



Boston VA Research Institute, Inc.

Date: 5/24/2012

Finance and Accounting Management

POLICY NO. 12-19

TITLE OF POLICY:

INDEPENDENT CONTRACTOR POLICY

1.0 PURPOSE

The BVARI Independent Contractor policy provides administrative and fiscal cash management services for paying consultants who have been contracted to provide a particular aspect/service necessary to an authorized project that must have closure (i.e., a report or data collected for X number of patients).

2.0 SCOPE

This policy encompasses the required process for determination and contracting an individual as an Independent Contractors.

3.0 POLICY

In order to determine if an individual should be paid as an Independent Contractor or as a W-2 employee, the Independent Contractor Checklist must be filed out and signed by the Principal Investigator, then submitted to BVARI's General Counsel along with the requested documentation listed in the aforementioned document. Upon receipt of the checklist, both BVARI's General Counsel and Director of Finance will review the information and make a determination. Upon determination, the PI shall be informed of the decision.

If the individual is categorized as an Independent Contractor, then . an Independent Contractor Agreement must be completed between the consultant and BVARI . A Principal Investigator is required to review the agreement but is not a party to it. The Independent Contractor agreement must contain the following:

- The scope of work and services to be performed;
- The cost of the work and services (hourly cost or project completion cost);
- If applicable, the exact cost(s) of materials and supplies to be used by the independent contractor

- how the independent contractor is to be paid for work and services (ie monthly, quarterly, or upon written status reports);
- Deadline for completion of work
- Name of approved research project to include BVARI account number;

If not already in a grant and/or agreement, must put in the indirect cost rate in the independent contractor agreement.

Any individual holding a paid VA appointment (either full or part-time) and working for the same supervisor will not be considered an Independent Contractor under this BVARI Policy.

4.0 DEFINITIONS

An Independent Contractor is engaged in a distinct profession and is in the business of providing services related to the job being contracted. Independent Contractors have total control over the work being performed, set their own hours, provide their own equipment, liability insurance, and office space.

5.0 RESPONSIBILITIES

5.1 BVARI Board of Directors: The BVARI Board of Directors is responsible for the overall policy, planning, and coordination of all BVARI activities within the VA Boston Healthcare System.

5.2 CEO: The BVARI CEO is responsible for developing, administering, and coordinating a business process that provides optimal internal controls for BVARI.

5.3 DIRECTOR OF FINANCE: BVARI's Department Director is responsible for ensuring that the BVARI employees follow the policies defined in the policy.

5.4 LEGAL: BVARI's General Counsel is responsible for reviewing all agreement(s) prior to execution.

6.0 PROCEDURES

Upon completion of the terms of the contract, the PI signs the agreement, not as a signatory, but as an acknowledgement. BVARI's Legal Counsel and the Contractor sign the agreement. Prior to executing the agreement, the Independent Contractor checklist must be completed and signed by BVARI's CEO, BVARI's Director of Finance, and BVARI's General Counsel.

To receive payment upon completion of the contract, or part of the contract, the consultant must submit an invoice to the BVARI Principal Investigator and follow the payment terms of the Contractor Agreement.

The BVARI Principal Investigator is then responsible to complete a Payment for Contractual Services Form together with the progress report, if required under the Agreement to BVARI's Financial Administrator.

7.0 RELATED DOCUMENTS:

Independent Contractor Agreement
Independent Contractor Checklist
Independent Contractor Payment Form

8.0 REVISION HISTORY

Revision Letter	Author	Revision Date	Description of Changes
A	Jeffrey Burd	06/08/2010	Original document
B	Jeffrey Burd	3/31/11	Updates to reflect the Massachusetts
C	Jeffrey Burd	5/24/2012	Updated definition and clarified policy

REASON FOR ISSUE:

SUMMARY OF CHANGES:

3.0 Policy

Clarified process for determining Independent Contractor status

4.0 Definitions

Updated definition of Independent Contractor

RELATED DOCUMENTS:

Independent Contractor Agreement

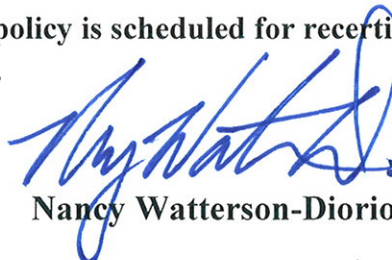
Independent Contractor Payment

RESPONSIBLE OFFICER:

Director of Finance

RECISSION: Independent Contractor Policy 10-19

RECERTIFICATION: This policy is scheduled for recertification on or before the last working day of May, 2015.



Nancy Watterson-Diorio

Chief Executive Officer

DISTRIBUTION

Board of Directors, Date:

FLD: Sharepoint Server _____ E-mailed _____ to:

BVARI Staff, Stakeholders