

Overview - Service Providers and Other Contractors for Professional Services

University schools and departments may contract for the purchase of Professional Services to accomplish the objectives of the University when such Services are specialized, highly technical, and cannot be economically or satisfactorily performed by University Employees as part of their normal duties.

Professional Services is providing advice in a particular area of expertise. Specific types of consulting include Environmental Consulting, Consulting Software Engineer, Human Resource Consulting, IT Consulting, Management Consulting, etc.

Payments to Service Providers must be made in full compliance with all United States government laws, orders and regulations. Specific issues related to payments are referenced throughout this section.

Agreements not addressed in this section include:

Revenue Generating Agreements

Contracts wherein the University provides services, facilities or products for compensation. Please contact the [Office of the General Counsel](#) for further information.

Intellectual Property Rights or Technology Transfer Agreements

Contracts wherein the University provides intellectual property rights or technology transfer to outside entities for compensation. Please contact [Columbia Technology Ventures](#) (CTV).

Revenue Neutral Agreements

Student placement agreements (including internships, student teaching, etc.), affiliation agreements with other institutions or settlement agreements (personnel or lawsuits). For all of the above, please contact the [Office of General Counsel](#).

Definitions

Certain words appear frequently throughout this policy and have the following meanings:

Agreement

An agreement is a mutual, written agreement between The Trustees of Columbia University in the City of New York and another entity whereby each party is required to perform certain obligations to satisfy the agreement. An agreement may or may not require the transfer of funds, the transfer of tangible property, and/or the issuance of a Purchase Order. An agreement is required to protect the University's title to all materials produced by the Service Provider, and protects the University on issues concerning insurance, indemnification, and confidentiality. In

addition, the University must comply fully with federal tax code and IRS guidelines regarding the hiring of individuals as Independent Contractors (Consultants) or Employees.

Employee

An individual performing work where the University **has the right to control not only the services performed, but also the means and methods of accomplishing the work.** Typically, an employee's work is performed in service of the mission of the organization. In the case of the University this includes, but is not limited to research, teaching and administration.

Employer/Employee Relationship

An employer/employee relationship exists when an employer has the right to **direct and control the work of an individual who performs the services**, including not only the results to be accomplished but also the methods and means by which the results are accomplished. Even if the employer does not exercise the right to direct or control the manner in which the worker performs the services, the fact that the employer retains the right to do so is sufficient to create an employer- employee relationship.

Independent Contractor

An Independent Contractor is a business firm or an individual that contracts with the University to provide services for which the University controls or directs at most the result of the service, not the means and methods of accomplishing the result.

Scope of Work

A complete description of the goods or service being procured by the user and the needs of the user. This can be done either through performance specifications setting forth the minimum acceptable performance standards for the end product, or through a description of the tasks to be performed (see sample [SOW](#)).

Service Provider ([refer to Category Codes and Descriptions](#))

A Service Provider or sometimes referred to as a Consultant is either a business firm or an individual (who is not a University employee) who contracts with the University to perform a service.

Sole Proprietor

A self-employed Service Provider, without a partner or Employees.