

Update on Hiring Abroad Toolkit



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GLOBAL CAMPUS

GLOBAL OPPORTUNITIES

GLOBAL IMPACT

GLOBAL RESOURCES

GLOBAL ACTIVITY MAP

GLOBAL NEWS & EVENTS

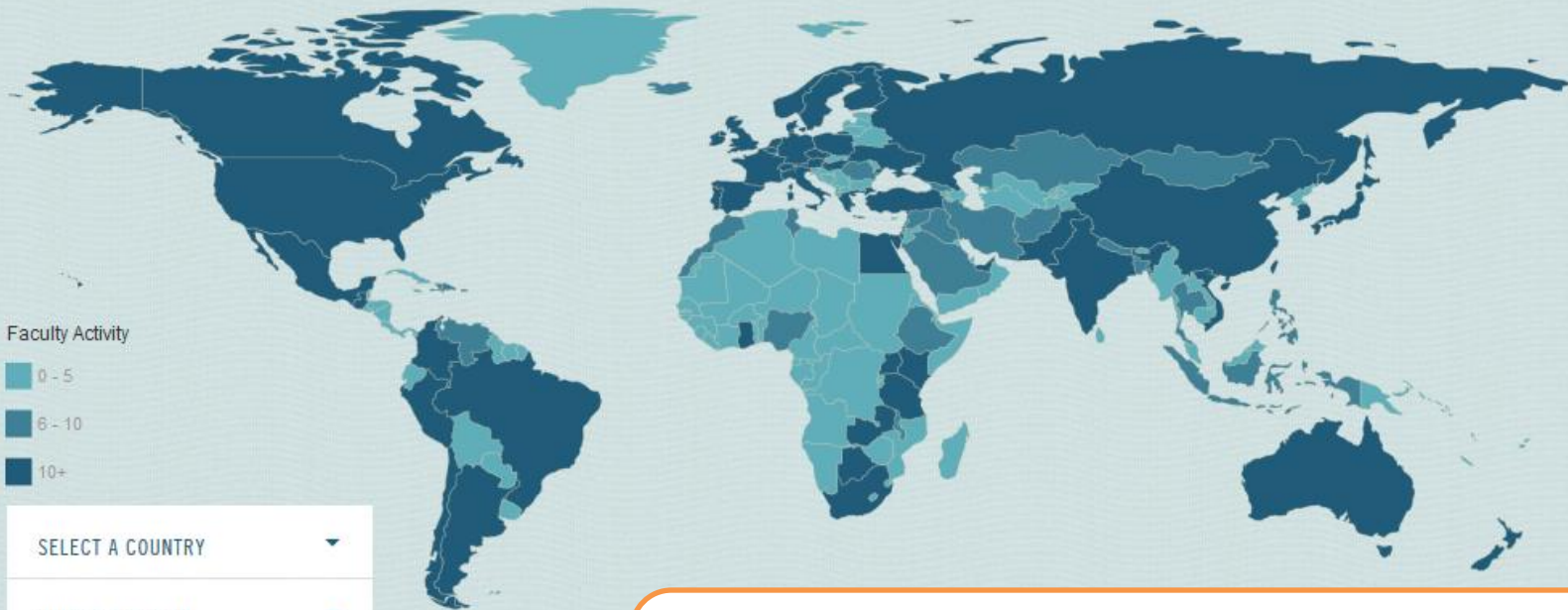
GLOBAL
ACTIVITY MAP

SHOWING

STUDENT
OPPORTUNITIES

FACULTY
ACTIVITY

ALUMNI &
ALUMNI CLUBS



- Over 300 active global research projects
- 700 faculty involved in international activities
- 2934 faculty global projects
- In 2014, over 6000 foreign payments to foreign vendors = \$50M

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Risks

It takes only a single employee.....



- Hiring a translator
- Engaging a local coordinator to run a semester study program
- Using researchers abroad to run foreign sites, labs, etc.

Employing even one person to provide services abroad can trigger significant legal and financial obligations!

From the Headlines

Immigration Concerns

The Telegraph

March 20, 2015

“Japanese academic forced to leave Britain due to visa rules”

Hiring Concerns

Việt Nam News THE NATIONAL ENGLISH LANGUAGE DAILY

March 11, 2015

“Contractor fined for illegally hiring foreign labourers”

Labor Concerns

NEW YORK NEWS & POLITICS

May 19, 2014

“NYU Abu Dhabi Workers Treated Terribly; NYU Shrugs”

Compliance Concerns

Employee & Employer

- Social tax withholdings and statutory benefit requirements in the location where services are provided
- Local labor laws, including mandatory benefits, pay, or leaves
- Employer registration requirements and creation of a “PE”
- In-country work authorization including visa or other entry or exit documentation



What are the Options



- Engaging Independent Contractors
- Hiring Locals Directly
- Partnering with a Local Organization
- Contracting with a Professional Employment Organization (PEO) or Global Employment Organization (GEO)
- Utilizing a U.S. employee on business travel

Independent Contractors (IC)

- Does the jurisdiction recognize the IC concept?
- Does the Worker Classification Checklist support IC classification?
- Does the local jurisdiction require foreign party compliance with any local regulation?



Hiring Local Employees Directly



Least Likely Option Why?

- Is Penn a registered entity?
 - Current registrations in Botswana, China, Spain, Japan
- Does Penn have the right to hire an employee?
 - Sponsored research agreements may allow some flexibility or exemptions from compliance, but review and approval is required
- Can Penn Administer a local payroll or hire a third party to do so on our behalf, assuming the right to have a common law employee in country?

Partnering

- Does Penn have a partner in the country?
 - University
 - NGO
 - Other local organization
- Can the partner act as a withholding agent for the University?
- Is there an agreement between the University and partner regarding employment and costs?
- Is there a written agreement between the partner and employee, such as a secondment agreement? Is this necessary?
- Can the University utilize the partner's existing employees through a contract or MOU?
- Can the partner "hire" a Penn identified resource if funded by Penn?

Professional and Global Employment Organization (PEO) and (GEO)

- Can Penn work with a PEO to be the Employer of Record for individuals in country? If so, what is required?
- What are the total estimated costs?
 - Salary
 - Employer/employee social taxes
 - PEO service fee
 - Other
- What is the applicable duration for this type of arrangement?

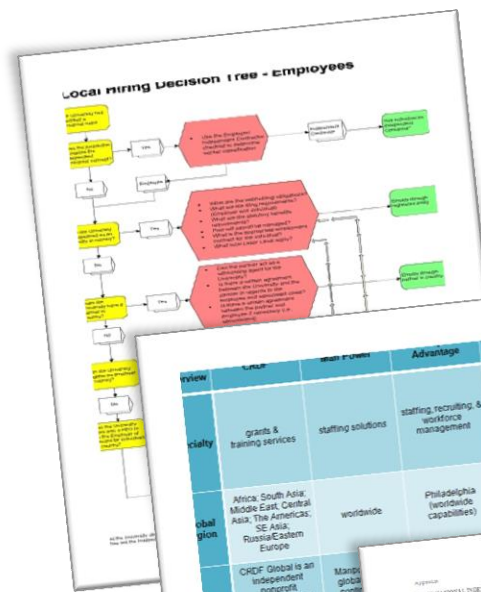


Penn U.S. Personnel Working Abroad

- **Short-term: If less than 90 days**
 - Is business travel appropriate?
 - Can we obtain the appropriate visa based on location and activity (work, travel, business, other)
- **Longer-term: If greater than 90 days**
 - Will the University have a Permanent Establishment in the foreign country location if the employee is hired by the U.S. entity?
 - How will the local country withholding, statutory obligations, and individual's tax liabilities be handled?

Toolkit Offers

- Decision Tree
- PEO Matrix
- International Contractor Agreement Template



Review	Local	nearshore	Advantage	Partner	International
Cost	grants & training services	staffing solutions	staffing, recruiting, & workforce management	staffing solutions	staffing solution, global manage payroll & controlling labor
Global	Africa, South Asia, Middle East, Central Asia, The Americas, SE Asia, Russia/Eastern Europe	worldwide	Philadelphia (worldwide capabilities)	worldwide	worldwide
Cost	CRDF Global is an independent nonprofit organization that promotes international scientific and technical collaboration through grants, technical resources, training and services.	Many global, cost, permanent, organic, high, complex, solutions, business, comp			

INTERNATIONAL INDEPENDENT CONTRACTOR AGREEMENT

Agreement between the University of Pennsylvania and the Contractor for the provision of services. The agreement includes terms and conditions for the Contractor's services, including the scope of work, payment, and termination.

UNIVERSITY OF PENNSYLVANIA
SIGNED CONTRACT FOR THE REGIONAL DEVELOPMENT BY A U.S. CONSULTANT/INDEPENDENT CONTRACTOR/EMPLOYEE OF CRDF GLOBAL

CRDF GLOBAL shall be the sole provider of the services described in the Statement of Work (SOW) attached hereto, and shall be responsible for the performance of the services under the terms and conditions of this Agreement.

Timeline

- Spring 2015: Hiring Abroad Tool-kit available on GSS website at <https://global.upenn.edu/gss/resources>
- Fall 2015:
 - Proposed MSA with one or more Global Employment Orgs. (PEO/GEO)
 - Added content for Penn U.S. Business Travel, including department HR/BA responsibility and “working location” designations

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