**Director’s Note**

As we look forward to FY2010, I would like to give everyone a snapshot of our activities during the past year.

In FY2009, OBDS received and processed a total of 777 revenue contracts. This total represents a 13% increase in contract volume when compared with FY2008. The bar chart on the right summarizes the number of contracts that we processed according to contract type. The pie chart below shows the relative contract volume by campus unit.

We are happy to debut the OBDS Good Business Practice Series with “Tips For Sound Contracts”. Future newsletters shall discuss essential topics to inform our clients about our management approach. I hope you find the series to be useful and informative.

We welcome your suggestions on how we can improve our services to serve you better in the new fiscal year.

Sincerely,
Francis Jatico

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**OBDS Good Business Practice Series**

**Tips For Sound Contracts**

The purpose of entering into a contractual relationship is to manage risks in the business relationship by:

- Clarifying essential terms and goals for the relationship.
- Identifying potential risks and anticipate future questions.

A sound contract is created by adhering to these simple planning principles:

**Early Engagement With OBDS:** Discuss the potential opportunity, risk, and key terms, prior to any verbal agreement with clients.

**Timeline:** To the extent possible, reserve adequate time for a fresh review of unit and department needs.

**Initial Discussions:** Don’t negotiate without examining the market. Know what are the alternatives to your services or products and don’t negotiate against yourself.

**Financial Terms:** Revenue contracts should support the University mission of teaching, research, and public service. However, these activities should be self-supporting. It’s OBDS goal to help you structure the contract for full cost recovery.

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**Inked Deals**

OBDS collaborated with the Department of Biopharmaceutical Sciences at the College of Pharmacy to successfully negotiate a $9.4 million contract with the Illinois Racing Board. Professors Gaensslen and Negrusz shall oversee the testing laboratory that will provide drug analysis and analytical toxicology services to the Illinois Racing Board for the next five years to help ensure compliance with the medication rules and prevent doping in race horses in the state.

**A New Deal With Pepsi**

A new ten-year exclusive pouring rights contract was recently inked between Campus Auxiliary Services at Chicago campus of the University of Illinois and Pepsi North America through OBDS. New card-reading vending machines will be installed and new beverage products will be more readily available.

Special thanks to the efforts of Associate Vice Chancellor for Student Affairs, Michael Landek and Executive Associate Director of Campus Auxiliary Services, Rob Rouzer and Office of University Counsel, John Alsterda.

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**OBFS Forms**

The updated Revenue Contract Approval Form (RCARF) is available on the OBFS website: [http://www.obfs.uillinois.edu/forms/uicrevenuecontappr.doc](http://www.obfs.uillinois.edu/forms/uicrevenuecontappr.doc)