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PRO RFP

Sole Proprietor Classification and Payment Guide

At ProRFP, we recognize that the smallest businesses in our vendor network face unique financial and operational challenges. To support them, we have created the Sole Proprietor classification — a category reserved for very small, non-incorporated companies made up of no more than two people. Sole Proprietors receive ProRFP's most favorable payment terms, designed to provide fast, predictable cash flow while ensuring all compliance requirements are met.

Unlike other vendor classifications, Sole Proprietors are paid on a twice-monthly basis, with payments issued only after the full month of services has been completed and invoiced. This structure rewards lean operators who consistently follow ProRFP's compliance standards while keeping their business small and agile.

Sole Proprietor Classification and Payment Guide

At ProRFP, **Sole Proprietors** receive the most favorable payment terms available. Unlike other vendor classifications, Sole Proprietors are eligible for **twice-monthly payments**, giving them more predictable cash flow. However, it is important to understand that **payouts are only made after the full month of service has been completed** and the invoice for that month has been submitted.

The process is simple: submit your monthly invoice through the Invoice Portal by the **10th of the following month**. Payments are then made in two installments:

- **First Payment:** 50% on the **15th** (if the invoice was submitted by the 14th).
- **Second Payment:** Remaining 50% on the **1st of the following month**.

For example, services performed in **January** are invoiced by **February 10**, with payments made on **February 15** and **March 1**. This ensures that all services are verified and properly documented before payouts are released.

What a Sole Proprietor Means at ProRFP

At ProRFP, a **Sole Proprietor** is the smallest vendor classification in our network, designed for lean operators who want fast, predictable payments. By government definition, a sole proprietorship is the simplest form of business, where the owner and the business are legally the same, and the owner assumes full responsibility for taxes, debts, and liabilities.

ProRFP narrows this definition with specific requirements. To qualify as a Sole Proprietor, a vendor must:

- Operate as a **non-incorporated business** (not an LLC, S-Corp, or C-Corp).
- Have **no more than two people total** in the company (the owner alone, or the owner plus one helper/technician).
- Remain directly responsible for compliance, including Pro Uploads, Pro Reviews, Tech Info Cards, and accurate invoicing.

This classification is **exclusive** because Sole Proprietors receive **ProRFP's best payment terms**: a twice-monthly payout schedule. Invoices are split into two payments — 50% on the 15th and 50% on the 1st of the following month — **but only after the full month of services has been completed and invoiced**. For example, services completed in January are invoiced in February, with payments beginning February 15 and completing March 1.

Because of these favorable terms, Sole Proprietor status is limited to very small, non-incorporated businesses that stay within the **1–2 person maximum**. Any vendor that grows beyond this threshold must transition into ProRFP's standard vendor payment schedules (Net 60 default, or Net 45 with fee).

The following schedule provides a clear breakdown for services performed between **September 2025 and December 2026**:

2025 Service Months

- **September 2025 Services**
  - Invoice Deadline: October 10, 2025
  - First Payment: October 15, 2025
  - Second Payment: November 1, 2025
- **October 2025 Services**
  - Invoice Deadline: November 10, 2025
  - First Payment: November 15, 2025
  - Second Payment: December 1, 2025
- **November 2025 Services**
  - Invoice Deadline: December 10, 2025
  - First Payment: December 15, 2025
  - Second Payment: January 1, 2026
- **December 2025 Services**
  - Invoice Deadline: January 10, 2026
  - First Payment: January 15, 2026
  - Second Payment: February 1, 2026

2026 Service Months

- **January 2026 Services**
  - Invoice Deadline: February 10, 2026
  - First Payment: February 15, 2026
  - Second Payment: March 1, 2026
- **February 2026 Services**
  - Invoice Deadline: March 10, 2026

    - First Payment: March 15, 2026
    - Second Payment: April 1, 2026
- **March 2026 Services**
    - Invoice Deadline: April 10, 2026
    - First Payment: April 15, 2026
    - Second Payment: May 1, 2026
- **April 2026 Services**
    - Invoice Deadline: May 10, 2026
    - First Payment: May 15, 2026
    - Second Payment: June 1, 2026
- **May 2026 Services**
    - Invoice Deadline: June 10, 2026
    - First Payment: June 15, 2026
    - Second Payment: July 1, 2026
- **June 2026 Services**
    - Invoice Deadline: July 10, 2026
    - First Payment: July 15, 2026
    - Second Payment: August 1, 2026
- **July 2026 Services**
    - Invoice Deadline: August 10, 2026
    - First Payment: August 15, 2026
    - Second Payment: September 1, 2026
- **August 2026 Services**
    - Invoice Deadline: September 10, 2026
    - First Payment: September 15, 2026
    - Second Payment: October 1, 2026
- **September 2026 Services**
    - Invoice Deadline: October 10, 2026

    - First Payment: October 15, 2026
    - Second Payment: November 1, 2026
- **October 2026 Services**
    - Invoice Deadline: November 10, 2026
    - First Payment: November 15, 2026
    - Second Payment: December 1, 2026
- **November 2026 Services**
    - Invoice Deadline: December 10, 2026
    - First Payment: December 15, 2026
    - Second Payment: January 1, 2027
- **December 2026 Services**
    - Invoice Deadline: January 10, 2027
    - First Payment: January 15, 2027
    - Second Payment: February 1, 2027

Key Sole Proprietor Responsibilities

- **Submit invoices on time:** All invoices must be submitted by the **10th of the following month**.
- **Wait until services are completed:** Payouts are only delivered **after the month of service has been fully completed and invoiced**.
- **Maintain compliance:** Pro Uploads, Pro Reviews, Tech Info Cards, and Cognito entries must be complete before invoice eligibility.
- **Independent contractor obligations:** Sole Proprietors are responsible for personal liability and self-employment taxes.