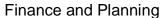




## CONTRACT MANAGEMENT POLICY AND PROCEDURE MANUAL

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#### 01. Introduction

This Policy and Procedure Manual has been prepared to provide Academic and Administrative Schools and Offices (referred to as Originating Unit Representative in this document) or (OU) with a reference guide for contracting goods and services on behalf of the University in a uniform manner.

It is essential that uniform contract management policies be established so that standards of efficient business practice are maintained within the University and in cooperation with businesses, trade associations, governmental, and private agencies.

These policies and procedures are the guidelines supported by the Offices of Finance and Planning and University Counsel.

## 02. Contract Management Policies

### **Authorized Signatories – Non Standard Agreements**

It is the policy of the University that contracts may only be signed by persons authorized by the President and the EVP for Finance and Planning.

#### **Authorized signatories include:**

The CFO Finance, Chief Financial Officer The AVP The Treasurer

## Signature Decentralization - Pace Standard Agreements Only

Authorized signatories from the University units may be designated by the Office of the Senior Vice President- Finance, Associate Treasurer.

#### **Contract Administration Review Process**

The Contracts department requests a week turnaround time to approve and review standard contracts. For non-standards contracts, typically a two-three (2-3) weeks turnaround is required to facilitate additional approvals, such Legal/Risk/ITS/Grants. However, exceptions will be facilitated where there is a need or extenuating circumstances for an expedited contract review.

### **Insurance**

It is the policy of the University that, when applicable, evidence of insurance required by Pace pursuant to an agreement must be submitted prior to final approval and signature.

In instances where a vendor requires that Pace supply a proof of insurance coverage relating to the services provided under the agreement, it is the responsibility of the OU to contact the Director of Risk Management/Insurance for a copy of Pace's insurance.





Most University standard contracts and riders contain insurance provisions, which require vendors to supply Pace University with proof of insurance coverage relating to the services provided under the agreement. Proof of insurance is generally in the form of a certificate of insurance with Pace University named as "Additional Insured".

Any modifications to University standard insurance requirements must be approved by the Director of Risk Management/Insurance.

#### **Honorarium Letters**

Originating Unit Representatives may use the Acknowledgement of Speaking Engagement and Speaking Engagement Payment Letters to invite and pay guest speakers.

These letters may be signed by the Originating Unit Representative and do not require review/upload to the Contract Management System. Speaking Engagement and Speaking Engagement Payment letters may be sent directly to Accounts Payable when the guest speaker has satisfied his/her engagement with the University.

The invited speaker must meet the following criteria:

## Requirements for Use of the Speaker Engagement and Payment Letters

- **A.** Individual is limited to a speaking engagement on campus or at a University sponsored event.
- **B.** Speaker is a low-level risk to the University community.
- **C.** Speaker is not represented by an agency.
- **D.** Speaker will not engage subcontractors.
- **E.** Speaker is not a consultant, who is, not providing consulting services or advice to the University audience.
- **G.** Speaker is not under the protection of bodyguards.
- **H.** Speaker carries no dangerous weapons.

If the invited speaker does not meet the above requirements, please see the following agreements and riders:

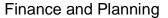
- Speaker, Artist, Performer Agreement (or Rider)\*
- Vendor/Consultant Agreement (or Rider)\*

## **Outside Events and Catering Agreements**

## A. Restaurants, Hotel Room Reservations

Agreements for restaurants and hotel room reservations must be paid with a purchase order or university travel card approved by Finance and Planning.

<sup>\*</sup>A rider form would be used if/when the speaker has his/her own contract form.





#### **B.** Catering Agreements

Routine catering requests for food delivered on campus must be paid with a purchase order or university travel card approved by Finance and Planning and need not be reviewed by University Counsel. Routine catering requests include pizza deliveries and lunch/refreshments for meetings and/or seminars.

Catering agreements with catering halls should be processed with an appropriate contract and Pace's standard "Catering/Events Rider".

The above excludes the University on-campus food contractor.

#### Note:

It is the responsibility of departments to exercise due diligence in selecting restaurants, catering halls and other event spaces to conduct outside special events. As an example, due diligence includes general inspection of the premises to ensure that there are no obvious health or safety issues and obtaining confirmation of non-discrimination policies of the establishment.

## **Standard Agreements and Riders**

There are a number of Pace standard agreements that have been developed by the Office of University Counsel. Originating Unit Representatives should use standard agreements whenever possible.

Standard agreements that are signed by the vendor, without modification, do not require University Counsel review and may be uploaded to the Contract Management System for Finance signature(s).

## Note:

Standard agreements that have been approved for signature decentralization, and have not been modified, may be signed by the unit Designated Signatory. A copy of the signed agreement must be uploaded to Contract Management System by the Designated Signatory.

#### **Independent Contractors**

Whether a worker should be classified as an employee or an independent contractor is determined in consultation with the Office of University Counsel.

- **Step 1:** The Originating Unit Representative of the Pace office wishing to retain the services of an independent contractor must complete an Independent Contractor Questionnaire.
- **Step 2:** Complete the relevant sections of the Consultant Agreement.



If the worker has their own agreement, upload that agreement and the Service Agreement Rider to Contract Management System for University Counsel review as provided in Step 3.

Step 3: Submit the questionnaire and proposed contract documents to Contract Management System for University Counsel review. University Counsel will inform the department and Finance and Planning by Contract Management System email of its determination and whether the independent contractor must provide insurance.

Step 4: If it is determined that the worker is an independent contractor, and the contract is approved as to legal form – the contract (and rider, if applicable) will be forwarded for Finance & Planning signature.

Step 5: The Originating Unit Representative of Pace office wishing to renew the services of an independent contractor, must update the Independent Contractor Questionnaire. Any changes to the related services to be provided by the independent contractor, and or changes to the original questionnaire will be resubmitted to the University's Counsel for renew and an updated determination will be provided by University Counsel as noted above in Step 3. The same procedures are to be employed if there are any changes in terms/services for an independent contractor within a current period under contract.

#### **Approvals**

There are a number of contracts that require additional approvals from other authorizing departments prior to submission to Purchasing & Contracts. If a contract involves or contains a provision relating to the following topics, prior approval by the authorizing department is required:

Program or Service	Authorizing Department	
Software/Hardware Agreements	Division of Office Technology	
Marketing and Advertising of University	University Relations	
Public Relations Consequences	University Relations	
Use of Pace Trademark or Name	University Relations	
Access to Web Page	University Relations	
Student Travel and Study Abroad	International Programs Director and Dean	
Grants	Grants	

#### **Master Agreements**

University Counsel and Procurement and Contracts will work with Originating Unit Representatives to identify routine, unchanging business relationships that may be governed by "master agreements". Payments for vendors under master agreement may be processed with work orders and purchase orders



throughout the term of the agreement.

Finance and Planning

Purchasing and Contracts

Effective Date: Aug. 04, 2019

The Contract Administrator will notify the Originating Unit Representative when incomplete and/or incorrect contract documents have been submitted via the Contract Management System. It is the responsibility of the Originating Unit Representative to complete and/or correct contract documents and upload the complete/correct documents to the Contract Management System.





## 03. Responsibilities of the Originating Unit Representative

The Originating Unit Representative drives the contract review and management process. It is the responsibility of the Representative to initiate discussions with the vendor. However, the Representative must contact/ involve legal counsel in the negotiation process to ensure that the contract reflects the provisions that have been agreed to between the parties.

## Step 1: <u>REVIEW THE CONTRACT FOR CONTENT</u>

The Originating Unit Representative should review each contract it receives to determine that the minimum components of a contract are present.

## **Legal Name and Address**

The Originating Unit Representative should ensure the legal name of the vendor is reflected in the contract. The Originating Unit Representative should contact the vendor to make sure that the name reflected in the contract is the legal name since many companies operate under assumed names or variations of the legal name.

## **Financial Terms**

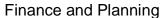
Each contract should have the correct amount agreed to be paid by the parties and the means and method of payment. The exact amount should be in the contract, the party responsible for payment, the date the payment is expected and the means of payment, if applicable, i.e. whether the payment will be made in installments or in one lump sum payment.

#### Responsibilities of the Parties/Scope of Work or Service

Every contract should outline the duties and responsibilities of each of the parties. Contracts in which Pace requires the vendor to perform a service or complete a task, must have a detailed description of the scope of work or service to be performed and time frame for completion. The Scope of Work can be part of the contract or it can be attached to the contract as an Exhibit.

## **Term and Termination**

The term or length of the contract, including start date and end date, should be clearly stated in the agreement. The basis for early termination should also be clearly stated in the agreement.





#### **Additional Terms and Conditions**

The <u>Standard Terms and Conditions</u> are the additional elements of the contract by which the parties will be bound. Terms and Conditions may include the following:

- ► Insurance The agreement should state the insurance amount required to be provided by the vendor.
- ➤ **Indemnification** The agreement should contain an assurance that the Vendor will be responsible for its negligent acts and omissions.
- ➤ Assignment The agreement can be assigned to a third party.
- ➤ Term and Termination Clause The agreement should state the agreed length of the terms and the circumstances/means by which the agreement may be terminated.
- ➤ Warranty and Representation The vendor can give Pace a warranty on the work performed or equipment installed.
- ➤ *Confidentiality* The Vendor should represent that it will not disclose confidential information provided by Pace to any third party.
- ➤ Compliance with Antidiscrimination Laws Pace will not do business with Vendors that do not comply with federal anti-discrimination laws.
- Notice The Agreement should contain how, to whom and to where notices of any event under the contract will be sent to the parties.

## **STEP 2: Appropriate Attachments**

There are a number of additional attachments that may be required under a contract. For example, many contracts will require that the vendor insure the University against general liabilities or physical harm to employees, staff or, students.

In these cases, the Originating Unit Representative should ensure that "Standard Insurance Requirements" are uploaded to the Contract Management System within the contract.





# STEP 3: COMPLETE THE TASKS ASSIGNED TO YOU IN THE CONTRACT MANAGEMENT SYSTEM WITHIN THE CONTRACT WORKSPACE

Once the Contract Workspace has been created, depending on the Workflow unique to each contract, the Originating Unit Representative will be assigned tasks in the Contract Management System to complete.

## 04. Responsibilities of Purchasing and Contracts

#### RESPONSIBILITIES OF THE PURCHASING & CONTRACTS DEPARTMENT

The Contracts Administrator in the Purchasing and Contracts department is responsible for:

- > Receipt and review of contract documents.
- > Processing Purchase Orders for contracts.
- > Maintenance of contract and legal documents in the Contract Management System.
- Provide a copy of the original contract to the Originating Unit Representative via interoffice mail for their records.

Pace requires vendor signature first and where Pace signs the document prior to vendor signature, it is the responsibility of the Representative to obtain vendor counter-signature.

It is a University audit requirement that completed contracts are updated in the system. Accordingly, it is <u>imperative</u> that the Originating Unit Representative uploads a copy of the final and fully executed contract to Contract Management System.

The final and fully-executed contract will contain the signatures of the Authorized Signatory in Finance & Planning and the Vendor.

Payments will be made upon receipt of a fully executed contract

#### 05. Responsibilities of University Counsel

The responsibilities of University Counsel are to review the submitted contract, negotiate legal terms with the vendor and approve the contract as to legal form. University Counsel reviews, where necessary, contracts to ensure that the terms of the contract protect the interests and resources of the University and that its provisions are consistent with the scope of work proposed by the Originating Unit. University Counsel works in cooperation with the Originating Unit to negotiate the appropriate terms and conditions of each contract.





## 06. Training

## **Training Format**

Individuals within the University who are responsible for originating contracts and their administrative support staff are required to enroll and complete contracts management training.

## Contracts management training will include the following topics:

- Contract Management Policies, Procedures and Workflow
- ➤ The Contract Management System

A list of the University approved Contract Templates, can be accessed from the below link:

http://www.pace.edu/finance-planning/finance-forms

## 07. Frequently Asked Questions

## Frequently Asked Questions?

- 1. How do I get my (non-standard) contract reviewed and approved?
  - **Step A:** Review the contract. Make sure it contains all of the provisions agreed to between the parties.
    - If it is the vendor's agreement, check the Standard Riders to see if there is an appropriate Pace rider to be attached.
  - **Step B:** Obtain insurance certificate from vendor (if applicable).
  - **Step C:** Obtain vendor's signature on contract and rider (when rider is applicable).
  - **Step D:** If payment is required, enter a purchase request on the online purchasing system. Or, if the contract is with a consultant who is an independent contractor, complete the "Independent Contractor Payment Request Form".
  - **Step E:** Upload the Contract Documents to Contract Management System i.e., Contract, insurance certificate and any required Attachments.





#### 2. What is a Contract?

All contracts must be processed through contracts, and when applicable through University Counsel. Contracts that do not follow this procedure places Pace at risk through unnecessary liability.

A contract is a written agreement created to inform all parties of their legal obligation to one another and to express in writing their mutual understanding.

When the provisions for obtaining goods and services exceed the terms of the University's purchase order terms or, when there is no financial obligation on behalf of Pace there must be:

A written agreement or promise between the University and a third party to commit the University's financial or human resources, or otherwise obligate the University to perform an act or service. At such time, a written document should be developed that reflects such a promise.

#### 3. What are the elements of a Contract?

- ✓ Legal Name and Address of the Vendor
- **✓** Financial Terms
- ✓ Responsibility of Parties/Scope of Service

## The Contract May also Include Standard Terms and Conditions:

- ✓ Term and Termination Clause
- ✓ Insurance
- ✓ Indemnification
- ✓ Assignment Clause
- ✓ Warranty and Representation
- **✓** Confidentiality
- ✓ Use of Pace's Name and Trademark
- **✓** Compliance with Antidiscrimination Laws
- ✓ Notice

## 4. What are the different types of contracts?

There are a number of distinct types of contracts that are entered into on behalf of the University.





## 5. What are the risks for not complying with these Policies and Procedures?

A non-standard contract is invalid and unauthorized if it is not approved by University Counsel and signed by an Authorized Signatory.

## 6. What is the Contract Management System?

Pace University is concerned with controlling its resources and ensuring that commitments of University resources are made in a cost-effective and efficient manner. To that end, the process for engaging, negotiating, approving and signing contracts are computerized and monitored.

The University has implemented contract management software for tracking and monitoring contracts through the various points of review and approval. Originating Units representatives can monitor the status of contract approval at every stage of the process. Contracts are uploaded to Contract Management System by the Originating Unit Representative.

## The Contract Management System:

- > Serves as a central repository for University contracts.
- > Allows contracts to be received in one primary area.
- Provides University Counsel immediate access to review and approve
- > Contracts electronically.
- > Provides Originating Unit Representatives with electronic access to view contracts and review/approval status information.

## 7. Who Should I Contact Regarding....

**Legal Questions:** 

University Counsel Phone: 212-346-1274 Fax: 212-346-1682

Email: <a href="mailto:legalcounsel@pace.edu">legalcounsel@pace.edu</a>

**Insurance Question** 

**Risk Management and Insurance** 

Phone: 914-923-2627
Fax: 914-923-2731
Email: <a href="mailto:rmyers@pace.edu">rmyers@pace.edu</a>

**Contract Process:** 

Contract Administrator
Purchasing & Contracts
Phone: 914-923-2690
Fax: 914-989-8114
Email: contracts@pace.edu





Contract Management System Access: Financial Information Systems
Phone: 914-923-2899

## 8. How can I gain access to the Contract Management System Contract Management System?

In order to gain access to Contract Management System the Originating Unit Representative must attend a Contract Management training session. Only confirmed training participants will be assigned system access.

Access will be granted through the Financial Systems department after training attendance is confirmed. The Originating Unit Representative will be notified via email when access is granted.





Effective Date: Aug. 04, 2019

# 08. Revision History

Version	Date	Change	Author
		Modified language, multiple	
2.2	02/12/16	edits/revisions	NTW/RB
2.3	06/17/16	Grammatical Revision	NGC/AM
2.4	01/10/17	Modified language	NGC/JAC
2.5	08/04/19	Modified language, multiple edits	NGC/JAC