

Declining PO – Independent Contractor Services Agreement Form

Form Completed By: _____

Is the Payee an Individual/Sole Proprietor or Company/Corporation?

Individual/Sole Proprietor

Company/Corporation

If Payee is a Company/Corporation, please submit on the Declining PO - Services Agreement form, or contact your Buyer for further information.

If you are contracting the services of an individual or sole proprietor, it is important to establish that the nature of service does not constitute employee/employer relationship. If the answer to any of the following questions is “Yes”, you may need to consider hiring the individual as an employee.

Is the individual working exclusively for Caltech?

Yes

No

If the individual/sole proprietor has the *ability* to work for other client(s), the above response would generally be “No”.

Is the individual using experience or expertise gained as a current or previous employee of Caltech to provide the service?

Yes

No

Key word is “**employee**”. If the individual/sole proprietor is using his/her own expertise to provide the service(s), the above response would generally be “No”.

Is there a regular or ongoing relationship with the individual? For example, are you hiring the individual for more than a one-time task?

Yes

No

If the relationship is project-oriented or sporadic* in nature (meaning the individual’s/sole proprietor’s service(s) are *incidental* or *supportive* of business activity) and not part of *regular* Caltech business (meaning Caltech *depends* on the service(s) performed by the individual/sole proprietor), the above response would generally be “No”.

*Project-oriented/sporadic imply the relationship is not continuous (part-time, seasonal, temporary, trial basis).

Are you providing ongoing training and direction concerning how to complete task? That is, are you giving more than general directions and objectives of the task?

Yes

No

Key word is “**how**”. If the individual/sole proprietor is using his/her own expertise to determine *how* to complete the task(s) and Caltech is not providing *specific* instructions on how to complete the task(s), the above response would generally be “No”.

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Are you providing any assistance to the individual such as additional personnel support, supplier, equipment, etc?

Yes No

If Yes, please list the type of assistance provided:

Does the individual report to a Caltech staff member who has the right to change how the individual does their work?

Yes No

Key words are “**right to change**” and “**how**”. If the individual/sole proprietor is using his/her own expertise to determine *how* to complete the task(s) and the Caltech staff member is only providing general direction in regards to the end goal/product, the above response would generally be “No”.

Are services of the individual integrated into your organization? For example, are you hiring someone to teach for credit?

Yes No

If Yes, please explain how the services are integrated into Caltech:

Can the individual quit prior to completion of the project without incurring any legal liability?

Yes No

Employees hired in the State of CA may quit or be terminated at will without incurring liability. Independent Contractors are responsible for completing the agreed upon work in accordance with the independent contractor services agreement.

Does the individual have a regular schedule with a set hourly rate?

Yes No

If the individual/sole proprietor determines his/her schedule and rate of pay, the above response would generally be “No”.

Is the individual currently employed at the Jet Propulsion Laboratory or at Caltech?

Yes No

If Yes, please explain the rationale for setting up an Independent Contractor Services Agreement with this employee: