

# GEORGIA INSTITUTE OF TECHNOLOGY

## Pay Classification Matrix

		Employee	Independent Contractor	Honorarium
<b>Definition</b>	A person hired through Georgia Institute of Technology Office of Human Resources and paid via Georgia Tech Payroll. Georgia Tech controls and directs this person's activities, both in terms of what must be done and how it must be done.	YES	NO	NO
	A person who is also referred to as contractor, consultant, freelancer, etc., may be an individual or sole proprietor which renders services to the general public. Responsible for the means and methods for completing a task based on specifications in a contract with Georgia Tech. An independent contractor generally has multiple clients, maintains a separate workplace and is not supervised or controlled by a Georgia Tech employee. Independent Contractors do not receive Georgia Tech benefits. Common Law Rules include Behavioral, Financial and Type of Relationship.	NO	YES	NO
	A payment to a non-employee individual for a service that would typically not be initiated with a service contract with payment via an invoice. The service provided is one where Georgia Tech does not expect a particular result.	NO	NO	YES
<b>Example Characteristics</b>	Advertises his/her business services	NO	YES	NO
	Contest judge, provide a keynote address, participate in an evaluation, or are part of an advisory board.	NO	NO	YES
	Each activity should be short-term (no longer than 9 days) and not greater than \$5,000, unless a special exception has been granted by Purchasing. Georgia Tech employees may not receive an honorarium.	NO	NO	YES
	Keeps business records	NO	YES	NO
	Maintains a separate business bank account	NO	YES	NO
	Participation or leading of colloquiums, workshops, and seminars	NO	NO	YES
	Payment is allowed only if the individual is classified in one of the following categories: Chaplain, Fireman, any person holding a doctoral or master's degree from an accredited college or university, Physician, Dentist, Psychologist, Registered nurse or licensed Practical Nurse.	NO	NO	YES
	Performs duties dictated or controlled by others such as receives instructions about when, where and how the work is to be performed	YES	NO	NO
	Performs trade type duties, e.g., clerical, janitorial, general grounds keeping services, lab technicians. (Important to Note: When Georgia Tech engages a temporary agency to provide trade type services, the agency, and not the individual, will be considered an independent contractor.)	YES	NO	NO
	Presentation of lectures	NO	NO	YES
	Presentation of research results	NO	NO	YES
	Reading of papers	NO	NO	YES
	Teaches a course from which students may receive academic credit	YES	NO	NO
	The individual assesses grades for students based on attendance, participation, performance in class, assignments and examinations	YES	NO	NO
	Able to assign another to do the job in his or her place and need not perform services personally	NO	YES	YES
	Required to devote full-time service to one firm exclusively	YES	NO	NO
	Hired to do one job of limited duration and has no expectation of continuing work	NO	YES	NO
	Typically paid by the employer in regular amounts at stated intervals, such as by the hour or week	YES	NO	NO
	Business and travel expenses are either paid directly or reimbursed by the employer	YES	NO	NO
	All necessary tools, materials, and equipment are furnished by the employer	YES	NO	NO
Realizes a profit or suffer a loss depending on the management of expenses and revenues	NO	YES	NO	
May work "on call" or during hours and days as set by the employer	YES	NO	NO	

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Individual works where he or she chooses. The workplace may be away from the client's premises	NO	YES	NO
Performs services in the order or sequence set by the employer (not only concerned with finished product)	YES	NO	NO
Works for more than one client with non compete rules or services available to public	NO	YES	NO
Services of an Employee are usually merged into the firm's overall operation; the firm's success depends on those Employee services (Core Business)	YES	NO	NO
The Individual developed and managed the class syllabus and ensuring that the syllabus meets department and college standards	YES	NO	NO
Right to Discharge or right to quit	YES	NO	NO
The individual sets the price of work	NO	YES	NO
The payment amount was negotiated between the Institute and the Individual (contractual agreement)	NO	YES	NO
The individual's services are recurring	YES	NO	NO
The individual is a business, corporation or partnership	NO	YES	NO
The Individual collaborated with colleagues on course curriculum	YES	NO	NO

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<b>Approval Process</b>	Biweekly Time Document must be signed by employee and supervisor	YES	NO	NO
	Form is approved by administrative units. By approving this form the unit is indicating that payment is allowable per funding source and within policy guidelines. [If state funds, the service should be instruction, research or public service. If sponsored funds, service must be instruction, research, public service or is specifically authorized by grantor.]	NO	NO	YES
	Hiring official and departmental Human Resources representative are required to complete the Georgia Tech Checklist for Determining Independent Contractor or Employee.	NO	YES	NO
	Time clocks or online entry, the use of the Buzz Card swipe and the logging into the secured system, capturing the login, date and time stamp, are considered as legal signatures. The supervisor's electronic signature is considered as a legal signature.	YES	NO	NO
<b>Documentation Requirements</b>	An official announcement, invitation letter, flyer, etc. must accompany this request.	NO	NO	YES
	Biweekly Time Document	YES	NO	NO
	Georgia Tech Checklist for Determining Independent Contractor or Employee	NO	YES	NO
	The following must be provided: - certification by department, agency, etc. employing employee that the performance of such services will not detract or have a detrimental effect on the performance of employee's full-time employment.	NO	NO	YES
	In all cases, requests must be accompanied by a GT Vendor Profile Form completed by the person. Must follow all procurement sourcing requirements.	NO	YES	YES
	Receipts must be submitted for travel expenses if claimed as a separate expense.	NO	NO	YES
	Separate restrictions and requirements for Nonresident Alien. - <a href="http://www.policylibrary.gatech.edu/payments-international-vendors-and-nonresident-alien-consultants-scholars-and-official-visitors">http://www.policylibrary.gatech.edu/payments-international-vendors-and-nonresident-alien-consultants-scholars-and-official-visitors</a>	NO	NO	YES
<b>Payment Source</b>	Paid through the payroll system	YES	NO	NO
	Paid via Honorary Request Form. Payments are made to individuals, not organizations or companies.	NO	NO	YES
	Paid via purchase order created in BuzzMart. Checklist must be attached to the requisition. If paid using from sponsored funds, the agreement must be executed through the Office of Sponsored Programs on a "Request for Sub-Agreement Form."	NO	YES	NO