



Memo

Date: September 24, 2018

To: Pastors, Parish and School Business Managers and Administrators

From: Marquita Richburg, Manager, Office of Human Resources;
Perla Freed, Director of Safe Environment, Office of Child
and Youth Protection

Re: **Update** – Policies and Procedures for Independent Contractors

Please see the attached revised policies and procedures when using the services of independent contractors and vendors. This update will take effect immediately.

If you have questions and/or concerns, please contact the Office of Human Resources at 404-920-7480 or chanceryhr@archatl.com or Safe Environment at 404-920-7552 or sesupport@archatl.com.

Thank you.

THE ROMAN CATHOLIC
ARCHDIOCESE OF ATLANTA



OFFICE OF HUMAN RESOURCES

Policy for Utilizing the Services of Independent Contractors & Vendors

Purpose:

On occasion, the Archdiocese of Atlanta and its agencies, parishes and schools may engage in the use of independent contractors to fulfill an immediate business need. An independent contractor is a business owner or person retained to perform services under an agreement, either written or verbal. These individuals are not subject to archdiocesan control/right to control the manner and means of performing professional services. Generally, contractors provide their services to the general public and are responsible for furnishing their own tools, equipment, supplies, etc.

The classification of an individual as an independent contractor or an employee is governed by the Internal Revenue Service (IRS) **Independent Contractor or Employee?** It is imperative that organizations take the necessary steps to ensure that the individuals they have hired to provide a service on a contract basis have been properly classified according to IRS requirements. The misclassification of an individual as an independent contractor places an organization at great risk and could result in significant tax penalties and costly fines.

Note: An individual already employed by an archdiocesan entity may not provide services as an independent contractor.

This policy serves as a guide and is intended to provide the information necessary to Department Heads, Pastors, Principals and Managers to be in compliance with federal law and the policies of the Archdiocese of Atlanta.

Definitions & Examples

Definitions:

Independent Contractor: an individual providing a service to an archdiocesan entity on a temporary basis operating under a Social Security Number. These individuals are usually sole proprietors and ***MUST*** meet the IRS definition of an Independent Contractor.

- Provides services through a written contract or agreement (Independent Contractor Agreement). **Note: Please seek guidance from the Chancery Office of Human Resources on drafting these agreements.**
- Payments made for services rendered are documented by issuance of an IRS Form 1099 ***to the individual***
- Individuals providing services considered as high risk, are subject to additional licenses, insurances, etc. (lawn care, maintenance, food services, etc.). **See additional information under *“Required Documentation”***

Vendor: A corporation (company) operating under a Federal Tax ID Number

- Subject to additional licenses, insurances, etc. (liability coverage, worker’s compensation, etc.)
- Payments made for services rendered are documented by issuance of an IRS Form 1099 ***to a company not individual. See additional information under *“Required Documentation”****
- May offer similar services to the general public on a consistent basis

Examples:

Examples of Independent Contractors/Vendors who may have **direct** contact involving minors or vulnerable individuals. These individuals have ongoing access to minors or vulnerable adults and must comply with the diocesan Safe Environment requirements for employees.

- Cafeteria services
- Tutors
- Presenter or Performer (magicians, speakers, storytellers, in-house field trip visitors, presenters, etc.)
- Coaches
- Extracurricular activities
- Individuals leading after school activities
- Cleaning Companies if services are rendered during times minors are in the present in the facilities

Examples of Independent Contractors/Vendors who may have **indirect** contact involving minors or vulnerable adults. These individuals have short-term access to minors or vulnerable adults and must be under escort at all times while providing their services or products while on diocesan property.

- Consultants (Financial advisors, auditors, etc.)
- Vending machine stocker
- Postal/ Courier deliveries
- Caterers
- Equipment maintenance individuals (HVAC, printers, etc.)
- Electricians
- Plumbers
- Cleaning Companies if services are rendered at times where minors are not in the facilities
- Landscaping

Required Documentation/Business Manager Responsibilities:

****Copies of the following should be forwarded to HR at chanceryhr@archatl.com****

VENDOR:

Requirements for Vendors, Subcontractors and/or individuals employed by a Vendor who has been assigned to perform work on your property:

- **Completed Vendor Acknowledgment Form.** This form will ensure that your location receives confirmation that the individuals hired by the vendor have successfully completed a background screening which includes a national sex offender registry search. In emergency situations, please request a completed form within 24 to 48 hours. this form is also a reminder to collect from the vendor:
 - W-9 form
 - Copy of business license
 - Liability insurance coverage
 - Workers compensation coverage if applicable

INDEPENDENT CONTRACTORS & SOLE PROPRIETORS:

- Ensure that your contractor meets the IRS definition of an Independent Contractor. Refer to www.irs.gov
- Seek guidance from the Chancery Office of Human Resources on drafting an Independent Contractor Agreement. Final agreement should be signed by Pastor (or Principal) and the contractor
- Satisfactory Background Screening (questionable background screening results must be reviewed by HR for further instructions)
- Completed W-9 Form (payment should not be made until the form is received by the business manager)
- Proof of \$1 million liability coverage (**pertains to higher risk services only, i.e., lawn care, maintenance, janitorial services, etc.**) **Contact HR for further guidance.**
- Proof of Worker's Compensation coverage (**only if company employs at least three or more individuals**)
- Proof of a valid business license
- Signed Independent Contractor Policies Acknowledgment Form
- If contractor may have direct contact involving minors or vulnerable individuals, they must attend a VIRTUS Protecting God's Children training.
- **Copies of required forms can be found on the Business Manager HR Resources Page at <http://archatl.com/offices/human-resources/business-managers-resources/> (Password: *BusinessIsGood*)**

ADDITIONAL REQUIREMENTS FOR CATHOLIC SCHOOLS ONLY:

- In addition to the information included above, professionals representing other local and state agencies (e.g. speech therapist, specialist/therapist) working with minors must provide the school with:
 - Fingerprint screening confirmation from employer
 - Georgia Mandated Reporter Training certificate, "Child Abuse and Neglect: Mandated Reporting Requirements for Employees, Volunteers, and Contractors of Georgia Public Schools"

*****Note:** Title 1 Teachers provided by the LEA do not need to attend VIRTUS Training***

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VENDOR ACKNOWLEDGMENT FORM

_____ certifies that all employees working at
Name of Company

_____ effective _____ have
Name of Parish/School/Agency *Date*

successfully cleared a criminal background check which includes a national sex offender registry search and have not been convicted of a crime (other than minor traffic infractions). Depending on the specific nature of the work or position on diocesan premises, vendors/independent contractors may also be required to attend a designated Safe Environment training.

I have provided _____ with the following documents:
Name of Parish/School/Agency

- W-9 form on file
- Business license
- Liability insurance coverage (Refer to Policy for Hiring Independent Contractors)

Name of
Company Official

Signature of
Company Official

Company's Address and Phone Number

Date