



NEGOTIATING AND ENTERING INTO CONTRACTS OR AGREEMENTS

DIVISION WITH PRIMARY RESPONSIBILITY: Business and Finance

OFFICE FOR ENSURING COMPLIANCE: Office of Facilities and Campus Services

CONTACT OFFICE: Campus Services, jwood@loyola.edu

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SCHEDULED FOR REVIEW: Annually

POLICY SUMMARY

This Negotiating and Entering into Contracts or Agreements Policy (Policy) describes Loyola University Maryland's (Loyola's or University's) requirements for negotiating and entering into contracts and includes contract review, signing authority and requirements for third parties.

REASON FOR POLICY

University faculty, administrators, staff, students, and student organizations routinely enter into contractual agreements with third parties that involve a wide array of activities including, but not limited to, services, consulting, maintenance, supplies, performances, facilities use, construction, research, and publications. This Policy is intended to provide guidance to the Loyola community on signature authority, review process, and recordkeeping for all contractual agreements with third parties involving University resources. The goal of this Policy is to promote good business practices, ensure all contractual agreements meet the University's legal compliance and insurance requirements, and avoid unintended contractual obligations.

STATEMENT OF POLICY

A. TYPES OF AGREEMENTS AND CONTRACTS

Contracts and agreements governed by this Policy include licensing arrangements; memorandums of understanding (MOUs); clinical agreements; maintenance services; internships; property leases; research; event-related agreements with speakers, caterers or entertainers; software licensing; agreements involving consultants or other independent contractors; and all other agreements that create a financial commitment or obligation for the University.

In general, all types of contracts or agreements mentioned above will hereby be classified into two (2) main types:

1. Standard

Contracts or agreements that contain standard terms and conditions as developed by the University and previously approved by legal counsel and the Office of Facilities and Campus Services.

2. Non-standard

Contracts or agreements that do not contain standard terms and conditions as developed by the University. These are typically agreements where the vendor selected presents their own terms and/or agreement to the University for review and approval.

Non-standard agreements may need additional review if they fall into one of the following categories:

a. Software Licensing

Non-standard software licensing contracts must be submitted to the financial analyst, Technology Services, for approval. Contracts may be emailed with the subject line “Software Licensing”. The financial analyst may be reached directly at extension 2611.

b. Sponsored Programs

Post award grants, contracts, and agreements must be sent to the Office of Research and Sponsored Programs (ORSP) for approval. Please contact the director for the Office of Research and Sponsored Programs at extension 2004 for more information.

c. Event Agreements

Large events that commit the University to provide lighting, sound, event space or special accommodations for guests must also be sent to Event Services for approval. The director of Event Services and Campus Centers may be reached directly at extension 5077.

B. SIGNATURE AUTHORITY

Contracts and agreements will generally involve the University either obtaining or supplying goods and/or services. Only an authorized University representative shall sign contracts or agreements.

The University has provided signature authority to certain individuals based on their level in the organization to approve various transactions. University personnel should review the Signature Authorization Policy before signing legal documents to ensure they have proper signing authority. Any contract or agreement committing the University to a period of more than three (3)

D. BACKGROUND CHECKS

Under certain circumstances, the University requires that background checks be conducted for employees and/or agents of contract service providers.

If the University is entering into a contract that requires a third party to:

- Enter bathrooms, locker rooms, and/or residence halls

The University hereby agrees to indemnify, protect, and hold harmless Vendor, its agents, officers, and employees from and against any and all claims, demands, actions or judgments for which Vendor, its agents, officers or employees may become liable upon or arising out of any services performed under or pursuant to this Agreement resulting from the negligence, actions, or omissions of the University, or any of its directors, officers, agents, or employees.

F. IMPORTANCE OF WRITTEN CONTRACTS AND REVIEW

1. Written Contracts

All contracts with third parties involving University resources should be in writing, regardless of prior practice or prior business relationships with the person or entity and should be supported by a purchase order when appropriate.

2. Advance Review by Relevant Departments

All contracts should be reviewed by the department responsible for the contract and approved by departments that will need to provide technical support, facilities or personnel to carry out the contract, prior to forwarding to the Office of Facilities and Campus Services.

G. SPECIFIC STEPS TO TAKE PRIOR TO CONTRACT/AGREEMENT EXECUTION

1. Non-standard Agreement

If a non-standard agreement is entered into, a discussion concerning the intended business arrangement should take place with the Office of Facilities and Campus Services. The Office of Facilities and Campus Services will assist in reviewing contract language/format, and will clarify the contract review process if required.

A non-standard university contract or agreement that may require review by legal counsel

- b. Keeping a copy of the fully-executed contract, including all attachments and RFPs associated with the agreement for seven (7) years after the date of expiration of the contract. For additional information on record keeping, please reference the University's Records Retention Policy.
- c. Sending a copy of any required insurance certificates to the Office of Facilities and Campus Services.

DEFINITIONS: None

CROSS-REFERENCED POLICIES/DOCUMENTS:

- Conflict of Interest Policy
- Records Retention Policy
- Standard Insurance Requirements
- Signature Authorization Policy