

PROCEDURE: STANDARD ENGAGEMENT AGREEMENTS

I. Background:

Standard Speaker's Engagement Agreements (SEAs) were developed as a vehicle for University departments to establish entertainment and honoraria type "service agreements" with **independent contractors**. These agreements would also include the necessary terms and conditions associated with the specific service delivery.

In addition to the SEAs with independent contractors, the Department of Human Resources, to ensure compliance with the Internal Revenue Service's policies and procedures, requires that all independent contractors fill out an *Independent Personal Services Certification Form (IPSC)* (**previously called Certified Work Statement**). The Office of Finance requires individuals not currently employed by the University or the Commonwealth of Virginia to complete the *Industry Practice (IP) Checklist* (**new form**). If the individual does not fit into any of the categories on the checklist, they then must complete the *Worker Classification Review* Questionnaire. These forms are required to determine whether or not a potential contractor should be treated and paid as a University employee, or as a true independent contractor.

II. Determination:

In February of 2003, Old Dominion University committed to use the Commonwealth of Virginia's web based marketplace "eVA" as its *sole procurement tool* for **all** procurement transactions. Therefore, the use of SEAs for all procurement transactions that exceed \$1,000 will be discontinued effective July 1, 2006.

III. Definitions:

- A. **Budget Unit** is a University agency, college, department, office or school to which a budget unit number has been assigned by the University's Budget Office.
- B. **eVA** is the Commonwealth of Virginia's web-enabled electronic procurement system.
- C. **Independent Personal Services Certification Form** is the form that requires completion by the Owner Agency, to include signature from the independent contractor.
- D. **Industry Practice Checklist** is the form that requires completion by the Owner Agency.
- E. **Owner Agency** is those University budget units requesting and having responsibility for the services to be provided.

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- F. **Terms and Conditions** are those specific to the successful delivery and/or performance of the requested services.
 - G. **Worker Classification Review Questionnaire** is the form that requires completion by the Owner Agency (when applicable).

IV. Specific Requirements:

A. **Transaction Processing:**

Any and all procurement transactions for honoraria and/or entertainment type services that exceed \$1,000 shall be processed through eVA.

B. **Department Responsibilities:**

1. **eVA Users:**

- i. All University eVA users shall process all procurement transactions for honoraria and/or entertainment (formerly processed with LPOs and SEAs agreements) as they would any other procurement transactions, and shall be responsible, as necessary or required, for the following:
 - a) Completed Independent Personal Services Certification Form;
 - b) Completed Industry Practice Checklist;
 - c) Completed Worker Classification Review Questionnaire;
 - d) Contractor completion of the *Substitute W-9 Form* requesting Taxpayer Identification;
 - e) Changing the eVA requisition "purchase order category code" to the appropriate exempt 02 category; and
 - f) Completing the eVA requisition to include all of the necessary "contract" information, to include, but not be limited to the following:
 - 1) date of the agreement;
 - 2) place, date and time of presentation;
 - 3) description of presentation;
 - 4) description of allowed expenses, as follows:
 - i. accommodations;
 - ii. transportation; and
 - iii. per diem (as applicable)
 - 5) compensation; and
 - 6) manner and time of payment

Notes:

- 1) ***The SEAs will no longer be used;***
- 2) ***The contract terms and conditions shall be incorporated in the eVA purchase order;***
- 3) ***The eVA purchase order will serve as the legally binding and official contract document; and***
- 4) ***Materiel Management will review and approve each request accordingly in eVA***

2. **Non-eVA Users:**

i. **\$0 to \$1,000:**

All University Budget Units that are not currently using eVA, may process procurement transactions for honoraria and/or entertainment that do not exceed \$1,000 by submitting a Limited Purchase Order to the Department of Finance/Accounts Payable, to include, as necessary or required, the following:

- a) Completed Independent Personal Services Certification Form;
- b) Completed Industry Practice Checklist;
- c) Completed Worker Classification Review Questionnaire; and
- d) Contractor completion of the *Substitute W-9 Form* requesting Taxpayer Identification.

Notes:

- 1) **Executed SEAs are not required, but may be used as an attachment to the LPO to specify terms and conditions;**
- 2) **If the contractor requires an executed SEAs, the agreement can be executed by the person having signature authority for the associated budget unit;**
- 3) **Materiel Management will no longer review and execute SEAs having a contract value of \$0 - \$1,000**

ii. **Greater than \$1,000:**

All University Budget Units not currently using eVA, shall prepare and submit to the Department of Materiel Management for processing, a completed University "blue" requisition for procurement transactions of honoraria and/or entertainment that exceed \$1,000 to include, as necessary or required, the following:

- a) Completed Independent Personal Services Certification Form;
- b) Completed Industry Practice Checklist;
- c) Completed Worker Classification Review Questionnaire;
- d) Contractor completion of the *Substitute W-9 Form* requesting Taxpayer Identification;
- e) Detailed contract information, to include at a minimum:
 - 1) date of the agreement;
 - 2) date, place, and time of presentation;
 - 3) description of presentation;
 - 4) description of allowed expenses, as follows:
 - i. accommodations;
 - ii. travel and transportation; and
 - iii. per diem expenses (as applicable)
 - 5) compensation; and
 - 6) manner and time of payment;

Notes:

1. **The SEAs will no longer be used;**
2. **The contract terms and conditions shall be incorporated in the eVA purchase order;**
3. **The eVA purchase order will serve as the contract legally binding and official contract document;**
4. **Materiel Management will enter the requests in eVA, issue the purchase orders accordingly, and ensure copies are provided to the vendors and requesting owner agency.**