

# SOG Services

## Employee / Independent Contractor Determination Checklist

Name of Service Provider/Independent Contractor: \_\_\_\_\_

The information on this form is used to determine whether the service provider is an independent contractor under IRS guidelines. This form must be completed and **signed by the individual performing the service**; reviewed and signed by the responsible department and approved by Accounts Payable, all completed prior to any services initiated.

If payment for the services provided is greater than \$10,000 per 12 months, please complete Independent Contractor Services Agreement. Other forms may also be required.

This checklist helps Accounts Payable determine whether an employer/employee relationship exists for federal, state and FICA tax purposes. The questions below provide information as to the degree of control and the degree of independence in the relationship between the individual performing services and the employer (UNC at Chapel Hill). Additional information may be requested to make the appropriate determination. The final determination is made by Accounts Payable in conjunction with Human Resources and is based on consideration of all the known facts and not any one answer alone.

All signatures are required prior to submission to Accounts Payable. Incomplete forms will be returned to the originating department.

### SECTION 1 – Current Employer – Employee Relationship

- |   | Yes                      | No                       |
|---|--------------------------|--------------------------|
| A. Is the service provider currently employed by UNC-Chapel Hill?   | <input type="checkbox"/> | <input type="checkbox"/> |
| B. Is the service provider currently employed by any other State of NC agency?<br>If yes, what agency/department?<br>_____                                      | <input type="checkbox"/> | <input type="checkbox"/> |
| C. Was the individual on the UNC-Chapel Hill payroll (regular or temporary) during the 12 month period prior to the date these services begin?                  | <input type="checkbox"/> | <input type="checkbox"/> |
| D. Does SOG Services plan to hire the individual as an employee after the period of his or her services as an independent contractor?                           | <input type="checkbox"/> | <input type="checkbox"/> |
| E. Is the service provider, his/her spouse, registered domestic partner, dependent child or partner an employee or regularly retained agent of UNC-Chapel Hill? | <input type="checkbox"/> | <input type="checkbox"/> |

## SECTION 2 – Details of Service

Complete **only one part** (A, B, or C) depending on the type of services provided.

	Yes	No
<b>Part A - Lecturer/Instructor</b>		
1. Is the individual a "Guest Lecturer", e.g., an individual who lectures less than 10% of the class time?	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the individual the primary instructor in a department course being offered for academic credit toward a university degree?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the individual responsible for the content of the lecture/presentation (versus presenting materials that have been prepared/dictated by the University)?	<input type="checkbox"/>	<input type="checkbox"/>

### Part B - Researcher

Because research is a key function of UNC-Chapel Hill, individuals engaged to perform research services for a department or sponsored program will generally be treated as employees, unless they are faculty at another research institution or university.

- |   |                          |                          |
|---|--------------------------|--------------------------|
| 1. Will the individual serve in an advisory or consulting capacity with a University faculty member or director in a "collaboration between equals" type arrangement? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Will the individual perform research in an arrangement whereby a UNC-Chapel Hill faculty member or director serves in a supervisory capacity?                      | <input type="checkbox"/> | <input type="checkbox"/> |

### Part C - Individuals who are not Instructors/Lecturers or Researchers

- |   |                          |                          |
|---|--------------------------|--------------------------|
| 1. Does the individual routinely provide the same or similar services outside of SOG Services to the general public as part of a continuing trade or business?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Will the Department provide the individual with specific instructions, supplies, and equipment to perform the required work, rather than rely on the individual's expertise, supplies and equipment? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. 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 the work schedule?                         | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Will the University pay the individual an hourly rate similar to what other employees are paid on campus for similar work?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Does the individual engage in entrepreneurial activities in an established business at risk for loss?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Does the individual have his/her own insurance for work-related injuries?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Does the individual provide similar services to other clients?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are the services performed on campus? If no, indicate the appropriate percentage of time the individual spends on campus, _____%   | <input type="checkbox"/> | <input type="checkbox"/> |

**SECTION 3 – General Information**

(Please type or print clearly)

Service Provider's

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City                      State                      Zip

Description of specific service to be provided (add pages if necessary):

Location where service will be provided: \_\_\_\_\_

Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_

Service Fee (\$): \_\_\_\_\_ Estimated expenses (\$): \_\_\_\_\_

How fee is determined:

Fee is fixed  Milestone based  Hourly rate (\$): \_\_\_\_\_ Other: \_\_\_\_\_  
(Rate) (Method)

**Independent Contractor approval status is effective for services provided between contract dates specified above, not to exceed 12 months from the start date.**

## SECTION 4 – Twenty Factor Test for Determining IC/Employee Status

(Source: IRS, Revenue Ruling 87-41)

Please Check one box for each item		Yes	No
1.	Is the worker free to perform services for a number of firms at the same time?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Are the worker's services regularly made available to the general public?	<input type="checkbox"/>	<input type="checkbox"/>
3.	Must the worker devote substantially full-time to the work?	<input type="checkbox"/>	<input type="checkbox"/>
4.	Can the worker realize an economic loss for non-performance other than the loss of payment for personal services?	<input type="checkbox"/>	<input type="checkbox"/>
5.	Is the worker free to establish his/her own hours?	<input type="checkbox"/>	<input type="checkbox"/>
6.	Has the worker invested in facilities or equipment in order to perform the service?	<input type="checkbox"/>	<input type="checkbox"/>
7.	Will a significant portion of the work be done in SOG Services facilities?	<input type="checkbox"/>	<input type="checkbox"/>
8.	Will the worker receive training of any type?	<input type="checkbox"/>	<input type="checkbox"/>
9.	Does a continuing relationship exist between the worker and SOG Services?	<input type="checkbox"/>	<input type="checkbox"/>
10.	If assistants are needed, will these be provided by SOG Services?	<input type="checkbox"/>	<input type="checkbox"/>
11.	Will SOG Services determine or have the right to determine the order or sequence of the tasks to be completed?	<input type="checkbox"/>	<input type="checkbox"/>
12.	Are progress reports required periodically?	<input type="checkbox"/>	<input type="checkbox"/>
13.	Will the worker be paid on an hourly, weekly, monthly, or other periodic basis?	<input type="checkbox"/>	<input type="checkbox"/>
14.	Will the worker be reimbursed for incidentals?	<input type="checkbox"/>	<input type="checkbox"/>
15.	Will SOG Services furnish tools other than specialized equipment?	<input type="checkbox"/>	<input type="checkbox"/>
16.	Is the worker required to comply with instructions about where, when, or how he or she is to work other than general parameters?	<input type="checkbox"/>	<input type="checkbox"/>
17.	Does the success of the project hinge on the performance of the worker?	<input type="checkbox"/>	<input type="checkbox"/>
18.	Must the service(s) be rendered personally?	<input type="checkbox"/>	<input type="checkbox"/>
19.	Can the worker be discharged for convenience as one would an hourly employee as opposed to discharge related to contract requirements?	<input type="checkbox"/>	<input type="checkbox"/>
20.	Can the worker unilaterally terminate the work prior to completion without liability?	<input type="checkbox"/>	<input type="checkbox"/>

**SECTION 5 – Certification of Service Provider/Independent Contractor**

Under penalties of perjury, I certify that the above information is complete and accurate. If SOG Services engages me as an independent contractor, I am responsible for taxes, insurance coverage, and business expenses and am not eligible for any employer-provided benefits.

\_\_\_\_\_  
Name of Service Provider

\_\_\_\_\_  
Signature of Service Provider

\_\_\_\_\_  
Date

**SECTION 6 – Certification of SOG Services**

I certify that I have firsthand knowledge of the potential service relationship in order to review the above checklist with complete and thoughtful accuracy.

I have reviewed the above responses and acknowledge that as a person with authority over the indicated cost object, I understand that should the Internal Revenue Service ("IRS") disagree with this classification SOG Services will be held financially responsible for any additional compensation (due to gross up, including fringe rate), taxes, interest, or penalties that the IRS or other regulatory bodies might assess.

\_\_\_\_\_  
Name of Department Representative

\_\_\_\_\_  
Signature of Department Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email address

\_\_\_\_\_  
Department Name

\_\_\_\_\_  
Department Number

**SECTION 7 – Submission and Return of Assessment**

<i>To BE COMPLETED BY Accounts Payable ONLY</i>		
<b>Assessment:</b>		
<div style="border: 1px solid black; width: 100%; height: 100%;"></div>		
Assessment By: _____	Phone: _____	Date: _____
HR Concurrence By: _____	Phone: _____	Date: _____