

MEMORANDUM

To: All Managers, OCC, GWC, CCC, DIST

Cc: C.M. Brahmbhatt, Vice Chancellor of Administrative Services

From: Richard Kudlik, Director, Internal Audit Services

Re: District Independent Contractor Procedure

As there have been some changes to the independent contractor agreements and turnover in various departments responsible for reviewing and approving these agreements, Internal Audit Services has decided to clarify the following District-wide procedure for completing and approving independent contractor agreements in accordance with Board policy, as follows:

1. Complete the Independent Contractor Checklist and submit to the office of the Vice President of Administrative Services for review and approval.
2. Create a Board agenda item to obtain approval for your independent contractor on the next Board agenda.
3. Determine the appropriate form to use for the type of service provided by the contractor. The one-page form can only be used for referees, officials, performers and musicians. The four-page form can be used for guest lecturers, non-military recruiters, and individuals performing administrative tasks (i.e. reviewing or creating course content, web developers, typists, researchers, proofreaders, etc.). Contractors providing other services must use the long form, unless otherwise approved by Risk Services.
4. For Board item submission, locate the appropriate Board approved interactive Independent Contractor Agreement on the District's website at the following URL:
<http://www.cccd.edu/facultystaff/independentcontractors/default.aspx>
5. Complete the appropriate Independent Contractor Agreement online and be sure to adhere to the instructions noted within the document at each fillable field.
6. Once the information has been entered online, print four (4) copies of the document and secure the independent contractor's signature on each agreement and the completed W-9's.
7. Once the independent contractor's signature has been secured on the four (4) agreements and the W-9's, forward along with the approved Board item and Independent Contractor Checklist to the appropriate manager at your respective location for approval.
8. The originator must create a Purchase Order Requisition in PNI or through the appropriate system for Auxiliary operations and communicate to the personnel responsible for the higher levels of authority to approve in the system.

9. The authorized personnel (i.e. campus business office, District administrative services) will then review the agreements, W-9's, and Independent Contractor Checklist for completeness.
10. The authorized personnel (i.e. campus business office, District administrative services) will then review and input the requisite information into the Employment Development Department (EDD) website. This is required to be completed within 20 days of the Board approval date.
11. Board agenda item is then created at the campus level based on information in the approved agreement, W-9 and Independent Contractor Checklist, and is submitted to the Board Office for approval.
12. Upon approval from the Board Office, the documentation will then be forwarded by the authorized personnel at each campus (and ONLY the authorized personnel) to District Risk Services for review prior to being signed by the Vice Chancellor of Administrative Services.
13. Once reviewed by District Risk Services, the agreements will be signed by the Vice Chancellor of Administrative Services.
14. If the agreed upon amount of compensation for the services to be provided increases after signature and Board approval, you are required to obtain Board approval for the change. If the agreed upon amount decreases from that previously approved, you would not be required to obtain Board approval. For any changes that are made to the amount of compensation after signature and Board approval have initially been obtained, you are required to obtain a signature from the independent contractor.
15. The independent contractor agreement is now executed and work can begin.

In addition to the above, it should be noted that there is a 12-month waiting period to become an independent contractor after having been employed by the District.

The documents and procedure noted above are effective as of January 1, 2006. Use of the old Independent Contractor Agreement after this date is no longer permitted and will not be accepted at the District office for signature. Any deviations from this procedure must be submitted to the authorized personnel at your respective campus for consideration.



Richard Kudlik
Director of Internal Audit Services