

104 CONTRACTS

I. PURPOSE

Establish the need for a contract when making purchases on behalf of the college and define the role of the department or unit recommending a contract. This policy also sets forth the review, approval, and contract administration, and amendment process for college contracts.

II. DEFINITIONS

A contract is defined as an agreement between two (2) or more parties, one of which must be the college or any of its subunits, intended to have legally binding effect.

III. POLICY

A. **General**

- i. Contracts are required regardless of the amount for the procurement of services or deliverable goods and equipment (accompanied by a vendor agreement) when it is prudent to detail specific negotiated terms and conditions.
- ii. The amount of a contract, specific to the current fiscal year, must be encumbered via a purchase order through college's eProcurement application, ObieBuy.
- iii. Oral agreements are not permitted and will not be recognized or honored by the college. All college contracts or vendor agreements requiring signature authorization must:
 - o Be made in writing.
 - o Be reviewed by the Office of the Vice President, General Counsel and Secretary prior to execution.
 - o Bear an authorized signature.
- iv. The contracting process includes the following steps:
 - o Contract requests must be submitted for review and approval in OberView through the Independent Contractor Request Form, managed by Human Resources.
 - o After approval, contracts should be drafted using the Independent Contractor template available from the Office of the Secretary and General Counsel (contract@oberlin.edu).
 - o The draft contract must be submitted for review to the Office of the Vice President, General Counsel, and Secretary at contract@oberlin.edu before being sent to a potential contractor.
- v. Faculty and staff should contact the Grants Office at intgrant@oberlin.edu before beginning any steps for a proposed contract through a grant.

B. **College-wide Contracts**

- i. The Division of Finance and Administration and designated Divisions/Departments are authorized to negotiate and issue contracts that provide the college with "least total cost" vendor arrangements for goods, services, and equipment required from external vendors.
- ii. In negotiating those contracts, Procurement will ensure that the vendors:
 - o Provide a "least total cost" structure, available to all college departments.
 - o Provide high quality goods/services/equipment, delivery, and customer service.
 - o Provide customer training and support as required.
 - o Provide an acceptable product exchange and return policy.
 - o Provide support for college systems and technology; and
 - o Demonstrate financial stability.
- iii. Vendor contract pricing and performance are based on the College's overall anticipated volume of purchases during the contract period. In order to assure the college community of "least total cost" of goods, services, and equipment and to fulfill

the college's obligation to consolidate all of its requirements with the authorized vendor(s), all college departments are required to order needed goods, services, or equipment from those vendors that are authorized vendors to the college. (See list in ObieBuy.)

- iv. All college contract vendor information and pricing are proprietary and may not be used for any purposes other than official college business.

Oberlin College contract vendor information:

- o Is not to be provided to other vendors or anyone outside the college.
- o Is not to be used in any unethical fashion.
- o Is not to be used for personal purchases or private gain; and
- o Is not to be used for misrepresentation or illegal trade practices.

Misuse of vendor data will be considered improper handling of institutional data.

- C. Procurement is responsible for publicizing all college-wide contract agreements and monitoring compliance.

D. Division/Department-Specific Contracts

- i. Any vendor contract or agreement requiring signature authorization must be reviewed by the Procurement Department and/or the Office of the Vice President, General Counsel and Secretary prior to execution. Only the Manager of Procurement Services, officers of the college, or their authorized designee may execute vendor contract forms.

- ii. Contract Approval Requirements

Regardless of the dollar amount, contracts entered on behalf of the college require approval of the President, Vice President for Finance, Chief Investment Officer, Director of Investments, Vice President for Advancement, or their authorized designee.

- iii. Recommending a College Contract

1. College contracts may begin either as a draft proposal from a college unit or as a draft sent to the college by a non-College party (e.g., software vendors, other not for profit entities, and contractors).

2. The college unit that is recommending that the college enter a contract is responsible for determining the following:

- o Contract language accurately reflects the current state of negotiations.
- o Contract meets programmatic and college mission requirements.
- o Contract is in the best interest of the college and represents the best deal regarding price, quality, delivery or efficacy of goods, services, and equipment.
- o Compliance with the obligations it places on the college can be assured.
- o Contract is sufficiently clear and consistent.

- iv. Contract Administration

Requesting divisions/departments serve as the Contract Administrator.

Responsibilities of the Contract Administrator include, but are not limited to the following:

- o Ensure a fully executed copy is in place prior to any work being performed.
- o Return a fully executed agreement to the Procurement Department.
- o Verify that the contractor or vendor complies with all the terms and conditions of the agreement.
- o Ensure that all services have been received according to specification prior to authorizing payment.
- o Ensure that all revenue generated pursuant to the terms of the contract is received and deposited into an appropriate college account.
- o Contact the Controller's Office to establish an appropriate college account if necessary.

- Ensure the collection, review, and maintenance of any required documentation, to include certificates of insurance, worker's compensation insurance, and licenses.
- v. Closing a College Contract
 1. Divisions/Departments are required to verify that the parties (college and vendor) have fulfilled their contractual obligations and there are no responsibilities remaining.
 2. A contract is completed when the following has occurred:
 - All goods, services, and equipment have been received and accepted.
 - All reports have been delivered and accepted.
 - All administrative actions have been accomplished. All college furnished equipment and material has been returned.
 - Final payment has been made to the contractor.
- vi. Contract Amendment or Change
 1. Amendments or changes to an approved contract are executed only by the Procurement Department and must be submitted, via the designated college contract e-mail, to the Manager of Procurement Services.
 2. Ordering departments shall not formally contact a vendor and authorize changes of a contract without having obtained prior authorization from the Procurement Department.
 3. Any contract amendment must be agreed to in writing by all authorized parties prior to the amendment or change taking place.