



BUSINESS SERVICES
<http://businessservices.missouri.edu>
882-7254

Contract Overview

Is a CONTRACT needed?

The Business Policy and Procedure Manual (BPPM) section 1:060 (<http://bppm.missouri.edu/>) states that a contract is not required if the dollar amount is less than \$500. However, there are exceptions like intellectual property rights and clinical experience agreements. All University contracts involving real estate must be sent to Business Services.

What if the amount is less than \$500 but the other party has an agreement they want signed?

We'll use their agreement and Business Services would sign.

Bottom line – yes, it's best to always use a contract. Basic contract forms are available on our website. (<http://businessservices.missouri.edu>) Plus, if you have a contract number - payment will be processed much quicker through Accounting.

Also, whenever possible use our standard forms. Our forms address the issues we are generally concerned with and the processing time is generally much quicker!

Is the service GRANT FUNDED?

If the contract is funded with grant money, please talk with your OSPA representative.

What NAME should the contract be under?

One answer, "The Curators of the University of Missouri." Not The University of Missouri and not "The University of Missouri - Columbia"

Who can SIGN a contract?

In general, only four offices sign on behalf of the University: Procurement, OSPA (Sponsored Programs), OTMIR (Technology Management) and Business Services. Only certain individuals on campus have the "delegation of authority" to sign on behalf of the University.

Bottom line - You cannot sign a contract on behalf of the University!

Can I email a copy of the contracts to Business Services?

Yes, contracts may be emailed or sent through campus mail to Business Services to be processed. If the other party has special instructions for executed copies, please provide the information when submitting the contract to Business Services.

What is required if I want to contract with an INDIVIDUAL (as opposed to an organization or corporation)?

You'll need to complete the "Independent Contractor's Checklist." You'll complete this (not the contractor) and submit this form along with your contract. You'll use this for both consulting, performance and speaker/lecture agreements (this form is available on our web-site). This form is not required if you're dealing with an organization or group that has a business tax ID number. This form is IRS driven and essentially deals with tax withholding issues.

What if I want to set up an agreement with a current EMPLOYEE?

The employee will to complete the Conflict of Interest Form (BPPM 1:140). In general, you cannot contract with someone to do something they normally would do in the course of their work. In this case you'll be asked to pay the individual through payroll.

What if I need to make payment to a person who is NOT a U.S. CITIZEN?

You'll need to work with Judy Todd (2-5509) to address tax issues for non-U.S. citizens.

What if we've done this agreement in the past, we just want to AMEND or RENEW it?

Please send a copy of what was done in the past along with the new version. This will expedite the review and processing time.

Oftentimes the department has obtained a fully signed copy; it just needs to be sent to Business Services.

What types of ISSUES or provisions can be problematic?

Indemnification, insurance (we are self-insured), attorney fees, arbitration, choice of law (or venue) and intellectual property rights (copyright, patents) cover some of the more common issues involved with contracts. Business Services will address these issues but please be aware they are “issues.”

What if the performer (or speaker or consultant) has a FORM they want to use?

We prefer to use our form because it addresses all of the issues we’re generally concerned with. If there is a case that they want their agreement, we can include it as a RIDER to our form.

What happens to the agreement once it is sent to Business Services?

First the agreement is assigned a contract number (bar-code on the front sheet).

If the agreement is a STANDARD agreement (speaker lecture or performance - both available on our web-site) with no changes, the agreement is prepared for signature and put in the hopper to be signed. The turn-around is usually just days.

If the agreement is NON-STANDARD (our consulting form and other forms technically identified as “non-standard”) it will require further review and approval. Business Services reviews the agreement and prepares it for formal legal review. Once the agreement has circulated through legal and acquired their approval, it is then signed in Business Services and returned to the department. Process generally takes a couple of weeks.

What does it mean for a contract to be FULLY EXECUTED?

This means that both parties have signed the agreement (or more if more than two parties are involved). What occasionally happens is Business Services will sign; send back to the department requesting signature by the other party and the trail falls off. The event or service may be long over but until we have a fully signed agreement the agreement has not been properly executed.

Who keeps the FINAL COPY of a contract?

Business Services is the official record keeper for contracts. You can (and should) keep copies of all agreements. Also, keep a copy of what you send us while it’s pending review. It doesn’t happen often but sometimes things get lost in transit.

Once the agreement is in place and the event or services are complete, how do I make PAYMENT?

Submit a non-PO voucher to Accounting and include the contract number in the comments section of the voucher. (You can find the contract number on the bar-code—usually affixed to the front sheet of the agreement.)

CONTRACT CHECKLIST

- Is the service grant funded?
If yes then see your OSPA representative.*
- Has one of our STANDARD FORMS been used?*
- Is the agreement in the name of
THE CURATORS OF THE UNIVERSITY OF MISSOURI?*
- Are all ATTACHMENTS or EXHIBITS included?*
- If this is an AMENDMENT or RENEWAL, has a copy
of the previous agreement been attached?*
- If this is a consulting agreement or
speaker/lecture agreement and we’re dealing with
an individual, has an INDEPENDENT CONTRACTORS
CHECKLIST been completed and attached?*
- If we’re dealing with an employee, has the
CONFLICT OF INTEREST process been completed?*
- Have I kept a COPY of the agreement for my
records?*