

Instructions for Completing the Authorization for Professional Services (APS) Form

Purpose

This form is required for authorization to engage and pay individuals as guest lecturers and for other one-time, short-term, or sporadic services. An approved copy of this form must be submitted to Payroll Services to generate payment.

This form should not be used for:

- Vendors who are not individuals, such as companies or corporations. See Procedure 4-26, Payments to Vendors at <http://www.uta.edu/policy/procedure/4-26> for purchasing guidelines of services other than those provided by individuals.
- Salary supplements. These payments must be processed through UTShare.
- Part-time employees providing services that are the same or similar to their regular duties. These payments should be compensated by increasing their assigned time.
- An individual who maintains a continuing relationship with the University rather than sporadic or occasional duties. These payments should be assigned as temporary service through UTShare.

Complete the Employee/Independent Contractor Classification Checklist (page two of the APS form) to determine whether the individual may be treated as an independent contractor. Accurate and honest completion of this checklist is crucial to the payment process and is necessary to comply with Internal Revenue Service guidelines.

Instructions

Be sure to use the latest version of the form on the Forms Index
<http://www.uta.edu/policy/form>

NAME AND ADDRESS: Information on this form will be used on tax forms filed with the Internal Revenue Service (IRS) at year end. Be sure to enter the payee's permanent address.

SSN/EMPL ID: If the individual is deemed to be an independent contractor according to the checklist, a vendor record must be established.

See: Manage Vendors at <http://www.uta.edu/business-affairs/training/financial.php>

Payee Information Form (PIF): All individuals receiving payments from the University as independent contractors must complete a PIF. A Social Security card and/or photo ID are required to properly establish a vendor record and must be submitted with the PIF.

Note: A PIF must be completed only one time unless payee is a nonresident alien.

All individuals must designate citizenship status on the PIF. Individuals who are not U.S. residents may be paid and/or reimbursed for their services and expenses depending on their immigration status. Payments made to a nonresident alien for independent personal services are subject to 30% federal income tax withholding. See Procedure 1-23, Payments to Nonresident Alien Independent Contractors, Guest Speakers and Performers at <http://www.uta.edu/policy/procedure/1-23> or email prf@uta.edu.

PROVIDER OF SERVICE: An individual is paid for services as either an employee or as an independent contractor.

Employee classifications:

Select "UTA Employee" if the individual has a current assignment. The APS form should not be used for salary supplements. Part-time employees providing services that are the same or similar to their regular duties should be compensated by increasing their assigned time.

Compensation for dissimilar service *may* be allowed via the APS form, subject to review and approval.

Exempt Employees: If approved, an exempt employee may receive a "Lump Sum Payment" for work which is performed in addition to the normal duties.

Non-exempt employees: May be subject to overtime rules. To qualify as a "Lump Sum Payment" for services performed in addition to the normal duties for which an overtime rate is not required:

1. The duties to be performed must be in a completely different capacity from the employee's appointed duties,
2. The duties must be sporadic or occasional, **and**
3. The employee's decision to work in a different capacity must be made freely and without coercion, implicit or explicit, by the employer.

If the above requirements are not met, the additional hours worked in excess of 40 hours will be considered overtime and paid at the overtime rate based on the employee's regular appointment. A timecard must be completed and attached to the APS to substantiate the overtime hours worked.

Compensation to full-time University employees from federal grants or contracts is permissible in rare instances where the service is across departmental lines or involves a separate or remote operation, and the work is in addition to the regular departmental load.

Former Employees: A former employee of UT Arlington who provides any type of temporary service to the University is considered an employee rather than an independent contractor for twelve (12) months after any payroll payment to that individual.

Note: TRS retirees must have one full month of separation before receiving payments.

Select "*Independent Contractor*" if the individual meets the requirements as determined on the Employee/Independent Contractor Classification Checklist. A completed Checklist must be attached to the APS form each time an independent contractor is paid. Payroll Services will review the checklist to determine whether the individual may be treated as an independent contractor. Accurate and honest completion of this checklist is crucial to the payment process and is necessary to comply with IRS guidelines.

EMPLOYMENT STATUS: Indicate appropriate category.

Other State of Texas Institution or Agency Employee: Arrangements with employees of other UT System institutions require approval from the President or Agency Head of the other institution.

UTA Employee – As indicated above, supplemental payments should not be paid via an APS. On occasion University employees are hired in other departments to provide a service. The APS may be used to obtain approval for such service. However, the work performed must be completely outside the scope of their normal job duties. Non-exempt employees who are performing similar work in another department must be paid time and a half and payment must be generated in accordance with the approval and payment process of overtime.

When should you use an APS to pay a current employee?

Duties outside regular employment

Within same department for continuing education or dissimilar services only

Across departmental lines, unless normal job duties routinely cross departmental lines

Bonus, awards, royalties

Payment for prior fiscal year

Compensation to full-time University employees from federal grants or contracts

requires specific authorization in the grant or written approval by the sponsoring agency

NEPOTISM STATEMENT: Required by UT System. Put N/A if not applicable to this payee. Do not leave blank or put unknown.

PROPOSED PAYMENT Section: If multiple payments are to be made to an independent contractor, the original APS form may be copied for the subsequent payments with the following stipulations.

- On the original form, put the total amount to be paid under proposed payment and the total number of payments to be made. On each subsequent payment, put the number of payment being made after the total number of payments. (i.e. 10/2 or 10/3)
- **TO BE COMPLETED BY PROVIDER:** The Provider of Service must complete and sign the section for each payment. This must be an original signature with the period of service dates and payment amount for each payment.
- **APPROVALS:** the Signature for Authorization of Payment must sign each payment and the amount to be paid on this payment. This must be an original signature each time.
- All other signatures may be a copy of the original form with original signatures.

Dates of Service: No payment can be made before the end of service date.

Approval of Service: Must be signed by the designated Budget Authority for the account being charged.

Payroll Services will not accept APS forms that are signed for future service dates. Payments cannot be processed until services have been rendered. Pre-dated signed forms are not valid and will be returned to the department.

A separate APS for each unique fiscal year is required. Example: If services are provided 7/1/11 to 9/30/11, two forms (first ending on 8/31/11) are required.

Description of Services: Provide a complete description of the service to be provided and location of services if outside the U.S.

Note regarding Consulting Services – The term “consultant” should be restricted to only those situations meeting the strict definition in the Texas Government Code:

“A study conducted for a state agency or advice provided to a state agency under contract that does not involve the traditional relationship of employer and employee. The term does not include a routine service that is necessary for the functioning of a state agency’s programs.”

A formal contract should be prepared instead of an APS when authorizing consulting services.

GRANT OR CONTRACT CERTIFICATION

Payments from a grant account must be signed by the Principal Investigator (primary person in charge of the grant) and the Office of Grant and Contract Services.

NON-EMPLOYEE TRAVEL REIMBURSEMENT

If travel cost for a non-employee is to be reimbursed and original receipts will not be presented, check the appropriate section pertaining to Non-Employee Travel. The amount reimbursed for travel may be reported as income to the IRS on Form 1099-MISC.

General Provisions for Approvals

All forms must be approved prior to the performance of services. This is extremely important to ensure that the individual is properly classified as an employee or independent contractor and the appropriate paperwork is completed.

The following University personnel must approve APS forms:

- ✓ If payment is to a current UT Arlington employee, the employee's supervisor, chair or director must review and approve the "*UTA Employee*" section of the APS form.
- ✓ If funds from a grant will be used for payment, the Principal Investigator and the Office of Grant and Contract Services must review and approve the "*Grant Certification*" section of the APS form.
- ✓ All APS forms must be reviewed and approved by the designated Budget Authority of the department soliciting the service (Department Chair, Dean, or Director).
- ✓ APS forms 1-8A must be reviewed and approved by the appropriate Vice President or Provost whether the individual is classified as an employee or an independent contractor.
- ✓ APS forms 1-8A must have approval and authorized signature for the President.
- ✓ All APS forms for "consultants" must be approved by the President and UT System.
- ✓ All APS forms and checklists must be reviewed and approved by Payroll Services for IRS tax compliance prior to payment.

COMPLETE THIS SECTION AFTER SERVICES ARE PERFORMED

After services are performed, the contractor signs and dates at the bottom of the APS form. The signature must be original on every APS form and dated on or after the date services were actually performed.