

Independent Contractor Determination Checklist

This purpose of this form is to determine if the work perform should be classified as an Independent Contractor or an Employee. If the work is being done by a corporation, it is not necessary to fill out this form.

Name of Service Provider: _____

Brief Description of Service: _____

*The top portion (in gray) is to be completed by the **Service Provider**:*

Are you currently or have you been a student at Ferris State University?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Are you currently or have you been an employee at Ferris State University? If so, please identify the last date paid: _____. Please provide your last 4 digits of your SS# _____ and month/day of birth (MM/DD) _____.	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Are your services available to other customers?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you have the potential for profit or loss when performing this type of service?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you provide/maintain your own supplies and equipment?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

Service Provider Signature: _____ Date: _____

*The bottom portion is to be completed by the **Requesting Department**:*

Will your department determine specific dates/times for the service to be completed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Will your department provide a specific work space for the service to be conducted?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Will your department provide specific direction and control on how the service will be conducted?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Will FSU provide training on how to complete the service?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Will there be or is there a specific contract that describes the service?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Will FSU offer benefits to service provider (e.g. insurance, vacation, etc)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Is there a specific timeline/deadline for completion of this service or project?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

FOAP Manager Signature: _____ Date: _____

Printed Name: _____

Please email the fully completed questionnaire to Purchasing = purch@ferris.edu

For Purchasing Use Only:		
IC	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Initials:	Date:	

Ferris State University Independent Contractor Determination Checklist (ICDC) Help Guide

The purpose of the ICDC is to help in determining if an individual should be treated as an Independent Contractor or an Employee. Responses can vary depending upon the situation and circumstances involved. The number of “Yes” or “No” responses doesn’t necessarily determine worker classification but are intended to help determine key factors on who controls the worker and the work.

The IRS refers to an employee under the common-law rules as “anyone who performs services for you **if you can control what will be done and how it will be done**. What matters is that you have the right to control the details of how the services are performed.”

The ICDC asks a series of questions across three categories of Behavioral, Financial, & Relationship to help determine who controls what is done and how it will be done.

Behavioral Control

According to the IRS, “behavioral control refers to facts that show whether there is a right to direct or control how the worker does the work.” Behavioral control is determined by evaluating the following: types of instructions given, degree of instruction, evaluation system, and training. A worker is generally considered an employee if they are given instructions about when, where, and how to work. The more training, evaluation, and instruction given to a worker the more likely they are to be considered an employee.

Financial Control

According to the IRS, “financial control refers to facts that show whether or not the business has the right to control the economic aspects of the worker’s job.” Financial control is determined by evaluating the following: significant investment, unreimbursed expenses, opportunity for profit or loss, services available to the market, and method of payment. If a worker makes their services available to others utilizing advertisements and/or maintains a visible business location, they are generally considered an independent contractor. Independent contractors typically have their own equipment not purchased by University and independent contractors usually make a profit or a loss. Employees are generally paid by the hour whereas independent contractors are generally paid a flat fee by the job.

Type of Relationship

Written contracts, employee benefits, permanency of relationship, and services provided help determine the type of relationship. Independent contractors are required to have a contract and cannot receive employee benefits. If the worker is expected to continue an ongoing relationship with the university, they generally should be treated as an employee. If the worker provides services that are for a key activity to the university (instructing, etc), the worker should be treated as an employee.

The key consideration when going through the ICDC checklist is to determine who controls what will be done and how it will be done. If all questions are answered, the worker classification should be fairly clear.

For more information and guidance, visit the full IRS article that this help guide is derived from at:

<https://www.irs.gov/taxtopics/tc762>