

SOG Guide for Reviewing Vendor Contracts

This guide provides step-by-step instructions for reviewing vendor contracts to ensure compliance with SOG policies and procedures. **All contracts that involve payment or establish terms with a vendor** require careful review before an authorized signatory can finalize them.

What contracts should be reviewed?

Any contract with a vendor that commits the SOG to payment and/or terms and conditions should be carefully reviewed prior to being signed by authorized signatory. This includes, but is not limited to:

- Catering services
- Hotel room blocks
- Venue/space rentals
- Advertising services
- Printing and shipping
- Branded gear (swag)
- Software
- Equipment purchases/rentals

Who should review vendor contracts?

1. Initial Reviewer: the staff member working directly with the vendor.

All written contracts the SOG is considering entering into should first be reviewed by the person who is best situated to evaluate whether the contract's language reflects the School's needs. In most cases, this is the person working directly with a vendor to arrange services – they will be knowledgeable about the contract's subject matter and involved with its implementation; commonly, this will be a program manager or other staff member coordinating the work. Once this review is complete, the contract should be submitted to the business office for review via the Business Office ticketing system.

2. SOG Business Office: Ensures payment terms and other administrative details are correct.

Once the primary review has been completed, the SOG Business Office will review the contract for terms relating to payment and other administrative terms.

3. Final Signatory: Completes a final review and signs the contract.

- For contracts involving the SOG's associated entities (SOG Services and SOG Foundation), final review and signature is managed within the SOG.
- For contracts involving the University, such as those associated with grants managed by the Office of Sponsored projects, additional review is required by UNC Finance and Operations – Procurement Office.

Using this Guide

Before signing, read through the contract with an understanding that **SOG is bound by all terms included**. Anything discussed outside of the contract will not be enforceable.

Ask yourself:

- Do I understand the contract's language and terms?
- Is the language aligned with the SOG's needs and the purpose of this agreement?

Contract Review Checklist – Initial Reviewer

The checklist below should be completed by the initial reviewer. Any issues identified in the review should be documented below and resolved with the vendor and/or the SOG Business Office.

A. Parties

- Contract correctly identifies the appropriate SOG business entity name.**
 - The funding source dictates which SOG business should be named in the contract. In general, the business name aligns with the following structure:
 - **SOG Services, Inc.**
 - In most cases, the contracting entity on behalf of the SOG is SOG Services, Inc, especially for course related contracts and contracts related to services & goods for general SOG business needs
 - For course related contracts, refer to the SOG business name listed in the Master Course Document (some courses will have special funding not associated with SOG Services, Inc).
 - **SOG Foundation, Inc.**
 - In some circumstances, with the approval of the Senior Associate Dean for Administration or the Assistant Dean for Business and Finance, the SOG Foundation may contract with a vendor for purposes related to fundraising or a donor-funded project.
 - **University of North Carolina at Chapel Hill**
 - When funding for a contract is associated with the University, such funding comes from a grant managed by the Office of Sponsored Projects, the entity should reflect the University's official name.

B. Obligations

- The purpose of the contract is described accurately
- If the contract involves goods, services, or the use of facilities or equipment, the description of the goods, services, facilities, or equipment is complete and correct (for example, quantity, size, type, time and place of delivery, etc.)
- All documents, websites, or other resources referenced in the contract have been reviewed
- All obligations for the SOG have been reviewed, and these requirements are reasonable and feasible. For example, venue contracts may require certain procedures for set up/clean up, caterers may require final headcounts by a certain date, etc.

C. Duration

- The duration of the contract (beginning and end date) are correct
- All other dates concerning any performance or delivery milestones are correct

- The contract's term does not automatically renew, or if it does, automatic renewal has been approved by the Assistant Dean for Business and Finance
- If the contract term is greater than 1 year, approval for a multi-year contract has been granted by the Senior Associate Dean for Administration.

D. Location

- It is clear where the work will actually be performed
- If the vendor needs access to the SOG, instructions have been provided and coordinated with SOG operations divisions as needed (ie, facilities or IT).

E. Financial Terms

- The payment amount promised under the contract is correct
- The payment schedule/due date is clearly defined
 - Some vendors, especially caterers or venues, request full payment on the day of service. While the SOG can accommodate this in limited circumstances, it should be avoided if at all possible. If necessary and unavoidable, please coordinate with the Business Office to ensure a check can be made available.
- If a deposit is required, it is limited to no more than 25% of the total contract amount
 - In some circumstances, this requirement can be waived with approval from the Assistant Dean for Business and Finance
- Preferred payment method is clearly defined (ie. ACH, paper check, credit card, etc.)
- The appropriate tax status is reflected in pricing, if applicable:
 - SOG Services and SOG Foundation **are not NC sales tax exempt**
 - The University of North Carolina at Chapel Hill is **NC sales tax exempt**
- Appropriate SOG approval has been granted, depending on the total contract cost:
 - Course-related contracts should be approved by a Program Team Lead or Assistant Dean for Programs during the budgeting process.
 - Non-course related contracts should be approved as follows:
 - Up to \$2,500 – approval from Assistant Dean for Business and Finance
 - Greater than \$2,500 – approval from the Senior Associate Dean for Administration
 - Additional considerations:
 - Contracts through UNC that are greater than \$5,000 require approval from the UNC purchasing office and additional paperwork. Check with the SOG Business Office for requirements.

F. Signature

- The name and title of the person signing the contract on behalf of the SOG is correct
 - **SOG Services, Inc:**
 - **Contracts under \$10,000:** Alexandra Herndon, Treasurer

- **Contracts \$10,000 or above:** Lauren Partin, Executive Director
- **SOG Foundation, Inc:** Lauren Partin, Treasurer
- **University of North Carolina at Chapel Hill:** leave blank, to be signed by a representative of the UNC Purchasing office
- **DFI, LLC:**
 - **Contracts \$10,000 or under:** Marcia Perritt, Director
 - **Contracts above \$10,000:** Tyler Mulligan, Board Chair

Required Additional Documentation:

- Additional documentation may be required, depending on the SOG Business and contractor amount. Review the [Purchasing Requirements by SOG Business](#) guide for additional requirements. Key requirements include:
 - **SOG Services, Inc & SOG Foundation, Inc.:**
 - A current W-9 for the vendor will be collected by the Business Office
 - **University of North Carolina at Chapel Hill**
 - **PaymentWorks registration:** All vendors are required to register in PaymentWorks, UNC's vendor portal. The vendor will be invited to register via email. Registration is required before payment can be made.
 - **Purchases \$25,000 above:**
 - [A waiver of competition](#) form, including a robust justification, is required

Notes/Corrections Needed

Contract Review Checklist – Business Office

- Any corrections identified in the checklist above have been resolved and reflected in an updated contract
- Payment terms are consistent with SOG/University policies
- Vendor documentation is complete
 - W-9 has been received and reviewed
 - For UNC Contracts - vendor set up has been initiated in vendor portal
- Contract has been sent to signatories in DocuSign
- Fully executed contract has been shared with all signatories, the primary reviewer, and a copy has been saved in Business Office Files

What happens after the contract is signed?

- If DocuSign is used to collect signatures, DocuSign will automatically send the final executed documents to the vendor.
 - In situations where an external signature system is used (for example, a system required by the vendor or contracts signed by UNC Procurement), the primary reviewer should return the fully executed contract to the vendor and keep the contract on file. Notify the business office if any changes to the contract are needed.
- Payments will be made according to the terms and timeline established in the contract, upon receipt of invoice(s).
 - Note that payments cannot be made without an invoice, including up-front deposits. The primary reviewer should request an invoice for any deposits due and submit it to the Business Office for payment.

Resources:

- **List of vendors with a master service agreement with the University:** working with these vendors can present cost savings and streamlined contracting processes. They include caterers, florists, AV, decorations, entertainment, ground transportation, etc. See the full list here: <https://finance.unc.edu/services/meeting-and-event-planning/>
- **EZ Cater:** a convenient one-stop marketplace for local caterers, restaurants, and nationwide chains. It includes thousands of restaurants, concierge services to assist in planning, and simplified ordering/expense management. <https://finance.unc.edu/services/meeting-and-event-planning/>
- **SOG Business Office microsite**
 - [Hotel contracts](#)
 - [Catering Services](#)
 - [Goods or services more than \\$5,000](#)
- **[How to Purchase at UNC-Chapel Hill](#)**
- **UNC Tax Exempt Status:** certification that the University is a tax-exempt entity and a letter to business partners with a sales and use tax exemption number for qualifying purchases: <https://finance.unc.edu/services/tax-exempt-status-letter/>