Guidance to Faculty Members and Departmental Administrators Regarding E-Verify

Federal Requirements for Employees Working on Federal Contracts

The guidance below is provided to faculty to ensure the University’s compliance with Executive Order 12989 and the Federal Acquisition Regulations (FARs).

Why am I receiving this document?
You have been identified as a Project Director/Principal Investigator (PI) or co-investigator on a federal contract which is subject to the E-Verify requirement.

What is the E-Verify requirement?
The federal government has implemented a requirement for institutions that receive federal contracts, stating that employers must use the E-Verify system managed by Department of Homeland Security and the Social Security Administration, to verify the employment eligibility of all employees working on federal contracts – which includes employees paid directly from contracts and employees who are cost-shared on contracts. The requirement to use E-Verify for a current employee moved to a covered contract paid position is in addition to the requirement that employers complete the Form I-9/E-Verify process for all new hires.

What are your responsibilities as a PI of a contract with this requirement?
1. Ensure that employees working on the contract are immediately assigned within HRMS to the contract account, so that eligibility may be verified in a timely manner. Your department business officer or HRMS representative can assist you with this action.
2. Immediately notify your department business officer or HRMS representative of any changes to either existing staff or new staff working on the contract.
3. Assist your department business officer or HRMS representative if an initial “Tentative Non-Confirmation (TNC)” result occurs for any employees assigned to your contract. The initial submission of information for verification by your department business officer or HRMS representative is relatively simple, but further information from you and others as well as from the employee may be needed.

Does this include all federal contracts?
The regulations state this requirement only applies to federal contracts meeting certain criteria. Those criteria are:
- Direct federal contracts exceeding $100,000 or 120 days in duration and subject to FAR
- Federal pass through contracts exceeding $3,000 and subject to FAR

The vast majority of sponsored projects at IU are grants, not contracts, so this requirement affects only a small number of sponsored projects and employees (both faculty and staff).
How is IU implementing this requirement?
IU has made changes to the FIS system and the HRMS system to identify C&G accounts which are associated with applicable federal contracts. As current employees are appointed within HRMS to one of these federal contracts, the system will inform the user that the employee needs to be processed through E-Verify. HR and Academic Affairs offices will work with department administrators to collect the necessary information to submit to the E-Verify system.

An employee only needs to be verified once, even if the employee works on future federal contracts. HRMS will record the employee’s eligibility, and future appointments of the employee to other federal contracts will not trigger a new verification.

How soon must the E-Verify process be completed for an employee?
For new employees to IU being hired to work on a federal contract, this process must be completed within 3 days of the employee’s date of hire. For existing employees who are appointed to a federal contract, the process must be completed within 30 days after the employee begins work on the contract.

Due to the short timeframes, any employee working on a federal contract should be immediately appointed to that contract, rather than relying on subsequent salary transfers.

Where can we find more information?
Please contact your local HR or Academic Affairs office. They can provide additional guidance on the specific procedures related to gathering and submitting employee information.