Contracts: Getting it Right!

A contract is defined as an agreement, usually in writing, between two or more parties involving an enforceable commitment to do or to refrain from doing something. At its core a contract is an exchange of promises that the law will enforce. Properly executed contracts help the University pursue its mission and vision. Ineffective control and management of contracts can cost the University in missed savings opportunities and expose it to increased risks. Therefore getting contracts right and making sure they are properly negotiated and executed is important.

Entering into contracts is a daily occurrence for the University. Contracts have been used for various types of products and services such as: external catering, construction, leases, speakers/artist, internships (both domestic and international), student and faculty exchange arrangements, and many others. The Office of General Counsel, Risk Management and, depending upon the type of agreement, Real Estate, Enrollment Management and Information Technology Services are available to assist in reviewing agreements.

University faculty and staff should have a basic understanding of the principles of contracts. The contract should be in writing for tangible proof of the parties’ relationship and intentions, and must be thoroughly reviewed prior to signature. When reviewing a contract, one should identify and clarify any questionable or ambiguous language or terms. Make sure your department, school or college can perform the promises in the contract as it is written. If the terms of the contract are not clear or you cannot perform what is promised, renegotiate the terms of the contract. The University will be bound by the terms of the contract.

The parties entering into the contract should be clearly enumerated. When a University department, school or college is contracting with a third party, Syracuse University should be the contracting party. Individual departments, schools and colleges do not have the legal authority to enter into contracts in their name alone. The length of the agreement and right to terminate the agreement under certain specified conditions should be a part of the contract. There should be a beginning and an end to the contract term. If the contract automatically renews, be sure that the manner of renewal is acceptable. When reviewing the contract term, be certain that promises can be performed within the term of the contract. The contract should address what happens if one of the parties does not live up to its end of the agreement, there is a contract dispute or one of the parties no longer wishes to continue with the agreement.

The contract will often address the risk allocation between the parties, identify the necessity of insurance, as well as the choice of law, jurisdiction or venue for a claim resulting from the agreement or a breach of the terms of the agreement. The risk allocation may also be called the indemnification, hold harmless or waiver in the contract. Also, be aware of any language in the contract that attempts to limit the liability of the other party, and/or requires the University to resolve disputes in a distant or inconvenient forum (e.g. Texas vs. New York State or London vs. United States).

After the contract has been thoroughly reviewed and the department, school or college is in agreement with all of the terms and conditions, the contract must be signed by the appropriate person at the University. The University’s policy specifies the individuals who are authorized to sign a contract. Please review “Contracts with External Parties” at http://supolicies.syr.edu/admin/contract_ext.htm.
Welcome

We are pleased to welcome Robert Kick fulltime to our Environmental Health and Safety Services Office. Robert joined the department in August of 2007 part-time and became a fulltime Fire/Safety Inspector in November 2012.

Robert has 20 years of experience in the firefighting field and currently volunteers with the Baldwinsville Fire Department. In his free time he enjoys spending time with his wife and two daughters.

Congratulations

Please join us in congratulating David E. Pajak, MBA, DRM, ARM, Director of Risk Management and Chief Emergency Management Officer in being named as one of the two recipients of the 2012 Distinguished Risk Manager (DRM) award. The DRM award is one the highest honors given by the University Risk Management and Insurance Association.

Join Us In Congratulating Our Employees For Their Years of Service

Karen Dixon-Cherebin  Risk Management  5 Years
Daniel Delpha  EHS&S  5 Years
George Caporin  EHS&S  10 Years
Timothy Coughlin  EHS&S  10 Years
Michaele DeHart  Risk Management  10 Years
James McCumber  EHS&S  25 Years
Ann Meany  EHS&S  25 Years
Maureen Reilly  EHS&S  30 Years

Renting a Vehicle on University Business

Should I purchase the Collision Damage Waiver (CDW) coverage or not? That is a question raised by many employees who are renting a vehicle on University business.

When renting a passenger vehicle or van on University business, the University and its employees are covered under the University’s business automobile insurance policy for physical damage to the vehicle or van. The physical damage coverage is subject to a $250 per accident deductible for which the employee’s department is responsible. There is no cost to the department for this insurance, other than the deductible if the rental vehicle is damaged. The employee may, as an option, purchase the CDW from the car rental company. The cost for the CDW may range from $12.00-$15.00 per day. The charge for the CDW is eligible for reimbursement from the employee’s department. Therefore, it is an individual departmental decision whether or not to purchase the CDW.

Comprehensive Emergency Management Plan

The University's Emergency Preparedness Committee has established a working group, which includes representation from all divisions of the University, to develop a comprehensive emergency management plan (CEMP) to document the University’s all-hazards approach to managing preparedness for, response to, recovery from and mitigation against emergencies and disasters impacting the campus both directly and indirectly. This plan is a strategic document which will contain policies, authorities, responsibilities and emergency functions to be performed by departments and individuals. The CEMP will address coordination of department response actions and the integration with executive level leadership as well as provide a foundation for the development of department specific plans and operating procedures.

Business Continuity Planning

As part of the University’s continued efforts in improving its emergency management and business continuity planning, and as a result of media coverage resulting from the financial and operational impacts of Hurricane Sandy, Risk Management, along with the University’s property insurance broker, Marsh, will present an overview of business interruption insurance and business continuity planning best practices. The Business Interruption Insurance and Business Continuity Breakfast Workshop will be held on Tuesday, April 30th. Contact Michaele DeHart at 443-2804 or mdehart@syr.edu for more information.