



AMERICAN UNIVERSITY

W A S H I N G T O N , D C

Frequently Asked Questions for Adjunct Transition to nextSource June 3, 2019

1. Why is AU transitioning the employment of some employees to nextSource?

American University employs talent that resides across multiple states and countries. There is significant complexity to managing the payroll and employment compliance for individuals who reside and work outside of DC, Maryland, and Virginia (“DMV”), given the wide variability in employment laws and rules across different states. Like many other universities, AU has decided to partner with nextSource to serve as the Employer of Record for these employees. This will allow for more flexibility in hiring practices and mitigate risk for American University.

2. To whom does this apply?

Initially this change will apply to any adjunct faculty of American University who delivers services to the University from a location outside of the District of Columbia, Maryland or Virginia (“DMV”). This does not apply to adjuncts whose job requires business travel for short periods of time, or who deliver services from outside the DMV on a temporary basis.

Based on the business needs of the university and performance of the employee, the university will continue to reserve the right to determine in advance whether the university will permit an individual’s principal work location to be outside of the DMV.

3. So, what exactly is changing?

When an adjunct will deliver services from outside of the DMV, the University will hire these employees through an Employer of Record (EOR) to ensure compliance with a wide variety of state and international laws and regulations.

4. What is an Employer of Record?

An Employer of Record serves as the legal employer of an individual and that employee performs work for American University. An Employer of Record will handle all personnel functions on behalf of AU for workers that deliver services outside of the DMV. AU has recently retained nextSource to serve as the Employer of Record.

5. Who is nextSource and why did AU select them?

nextSource is an established Employer of Record with over 20 years of experience handling HR and payroll processes for workers on behalf of universities, including several of AU peer institutions.

6. Does this apply to adjuncts who live in states outside the DMV and commute to campus to teach?

No. This does not apply to individuals who commute to campus to work.

7. How is temporary defined?

Temporary is defined as less than one semester, or in the case of the summer, the period between mid-May through mid-August.

8. How is “DMV” defined?

DMV includes the District of Columbia and the State of Maryland, and Commonwealth of Virginia.

9. What about adjuncts who deliver services from outside of the U.S.?

Adjuncts who deliver services from another country or from the U.S. territories are also covered by this program.

10. When will this transition occur?

AU’s partnership with nextSource will begin by transiting adjunct faculty who will be teaching courses starting on July 1, 2019 or later.

11. What will change for these adjuncts?

Adjuncts transitioned to nextSource will be required to complete new hire paperwork with nextSource. This process is automated and will include completing a new W-4 form for federal and state taxes and an I-9 form. They will begin to receive their paychecks and W-2s from nextSource.

12. What will be staying the same?

Most aspects of working at AU will stay the same. American University will continue to recruit, select, appoint adjuncts to teach and assign courses. The adjuncts will continue to have AU ID Cards, AU email, and access to the AU systems needed to do their jobs.

13. How will hybrid programs be handled – those programs in which adjuncts who teach from a remote location are required to come to campus for some period of days during the semester?

These individuals will generally be covered nextSource.

14. Will nextSource provide benefits to adjuncts?

Adjunct faculty may be eligible to participate in a retirement program through nextSource and will learn more about it during an upcoming orientation with nextSource.

15. Who will issue a W-2 for these individuals?

nextSource will issue W-2s for wages received from the date the adjunct faculty member transitions and AU will issue a W-2 for wages paid prior to that date.

16. When will the adjuncts learn more about the changes?

AU will be notifying the adjunct faculty of the change the first week of June. nextSource will invite them to participate in a briefing where they will learn about nextSource's new hire paperwork and payroll processes and answer any questions that they might have.

17. Who do I contact for more information?

You can contact Megan Ludlow, Program Manager at nextSource mludlow@nextsource.com, or contact Merlyn Ruiz McClure, AU Faculty Coordinator, at mmcclure@american.edu or Tim Lanigan, Director of HR Service Delivery at planigan@american.edu.