



ADMINISTRATIVE PROCEDURES MEMORANDUM

APB005

Engaging Individuals for Contract Work

DATE OF ISSUE: December 4, 2007
Revised: N/A

MEMO TO: All Staff

FROM: Director of Education

PURPOSE:

To establish guidelines for the selection of individuals engaged on a temporary contractual basis and the determination of individuals' status as a contractor or an employee.

REFERENCES:

Executive Limitation 1V 004 "Compensation and Benefits"
Executive Limitation 1V 007 "Asset Protection"
Canada Revenue Agency Guidelines

COMMENT AND GUIDELINES

The Waterloo Catholic District School Board acknowledges that the need will arise to engage individuals to perform functions/duties which are outside the scope of the Board's normal operational roles and responsibilities.

In so doing, it is understood that the Board's policies and procedures and guidelines provided by Canada Revenue Agency will be followed.

At all times, in the consideration of individuals for such temporary assignments, prudent protection has been taken to avoid conflict of and pecuniary interest.

The Board is always striving to achieve the greatest value for money and as such, all projects and the manner in which they are undertaken including the engagement of individuals for contract work should be done in the most efficient, effective and economical manner.

PROCEDURES

1. Determine the nature and scope of the duties to be performed.
2. Determine the approximate cost of the project.
3. Ensure that the purchasing procedures are followed i.e.
 - a. For projects estimated to cost under \$10,000 – no quote is necessary but must be administered through a Purchase Order. It is further understood that due diligence has been applied.
 - b. For projects estimated to cost between \$10,000 and \$50,000 – three (3) written quotes , comparing prices and quality, must be obtained and must be assessed with the Manager of Purchasing prior to the final selection of the individual. These quotes must be filed in the Purchasing Department.
 - c. For projects over \$50,000, a tendering process must be utilized. The Manager of Purchasing must be involved in this process.
4. Determine if the intended contracted individual is an employee or an independent contractor using the “Checklist”, Appendix A.
 - a. If the answer to most of these questions is “YES”, the intended individual to be engaged would be an employee.
 - b. Conversely, if the answer to most of the questions is “NO”, the intended individual to be engaged would be an independent contractor.
 - c. If there is an equal amount of questions answered “YES” and “NO”, refer to Business and Finance to seek the necessary advice to determine the proper classification of the individual.
5. Ensure that all contracted individuals (including those with contracts under \$10,000) enter into the attached agreement “Contract for Services”, Appendix B.
6. The Manager of Purchasing must ensure that procedures as outlined in Item #3 have been complied with and the “Contract for Services” document has been duly executed prior to the individual being engaged to perform the relevant duties. All “Contract for Services” documents must be filed in the Purchasing Department.
7. Signing authority for the “Contract for Services” document has been delegated to the Manager of Purchasing.
8. By October 15 of each year, the Manager of Purchasing will provide Planning and Priorities with a report on all contracted services that the Board has undertaken in the previous fiscal period.

**SCHEDULE A
EMPLOYER/INDEPENDENT CONTRACTOR CHECKLIST**

ISSUE	YES	NO
Does the employer control where the work will be performed?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer tell the worker what hours to perform the work?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer supervise the worker or require the worker to “check-in” on a daily basis, as opposed to receiving periodic status or progress reports?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer have the right to require the worker to redo the work if it isn’t satisfactory?	<input type="checkbox"/>	<input type="checkbox"/>
If the work must be redone, does the employer pay the related costs?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer provide the worker with office space?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer pay insurance premiums or payroll taxes for the worker?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer provide fringe benefits to the worker (e.g. health insurance, vacation or sick leave, holiday pay)?	<input type="checkbox"/>	<input type="checkbox"/>
Is the worker paid an hourly rate, as opposed to submitting an invoice for the cost of his or her services?	<input type="checkbox"/>	<input type="checkbox"/>
Is the worker paid the same amount regardless of whether the project or the employer’s business is successful?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer provide or pay for the tools and equipment necessary for the worker to perform the work?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer maintain or pay to maintain the worker’s tools and equipment?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer provide or pay for materials necessary to perform the work?	<input type="checkbox"/>	<input type="checkbox"/>
Is the employer responsible for replacing materials that are lost or damaged?	<input type="checkbox"/>	<input type="checkbox"/>
Is the relationship between the employer and worker a continuing one, as opposed to a relationship based on a distinct project with a foreseeable end?	<input type="checkbox"/>	<input type="checkbox"/>
Must the worker obtain the employer’s permission to hire and pay others to do the work?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer train the worker or others whom the worker supervises?	<input type="checkbox"/>	<input type="checkbox"/>
Does the employer pay for any losses, expenses or damages incurred while the project is being completed?	<input type="checkbox"/>	<input type="checkbox"/>
Must the worker obtain the employer’s permission to work for other individuals or organizations?	<input type="checkbox"/>	<input type="checkbox"/>
Is the employer dependent upon the worker to continue its business?	<input type="checkbox"/>	<input type="checkbox"/>
 Total	 <input type="checkbox"/>	 <input type="checkbox"/>

APPENDIX B



Waterloo Catholic District School Board

Contract for Services

1.0 Background and Project Overview

Provide a description of the project and rationalize the need for contracted services. Ensure you have reviewed the necessity of this contract with HRS and BS before proceeding with contractor selection.

2.0 Scope of Work

The selected contractor (s) will be responsible for....

3.0 Deliverables

The following Deliverables will be expected from the selected contractor...

4.0 Timelines

Must have a start and end date.

5.0 Fees

Specify amounts, sales taxes, frequency of payments. Supplies, consumables, mileage and any other cost incurred by the contractor cannot be billed back to the board. Some allowance for this must be included in their set fees.

Terms and Conditions

Conflict of Interest

The contractor declares that no person, firm, or corporation with whom or which the contractor has an interest, has any interest in this contract. The contractor further declares that no member of the Waterloo Catholic District School Board and no officer or employee of the Waterloo Catholic District School Board will become interested directly or indirectly as a contracting party, partner, shareholder, surety, or otherwise in or in the performance of the contract or in the supplies, work, or business to which it relates, or in any portion of the profits thereof, or in any of the money to be derived therefrom.

Should the contractor feel that a conflict of interest or potential conflict of interest exists, the contractor must disclose this information to the Waterloo Catholic District School Board prior to the acceptance of the bid. The Waterloo Catholic District School Board may, at its discretion, withhold acceptance of the bid until the matter is resolved to the Waterloo Catholic District School Board's satisfaction. The Waterloo Catholic District School Board may allow a conflict of interest or potential conflict of interest to exist if it is satisfied that there are adequate safeguards in place and if the Waterloo Catholic District School Board determines that it is in its best interests to do so.

The Waterloo Catholic District School Board reserves the right to cancel a contract where the Waterloo Catholic District School Board believes a conflict of interest or potential conflict of interest exists.

Insurance Requirements

The contractor shall maintain the following insurance for the duration of the contract:

Liability Insurance

The professional shall take out and keep in force until the date of acceptance of the entire work by the Waterloo Catholic District School Board, a comprehensive policy of public liability and property damage insurance acceptable to the Waterloo Catholic District School Board providing insurance coverage in respect of any one accident to the limit of at least \$2,000,000 inclusive, against loss or damage resulting from bodily injury to or death of one or more persons and loss of or damage to property. Such policy shall name the Waterloo Catholic District School Board as an additional insured thereunder, shall contain a cross-liability and severability of interests clause, and shall protect the Waterloo Catholic District School Board against all claims for damages or injury including death to person or persons and for damage to any property of the Waterloo Catholic District School Board or any other public or private property resulting from or arising out of any act or omission on the part of the contractor or any of the consultant's officers, agents, servants, employees, customers, invitees, licensees, or subcontractors during the duration of the contract. Such policy shall be extended to include the following

endorsements: Personal Injury Liability, Contractual Liability, Owners and Contractor's Protective Coverage, and Contingent Employers Liability Insurance;

Criminal Background Check

An acceptable current Criminal Background Check must be submitted for all individuals engaged in carrying out the contract.

Assignment of Contract

This contract may not be assigned, sub-contracted, or let out in whole or in part, without the prior written consent of the Waterloo Catholic District School Board.

Holdback of Payment for Unacceptable Performance

Should all or any part of the work be deemed unacceptable by the Waterloo Catholic District School Board, payment for all services, or for the applicable section of the work, will be withheld until such time as the work is deemed acceptable by the Waterloo Catholic District School Board.

Board Not Employer

The contractor agrees that the Waterloo Catholic District School Board is not to be deemed the employer of the contractor.

Indemnification and Hold Harmless Agreement

The contractor shall indemnify and hold harmless the Waterloo Catholic District School Board or any of its agents, officers, members, and employees from and against any and all liabilities, damages, costs, claims, suits or actions, of any kind, caused by acts or omissions of the professional, his/her officers, agents, servants, employees, customers, invitees, licensees, or subcontractors, or occurring in or on the premises or any part thereof arising from or occasioned by any cause whatsoever, and including any loss or damages resulting from any violations under the Occupational Health and Safety Act, together with defence costs, fines and penalties, except where such loss, damages or injury is due to the act, default, or negligence of the Waterloo Catholic District School Board, and their employees.

6.0 Payment

The contractor must have a legal business name and registered business number. Payments will be made directly to the business. Subject to approval by the Waterloo Catholic District School Board of submitted invoices(s), payment will be made within thirty (30) days.

7.0 Contract Signing

I/WE ACKNOWLEDGE AND HAVE CAREFULLY EXAMINED THE TERMS, AND CONDITIONS AND SPECIFICATIONS OUTLINED IN THIS CONTRACT.

Signer must have authority to bind the company.

Signed at Kitchener this _____ day of _____ 200 .

Legal Company Name
(Contractor) _____

Address

# Street	Municipality	Province	Postal Code

Signature of _____ Name

(Authorized official or principal who has authority to bind the company) Print or Type

Title _____ Email

Telephone # _____ Fax #

8.0 Contract Acceptance

Waterloo Catholic District School Board

Name: _____

Title: _____