

## CVS POLICY & PROCEDURE MANUAL

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**Policy Area:** Finance

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**Policy # & Name:** 7.1 Contracted Services

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**Group:** All Staff

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**Purpose:**

To ensure sound business practices when using contracted services.

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**Policy Statement:**

From time to time, CVS contracts for services or goods. Contracted services must be documented, meet the test of an independent contractor, and not contravene requirements of the Collective Agreement.

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**Practice Standards:**

Determine whether contracting with an independent contractor is in the best interests of CVS. Some of the situations that may require independent contracting are:

- ? Need for external expertise;
- ? Short term need;
- ? Lack of internal human resources available;
- ? Previous internal efforts were unsuccessful;
- ? Need for objective perspective; and/or
- ? Requirement of a funding contract.

Before contracting, make sure you are familiar with the rules and tests regarding independent contractors.

Ask for a written proposal from all potential contractors. Require proposals to include work to be completed (deliverables), fees, expenses, payment schedule, completion dates, requirements for cancellation and amendments, and names of those who will actually do the work.

Write and sign a contract based on the work agreed and within your financial authority. If the contract is above your authority, get prior approval from the Executive Director or Board.

**Best Practices**

Help the contractor understand the organization's priorities and requirements.

Appoint one person in CVS to be the main contact for the contractor.

Arrange for regular checkpoints to monitor how the work is progressing.

Consult Conflict of Interest policy if you have any concerns about the relationship between the contractor and CVS.

Document your decisions regarding awarding of contracts.

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**Policy Audit:** March annually

**Date Issued:** March 2004

**Date Revised:**

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**Position  
Responsible:**

Executive Director, Finance Manager

**References:**

- ✍ Policy 6.11 - Conflict of Interest
  - ✍ Collective Agreement
  - ✍ 9.16 - "Employed or Self-Employed" (Canada Customs and Revenue Agency)
  - ✍ 9.17 – Employee or Independent Contractor? (Canada Customs and Revenue Agency)
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