

Employee Services: Step-by-Step Guide

Submitting a Scope of Work (SOW) for a Service Provider

This guide describes using an online web form for creating and submitting a scope of work (SOW) for approval. An SOW is required before hiring an independent contractor, or service provider, to perform work for the university. An SOW is also required for service providers who are individuals or sole proprietors, operating under a Social Security number (SSN) for payment. Foreign service providers eligible to be paid on an SOW may or may not have an SSN.

The SOW form requires information about the service provider and the work they will perform. Employee Services (ES) reviews this information to determine whether the service provider is an independent contractor in order to protect CU from negative consequences of inaccurately classifying a service provider who should otherwise be an employee.

Notes:

- If the service provider will work under an EIN (business/company) rather than an SSN (individual), you do not need an SOW form approved from ES. Instead, you will need to create the appropriate form in CU Marketplace, and send invoices to APinvoice@cu.edu for payment. If you have questions, contact the FinPro Help desk for assistance: FinProHelp@cu.edu, 303.837.2161.
- It is prohibited to use other, separate procurement methods (procurement card, travel card, CU Marketplace non-catalog order, or non-employee reimbursement form) to cover costs associated with an independent contractor.

Before You Begin

Make sure you have time to complete the form in one sitting (10-15 minutes). You cannot stop and save the form to complete later. You will also need a compatible web browser, preferably Internet Explorer (IE) or Firefox. You should have the following information before creating and submitting an SOW form:

- Information about the service provider:
 - Name and contact information (email address required)
 - Former or current CU employment (dates of employment and employee ID)
 - Whether they are retired and currently receiving PERA benefits
 - Prior contract dates and SOW numbers or purchase order numbers (if known)
 - Citizenship. If the provider is a foreign national, you will need to know the country of citizenship and anticipated immigration status for any U.S. services. For more information about these requirements, visit <https://www.cu.edu/docs/international-ap-payments>.
 - Last four digits of SSN (for all providers with SSN)
 - Payment details (estimated cost of work being performed, frequency of invoices)
 - Whether the service provider will be working with minors. If they will work with minors, your campus HR will need to complete a background check on the provider prior to completing the SOW form. A background check is required for anyone working with minors or vulnerable populations.

- Definition of the work being performed including deliverables, milestones, and special terms. This information can be added as an attachment.
- Name and email address of the person who will provide department approval of the SOW request.

You may also want to visit [Employee Services Procedural Statement: Scope of Work \(SOW\)/Independent Contractor](#) for more information about policies and procedures.

Requesting a Service Provider through an SOW

To create an SOW request:

1. From www.cu.edu/docs/scope-work-sow-form, click **Scope of Work (SOW) Form**. The online web form appears. Required fields appear with a red asterisk (*).
2. Click the **No** option to indicate you are creating a new SOW. Click **Yes** only if you are amending a previously approved SOW form. See [Amending an SOW](#) later in this guide for instructions on how to amend a previously approved SOW form.
3. In the CU Contact Information – Your Information section, you are the Requester:
 - a. Type information about yourself as the requester.
 - b. If you are not the same person who will approve the SOW request, click the **No** option to the question asking whether you as the Contact are also the Organizational Unit Contact providing department-level approval of the SOW request. If you will be approving the SOW request, click **Yes**.
4. In the Service Provider Information section, select values that define the service provider, if known:
 - a. Indicate whether the service provider is a current or former employee. If you select Yes, additional fields for dates of employment and Employee ID appear for you to complete.
 - b. Indicate whether the service provider is retired and receiving PERA benefits. If Yes, be aware that the provider must complete a Disclosure of Compensation form after every payment they receive. The Disclosure of Compensation form is available at www.copera.org. Completed forms should be scanned and emailed to ES at SOW@cu.edu.
 - c. Include required information: first and last name, email address, and last four digits of SSN. If the provider has a business name they are doing business as (DBA), enter that as well.

Note: If the provider will work under an EIN (business/company) rather than their SSN (individual), you do not need an SOW form approved from ES. Instead, you will need to create the appropriate form in CU Marketplace, and sends invoices to APinvoice@cu.edu for payment.
5. In the Proposed Work Information section, describe the services requested:
 - a. In the required text box, describe deliverables, milestones, and special terms.
 - b. In the second text box, describe credentials, previous experiences, or any information about how this service provider was selected.

Note: You can copy information from other files, and click Ctrl+V to paste it into these text boxes. If you have more information, you can attach documents as described later in this procedure.

- c. Indicate whether the work will be performed on campus.
 - d. Indicate whether university equipment or supplies are needed.
 - e. Indicate whether the work will be performed inside the U.S.
 - f. Indicate whether the service provider will be working with minors. If you select Yes, an additional prompt asks whether campus HR has performed a background check on the provider. A background check is required for anyone working with minors or vulnerable populations.
6. In the Payment Details section, provide information about the contract:
- a. Click the **Contract Begin Date** field, and select a date from the calendar. Using calendars to select dates helps prevent errors when typing and ensures the correct date format (MM/DD/YYYY) is applied.
 - b. Click **Contract End Date**, and select a date from the calendar.
Note: Accounts Payable will not release a payment for an invoice outside of these dates. To pay an invoice outside these dates, the requester has to amend the SOW as described in [Amending an SOW](#) on page 6.
 - c. In the **Invoice Frequency** field, indicate how often the university will be charged for services, for example, “as work is completed,” “once after work is completed,” or other frequency.
 - d. In the **Cost of Service** field, enter the estimated total cost of performing the work.
 - e. In the **Other Costs** field, enter the estimated total additional costs (not included in the service rate), such as travel, if necessary. An additional text box will appear for you to type a description of other costs.
7. If you have documents you would like to include, click **Attach Additional Documentation** to locate and select files.
8. From the Internal Revenue Service Classification Factors Checklist, read each question and select either **Yes** or **No**. This portion of the form helps ES evaluate whether this service is being provided by someone in an independent-contractor role or an employee role.
Note: The IRS defines someone as an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done. The earnings of a person who is working as an independent contractor are subject to self-employment tax. For more information, visit <https://www.cu.edu/employee-services/collaborative-hr-services/cu-campuses/employee-services-procedural-statement-scope>.
9. Review the Service Provider Certification.
10. Click **Submit**. The system sends an email notification to the service provider from a no-reply email address (OnBase_Notifications@cu.edu).

Next Steps: Signatures, Approvals, and ES Review

After you submit your SOW request, it is sent to the service provider to enter details and sign the form. You will need to contact the service provider directly to provide your department number so they can access the online form.

Service Provider Signature

After receiving the email notification, the service provider should perform the following steps:

1. Click the link to the form provided in the email. A prompt appears indicating a password is required.
2. Enter the requester's department number.
3. Update fields in the Service Provider Information section of the form (the rest of the form is read-only).
4. Use the mouse to sign the form.
5. Click **Set Changes** so the form registers any updates. This does not save or submit the form.
6. Click **Submit** to save the changes and forward the form for approval.

Note: If the service provider does not respond in 10 days, an email reminder is sent to the requester to ask the contractor to complete and return the form. If after 60 days the service provider has not completed the form, the request is canceled, and the requester is notified. The requester can contact ES, and ask to have the request reopened for another 60 days.

Approval Routing

After the service provider signs and submits the form, it is routed for approval as follows:

UCCS	All Other Campuses
↓	↓
If required, sponsored-projects signing authority	
↓	
Department organizational unit approver for signature; Cc: Requester Or, Requester for signature, if no unit approver specified	

UCCS only: UCCS sponsored projects signing authority receives an email notification with a link to the form. They click the link (password=department number), add their signature, and submit the form to the department organizational unit approver specified in the request.

At all other campuses, the department organizational unit approver specified in the request receives an email notification with a link to the form.

Once the department organizational unit approver applies their signature and submits the form, it is routed to ES for review and full approval.

Employee Services Review and Full Approval of SOW

When ES receives the SOW for review, the requester receives a confirmation email that ES is reviewing the request. This email also includes the SOW number assigned to the request.

Before ES reviews the request, the system gathers information for analysis. If the analysis discovers that the service provider is an active employee, who is not a retiree, the system cancels the request and notifies the requester to submit an Additional Pay form.

ES may take any of the following actions:

- **Request additional information.** ES may need clarification on information in the SOW form. The SOW will be on hold until additional information is received.
- **Deny the request.** If ES denies the SOW for any reason, the requester will receive an email describing why the request was denied and options for moving forward. Your campus HR can also help you determine how to proceed.
- **Approve the request.** If ES approves the SOW, the requester will receive an email indicating the form has been processed with a copy of the approved SOW form attached.
- **Forward the request.** If International Tax approval is required, the form will be routed accordingly.

Next Steps: Preparing for Payment of Services

After receiving fully-approved SOW from ES:

- Follow procedures for having the provider set up in CU Marketplace. Visit <https://www.cu.edu/psc/cu-marketplace> for more information.
- Submit invoices for payment as they are received:
 - For total costs under \$10,000, complete a Payment Voucher form in CU Marketplace. Be sure to attach the fully-approved SOW with the invoice.
 - For total costs over \$10,000, complete a Standing Purchase Order form with the fully-approved SOW attached in CU Marketplace, and email invoices to APinvoice@cu.edu.
- If the service provider is retired and receiving PERA benefits, they must complete a Disclosure of Compensation form after every payment they receive. The Disclosure of Compensation form is available at <https://www.copera.org/sites/default/files/documents/2-55.pdf>. Completed forms should be scanned and emailed to SOW@cu.edu.

Amending an SOW

An SOW needs to be amended when something changes, such as the contract end date or total costs.

Note: Only fully-approved SOW forms can be amended.

To amend an SOW:

1. From www.cu.edu/docs/scope-work-sow-form, click **Scope of Work (SOW) Form**. The online web form appears.
2. Click the **Yes** option to indicate you are amending an existing SOW.
3. In the **Scope of Work Number** field, type the number of your SOW (provided on the fully-approved SOW form), and press **Enter**. A blank SOW form appears.
4. Complete the CU Contact Information, Service Provider Information, and Payment Details sections with your revisions. You cannot make changes to the Proposed Work Information section.
5. In the **Comments** field, type a detailed description of why the amendment is needed.
6. Apply your signature.
7. Click **Submit**.

The form is returned to ES. The requester receives an email confirmation that the revisions have been received. Once ES approves the amended SOW, a copy is sent to the requester.