How to Engage a Service Provider Checklist

Please complete the steps below prior to service being performed to ensure compliance with IRS requirements and to ensure that a proper contract and insurance are in place to protect the University from potential risk.

**Step 1: Evaluate the Service Provider**

a) Review the Service Provider Evaluation Decision Flowchart in Section 700 of the Buying Manual to determine whether you must contact another university office for guidance, appoint the service provider as an employee, or perform a service provider evaluation, or if the service is eligible for payment via disbursement voucher.

b) If the flowchart directs you to a Service Provider Questionnaire, send the following form to the vendor to complete:
   - Service Provider Questionnaire
     Aids Cornell in evaluating of the vendor's "independent contractor status" based on IRS guidelines.

b) After the vendor returns the completed questionnaire, use it to complete the Service Provider Evaluation Worksheet which follows, and submit it to your financial transaction or business service center:
   - Service Provider Evaluation Worksheet
     Assists in completing the evaluation of behavioral control, financial control, and nature of the relationship.

c) Attach the service provider questionnaire and the evaluation worksheet to the requisition.

**Step 2: Select an Engagement Process**

a) If the service provider is classified as an independent contractor, complete the appropriate consulting agreement for the services to be performed and follow the purchase order process.

b) If the service provider is classified as an employee, consult your unit's human resources department and pay through Cornell Payroll.

**Step 3: Complete the Contract/Consulting Agreements**

a) Select the appropriate contract for service

b) Pay special attention to the items in the contract that must be completed, e.g., scope of work, deliverables, timeframe, compensation, etc.

c) Provide contract to service provider for review and signature and return to unit for completion

d) Review and date, initial or sign the contract as required on the particular agreement

e) Consult with Procurement Services if service provider has their own standard contract. Email the service provider’s contract and summary of services to procurement@cornell.edu.

**Step 4: Request Requisition**

The unit will send a request to the FTC/BSC to create a requisition for services. The request may be submitted via email or an I Want doc, based upon each Center’s procedures. The unit must
include the following with the request:

a) Contract signed by service provider and initialed or signed by unit
b) Completed Service Provider Questionnaire, if required
c) Completed Service Provider Evaluation Worksheet, if required
d) Single/Sole Source Justification form, if applicable

The Center will create a requisition, which will be routed to Procurement Services.

**Step 5: Procurement Services: Vendor Registration and Proof of Insurance**

Upon receipt of the requisition, Procurements Services will:

a) Contact any service provider not already registered in KFS and request completion of Automated Vendor Form
b) Review insurance requirements, identify insurance required, and request Certificate of Insurance from service provider
c) Complete vendor registration process

**Step 6: Procurement Services: Issue Purchase Order**

a) Review and sign contract
b) Approve requisition
c) Issue purchase order to vendor and include signed contract

Vendor can now perform the services.

**Step 7: Pay the Service Provider**

After the work is completed and in accordance with the contract terms, the service provider will:

a) Submit an invoice, referencing the purchase order number, to Cornell University Accounts Payable, P.O. Box 4040, Ithaca, NY 14852-4040 or email to DFA-4040_Invoice@cornell.edu.

Payment to the service provider is generated based upon receipt of the invoice and approval by unit and service center.