

ARTICLE VIII: COURSE AND VENDOR CONTRACTS
Section 1. Protocol and Procedures for Contracts
Policy 1.1: University Policy on Contracts
Issued: June 1, 2001

This is to bring to your attention a newly implemented university policy concerning contracts with external vendors.

Effective immediately, all contracts must be reviewed by and have the approval of the University President before being signed. In some cases, review by the Office of Labor and Legal Affairs will also be required.

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Policy 1.2: Educational Contracts

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term. Courses will not be listed in the Schedule of Classes. The section capacity will be designated as zero. (Additional restrictions may be

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admitted to Chicago State would apply as Students-at-Large. Once admitted, students would be enrolled, on site, as is done in extension courses.

- 2) Enrollment Ceilings Since full costs are recovered, the addition of these classes outside the regular schedule should not affect enrollment ceiling computations.

d. Pricing Principles

- 1) Direct Costs Full recovery of direct costs will be required. The exact salary of the faculty member providing the service will determine the personnel costs, and will permit precise budgeting of the contract and accurate transfer of funds internally. Support costs will be requested as required by the specific project.
- 2)

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Issued: March 22, 2006

I. DEFINITIONS

The following definitions are central to:

A) *Employee* – any individual who is presently employed by the University.

B) *Employee with Teaching or Research Responsibilities* – an academic appointee who is engaged in teaching and/or research activities, and certain staff employees (e.g., Staff Research Associates) who may participate in teaching or research activities.

C) *Former employee* – an individual who has retired or separated from the University, was dismissed, or was otherwise formerly employed by the University.

D) *Near Relative* – the grandparent, parent, aunt, uncle, brother, sister, spouse, domestic partner, child, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, niece, nephew, grandchild, or any step-relative in the same relationship. Near relatives also include any member of University employee's immediate household.

E) *Employee-Vendor Relationship* – a relationship in which:

- An employee, acting alone, proposed for a consideration to lease or sell goods or to provide services to an University department; or
 - An employee owns or controls more than a 10% interest in any business which proposes for consideration to lease or sell goods or to provide services to a University department; or
 - A former employee, acting alone, proposes for consideration to lease or sell goods or to provide services to a University department; or
 - The near relative of an employee, acting alone, proposes for consideration to lease or sell goods or to provide services to a University department, when the employee has, in any connection with his or her University employment, any responsibility for or will be involved in any manner in the department's decision to accomplish or approve the transactions; or
- The near relative of an employee owns or controls more than a 10% interest in a business, which proposes for consideration to lease or sell goods or to provide services to a University department, when the employee has, in any connection with his or her University employment, any responsibility for or will be involved in any manner in the department's decision to accomplish or approve the transactions.

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Notwithstanding the forgoing provisions of paragraphs a. and b., the University may enter into a contract for services with a retiree immediately following retirement if the retiree did not participate in a major way while serving as an employee in the making of the contract for services. The post-employment restrictions in paragraphs a. and b., however, apply to any former University employee, including a retiree, who proposes to sell or lease goods to the University.

3. Near Relative – The University may purchase or lease goods from or contract for services with the near relative of any employee, provided that the material manager or designee has made a specific determination that the goods and services are not available either from commercial sources or from within the University.

D. Inspection and Verification of Vendor Status – Whenever it becomes necessary to ensure an understanding of the facts presented, the responsible official or designee must inspect the business premises and records of a prospective employee-vendor or near-relative vendor.

E. Exceptions – The President has delegated authority to approve exceptions to this policy.

III. DISCLOSURE STATEMENT

A. Circumstances Requiring Certification – A University employee, former employee, or the near relative of an employee must submit a written and signed disclosure statement conforming to the requirements of Section III B. and C. with any quotation or proposal to the University.

B. Contents – The Disclosure Statement must:

1. Indicate the University department(s) and position(s) of the employee-vendor. In addition, a former employee must state the date of his or her separation from the University.
2. Disclose the employee's, former employee's, or employee's near relative's financial interest in the proposal.
3. Specify the employee's and/or near relative's relationship to or financial interest in any business entity involved in making the quotation or proposal.

