

PAYROLL OFFICE | INDEPENDENT CONTRACTOR DETERMINATION CHECKLIST

Service Provider Name:
 Completed By:
 Completion Date:
 Department:

For tax purposes, a service provider is either an employee (paid through Payroll, taxed and issued a W-2) or an independent contractor (paid through Accounts Payable and issued a 1099). This checklist incorporates IRS guidelines on worker classification to help you determine the appropriate classification.

It is necessary to consider all the circumstances of a work arrangement. If the answers to 1 and 2 under behavior control, question 4 under financial control and question 8 under type of relationship are yes, then the individual is an employee.

	Yes	No	N/A
1. Behavior Control – Does St. Olaf provide direction as to how, when and where the work will be performed?			
2. Behavior Control – Does St. Olaf control or have the right to control not only the result of the work but also the method of the work?			
3. Behavior Control – Does St. Olaf provide training for this person or provide other persons to assist the service provider in performing the work?			
4. Financial Control – Does St. Olaf provide the workstation, tools and other supplies that are needed to complete the work?			
5. Financial Control – Is the individual paid a set salary or wage for a work day, rather than a per-job or per-hour-of work basis?			
6. Financial Control – Does St. Olaf assume risk of monetary loss on the project or the profit from it?			
7. Financial Control – Is the person performing the type of work only for St. Olaf, not any other clients?			
8. Type of Relationship - Is the person integrated into St. Olaf Staff? Are they essential to the completion of daily operations?			
9. Can St. Olaf discharge the person without legal liability or risk of a breach-of-contract suit?			
10. Type of Relationship – Is the working relationship continuing, even if it is irregular or infrequent?			
11. Type of Relationship – Does the person currently working for St. Olaf as an employee?			
12. Type of Relationship – Does St. Olaf expect to hire the person as an employee immediately following the termination of their services as an independent contractor?			
13. Type of Relationship – During the 12 months prior to starting the service, was the person on St. Olaf payroll as a regular or temporary employee?			

If you answered yes to a question above, that suggests employee status. If you answered no, that suggests independent contractor status. If the answers to 1, 2, 4 and 8 are missed, the remaining answers should strongly support independent contractor status to make a payment through Accounts Payable. Each situation will be evaluated separately and all yes and no answers weighted appropriately. When in doubt, the safe approach is to classify as an employee and make the payments through Payroll. After completion of this form, please return to the Payroll Office Tomson Hall Room 132.

For additional information, please visit the IRS website <https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee> or contact the Payroll office at 507-786-3299 or payroll@stolaf.edu.