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## Buying Professional or Personal Services

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Common Services • **Professional/Personal Services** • Consulting Services

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This flyer explains how to hire an independent contractor to provide professional or personal services. Templates and forms are available on the Business Services [Forms and Flyers](#) web page.

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### Determining if you need professional or personal services:

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A professional or personal services contractor **provides technical or specialized services which are not available on campus**. These are trainers, fundraisers, investigators, researchers, programmers, and experts in their fields. There are two categories of independent contractor services:

- **Professional services** - performed by companies that use a Federal Employer Identification Number for tax purposes.
- **Personal services** - performed by individuals who use a Social Security Number for tax purposes

An independent contractor relationship exists when Berkeley Law controls only the end result of a service, not the manner in which the services are performed. No current UC Berkeley employee may provide services as an independent contractor.

Individuals or companies that provide professional or personal services often refer to themselves as “consultants.” Berkeley Law uses the University’s definition of “independent contractor” for these contractors. The University reserves the term “consultant” to describe a very specific type of service (refer to the flyer, “Buying Consulting Services”).

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### Unauthorized purchases:

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Enforcement of the University’s policy regarding unauthorized purchases is taken seriously by Berkeley Law and the Director of campus Business Services. The authority to make purchases using University funds is delegated in writing by that Director to specific individuals. In Berkeley Law, purchasing authority has been delegated to Business Services and to the Law Library. If you do not have this written delegation, you can be held financially responsible for your unauthorized purchases. **Your contractor may not begin to provide the desired services until the University’s promise to pay – represented by a University purchase order - has been established.**

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### Preparing a request for services:

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1. Complete a **Check Request Form** to authorize the purchase and to provide a chartstring for the expense.
  2. Complete an **Independent Contractor Pre-Hire Worksheet** to determine if the service provider qualifies as an independent contractor. This form is completed by the department, not by the contractor. You may need to ask the contractor for a tax identification number and mailing address. If your contractor is a foreign national, refer also to the flyer, “Paying Foreign Nationals.” If your selected contractor is a UC Berkeley employee – **STOP** – and consult your Human Resources manager.
  3. Have the contractor complete and sign the **Conflict of Interest Certification Form**. This information is required by the University.
  4. Provide a copy of the contractor’s **Curriculum Vitae** if services will be provided by “an expert in their field.”
  5. Prepare a **Statement of Work** describing in detail all essential information about the work to be performed by the contractor:
    - *Project description* - provide a title or working name for the project and include the name and contact information for both the individual requesting the services (the “client” or “contact”) and the individual or company providing the services (the “contractor”).
    - *Contractor selection* - explain in just a few sentences why this contractor was selected to provide the required services. Include any documentation that confirms that the contractor has agreed to perform the services described in the statement.
    - *Project scope* - describe in detail the work to be performed, required deliverables, project milestones, due dates, and any other relevant information about the services to be provided. If travel expenses will be reimbursed to the contractor, qualify them with this description: “reasonable, necessary and customary travel expenses...”
    - *Where the work will be performed* - state where on campus or in Berkeley Law these services will be provided. If services will be provided in the contractor’s office or in some other place not owned by the University, specify the location.
    - *When the work will be performed* - provide the start and end dates for the entire project.
    - *What University supplies and/or equipment will be used* - describe any University-own resources that will be used by and/or provided to the contractor during performance of services.
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### Preparing a request for services (continued):

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- *Payment rate* - state the total dollar cost of the project and include an itemized breakdown of the payment rate by deliverable, job, month, day, or hour, as appropriate. The University prefers payment by deliverable. Include an explanation of how you determined that the price is reasonable.
- *Payment terms* - provide any special terms of payment requested by the contractor, such as an advance deposit.

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### Processing your request:

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Forward your completed, hardcopy documentation to Berkeley Law Business Services for immediate attention:

- If your request is **less than \$5,000 and does not involve an employee-contractor relationship or copyright issues**, a University purchase order (PO) can be prepared by Business Services, typically within one business day. A copy of the signed PO and billing instructions will be provided to your contractor who may now begin providing services. Use [orders@law.berkeley.edu](mailto:orders@law.berkeley.edu) to communicate with Business Services about your request.
- If your request is **\$5,000 or more, or involves an employee-contractor relationship and/or copyright issues**, Business Services will prepare a purchase requisition and forward your documentation on your behalf to our designated Senior Buyer for processing. The Senior Buyer will prepare the high-value University purchase order and forward a copy of the signed PO and billing instructions to your contractor.

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### Making changes to your original request:

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If you determine that **additional services** will be required from your contractor, simply revise the original Statement of Work with the appropriate changes and forward this document to Business Services via [orders@law.berkeley.edu](mailto:orders@law.berkeley.edu) with your request for a purchase order amendment.

If you determine that you **will not need all of the services** in your original request, send a request to [orders@law.berkeley.edu](mailto:orders@law.berkeley.edu) to cancel the lien on your purchase order. Canceling a lien will close your purchase order and remove the budget encumbrance from your general ledger for that chartstring.

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### Paying for services received:

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Payment for professional and personal services must be made directly to the contractor; this type of transaction is not eligible for reimbursement to another individual.

A **purchase order** represents the University's promise to pay the contractor an amount not to exceed the dollar value of the PO. In order to receive a payment(s) for services rendered according to the terms of the PO, a contractor must submit a "demand for payment" represented by an **invoice**. The Berkeley Law client or contact (see "Statement of Work" above) will have an opportunity to confirm that the services itemized on an invoice were received satisfactorily before Business Services approves a payment(s) to the contractor.

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