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## STATE INSTRUCTION NUMBER 16-03

**To:** WED Area Directors  
WED Regional Managers  
Local Area Administrators

**Subject:** Changes to SCWOS Terms and Conditions

**Issuance Date:** August 19, 2016

**Purpose:** To inform South Carolina Works Online Services (SCWOS) staff users of recent changes to the Terms and Conditions to include revised and additional definitions, rules, rights, and conditions.

**Policy:** The most significant change in the Terms and Conditions is the stipulation that only employers issuing a W-2 form to employees are permitted to post jobs in SCWOS. State Instruction 13-01, Change 1 defines an employer as a person, firm, corporation or other association or organization that:

- is located in the United States;
- proposes to employ a worker within the United States;
- hires, pays, fires, supervises and otherwise controls the employee's work, and when applicable thresholds are met, withholds and submits quarterly payroll taxes; and
- **issues (or intends to issue) IRS Form W-2 showing the employee's wages, tips, and other compensation earned and taxes withheld while working for the employer.**

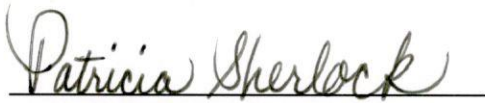
The Internal Revenue Service (IRS) defines independent contractor wages as "non-employee" compensation and requires the 1099 form be issued rather than a W-2 form. Therefore, job postings from independent contractors are not permitted in SCWOS in accordance with state policy and the revised Terms and Conditions.

The revised SCWOS Terms and Conditions also define "applicant harvesting" as the process of using false, fictitious, or misleading job postings to entice a job seeker to divulge personal, employment or other information, including collecting data for positions not currently available. This practice is a violation of the SCWOS Terms and Conditions.

Additionally, "Partners" is defined as all state and local government entities with administrative SCWOS access, including the Department of Employment and Workforce (DEW) and Local Workforce Development Boards. A Partner may include a person or entity (public or private) not directly specified in the agreement, but having a role within the workforce system, including but not limited to labor market statistics, education, policy, and economic development.

**Action:** Please ensure that all appropriate staff receive and understand this policy, to include partner staff.

**Inquiries:** Questions may be directed to Grey Parks at (803) 737- 0086 or [bparks@dew.sc.gov](mailto:bparks@dew.sc.gov).

A handwritten signature in cursive script that reads "Patricia Sherlock". The signature is written in black ink and is positioned above a horizontal line.

Patricia Sherlock, Director  
Policies and Procedures