



Arizona State University SAMPLE BASIC CONTRACT

This sample contract illustrates the basic provisions and requirements of a contract and is intended to be used solely as a resource in negotiating or drafting a contract. This is not a contract “approved as to form” by the Office of General Counsel because no subject matter is described. Each subject matter has its own unique legal issues that should be addressed in a contract. Please contact the Office of General Counsel directly for advice in drafting specific contracts.

This Agreement is entered into between the ARIZONA BOARD OF REGENTS for and on behalf of ARIZONA STATE UNIVERSITY (“University”) and “Contractor” as of the “Effective Date.”

UNIVERSITY:

CONTRACTOR:

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

Effective Date: _____

RECITALS

[Use this section to describe the objective(s) of the parties and the understandings of both parties that form the basis for entering into this contract.]

- A.
- B.
- C.

AGREEMENT TERMS

1. DURATION

The duration, or term, of this Agreement will begin on the “Effective Date” and end on the date below. This Agreement may be terminated earlier by either party upon ten (10) days prior written notice to the other party.

Month: _____ Day: _____ Year: _____

2. CONTRACTOR’S OBLIGATIONS

2.1. [Describe what, when, and how the contractor is to perform.]

2.2. [NOTE: Some activities may require a higher amount of insurance coverage. Always coordinate insurance requirements with Risk Management.]

2.3. **Insurance.** Contractor, at its expense, agrees to procure and maintain during the term a policy of commercial general liability insurance in an amount of not less than one million dollars (\$1,000,000), single limit, against

2. CONTRACTOR'S OBLIGATIONS

claims for bodily injury, death and not less than one hundred thousand dollars (\$100,000) for property damage occurring in connection with this agreement. This insurance must name the Arizona Board of Regents, ASU, and the State of Arizona as additional insureds as to acts or omissions of Contractor and its officers, employees, and agents. Contractor must provide ASU with a certificate evidencing this insurance coverage no later than the effective date of this Agreement.

3. UNIVERSITY'S OBLIGATIONS

[Use this section to outline the University's obligations.]

- 3.1.
- 3.2.

4. STATE OF ARIZONA PROVISIONS

- 4.1. **Nondiscrimination.** The parties agree to comply with all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action.
- 4.2. **Conflict of Interest.** This Agreement is subject to [Section 38-511 of the Arizona Revised Statutes](#). This Agreement may be cancelled if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of University is, at any time while this Agreement or any extension thereof is in effect, an employee or agent of the other party to this Agreement in any capacity or a consultant to any other party with respect to the subject matter of this Agreement.
- 4.3. **Notice of Arbitration Statutes.** Pursuant to [Section 12-1518](#) of the Arizona Revised Statutes, the parties acknowledge and agree, subject to the [Arizona Board of Regents Policy 3-809](#), that they will be required to make use of mandatory arbitration of any legal action that is filed in the Arizona superior court concerning a controversy arising out of this Agreement if required by [Section 12-133](#) of the Arizona Revised Statutes.
- 4.4. **Contractor's Records.** To the extent required by [Section 35-214 of the Arizona Revised Statutes](#), Contractor agrees to retain all records relating to this Agreement. Contractor agrees to make those records available at all reasonable times for inspection and audit by University or the Auditor General of the State of Arizona during the term of this Agreement and for a period of five (5) years after the completion of this Agreement. The records shall be provided at Arizona State University, Tempe, Arizona, or another location designated by University upon reasonable notice to Contractor.
- 4.5. **Failure of Legislature to appropriate.** If University's performance under this Agreement depends upon the appropriation of funds by the Arizona Legislature, and if the Legislature fails to appropriate the funds necessary for performance, then University may provide written notice of this to Contractor and cancel this Agreement without further obligation of University. Appropriation is a legislative act and is beyond the control of University.
- 4.6. **Weapons, Explosive Devices and Fireworks.** University prohibits the use, possession, display or storage of any weapon, explosive device or fireworks on all land and buildings owned, leased, or under the control of University or its affiliated or related entities, in all University residential facilities (whether managed by University or another entity), in all University vehicles, and at all University or University affiliate sponsored events and activities, except as provided in [Section 12-781 of the Arizona Revised Statutes](#) or unless written permission is given by the ASU Police Department (ASU PD). Notification by Contractor to all persons or entities who are employees, officers, subcontractors, consultants, agents, guests, invitees or licensees of Contractor ("Contractor Parties") of this policy is a condition and requirement of this Agreement. Contractor further agrees to enforce this contractual requirement against all Contractor Parties. ASU's policy may be accessed through the following Web page: <http://www.asu.edu/aad/manuals/pdp/pdp201-05.html>.

4. STATE OF ARIZONA PROVISIONS

4.7. **Legal Worker Requirements.** As required by Arizona Revised Statutes [Section 41-4401](#), ASU is prohibited after September 30, 2008 from awarding a contract to any contractor who fails, or whose subcontractors/subrecipients fail, to comply with Arizona Revised Statutes [Section 23-214A](#). Contractor warrants that it complies fully with all applicable federal immigration laws and regulations that relate to its employees, that it shall, as applicable or required under Arizona Revised Statutes § 23-214A, verify, through the employment verification pilot program as jointly administered by the U.S. Department of Homeland Security and the Social Security Administration or any of its successor programs, the employment eligibility of each employee hired to work on this Agreement, and that it shall, as applicable or required under Arizona Revised Statutes § 23-214A, require its subcontractors and sub-subcontractors to provide the same warranties to Contractor.

A breach of the foregoing warranty shall be deemed a material breach of this Agreement. In addition to the legal rights and remedies available to ASU hereunder and under the common law, in the event of such a breach, ASU shall have the right to terminate this Agreement. Upon request, ASU shall have the right to inspect the papers of each contractor, subcontractor or any employee of either who performs work hereunder for the purpose of ensuring that the contractor or subcontractor is in compliance with the warranty set forth in this provision

4.8. **Prohibited Business Operations with Sudan and Iran.** As required by Arizona Revised Statutes [Sections 35-391.06\(A\) and 35-393.06\(B\)](#), the Contractor certifies to the University that the Contractor does not have scrutinized business operations (as defined in [A.R.S. 35-391](#) and [35-393](#) respectively) in Sudan or Iran.

5. DEFAULT AND REMEDIES

5.1. **Default.** Any one of the following events shall be deemed to be an “Event of Default” hereunder.

5.1.1. Failure by either party to perform as specifically described herein.

5.1.2. A court having jurisdiction over any of the parties shall enter an order for relief in any involuntary case commenced against the applicable party as debtor under the Federal Bankruptcy Code or the entry of a court decree or order appointing a custodian, receiver, liquidator, assignee, trustee, or other similar official.

5.1.3. **[List any other events that are important and necessary for this contract, the failure of which should be a default.]**

5.2. Upon the occurrence of an “Event of Default,” the non-defaulting party:

- (1) shall have all the remedies afforded by law and in equity;
- (2) shall have the right to terminate this Agreement;
- (3) **[List any other remedy that would be appropriate.]**

6. MISCELLANEOUS

6.1. Each party shall be responsible for its and its agents’ negligence, actions and omissions.

6.2. Neither party shall have the right to assign this Agreement without the prior written consent of the other party.

6.3. This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. No prior or contemporaneous agreement or understanding will be effective. This Agreement shall be governed by the laws of Arizona, the courts of which state shall have jurisdiction over its subject matter.

6.4. Neither Contractor nor any personnel of Contractor will for any purpose be considered employees or agents of University. Contractor assumes full responsibility for the actions of Contractor’s personnel, and is solely responsible for their supervision, daily direction and control, payment of salary (including withholding income taxes and social security), worker’s compensation and disability benefits.

6.5. Contractor’s work under this agreement is “work for hire” for purposes of the copyright laws of the United

6. MISCELANEOUS

States and any foreign countries, and title to any subject copyright will vest with the University.

- 6.5.1. If for any reason the Work would not be considered a work made for hire under applicable law, by signing below Contractor sells, assigns, and transfers to University all rights and title to the copyright in the Work, related registrations and copyright applications, and any related renewals and extensions. This grant of rights and assignment extends to all works based upon, derived from, or incorporating the Work, to all income, royalties, damages, claims and payments payable now or later, to all causes of action, either in law or in equity for past, present, or future infringement based on the copyrights, and to all corresponding rights throughout the world.
- 6.5.2. If the Work is one to which the provisions of 17 U.S.C. 106A apply, by signing below the Author waives and appoints University to assert on the Contractor's behalf the Contractor's moral rights or any equivalent rights regarding the form or extent of any alteration to the Work (including removal or destruction) or the making of any derivative works based on the Work, including photographs, drawings or other visual reproductions of the Work, in any medium, for university purposes.
- 6.5.3. Contractor agrees to execute all papers and to perform other proper acts as University may deem necessary to secure these rights for University or its designee.
- 6.5.4. The individual signing on behalf of Contractor hereby represents and warrants that s/he is duly authorized to execute and deliver this Agreement on behalf of Contractor and that this Agreement is binding upon Contractor in accordance with its terms.