POLICY ON CONTRACTS WITH VENDORS

Objectives

To establish sound and consistent contract management practices with respect to Bank Street's contracts with vendors. [This Policy does not apply to contracts for academic affiliations or collaborations, construction contracts, real estate lease agreements, banking or debt agreements, employment contracts, settlement agreements or similar agreements that do not involve contracting for normal vendor goods or services.]

Scope

Effective written contracts provide a common understanding of the key terms and obligations between the parties. Not all purchases require a written contract. However, when a written contract is required by either party, the contract must be reviewed and approved in compliance with this policy. In general, if the arrangement involves any risk or potential liability that needs to be allocated between the parties or involves an arrangement where the duties or responsibilities of the parties should be in writing, then a contract should be used.

1. It is the responsibility of anyone who signs a contract in the name of Bank Street to (i) read and understand the terms of the contract, (ii) assure that the contract has been approved as set forth in this Policy, and (iii) assure that the business terms are fair and reasonable to Bank Street.

2. All contracts must be in writing and signed by both an authorized Bank Street employee and the vendor to be fully enforceable.

3. The contract must list the legal name and address of the vendor and the terms must be clearly specified, *e.g.*, length of contract, cost, deliverables.

4. Standard contract templates with, general legal terms, are available for use in the organization. – See Appendix A to this document.

5. Standard Certificate of Insurance (COI) requirements for vendors are also provided – See Appendix B to this document.

6. Contracts with a value of less than $500,0000, that use legal terms and COI requirements that are consistent with the Bank Street template (Appendix A) may be signed by an authorized Bank Street employee. If contract terms vary from the legal terms provided in the Bank Street template, or if the value of the contract exceeds $500,000, then the contract should be reviewed by the College's legal counsel prior to execution.

7. Proposed contracts that do not contain standard terms, that provide revenue sharing between the parties or that otherwise include terms that could create risk for Bank Street should be discussed with an officer of the College and reviewed by the College's legal counsel.

8. Bank Street generally does not allow a contracting party to limit their potential liability except in rare or specific circumstances. Any contract containing such a clause should be reviewed with an officer of Bank Street.

9. [Contracts should be retained by the authorized Bank Street employee signing such contract and should be retained for a minimum of six years after the contract has been fully performed by the parties.]

Definitions

A **contract** is a binding commitment by or on behalf of the University that is in oral or written form, regardless of the title of the operative document or documents. For purposes of this policy, the term "contract" includes but is not limited to contracts, agreements, leases, memoranda of understanding ("MOU"), gift agreements, mutual aid agreements, settlement agreements, resolution agreements, letter agreements, and binding letters of intent.

An **authorized Bank Street employee** for the purpose of signing contracts is defined as the officers of the College, as designated by the Board. An authorized Bank Street employee may delegate signature authority to another Bank Street employee but such delegation must be in writing.

A **vendor** is the party with whom the University contracts to provide the goods and/or services identified in a contract.

Appendix – A

In general, a contract is expected to contain information about:

1. Parties who are contracting
2. Scope of work
3. Timeline
4. Pricing; and
5. General liability and other legal clauses

While the information noted in 1 through 4 will be customized based on the nature of the contract, links below are to template agreements that can be used:

If this is a new contract – Use this template

If this is an existing vendor with whom a contract extension is required or the old contract does not contain the necessary legal protections – Use this template

Appendix – B

Vendor shall obtain and maintain during the entire term of this Contract, at its sole cost and expense, the types and amounts of insurance coverage necessary to fulfill the obligations of the Contract. Vendor must provide Bank Street with a 30-day notice of cancellation on all liability and workers' compensation insurance policies.

The amounts of insurance, limits of liability, and coverage terms included are not intended as a limitation of the Vendor's responsibility or liability under the Contract, but rather an indication as to the minimum types, amounts, and scope of insurance that Bank Street considers necessary to allow the operation of Vendor at Bank Street. Nevertheless, if Vendor purchases insurance in addition to the limits set forth herein, Bank Street will receive the benefit of the additional amounts of insurance without additional cost to Bank Street.

Bank Street College must be added as an additional insured on all policies listed above with the exception of the Workers' Compensation and Employers' Liability policy. Each policy where Bank Street is added as an additional insured shall contain a provision that such policy and the coverage evidenced thereby shall be primary and noncontributing with respect to any polices carried by Bank Street. Each policy must also contain a provision that the insurer allows the insured to waive any right of recovery the insured may have against any person or organization.

Vendor "Self-Insured Retentions" on any of the above policies cannot exceed $25,000 without the prior written approval Bank Street.

INSURANCE COMPANY MINIMUM STANDARDS

All insurance companies providing the above described insurance coverages must meet the minimum standards set forth below:

(1) All insurers for all coverages must be rated no lower than A- by the most recent edition of Best's Key Rating Guide (Property-Casualty edition).

(2) All insurers for all coverages must have a Best's Financial Size Category of at least VII according to the most recent edition of Best's Key Rating Guide (Property-Casualty edition.

CERTIFICATES OF INSURANCE

All certificates of insurance required by this Contract shall be completed in sufficient detail to allow easy identification of the coverages, limits, and coverage amendments that are described above. In addition, the insurance companies must be accurately listed along with their A.M. Best Identification Number ("AMB#"). The name, address, and telephone number of the issuing insurance agent or broker must be clearly shown on the certificate of insurance as well.

Due to the space limitations of most standard certificates of insurance, it is expected that an addendum will be attached to the appropriate certificate(s) in order to provide the space needed to show the required information.

In addition to providing certificates of insurance, Vendor, upon written request of the Bank Street shall provide the them with a complete copy of any of the insurance policies (and all endorsements thereto)

LIABILITY INSURANCE –

Vendor must maintain the following minimum Liability Coverages, all of which, unless noted herein, are to be written on an occurrence form of coverage.

1) Commercial General Liability

Vendor must obtain coverage for bodily injury, property damage, contractual liability, personal and advertising injury liability, and products and completed operations liability. The Concessioner must provide the following minimum limits of liability:

General Aggregate	$2,000,000
Products and Completed Operations Aggregate	$2,000,000
Per Occurrence	$1,000,000
Personal and Advertising Injury Liability	$1,000,000
Medical Payments	$ 0
Damage to Premises Rented to You	$ 100,000

(a) The liability coverages may not contain the following exclusions/limitations:

Products/Completed Operations
Personal & Advertising Injury exclusion or limitation
Contractual Liability
Explosion, Collapse and Underground Property Damage exclusion
Total Pollution exclusion

(i) Pollution liability insurance coverage must be included for injuries resulting from smoke, fumes, vapor, or soot, or other contaminants arising from equipment used to heat the building or from a hostile fire. Not Applicable

(b) If the policy insures more than one location, the General Aggregate limit must be amended to apply separately to each location.

(c) Vendor must provide the following additional items:
- General liability endorsements CG2010 and CG2026
- If there is a possibility of contact with children (like if the College has a Day Car or ECAP (Early Childhood Education Program-where college students observe children and

their activities), then the vendor should have Sexual Misconduct coverage with a limit of at least $1 million will be necessary.

- Vendors that may be driving company vehicles onto school property should also have their auto/fleet coverage listed on that Certificate of Insurance.

2) Workers' Compensation and Employers' Liability

Vendor must obtain coverage that complies with the statutory requirements of the state of NY in which Vendor operates. The Employer's Liability limit will not be less than $1,000,000.