

CRITERIA FOR DETERMINING CONTRACTOR STATUS

Criteria	Employee	Contractor
Job performance evaluated	Yes	No
Instructions	Told when, where, how to work A control factor present	Decides how to do job Not supervised
Training	Training provided for specific manner of performing tasks; Attends meetings	Has own methods, no training by purchaser of services; no meetings
Integration	Employee services reflect on business' success, reputation	Job performance directly impacts reputation
Services rendered personally	Yes - employer invested in methods & results	Can substitute another subcontractor
Hiring assistants	Goes through employer	Hires own assistants
Continuing relations	Yes - ongoing	Ends when job finished
Set work hours	Employer establishes	Master of own time
Full time work	Set hours; yes	Free to work when choose
On premises	Yes or designated location	At job site
Order or sequence set	Yes	No
Reporting	Yes - regular reports	Doesn't file reports
Payment	By hour, week, month	By commission or job
Expenses	Covered separately as reimbursement	Covers own incidentals, expenses
Tools/materials	Provided	Furnishes own
Investment	Provides infrastructure	Provides own
Profit/Loss	Insulated from loss; may get bonuses but not "share" of profit	Must absorb losses; gets profits
Offers services to public	Doesn't advertise services to general public	Services available to public; advertises
Right to terminate/fire	Yes	Can only be terminated with liability
Right to quit	Yes	Agrees to complete a job
Teaching > = 12 days*/year	Yes, always	No
Teaching < 12 days*/year	No	Yes
In charge of in-house program	Yes	No
Guest lecturer or panelist	No	Yes
Operating a bona fide business: Taxpayer ID, business license, letterhead, business cards etc.	No	Yes
Receives flat fee reimb.	No	Yes
Advertises services to general community	No	Yes
Has own business insurance	No	Yes
Pays own Workers Comp	No	Yes
Submits invoices for work done	No	Yes

* Day = any portion of a calendar day regardless of teaching session length

Thank you to Birthingway College of Midwifery for sharing this checklist.