Gatekeeper Training
August 18, 2015
Committee Representation

- Procurement
- Facilities
- Library
- Office of the General Counsel
- Information Technology Services
- EMSA
- Risk Management
- Advancement
- Finance
- Internal Audit
- Center for Student Involvement
- ORAF
- Bouvé

- Project piloted by: Facilities, DMSB, CSI, Library, CPS
## Overview

### Goals

- To develop a framework for the business review of contracts by a school or business unit.
- To improve the overall efficiency of the contract review and execution process.
- To address internal audit report findings of weaknesses in current document retention process.

### Approach

Using cross-functional committee, Operations Council, and peer institution policies/procedures, evaluated various structures and tools to accomplish goals.

### Expected Benefits

- Using PO/MSA, lower overall contract volume by 21% (~750 contracts/yr)
- Eliminate non-value added review of template contracts by OGC, lowering OGC volume by 43% (~1500 contracts/yr)
- Reduce cycle time for contract execution via signature delegation, lowering Treasury volume by 34% (~1200 contracts/yr)
Current Process

CONTRACT SUBMITTERS
*3500 CONTRACTS/YEAR

OGC

AUTHORIZED SIGNORS

Contract Submitters

Vendor Signature

Contract Submitters
RISK-SENSITIVE APPROACH

750+ Contracts/Year
PO or Master Agreement, All Goods, Services Under $10,000

Procurement

2750+ CONTRACTS/Year

Gatekeepers

1250+ Altered/Non-template Contracts/Year

OGC

1500+ Unaltered/Template Contracts/Year

New University Signatories
Process Flow

PO or Master Agreement, All Good, Services Under $10,000

Clinical Placements on templates - Dean of Boulé
On campus Conferences/Events on templates under $20K - VP of Student Affairs
Center for Student Involvement contracts under $20K - VP of Student Affairs
Athletic contracts under $10K - Director of Athletics

Hospital/Lodging rate agreements - Director of Procurement
Events under $100K - Director of Procurement
Facilities related operational permits and regulatory filings - VP of Facilities
Signature Delegations

The following contracts may be signed by the signatories below:

- Clinical Placements on templates - Dean of Bouvé College
- On campus Conferences/Events on templates under $20K - VP of Student Affairs
- Center for Student Involvement contracts under $20K - VP of Student Affairs
- Athletic contracts under $10K - Director of Athletics
- Hotel/Lodging rate agreements - Director of Procurement
- Events under $100K - Director of Procurement
- Facilities related operational permits and regulatory filings - VP of Facilities

This change will reduce the contract volume in the Treasurer’s office by approximately 1,200 contracts/year and expedite the process by 2-3 days
Change Management – Purchase Order or Contract?

- Goals: Increase use of Procurement Services & Reduce contract volume
  - Submitter determines using checklist guided review
- In the following cases, a Purchase Order can be used IN LIEU of a contract:
  - Purchase of goods
    - Excluding unique or hazardous goods
  - Purchase up to $10,000 of services
    - Excluding performers, photographers, and videographers
  - Purchases of goods under a master agreement (MSA)
    - i.e., Office supplies, Lab supplies, Computers
TEMPLATES: An unaltered pre-approved form of agreement created by the OGC

- Gatekeeper sends templates directly to authorized signatory
  - Anticipated to accelerate contracting process by approximately 1 week

- University-wide templates are available on the OGC website

- Department specific templates available

- Examples: Professional Service Agreement, Service Provider Agreement, Clinical Affiliation Agreement
Gatekeeper’s Role: To expedite the contracting process by identifying common business concerns to promote a standardized review of all agreements prior to execution

Risk-Sensitive Approach

- Submission of all contracts to Gatekeeper
- Gatekeeper review via standardized Checklists
- Gatekeeper sends for signature or legal review
- Gatekeeper maintains executed contracts
Contract Repository

• Current State:
  • Non-uniform storage protocols for signed contracts

• Future State:
  • Each Gatekeeper stores executed contracts in one location
  • Colleges/Divisions currently storing contracts in a manner that already follows new procedures may continue to do so
Contract Submitter Checklist

Submitter Checklist includes:

- Purchase of Goods or Services
- Purchase under a Master Agreement
- Certain Business Contract Terms
- Other Considerations
- Template
Sections A - B

➢ Section A – Purchase of Goods or Services
  ▪ Terms -- “Goods” and “Services”
    • YES (either one) → STOP

➢ Section B – Purchase under a Master Agreement
  ▪ Goods or Services under a Master Agreement listed on the Procurement Website?
    • YES → STOP
Section C – Certain Business Contract Terms

- General (#1 - 4)
  - Legal Names of parties
  - Beginning/End Date
  - Scope of Work
  - Timing, Elements, and Forms of All Deliverables

- Payment Terms (#5 - 10)
  - Requirements for payments

- Attachments (#11 - 13)
  - Insurance Requirements
  - Professional Services Agreement
Section D - E

- Section D – Other Considerations
  - Obligations (#1 – 2)
    - Funding
  - Timing & Renewal (#3 – 6)
  - Other (#7 – 8)

- Section E - Template
**Gatekeeper Reviews:**

**Checklist guided review includes:**

- **Business Terms**
  - Payment Terms
  - Timing
  - Proper Authorization

- Intellectual Property Issues
- Risk and Liability
- Obligations on the University
Section I – Review

➢ Question #1
   ▪ Section C on Submitter Checklist
     • Must be marked YES or NA
     • Not marked YES or NA → STOP and return to submitter

➢ Question #2
   ▪ YES → note for review
   ▪ Question in Section D is left blank → STOP and return to submitter

➢ Any response to Questions #2-6 is marked “YES” → SEND agreement and checklists to the OGC for review.
Section I – Review cont’d

- Question #7
  - YES → STOP and sign review checklist

- Continue with this Checklist ONLY if using a non-template agreement.

- An altered or otherwise changed or added to NU template agreement is a non-template agreement.
Section II- Issues

NOTE: Any YES answer in Section II may be an issue for negotiation.

- **Confidentiality (#1-2)**
  - Disclosure of Information
    - NU → Third Party
    - Third Party → Others

- **Intellectual Property (IP) (#3-4)**
  - IP owned by the other party
  - Third Party to use name, logo, images, trademarks of NEU without prior consent of NEU
Section II- Issues cont’d.

- Export Control (#5-8)
- Limitation of Liability/Termination of Contract (#9-10)
  - Terms
    - “Defend”
    - “Indemnify”
    - “Hold Harmless”
Section II – Issue cont’d.

- Arbitration and Governing Law (#11-12)
- Other Contract Terms (# 13-15)
Questions or Concerns?

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