

Purpose: If you are considering hiring an Independent Contractor (IC), please complete the checklist to ensure that the potential hire is in fact an IC and not an employee. An IC is normally engaged in an established business, trade or profession and is an individual or sole proprietor or a Single Member Limited Liability Company (LLC) who is contracted to work utilizing their own methods, and the means by which the work is accomplished is not controlled by Carnegie Mellon. As such, an IC is not an employee of CMU and is treated differently with respect to tax withholdings, employee benefits and payment methods. The CMU school or department must also include a completed Form W-9 from the potential IC and submit both forms to the Human Resources Department for approval. Approval must be obtained prior to engaging services and executing a contract.

Independent Contractor: _____ Doing Business As (DBA): _____

Permanent Tax Address: _____

City: _____ State: _____ Zip Code: _____

Describe the services being provided:

Will the worker perform any of the services in the following states:

NJ NH NV NE MA IN IL DE CT CA VT WA WV

Is the Independent Contractor a current or former employee of CMU? Yes No

If yes, complete the following information: Last date worked at CMU: _____

Department: _____ Title: _____

Brief job description: _____

1. Will CMU be providing direction about when, where, or how the work is conducted? (Independent Contractors determine their own schedule, location, and tasks for completing their work).

Yes No

2. Will CMU provide any training? (Independent Contractors are responsible for their own training).

Yes No

3. Does the worker have the right to hire, supervise, and pay assistants? (Independent Contractors may have employees to achieve their final results).

Yes No

4. Will CMU establish the hours to work? (Independent Contractors are responsible for their own schedule).

Yes No

5. Can the worker realize a profit or loss as a result of the services being rendered? (Employees do not realize a profit/loss, they realize wages; Independent Contractors can realize a profit/loss of a trade or business).

Yes No

6. Does the worker's managerial skill (i.e. the worker's skill in managing operational business details such as hiring/supervising others, purchasing materials or equipment, advertising his/her work, renting space for work, etc.) affect the worker's opportunity for profit or loss?

Yes No

7. How will CMU compensate the worker? Check all that apply.

Hourly Rate Daily Rate Monthly Rate Fixed fee for deliverables Fixed fee per project

8. Will CMU compensate the worker for any business or travel related expenses? (All reimbursement expenses should be outlined in the terms of the contract & included on their invoice for reimbursement).

Yes No

9. Will CMU provide any tools, materials, or other equipment to the worker? This may include but is not limited to office space, office supplies, computer equipment, computer software, network access (e.g., Andrew ID) and internet access. (Independent Contractors normally furnish all necessary items for completion of work).

Yes (please describe): _____

No

10. Will the worker provide any tools, materials, or other equipment in order to fulfill his/her contractual responsibilities to CMU? This may include but is not limited to office space, office supplies, computer equipment, computer software, network access (e.g., Andrew ID) and internet access. (Independent Contractors normally furnish all necessary items for completion of work).

Yes (please describe): _____

No

11. During the period of performance, will the worker work primarily from CMU property or will he/she work from an off-site location, such as his/her own office or home?

Off-site (e.g. office or home office) On-site/CMU property Both

12. Does the worker have his/her own insurance?

Yes No

13. Does the worker offer his or her services to the general public? (Independent Contractors are free to provide services to multiple clients at one time).

No

Yes

If yes, is the worker able to provide services to other clients during the same period that the worker is contracted with CMU?

No

Yes

14. Will the worker be providing services that are part of CMU's mission or normally performed by an employee in the ordinary course of business? (Example: are you hiring something to teach credit courses or to perform another task integral to the operation of a university?)

Yes No

15. Provide a short summary of the tasks to be completed by the worker. (Please provide a written summary or attach a work order, purchase order, scope of services, etc.).

16. Does CMU have a prior relationship with this worker as an Independent Contractor?

No Yes

If yes, please summarize the nature and frequency any prior contracts and/or prior employment.

Has this worker served as an Independent Contractor for CMU within the last 12 months? No Yes

17. Does CMU anticipate a continuing working relationship with the worker? (A continuing relationship is not anticipated. Projects are awarded to Independent Contractors only when the need arises).

Yes No

18. Approximately how long will it take for the worker to complete the assigned tasks? Provide an estimate in terms of hours, days, or months. If multiple work orders are anticipated, how long will it take to complete the average work order and how frequently will the worker receive new work orders?

19. Does CMU have the right to discharge the worker? (Independent Contractors generally cannot be fired if they produce a result based on the contract).

Yes No

20. Does the worker have the right to end his or her relationship with CMU at any time without incurring liability? (Employees can terminate at any time; Independent Contractors generally incur liability for non-delivery).

Yes No

21. Is worker contracting with the university as a corporation or LLC?

Yes No

Additional Information / Comments (Please reference question number from above).

Form Completed By

Preparer Name

Preparer Phone Number

Preparer Email Address

Preparer Signature

Date

Internal Use Only

Human Resources

Taxation Department

PW Reference Number:

Independent Contractor Checklist

Please submit this form to Human Resources at
compensation@andrew.cmu.edu.