



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.

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, provided 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 an Independent Contractor Agreement. Agreements must be 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 service.

Forms can be viewed and printed from the Strategic Sourcing website <http://purchasing.dpsk12.org>

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, a questionnaire is available for the school or department to complete, 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 complete the "Independent Contractor vs. Temporary Questionnaire", which is available on the Strategic Sourcing Department web site to determine the appropriate method for hiring them.

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 (GBEA)

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

PROCEDURE	BY WHOM
<p>The contractor will complete their registration on the District's Supplier Portal, if not previously registered.</p> <p><u>BEFORE SERVICES BEGIN:</u> The contractor and the site administrator (principal or department head) must complete and sign the ICA at least <u>two weeks before</u> the scheduled service. The executed Contract must be processed by the Strategic Sourcing Dept. before the scheduled program date.</p> <p>There are two levels of an ICA (Independent Contractor Agreement).</p> <ol style="list-style-type: none"> 1. Under \$5,000 for the term of the agreement 2. Over \$ 5,000 for the term of the agreement <p>Along with the high dollar valued ICA, a Certificate of Insurance should be attached to the back of the agreement.</p> <p>Contractor's signature must be notarized.</p> <p>The Principal or Department Head complete the DPS Independent Contractor vs. Temporary Employee Questionnaire and attach it to the agreement.</p> <p>Pricing justification shall accompany the agreement to document the pricing reasonableness of services to be provided.</p> <p>A "Service" Requisition must be created for contracts that are more than \$25,000.</p> <ul style="list-style-type: none"> - Commodity Codes (Type of Service being requested) 961-96 or 962-58 will be used on the requisition. - Cite either Account 9339 or 9334 to go along with the Distribution Accounting Unit to be charged <p>School or Department should make a copy of the documents before sending to the Strategic Sourcing Dept.</p>	<p>Contractor</p> <p>School/Requesting Department and Contractor</p> <p>Principal or Department Head</p> <p>Principal-Designee/Dept. Admin.</p> <p>Principal-Designee/Dept Admin</p>
<p>Independent Contractors will not be paid using Visa</p> <p>The contractor will mail or e-mail their invoices to Payment Services, or use the On-Line Invoicing process available through the District's Supplier Portal.</p> <p>The Contractor will reference to Purchase Order number where applicable on their invoice.</p>	<p>Contractor</p> <p>Contractor</p>

<p>Independent Contractors will not be set up for payment unless there is an approved Independent Contractor Agreement on file in the Strategic Sourcing Department and the contractor has completed their registration in the Supplier Portal.</p>	<p>Payment Services/Strategic Sourcing</p>
<p>The requesting school/department head will approve the contractor's invoice, when notified by e-mail, using the District's financial management workflow process.</p>	<p>School/Requesting Department</p>
<p>If all the paperwork is in place, DPS Payment Services will send payment directly to the Contractor in accordance with the contract payment terms.</p>	<p>Payment Services</p>

5. Forms: The forms required to initiate and complete an ICA can be found on the Strategic Sourcing website at <http://purchasing.dpsk12.org/forms/independent-contractor-information/>

- Independent Contract Agreement Overview
- Short form independent contractor agreement (for use up to \$5,000)
- Long form independent contractor agreement (for use over \$5,000)
- Pricing justification checklist form
- Independent Contractor Agreements Checklist
- Independent Contractor Questionnaire