**Conflict of Interest & Current/Former Employees as Independent Contractors Procedures**

Prior to engaging the services of a current or former employee as an independent contractor, the department(s) contracting for services must assess the relationship with the individual providing such services to ensure that they are properly classified as an independent contractor. Resources to assist in making the appropriate determination may be located on the University Payroll Office Employee Determination website.

Generally, services performed by a current or former employee is considered employment, unless it can be demonstrated the individual

* is not performing services similar, in nature, to the services performed as a current/former employee;
* provides a service outside of the University’s usual course of business or services that are not typically performed by University employees;
* is free from University control or direction when providing services; and
* is engaged in an independently established profession or business (offers similar services to the general public on a consistent basis);

**New Procedures**  
***As part of the assessment process, the department(s) contracting for the services to the University need to obtain the Dean/Director’s approval from both the contracting department and the employing or formerly employing department.  
Once the appropriate approvals have been received, the Director of Purchasing must sign the agreement regardless of dollar amount.***

***Given the characterization of a person as an independent contractor or as employee has important tax and non-tax consequences to both the University and the individual, the Office of the Vice President of Finance and Planning or its designee, University Comptroller’s Office, reserves the right to reclassify the designations as deemed appropriate.***

Current/Former employees contracting for services as independent contractors who are

* a current Illinois State University employee;
* a former Illinois State University employee within the last three years of services being performed;
* a State of Illinois employee; or
* a former State of Illinois employee within the last three years of service being performed.

are required to submit a conflict of interest form. Conflict of Interest forms may be obtained by contacting the Purchasing Department via email at [ISUPurchasing@ilstu.edu](mailto:ISUPurchasing@ilstu.edu) and providing a brief statement regarding the potential conflict of interest.

Important Note: Failure to obtain an approved conflict of interest review prior to services beginning or an agreement being signed is a violation of University policy; resulting in reporting of the violation and needing approval from the President to pay the individual.