

## **STAFF HIRING AND EMPLOYMENT POLICIES**

### **Non-Faculty Employee Definitions**

STAFF employees are regularly scheduled to work 50 percent or more of full time (based on 37.5 or 40 hour work weeks) on a continuous basis for more than six (6) months, are hired into posted positions, and are eligible for university benefits. There are two classifications of staff employees: non-exempt and exempt. All staff positions are classified as non-exempt unless the duties performed meet criteria established under federal and state regulations which would allow the positions to be classified as exempt. Only the Compensation Office in Personnel Services has the authority to determine if a staff position qualifies to be classified as exempt and if the employee in that position is performing the duties which are required to maintain an exempt status. The classification of the position determines the employee's pay schedule, eligibility for overtime pay, and eligibility for enrollment in certain retirement plans. All employees should be notified of the classification of their positions at the time of hire, rehire, transfer, promotion or reclassification.

The percentage of time worked or term of employment for a staff employee may affect leave accruals and certain benefits:

Full-time staff employees work 100 percent time at 37.5 or 40 hours per week, depending upon departmental business practices.

Part-time staff employees work between 50 and 99 percent time, based on 37.5 or 40 hour work weeks, depending upon departmental business practices. Accrual of vacation and sick leave is pro-rated based on the percent of time worked.

Candidates or current university employees hired into positions funded by contracts and grants (full-time or part-time) are hired in connection with a specific contract or grant for a defined period of time. Staff employees working under contracts and grants receive all university benefits. However, certain policies (e.g., layoff notice, separation pay), do not apply when the term of the contract or grant is made known to the staff employee at the commencement of or during his or her employment. At time of hire, departments must inform the candidate or current university employee of the date the job will end, subject to contract or grant renewal.

Candidates or current university employees hired into fixed term positions (full-time or part-time) are hired for a defined period of time of no less than six months. Staff employees working under a fixed term position receive all university benefits. However, certain policies (e.g., layoff notice, separation pay), do not apply when the fixed term is made known to the staff employee at the commencement of his or her employment. At time of hire, departments must inform the candidate or current university employee of the date the fixed term position will end.

PER DIEM EMPLOYEES may not be hired without the approval of Personnel Services and are only allowed in very limited circumstances for certain departments. Per Diem employees do not have benefits eligibility, have no set or regular schedule, and have an employment duration as required by the job.

STUDENT EMPLOYEES are enrolled at the University of Southern California and claim student status for employment tax purposes. They are not eligible for employee benefits.

EMPLOYEES OF A TEMPORARY AGENCY are not university employees and are not eligible for university benefits. Any positions which require staffing at less than 50 percent time or which are

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temporary in nature (less than six (6) months) must be filled by individuals paid through a temporary employment agency. Individuals filling such positions may be either recruited by and referred to USC by a temporary employment agency or recruited by the USC department and pay rolled through a temporary employment agency, as defined below. Departments are responsible for verifying the university service history of any individual being considered to fill a temporary position, and must do so either by viewing the PA.DEPT.I screen on the USC Payroll/Personnel/Benefits System or by contacting Personnel Services on the University Park campus at (213) 821-8111 or on the Health Sciences campus at (323) 442-1010. In no case may a department hire an employee through a temporary agency who was previously employed by the university and had been deemed ineligible for rehire.

- a) Temporary Agency Employee - A temporary agency employee is located and hired through a temporary employment agency. The temporary employment agency recruits, tests and refers the employee to a requesting department based upon the skills specified and experience needed for the position. The person is an employee of the agency and is paid directly through the temporary employment agency. The university department pays the agency a set hourly rate that includes the direct salary plus agency benefits and administrative costs. Payment to the temporary agency is arranged via a purchase order charged to the materials and supplies expense category.
- b) Pay rolled Employee - A pay rolled employee is an employee of a temporary employment agency, but, rather than being recruited by the temporary employment agency, is identified by the university department. The temporary employment agency provides the pay rolling service, for which the university department pays the agency a set hourly rate that includes the direct salary plus agency benefits and administrative costs. Payment to the temporary agency is arranged via a purchase order charged to the materials and supplies expense category.

INDEPENDENT CONTRACTORS are not university employees and, as such, are not eligible for university benefits. Payment is arranged via a purchase order charged to the materials and supplies expense category.

In general, to be classified as an independent contractor and not as a university employee, the relationship between the individual and the university must be such that the university does not have a right to direct and control the means and details of the work performed by the individual.

Some indicators of employee and independent contractor status are listed below. To the extent the factors in the first section exist, the person likely would be considered an employee and not an independent contractor. A department should consider these factors and must review each situation on a case-by-case basis with the Office of Disbursement Control or Personnel Services prior to engaging the services of an independent contractor. Only the Office of Disbursement Control and Personnel Services have the authority to determine whether or not an individual meets the necessary criteria to be engaged as an independent contractor.

Some of the factors indicating employee status:

- required to comply with other employees' instructions about when (set hours), where, and how (details) he or she is to work;
- requires training on how to do the job by an experienced employee (as opposed to a general introduction to the department/school and its personnel);
- services integrated into normal business operations (that generally shows that the worker is subject to direction and control).
- a continuing working relationship between the worker and person or persons for who services are performed.

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Some of the factors indicating independent contractor status:

- significant investment (have their own tools, computer, office, etc.);
- performance of the task for a fixed fee;
- unreimbursed expenses; although some contracts include expense reimbursement;
- an opportunity for profit or loss (could expenses exceed the contract amount?);
- free to seek out business opportunities; making services available to others;
- highly trained professionals such as accountants, engineers, and physicians engaged in the pursuit of an independent business or profession who offer their services to the public.

Questions regarding employee definitions should be directed to Personnel Services on the University Park campus at (213) 821-8111 or on the Health Sciences campus at (323) 442-1010. Questions regarding temporary agency employees should be directed to Employee Recruitment Services at (213) 740-7252. Questions regarding independent contractors should be directed to Disbursement Control at (213) 740-2720.