



The state of Colorado encourages the use of private contractors for personal services to achieve increased efficiency in the delivery of governmental services without undermining the principles requiring competence in state government, and the avoidance of political patronage.

Worker classification affects how federal income and Medicare taxes are paid, how the worker files his tax return, and whether the worker is eligible for unemployment or worker’s compensation benefits. The Colorado legislature has enacted laws governing personal services contracts that implicate the state personnel system.

Colorado Mesa University has adopted the following procedure for personal service contracts.

Note: Contracts for personal services must be completed prior to the individual(s) performing any service for CMU.

Workflow

Action Items	Responsibility
1. Complete Employee vs. Independent Contractor Analysis form	Department Head or other Contractor Requesting Authority
2. Complete Certification of Personal Services Agreement form when necessary, or as requested by the Director of Purchasing (contact Purchasing for contract template)	
3. Obtain approval from appropriate Vice President or Department Head	
4. Secure IRS W-9 Form from worker	
5. Secure Liability Release Form from worker	
6. Provide statement of services to be provided by worker	
7. Provide evidence of independent contractor status such as; business card, yellow page listing, web site address and copy of home page, or proof of licensing or certification	
8. Conduct initial review when contract is initiated for personal services	Director of Purchasing
9. Assigns contract routing/PO number	
10. Reviews contract and completed Personal Services Agreement	Director of HR
11. Contract is returned to the Dir. Of Purchasing with Personal Services Certification or Independent Contract status confirmed attached for continued contract processing.	

Forms:

The following forms/documents must be included, all are located in the Forms & Manuals section of the CMU HR page (www.coloradomesa.edu/hr):

- Employee vs. Independent Contractor Analysis
- Form W9
- Personal Services/Performance Contract (when required; provided by Purchasing)
- Release of Liability Form

For more information on independent contractors vs. Employees please visit the following IRS webpage: <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Independent-Contractor-Self-Employed-or-Employee>

If you have questions regarding CMU's procedures, contact Barbara Case King, Director of Human Resources at bking@coloradomesa.edu or call ext. 1820.