular University faculty member or employee, indicate which of the following relationships is applicable:

Yes No The individual will perform research for a University faculty member or employee under an arrangement whereby the faculty member or employee serves in a supervisory capacity (i.e., individual is under direction and control of the faculty member or employee).

If the answer to the above question is "Yes" the individual should be classified as an EMPLOYEE and paid through the normal HR process. See footnote*.

If the answer to the above question is "No" then proceed the next question.

Yes No The individual will serve in an advisory or consulting capacity with a University faculty member or employee (i.e., individual will be working "with" the faculty member or employee in a "collaboration between equals" arrangement.)

If the answer to the above question is "Yes" proceed to Section 4.

SECTION 4. OTHER

Yes No Does the University retain the right to provide the individual with specific instructions regarding the performance of the task rather than only the outcome?

Yes No Does the University retain the right to set the number of hours and/or work days of the week that the individual is required to work or where the work is to be performed?

Yes No Does the individual expect to receive University benefits such as health insurance and participation in the benefit plans?

If the answer to ANY of the above questions is "Yes" the individual should be classified as an EMPLOYEE and paid through the normal HR process. See footnote*.

If the answer to ALL of the questions above are "No", proceed to the following question.

Yes No Does the individual offer same or similar service to other entities or to the public?

Yes No Does the individual maintain a significant investment in their business (i.e., do they incur unreimbursed business expenses such as travel, equipment, office materials, etc.?)

If the answer to BOTH of the above questions is "Yes" proceed to the next question.

If the answer to EITHER of the above questions is "No", treat the individual as an EMPLOYEE and paid through the normal HR process. See footnote*.

Yes No Does the University and the individual intend the working relationship to be that of "independent contractor" and document such intent in a SOW or written agreement?

If the answer to the above question is "Yes", treat the individual as an independent contractor.

If the answer to the above question is "NO", treat the individual as an EMPLOYEE and paid through the normal HR process. See footnote*.

In the space below, please provide a brief description, dollar amount, and duration of services to be provided:

Department Certification: I acknowledge that based on the information provided, any penalties, interest, or additional taxes assessed due to the misclassification of this individual will be the responsibility of the hiring department.

Name and title of CSU departmental representative responsible for this determination: (PLEASE PRINT)

Signature:

* If the department requesting services disagrees with this determination, please complete the Classification Criteria worksheet, provide documentation to support answers, and submit completed packet to Accounts Payable. The Accounts Payable Manager will work with the department to make a final decision.

**QUESTIONS? Contact the Accounts Payable Office
Email: BFS_Accounts_Payable@mail.colostate.edu**

Independent Contractor Approval Procedures

Approval for hiring Independent Contractors is required before any work is to begin

All new individual/sole proprietor or single-member LLC vendors who will provide a service to CSU must attach the following documents to the new vendor record:

1. Completed, signed, and dated W-9
2. Completed, department signed and dated Employee vs. Independent Contractor Form (ICF)
3. Vendor Self Certification Form

<https://busfin.colostate.edu/depts/AP.aspx>

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor C corporation S corporation Partnership Trust/estate

LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership)

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

Other (see instructions)

In isolated cases Accounts Payable may deem the Independent Contractor form necessary for corporations, partnerships, and LLC companies. Accounts Payable will contact the department for additional information and may request, on a case by case basis, the form to be filled out and approved for any of these company types.

All approved IC Forms will be signed, dated, and attached to the payee's Vendor file and will be accessible for view to all individuals with Kualii access. If similar work is performed for the same department at a future date the original approved IC Contractor Form can be utilized if the scope of work remains constant.

The IC form requires the department to review and certify. Because each department must review and sign the IC form the payee will need a form on file and signed by the department which services will be performed for. Forms archived in the vendor file cannot be used for services performed across departments.

For services anticipated to be under \$10,000 annually that will be paid by disbursement voucher, work can begin after the Kualii vendor document is final. The approved IC form with scope of work must be attached to the disbursement voucher.

We will also need the scope of work to be completed and submitted (in the same pdf as the IC form) on the new vendor document.

Approval for independent contractors indicated by the vendor document approval does not give full approval for work to begin for services anticipated to exceed \$10,000 annually. A PO needs to be established through the Procurement Office prior to work beginning.

In order for Procurement to establish a PO, a requisition needs to be submitted for review. For services provided by independent contractors the approved IC Form and scope of work **is required to be attached to the requisition.** It is the responsibility of the requesting department to ensure the documents are attached to the requisition. Should the University be assessed any penalties, interest, or additional taxes, it will be the responsibility of the requesting department.