

International Hiring



For more information, please contact:
Kristy Holmes at globalfin@princeton.edu



OFFICE OF
FINANCE & TREASURY

Foreign Compliance Requirements

1. Independent Contractors versus Employees
2. Teleworking abroad due to COVID-19 versus designated foreign appointments
3. In-country tax and labor laws
4. Local payroll requirements for employee and Princeton
5. Penalties for noncompliance abroad
 - a) Financial
 - b) Criminal

International Hiring Options

Paid directly from University

In-Country Partners

Employed via a foreign PEO
(Preferred Employer Organization)

Princeton in-country entities

Country-specific alternatives

Princeton Shadow Payroll

Each individual employee circumstance will determine the most appropriate international hiring option.

PEO's – In-country third-party employers

1. Positives

1. Ensures local compliance
2. Removes in-country compliance burdens from Princeton, while PEO manages employment and payroll
3. Country-specific benefits offerings
4. University still maintains control over employee's day-to-day activities

2. Negatives

1. Costs
2. Longer set-up time
3. Administratively more burdensome in certain ways

Appendix: Independent Contractor vs. Employee

Ind. Contractor

Employee

Specified payment for a specified result

vs.

Typically one employer. Employee works solely for University

Independently established profession or business (*offers similar service to others*)

vs.

University provides tools, equipment, and training for employee's role

Provides service outside University's usual course of business (*teaching or research*)

vs.

Performs services within University's usual course of business (*teaching or research*)

Provides services through a written contract and is free from University control or direction

vs.

Provides services under direction of University's control

