

CONTRACTS

Professional Services/Consultant Contracts or Memoranda of Agreement

The following control procedures shall be followed for establishing a professional services contract or MOA and method of payment:

- a. All contracts or MOAs for professional and consulting services will be negotiated by the superintendent or designee. Other school district employees are not authorized to make such commitments per Board Policy 3312. The Business Manager is responsible for determining the eligibility of an individual as an independent contractor versus an employee. (See IRS references.)
- b. MOAs greater than \$25,000 shall be submitted to the Board of Education for approval and shall abide by the district's purchasing and procurement policy.
- c. All contracts and MOAs are governed by standard district policies and procedures for purchasing, managing vendors, and making payments. Corresponding policies, administrative regulations, and SOPs should be consulted when executing a contract or MOA.
- d. All contracts paid by federal funds must follow OMB Guidance 2 CFR Title 2 Vol 1, Part 200, commonly known as Uniform Guidance (UG). (See sections 200.317 through 200.326.)
- e. A W-9, Request for Taxpayer Number Identification and Certification form must be completed by all consultants and returned to the Business Office before any work begins and before payment will be processed. A social security number is required for all non-incorporated consultants without a Taxpayer Identification Number (TIN, aka EIN). For consultants in the state of Alaska, a Business license number is also required.
- f. The contract or MOA must include all of the following information before it will be considered for approval by the superintendent or designee.
 1. Consultant's contact information including full legal name, address, SSN or TIN number, AK business license number, phone number, and email address.
 2. A detailed description of the service to be performed including the total expected duration in units, i.e. total hours, days, pieces, etc.
 3. Start and end dates for the performance of services.
 4. The rate of pay including the maximum total amount the school district will pay for the described services.

5. The department receiving the services, and the name and contact information for the administrator overseeing the services.

6. A clause describing the process by which the vendor was designated as an independent contractor versus employee.

7. Approval signatures from the superintendent, administrator, and contractor.

g. A purchased order in accordance with the terms of the MOA is required to encumber funds.

h. The consultant must submit a detailed invoice describing services rendered to the administrator for review. A requisition should be generated by the administrator and signed by the Superintendent. Once approved, the administrator forwards the invoice to Accounts Payable for final approval and payment according to the district's payment procedures.

(c.f. BP 3301 Expenditures/Expenses – Political Activities/Lobbying; BP 3310 Purchasing Procedures; BP 3311 Bids; BP 3314 Payment for Goods and Services; BP 3315 Relations with Vendors)