

Northeastern University

BUSINESS AND FINANCIAL AFFAIRS

Effective Date: May 2005

Date Revised: October 2013

Supersedes:

Related Policies:

Contract Review and Approval Policy

Responsible Office/Department:
Accounts Payable

Keywords: independent contractor; consultant, temporary employee; accounts payable; employee

Policy on the Classification of Independent Contractors

I. Purpose and Scope

The purpose of this policy is to require the proper classification under Massachusetts law of individuals paid by the University (regardless of campus location) as either employees of the University or consultants / independent contractors to the University.

Definitions

N/A

II. Policy

Prior to engaging or permitting any individual to perform any services for or on behalf of the University, University employees shall classify each individual proposed to be paid by the University for such services as either an employee or a consultant/independent contractor.

University employees shall perform such classifications using only the forms and procedures prescribed by the Accounts Payable Department for such purpose.

The applicable forms and procedures for making such determinations are on the website of the Accounts Payable Department.

III. Additional Information

Massachusetts law concerning independent contractors defines an independent contractor quite narrowly. It is also significantly more limited than treatment of independent contractors under federal wage and tax laws. In short, Massachusetts law presumes that every worker is an employee unless each and every one of the following three criteria apply:

- (i) Freedom from Control. The consultant/independent contractor must be free from the control and direction of the University;
- (ii) University Does Not Usually Perform this Type of Work. The consultant/independent contractor must provide services and/or perform functions which are not typically are performed by University employees; and
- (iii) Independent Trade, Occupation or Business. The consultant/independent contractor must hold him or herself out to the public as available to provide the same or similar services to a variety of employers.

The Attorney General's office has stated that it considers these three factors as "rigid."

For vacancies and special projects typically filled by temporary office support and clerical staff, you may utilize Northeastern University's temporary help agency. For short-term or part-time temporary positions which require specialized education, certification, experience or skills you may utilize the Temporary Non-Student Employee hiring process. Guidelines for this process can be found on the HRM website.

IV. Contact Information

Questions regarding this policy should be directed to the supervisor for the department or unit or the Accounts Payable Department at 617-373-2652