**Modesto Junior College** **Associated Students**

**Service Contracts Procedures**

**Prepared by: MJC Business Services**

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**Service Contracts**

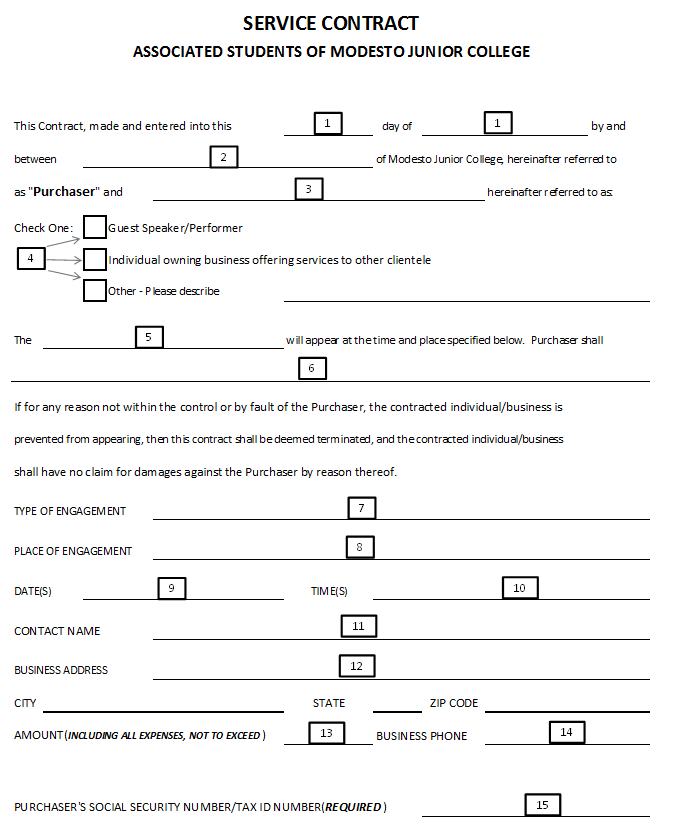
A **contract** is an agreement entered into voluntarily by two or more [parties](http://en.wikipedia.org/wiki/Party_(law)), each of whom intends to create one or more legal obligations between them. The elements of a contract are "offer" and "acceptance" by "competent persons" having the legal “capacity to create obligation. ***Service Contracts are required for any vendor who provides services to ASMJC such as but not limited to caterers, performers and speakers.***

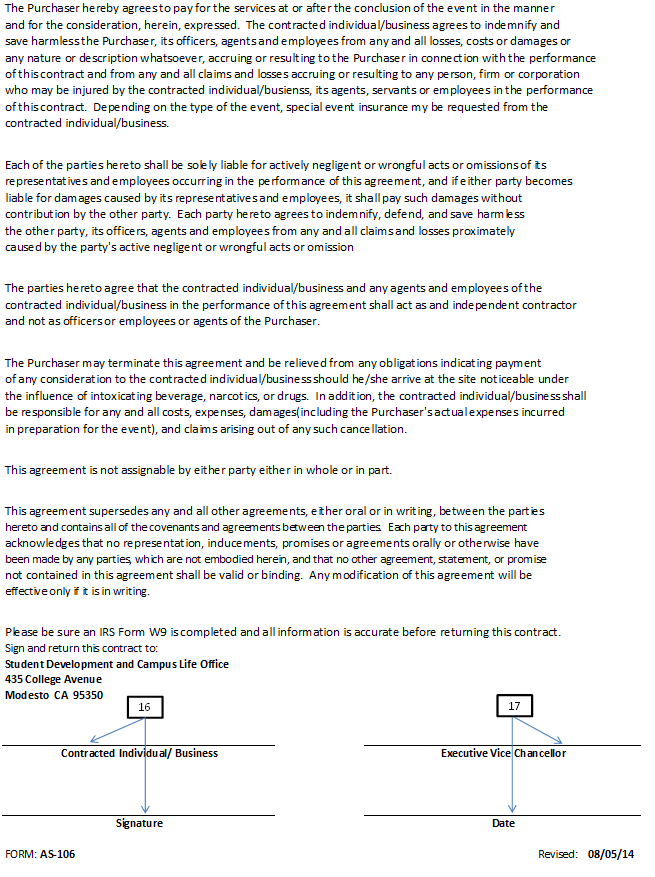
Proof of some or all of these elements must be done in writing. The remedy for breach of contract can be "damages" in the form of compensation of money or [specific performance](http://en.wikipedia.org/wiki/Specific_performance) enforced through an [injunction](http://en.wikipedia.org/wiki/Injunction). A contract is a legally enforceable promise or undertaking that something will or will not occur.

Per Internal Revenue Service (IRS) regulations, the District is required to report individuals who perform services over $600 per calendar year to the IRS using Form 1099MISC. The ASMJC Office is required to provide a signed “Service Contract” with any individual who is providing a service during the calendar year. ***All contracts need to be signed by the Executive Vice Chancellor, at least, two weeks prior to the event.*** All contracted individuals need to submit a complete copy of IRS Form W9.

**Procedures for the Service Contract:**

1. Enter the Date the contract was created.
2. Enter the name of the contracted individual or contracted Business.
3. Enter the name of the contracting organization.
4. Check the appropriate Box for type of service that will be provided.
5. Enter the name of the contracted individual.
6. Enter the ASMJC’s commitment to the service provider.
7. **Type of Engagement**: Enter the type of service that will be provided by the contracted individual.
8. **Place of Engagement**: Enter the location of the event.
9. **Date(s)**: Enter the date(s) of the event.
10. **Time(s)**: Enter the time the event will be held.
11. **Contact Name**: Enter the contact name. In most cases, the contracted individual.
12. **Business Address**: Enter the contacted individual’s business address.
13. **Amount**: Enter the amount of the contract(Including all expenses, not to exceed).
14. **Business Phone**: Enter the contracted Individual’s telephone number.
15. **Purchaser’s Social Security Number/Tax ID Number (*Required*)**: An identification number must be provided by the contracted individual.
16. The contracted individual must print his/her name and sign the Service Contract.
17. The Service Contract must be signed and dated by the Executive Vice Chancellor prior to the service being rendered**. *Signed contracts will be returned by interschool mail to the preparer within three to five business days unless other arrangements are made with the Vice Chancellor’s Executive Assistance.***
    1. Complete the Contract/Agreement Cover Sheet (Page 22)
    2. Project Title: State the name of the project or event; e.g., Pow Wow.
    3. Contractor/Agency: This is the name of the vendor or individual to be paid.
    4. Contract Description/Purpose: A brief sentence describing the purpose of the contract.
    5. Include the Contract Amount, Beginning and Ending Dates, Prepared by information.
    6. Collect the appropriate College Approvals, which are:
       1. The project director-Club Advisor signs here
       2. Division Dean-ASMJC Advisor signs here
       3. Vice President of Student Services
       4. College President
    7. Attach the service contract to the Contract/Agreement Cover Sheet and submit to the YCCD Executive Vice Chancellor for signature.





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