

STRATEGIC SOURCING

OPERATING PROCEDURES

SECTION V-G- Independent Contractor Agreements

TITLE: Denver Public Schools Agreement for Independent Contractor Services

1. **Purpose:** These procedures outline the necessary requirements and steps in contracting for the services of an independent contractor, person, firm, consultant and/or entity to meet certain criteria outlined in state and federal regulations.
2. **Definition:** When it is necessary for sites to contract with persons, firms, consultants and/or entities to provide educational services relating to and/or working directly with the students of the District, they may do so on an Agreement for Independent Contractor Services, provide the person, firm, consultant and/or entity meet certain criteria outlined in state and federal regulations.

Because of legal requirements, individuals and entities that provide services/programs must complete in full an Independent Contractor Agreement, submitted to the District's Strategic Sourcing Department, and approved and executed by the Board of Education's duly authorized designee prior to the commencement of the Contractor's provision of services.

Links to Webform and other forms can be viewed and printed from the [Strategic Sourcing](#) and [Accounts Payable](#) websites on the Commons.

3. **Policy:** The Contractor shall provide the services consistent with generally accepted industry standards for the Contractor's customary services. On the effective date of the Agreement, and during the term of the Agreement, the Contractor will be fully qualified and will have all licenses, permits, certificates, registrations, and approvals needed to perform its obligations under the Agreement.

Failure to correctly identify a person as an employee rather than an independent contractor puts the District at risk of incurring fines and penalties for failure to pay the appropriate taxes. To assist in determining whether an individual can be hired as an independent contractor, based on requirements outlined in the Colorado Employment Security Act, the Internal Revenue Service Ruling 87-41 and the Fair Labor Standards Act. As such, sites may want to review the IRS regulations "Independent Contractor vs. Employee" available on the Strategic Sourcing website to determine the appropriate method for hiring.

Per Board of Education policy #GCQE, C.2- "No independent contractor agreement shall be entered into by the District which exceeds one year."

In addition, Board Policy GBEA, Staff Ethics/Conflict of Interest, states that, "No employee shall be a contractor or subcontractor with the school system other than within the terms of his appointment or contract of employment, or have a material financial interest in any contract or subcontract with the school system." As such, Denver Public Schools' employees cannot be hired as independent contractors.

Conflict of interest (Board Policy GBEA)- The Contractor shall not be related to any DPS employee nor shall any DPS employee have a funded interest with the Contractor pursuant to DPS Board Policy

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(GBEA)

4. **Procedures:** All Independent Contractor Agreements must be submitted to the Strategic Sourcing Department through ICA Webform for the approval process. The Strategic Sourcing Department maintains the contract and secures the approvals for services.

PROCEDURE	BY WHOM
<p>BEFORE SERVICES BEGIN: The site administrator (principal or department head) identifies a need, obtains price quotes (if applicable).</p>	<p>School or Requesting Department</p>
<p>The Contractor will need register in the Supplier Portal, if not previously registered, and obtain a Vendor number from Accounts Payable.</p>	<p>Contractor</p>
<p>Submit an Independent Contract Agreement through Webform at least two weeks before the scheduled service, allowing for appropriate contract review and approval.</p> <p>There are three levels of an ICA (Independent Contractor Agreement).</p> <ol style="list-style-type: none"> 1. Under \$3,500 for the term of the agreement 2. \$3,500-\$149,999 for the term of the agreement will require 2 quotes 3. Over \$150,000 for the term of the agreement will require formal bidding 	<p>School or Requesting Department</p>
<p>Contract submission will be reviewed for all appropriate/necessary information and released to the Contractor.</p>	<p>Strategic Sourcing and Risk Management</p>

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PROCEDURE	BY WHOM
<p>The contractor will be notified to review and approve the terms of the contract through the Supplier Portal. The contractor will need to attach:</p> <ol style="list-style-type: none"> 1. Signed and notarized contract 2. Signed and notarized Background Check Certificate affidavit 3. Proof of insurance 4. Additional scope of services, if applicable 	Contractor
<p>Once the Contractor and DPS have agreed and approved to the terms of the Independent Contractor Agreement it will be routed for the appropriate approvals.</p> <p>SSCM will route for appropriate approval based on the Board of Education (see section 5-A for approval limits).</p>	Principal or Department Head, Strategic Sourcing
<p>Approved contracts will be activated and a Vendor Agreement PO# will be created.</p> <p>An email will be sent to the Contractor, Requester, and Buyer notifying them of the approved contract.</p>	Strategic Sourcing
<p>Contractor will invoice Accounts Payable directly (accountspayable@dpsk12.org) referencing the Vendor Agreement PO# for the contract.</p> <p>The requesting school/department head will approve the Contractor's invoice, when notified by email, using DPS financial management workflow process.</p> <p>If all paperwork is in place, Accounts Payable will send payment directly to the Contractor in accordance with the contract payment terms.</p>	<p>Contractor</p> <p>Principal or Department Head</p> <p>Accounts Payable</p>

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5. **Forms:** Forms and links to the ICA Webform, can be viewed and printed from the Strategic Sourcing website on the Commons: <http://thecommons.dpsk12.org/Page/77>

- **ICA Intake Form**
- **Pricing Justification Checklist**
- **ICA Amendment Form**
- **Certification of Background Check**
- **Single/Sole Source Provider Details**
- **IRS Regulations “Independent Contractor vs. Employee”**