

Minimally Recommended Elements for an Independent Contractor Agreement

CVSSD recommends that the following categories be included in any Subcontractor Agreements included in an E-grants application. In addition, **any grant award policies and requirements that are applicable to the contractor and, as appropriate, the cost principles to be used in determining allowable costs should be included in the Agreement.** Sample templates of *Personal/Trade Services* and *Goods* Agreements, approved by DOJ, are available at the following website as a reference to provide guidance to the development of Agreement language:

<http://www.oregon.gov/DAS/EGS/ps/Pages/TemplatesForms/purchasing-links.aspx>

PARTIES

Indicate the **official names and addresses of the parties** to the Agreement. Usually this is the Grantee who is awarding/funding the subcontract (generally referred to as the Agency) and the recipient of the subcontracted funds (generally referred to as the Contractor).

TERM

Indicate the **start date** (generally, the date indicated in the Agreement or the date the Agreement is executed by both parties, whichever is later) and the **end date** of the Agreement (generally, the date indicated in the Agreement, unless the Agreement is suspended or terminated, pursuant to a Termination Clause prior to the termination date).

SCOPE OF WORK AND DELIVERABLES

Defines the **services** for which the awarding Agency is engaging the Contractor, the **results** to be delivered by the Contractor, and the **schedule** for the delivery of services and results.

COMPENSATION

Defines the **maximum compensation** for the Scope of Work and Deliverables, defines the **payment method** and **schedule of payment(s)**. Compensation can be time and materials at a specific rate; it may be a fixed fee payable in installments, or some other negotiated payment system. This section should define the invoicing and reporting schedule and requirements for the Contractor. This section should also define when the Agency will make payment to the Contractor following the submission of invoices and/or reports.

INDEPENDENT CONTRACTOR RELATIONSHIP

This section should state that the **Agreement does not create an employer/employee relationship** between the Agency and the Contractor; it should state that the Contractor is not entitled to any Agency benefits; and it should state that the Agency is not liable for taxes, Workers Compensation, Unemployment Insurance, FICA, Social Security, withholding tax, etc. for or on behalf of the Contractor. You can refer to Oregon's Independent Contractor Laws at the following website:

<https://www.oregon.gov/IC/Pages/index.aspx>.

REPRESENTATIONS AND WARRANTIES

State that the Contractor has the **authority to enter in the Agreement**; that the Contractor will **perform services in a timely, professional and workmanlike manner**; that the Contractor shall **maintain any required license(s)**.

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INDEMNIFICATION

State that the Contractor shall **defend, hold harmless and indemnify the Agency** against all claims resulting from Contractor acts or omissions.

CONFIDENTIALITY

Include and hold the Contractor responsible for **adhering to your Agency confidentiality policy**.

TERMINATION, DAMAGES AND REMEDIES

State that the Agreement **can be terminated by mutual consent** with a specific number of days' written notice and that the Agency **can terminate at its own discretion for specified reasons, or no reason**, either immediately or within a specific number of days' written notice. Specify, **should the Agreement be terminated**, what materials, if any, should be provided from Contractor to Agency and how termination payment will be handled.

INSURANCE

Specify what **insurances the Contractor must carry** and the **levels of coverage** for some or all of the following types of insurance: Workers Compensation, Commercial General Liability, Professional Liability, Auto Liability. **Consider requiring the Contractor to provide Certificate(s) of Insurance and including the Agency as an Additional Insured.**

AMENDMENTS

State that the **Agreement is the entire Agreement and that the Agreement cannot be amended, changed, or supplemented in any way except by written Amendment signed by both parties.**

SIGNATURES OF AUTHORIZED REPRESENTATIVES

State the signer is authorized to act on behalf of Contractor; that Contractor is, to the best of the signer's knowledge, not in violation of any Oregon Tax Laws; and that Contractor is bound by and will comply with all requirements, terms and conditions contained in the Agreement.

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____