

Independent Contractor Determination Checklist

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In New Jersey, an independent contractor is an individual or firm who is contracted to work utilizing their own methods, and the means by which the work is accomplished is not controlled by the employer. An independent contractor is normally engaged in an established business, trade or profession. As such, an independent contractor is not an employee of the University and is treated differently with respect to tax withholdings, employee benefits, and payment methods.

The general rule is that an individual can be hired as an independent contractor only if all three of the following requirements are met:

- **Minimal Direction:** the worker is free from the employer’s control or direction in the performance of this work;
- **Established Business or Trade:** the worker is normally engaged in an independently established business or trade, which derives income from a number of clients including the University; and
- **Expertise:** the work requires professional knowledge or professional expertise that is not generally available at the University.

To help onboard the prospective service provider in a timely and effective manner, please plan ahead by reviewing this ‘Checklist’ and engaging your senior Human Resources manager or Purchasing as soon as you become aware of the need for the service.

Please note that the guidance above pertains to the hiring of an individual performing services in the U.S. For services provided outside of the U.S., please contact your senior Human Resources manager.

INSTRUCTIONS: Please check each item as it applies.

Section I

CURRENT RELATIONSHIP WITH PRINCETON UNIVERSITY	YES	NO
1. DOES THIS INDIVIDUAL CURRENTLY WORK FOR PRINCETON UNIVERSITY?	TREAT AS EMPLOYEE	GO TO #2
2. DOES PRINCETON UNIVERSITY DESIRE TO HIRE THIS INDIVIDUAL AS AN EMPLOYEE IMMEDIATELY FOLLOWING THE TERMINATION OF HIS OR HER SERVICES AS AN INDEPENDENT CONTRACTOR?	TREAT AS EMPLOYEE	GO TO #3
3. IN THE PRIOR 12 MONTHS WAS THE INDIVIDUAL ON THE PRINCETON PAYROLL IN EITHER A REGULAR OR TEMPORARY APPOINTMENT, AND ARE THE SERVICES THE INDIVIDUAL WILL NOW PROVIDE SIMILAR TO THOSE SERVICES PROVIDED WHILE ON OUR PAYROLL?	TREAT AS EMPLOYEE	GO TO #4
4. IS THE INDIVIDUAL A STUDENT OF PRINCETON UNIVERSITY?	CONTACT THE OFFICE OF STUDENT EMPLOYMENT	GO TO #5
5. IS THE INDIVIDUAL A RETIREE OF PRINCETON UNIVERSITY?	TREAT AS EMPLOYEE	GO TO SECTION II

Section II

Classification Guidelines: Complete only **ONE** sub-section, A, B, or C, depending on the services to be performed by the individual.

Please note these are factors in considering whether to hire an individual as an employee. Consult with your senior Human Resources manager for further guidance.

A. LECTURER/INSTRUCTOR	YES	NO
6. IS THIS INDIVIDUAL A ‘GUEST LECTURER,’ E.G., AN INDIVIDUAL WHO LECTURES AT ONLY ONE OR TWO CLASS SESSIONS?	TREAT AS INDEPENDENT CONTRACTOR	GO TO #7
7. IS THE INDIVIDUAL THE PRIMARY INSTRUCTOR IN A DEPARTMENT COURSE BEING OFFERED FOR ACADEMIC CREDIT TOWARD A UNIVERSITY DEGREE?	TREAT AS EMPLOYEE	GO TO #8
8. IS THE INDIVIDUAL RESPONSIBLE FOR THE CONTENT OF THE LECTURE/PRESENTATION?	TREAT AS INDEPENDENT CONTRACTOR	TREAT AS EMPLOYEE

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B. RESEARCHER: RESEARCHERS HIRED TO PERFORM SERVICES FOR A UNIVERSITY DEPARTMENT ARE INITIALLY PRESUMED TO BE EMPLOYEES OF THE UNIVERSITY.	YES	NO
9. WILL THE INDIVIDUAL PERFORM WORK USING UNIVERSITY FACILITIES (AS OPPOSED TO FACILITIES AVAILABLE TO HIM/HER OUTSIDE OF PRINCETON)?	TREAT AS EMPLOYEE	GO TO #10
10. WILL THE INDIVIDUAL PERFORM RESEARCH FOR A UNIVERSITY FACULTY MEMBER UNDER AN ARRANGEMENT WHEREBY THE UNIVERSITY FACULTY MEMBER SERVES IN A SUPERVISORY CAPACITY (I.E., THE INDIVIDUAL WILL BE WORKING UNDER THE DIRECTION OF THE UNIVERSITY FACULTY MEMBER)?	TREAT AS EMPLOYEE	GO TO #11
11. WILL THE INDIVIDUAL SERVE IN AN ADVISORY OR CONSULTING CAPACITY WITH A UNIVERSITY FACULTY MEMBER OR DIRECTOR IN A "COLLABORATION-BETWEEN-EQUALS" TYPE ARRANGEMENT?	TREAT AS INDEPENDENT CONTRACTOR	TREAT AS EMPLOYEE
C. INDIVIDUALS NOT COVERED UNDER SUB-SECTION A OR B	YES	NO
12. DOES THE INDIVIDUAL ROUTINELY PROVIDE THE SAME OR SIMILAR SERVICES OUTSIDE OF PRINCETON TO THE GENERAL PUBLIC AS PART OF A CONTINUING TRADE OR BUSINESS?	TREAT AS INDEPENDENT CONTRACTOR	GO TO #13
13. WILL THE DEPARTMENT PROVIDE THE INDIVIDUAL WITH SPECIFIC INSTRUCTIONS REGARDING PERFORMANCE OF THE REQUIRED WORK RATHER THAN RELY ON THE INDIVIDUAL'S EXPERTISE?	TREAT AS EMPLOYEE	GO TO #14
14. WILL THE DEPARTMENT PROVIDE THE INDIVIDUAL WITH SIGNIFICANT EQUIPMENT OR SUPPLIES AND/OR HIRE ASSISTANTS FOR THE INDIVIDUAL?	TREAT AS EMPLOYEE	GO TO #15
15. WILL THE UNIVERSITY SET THE NUMBER OF HOURS AND/OR DAYS OF THE WEEK THAT THE INDIVIDUAL IS REQUIRED TO WORK, AS OPPOSED TO ALLOWING THE INDIVIDUAL TO SET OWN WORK SCHEDULE	TREAT AS EMPLOYEE	TREAT AS INDEPENDENT CONTRACTOR

If this document indicates that the resource should be considered as an **Employee**, please contact your senior Human Resources manager.

If this document indicates that the resource should be considered as an **Independent Contractor**, please refer to information on how to hire an independent contractor. For more information, visit the "[How to Buy Services](#)" webpage on the Finance and Treasury website.