

COLORADO STATE UNIVERSITY
**EMPLOYEE VERSUS INDEPENDENT CONTRACTOR
 CLASSIFICATION CRITERIA**

An independent contractor is an individual (or non-corporate business entity) that provides personal services to the University in such a manner as to be free from University control over performance. Typically, the independent contractor will have a principal place of business other than at the University, has a business license, and offers services to the general public. External consultants are independent contractors who provide professional advice.

The following criteria are used by the Internal Revenue Service to classify individuals as either independent contractors or employees. No single criterion or group of criteria will provide a definitive determination. The criteria are used in combination to obtain an overall indication of how the individual should be classified. **[A "Yes" response to the questions tends to either strengthen or weaken the case that the individual is an independent contractor.]**

Weakens	Strengthens	BEHAVIORAL CONTROL	
✓		1. Does the University <i>have the right</i> to tell the worker when, where and how work is to be performed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		2. Does the University <i>have the right</i> to determine the sequence, details, or means of work performed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		3. Are work hours set by the University?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		4. Does the University train the worker to perform the service?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		5. Does the University require services be rendered personally?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		6. Does the University have responsibility for hiring, firing, supervising, or paying assistants of the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		7. Does the University dictate which workers should be used or hired to complete the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		8. Is the worker required to provide oral or written reports to the University periodically?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		9. Does the University tell the worker where to purchase supplies and services?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		10. Does the University provide tools and materials necessary to perform the service?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		11. Does the University <i>have the right</i> to fine or discipline the worker if instructions are not followed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		12. Does the University <i>have the right</i> to terminate the relationship with the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Weakens	Strengthens	FINANCIAL CONTROL	
✓		1. Is compensation made on a regularly recurring basis (e.g., weekly, monthly, or on retainer)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	2. Does the worker have a significant investment in facilities or materials (other than computer equipment and education)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	3. Does the worker have a direct interest in or share of any profit or loss of the work accomplished?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	4. Does the worker incur unreimbursed business expenses in connection with the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	5. Are the worker's services available to the general public?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	6. Does the worker have a business license to perform the services provided to the University?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	7. Does the worker perform similar services for more than one firm at a time?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Weakens	Strengthens	RELATIONSHIP OF THE PARTIES	
	✓	1. Is there a written contract between the worker and the University describing the worker as an independent contractor?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	✓	2. Do the <i>University and the worker</i> intend for the worker to serve as an independent contractor?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		3. Does the worker have a continuing relationship with the University?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		4. Does the worker devote full time to the business of the University?	<input type="checkbox"/> Yes <input type="checkbox"/> No
✓		5. Does the worker expect to receive employee benefits from the University?	<input type="checkbox"/> Yes <input type="checkbox"/> No