

**FACULTY SERVICES MATRIX**  
**On-Line Course Instructors**

Updated 7-7-2016

**When an INDIVIDUAL will be serving as an instructor for a Penn State on-line course, the following questions should be answered to determine when the individual should be treated as an EMPLOYEE:**  
(See note below regarding non-US citizens performing all work outside the United States)

<b>1 Is the individual teaching more than 9 credits in a semester during the year?</b>	<b>YES</b>	Employee - Pay through a Fixed-Term 1 Appointment
	<b>NO</b>	Continue to next question

<b>2 Is the individual teaching a mix of residential and on-line courses during the year?</b>	<b>YES</b>	Pay as employee - using Fixed Term 1 or 2 depending on length of contract
	<b>NO</b>	Continue

<b>3 Is the individual already an employee at Penn State?</b>	<b>YES</b>	Must be paid as an employee, generally as supplemental compensation.
	<b>NO</b>	Continue to next question

<b>4 Will the individual be a member of the Graduate Faculty?</b>	<b>YES</b>	Pay as employee - using Fixed Term 1 or 2 depending on length of contract
	<b>NO</b>	Continue to next question.

<b>5 Will the individual be providing services beyond direct course instruction, such as advising students, reviewing applications/participating in admission decisions to the program, or developing the academic content of courses?</b>	<b>YES</b>	Pay as employee - using Fixed Term 1 or 2 depending on length of contract
	<b>NO</b>	Individual does not meet any of the above criteria and may be considered for treatment as an independent contractor (see factors below). If there are any concerns or questions regarding such treatment, please consult with your human resources representative.

**Factors supporting INDEPENDENT CONTRACTOR status:**

- Payment is a set fee per course as opposed to by the hour*
- Instructor works at own pace and is not subject to day-to-day supervision*
- University does not provide office space or equipment (such as laptops) or reimbursement towards equipment*
- Instructor has non-permanent or short-term relationship with University*
- Instructor offers services to other colleges or universities*
- University pays instructor a set fee for curricula development*

**NOTE: The tax department must be contacted prior to processing a non-US resident as an employee where all services will be performed outside the United States.**