TABLE OF CONTENTS

1. PRELIMINARY **2**

1.1 Declaration *2*

1.2 Objectives *2*

1.3 Scope *2*

2. WHEN A CONTRACT COMMENCES **2**

2.3 Record-keeping *2*

2.4 Payments *2*

2.5 Security *3*

2.6 Insurance *3*

2.7 Conditions precedent *3*

2.8 Project groups/committees/working parties *3*

2.9 Reporting and audit *3*

2.10 Contract milestones *3*

2.11 Performance *3*

2.12 Personnel *4*

2.13 Intellectual property rights *4*

2.14 Conflicts of interest *4*

3. ONGOING CONTRACT MANAGEMENT **4**

3.1 Payments *4*

3.2 Reviews *5*

3.3 Disputes *5*

3.4 Personnel *5*

3.5 Intellectual property rights *5*

3.6 Conflicts of interest *5*

SOUTHERN CROSS UNIVERSITY
CONTRACT MANAGEMENT GUIDELINES

1. PRELIMINARY

1.1 Declaration

Southern Cross University has power to enter into contracts for many different types of commercial and non-commercial transactions as permitted under the *Southern Cross University Act* 1993[1].

Best practice management of University contracts will ensure that all risks and associated issues that arise during the life cycle of a contract are fully documented. The risk management process should be applied to each step of a contract's life cycle.

1.2 Objectives

The purpose of these guidelines is to ensure that the University is in a better position to identify, manage and control key risks at each stage of the life cycle.

1.3 Scope

This document is not intended as an exhaustive guide to contract management. Its purpose is to set out some **minimum standards**. There may be different or additional criteria necessary for particular types of contracts or projects, for example, research funding agreements and construction projects.

2. WHEN A CONTRACT COMMENCES

2.3 Record-keeping

(a) The University must retain a copy of the contract executed by the University and each contracting party[2].

(b) Check whether transaction involves commercial activity and should be recorded on University Register of Commercial Activities[3]

(c) Each other contracting party should be notified of the name and contact details of the University's authorised representative for the purposes of the contract

(d) The University should have a record of the name and contact details of each contracting party's authorised representative for the purposes of the contract

2.4 Payments

(a) Provide and/or obtain payment details (such as bank account details) to or from the contracting party

(b) Implement systems for verifying and handling payment claims

(c) Check whether any deposit, security or other amount is payable at commencement

(d) Check whether GST is applicable to any supply of goods or services

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[1] The object and functions of the University are set out in section 6 of the *Southern Cross University Act*
[2] Refer to University's *Corporate Records Management Policy*
[3] See clause 6.7 of University's *Policy an Procedure for Meeting Ministerial Guidelines for Commercial Activities*

(e) Notify any specific financial requirements to the University's Finance Department (for example, holding of funds in trust, milestone payments or instalments)

2.5 Security

If a form of security is required by the contract, ensure that:

(a) It is received or given by the deadline specified in the contract

(b) It conforms to the requirements of the contract

(c) If a bond or bank guarantee, it is prepared and stored securely

(d) A record of its receipt or payment is made

2.6 Insurance

If the contract requires insurance to be effected, ensure that:

(a) all insurance policies have been actually effected by the party required to effect them

(b) certificates of currency have been issued

2.7 Conditions precedent

(a) Check any conditions precedent have been complied with

(b) Follow up any non-compliance promptly

2.8 Project groups/committees/working parties

(a) Establish and convene any project group/committee/working party required by the contract

(b) Implement systems to service any project group/committee/working parties (for example, minute takers, meeting checklists)

2.9 Reporting and audit

(a) Establish and document any reporting schedules and methodology

(b) Document any auditing schedules and notify relevant parties and personnel

2.10 Contract milestones

(a) Document and diarise any contract milestones

(b) Notify key University staff of milestones

(c) Implement systems to monitor compliance with milestones and deal with any instances of non-compliance (such as notification systems)

2.11 Performance

(a) Establish any performance management/benchmarking critieria and systems

(b) Record and notify key University staff of critiera and dates

2.12 Personnel

(a) Prepare list of names and contact details of any key personnel and notify all parties.

(b) If contract permits subcontracting, implement any systems necessary to comply with any terms of the contract (for instance, obtaining quotes, approvals)

(c) Ensure that any subcontractor contracts conform to requirements of contract and are not inconsistent (for example, prepare template contract forms)

(d) Identify, implement and notify other parties of any any screening requirements (such as criminal records, credit checks)

2.13 Intellectual property rights

If contract involves intellectual property rights:

(a) Notify key personnel of specific requirements, such as confidentiality, compliance with University's Intellectual Property Rule, etc

(b) Ensure any confidentiality agreements implemented and signed by relevant staff/parties

(c) Establish systems to identify, manage and protect intellectual property rights (such as intellectual property registers, conducting reviews of personnel, etc)

(d) Identify and record any background intellectual property to be contributed to the project

2.14 Conflicts of interest

(a) Ensure that all key personnel aware of any obligations to notify any conflicts of interest[4]

(b) Establish and implement system to conduct conflict reviews at regular intervals

(c) Enter any notified conflicts of interest on University's conflicts register

(d) Notify other parties of any notified conflicts of interest

3. ONGOING CONTRACT MANAGEMENT

3.1 Payments

(a) Check that invoice has issued correctly (and where a taxable supply is involved, ensure that GST is included)

(b) Ensure goods or services correctly identified and that they have been supplied in accordance with contract

(c) Ensure that, where payment dependant on milestones, that those milestones have been complied with according to contract

(d) Ensure payment is made on or before due date under contract

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[4] See clause 5.2.5 of *University's Code of Conduct*

3.2 Reviews

(a) Issue any notices required by contract with respect to any reviews (such as performance reviews, increases in amounts payable, etc) in form required by contract

(b) Diarise any key dates in relation to review (such as when any increases in amounts payable take effect)

3.3 Disputes

(a) Obtain legal advice about rights and obligations in case of disputes

(b) Ensure any disputes that arise are dealt with according to dispute resolution procedure in contract.

(c) Consider whether any interlocutory action necessary to protect rights or enforce obligations as interim measure

3.4 Personnel

(a) Notify other parties in accordance with contract if any key personnel or subcontractors leave or are replaced, including obtaining consents

(b) Refer paragraph 2.12 with respect to replacement key personnel

(c) Prepare list of names and contact details of any key personnel and notify all parties.

(d) Ensure any replacement personnel or subcontractors sign contracts, confidentiality agreements, etc

(e) Conduct any employment or other screens (such as criminal records, credit checks)

3.5 Intellectual property rights

(a) Conduct reviews at regular intervals to identify creation of any intellectual property rights during life of contract

(b) Consider whether necessary to protect or register intellectual property rights. Seek legal advice

(c) Conduct reviews to ensure any background intellectual property being used in accordance with contract and is still required

(d) Ensure all key personnel have signed confidentiality agreements and that these are still up to date and accurate

3.6 Conflicts of interest

(a) Conduct conflict reviews according to timetable

(b) Enter any notified conflicts of interest on University's conflicts register

(c) Notify other parties of any notified conflicts of interest