



Independent Contractor Agreement Form

In order to continue as a teacher with Art(s)cool PDX it is required that you qualify as an independent contractor according to the State of Oregon and The Internal Revenue Service. Art(s)cool PDX currently does not offer employment opportunities nor does any contract between you and Art(s)cool PDX imply an employer/employee relationship has formed.

Please review the blank copy of our Independent Contractor Agreement used for each project with Art(s)cool PDX. If necessary please review this contract with an attorney and/or your CPA before deciding if you can work with Art(s)cool PDX.

This summer we were lucky enough to have the Oregon Department of Revenue's Employment Department review our contracts and it was determined that we needed to pay our teachers a contracted total for a session and not a per class or hourly fee. This year you will be asked to submit a proposal for each class, workshop or session your applying to teach. This proposal must include your contract estimate (including labor, materials, rental equipment or other reimbursable expenses up front) and Art(s)cool PDX will determine your contract based on this estimate.

Materials can still be purchased directly from Art(s)cool PDX at a discount and refunds will be given for returned, unused supplies from your classes. Program kits that include all the supplies and materials can be rented by each independent contractor from Art(s)cool PDX and this rental fee should be included in your estimate.

We will be offering classes on how to complete your proposal, invoices and necessary paperwork to be an Art(s)cool PDX teacher.

Each session will be created based on teacher estimates and proposals so there will no longer be a set per class fee or amount provided. Our mission is two fold; comply with the Department of Revenue AND maximize the financial gains for both Art(s)cool PDX and the independent contractor.

If you are interested in taking a class for estimates and proposals, invoices and materials management or general business classes through Art(s)cool PDX please contact info@theblenderheadproject.com

To clarify, the following page has been taken directly from the Oregon Department of Revenue's webpage about Employees and Contractors. If you need additional information you can contact the Oregon Department of Revenue or sign up for a class with The Blenderhead Project.

Thank you for your time and dedication to Art(s)cool PDX and the students in our programs.

Sincerely,

Dianna Fontes

Founder, Executive Director

Employee or Independent Contractor?

Sorting out the confusion: What you need to know about worker classification!

Oregon's Independent Contractor Laws

A worker providing services for pay will generally be considered an employee - unless that worker also meets the criteria established for an independent contractor.

Oregon Revised Statutes (ORS) 670.600 provides a standardized definition of independent contractor for the following four agencies:

1. Department of Revenue,
2. Employment Department,
3. Construction Contractors Board, and
4. Landscape Contractors Board

To be considered an independent contractor under ORS 670.600 (summarized below) a worker must be:

- Free from direction and control, AND
- Customarily engaged in an “independently established business,” AND
- Licensed under ORS 671 or 701 (State Board of Architect Examiners, Landscape Architect Board, Landscape Contractors Board or Construction Contractors Board) if licensure is required for the service, AND
- Responsible for any other licenses or certificates necessary to provide the service.

The Bureau of Labor and Industries and the Workers' Compensation Division use other, specific legal tests to determine proper classification. Visit the ICN website for more on each of these.

More information is available at: <http://www.oregonindependentcontractors.com/>

A classification determination must conform with specific legal criteria

However, the comparison chart below highlights some common differences between an employee and an independent contractor.

EMPLOYEE	INDEPENDENT CONTRACTOR
Means and manner of work are controlled by employer	Free from direction and control
Does tasks the employer's way	Does tasks in own way
Trained by employer to perform job	Has necessary skills/ training to complete job
Works under the employer's assumed business name	Has an assumed business name
Works at employer's business location	Has a business location
Works for one employer, may serve that employer's customers	Performs services for multiple customers
Works hours set by employer	Sets own hours
Accepts wage, salary, or commission determined by the employer	Determines own price for contracted services

May be covered by minimum wage, overtime, safety, unemployment, and workers' compensation

Not directly affected by employer's profit or loss

Employer provides and controls equipment and tools job

Employer purchases materials and supplies

Employer liable for employee errors and/or accidents

Does not file self-employment taxes; receives a Form W-2 from employer

Is hired and/or fired by employer

May quit working for an employer at any time

Not eligible for employee benefits

Directly affected by business profit or loss

Owens equipment and tools used to complete

Purchases materials /supplies needed to do job

Personally liable for errors and/or accidents

Files self-employment taxes; receives a Form 1099-MISC

Has right to hire and fire workers

Must legally complete each contract

Worker Misclassification: What's at stake?

Misclassifying a worker can be costly to an employer. Depending on the situation, Oregon law allows, and often requires, state agencies to impose back taxes, penalties, and interest on employers that are misclassifying their workers.

Misclassified employees run the risk of losing out on lawful benefits and protections like unemployment insurance, income tax withholding, workers' compensation coverage for on-the-job injuries, minimum wage and overtime protections, as well as other workplace protections under civil rights and wage and hour law. Misclassified employees will almost certainly forfeit benefits offered to properly classified employees such as sick leave, vacation pay and retirement benefits.

Where do I go from here?

Oregon's enforcement agencies want to help you make the right decision. The ICN website has information about all of the legal tests to consider, as well as how to file a complaint on suspected unlawful activity.

Still not sure? Consider contacting our sponsor agencies directly:

Oregon Employment Department
mailto:taxinfo@emp.state.or.us?subject=ICN question or referral
503-947-1520

Oregon Department of Revenue
mailto:ic.info.dor@state.or.us?subject=ICN Question or Referral
503-378-4988
800-356-4222

Workers' Compensation Division,
Department of Consumer &
Business Services
mailto:wcd.employerinfo@state.or.us?subject=ICN Question or Referral
503-947-7815
In Oregon 888-877-5670

Oregon Bureau of Labor and Industries
mailto:BOLI.MAIL@state.or.us?subject=ICN Question or Referral
971-673-0761

Construction Contractors Board
mailto:ccb.info@state.or.us?subject=ICN Question or Referral
503-378-4621

Landscape Contractors Board
mailto:lcb.info@state.or.us?subject=ICN Question or Referral
503-378-5909

Internal Revenue Service
http://www.irs.gov/
800-829-1040

TTY users, dial 711 to be connected to the Oregon Relay TTY System, which can then connect you to whichever agency you wish to contact.

Need help establishing your own business? Art(s)cool PDX can help! Through our partnership with The Blenderhead Project we can help you set up your own business; including your teaching practice, sale of your craft or development of any other business you dream of starting. We offer free workshops, discounted services to Art(s)cool PDX teachers and affordable rates for services from our other partners and professional service providers. For more information email info@theblenderheadproject.com and ask for information on a free consultation or Skull Session for your business.

I, _____ have read and understand the independent contractor laws and regulations. I understand that I am stating that I qualify as an independent contractor in The State of Oregon. I agree to abide by the laws and regulations set forth by The State of Oregon Employment Department. I understand that this income is taxable as an independent contractor and that NO taxes have been deducted from any contract payments I may receive from Art(s)cool PDX. I understand that these payments are not guaranteed by Oregon State Department of Revenue's Unemployment Compensation as employee wages, however income may need to be reported for other state benefits. I understand that it is my responsibility to meet the laws and regulations set for by Oregon and also to seek professional council regarding questions or issues with working as an independent contractor.

Signature

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