

Contracts Policy

Table of Contents

1. Purpose
2. Scope
3. Definitions
4. Policy statement
 - 4.1. Contract principles
 - 4.2. Contract formulation
 - 4.3. Consultation
 - 4.4. Contract execution and management
 - 4.5. Recordkeeping
5. Supporting procedures

1. Purpose

- a. Flinders enters into many different types of contracts, some of which involve considerable expenditure or revenue generating activities. These contracts have the potential for significant impact on Flinders' revenue, expenditure, operations and reputation.
- b. Flinders recognises that there are risks inherent in the execution and performance of contracts which require appropriate controls commensurate with the level of risk involved. Flinders also aspires to be a good corporate citizen and to conduct its contracted activities in a manner which is consistent with its statutory purpose, its values, expected community standards, and legal and regulatory obligations.
- c. The purpose of this policy is to provide a consistent approach to contracting to ensure Flinders complies with its legal and ethical obligations and manages contracting risks whilst preserving the opportunities and potential rewards inherent in the underlying activities (i.e. a balanced approach).

2. Scope

- a. This policy applies to all arrangements entered into by Flinders with another party, including arrangements which:
 - i. do not commit Flinders to financial obligations
 - ii. are expressed as binding or non-binding
 - iii. are described as a contract, agreement, MoU, deed, terms and conditions, purchase order terms or similar instrument, or
 - iv. create new obligations or only amend, vary, cancel or extend existing obligations.
- b. Examples of the types of arrangements this policy applies to include contracts and agreements relating to day-to-day business operations, teaching and research activities, the acquisition of goods and services, property and infrastructure, strategic projects, student placements, conferences and events, and intellectual property licences.
- c. This policy does not apply to employment contracts, including variations, termination agreements etc.

3. Definitions

contract	means any verbal or written agreement involving Flinders, including without limitation the types of agreements described in section 2 of this policy.
staff	For the purposes of this policy, staff includes employees and other individuals who perform paid or unpaid work on behalf of the University (e.g. contractors, consultants, persons with academic status, volunteers).

4. Policy statement

4.1. Contract principles

All contracts must:

- a. be in writing and be in the best interests of Flinders having regard to all the circumstances
- b. comply with Flinders' legal and regulatory requirements, including existing contractual obligations
- c. be consistent with the University's commitment to Academic Freedom (as set out in the Academic Freedom and Freedom of Speech Policy)
- d. comply with other relevant Flinders policies or processes e.g. [Procurement Policy](#), [Third-Party Academic Partnerships Policy](#), [International Engagement Framework](#).
- e. be capable of performance within approved budgets
- f. preserve Flinders' ability to benefit from its insurance coverage, and
- g. have regard for Flinders' reputation and its social responsibilities to the wider community as a responsible corporate citizen.

4.2. Contract formulation

When considering, negotiating and approving contracts, staff must:

- a. understand the purpose, objectives and benefits to Flinders of the proposed arrangement before entering into negotiations with the other party
- b. act ethically and in good faith, and identify and manage any actual, potential or perceived conflict of interest in accordance with the [Conflict of Interest Policy](#)
- c. engage with internal stakeholders in a manner which supports and promotes Flinders' governance and contract management requirements e.g. Flinders International if the contract involves teaching or educational collaboration with an international partner
- d. ensure Flinders' interests are sufficiently protected and promoted
- e. manage relationships with third parties in a respectful manner
- f. take into account the potential impacts on Flinders more broadly, including its reputation, resources, infrastructure, people, finances, and information technology systems
- g. ensure a risk assessment of the activities to be performed under the contract has been undertaken, and ensure that all identifiable risks are adequately addressed in the contract, and
- h. ensure that the obligations of Flinders and third parties are adequately documented in writing.

4.3. Consultation

- a. Where a contract has relevance to a specialist area within the University, that specialist area must be consulted prior to execution of the contract and may impose requirements which are in addition to those under this policy. For example, Information and Digital Services must be consulted about contracts regarding software systems; Flinders International must be consulted about contracts regarding teaching and educational collaboration with an international partner; the Third-Party Arrangements Advisory Committee must endorse agreements relating to third-party teaching arrangements.
- b. Where contracts have application or impact across more than one College or Portfolio, consultation must be undertaken with all impacted areas prior to their execution.

4.4. Contract execution and management

- a. The [Contract Management Handbook](#) sets out the procedural requirements for contract preparation, execution and management.
- b. All contracts must be entered into in accordance with the [Contract Management Handbook](#) and may only be approved and signed by an appropriate delegate authorised in accordance with the [Delegations Policy](#).
- c. Authorised contract delegates and the scope of their signing authority is set out in the [Contractual Delegations Register](#). Contract delegates must exercise this authority in accordance with the conditions set out in the Contractual Delegations Register.
- d. Authorised delegates must be adequately consulted and briefed about contract risks, costs, benefits and potential pitfalls, preferably prior to negotiations commencing, but in any event prior to being asked to exercise their signing authority. Risks should be assessed in accordance with the [Risk Management Handbook](#).
- e. Colleges and Portfolios are responsible for their own contract management consistent with the [Contract Management Handbook](#) and must ensure their contracts are managed effectively in order to:
 - i. protect and enhance Flinders' interests under its contracts
 - ii. manage risks related to contract performance
 - iii. minimise misunderstandings and legal disputes
 - iv. ensure that Flinders complies with its legal obligations, and
 - v. maintain and enhance relationships with key stakeholders.

4.5. Recordkeeping

- a. A complete record of all contracts and any documents relating to their negotiation, formation, and performance must be maintained to protect Flinders' legal rights and to assist in assessing if parties have complied with their contractual and legal obligations.
- b. In accordance with the Contract Management Handbook, staff must ensure that fully signed contracts are recorded in the Contract Management System. All associated documents must be captured in the Contract Management System or other approved Flinders' recordkeeping system in accordance with the [Records Management Policy](#). Property related leases and licenses must also be recorded in the University's approved lease management system.

5. Supporting procedures

Supporting procedures set out in the [Contract Management Handbook](#) are part of this policy and provide additional detail to give practical effect to the policy principles.

Approval Authority	General Counsel and University Secretary
Responsible Officer	General Counsel and University Secretary
Approval Date	23 August 2024
Effective Date	23 August 2024
Review Date*	2027
Last amended	
CM file number	CF24/589

* Unless otherwise indicated, this policy or procedures still apply beyond the review date.

Printed versions of this document are not controlled. Please refer to the [Flinders Policy Library](#) for the latest version.