

# eShop How-To Sheets Establishing eShop Contracts for Independent Contractors

Before engaging with an independent contractor, make sure you are adhering to the **Procurement Policy**.

# Steps required to establish contracts with independent contractors:

- First, you must check if the individual is already set up as an independent contractor.
- If the individual is not currently designated an independent contractor, you must complete the 'Independent Contractor Questionnaire' so Accounts Payable can determine their status (employee vs. self-employed).
- If the individual is assessed and found to be an independent contractor, you must complete the <u>'Confirmation and Indemnification Agreement' form</u>. If the individual is found to be an employee, you will be directed to Payroll.
- You must determine if the total amount of the payment to the independent contractor will be over or under \$25,000. This will determine how you initiating payment:
  - under \$25,000 <u>a cheque requisition is used to initiate payment.</u>
  - o over \$25,000 <u>a Purchase Requisition Form is required prior to initiating payment.</u>

## **Important Notes:**

- Social Insurance numbers (SIN) should never be included on any form or sent via e-mail. When paying
  an individual who is not registered for HST/GST, Accounts Payable requires their SIN before payment can
  be issued. If you believe the individual may need to provide their SIN, please contact Accounts Payable
  for instructions (accounts.payable@carleton.ca).
- Accounts Payable will review the 'Independent Contractor Questionnaire' and make the final determination of an employer-employee relationship or self-employed status.



1b. Searching eShop for an **Contract Search Results** 2 independent contractor: 1-1 of 1 Results Sort by Best Match 20 Per Page 🔻  $\sim$ In the 'Contract Details' window, **Contract Details** the 'Active for Shopping' field IND-004049 Open Summary tells you whether the Art Installer Vendor: Start Date: 01/09/2021 Version Type: Original **Constructive Behaviour** independent contractor has an Contract Type: Independent Contractor End Date: 01/09/2022 Renewal No.: 0 active contract. Active for Shopping: Yes -If 'Yes', then proceed to 1-1 of 1 Results 20 Per Page 🔻 step 5 -If 'No', or if the vendor did not appear in your search, then proceed to step 2 2a. **Independent Contractor** eshop **Questionnaire:** 

Click on the **Home icon** in the upper left-hand corner of your screen to return to the eShop landing page.



## 2b. Independent Contractor Questionnaire:

On the landing page, scroll down to the **'Forms'** box.

Click on the blue 'Independent Contractor Questionnaire' text.



2c.	Independent Contractor	
	Questionnaire:	

The first section on the form tells you what the form is for and any important information about filling it out.

## 2d. Independent Contractor Questionnaire:

Complete these four fields.

## 2e. Independent Contractor Questionnaire:

Click on the radio button beside 'Yes' or 'No' to answer each of the questions.

Reach out to <u>accounts.payable@carleton.ca</u> with any questions.

. Is the manufacture carrier of formal employee of factory memory of the orientary.	s. Over the manufacture and address to me or address an or part of the services.
⊖ Yes	⊖ Yes
○ No	○ No
2. Is the individual a current Carleton University student?	10. Will the individual/entity provide their services exclusively to Carleton?
⊖ Yes	O Yes
○ No	○ No
<ol> <li>Is the individual in any way related to the hiring supervisor? (As per the income Tax Folio S1-FS-C1, a related person is connected by blood, marriage, common-law partnership or adoption)</li> </ol>	11. Will the hiring manager/department be responsible for the management and planning of the work? This may include but is not limited to: establishing work location, days and hours of work, vacations, etc.
○ Yes	⊖ Yes
○ No	○ No
4. Is the entity owned or controlled by a current/former employee or faculty member of the University?	12. Will the engagement be for an ongoing relationship rather than a specific job or a specific deliverable?
⊖ Yes	⊖ Yes
() No	○ No
5. Is the individual/entity providing services that are or were provided by an employee or faculty member of the University?	13. Is the individual/entity taking on any financial risk of losing money or are they responsible for operating expenses or investments to provide the services?
⊖ Yes	() Yes
() No	○ No
6. Do the parties have a mutual, non-economical, interest with respect to the work being performed (for example, a student working for their supervising faculty member)?	14. Will the individual/entity receive scheduled payments of regular amounts regardless of Carleton's satisfaction?
⊖ Yes	⊖ Yes

Form Instructions

This questionnaire is intended to provide guidance in assessing an individu The University reserves the right to treat the individual as an employee follo

nined that the individual/entity is an independent contractor they will be required to sign the Ca by the University's liability insurance. Any proposed services require a contract, duly signed in a

oval from the signing authority on the funding source for the payment of this service. Upon ch

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Carleton

Payee Information

Name of Individual/Entity: \*

Individual/Entity Banner ID (if applicable)

## 2f. Independent Contractor Questionnaire:

Once you have completed the form, click on the **red arrow** button and choose from the options in the drop-down menu to add the form to a cart (e.g. 'Add to Cart').

**Tip:** 'Independent Contractor Questionnaire' forms should not be added to a cart with anything else.



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3. Wait to receive confirmation that the individual has been designated an independent contractor **BEFORE** work is undertaken by the individual. Accounts Payable will send a comment in the form of an email through eShop to confirm independent contractor status. If the individual is determined to be an employee, then Accounts Payable will direct you to Payroll.

**Tip:** Do not turn email notifications off in eShop. If you need help turning your email notifications back on, reach out to <u>eshop@carleton.ca</u>.

### 4. Indemnification Form:

Once status has been confirmed, carefully review, fill out, and sign the '<u>Confirmation of Information and</u> <u>Indemnification Agreement</u>' form.

Email the completed 'Confirmation of Information and Indemnification Agreement' form to <u>accounts.payable@carleton.ca</u>. Accounts Payable will send a comment in the form of an e-mail through eShop to provide the independent contractor number (e.g. IND-000001).

## 5. Initiating Payment:

If the anticipated value of services over the length of the engagement is <u>less</u> than \$25,000, <u>a cheque requisition is</u> <u>used to initiate payment.</u>

#### OR

If the anticipated value of services over the length of the engagement is <u>over</u> \$25,000, <u>a Purchase Requisition Form</u> is required prior to initiating payment.

#### What next?

- Visit carleton.ca/facts/eshop to find more how-to sheets.
- Questions about the system? Email eshop@carleton.ca or call 613-520-2600 ext.3311.