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Address:

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City:

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State

Zip

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Phone:

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Unit of Government (Employer)

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Comments:

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This publication is designed to present a brief outline of the current laws that apply to your PERA retirement benefit as simply and accurately as possible. If there is any discrepancy between this publication and the actual law, the provisions of the law will govern.

This document is available in alternative formats to individuals with disabilities by calling 1-800-652-9026 or through the Minnesota Relay Service at 1-800-627-3529.

*Public Employees Retirement Association of Minnesota*  
60 Empire Drive, St. Paul MN 55103-2088  
1-800-652-9026 ♦ (651) 296-7460

# Independent Contractor

# or Employee?



Please submit this worksheet and a copy of the contract or work agreement to PERA.

Public Employees Retirement Association of Minnesota



# Are you an independent contractor or an employee?

Your status as a paid public employee or independent contractor determines, in part, your eligibility for membership in PERA. By law, independent contractors are barred from membership in the Association. However, with few exceptions, paid employees are required to participate and make contributions to the retirement fund.

If you are a PERA retiree and are now a contractor or work for an independent contractor, you are exempt from the Association's earnings limits for retirees who return to PERA-covered employment. However, to be considered retired, a complete separation from PERA-covered employment for at least 30 days is required. This requirement applies to both employees and independent contractors. See *Working After Retirement* for more detail on the separation requirement.

This worksheet is designed to give you a preliminary idea, based on PERA's requirements, about whether you are an employee or a contractor.

A 'Yes' answer to all or most of these questions, indicates that you are likely to be deemed an independent contractor by PERA. If most of your answers are 'No,' you are likely to be an employee.

For assistance with this determination, please submit this worksheet and a copy of the contract or agreement between you and the employing agency to PERA. We will review this information and inform you, in writing, of the determination.

## Primary Considerations

1. Is your work performed under a written contract or agreement?  Yes  No
2. Are you solely responsible for the outcome of a specific project, meeting overall specifications, but free to decide how the specifications are met?  Yes  No
3. Are you able to set your own hours and schedule?  Yes  No
4. Do you provide your own tools, materials and supplies?  Yes  No
5. Have you made a significant investment in the means necessary to provide a service?  Yes  No
6. Is, or can, the work be performed at an outside site (not designated by the employer)?  Yes  No
7. Can you authorize another person to perform the work?  Yes  No
8. Do you have the ability to hire, pay and supervise assistants, answerable only to you?  Yes  No
9. Do you supervise employees of the PERA-covered employer?  Yes  No
10. Can you work for other employers simultaneously?  Yes  No

## Secondary Considerations

11. Are you compensated for the completion of a specific project, or job, rather than by the hour?  Yes  No
12. Are you responsible for paying your business expenses?  Yes  No
13. Are you exempt from fringe benefits normally paid to employees?  Yes  No
14. Are you responsible for your own training and continued education?  Yes  No
15. Are you responsible for your personal behavior if charged with negligence?  Yes  No
16. Are you precluded from quitting until the completion of the job?  Yes  No
17. Has any federal or state agency determined that you are an independent contractor?  Yes  No
18. Is the only grounds for dismissal the failure to meet the obligations of the contract or agreement?  Yes  No

(Continued on reverse side)