**Director’s Note**

We’ve had a busy first-half of the fiscal year. OBDS’ own Mike Hallahan was a recipient of the 2009 UIC Award of Merit (Congratulations Mike!), contract volume has increased over the same period last year, and we’ve been reaching out to UIC departments to offer refresher seminars on the revenue contracting process.

Given all the happenings during the first half of the year, do you think the second half holds? If there are ways we can serve you better, please let us know. — Francis

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**UIC Award of Merit 2009**

**Congratulations to Mike Hallahan!**

OBDS’ very own - Mike Hallahan receives a congratulatory handshake from UIC Chancellor Paula Allen-Meares as Executive Assistant Vice President Heather Haberecker reads a citation on Mike’s meritorious performance.

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**OBDS Presentation**

OBDS’ Patricia Menguito gives a presentation on Revenue Contract Procedures and Process to some members of UIC Department of Pediatrics.

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**Ticklers For Expiring Contracts**

Do you have renewable contracts expiring soon? OBDS is now sending emails to the contact-on-record to alert the department/unit of the upcoming expiration of a current contract. Alerts are emailed at least 90 days prior to the effective expiration on record to provide the department/unit enough time to review the contract terms and the process a renewal.

**Did You Know…**

You can arrange for OBDS to give your department/unit a presentation on Revenue Generating Agreements (RGA) procedures.

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**OBDS Good Business Practice Series**

**Risk Management in Revenue Contracts**

Part 1

Risk Management is fundamental to good business. One of the responsibilities of Risk Management is to efficiently and cost-effectively mitigate potential problems across multiple jurisdictions. In revenue contracts, two major clauses OBDS addresses in Risk Management are Indemnification and Insurance.

**Indemnification:** In a contract, this clause specifies which party assumes the financial responsibility for loss that may arise from the performance of the contract. In other words, one party agrees to hold the other contracting party harmless, secure the other party, and assume the legal duty to reimburse, or make the other party “whole” in case of loss. In essence, one party (the Indemnitor) agrees to compensate the other party (the Indemnitee) for future, but unknown damages and losses arising from the performance of the contract. As you can imagine, each of the contracting parties will desire to make the indemnification in their favor. They may seek to have words included such as “any and all causes of loss” and be broadened beyond what the other party can or should do.

OBDS is aware that contracts written by other contracting parties usually contain indemnification clauses in which all risks are transferred to University. However, as an instrumentality of the State of Illinois, the University cannot enter into such contracts except under very limited circumstances. OBDS may accept clauses that are mutual or reciprocal. Please read the concluding part in our next newsletter.

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**We Want to Hear From You**


Alternatively, you may follow the link in the email of the scanned copy of your fully executed contract. In both options, you will have the option to do this anonymously or provide your name and unit at your discretion. Your feedback will be greatly appreciated.