Contracts 101: What You Should Know

Entering into a contract is a daily occurrence for the University, and can vary from hiring a caterer or construction contractor, to entering into a lease, or coordinating an internship in the United States or abroad. Properly negotiated and executed, a contract helps the University pursue its mission and vision. By contrast, an improperly negotiated and executed contract can expose the University to unnecessary business and legal risks.

University faculty and staff should have a basic understanding of the principles of contracts. At its core, a contract is an exchange of promises that the law will enforce. 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 the contract, you should identify and clarify any questionable or ambiguous language or terms. Make sure you 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 or school/college is contracting with a third party, Syracuse University should be the contracting party. Individual departments or schools/colleges should not be entering 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 their end of the agreement or 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).

After the contract has been thoroughly reviewed (both Risk Management and Bond, Schoeneck and King can assist) and the department 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 specifics the individuals who are authorized to sign a contract. Please review “Contracts with External Parties” at http://supolicies.syr.edu/admin/contract_ext.htm.

To learn more about contract basics, look for workshops to be presented by Risk Management and Bond, Schoeneck and King in fiscal year 2011. If you have questions, call Risk Management at 443-5334.
On February 17, 2010, Risk Management and Athletics hosted a tabletop exercise in preparation for the NCAA Men’s Basketball Tournament at the Carrier Dome on March 25 and 27, 2010. Seventy-two people representing over 20 city, county, state and federal emergency response agencies, local hospitals, transportation providers, and University departments gathered for a half-day session at Drumlins for a fast-paced training exercise. Aspects of a “mock-up” emergency situation were replicated to produce discussions and to expand upon learning and transfer of skills. The tabletop exercise permitted the participants to practice together in a simulated emergency situation.

Then on March 5, 2010, twenty-seven internal and external representatives of the Carrier Dome Security and Emergency Management Task Force met to discuss what was learned from the tabletop exercise and how to strategically enhance emergency preparedness and response. The knowledge and skills gained in this exercise for the NCAA Men’s Basketball Tournament can also be generalized to other events and incidents at the Carrier Dome.

Please welcome Dale A. Currier to the Risk Management Department as the Manager of Emergency Management and Business Continuity Planning.

The Manager of Emergency Management and Business Continuity Planning position was created after reorganizing the Risk Management, Environmental Health, and Safety departments. The position reports to David E. Pajak, Director of Risk Management, Environmental Health and Safety, and Chief Emergency Management Officer.

Dale comes to the University from the New York State Emergency Management Office. During the past three years he served in the following positions: Assistant Section Chief for Training and Exercises, a State spokesperson for the Radiological Emergency Preparedness program, and a Planning Section Chief in the State Emergency Operations Center during disaster responses and large event monitoring. Previously, he worked at Niagara Mohawk.

His emergency services background includes work as a police officer, emergency medical technician (EMT), volunteer firefighter, water and ice rescue trainer, wilderness/inland search and rescue, and service on the National Staff of the Coast Guard Auxiliary.

The conference includes a strong schedule of higher education risk management programming, including emerging higher education risk trends and the insurance market place, regulatory compliance issues, vendor contracting, the state of risk management education for future professionals, lessons learned from H1N1 and planning for the next public health threat, experiential and internship risks, the Chief Financial Officer’s view of risk management from the top, and a tour of the Carrier Dome with a presentation of its emergency plan and tabletop exercise from hosting the 2010 NCAA Men’s Basketball Tournament.

The conference is expected to draw approximately 50-60 higher education risk management professionals from colleges and universities in the northeast and Canada.

For more information visit the URMIA website at www.urmia.org.