



Procedure: Independent Contractor Determination

**Department: Human Resources/
Accounting**

Revision Date: 10/6/15

Version: V01

PROCEDURE INSTRUCTIONS

STEP	PERSON RESPONSIBLE	INSTRUCTIONS/RESOURCES	ADDITIONAL INFO
1	Initiator	<p>Complete the Independent Contractor Determination Checklist by filling out the Independent Contractor Determination Checklist form through Qualtrics.</p> <p>NOTE: If the individual has been an employee of the University in the current tax year they cannot be considered an independent contractor; however can be a set up as a Temporary on-call (TOC) employee status. Please complete an Employee Status Form (ESF) to initiate a TOC appointment instead of following the Independent Contractor process. Contact HR with any questions.</p>	<p>Employment Status Form</p>
2	Human Resources	<p>Complete an analysis of applicable checklists within 3 business days of entry and provide a response via email whether the engagement qualifies for independent contractor status.</p>	
3	Initiator	<ol style="list-style-type: none"> 1. Upon receipt of approved determination of independent contractor status: complete the following procedures: Obtain a completed Federal Tax Form W-9 or Form W-8 from the independent contractor 2. If applicable, complete an Independent Contractor Agreement using the Independent Contractor template signed by the Contractor and the individual with authority pursuant to the Drake University Contract and Legal Authority Policy. No one else should sign the form on behalf of Drake. 3. Complete the Request for Direct Payment form and submit it to Accounting, along with the following items: <ol style="list-style-type: none"> a) an invoice which identifies the services rendered, b) a copy of the e-mail notification from Human Resources stating that the engagement qualifies for independent contractor status, and c) the completed Federal Tax Form W-9 or Form W-8. 	<p>Retain independent contractor agreements in your department for a minimum period of three (3) years.</p> <p>NOTE: Allow for 5-7 business days for processing payment upon completion of appropriate documentation to accounting.</p>



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4	Accounting	Review information provided to make sure all documentation has been provided. <ol style="list-style-type: none"> 1. Request for Direct Pay 2. Invoice which identifies services rendered 3. Copy of complete email notification form stating approval of determination of Independent Contractor. 4. Either Federal Tax Form W-9 or Form W-8. 	
5	Accounting	Retain all documentation referenced in step 4.	

PURPOSE

Document the step-by-step directions to complete the Independent Contractor process used for assessment and determination of independent contractor status. Follow up and further investigation may be necessary by the Controller, Accounting or Human Resources to determine independent contractor status.

PROCESS OWNER

Human Resources in conjunction with Accounting are responsible for pieces of the process as outlined below.

SCOPE

Complete a review to determine if Independent Service providers who perform a service for Drake University meet the requirements to be considered an Independent Contractor. Employees who are responsible for services performed (or the payment of) are required to follow the process outlined below prior to service being performed. These instructions provide a step-by-step guide for completing the process.

REVISION HISTORY

<i>Date</i>	<i>Version #</i>	<i>Initiator</i>	<i>Brief Description of Change</i>
10/6/15	V01	Cindy Adams	Created Document