



CONTRACT GUIDELINES AND CHECKLIST

The Softwood Lumber Board (the “Board”) has adopted these Contract Guidelines to establish uniform contract procedures for research, promotion and services using check-off funds. The Board: (1) shall maintain accurate and complete files on all contracts; (2) ensure that no monies are spent before a contract has been approved by all appropriate parties and USDA; (3) ensure that all contractors and subcontractors comply with the same requirements as the Board; and (4) ensure that the activities covered by the contracts are approved by AMS.

Checklist

1. The substance of contracts must be consistent with the requirements of the appropriate statutes, order or plan, AMS Guidelines for Oversight of Research and Promotion Programs, other federal requirements and policies, and any Board policies.
2. All contracts must contain the following statement that the contractor agrees to follow federal civil rights policies, to the extent that the policies pertain to the contractor:

The contractor agrees that, during the performance of this agreement, it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, or disability. The contractor agrees that it will fully comply with any and all applicable federal, state, and local equal employment opportunity statutes, ordinances, and regulations, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act of 1990; the Age Discrimination in Employment Act of 1967; and the Equal Pay Act of 1963. Nothing in this section shall require the contractor to comply with or become liable under any law, ordinance, regulation, or rule that does not otherwise apply to the contractor.

3. All contracts must specify work commencement and completion dates.
4. All contracts must be submitted to AMS for review and approval, and the following or a similar statement must be included:

Work will commence from the date of contract signature and upon written

contract approval by USDA until the project completion.

5. The Board will will notify contractors that the contractor is operating at its own risk and the Board is not financially liable if work commences prior to Board and AMS approval of the contract. This policy should also be included in the contract.

6. All contracts should include the following statement:

All non-proprietary information collected as part of the project will be the property of the Board.¹

7. All contracts must clearly indicate that the Board has sole ownership of all materials. Joint ownership may be granted under some circumstances.
8. All contracts must include a provision that the Board reserves the right to copyright or trademark any or all of the materials.
9. All contracts must specify that no expenses paid by the Board to the contractor shall be used in any manner for the purpose of the influencing of legislation and/or the influencing of governmental policy or action.
10. Contractors must inform vendors and subcontractors a) that they are subject to the same terms and conditions as the contractor, and b) of the Board's tax exempt status.
11. All contracts must contain a provision stating that the Board or USDA may terminate the contract, relieving the Board of financial liability, as follows:

The Board and USDA reserve the right, at their own discretion and for any reason deemed by them to be sufficient, to cancel or modify the project after the date of contract signature. In such event, it is agreed that the Board is liable for all commitments made prior to cancellation or modification and shall reimburse the contractor for all reasonable amounts due or owed in accordance with this contract at the time of termination.

12. If subcontractors are used, a contract must contain the following or similar language:

The contractor will primarily rely on in-house staff to undertake project assignments. However, the contractor retains the right to subcontract specific tasks to outside parties. Should the contractor elect to subcontract specific tasks, subcontractors will be subject to the same contractual terms as the contractor in regard to reporting and recordkeeping, travel expenses, title of property, confidential information, influencing legislation and/or influencing governmental policy or action, and following federal civil rights policies. The contractor will

¹This does not apply to contracts with USDA's Agricultural Research Service and may not apply to contracts with university researchers.

be fully responsible for the quality of all work products.

13. All contracts must contain a statement indicating that all deliverables must be reviewed by AMS prior to use. This applies to promotional materials, industry information, scripts, website information, and other information that is disseminated to industry or to the public. Under no circumstances may a contractor release any deliverables to anyone other than the Board without AMS review and approval.
14. All contracts must include a detailed list of all services provided by the contractor.
15. All costs and compensation should be detailed in any contract, including any limitations.
16. All contracts must include a description of billing and payment information.
17. All contracts must require the contractor to (a) keep accurate records, books, and documents involving transactions relating to the contract and (b) retain the records, books, and documents for three years. In addition, the contract must state that the records, books, and documents may be subject to inspection and audit by a representative of USDA.
18. Information on cash discounts should be included in the contract, if applicable.
20. It is recommended that all contracts include indemnification provisions similar to the following:

Indemnification for the Board and USDA. The contractor agrees to indemnify and hold harmless the Softwood Lumber Board, USDA, and their affiliates, members, officers, directors, agents, and employees against all losses, damages, liabilities, cost or expenses, including reasonable attorneys' fees (collectively, "losses"), resulting from all claims, proceedings, investigations, or actions (collectively, "claims") arising out of or in connection with the contract and the services rendered by the contractor. This indemnification obligation shall survive the expiration or termination of this contract.

Indemnification for the contractor. The Board agrees to indemnify and hold the contractor harmless against all losses resulting from claims arising out of or in connection with Board-supplied products or materials, or representations concerning the Board, or its services or products, to the extent furnished or prepared by or at the Board's request for use by the contractor, including, without limitations, infringement upon intellectual property or other proprietary rights. This indemnification obligation shall survive the expiration or termination of this contract.