



ARCHDIOCESE  
*of* BALTIMORE

Contracting  
Office of Risk Management  
Monthly Risk Zoom Call

May 14, 2027

# **Types of Contracts**

- 1. Purchase (other than for real property)**
- 2. Service Contracts (landscaping, snow removal, cleaning)**
- 3. Project Contracts (such as construction projects)**
- 4. Special Event use of property by third party**
- 5. Leasing/Licensing of property to a third party**
- 6. Leasing/licensing of property from a third party**
- 7. Purchase, Sale or Donation of Real Property**

# Primary Purpose of Contract

1. Set in writing expectation of agreement
2. Set in writing terms and conditions of the agreement
3. To limit any liability to the parish or school

# Primary Provisions of a Contract

1. **Parties**: Clearly identifies who is entering the agreement (legal names/entities).
2. **Scope of Work/Services**: Defines specific deliverables, deadlines, and performance standards.
3. **Payment Terms**: Outlines total cost, payment schedule, and methods.
4. **Term and Termination**: Sets the contract duration and conditions for ending it early.
5. **Confidentiality**: Protects sensitive data shared between parties.
6. **Intellectual Property (IP)**: Defines ownership of final products or creations.
7. **Dispute Resolution**: Specifies how disagreements will be handled (e.g., litigation, arbitration, mediation).
8. **Governing Law**: Determines which jurisdiction's laws apply.
9. **Force Majeure**: Protects parties from liability due to unforeseeable events (e.g., natural disasters).
10. **Insurance**: Sets forth insurance requirements.
11. **Hold Harmless/Indemnification**: Protects parties against liability resulting from the executing of the contract.
12. **Substantial Contact with Minors**: For service contracts, license agreements and leases, location should determine if substantial contact with minors is involved.



# Types of Contracts

# **Purchase Contracts**

## **(other than for real properties)**

### **1. Contract for commodities/products**

- Location negotiates business terms**
- Risk Management can advise on legal terms, but not business terms**

# **Service Contracts**

**(such as landscaping, snow removal, cleaning)**

- 1. Ensure there is a written agreement with the vendor**
- 2. Location responsible for negotiating business terms**
- 3. Review Primary Provisions (discussed in earlier slides)**
- 4. Review agreement for any provisions that seem odd or unusual**
- 5. Consult Risk Management with questions on legal terms**

# **Project Contracts**

**(such as construction projects)**

- 1. Review Capital Projects policy (Facilities and Real Estate Policies 101, 105 and 106) to determine if Archdiocese approval is needed**
- 2. If approval is required, obtain approval**
- 3. Do not sign the contractor proposal without consulting with Division of Facilities and Real Estate Management**
- 4. Usually, the contractor proposal is attached to an Archdiocese form of contractor agreement (short-form contract or AIA form)**
- 5. For certain projects, a 3% fee shall be paid to the Archdiocese at the conclusion of the project**

# Special Event Use of Property

- 1. If use of property is (a) for less than 72 consecutive hours or (b) no more than 12 uses in a 12-month period, then Use Agreement should be utilized**
- 2. Obtain form of Use Agreement from Risk Management at <https://www.archbalt.org/office-of-risk-management/>**
- 3. Archdiocese approval is not required for a Use Agreement**
- 4. Rental Fee is paid to the location; no fee is due to the Archdiocese**
- 5. If questions about legal terms in Use Agreement, contact Risk Management**

# Leasing/Licensing to a 3rd Party

1. If use of property is (a) for more than 72 consecutive hours or (b) more than 12 uses in a 12-month period (and not occupied 24/7), then a license agreement should be utilized
2. If use of property is for more than 72 consecutive hours or more than 12 times in a 12 month period (and property is occupied and controlled by user 24/7), then a lease agreement must be used  
Gallagher will work with Division of Facilities and Real Estate Management to prepare the lease or license agreement
3. Location must first seek approval of the Archbishop to enter into a license or lease agreement
4. Once approval is received, the lease or license agreement can be prepared
5. Rent must be sent to Risk Management, where 5% Archdiocese fee will be deducted and balance placed in IPLF account
6. License and lease agreements must be signed at least 30 days before the term begins

# **Leasing/Licensing from a 3rd Party**

- 1. If a location seeks to lease or license space from a third party, the location must obtain approval from the Archbishop**
- 2. Once approval is obtained, the location should work with Division of Facilities and Real Estate Management and/or Gallagher to prepare and/or review the license or lease agreement for the space**

# **Purchase, Sale, or Donation of Real Property**

- 1. Location must obtain approval of Archbishop to sell, purchase or accept a donation of real property**
- 2. Once approval is obtained, location should work with Division of Facilities and Real Estate Management and Gallagher to prepare and/or review the sale, purchase or donation documents**
- 3. For purchases and sales of real property, the location must pay a fee equal to 5% of the purchase or sale price to the Archdiocese**

# Support

1. **Contact Risk Management or Facilities and Real Estate Management**
2. **Contact Gallagher LLP**

A photograph of a church interior, showing a long aisle with wooden pews on either side. The architecture features high, vaulted ceilings and large, arched windows with stained glass. At the far end of the aisle, a cross is visible on the wall. The lighting is warm and soft, creating a serene atmosphere.

**Thank You**