

SERVICE AGREEMENTS ADMINISTRATIVE GUIDE

A Service Agreement is used to compensate individuals for a variety of temporary work assignments. The primary purpose of the service agreement process is to compensate existing staff members for additional duties performed outside of their normal work hours. On occasion a service agreement opportunity is filled by a non-CPS employee; however, these are carefully reviewed to ensure that the appropriate hiring process has been selected.

Most commonly, service agreements are used to compensate staff for a variety of student focused out of school time activities including afterschool tutors, before school supervision, club advisors, VPA co-curricular activities and sports coaches. In addition, staff members who facilitate professional development (workshop leaders), develop curriculum or meet outside of contractual hours are also compensated through the service agreement process. Hourly rates for these activities are specified in collective bargaining agreements.

General Guidelines

- 1. Posting Requirement:** When the total compensation for the year equals **\$1,000 or more**, the service opportunity must be posted by the Human Resources Department for 10 days. An individual may not start work under a Service Agreement valued at \$1,000 or more until the posting period has been completed, a recommendation to hire made to the Human Resources Department, and the applicant has completed any necessary paperwork.
- 2. Background Checks:** A CORI background check is required for any non-CPS employee, and a fingerprinting based check may be required if the individual will have direct and unmonitored contact with children.
- 3. Length of Time:** Service agreements must begin and end within the same fiscal year if funded by your general budget. The district's fiscal year is July 1 through June 30. Grant funded service agreements may cross fiscal years, but must align with the grant period (for example many grants begin Sept 1st and end August 31st).
- 4. Work Hour Requirements for Existing Staff:** Existing CPS employees who receive compensation through a Service Agreement for additional duties must ensure that these additional duties are performed outside of regularly scheduled work hours. In addition, the work must be separate and distinct from the job duties and responsibilities that would be expected of the individual in the normal course of their regular work for the Cambridge Public Schools.
- 5. Compensation Rates for Existing Staff:** The amount of compensation under a service agreement will depend on several factors:
 - **Contractual Rates of Pay:** Compensation rates for certain duties are specified in the collective bargaining agreements for the Cambridge Educators Association Units A/B, D and E and **must be used** when setting the compensation for these activities. These rates

are required regardless of funding source (i.e. grant funded service agreements must adhere to same policies and procedures as those funded through the general fund). A list of common Additional Compensation and Professional Development Rates is available on the CPS website.

- **Fair Labor Standards Act (FLSA) Overtime Requirements:** Employees categorized as *non-exempt* are paid an overtime rate for time worked in excess of 40 hours per week. Staff in the following employee groups are non-exempt: clerks, custodians, technology support technicians, hourly aides, paraprofessionals and family liaisons.

6. Compensation Rates for Non-CPS Staff: A Service Agreement may be awarded to a Non CPS staff member when the position is temporary in nature (confined to the fiscal year in which the service agreement is awarded), the hours per week are less than 20, and job duties are not similar to those of permanent positions or established roles. Examples of positions that meet all of the criteria include child care for specific events, after school tutoring, home-based tutoring, sports coach, VPA co-curricular activity (e.g. choreographer) and individuals hired to manage a special project.

- **Services for Which There Are Contractual Rates:** When a non-CPS staff member is selected for a position compensated through a contractual rate or stipend specified in the CEA unit A/B contract (e.g. athletic coaches, Visual and Performing Arts co-curricular activities), the compensation should align with the contractual rates for those positions
- **Services for Which There are NO Contractual Rates:** The Human Resources Department can provide you with historical and comparative compensation information that can assist you in developing a fair compensation rate for a non-CPS employee temporary opportunity.

7. Retired Personnel: There are strict guidelines pertaining to the number of hours an individual who is collecting a public pension (either through the Massachusetts Teachers' Retirement System, MTRS, or state/local retirement board) may work and a limit on total annual compensation. Before a retired staff member may be compensated through a service agreement, they will need to submit a completed post-retirement earnings calculation form. Information about post retirement earnings is available on the MTRS website as well as the Public Employee Retirement Administration Commission (PERAC) website.

8. A Service Agreement Should Not Be Used When:

- Hiring an individual to perform duties that are similar to those performed by permanent positions for which there are standard hiring procedures and salary schedules established. For example, individuals hired to assist teachers or the overall school with the supervision of students during the regular school day. These individuals should be hired as an instructional aide or cafeteria aide, depending on role and qualifications. Contact your budget analyst (contact information listed at the end of this section of the guide) if you are unsure whether a position falls in to this category.

- Hiring a temporary paraprofessional or clerical position due to a vacancy. The temporary position hiring process should be used. Please contact the HR department if this need arises.
- Creating a position of 20 hours or more per week that extends through the majority of the year. This position should be created, posted and hired as a regular position in order to ensure that any individual working in such a position receive appropriate benefits. If position funding is available for only one year, that should be noted in the job posting.
- The same position has been created for two or more years in a row, regardless of work schedule. In this situation, the HR and Finance departments will review to determine the most appropriate hiring process.
- Paying teachers or other staff for participating in professional development -these payments should be processed on a payment voucher. Note that workshop facilitator opportunities should be processed as a service agreement. More information about completing Payment Vouchers can be found in the Payroll section of the Guide.

Submitting A Service Agreement Via School Stream Forms Manager

Service Agreements may be initiated by completing the appropriate Service Agreement form available in **School Stream Forms Manager** (see instructions below). When you create a Service Agreement you will need to:

✓ Describe the work	✓ Establish the time frame
✓ Set the payment terms (hourly or flat stipend)	✓ Determine rate of pay
✓ Establish a total (“not to exceed”) amount	✓ Provide budget codes

If the service agreement total value for the length of the fiscal or school year is less than \$1,000, you may identify the individual who will perform the services at the same time that you are submitting the service agreement form. However, if the service agreement total value for the year is \$1,000 or more, the service opportunity must be posted for 10 days and applicants will apply on-line for the position.

Once you have submitted a Service Agreement, it follows an approvals workflow which includes review and approval by:

- **Budget Office**—Ensures that adequate funding is available in budget codes.
- **Human Resources Dept.** -Ensures that all posting, compensation and other hiring requirements are followed.



For those positions that must be posted for 10 days (those over \$1,000), once the 10 consecutive days have passed, you may submit your recommendation to HR for review.

Once a Service Agreement is in place, the Payroll office processes payment vouchers received, and alerts administrator if payments will exceed the Service Agreement amount

Instructions for Submitting a Service Agreement

Service Agreements are created in the School Stream Forms Manager System. The School Stream Forms Manager System is an electronic forms system that automatically routes forms through a review and approval process. You must contact Annemarie Picanco (X6443) in Human Resources to obtain a username and password. You may access **School Stream Forms Manager** on the CPS website.

The value of the Service Agreement will dictate the procedures you follow when filling out a Service Agreement Form

- If the Service Agreement is for LESS than \$1,000 for the year, you may enter the name and address of the service provider directly onto the Service Agreement Form when you submit the form.
- If the Service Agreement will be for more than \$1,000 for the year, **do not enter name or address information** when you complete the Service Agreement Form. The Human Resources Department will automatically post the service opportunity. This is the first step in hiring for a service opportunity position. Once the service opportunity has been posted and the hiring manager selects an applicant, Human Resources will enter the service provider's name social security and address information.
- You must have sufficient funds in a temporary salary account (51201) to support the full cost of the Service Agreement. Contact the Budget Office if you need to transfer funds from another account within your budget.

Forms - SchoolStream Forms Manager

cloud.ashosted.com/CAMBRIDGE/FormsV2/User/Forms/SubmitCustomForm.asp?fid=GUQ3121171211112&JsResubmit=&fid=&ViewNumber=&Status=

CPS Cambridge Public Schools • Cambridge, MA

Interactive Forms Manager HI, budget | Help | Exit

Current Location: Interactive Forms Manager > Submitter > Forms > Submit Form

Submit Form

Form Instructions

CPS Cambridge Public Schools • Cambridge, MA

Cambridge Public Schools Service Agreement 8/29/2019

Cambridge Public Schools Service Agreement

Title of Service Opportunity

Name of Service Provider

SSN Last 4

- Select -

Current CPS Employee?

Employee ID

Paygroup ID

In the event that the Service Provider under this contract is an employee of the Cambridge Public Schools or the City of Cambridge, the Service Provider hereby certifies and warrants, under penalties of perjury, that all work is undertaken outside of regular work hours for the employee and that no other public funds are received by the Service Provider for the time worked under this contract.

Street Address

City

State

ZIP

Was this job posted? (Posting required for Agreements over \$1,000) Yes No

Description of Service Opportunity

Minimum Requirements / Job Qualifications

Terms and Agreements

Period of Contract:

Forms - SchoolStream Forms Manager

cloud.ashosted.com/CAMBRIDGE/FormsV2/User/Forms/SubmitCustomForm.asp?fid=GUQ3121171211112&JsResubmit=&fid=&ViewNumber=&Status=

Description of Service Opportunity

Minimum Requirements / Job Qualifications

Terms and Agreements

Period of Contract: Beginning Date End Date

Amount of Contact: \$ Not to exceed

Payment Terms: \$ At a rate of - Select - per

CORI Authorization The undersigned "AU Administrator" hereby certifies that the services do/do not require a criminal background check in accordance with the state law and the CORI policy of the Cambridge Public Schools.
 CORI Required CORI Not Required

AU Administrator Name School or Department

Funding Source

51201 Account Fund Department Proj/Grant

Financial Operations Use Only

P/R COMBO CODE

Complete the information below to route your form [Hide Instructions](#)

Please route this form to the following personnel:
 1. Budget Office
 2. Human Resources
 3. Payroll

Your Name: Budget Office Your E-mail: Budget@cpsd.us

Send to Approver: Human Resources

Submit Save Print Back

[Print with Advanced Options](#)

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Increasing The Value of a Service Agreement

The Payroll Office will not process a payment to a service provider if the full value of the service agreement has already been paid to that individual. In order to increase the value of an existing service agreement, you will need to submit a new service agreement through the School Stream Forms Manager System. The easiest way to do this is to find the original agreement and use the copy function to create a new Service Agreement. You should amend the title by adding “S.A. Increase” after the Position Title, and change the amount to the amount being added (not the new total amount for the agreement).

Paying a Service Provider

Upon notification of final approval of a service agreement, the administrator should go into School Stream and print the Service Agreement. He/she should sign the bottom of the form and get a signature from the service provider. The administrator should provide the service provider with a signed copy and maintain a copy for his/her records.

In order to receive compensation, the service provider must submit a completed and signed **CPS Payment Voucher** to the principal/administrator for his/her approval. Upon approval, this voucher should be submitted directly to the CPS Payroll Department for processing. All Payment Vouchers must be submitted to the Payroll Department during the same school year that the work is performed. Each payment voucher must be filled out completely, including:

- Budget Codes that will be charged
- Name, Address and Last 4 Digits of Social Security #
- Date and time of work (for hourly wages)

It is very important that payment vouchers are submitted to the Payroll Dept. on a regular basis.

This ensures that your budget reflects the expenditures, which will improve your ability to manage your budget, and that the service provider receives pay in a timely fashion. Temporary salary funds may not be reserved and used in a future fiscal year. Thus, funds not paid to a service provider prior to June 30 may not be reserved for payments in the next fiscal year. This means that if an individual does the work in a prior fiscal year (before June 30), but submits a payment voucher for this work after July 1, your current year budget will be charged for the payment. This will reduce the funds you have available for service agreements in the current year.

The Standard Payment Voucher form is available on the CPS website.

Monitoring Your Temporary Salary Budget

When you initiate a Service Agreement, you must identify an available budget amount to fund the full amount of the contract. The funds must be budgeted in a temporary salary account (usually 51201). Before approving a Service Agreement, the Budget Office will check to make sure that the budget code identified in the Service Agreement form that you submitted has sufficient funding to

support the Service Agreement. The Budget Office review will include checking to see what other Service Agreements have already been submitted using that budget code.

Tracking Service Agreement Expenditures

- Keeping track of the Service Agreements that you have issued is important. The Service Agreement amount is ***not reserved or encumbered***. Thus, you are encouraged to keep a separate, internal list of Service Agreements you have submitted in order to make sure that you don't exceed your budget.
- Expenditures for Service Agreements are reflected in your Budget Status report only when a payment voucher is submitted to and processed by the Payroll Department.
- It is helpful to encourage staff to submit payment vouchers in a timely manner so that the expense is recorded.
- You are strongly encouraged to keep track of vouchers submitted by the individual service provider. This is how you ensure that the work is accomplished AND that the service provider is not exceeding the amount of the Service Agreement.

Service Agreement Frequently Asked Questions

Q: How is a Service Agreement initiated?

A: Any administrator who wishes to create a Service Agreement may initiate the process by logging into the School Stream Forms Manager system and opening the form entitled "Service Agreement."

Q: Which service opportunities must be posted before a hiring decision is made?

A: Any Service Agreement that has a value of \$1,000 or more for the year must be posted prior to a hiring decision. The Human Resources Department will automatically post the position upon receipt of the form via School Stream.

Q: What is the review and approval process for Service Agreements?

A: Service Agreements are reviewed by the Budget Office, the Human Resources Department and the Payroll Dept.

Q: How is the Administrator notified of final approval?

A: An email will be automatically sent to the administrator notifying him/her of final approval.

Q: How is the Service Provider notified of the approved Service Agreement?

A: Upon notification of final approval, the administrator should go into School Stream and print the Service Agreement. He/she should sign the bottom of the form and get a signature from the service provider. The administrator should provide the service provider with a signed copy and maintain a copy for his/her records.

Q: How are payments to the Service Provider processed?

A: Payment vouchers submitted by the service provider for duties associated with the Service Agreement must be reviewed and approved by the Administrator prior to submission to the Payroll Dept. Each Administrator is responsible for keeping track of the total amount paid for each Service Agreement to ensure that the total compensation amount does not exceed the Service Agreement value.

Q: How are Service Agreements increased?

A: In order to increase the value of an existing service agreement, you will need to submit a new service agreement through the School Stream Forms Manager System. The easiest way to do this is to find the original agreement and use the copy function to create a new Service Agreement. You should amend the title by adding "S.A. Increase" after the Position Title. The amount on the amendment should be the additional amount being added, *not* the total of the agreement.

Glossary of Terms

Service Agreement: The Service Agreement is a contract between an administrator and the service provider for a specific work assignment, which will be accomplished during a specified timeframe at an agreed upon rate of pay. The time period is never more than one year, and must begin and end in the same fiscal year.

Contractual Rate of Pay: Compensation rates for certain duties are specified in the collective bargaining agreements for the Cambridge Educators Association Units A/B, D and E and **must be used** when setting the compensation for these activities. These rates are required regardless of funding source (i.e. grant funded service agreements must adhere to same policies and procedures as those funded through the general fund). A list of common Additional Compensation and Professional Development Rates is available on the CPS website.

Encumbrance: The obligated amount which is equal to the total cost of the goods purchased or the service contracted amount. Because Purchase Orders are not created for service agreements, the costs associated with service agreements are not encumbered, and are not reflected on budget status reports until a related payment vouchers is processed, and the person hired for the service agreement has received a payment.

Overtime pay: Employees categorized as *non-exempt* are paid an overtime rate for time worked in excess of 40 hours per week. Staff in the following employee groups are non-exempt: clerks, custodians, technology support technicians, hourly aides, paraprofessionals and family liaisons.

Contact Information

To gain access to and/or have questions regarding the School Stream System or about the CPS hiring process and procedures, please contact:

Annemarie Picanco
Manager Human Resources
apicanco@cpsd.us
(617) 349-6443

For questions regarding funding and your temporary salary budget, please contact your budget analyst:

Patricia Rousseau
Senior Budget Analyst
prousseau@cpsd.us
(617) 349-6446

Joshua Collins
Senior Budget Analyst
jcollins@cpsd.us
(617) 349-4167

For questions regarding the status of a Service Agreement posting, please contact:

Connie McGrath
Human Resources
cmcgrath@cpsd.us
(617) 349-6987

For questions regarding the status of a payment to a service provider hired under a Service Agreement please contact:

Marie Crowley
Payroll Department
mcrowley@cpsd.us
(617) 349-6460