

<b>Policy:</b> Independent Contractor	<b>Policy Number:</b> I-1.10
<b>Policy Owner(s):</b> Human Resources	<b>Original Date:</b> 5/11/2017
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**I. POLICY**

right to direct or control how the worker performs the specific work tasks. Examples of this include:

1. Instructions: Extensive instructions by the University on how work is to be done suggest that the individual is an Employee. Instructions from the University may include how, when, or where the work is done, for example:

- i. What tools or equipment to use;
- ii. Whether assistants are hired to help with the work; and/or
- iii. Where to purchase supplies and services.

2. Training: If the University provides training to an individual about required procedures and methods to perform the work, this suggests that the worker is an Employee.

B. Financial Control: Financial control is established where facts illustrate whether there is a right to direct or control how the business aspects of the worker's activities are conducted. Examples of this include:

1. Significant Investment

other factors.

2. Written Contracts: The existence of a written contract suggests the individual is an Independent Contractor. However, merely stating that a worker is an independent contractor in a contract is not sufficient to determine the worker's status.
3. Nature of the Work: If the worker provides services that are an integral part of the University's operations or business, this often indicates that the worker is an Employee.
4. Permanency of the Relationship: If there is an expectation that the working relationship will continue indefinitely, it indicates an employee status. If the working relationship is set for a specific time period or project, it indicates an independent contractor status.
5. In addition to the criteria referenced above, the Independent Contractor Guideline Table attached (Attachment A) is a tool that can help Human Resources and hiring supervisors make the necessary determinations as to the appropriate status of a worker.

## **VI. PROCEDURE:**

- A. Before an individual's performance of work, hiring supervisors should determine whether the individual is an Employee or an Independent Contractor of the University based on a review of all circumstances related to the relationship of the worker and the University.
- B. If the individual worker is being considered for employment with the University, Human Resources will assist the department in coordinating the Staff Employment Process.
- C. The hiring supervisor or department is expected to discuss with Human Resources the determination of whether to classify an individual as an Independent Contractor or Employee. Human Resources must approve the determination as to the individual's status as an Employee or Independent Contractor.
- D. If the worker is an Independent Contractor, Human Resources will facilitate the execution of an Independent Contractor agreement by the University and the individual, specifying the work to be performed, the financial compensation, and the details of the arrangement.
- E. Amounts to be paid to an Independent Contractor generally should be reviewed and approved by the Purchasing Department consistent with the University's purchasing policies, or by Human Resources in accordance with this Policy and Human Resources practices.

## **VII. CROSS REFERENCES:**

Hiring

Hours Worked and Overtime Policy  
[Independent Contractor Guidelines Checklist](#)  
John Carroll University Staff Employment Process