

Drake University Contract Review Checklist

<p>Is the contract for goods and services that are offered by one of Drake's preferred vendors?</p>	<p>If so, and if not a preferred vendor, contact Caron Findlay (x2424) to discuss whether pricing advantages can be obtained by using a preferred vendor.</p> <p>www.drake.edu/busfin/vendorinformation/vendors/</p>
<p>Is the contract in the name of Drake University?</p>	<p>All contracts must be in the name of Drake University only and not in the name of any college, department, or office or in the name of any individual.</p>
<p>If the contract is for a duration of one year or more, does it have a termination provision, allowing for termination by Drake at any time with notice?</p>	<p>Ideal: Drake should be able to terminate with notice. Thirty (30) days' notice is desirable, but longer periods may be acceptable in some cases.</p> <p>Acceptable: For contracts with a term of longer than one year, an annual termination provision may be acceptable. Before agreeing to such a provision, assess the risk of not being able to end a contract if you determine it is no longer feasible or desirable to continue. There should, however, always be a provision that allows termination in the event of breach by the other party.</p>
<p>Does the agreement lock in financial terms/price for the term of the agreement?</p>	<p>Ideal: Contract pricing should be specified in the contract.</p> <p>Acceptable: For contracts with automatic renewals or extended terms advance notice of any increase, preferably no more than a cost of living increase or with an option to terminate should the new pricing not be acceptable may be an alternative to fixed pricing.</p>
<p>Have all expenses to be reimbursed by the University in addition to any fee for the services been specifically listed?</p>	<p>General descriptions of "all reasonable expenses" are not acceptable.</p>
<p>Does the contract specifically state how often the provider shall invoice and the number of days after invoice the University has to pay?</p>	<p>Drake must have at least 30 calendar days to pay invoices. Penalties for late payment should be avoided.</p> <p>Payment should not be received prior to the receipt of goods or services. In cases where pre-payment is required, the University will generally not pre-pay more than 50%.</p>
<p>Does the contract exempt the University from paying sales taxes?</p>	<p>The University is a § 501(c)(3) not-for-profit tax-exempt entity, and most sales taxes may not be included as part of the compensation and may not be added to any invoice.</p>
<p>If there is a provision permitting the use of Drake's name, does it provide that Drake must have advance notice and the right to approve all uses?</p>	<p>The contract should include a reference to comply with the usage guidelines. Drake should terminate the agreement in the event of non-compliance with usage guidelines.</p>

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<p>Does the contract require compliance with the usage guidelines found at http://www.drake.edu/communications/drakeidentitystandards/graphicstandards/</p>	<p>All other types of identity or trademark use require prior approval of University Communications.</p>
<p>If the agreement involves information technology, including software or license purchase or interface with any Drake technology system, has DTS reviewed the agreement?</p>	<p>DTS reviews all contracts involving information technology, including license agreements, technology interface and software purchases.</p>
<p>Does the agreement limit damages?</p>	<p>If so, request removal of the damage limitation.</p>
<p>Does the contract provide for the University to pay attorney fees, court costs, or other litigation expenses of other parties if there is a contract dispute?</p>	<p>If so, request removal of the provision.</p>
<p>Does the contract provide for the University to "hold harmless," or "save harmless," or "indemnify" the contractor, or otherwise assume responsibility for paying the contractor's liabilities?</p>	<p>If there is an indemnification clause, it should be mutual, or if not mutual, the University's liability should be limited to its negligence. Many Drake templates have approved indemnification language that you may propose.</p>
<p>Does the contract contain clauses that would make it subject to either the substantive law or the jurisdiction (also referred to as "forum" or "venue") of another state?</p>	<p>Ideal: We should attempt to include Iowa as the jurisdiction governing the agreement. If the goods or services are being provided within Iowa this is a reasonable request.</p> <p>Acceptable: In the event we are purchasing goods or services that are provided or performed in another state, you may consider whether this is a reasonable concession. In so doing, recognize that in the event of a contract dispute this may put the institution at a disadvantage if a problem occurs.</p>
<p>Is the agreement a government contract? (A government contract is any non-grant contract with a city, state or federal governmental body).</p>	<p>Government contractors are required to fulfill a myriad of regulatory compliance initiatives. Well before Drake enters into such an agreement, the issue of whether such an agreement is feasible should be discussed with the Chief Administration Officer.</p>
<p>Is the name in the signature block an individual authorized by the Contract and Legal Services Authority policy?</p>	<p>Only individuals authorized by the Contract and Legal Services Authority policy may sign agreements on behalf of Drake University. If the wrong name is typed in the signature block, ask that it be changed to the name of an authorized signor.</p>