

Contract Review Checklist

Checklist for the review of contracts during negotiations and before execution

January 2021

Introduction

This checklist is designed for use when reviewing contracts for Reed College, it is designed to help identify potential issues and to help ensure required language and terms are included. This checklist may be used with both the Reed College template contracts and with contracts from 3rd parties. Even if you are familiar with contract reviews and terminology it is a good idea to use the checklist to help make sure all items are reviewed.

The checklist is not a definitive list and cannot cover all eventualities, as such a contract should still be read carefully and any terms or items that are unexpected should be investigated. In addition all contracts that are not using unmodified Reed College templates should be forwarded to Risk Management for review before agreeing either in writing or verbally to any specific terms.

How to use the checklist

The checklist is a series of yes and no questions that step through some basic contract terms and Reed standard requirements, simply print and go through each step in order, following any instruction related to the answer. If there is no instruction you can assume no action is required and move on to the next question. Once completed a tick can be entered into the 'Done' column when a question is not applicable write 'n/a'.

If Reed templates are used and have not been modified (i.e. none of the contract language has been removed, altered or added from the template version – other than those fields designed to be changed) then the shorter list in red can be used to review.

IMPORTANT – This checklist is not a substitute for a thoughtful review of the entire contract, it can help identify common issues to speed the process along. When in doubt contract risk@reed.edu.

Description		'Yes'	'No'	Done
1)	Contains legal names of the parties, with addresses and contact information?		Contract needs to be updated	
2)	Purpose and scope of the contract is detailed and clearly specified?		Specific details must be added	
3)	Term of the contract, specific beginning and end date is detailed?		Need specific dates	
4)	Responsibilities of each party, including time for performance are specified?		Need specific details	
5)	Signature lines included for appropriate parties to sign (Name of signatory is included)?		Have this added	
6)	Are all referenced attachments and appendixes included?		These need to be included	
7)	If an individual, have they included all payment and tax information?		Needs to be added	
8)	Is the signator familiar with the details and requirements of the contract?		Contact originator to discuss requirements	
9)	3 rd Parties agree to hold adequate insurance, and cost is included?		Check requirements on Risk Management site	
10)	Has due diligence about vendor/product/service been done and documented?		Research and get references where possible	
11)	Copies of fully signed contract have been sent to risk@reed.edu		Scan and send (e-signatures are automatically sent)	

	Description	'Yes'	'No'	Done
12)	Confidentiality provisions included (Prohibits using or disclosing financial, personal or sensitive information about Reed or its community)?		Have this added	
13)	Compliance clauses (parties agree to comply with Federal and State laws/regulations)?		Have this added	
14)	3 rd Parties and any one acting on their behalf agrees to act in accordance with Reed standards of conduct and behavior when on campus		Have this added	
15)	Both parties have provided something of value (i.e. cash payment for some product or service)?		This must be added	
16)	Payment terms are NET 45 upon receipt of invoice (meaning Reed has 45 days to pay in full)?		Add payment terms. <i>(Contact risk@reed.edu if less than NET 45 is requested)</i>	
17)	Does the contract seek to limit other parties' liability?	This needs to be removed		
18)	Does the contract seek to 'indemnify', 'hold harmless' or 'save harmless' the other party?	Needs to be removed – <i>may use the mutual indemnification clause if necessary (available in contract templates)</i>		
19)	Is there an acceleration clause, or provision, that all payments by Reed are immediately due upon breach or default?	Needs to be removed		

	Description	'Yes'	'No'	Done
20)	Does the contract contain late payment penalties or finance charges Reed would have to pay?	Needs to be removed		
21)	Does the contract require binding arbitration or any mandatory dispute resolution other than action in Oregon courts?	Needs to be removed		
22)	Does the contract allow the other party to assign its right to payment to a third party without subjecting the 3 rd party to all the defenses and claims Reed would have against the original party?	Needs to be removed		
23)	Does the contract provide for Reed to pay attorney fees, court costs or other litigation expenses of other parties if there is a dispute?	Needs to be removed		
24)	Does the contract provide for automatic renewal, or renewal unless Reed take affirmative action to terminate?	Should be removed – <i>may be allowed in some circumstances contact risk@reed.edu</i>		
25)	Does the contract result in Reed directly or indirectly making money in competition with private business?	Needs special review with Business Office as there are tax implications (UBIT)		
26)	Does the contract create rights in other parties, other than Reed and the contractor?	Needs to be removed		

Description		'Yes'	'No'	Done
27)	Can the price or other terms be changed in the future?	Ensure increases are in line with CPI or must be accepted in writing before effective		
28)	Does the contract allow the other party to use Reeds name in any advertising, endorsement or promotion?	Needs to be removed		
29)	Can the other party terminate the contract?	Ensure pro rata refund provision is included		
30)	Does the contract require Reed to obtain insurance or a bond?	Needs to be removed as Reed already has insurance		
31)	Does every one, at Reed, who will have some obligation under the contract know of it?		Contact individuals and department heads	
32)	Are there other terms not that are not well understood?	Review with Risk Management		

Please be aware that large or complex contracts; those greater than ten thousand dollars and/or over multiple years and/or involving multiple offices or departments may require additional review by Reed College's legal counsel. Please consider this may take upwards of four weeks and adjust your time frame accordingly.