Independent Contractor Procedure for Principal Investigators and Authorized Account Signers

1.0 Purpose
This document describes the tasks involved in obtaining the services of an independent contractor.

2.0 Responsibility
Principal investigators (PI’s) are responsible for ensuring that all members of their team understand and use these instructions.

3.0 Requirements

<table>
<thead>
<tr>
<th>Form or Tool</th>
<th>Description of Use</th>
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<tbody>
<tr>
<td>Independent Contractor Agreement</td>
<td>Non-employee agreement to provide services to the Research Foundation</td>
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<tr>
<td>Independent Contractor Determination Checklist</td>
<td>PI/Authorized Account Signer fills out to ensure individual is not an employee</td>
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4.0 Independent Contractor Agreement Instructions
Prior to commencement of services, the independent contractor agreement must be completed and approvals given by the Research Foundation. Do not complete an Independent Contractor (IC) Agreement if the proposed IC is a C-Corporation, S-Corporation, or an LLC with a C-Corporation or S-Corporation tax classification and has a valid taxpayer ID. This can most easily be determined by obtaining a completed W9 from the proposed IC. If the proposed IC falls into any of these categories, they will instead need to provide a Service Agreement, W-9/W-8, and obtain an SJSU Research Foundation Purchase Order before services can commence.

To complete the Independent Contractor Agreement process:
1. PI/Authorized Account Signer determines there’s a need for an independent contractor and comes up with project specifications (dates, scope of work, deliverables, progress reporting, etc.) and fills out this portion of the Research Foundation IC Agreement.
2. PI/Authorized Account Signer selects an individual based on project specifications and competitive price or sole source or as specified in the grant agreement and provides the proposed IC with the Research Foundation (IC) Agreement.

3. The proposed IC fills out the IC Agreement and attaches required documents (resume/curriculum vitae and W8/W9).

4. The proposed IC signs the agreement, initials the bottom, and submits to the PI/Authorized Account Signer for review.

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**To be Completed by the Independent Contractor**

This agreement shall be construed in accordance with, and governed by, the laws of the State of California.

I acknowledge that I am not an employee of the SJSU Research Foundation. I agree to perform the services described at the rate indicated. I have read, I understand, and I agree to all covenants, conditions, and stipulations as set forth in this agreement, including, but not limited to, the General Provisions and Non-Disclosure Agreement found on SJSU Research Foundation's Forms web page.

I understand that this agreement is not final and binding until all approvals have been obtained from all parties prior to the commencement of services.

If you are a consultant with your own consulting agreement, please check the box to indicate that this agreement is subject to additional terms.

Attach your consulting agreement to this form for review and processing. If the terms and conditions of the fully executed consulting agreement conflict with this agreement, the terms and conditions set forth in the consulting agreement will prevail.

Signature: ________________________________ Date: ____________

Independent Contractor Initials ____________ PI/Authorized Account Signer Initials ____________ Purchasing Initials ____________

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*Revised 8-4-2016*
5. The PI/Authorized Account Signer reviews the IC agreement and attachments and fills out a Research Foundation Independent Contractor Determination Checklist and signs.

6. The PI/Authorized Account Signer initial the bottom of and signs the IC Agreement and forwards along with attachments to Research Foundation Purchasing to obtain internal approval (HR, OSP).

7. After the IC agreement has been fully executed the PI/Authorized Account Signer will receive a copy of the Research Foundation Purchase Order and fully executed IC agreement from Research Foundation Purchasing. At this point the IC may begin providing services.
8. IC’s should mail their invoices directly to Research Foundation Accounts Payable who will then email a copy to the PI/Authorized Account Signer to verify services have been completed and that the invoice is correct (billed amount etc.).

4.1 Batch Independent Contractors – (Last minute, limited information etc.)

To complete the Batch Independent Contractor Agreement Process:

1. PI/Authorized Account Signer receives last minute independent contractor agreement request but needs approval from the Research Foundation before services can begin.

2. PI/Authorized Account Signer emails scope of work, total dollar amount (by person or by batch), and number of people to Research Foundation Purchasing to route for internal approval (HR, Analyst).

3. Purchasing will forward the internal approval to the PI/Authorized Account Signer.

4. The PI/Authorized Account Signer should attach the approval email to the signed independent contractor agreement when obtained.

5. After the PI/Authorized Account Signer receives the fully completed independent contractor agreement and W9/W8 they must follow the steps beginning on page 1 to obtain a purchase order number.

4.2 De Minimis Independent Contractor Instructions

To complete the De Minimis Independent Contractor Agreement Process:

1. PI/Authorized Account Signer determines there’s a need for an independent contractor to perform minimal services that are considered low risk (repair, maintenance, notary, etc.) and will be paid less than $600 in a calendar year.

2. PI/Authorized Account Signer will obtain an invoice and W9/W8 from the individual, fill out a requisition for payment after services have been provided, sign, and submit to their account analyst for review. PI/Authorized Account Signer should notate “de minimis services” on the requisition to avoid a delay in payment.

5.0 Related References

- Research Foundation Independent Contractor Policy (Human Resources)
- Research Foundation Purchasing Policy (Finance and Accounting)

6.0 Revision Record

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<th>Document Number or Release Date</th>
<th>Effective Date: 09/01/2016</th>
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<td>Supersedes</td>
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