**Writing a Statement of Work (SOW)**

The purpose of a SOW is to tell a story of the project to be completed. It starts with the “why”, defines the “how” and “what”, establishes the “when”, and finishes with “how much”. The story should be cohesive with a flow that is easy to follow. Do not treat the SOW as a simple form with fill in the blank answers. This guide provides explanations of the key elements of a comprehensive SOW.

The Statement of Work (SOW) will be included in the final contract that documents the business terms and formalizes the relationship between the vendor and SMU.

Complete SOWs contain the following sections:

* Summary
* Scope
* Schedule
* Pricing
* Key assumptions
* Acceptance

Each section is explained in detail below.

**Summary**
Defines the “why”. The summary section states the business objectives of the project, and a high-level overview of the solution. This ensures there is clarity as to why the vendor is performing the work.

**Scope (including assumptions and deliverables)**
Defines the “how” and “what” of the work. The scope section defines the work that is to be done and the process for how it will be performed. SMU prefers a project’s scope be determined internally based on the needs and requirements of the business unit. Vendor input is necessary but the scope should be driven by SMU’s needs.

Assumptions are the most important part of any SOW. Any assumptions made by the business unit when scoping the project should be explicitly stated. It is also important to state exactly what deliverables are being produced, including the details that accurately describe each deliverable such as the description, size, and delivery method.

Tasks should not be included in the list of deliverables. Deliverables are items that are handed off from the vendor for review, approval, and acceptance. For example, a “Creative Brief” is a deliverable for SMU to review and retain. A task is “Presenting the Creative Brief” that can be included in the Project Schedule. Status reports are important to a project but should not be named as deliverables unless the business unit wants to review, approve and accept each report.

Options or alternatives should not be included in the scope. Make decisions about all items to be included in the scope. The SOW should be written as a definitive statement.

**Schedule**
Establishes the “when”. This section provides a schedule of when the work will commence and when it will be completed and include important milestones. The format is less important as you can either develop a schedule as a table in Microsoft Word, Microsoft Project, or Excel.

**Pricing**
Defines the “how much”. The pricing section should detail all resources that will be necessary to complete the stated scope and provide the required deliverables within the schedule.- It should also discuss the pricing assumptions (fixed fee or time and materials), how outside expenses are handled, payment terms including a payment schedule, and if payments are based on a milestone/deliverable or a schedule.

**Key assumptions**
Assumptions that are not related to the scope are included here. Any scope-related assumptions should be addressed in the scope section. Do not repeat assumptions as this will lead to errors. Instead use this section to document any general assumptions that are not stated elsewhere.

**Acceptance**
The acceptance section contains key signatures of those individuals who are overseeing the project. This section is NOT execution of a contract or agreement. Acceptance indicates that the parties agree that the scope, schedule, pricing and assumptions represent the full extent of the project to be performed. The project should not begin until a formal contract, agreement, or purchase order, with authorized signatures from SMU and the vendor, has been executed. Beginning without signature approval puts the business unit at risk for not receiving the desired outcome and for violations of SMU policy and puts the vendor at risk for receiving compensation.

**Other Important Considerations**
The SOW should not reference any external documents as its basis. All materials should be built into the SOW. For example, do not refer or use a link to a separate schedule. If necessary, use attachments to the SOW to add necessary documents. As the SOW will be used in the executed legal document, it is in SMU’s best interest to have all terms established in a central document.

Proofread the SOW carefully and from different perspectives. One strategy is to have an individual that did not participate in the SOW develop read and provide feedback on the document. Once a SOW has been approved through the ICD and contracting process, it cannot be changed without a formal amendment.