

TO: Campus Wide

FROM: Department of Human Resources

DATE: December 11, 2020

SUBJECT: \*New\* Online Independent Contractor Request Workflow

The Department of Human Resources, in partnership with the Controller's Office and the Center for Information Technology (CIT), would like to announce it has sponsored the development of a new, online workflow for the purpose of determining the status of proposed independent contractor (IC) relationships. This new process is now active and utilizes the college's OnBase system and is accessible within **OberView** at <a href="https://oberview.oberlin.edu/">https://oberview.oberlin.edu/</a>.



The decision to classify an individual as an independent contractor (1099 Non-employee) versus an employee can be challenging. It is critical that Oberlin College accurately determines whether an individual providing services to the College is an employee or independent contractor. Within the last several years, the Internal Revenue Service (IRS) has been aggressively scrutinizing the classification of workers by businesses in order to determine if their status is correctly determined. The misclassification of workers can cause substantial tax issues as well as penalties for employers.

Given the increased scrutiny and need to demonstrate due diligence, this new electronic form should be completed by a department prior to seeking to hire an individual as an independent contractor. This new approach to IC review, increases the college's ability to be compliant with IRS guidelines and allows it to properly archive all approved IC engagements. This in turn allows the college to administer a more timely and accurate payment schedule for its IC vendors.

As part of this new process, all proposed IC relationships will have to be approved through the new workflow prior to being processed for engagement and payment through the Controller's Office.

Thank you for your time and attention to these updates and guidelines. Should you have any questions, please contact human resources at <a href="https://human.resources@oberlin.edu">human.resources@oberlin.edu</a>. Or, for questions related to documents that are necessary to process the payment of an approved IC engagement, please contact Laurie Sabin, Assistant Controller at <a href="lsabin@oberlin.edu">lsabin@oberlin.edu</a>.