Cornell University
ILR School

STANDARD PROCEDURE for ILR REVENUE AND EXPENSE CONTRACTS

December 12, 2013

Final Policy for Revenue and Expense Contracts

Purpose

This policy is intended to clarify the creation, review, and processing of ILR revenue contracts (e.g. contracts to provide professional education, consulting, and special studies) and expense contracts (e.g. contracts with individuals or firms to design or to provide training and professional education, consulting, facilities, marketing and design services, and other services and supplies) for the School, including both the Resident and Outreach Divisions. This policy relies on University Policy 4.2 Transaction Authority and Payment Approval as well as on the agreement of the University Chief Financial Officer and University Counsel.

This policy is meant to standardize and to clarify the creation, pricing, and approval of revenue and expense contracts to ensure they are properly priced with appropriate margins and overhead rates; that the costs of delivering the services are reasonable and are based on rational, market-driven pricing; that the revenue contracts include appropriate legal, intellectual property, and insurance protections; and that the contracts and accounts receivables are properly recorded in Cornell's general ledger system so that revenues can be recognized in a timely and consistent manner and that billing becomes more automatic. The ILR School processes over 250 revenue contracts per year, close to 75 independent contractor instructor agreements, and probably 50 service contracts.

Following these procedures will ensure the University's policies are adhered to with respect to good business practices, proper separation of duties, and accounting of deferred revenue. These procedures will also help us to more easily forecast quarterly and annual financial results.

No ILR employee other than the Dean and those Finance staff authorized and delegated authority by the Dean are able to enter into revenue or expense contracts as noted under "Signing Authority and Delegation" section on page 9.

Revenue Contract Process:

1. **Client Requests Services:** Typically, requests for professional development and consulting services are received by a Thematic Lead, Program Director, or Extension Associate. The initial conversation focuses on the type of training to be delivered, the length of the training, the level of training, time-location, and possibly, price range.

   Staff Involved: Extension Associate, Program Coordinator and Administrative Assistant.

2. **Salesforce Entry:** When this initial contact has been made, the ILR Unit (if access has been granted to the Salesforce system) should create an "account", "contact", and an "opportunity" within the Salesforce system. The ILR School has adopted Salesforce as its customer relationship management tool and will use this tool to monitor the client engagement activities of its extension associates and, more importantly, to manage relationships across various units within the ILR School. It is the responsibility of the individual unit to create and maintain these records.

   Staff Involved: Extension Associate, Program Coordinator and Administrative Assistant.

3. **Proposal Development:** Based on the initial conversation, the Extension Associate will begin to develop a proposal for the client to consider. He/she will begin to outline the training or consulting program plan; will estimate the amount of hours both the Extension Associate; consider whether outside instructors/training providers will be needed to deliver the training; and consider whether travel is involved. Further, they will need to consider the program discovery or needs assessment phase, the program design phase, the delivery phase, and any post-program services. *(If appropriate add the proposal to Salesforce)*

   As the proposal is being developed, it is critical that the Extension Associate work with administrative staff to ensure the terms and conditions of the contract conform to the standards in this document and that the Manager of Outreach Finance, Lya Simonet (met8) is aware of the contract and its key components. In the proposal development phase, all of the cost elements of the contract, outlined below, should be considered and included, in draft form, in the proposal to the client.

4. **Contract Preparation:** Once the client agrees conceptually with the proposal, the Extension Associate will begin to work with the Program Coordinators and Finance staff to create a draft contract. *(if appropriate)*

   - **Direct Costs:** Include all direct costs in developing the contract, including the time spent on meeting with the client to develop the proposal (if significant); preparation of the proposal; travel time if the program is delivered off-site or if the client has requested meetings to review program designs; and administrative time

if the proposal is relatively large and complex. Direct labor costs include such items as the salary of the Extension Associate or Thematic Lead who is developing and designing the proposal; the labor costs of the administrative staff who are helping with the proposal and program delivery; and the cost of non-Cornell personnel who are providing services (outside training firms, eCornell, coaching firms, assessment studies). Non-labor direct costs include items such as educational materials, mailings, special deliveries, photocopying, name badges, space rental fees, food, and other supplies and services.

- **Mark-Up/Indirect Costs:** Ensure the 45% mark-up on direct costs is included in the contract proposal (15% CAM, 15% ILR Overhead, and 15% Net Margin). The mark-ups are applied as a percentage of total direct costs. For example, if the total direct costs are $50,000, the mark-up at 45% equals $22,500, and the total contract price for the client would equal $72,500. If all three mark-up factors cannot be charged to a client, you will need approval from the Associate Dean for Finance & Administration.

  ILR does not mark-up the cost of travel, food and beverage costs, or other supplies. These types of costs are direct-billed to the client.

- **Standard Contracts:** ILR has developed standard contracts (see attached) that must be used unless the Client insists on using their own contract. If the Client insists on using its own contract, the contract must be reviewed by either the Manager of Outreach Finance, Lya Simonet, or by the Associate Dean for Finance, Administration, and Corporate Relations, Joe Grasso (jeg68), before it is finalized.

  Try to avoid using client contracts since they often impose restrictions on Cornell and its employees that Cornell University may not place on itself (e.g. some companies might subject Cornell employees to random drug testing).

  If a client contract has to be sent to University Counsel's Office or to Risk Management to be reviewed, Joe and/or Lya will be responsible for sending the contract to these units for review. Counsel's Office and Risk Management have asked that only a limited number of people refer contracts to them after the specific issues for review have been identified in the contracts.

  Some client contracts and their provisions become so onerous that ILR may choose not to conduct business with that organization because compliance is either impossible or cost-prohibitive based on Cornell policies and practices.

- **Invoicing and Payment Provisions:** The following guidelines are to be used for revenue and expense contracts:

Date-specific Invoicing:
The contract should include a date-specific invoicing cycle so that the billing dates can be entered into our Accounts Receivable system (SDC) and an invoice can be automatically generated on the specific date for the specific amount.

Open-Ended Invoicing: Some contracts do not lend themselves to date-specific invoicing, but billing dates should then be tied to the dates when services are delivered. The Finance Office will monitor the contracts and contact one of the four Thematic Program Coordinators each month to check on the status of the outstanding contracts and the delivery of services.

Contract Levels: Deposits and Billings

If contract values are in excess of $50,000, there should be a minimum 10% deposit required within 15 business days of signing the contract. This is mostly important for new clients, but sometimes deposits can be waived for long-term clients. The purpose of the deposit demonstrates the good faith of the client, reduces the risk that he/she will back out of the contract, and it helps ILR's cash flow where considerable time may have been spent in developing a proposal for a client.

$0 - $25,000: 1 payment following the delivery of services is acceptable, but it is preferable to have one payment before services are rendered to meet ILR's cash flow needs as well as to secure the commitment of the client.

$25,001 - $50,000: 1-3 payments could be used depending on the type of services being provided. If the client is brand new, you must include a deposit payable within 15 business days of signing the contract. If there is custom work to design the program, a payment should be made before the program is delivered to fully offset the cost of custom design and to ensure ILR is paid for design in the event that the program is not delivered. Or, if there are two (or more) delivery dates for the program, billings should occur immediately following the completion of each program/deliverable.

$50,001 - $99,999: 2-4 payments are recommended, again based on the types of services performed and how the program design and delivery is structured. A deposit, followed by an invoice for design services, followed by invoices for what might be the delivery of two parts of a program would be a good way to structure these invoices. Here, a 15% deposit is essential given the size of the contract, and if there are discovery, design, and development fees there should be a payment provision to fully fund these services before they are delivered to the client. The Extension Associate should work with the Program Coordinator and Outreach Finance Manager (Lya Simonet) to ensure the payment schedule for the client matches the expenditure cash flow of the contract. For example, if an outside consultant is being hired immediately to begin design of the program and ILR must

pay that consultant within 30 days of the signing of the revenue contract, then the contract with the Client needs to include a billing that is equal to what ILR owes the consultant. In short, we need to match our revenue and expense cash flows on these larger contracts.

$100,000 - $999,000: All contracts and proposals for work that exceeds $100,000 and up to $999,999 must include the Associate Dean for Finance, Administration, and Corporate Relations in the proposal phase as well as the contract phase. The Extension Associate will work with the Thematic Lead and Lya Simonet to develop the invoicing so that the Associate Dean for Finance can review the matching of revenues and expenses for the contract and balance the client's needs with the need to support ILR's cash flow and risk mitigation needs. Any revenue contract above $999,000 requires the approval of the University VP of Finance.

Billing: Services will be billed by Cornell University through the ILR Accounts Receivable Office, and remitted for processing to the client organization. Payment for services shall be made to Cornell ILR within thirty (30) days of receipt of the bill for services. Checks, payable to Cornell ILR, will be forwarded to the Cornell ILR, Accounts Receivable, PO Box 6838, Ithaca, New York 14851-6838. Purchase Orders can be either attached to the assess-a-fee form or contract class billing form or forwarded to the ILR Accounts Receivable Department at 393 Ives Hall, Ithaca, NY 14853, emailed to ilrcustomerservice@cornell.edu, or faxed to 607-255-9826.

Staff Involved: Renee Monroe, Manager of Outreach Funds and AR and Dianne Dean-Tucker, AR Specialist.

5. Revenue Contract Execution:

After a draft contract has been completed, it will be signed by Joe Grasso, Lya Simonet, or the delegated Finance staff member (see below) and then sent to the client for signature.

$0-$99,999: These contracts will be signed by Lya Simonet. Letter agreements are allowed for any work with a value of $10,000 or less, but these letters of agreement (page 20) must be signed by Lya Simonet.

$100,000 - $999,999: These contracts will be signed by Joe Grasso. All revenue contracts to be signed by Joe should be sent to Joe Grasso copied Laura Haley and Lya Simonet.

Any and all international contracts will be signed by Joe Grasso.

The distribution of the executed contracts will be as follows:

Original executed copy is sent to the Client if required, otherwise, a PDF version can be sent to them.

PDF versions are distributed to the following:

ILR Accounts Receivable, 368 Ives Hall, Ithaca (Renee Monroe, Manager of Outreach Funds and AR (RLO4) and to Dianna Dean-Tucker, AR Specialist (DD86)

Thematic Lead/Program Director

Lya Simonet (NYC Budget Office)

Salesforce System – the program unit should update the Salesforce record to ensure the transactions of the relationship have been fully reported. Accounts Receivable staff will append the executed contract to the Salesforce account and record so that an easily accessible central repository can be maintained.

Reporting & Collections: The Accounts Receivable Office (Renee Monroe) will be responsible for compiling a monthly report that lists all contracts that have been executed during the preceding month with any outstanding balances. A monthly assessed receivables report is also produced and reviewed by the Finance team.

If payments are overdue, the relevant Thematic Lead or Program Director will be asked to follow-up with a client regarding payment. If the client is slow to respond or does not respond, Finance staff will follow-up with calls and e-mails. ILR Finance staff will defer to Program staff for the initial payment request contacts, but if the Program staff efforts fail, ILR Finance will take over responsibility for collection.

- An **Assess-a-Fee** form (see page 11) needs to be filled out for all non-course related billings and submitted to Lya Simonet (For NYC, Buffalo and Rochester) to ensure that a contract is in place and the amount to be billed is aligned with the billing scheduled in the contract. Lya will then assign an OrgRef on the Assess-a-Fee then send the form to: ilrcustomerservice@cornell.edu for input into our accounts receivable system. Examples of non-course related billings are custom training programs, non-sponsored research, arbitration, consulting and technical assistance.

- A **Contract Class Billing** form (see page 12) needs to be filled out for on-site programs (customized/specialized trainings for groups of people from an organization) and submitted to ilrcustomerservice@cornell.edu. Jasminy Joe, Outreach Registrar (JD51) assigns the related course numbers then forwards the forms to Mickey Khounthavong (MMK48) for input into our accounts receivable system. Instructor names and the projected number of participants need to be included with the contract class billing form.

If a roster becomes available, it should be submitted to the customer service email address for entry into SDC. Mickey also ensures that there is a contract in place and if there is none, alerts Lya Simonet so she can follow it up from the Extension Associate. If there are discrepancies on the information, Mickey contacts the staff for clarification. Once entered in SDC, Mickey scans the contract class form and sends it to Dianna. Dianna prints the invoices entered by Mickey in order to be mailed/sent to the clients.

- Once the **Assess-a-Fee** and **Contract Class Billing** forms are submitted, an invoice will be entered in the receivable system within 72 hours and automatically generated and sent to the client 7 days afterward (if there is a balance due), unless instructions are provided on the special billing instructions section on the bottom of the form to delay the billing or to issue the billing immediately.

- In the event that a revenue contract is modified or cancelled, notification must be sent to accounts receivable by email at ilrcustomerservice@cornell.edu so that our records can be appropriately updated.

- For all Revenue contracts – Accounts Receivable will monitor the activity and notify the Finance Manager / Thematic Lead when payments have not been received in a timely manner.

Expense Contracts:

Expense contracts are typically associated with non-Cornell services that are purchased by ILR to design or deliver a training program or to purchase other services such as marketing studies, design services, conference and hotel services, etc. For example, if ILR or Cornell does not have an expert in change management on staff, the Thematic Lead or Extension Associate will seek expertise outside of ILR to deliver the change management services that a client desires as part of the professional development program. Another example is the purchase of eCornell courses to provide a blended learning experience for a client.

Independent Contracts for Instructors: Managers, Thematic Leads and Extension Associates are required to use ILR's standard independent contractor form to engage outside entities. The form and instructions are available at http://www.ilr.cornell.edu/fiscal/policies/index.html.

These contracts establish the terms and conditions under which the independent contractors will work and describe the intellectual property provisions for the services they are rendering as well as whether they are covered or not by Cornell's professional liability rider. Again, either Lya Simonet or Joe Grasso are authorized to sign these contracts.

In developing the client proposal, the Extension Associate would have had to receive a preliminary quote from the independent contractors in order to develop a price for overall

proposal or contract for the client. However, as negotiations with the client deepen, the scope of services sometimes expands and the cost for the independent contractor's services also grows. It is important to closely synchronize the scope of services provided to the client with the scope of services and costs of the independent contractors.

Working with the Outreach units, the Associate Dean for Finance, Administration, and Corporate Relations has established a payment schedule for independent contractors in order to standardize and rationalize the cost structure.

Other Service Contracts: Other service contracts include such services as marketing studies, web design studies, coaching services, hotel, conference, food & beverage, media production, and other services. All these services must be reviewed and approved by either Joe Grasso or Lya Simonet and all contracts must be signed by them.

Sole Source Justifications: Many of the independent contractors and service providers we use are uniquely qualified to perform the work we are seeking them to do. Accordingly, many of the relationships will be based on "sole sourcing" and not gathering competitive quotes, bids, or RFP's. However, when the Office of Supply Management has contractors listed on their web site that provide such services, the ILR unit must use that preferred vendor or send a justification to Joe Grasso or Lya Simonet as to why that contractor cannot perform that service. The Office of Supply Management will have to approve the sole source justification, and this will add some minor additional time for qualifying the independent contractor.

Payment Process: Virtually all expense contracts will be paid by Purchase Order. NYC Administrative staff needs to work with the Lya Simonet and the two NYC Finance Staff to request an I/C review process and Purchase Order. A copy of the Expense contract or quote needs to be submitted for anything more than $10,000.

The following documents need to be furnished to the Finance Staff when requesting a Purchase Order for services:

Executed copy of I/C or Service Contract (signed by the vendor, Extension Associate and Lya Simonet/Joe Grasso)
W-9 for new vendors
Vendor Information Form for new vendors
Service Provider Questionnaire
Service Provider Evaluation worksheet (to be filled out by the department)
Single Sole Source Justification Form (PO request for more than $10,000)

Approval Authority for Payments:

Under $25,000: Lya Simonet will sign all expense contracts for the Outreach Division with a value under $25,000. Wil Stringer will sign all expense contracts under $25,000 for the Resident Division.

$25,000 to $250,000: Joe Grasso will sign all expense contracts between $25,000 - $250,000 for the Resident and Extension Division.

Sponsored Research:

All sponsored research submissions must be reviewed and approved by Bonnie Hockenberry, Manager of Sponsored Research (BSP2). Form 10 is Cornell's internal sponsored research submission form to the Office of Sponsored Research (OSP). Bonnie has been delegated authority to sign these forms on behalf of the Associate Dean for Finance. In Bonnie's absence, Wil Stringer or Jon Horn can approve the Form 10. Also, all indirect cost recovery waivers need to be approved by the Finance Office with any dispute being resolved by the Dean.

International Agreements and MOU's:

Dean Harry Katz and Associate Dean Joe Grasso are the only people within ILR to execute international agreements and these agreements often require the review of University Counsel's Office and/or the University Office of International Affairs.

Signing Authority Delegation:

The Dean hereby designates transaction authority to the following Finance staff members:

Joe Grasso, Associate Dean for Finance	$0 - $999,999
Wil Stringer, Director of Finance	$0 - $999,999
Jon Horn, Director of Budget	$0 - $999,999
Renee Monroe, Manager of Outreach Funds	$0 - $100,000
Lya Simonet, Manager of Outreach Finance	$0 - $100,000

Payment authority is delegated by the Dean to the following Finance staff:

Joe Grasso, Associate Dean for Finance	$0 - $249,999
Wil Stringer, Director of Finance	$0 - $249,999
Jon Horn, Director of Budget	$0 - $249,999
Renee Monroe, Manager of Outreach Funds	$0 – $25,000
Lya Simonet, Manager of Outreach Finance	$0 – $25,000

Naming and storing "Final Signed Contracts":

Once a contract has all the required signatures, it should be stored in the unit's "ILR Final Contract" shared file. The naming convention for all contracts should be as follows:

Unit.customername.contract#.mmddyear

Example: HCD.ABCcomany.(Salesforce contract number).12052013

Note: All ILR Revenue and Expense Contracts **MUST** be entered into Salesforce

CORNELL UNIVERSITY – ILR School Extension and Outreach

Assess-A-Fee Form

For Non-Course Related Billing

Please submit the information below to ilrcustomerservice@cornell.edu

Name of Program/Service _____

Prepared by _____Date Prepared_____

Account Number _ _ _ _ _ _ _

Bill the following Organization

Company/Union Name	
# & Street	
City, State, Zip	
Contact Person	
Contact Area Code and Phone	

Description of Charges

Program/Services Provided	
Program/Service Location	
Program/Service Date(s)	

Total Amount to be Billed

Program fee(s)	

Special Billing Instructions/Breakdown of Fees/Billing Schedule

Document Attached

☐Purchase Order Number _____ ☐Non-Credit Registration

CORNELL UNIVERSITY –ILR School Extension and Outreach

Contract Class Billing Form

For On-site Programs

Please submit the information below to ilrcustomerservice@cornell.edu

Name of Program/Service _____

Prepared by _____Date Prepared_____

Account Number _ _ _ _ _ _ _

Bill the following Organization

Company/Union Name	
# & Street	
City, State, Zip	
Contact Person	
Contact Area Code and Phone	
Participant Names: Please attach roster, if available	
Projected Number of Students	

Description of Charges

Program/Services Provided	
Program/Service Location	
Program/Service Date(s)	
Instructor Name	

Total Amount to be Billed

Program fee(s)	

Special Billing Instructions/Breakdown of Fees/Billing Schedule

Document Attached

☐Purchase Order Number _____ ☐Non-Credit Registration

Cornell University
ILR School

PROFESSIONAL SERVICES AGREEMENT

between

CORNELL UNIVERSITY ILR EXTENSION AND OUTREACH DIVISION
and

(Insert client organization)

This professional services agreement (hereinafter "Agreement") is made effective as of the (date) day of (month) (year) by and between (name of client organization) hereinafter (client organization name) with its offices located at (insert client organization location) and **CORNELL UNIVERSITY'S SCHOOL OF INDUSTRIAL AND LABOR RELATIONS – EXTENSION AND OUTREACH DIVISION** with its offices located at (insert office location) (hereinafter Cornell University).

WITNESSETH

WHEREAS, (insert client organization) and Cornell University desire to enter into an agreement relating to (insert type of services provided) services which are to be provided by Cornell University for (insert client organization), delivered at (insert location where service will be provided);

WHEREAS, during the past months**,** (insert client organization) and Cornell University have been engaged in discussions, and have exchanged proposals all relating to the scope of services to be provided by Cornell University to (insert client organization) and their respective rights and responsibilities; and

WHEREAS, (insert client organization) desires to engage Cornell University for the purpose of providing to (insert client organization) specific professional services (hereinafter detailed as "Services") and Cornell University is willing and agrees to perform the requested Services, all under and pursuant to the terms and conditions of this Agreement; and

WHEREAS, (insert client organization) and Cornell University wish to formalize all of their understandings and their mutual agreements by their signing, acceptance and entry into this Agreement.

NOW THEREFORE, in consideration of the mutual promises exchanged between the parties, (insert client organization) and Cornell University hereby agree as follows:

1. **DESCRIPTION OF SERVICES.**

(a) "Services" shall include the following described activities and all activities of Cornell University necessary to its performance of the work included in the description herein described.

i. Planning: Cornell University agrees (describe scope of agreed upon planning services).

ii. Communication: Cornell University agrees (describe scope of agreed upon communication services).

iii. Technical Assistance/Consulting/Information Sharing: Cornell University agrees (describe scope of agreed upon technical assistance/consulting services).

iv. Training: Cornell University agrees (describe scope of agreed upon training services).

v. Data Collection: Cornell University agrees (describe scope of agreed upon data collection services).

vi. Material/Product Development: Cornell University agrees to produce materials (which for the purposes of this Agreement includes instructional design) customized for, (insert client organization) and to ship them to the appropriate locations.

vii. Delivery: Additionally, Cornell University agrees to deliver (describe scope of agreed upon training work). The dates and locations of the services will be mutually determined by the parties.

viii. Follow-Up: Cornell University agrees (describe scope of agreed upon follow up).

ix. Cornell University agrees to make reasonable additional modifications to scope of work based on (insert client organization) feedback regarding the services to be delivered between (insert term date of service contract.)

(b) Fee for Services: (insert client organization) agrees to pay to Cornell University a fee of $ (insert daily rate) per day, plus $(insert lump sum or daily rate) for planning and follow-up, for a total sum of $ (insert total) for Services.

(c) Materials: (insert client organization) also agrees to pay to Cornell University

i. $(enter per person material fee) per participant for materials for approximately (insert number of copies) of materials

a. OR

ii. All materials used in the delivery of service will be provided by Cornell University and included in the daily rate.

a. OR

iii. Supplemental materials that are mutually determined to be required for the delivery of the service will be billed in addition to the daily rate

2. **TRAVEL EXPENSES.** All travel expenditures not paid directly by (insert client organization) shall be reimbursed at actual cost, provided that such reimbursable travel expenditures are reasonable and necessary.

3. **BILLING.** Services will be billed by Cornell University through the Extension and Public Service Division, School of Industrial and Labor Relations, Cornell University and remitted for processing to:

(insert client billing address)

Payment for services shall be made to the Cornell School of Industrial and Labor Relations within thirty (30) days of (insert client organization) receipt of the bill for services. Outstanding balances beyond 30 days will be assessed a penalty of 5% per month. Purchase orders and checks, payable to the School of Industrial and Labor Relations, will be forwarded to the Cornell ILR School, Accounts Receivable, PO Box 6838, Ithaca, New York 14851-6838.

4. **TERM**. The term of this Agreement shall commence on the date of signing by both parties and shall continue until (enter date of end of contract), unless terminated sooner in accordance with its terms.

5. **DISCLAIMER AND TERMINATION.** It is recognized that situations may arise which would make it difficult, if not impossible for Cornell University to deliver the services as agreed to or in the timeframe agreed to. It is further recognized that there may be situations in which (insert client organization) will desire to discontinue the services provided by Cornell. Therefore, it is understood and agreed that Agreement may be postponed or discontinued at any time at the option of either party, upon ninety (90) days prior written notice to the other party. Any fees or expenses earned or incurred for Services rendered by Cornell University, prior to cancellation, shall become immediately due and payable to Cornell University by (insert client organization).

6. **INDEPENDENT CONTRACTOR**. Cornell University's relationship to (insert client organization) in performing Services under this Agreement is that of an independent contractor. The personnel who will perform services under this Agreement shall at all times be under Cornell University's exclusive direction and control and shall be employees or independent contractors of Cornell University and not (insert client organization). Cornell University shall pay all wages, salaries, fringe benefits, and other amounts due to its personnel or its independent contractors in connection with this Agreement and shall further be responsible for all reports and obligations respecting them relating to Social Security, income tax withholding, unemployment compensation, workers' compensation, and similar matters.

7. **REPRESENTATIONS.** All Services shall be performed in accordance with sound and generally accepted professional practices and industry standards by professional, managerial, and administrative personnel fully qualified in the respective professional discipline required. Cornell University agrees that it has professional, managerial, and technical responsibility for the validity and accuracy of the Services performed under this Agreement. All statements and materials regarding its qualifications to perform the Services under this Agreement are true and correct and are not misleading or incomplete for any reason, including by reason of omission. Cornell University makes no warranty, either express or implied, regarding the application or use of its services by (insert client organization) or any other party, including any specific outcome or result. Notwithstanding the provisions in Section 4 of this Agreement to the contrary, Cornell University agrees that (insert client organization) may immediately terminate this Agreement if Cornell University has misstated its qualifications to perform the Services hereunder.

8. **CONFIDENTIAL AND PROPRIETARY INFORMATION**. Confidential or proprietary information, which is disclosed by either party to the other for purposes of performing the Services hereunder and which is clearly identified by the disclosing party as confidential or proprietary information, shall be protected by the receiving party in the same manner and with the same degree that the receiving party uses to protect its own confidential or proprietary information. However, neither party shall be required to keep confidential information which: (a) is or becomes publicly available; (b) already in that party's possession at the time of disclosure by the other party; (c) independently developed by that party outside the scope of this Agreement; or (d) rightfully obtained from third persons.

9. **ALTERNATE DISPUTE RESOLUTION**. It is mutually agreed that, in lieu of any judicial remedy which may otherwise be available to either party, any and all disputes and controversies of every kind and nature between the parties arising out of or in connection with this Agreement as to its existence, construction, validity, interpretation or meaning, performance, nonperformance, enforcement, operation, breach, continuance, damages or termination must be submitted to final and binding arbitration, pursuant to and in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Any such dispute arising under this Agreement must be submitted to arbitration by filing and serving upon the other party a written demand for arbitration within ninety (90) days of the date it first learned or should have known of the dispute. The timely submission of a demand for arbitration shall be deemed a condition precedent to proceeding to arbitration. Each party shall bear its own arbitration costs and expenses. The arbitration hearing shall be held in the residing county of the party against whom the demand for arbitration is made. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

10. **INDEMNIFICATION**. Cornell University agrees to indemnify and hold (insert client organization) harmless from all claims, losses, expenses, fees (including attorney's fees), and costs and judgments which have or which may be asserted against (insert client organization) that result from the acts, errors, or omissions of Cornell University, Cornell University's employees, agents and subcontractors. (insert client organization) agrees to indemnify and hold Cornell University harmless from all claims, losses, expenses, fees (including attorney's fees), and costs and judgments which have or which may be asserted against Cornell University that result from the acts, errors, or omissions of (insert client

organization), (insert client organization) employees, agents and subcontractors. As a condition of indemnification, each party agrees to notify the other of any asserted claim, and to cooperate fully in the defense of any such claim.

11. **INTELLECTUAL PROPERTY & NON-EXCLUSIVE LICENSE TO** (insert client organization)**.** The following provisions shall apply with respect to copyrightable works and intellectual property which pertain to the Services performed by Cornell University under this Agreement:

(a) All materials belonging to or in the possession of (insert client organization), written, printed, or otherwise recorded, shall be used by Cornell University only in the performance of Services hereunder and Cornell University shall not record, reference, or reproduce such materials without the express written consent of (insert client organization).

(b) Cornell University and/or the instructor shall retain exclusive copyright and all intellectual property rights to materials developed or used under this Agreement. The participants in the services delivered pursuant to the Scope of Work may use the program materials for reference purposes, but any additional use of the materials requires the written permission of Cornell University.

OR ALTERNATIVE TO B

(b) Cornell University hereby agrees to grant (insert client organization) a non-exclusive, nontransferable, royalty-free license, under any copyrights or other intellectual property rights of Cornell University associated with the materials used in providing the services under this Agreement, to copy, distribute, modify, perform, display, or make derivative works from the agreed upon Works, throughout the United States. Such license shall commence upon the effective date of this Agreement and shall continue, for (insert number) months thereafter.

12. **CONSEQUENTIAL DAMAGES**. In no event shall either party be liable to the other for payment of any consequential damages. However, the provision of this Section 12 of this Agreement shall not apply in any way to either party's obligation to indemnify the other party.

13. **INSURANCE CERTIFICATE & ADDITIONAL INSURED STATUS.** During the term of this Agreement, Cornell University shall maintain and provide proof upon request to (insert client organization) of the existence of general commercial liability insurance coverage, together with such further insurance coverages which are satisfactory to (insert client organization). Upon request by (insert client organization), its officers, directors, agents, affiliates, members and employees, shall all be designated as additional insured on Cornell University general liability insurance policies but limited to those claims accident or incidents

arising out of the acts, errors or omissions of Cornell University.

14. **NONDISCRIMINATION**. The parties agree that they will not discriminate because of sex, race, religion, color, or national origin, and will not discriminate on any basis covered under other applicable laws in any area of their operations under this Agreement. Any violation of this Section 14 by either party shall constitute a material breach of this Agreement.

15. **NOTICES**. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

If to (insert client organization):

(insert client organization address)

If to Cornell University

Cornell University, ILR School - Extension and Outreach Division
Attn:
Title:
(insert office address)
Tel: Fax: e-mail:

Such addresses may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

16. **ENTIRE AGREEMENT**. This Agreement, including any appended Exhibits or Schedules contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

17. **AMENDMENT**. This Agreement may be modified or amended if the modification or amendment is made in writing and is signed by both parties.

18. **SEVERABILITY.** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

19. **WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

20. **APPLICABLE LAW**. This Agreement shall be governed by the laws of the State of New York.

21. **ASSIGNMENT**. This Agreement shall be binding upon the successors of either party hereto but shall not be assigned by either party without the written consent of both parties, said consent not to be unreasonably withheld or delayed. The provisions of this Agreement are solely for the benefit of and shall be enforceable only by (insert client organization) and Cornell University and their respective successors and assigns as permitted hereunder.

22. **FORCE MAJEURE**. Neither party shall be held responsible for any delay or failure in the performance of any part of this Agreement to the extent that such delay or failure is caused by fire, flood, lightning, lockout, riot, explosion, war, strike, embargo, government requirement, civil or military authorities, acts of God or by the public enemy, acts of terrorism, or other causes beyond the reasonable control of such party.

23. **CAPTIONS AND HEADINGS.** The division of this Agreement into sections and the use of captions and headings are solely for the convenience of the parties and shall have no effect in construing the provisions of this Agreement.

24. **SIGNATORY AUTHORITY.** The individuals signing below on behalf of (insert client organization) and Cornell University are authorized to sign and bind their respective organizations to the terms of this Agreement.

IN WITNESS WHEREOF, (insert client organization). and Cornell University ILR School – Extension and Outreach Division have authorized their representatives to execute this Agreement on their behalves on the dates indicated below.

Dated: _____, 2011

(insert client organization)
By:
_____

Name:
Title:

Cornell University ILR School

Dated: _____, 2011

By:
_____
Joe Grasso
Associate Dean for Finance, Administration, and Corporate Relations

Cornell University
ILR School

Letter Agreement for Services less than $10,000

Date

Client info

_____

Dear _____

This letter is to confirm the conditions under which *__Cornell Staff__ of* Cornell ILR will assist *client* to conduct one full day session from (9 am through 5:30 PM) on *Course description* on *date at the client address or delivery location* offices.

_Client_____ agrees to pay to Cornell University *$$$* for facilitation and presentation *the date of the session* plus *$$$$$* for the program development.

Payment for services will be made to the Cornell School of Industrial and Labor Relations within thirty (30) days of receipt of the bill for services. Outstanding balances beyond 30 days will be assessed a penalty of 5% per month. Purchase orders and checks, payable to the School of Industrial and Labor Relations, will be forwarded to the Cornell ILR School, Accounts Receivable, PO Box 6838, Ithaca, New York 14851-6838.

All materials belonging to or in the possession of *client*, written printed, or otherwise recorded, shall be used by Cornell University only in the performance of services hereunder and Cornell University shall not record, reference or reproduce such materials without the express written consent of *client.* Cornell University and/or the instructor shall retain exclusive copyright and all intellectual property rights to materials developed or used under this Agreement. The participants in the services delivered pursuant to the Scope of Work may use the program materials for reference purposes, but any additional use of the materials requires the written permission of Cornell University.

Sincerely,

_____ _____

For Cornell ILR date For *Client* date

Lya Simonet
Finance Manager, NYC ILR Outreach
Tel: 212-340-2855 or Email: met8@cornell.edu