



Ask a Buyer: Contracts

*Presented by
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What is the purpose of a contract?

- Formalize new relationships
- Outline the various legal obligations each party owes to the other

Why are contracts important?

1. Serve as a record of rights, responsibilities, and obligations
2. Make private promises legally enforceable
3. Formalize a relationship between parties
4. Ensure financial transactions are finalized properly
5. Prevent disputes between parties

When a Contract is Needed

A procurement contract is usually required in three instances:

1. You recognize the need for enforceable protections by generating an agreement using an available template.
2. Policy calls for a service agreement, i.e., Independent Contractor.
3. The Vendor provides you with their own contract for execution.

Contract vs. Honorarium

Contract	Honoraria
Payment is negotiated and agreed upon	One-time “gift” for non-recurring activity/event
Individual frequently provides similar service	No payment requested or set fee
Signed contract required by individual	Gratuitous gesture to an individual
Performance or artistic endeavor	Participation as a judge or panel discussion
Professional speaker who provides services as a career	

Contract Templates

There are three primary service agreement templates OC&P recommends for use:

- Independent Contractor Service Agreement
 - Independent contractor providing services
- Vendor Service Agreement
 - Any other type of vendor providing services
- Addendum
 - Use if a fully executed agreement is being revised (ex. Vendor is providing a bounce house for an event and an additional bounce house is added)
 - Should not extend services past current fiscal year


Working with the Vendor

- Send vendor Rowan template with relevant details completed for review and signature
 - Vendor should be discouraged from making any changes to the template
- If it is a new vendor, have the New Vendor Intake form completed and submit through the New Vendor Portal
 - Must have Banner ID to have contract completed

Steps to Receiving Contract Approval

- Contract Request Portal
- Contract
- Vendor approved for use
 - Including, but not limited to:
 - Vendor Compliance
 - ITAP
 - Independent contractor determination
 - Active banner ID
 - BOT Resolution
 - Sole Source

Steps to Receiving Contract Approval


OFFICE OF CONTRACTING & PROCUREMENT
Revised 11.30.2021

**VENDOR SERVICE AGREEMENT
BY AND BETWEEN
ROWAN UNIVERSITY
AND**

This Vendor Service Agreement hereafter called ("Agreement") is effective as of _____, by and between Rowan University having its main address at 201 Mullica Hill, Glassboro, New Jersey, 08028 is hereinafter referred to as ("Rowan"), and Vendor, each being a "Party", and together are hereby referred to ("Parties") to this Agreement.

WHEREAS, Rowan is in need of Vendor's services described in Section 3: Scope of Services; and

WHEREAS, Vendor has agreed to provide such services; and

WHEREAS, Vendor represents and warrants that it that it will perform the services covered by this contract in a fully professional manner and in accordance with the Vendor's reputation; and

WHEREAS, there exists within the budget of the originating department funds that are available and rightly applicable for this use.

NOW THEREFORE, in consideration of the mutual promises, covenants and obligations, and agreements made and contained herein, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Vendor Name & Address:

2. Dates: Event Date/Dates on Rowan Premises/Expiration Date


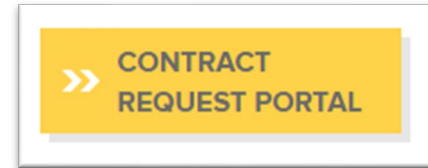
3. Scope of Services:

4. Cost:

Vendors are required to provide one or more of the following signed forms depending on your business classification status:

- W9 (US Citizens) or W8 (Non-US Citizens BEN, ECI, JIMY, & EXP): Attached
- NJ Business Registration Certificate (BRC): Attached

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Contract Submission Request

Your Responsibilities:

1. Ensure OC&P has the final fully executed version of the agreement.
2. Monitor deliverables* and contract movement, not limited to; perpetual renewals, renewal terms, & vendor performance
3. Notify OC&P regarding vendors who are potentially in breach of contract.

* Deliverables: goods or services produced as a result of a project that is intended to be delivered to a customer, e.g., reports, documents, software, upgrades or any other building block of an overall project.

hartmanr@rowan.edu [Switch account](#) 

The name, email, and photo associated with your Google account will be recorded when you upload files and submit this form

Contract Submission Request

Section 2: Requesting Department

- Requester
- Title
- Department
- FOAPAL

Contract Submission Request

Section 3: Vendor

- Vendor Name
- Banner ID#
 - Contact vendors@rowan.edu if unsure of Banner ID#
- Vendor Point of Contact/Representative
- Vendor Rep Phone #
- Vendor Rep Email

Contract Submission Request

Section 4: Contract

- Description
- Commodity
- Contract Start Date & End Date
- Cost
- Contract Upload
 - Only vendor should sign!
- Is this contract part of a master or other existing agreement?

Contract Submission Request

Section 5: Additional Requirements

- Req or PO
- RFP/IFB
- Sole Source Approval
- BOT Resolution
- Independent Contractor Determination
- IT Approval (ITAP)
- Entertainment Form

Next Steps

- Terms & Conditions reviewed
- Vendor compliance for checked for approved use with the State of New Jersey
 - \$15,000 & over – BRC & AA302/EIR needed
 - \$17,500 & over – Approved Chapter 51
 - \$25,000 & over – SAM
- Spend thresholds reviewed
 - < \$19,999.99
 - \$20,000.00 - \$99,999.99
 - 3 quotes required unless exception applies
 - > \$100,000.00
 - Public bid unless exception applies

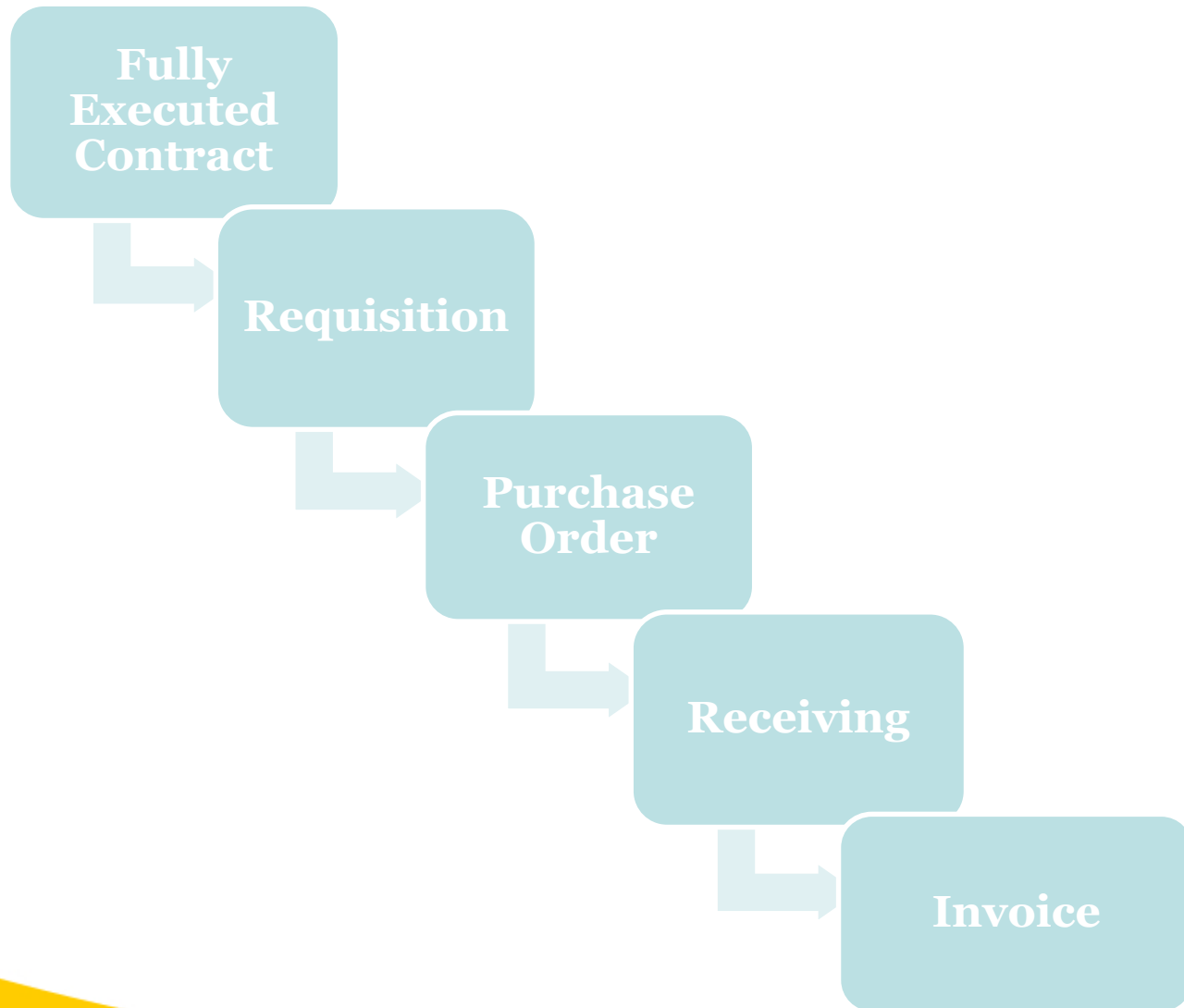
Next Steps

- Additional requirements checked
 - ITAP, BOT resolution, Independent Contractor determination, entertainment form, etc.
- Legal review of agreement
- If revisions are required
 - OC&P will communicate with vendor directly to find agreeable terms
 - Requestor will be included on email to stay up to date on communications and status
- Contract is sent for signature
- Signed contract is returned to requestor

Contract is complete

- Be sure fully executed contract is returned to OC&P
 - Signed by both Rowan and Vendor
- Submit requisition for PO to be sent
 - Be sure to include the fully executed contract and contract number (C23xxxx) in the request


Business as Usual: Banner



Contract Scorecard

- After service is complete or in progress, a scorecard will be requested to rate the vendor performance
- This will rate:
 - Customer Service
 - Quality of Service
 - Pricing
 - Communication
 - Timeliness
 - Professionalism
 - Overall Experience

Contract Scorecard

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Your email will be recorded when you submit this form

* Required

Vendor Performance

How would you rate the vendor on the following areas: *

	Does Not Meet Expectations	Needs Improvement	Satisfactory	Meets Expectations	Exceeds Expectations
Customer Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality of Service/Product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pricing Relative to Competitors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Timeliness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professionalism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overall Experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Timelines

- Contracts must be fully executed prior to service
- Allow a minimum of 30 business days to process contracts that are not on a Rowan contract template
- Allow a minimum of 2 weeks for contracts on a Rowan template
- Plan ahead and allow sufficient time to comply with the full contracting policy

Tips

- New vendor and a contract?
 - Have the vendor complete all paperwork at the same time (review agreement, new vendor intake packet, independent contractor determination, etc.) and submit simultaneously
 - Agreement will not be completed until all steps are complete, but this speeds up processing times
- Reach out to contracts@rowan.edu with any questions