How to Pay a Person

1. Determine if the individual is a current GVSU student or employee (paid within the current calendar year)

- •Contact Procurement Services if you are unsure
- •If the individual is not a current employee or student, they can be paid through Purchasing & Accounts Payable

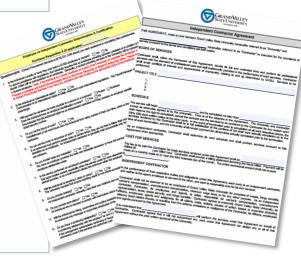
2. Obtain the necessary backup documentation

- Guest Speakers
- Honorarium Form
- Contracted Services
- •Independent Contractor Agreement
- •20 Questions Form
- •**Please note, a W-9 may be required in addition to the above mentioned forms if GVSU has not done business with the individual or if the last transaction was more than 3 years ago

3. Create a requisition in Internet Native Banner

- •Send all required documentation to Purchasing immediately following the completion of the requisition
- Guest Speakers
- If you would like to have the check ready for the guest speaker on the day of the event, please submit the requisition and required documentation no later than 10 business days prior to the event
- •Inform Purchasing if you would like to have the check held for you to pick it up or intercampus mailed to you prior to the event
- If the requisition and required documentation are not submitted more than 10 days prior to the event, Purchasing reserves the right to determine to have the check mailed to the speaker following the event
- •Contracted Services
- Purchasing will make the ultimate decision as to whether or not the individual should be paid as a temporary employee or independent contractor using IRS regulations
- •Indicate to Purchasing if the individual will be invoicing for their services or if payment needs to be made in full following the completion of their services





All forms can be found under the "Forms" tab at gvsu.edu/purchasing

Employee vs. Independent Contractor Determination "20 Questions" Form

Why do I need to fill out this form?

The purpose of this form is to provide a guideline for determining whether an individual contracted for services is classified as an "employee" or "independent contractor." The Internal Revenue Service (IRS) presumes that an individual who provides a service is an employee unless there is evidence to support the classification of the individual as an independent contractor.

How is the determination made?

The questionnaire presented in this document is designed to assist in determining the appropriate classification of an individual. The resolution of whether an individual providing services to the University is an employee or an independent contractor is based on the facts and circumstances of each case. The degree of importance of each factor varies depending on the occupation and the factual context in which services are performed.

What is the difference between an employee and an independent contractor?

Employee – If the University has the legal right to control both the method and the result as to where, when, who and how the service is to be performed, the individual should be classified as an employee.

Independent Contractor – If the University has the legal right to control or direct only the results of the work but not the means and method used in accomplishing the result, the individual should be classified as an independent contractor. Independent contractors generally hold themselves out in their own names as self-employed and make their services available to the public. Also, independent contractors generally carry their own worker's compensation insurance.