

[Company Letterhead/Header]

Date: [Insert Date]

To: All Departments and Relevant Stakeholders

Subject: Subcontractor Engagement Policy

Dear Team,

This letter outlines the mandatory policy for engaging subcontractors on behalf of [Company Name]. To ensure quality, safety, and legal compliance, all subcontractor engagements must adhere to the following guidelines:

1. Pre-Qualification

Before hiring, subcontractors must undergo a formal vetting process. This includes verifying business licenses, references, and technical capabilities to perform the required scope of work.

2. Insurance and Documentation

All subcontractors are required to provide proof of valid insurance coverage, including Workers' Compensation and General Liability. No work may commence until current Certificates of Insurance (COI) are on file.

3. Written Agreements

Every engagement must be governed by a signed Subcontractor Agreement or Master Service Agreement (MSA). This document must clearly define the scope of work, payment terms, deadlines, and confidentiality requirements.

4. Compliance and Safety

Subcontractors must comply with all local laws, industry regulations, and [Company Name]'s internal safety protocols. Failure to adhere to these standards will result in immediate contract termination.

5. Supervision and Reporting

The designated Project Manager is responsible for overseeing the subcontractor's performance and ensuring that all deliverables meet our company standards.

All employees involved in hiring third-party labor must strictly follow these procedures to mitigate risk and ensure project success.

For questions regarding this policy or to obtain the standard contract templates, please contact [Department Name/Contact Person].

Sincerely,

[Signature]

[Name of Authorized Official]

[Job Title]

[Company Name]