

Vendor #	Contractor Name and DBA (if applicable)		
Department	Contact Name	Email	Telephone

INDEPENDENT CONTRACTOR – PROFESSIONAL SERVICES WORKSHEET

READ ALL INSTRUCTIONS BEFORE COMPLETING THIS WORKSHEET. THIS FORM IS NOT REQUIRED FOR HONORARIUM PAYMENTS AS DEFINED IN THE INSTRUCTIONS <https://www.txst.edu/procurement/contracts/contract-forms.html>

The department should complete the FS-06 in conjunction with the proposed contractor in order to provide accurate responses to all required questions prior to signing and dating the form. Department may be contacted to provide additional information.

THE PAYEE AND INDIVIDUAL COMPLETING THE FORM MUST SIGN SECTION 6 OF THIS WORKSHEET.

SECTION 1: PAYEE CLASSIFICATION FOR TAX PURPOSES (MUST AGREE WITH INFORMATION IN PART 1 OF IRS FORM W-9 OR W-8 FOR NON-RESIDENT ALIEN).

CHECK BOX NEXT TO THE APPROPRIATE CLASSIFICATION	PAYEE CLASSIFICATION	FAST PROCESS & WORKSHEET REQUIREMENTS (Worksheet submitted to Purchasing)
	Payee is a US Governmental Entity, Corporation, Partnership, LLC that is a Corporation or Partnership for tax purposes, or a tax-exempt organization under 26 U.S.C. Section 501.	<ol style="list-style-type: none"> Do NOT complete this worksheet. If the Payee is not in SAP, the Department must complete the PaymentWorks invite.
	Payee is an Individual, Sole Proprietorship, or a Single-Member LLC that is a Disregarded Entity for tax purposes.	<ol style="list-style-type: none"> Complete Section 2 - 6 of this worksheet to determine if the individual should be classified as an Independent Contractor. If yes, the Department must complete the PaymentWorks invite if the Contractor is not in SAP.
	Payee is a Non-Resident Alien	<ol style="list-style-type: none"> The Department must complete the PaymentWorks invite if the Payee is not in SAP. Indicate where work or services will be rendered: If 100 % outside the US and no sponsored travel to US, complete Section 3. <p>If any % in the US travel to US and/or recurring payments, complete sections 2 through 6 and – submit IC worksheet and all supporting documents to: Procurement and Strategic Sourcing at purchasing@txstate.edu</p>

SECTION 2: INITIAL DETERMINATION THAT THE PAYEE MAY BE AN EMPLOYEE

ANSWER “YES” OR “NO” TO THE FOLLOWING (4) QUESTIONS BELOW. A RESPONSE OF “YES” TO ANY OF THE FOLLOWING (4) QUESTIONS REPRESENTS A PAYEE THAT SHOULD BE HIRED AS AN EMPLOYEE (REFER TO INSTRUCTIONS, SEC II. EXAMPLES OF PERSONS THAT ARE EMPLOYEES OF TXST AND SEC III. EXAMPLES OF PERSONS THAT MAY BE INDEPENDENT CONTRACTORS).

YES	NO	1. Is the Payee the primary provider of instructional/teaching/workshop services needed to conduct classes or courses offered by TXST, TXST Continuing Education or a TXST department or unit? “No” is an appropriate response if the individual is not the primary instructor and is being paid an honorarium as a guest speaker or to present a brief lecture in a classroom or at a conference sponsored/conducted by TXST.
YES	NO	2. Is the Payee a Principal Investigator or Co-Principal Investigator on a TXST administered grant or a TXST project?
YES	NO	3. Will the Payee be supervised by or report directly to a TXST employee who has the right to change how the individual does the job?
YES	NO	4. Will the Payee supervise any TXST employee or other independent contractors paid by TXST?



IF YOU ANSWERED “YES” TO ANY OF THE ABOVE FOUR (4) QUESTIONS. THE INDIVIDUAL YOU ARE HIRING MUST BE CLASSIFIED AS AN EMPLOYEE. DO NOT COMPLETE THE REMAINDER OF THIS FORM OR SUBMIT A REQUISITION AND/OR CONTRACT. CONTACT HUMAN RESOURCES FOR THE HIRING PROCESS.

SECTION 3: DEPARTMENTS MUST PROVIDE DETAILS OF SERVICES PERFORMED FOR PAYMENTS TO BE PROCESSED. PROVIDE EXPLANATION IN THE SPACE BELOW (ATTACH ADDITIONAL PAGES IF NEEDED). EXPLANATION SHOULD INCLUDE A DESCRIPTION OF RATES, DATES AND DELIVERABLES (DRAFT 2-PARTY AGREEMENT MUST BE ATTACHED TO REQUISITION IF APPLICABLE). FOR NON-RESIDENT ALIENS TRAVELING TO THE US PROVIDE EXPECTED TRAVEL DATES AND REASON FOR TRAVEL TO US.

SECTION 4: DETERMINE IF THE PAYEE CAN BE CLASSIFIED AS AN INDEPENDENT CONTRACTOR (REFER TO INSTRUCTIONS, SECTION II. EXAMPLES OF PERSONS THAT ARE EMPLOYEES OF TXST AND SECTION III. EXAMPLES OF PERSONS THAT MAY BE INDEPENDENT CONTRACTORS).

ANSWER “YES” OR “NO” TO QUESTIONS (1-8). IF YOU ARE HIRING AN INDIVIDUAL OR A SOLE PROPRIETOR (INCLUDING PAYMENT TO AN LLC THAT IS A DISREGARDED ENTITY), TXST MUST DETERMINE IF THE ARRANGEMENT RESULTS IN AN EMPLOYEE/EMPLOYER RELATIONSHIP. RESPONSES TO THE FOLLOWING QUESTIONS ASSIST WITH DETERMINATION IN ACCORDANCE WITH [IRS](#) RULES AND [TXST UPPS 03.04.01, 03.04.02, 03.04.04, 03.04.06](#). COMPLETE EACH QUESTION CAREFULLY AND PROVIDE AN EXPLANATION FOR ALL “YES” ANSWERS IN SECTION 5. A “YES” RESPONSE DOES NOT MANDATE EMPLOYEE CLASSIFICATION.

YES	NO	1. Is the prospective payee/independent contractor using experience or expertise gained doing similar work as a current or former TXST employee in providing the service?
YES	NO	2. Is the payee working only for TXST (he/she has no other customers/clients)? Answer 'no' if the payee has a business where services are performed for customers/clients other than TXST and provide “proof of business” see Section 3 . If ‘yes’ provide details about why the payee should be classified as an independent contractor and not be classified as an employee in Section 5 below.
YES	NO	3. Is the payee a TXST employee, a former TXST employee (terminated in the last 12 months), or a TXST student employed through TXST Human Resources?
YES	NO	4. Is the work performed a key aspect of the regular business of the hiring TXST department (job normally performed by TXST employee)? Refer to Instructions Section II for examples of persons required to be hired as employees and Section 3 for examples of persons that may be independent contractors.
YES	NO	5. Is TXST providing assistance to the individual such as facilities, personnel support, supplies, equipment, etc.? Note: ‘yes’ response for a speaker who is not performing training or teaching duties may be an acceptable answer for payment as an independent contractor. While TXST facilities use may be acceptable, it is required for TXST departments to provide explanation of contractor’s use of TXST facilities, personnel support, supplies, equipment, etc. in Section 5 below.
YES	NO	6. Is TXST providing training or education concerning procedures to be followed and methods to be used by the individual in performing the services? If ‘yes’, provide details in Section 5 below about why the payee should not be classified as an employee.
YES	NO	7. Is there a regular or on-going relationship with the prospective payee/independent contractor (for example, are you paying the individual more than once or engaging the individual over multiple years)? If there is an on-going relationship, provide “proof of business” in Section 3 as documentation supporting the payee/independent contractor has a business where the service is performed for clients other than TXST.
YES	NO	8. Is TXST required to pay the individual regardless of the quality or completeness of the work?

SECTION 5: IF YOU ANSWERED "YES" TO ANY OF THE QUESTIONS IN SECTION 4, PROVIDE SPECIFIC DETAILS SUPPORTING WHY THE INDIVIDUAL SHOULD BE CLASSIFIED AS AN INDEPENDENT CONTRACTOR FOR EACH "YES" RESPONSE IN THE SPACE BELOW.

SECTION 6: TEXAS STATE UNIVERSITY DISBURSEMENT QUALIFYING FOR FORM 1099 ISSUANCE

Note – Information in Section 6 must agree with IRS Form W-9 (or W-8 for Non-Resident Alien) in SAP.

1. Check the appropriate box for federal tax classification:	Individual/Sole Proprietorship	Single Member LLC
2. Payee Name		
3. Payee Address (Street, City, State, Zip)		
4. Recipient Citizenship (check one of the following):	Citizen or Naturalized Citizen of The United States A Lawful Permanent Resident Alien A Nonresident Alien	

CERTIFIED BY:

By signing below, I (Payee) agree with the statements made on this form by the individual approving payment employed with Texas State University. I understand that independent contractors are not covered under the state of TEXAS Workers' Compensation Law ([Labor Code Title 4, Subtitle A, Chapter 201](#)) and that I meet the independent contractor definition in Labor Code Title 4, Subtitle A, Chapter 201. I am a [US CITIZEN](#), [PERMANENT RESIDENT OF THE US](#) or a [NON-RESIDENT ALIEN](#) and the address and [SSN](#), [ITIN](#) or [FEIN](#) (above and on all related forms) is correct.

I understand that the payment from TXST is taxable income to me and that I am required to report this income on my [US TAX RETURN](#). I understand that Texas law provides that a person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his/her official duty shall be guilty of a misdemeanor of the second degree.

PAYEE USE ONLY PAYEE SIGNATURE & DATE (MUST BE PAYEE NAME ABOVE) (SIGNATURE REQUIRED)	
PAYEE USE ONLY PAYEE TELEPHONE & EMAIL ADDRESS	

COMPLETED BY:

TXST USE ONLY PRINT NAME & TITLE OF INDIVIDUAL COMPLETING THE FORM.	
TXST USE ONLY SIGNATURE OF INDIVIDUAL COMPLETING THE FORM. (SIGNATURE REQUIRED)	

INTERNAL USE ONLY

PROCUREMENT AND STRATEGIC SOURCING	_____ Signature	_____ Date
TAX SPECIALIST	_____ Signature	_____ Date

SEND THE COMPLETED AND SIGNED FORM TO PURCHASING@TXSTATE.EDU.

QUESTIONS ABOUT THIS FORM SHOULD BE DIRECTED TO PURCHASING@TXSTATE.EDU.