**The Internal Revenue Service has developed the following 20 factors to help determine workers' status. These factors are not intended to provide a conclusive determination of a workers' status. The test should be used only as a guide.**

**The more factors indicating control, the more likely the worker must be classified as an employee rather than as an independent contractor. No one factor is outcome determinative. All of the factors should be weighed to determine the degree of control exercised by the university over the worker and his or her activities.**

**1. Instructions**

A worker who is required to comply with another person's instructions about when, where, and how he or she is to work is ordinarily an employee. This control factor is present if the person for whom the services are performed has the right to require compliance with instructions. The more control the worker has in determining how, when, and where to perform the services and discretion in the manner in which the services are performed, the more likely he or she will be considered an independent contractor.

**2. Training**

Training a worker by requiring an experienced employee to work with the worker, by requiring the worker to attend meetings, or by using other similar methods, indicates that the person for whom the services are performed wants the services performed in a particular method or manner. This would favor characterizing the worker as an employee.

**3. Integration**

Integration of the worker's services into the business operations generally shows that the worker is subject to direction and control. When the success or continuation of a business depends to an appreciable degree upon the performance of certain services, the workers who perform those services must necessarily be subject to a certain amount of control by the owner of the business.

**4. Services Rendered Personally**

If the services must be rendered personally (i.e., for another individual as opposed to a corporation or firm), presumably the person for whom the services are performed is interested in the methods used to accomplish the work as well as in the results. The more emphasis on the manner or method, the more likely the worker will be classified as an employee.

**5. Hiring, Supervising, and Paying Workers**

If the person for whom the services are performed hires, supervises, and pays assistants, that factor generally shows control over the workers on the job. However, if one worker hires, supervises, and pays the other assistants in accordance with a contract under which the worker agrees to provide materials and labor and under which the worker is responsible only for the attainment of a result, this factor indicates independent contractor status.

**6. Continuing Relationship**

A continuing relationship between the worker and the person for whom the services are performed indicates that an employer-employee relationship exists. A continuing relationship may exist where work is performed at frequently recurring although irregular intervals. For long-term arrangements, this factor is often unavoidable.

**7. Set Hours of Work**

The establishment of set hours of work by the person for whom the services are performed is a factor indicating control and, therefore, indicates the presence of an employer-employee relationship.

**8. Full Time Required**

If the worker must devote substantially full time to the business of the person for whom the services are performed that person has control over the amount of time the worker spends working and impliedly restricts the worker from doing other gainful work. An independent contractor, on the other hand, is free to work when and for whom he or she chooses.

**9. Doing Work on Employer's Premises**

If the work is performed on the premises of the person for whom the services are performed, that factor suggests control over the worker, especially if the work could be done elsewhere. Work done off the premises of the person receiving the services such as at the office of the worker, indicates some freedom from control. However, this fact by itself does not mean that the worker is not an employee. The importance of this factor depends on the nature of the services involved and the extent to which an employer generally would require that employees perform such services on the employer's premises. Control over the place of work is indicated when the person for whom the services are performed has the right to compel the worker to travel a designated route, to canvass a territory within a certain time, or to work at specific places on specific dates or at specific times.

**10. Order of Sequence Set**

If a worker must perform services in the order or sequence set by the person for whom the services are performed, this indicates that the worker is not free to follow his or her own pattern of work, but must follow the established routines and schedules of the person for whom the services are performed. Often, because of the nature of an occupation, the person for whom the services are performed does not set the order of the services or sets the order infrequently. It is sufficient to show control, however, if the right to direct the order or frequency of performing a task is retained.

**11. Oral or Written Reports**

A requirement that the worker submit regular written reports to the person for whom the services are performed indicates a degree of control.

**12. Payment by Hour, Week, Month**

Payment by the hour, week, or month generally points to an employer-employee relationship. If payment by the month or week is just a convenient way of paying a lump sum agreed upon as the cost of a job, then it is possible to mitigate this factor. Payment made by the job or on a straight commission generally indicates that the worker is an independent contractor.

**13. Payment of Business and/or Traveling Expenses**

If the person for whom the services are performed ordinarily pays the workers business and/or traveling expenses, the worker is ordinarily an employee. An employer, to he able to control expenses, generally retains the right to regulate and direct the workers business activities. Independent contractors usually pay their own insurance and health benefits costs (including workers' compensation insurance), which indicates that they are incurring expenses personal to them.

**14. Furnishing of Tools and Materials**

The fact that the person for whom the services are performed furnishes significant tools, materials, and other equipment tends to show the existence of an employer-employee relationship.

**15. Significant Investment**

If the worker invests in facilities that are used by him in performing services which are not typically maintained by employees (such as the maintenance of an office rented at fair value from an unrelated party), this tends to indicate that the worker is an independent contractor. On the other hand, lack of investment in facilities indicates dependence on the person for whom the services are performed and, therefore, the existence of an employer-employee relationship. Special scrutiny is required with respect to certain types of facilities, such as home offices.

**16. Realization of Profit or Loss**

A worker who can realize a profit or suffer a loss as a result of the worker's services (in addition to the profit or loss ordinarily realized by employees) is generally an independent contractor, but the worker who cannot is an employee. For example, if the worker is subject to a real risk of economic loss due to significant investments or a bonafide liability for expenses, such as salary payments to unrelated employees, that factor indicates that the worker is an independent contractor. The risk that a worker will not receive payment for his or her services, however, is common to both independent contractors and employees and, thus, does not constitute a sufficient economic risk to support treatment as an independent contractor.

**17. Working for More than One Firm at a Time**

If a worker performs more than minimal services for multiple, unrelated persons or firms at the same time, that factor generally indicates that the worker is an independent contractor. However, worker who performs services for more than one employer may he an mployee of each employer especially where the employers are part of the same service arrangement.

**18. Making Services Available to General Public**

The fact that a worker makes his or her services available to the general public on a regular and consistent basis indicates an independent contractor relationship.

**19. Right to Discharge**

The right to discharge worker is a factor indicating that the worker is an employee and the person possessing the right is an employer. An employer exercises control through the threat of dismissal. which causes the worker to obey the employers instructions. An independent contractor, on the other hand, cannot be fired as long as the independent contractor produces a result that meets the contract specifications.

**20. Right to Terminate**

If the worker has the right to end his or her relationship with the person for who the services are performed at any time he or she wishes without incurring liability, that factor indicates and employer-employee relationship.