



Board Procedure #NP140.0

Invoicing for Services

Document Integration Project Format

The purpose of this procedure is to ensure that service contracts comply with federal, provincial, and pension rules and do not conflict with existing collective agreements. The York Region District School Board does not permit invoicing for services by anyone who holds or has ever held an Ontario College of Teachers (OCT) Certificate, whether they are active or retired. This procedure applies to all staff and prospective suppliers of services to the Board.

Definitions

[CPT1 Form](#)

This is a Canada Revenue Agency Application form to request for a ruling as to the status of a worker under the Canada Pension Plan and/or the *Employment Insurance Act*.

[Employee or Self-Employed](#)

According to the Canada Revenue Agency, if a person is an employee, CPP, E.I. and Income Tax must be deducted from his/her pay and a T4 issued. If a person is self-employed, income is declared on the business income return.

[Teachers' Pension Plan \(TPP\) Rules](#)

Effective 2010, if an individual with an OCT certificate provides any services for compensation after retirement for an employer who participates in the pension plan, they will be considered a re-employed pensioner and subject to re-employment rules and regulations. This applies whether they are employed, self-employed or hired through a third party. Working after retirement limits are 95 days for the first 3 years of employment and 20 days thereafter without affecting the TPP pension.

Effective 2012, retired employees with an OCT certificate will be able to work in education without affecting their Teachers' pension for up to 50 days in each school year they work following retirement. Employers are required to report all service to TPP.

Legislative Context

Employment Insurance Act
Income Tax Act

Responsibilities

Superintendents/Principals/Managers shall:

- request that individuals who wish to invoice the Board for services complete a Request for a Ruling as to the Status of a Worker under the Canada Pension Plan and/or the *Employment Insurance Act* ([CPT1 form](#)) and Part A of the [Application to Invoice for Services form](#);
- complete Part B of the [Application to Invoice for Services form](#) and send it, the [CPT1 form](#) and a copy of the service contract to Human Resource Services;
- on approval of the [Application to Invoice for Services form](#), create a purchase order requisition for the service contract to enable payment of invoices; and
- if approval was not granted, ensure that a staff appointment form is processed to pay the worker through Payroll Services.

Human Resource Services shall:

- review proposed service contracts and ensure that they do not conflict with existing employment or pension agreements including collective bargaining agreements with the Board;
- respond to Canada Revenue Agency questions regarding the nature and intent of the service contract per submitted CPT1 forms for prospective self-employed service providers;
- ensure that the proposed rates of pay are in line with existing employment contracts at the Board;
- review proposed contracts to ensure that they comply with the Ontario Municipal Employees Retirement System (OMERS) pension rules;
- contact OMERS where necessary to obtain written confirmation of pensionable status;
- return “approved/not approved” service contract packages to superintendents/managers/principals, send CRA approval letter to Accounting Services for approved vendors; and
- process the staff appointment forms and forward to Payroll Services if the Canada Revenue Agency or OMERS approval was not granted to allow self-employment or non-pensionable status for the proposed worker.

Accounting Services shall:

- process and pay all invoices as approved.

Finance Services shall:

- provide assistance as required.

Employees/Service Contract Providers shall:

- complete a CPT1 form to apply to CRA for approval to be deemed self-employed prior to performing any services for the Board which will be invoiced;
- complete Part A of the Application to Invoice for Services form;
- forward the completed CPT1 form and [Application to Invoice for Services form](#) to the superintendents/managers/principals responsible;
- register the service business and provide a GST/HST number for the registered business on all invoices to the Board if required by CRA;
- submit GST/HST collected to CRA as per its requirements;
- declare income received from a service contract on the business tax return; and
- submit invoices to the Board when work has been completed according to service contracts.

Department

Business Services

Procedure History

Approved October 1997
Revised August 2010