

## Michigan State University Professional Services Contract

For engagement with a United States Business/Individual and the contract is for \$600.00 or more in total. Work performed by an independent contractor (IC), (business or individual) should be requiring specialized knowledge, or experience where MSU has no control over how the work is done, just the final product. Form should be completed before work commences. See section 76 of the Manual of Business Procedures for guidance. Forward completed document to Purchasing.

**MSU enters into a binding agreement with:**

<b>Business Name/Authorized Contractor:</b>		<i>(Check One)</i>	Tax ID <input type="checkbox"/>																	
			SSN <input type="checkbox"/>																	
<b>Individual Name or Primary Business Partner:</b>				<b>E-mail:</b>				<b>Phone:</b>												
<b>Address:</b>				<b>Beginning date:</b>				<b>Ending date:</b>				<b>Location of services:</b>								
				<b>Payment Terms:</b>				<b>Rate of Pay: (hourly, total project)</b>												
<b>Amount for Services*:</b> \$ _____		<b>Description of services:</b> <i>(engagements greater than \$10,000.00 need sole source documentation)</i>																		
<input type="checkbox"/> Estimate <input type="checkbox"/> Not to exceed																				
<b>Amount for Expenses:</b> \$ _____		<b>Department's responsibility to support services:</b>																		
<input type="checkbox"/> Estimate <input type="checkbox"/> Not to exceed																				

*\* Amount used to determine contract value for MSU dollar limitations.*

<b>MSU Department Name:</b>				<b>MAU Code:</b>							
<b>Contact Name:</b>				<b>Phone: (    )</b>				<b>E-mail:</b>			
<b>Department Address:</b>											
<b>MICHIGAN STATE UNIVERSITY ACCEPTANCE:</b> <i>The service to be provided is necessary, the cost for the service is reasonable, and the service cannot now be provided by current University employees. The department has retained documentation of the reasonableness of the cost and the selection process employed to secure the most qualified contractor available for contracts of \$600.00 or greater. Documentation of same is <b>attached</b> for all contracts greater than \$10,000.00.</i>											
<b>MSU Acct Charged:</b>				<b>Object Code:</b>							

**\*\*\*\*\*PLEASE USE BLUE INK WHEN SIGNING ALL DOCUMENTS.\*\*\*\*\***

<b>Signature:</b>	<b>Date:</b>
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*Authorized signer for account charged (attach documentation of bidding procedures and/or sole source justification).*

<b>Signature:</b>	<b>Date:</b>
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*Dean or Vice President or designate greater than \$5,000.00.*

<b>Signature:</b>	<b>Date:</b>
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*Contract and Grant approval, if charging accounts 61-0000 to 61-9999.*

<b>Signature:</b>	<b>Date:</b>
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*Purchasing Department greater than \$10,000.00.*

<b>FOR PURCHASING USE ONLY</b> <input type="checkbox"/> Use this requisition as invoice	<b>Vendor ID:</b>	<b>PSRQ:</b>
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Michigan State University Professional Services ContractConditions of Contract

1. **INDEPENDENT CONTRACTOR.** The Contractor will act as an independent contractor under this Contract, and neither the Contractor nor any employee or agent of the Contractor is an employee of the University due to this Contract. The Contractor will provide the services and achieve the results specified by the University free from the direction or control of the University as to means and methods of performance.
2. **NONRESIDENT ALIEN.** If the Contractor is a nonresident alien performing services in the United States or its territories, the Contractor will provide proof of visa status (I94 Form) documenting authorization to receive payment for work performed along with a U.S social security number to the University prior to payment by the University.
3. **ACCESS TO RECORDS.** The Contractor shall maintain reasonable records, including evidence that the services actually were performed and of the identity of all individuals paid for such services, and the Contractor shall allow access to those records by the University, any sponsor, the State of Michigan, or the Comptroller General of the United States or their authorized representatives.
4. **OWNERSHIP OF WORK PRODUCTS.** Any discovery, patent, copyright, invention, work papers, software, software applications, written materials, publications, data, information, by-product or end-product arising as a direct result of the performance of this Contract shall be the sole property of the University. The University hereby grants to Contractor a non-exclusive royalty-free right and license to use for the Contractor's internal non-commercial research and development activities all unpublished data, know-how, materials and unpatented inventions or discoveries arising from this Contract.
5. **TERMINATION.** Either the University or the Contractor may terminate its obligations under this Contract by giving the other party prior written notice of such termination, specifying the intended date of termination; provided, however, that upon request from the University, the Contractor shall continue performance until the University can find a replacement contractor or for an additional thirty (30) days after the specified termination date, whichever is the shorter time period. Upon termination, an equitable settlement shall be made for actual costs incurred by the Contractor up to the date of termination.
6. **UNIVERSITY EMPLOYEES.** The Contractor will not hire any employee of the University to perform any services covered by this Contract without prior written approval from the Office of the Provost for academic employees or from the Assistant Vice President for Human Resources for non-academic employees.
7. **CONFIDENTIAL INFORMATION.** The Contractor shall not publish or otherwise disclose, except to the University and except matters of public record, any information or data obtained in the course of performance of this Contract from private individuals, organizations, or public agencies, in a publication by which the information or data furnished by any particular person or establishment can be identified, except with the written consent of such person or establishment.
8. **ACKNOWLEDGMENT OF SPONSORSHIP.** In any publication the Contractor shall acknowledge sponsorship by the University and/or other sponsor by use of the following statement: "This work was performed under the sponsorship of THE BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY and (insert any other sponsor). This work does not necessarily represent the views of the University or the sponsoring agency." If the publication is copyrighted, the statement, "Reproduction of this article, with the customary credit to the source, is permitted" shall be added. With the exception of acknowledging sponsorship of research, the name of the University may not be used in publications, news releases, advertising, speeches, technical papers, photographs, and other releases of information regarding this Contract or data developed under this Contract without the prior written approval of the University.
9. **CONFLICT OF INTEREST.** The Contractor affirms that to the best of his/her knowledge no actual or potential conflict exists between the Contractor's family, business, or financial interests and his/her services under this Contract, and he/she will inform the University regarding any possible conflict of interest which may arise as a result of any change in either his/her private interests or services under this Contract.
10. **TOTAL AGREEMENT.** This Contract contains the entire agreement between the parties, superseding any prior or concurrent agreements as to the services being provided, and no oral or written terms or conditions which are not contained in this Contract shall be binding. This Contract may not be changed except by mutual agreement of the parties reduced to writing and signed.
11. **ASSIGNMENT/TRANSFER/SUBCONTRACTING.** The Contractor shall not assign, transfer, subcontract, or otherwise give to or impose on any other party any obligation or right of the Contractor under this Contract, without the prior written consent of the University.
12. **INDEMNIFICATION.** The Contractor shall indemnify, defend and hold the University harmless from any charge, fine, penalty, or judgment arising out of, or in any way resulting from, the Contractor's performance under this Contract, and should the University be required to make payments or incur costs of defense (including reasonable attorney fees) on account of the Contractor's performance, the Contractor shall fully reimburse the University. The obligations of the Contractor under this paragraph 12 shall survive any termination of this Contract or completion of the Contractor's performance under this Contract.

I agree to the terms above and on the first page of this Contract. The amount of the charges for services under this Contract does not exceed my normal and customary rate. I certify that the Social Security Number or Federal Employer Identification Number on the first page of this Contract is correct and that I am not subject to backup withholding unless otherwise noted. **I am not a current University employee or enrolled as a University student. Non-University business references will be provided as needed.**

Signature: \_\_\_\_\_

Authorized Contractor

Date: \_\_\_\_\_

## Michigan State University Professional Services Contract

The University's responsibility in regard to federal, state and FICA tax purposes is the accurate categorization and documentation of a worker's status as an independent contractor. This attachment will support that status for the University. Please answer all questions honestly. If some items are true, contact the Purchasing Department for more information at 355-0357. If all items are true, the individual is really an employee and must be paid through the Payroll office. Although the service provider may prefer an independent contractor relationship, this is no guarantee the IRS will not challenge the classification. The following information will be used in the event of an IRS audit.

<b>Service provider is a:</b>	<input type="checkbox"/> U.S. Citizen	<input type="checkbox"/> U.S. Business Entity	<input type="checkbox"/> Resident Alien
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**A) Business reporting status is (check all that apply):**

<input type="checkbox"/> Incorporated*	<input type="checkbox"/> Non - Profit	<input type="checkbox"/> Partnership	<input type="checkbox"/> Individual/Sole Proprietor	<input type="checkbox"/> Ltd. Liability Corp
<input type="checkbox"/> Medical Services	<input type="checkbox"/> Legal Services	<input type="checkbox"/> Woman Owned	<input type="checkbox"/> African Amer.	
<input type="checkbox"/> Hispanic American	<input type="checkbox"/> Native American	<input type="checkbox"/> Asian-Pacific American	<input type="checkbox"/> Asian-Indian Amer.	

\* If the service provider is incorporated, parts B) and C) below do not need to be completed.

**B) Employee Status**

Service provider is:	True	False
• teaching a credit or non-credit course offered by MSU to the public	<input type="checkbox"/>	<input type="checkbox"/>
• currently enrolled as an MSU student	<input type="checkbox"/>	<input type="checkbox"/>
• an MSU graduate employed by the department in which they earned their most recent degree (within three months of completing their degree)	<input type="checkbox"/>	<input type="checkbox"/>
• employed by MSU currently or within the last three months	<input type="checkbox"/>	<input type="checkbox"/>

**C) MSU Department Information**

MSU department will:	True	False
• Provide the contractor with extensive instruction and training regarding how the work is to be done rather than rely on the individual's expertise	<input type="checkbox"/>	<input type="checkbox"/>
• Provide the tools, supplies, additional labor and space to perform the work	<input type="checkbox"/>	<input type="checkbox"/>
• Want the contractor to continue as part of the department's ongoing daily operations	<input type="checkbox"/>	<input type="checkbox"/>
MSU departments have obtained/or verified:	Yes	No
• Non MSU references from the Contractor to support independence from MSU. (Purchasing will retain the right to request such references at any time.)	<input type="checkbox"/>	<input type="checkbox"/>

My responses to these questions are true and accurate to the best of my knowledge. Based on my responses I am requesting that this service provider be paid as an independent contractor. I understand that if the service provider is paid as an independent contractor and the IRS determines that the service provider should have been paid as an employee, I may be called upon to testify as to the accuracy of the information I have provided on this form.

Departmental Representative Signature (optional)	Date
Unit Administrator Signature (required)	Date

PSC # \_\_\_\_\_

Account number (for routing purposes only) \_\_\_\_\_

**Michigan State University Professional Services Contract**

**Invoice Approval Cover Sheet**

Forward to Accounts Payable Invoice Audit, (103 Angell) with invoice attached

**Contractor Name:** \_\_\_\_\_

Line # of PSC*:	Description (including dates of service)	Dollar amount applied to line
<b>Total amount of invoice to be paid:</b>		

*\*Contact Purchasing to add lines or amend the existing professional services contract.*

Last payment, close out encumbrance

**Approval for Payment:**

<b>Signature:</b> _____	<b>Date:</b> _____
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*Authorized signer for account charged on Purchase Order\*\**

**INTERIM PAYMENTS:**

"The services for which reimbursement is requested have been satisfactory rendered and the costs thereof are proper and due in accordance with the terms of the agreement."

Signed: \_\_\_\_\_  
*(Principal Investigator/Hiring Administrator)*

**FINAL PAYMENT:**

"The services for which reimbursement is requested have been satisfactorily rendered and the costs thereof are proper and due in accordance with the terms of the agreement. I have received and accepted all technical information or other requirements that were required under this agreement. This is the final payment."

Signed: \_\_\_\_\_  
*(Principal Investigator/Hiring Administrator)*

\*\* Contract and Grant approval is necessary if charging accounts 61-0000 to 61-9999:

<b>Signature:</b> _____	<b>Date:</b> _____
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*Contract & Grants Administration*