



## Supplier or Employee?

The following should be used for initial guidance on whether to pay an individual as an employee or a supplier. If there is any question, the individual should be hired as an employee.

The initial evaluation of whether to pay an individual as a supplier shall be made by Procurement Services. Complex situations may require consultation with the following areas for a final determination (Tax Compliance, Human Resources, General Counsel) and may delay the supplier registration process. All determinations are based upon the actual facts and circumstances of each case.

The following factors are relevant in designating the worker as an *EMPLOYEE*:

Duties	If the person's duties are related to teaching for the University, including non-credit courses.
Instructions	If FIU has the right to require compliance with instructions.
Training	Requiring attendance at training sessions indicates that FIU wants the services performed in a particular manner.
Integration	Integration of the worker's services into the business operations of FIU.
Services Rendered Personally	If the services are required to be performed personally, this is an indication that FIU is interested in the methods used to accomplish the work.
Continuing Relationship	A continuing relationship between the worker and FIU.
Set Hours of Work	The establishment of set hours for the worker.
Full Time Required	If the worker must devote himself/herself substantially full time to FIU.
Order or Sequence	If a worker must perform services in the order or sequence set by FIU, that shows the worker is not free to follow his or her own pattern of work.
Oral or Written Reports	A requirement that the worker submit regular reports.
Payment Method	Payment by the hour, week, or month.
Payment of Business and/or Travel Expenses	If FIU pays expenses. An employer, to control expenses, generally retains the right to direct the worker.
Tools and Materials	The provision of significant tools and materials to the worker.
Right to Discharge	The right to discharge a worker.
Right to Terminate	If a worker has the right to terminate the relationship with FIU at any time he or she wishes without incurring liability.
Assistants	If FIU hires, supervises or pays assistants for the worker.

The following factors are relevant in designating the worker as an *INDEPENDENT CONTRACTOR (SUPPLIER)*:

Realization of Profit or Loss	A worker who can realize a profit or suffer a loss as a result of the services (in addition to profit or loss ordinarily realized by employees).
Working for More Than One Firm at a Time	If a worker performs more than de minimis services for multiple firms at the same time.
Service Available to the General Public	If a worker makes his or her services available to the public on a regular and consistent basis.
Assistants	If the worker hires and supervises others under a contract pursuant to which the worker agrees to provide material and labor and is only responsible for the result.
Significant Investment	Investment in facilities used by the worker.