

Standard Operating Procedure for
Testing and Fabrication Service Agreements
Updated 11/18/2015

Processing New Testing Service Agreements (TSA) and Fabrication Service Agreements (FSA):

Beginning November 16, 2015, the Sponsored Programs & Regulatory Compliance Services (SPARCS) office will process all Testing Service Agreements (TSA) or Fabrication Service Agreements (FSA).

Beginning on this date, all TSAs and FSAs will be routed, processed and approved via the Sponsored Programs' Project Information and Navigation System (PINS) accessible at:

<http://research.ncsu.edu/sparcs/systems-portal/pins/>. The following changes will be implemented in the PINS system effective November 16th:

Project team members conducting testing and fabrication services should coordinate the completion of the required PINS records with their college research office (CRO). An Investigator will route a testing or fabrication service protocol/Statement of Work (SOW) through PINS. The SOW may contain a budget if required by either the service center, department and/or the CRO. However, at minimum it should contain at least one sentence stating how much the work will cost.

In the PINS system:

- I. Four new proposal options will be available on the "Proposal Info/Docs" tab providing users with the ability to select either: (1) TSA, (2) TSA Supplement, (3) FSA, or (4) FSA Supplement as the appropriate "Proposal Type".
- II. The "Proposal Info/Docs" tab's "Category" selection will be marked as "Other".
- III. Companies electing to execute a non-negotiated copy of the University standard TSA or FSA will not be assessed Facility & Administrative (F&A) costs. The "Proposal Info/Docs" tab's "Justification for F&A Underrecovery" on these non-negotiated TSAs and FSAs will be marked as "Non-negotiated TSA/FSA (0%)". Non-negotiated TSA and FSA award transactions will be forwarded to the college research offices and will be managed in a ledger 3 or 4-ledger account.
- IV. Companies electing to negotiate the TSA or FSA template will be assessed the University's federally-negotiated F&A rate for "Other Sponsored Activities" (OSA). The "Proposal Info/Docs" tab's "Justification for F&A Underrecovery" on these negotiated TSAs and FSAs will need to be marked as "Negotiated TSA/FSA (33.6%)". Said rate is subject to change based on the federally negotiated rate active at the time the TSA/FSA is processed. Negotiated TSA and FSA award transactions will be forwarded to the Office of Contracts & Grants and will be managed in a 5-ledger as a sponsored project. Please note that budgets will not be required for the 5-ledger, but service centers, departments and/or CROs may require one at their level. All direct costs will be entered in the "Budget Pool" category in Wolf Pack Reporting. Indirect costs will be entered in the "Indirect Costs" category in Wolf Pack Reporting.
- V. On the "Proposal Info/Docs" tab, answer "Yes, ready to fund" to the question "Has the sponsor tentatively agreed to fund this project?"

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VI. The PINS record must include the company contact information on the “Proposal Info/Docs” tab.

The PINS record will be routed to the department head, College Research Office (CRO) and SPARCS for review and approval. CROs will be responsible for determining if the statement of work proposed as a TSA is a testing service or that the statement of work proposed as a FSA is a fabrication service in order to ensure that the proposed work is not research. It is important to ensure that the statement of work does not indicate research. Terms that might be an indication that the work is research and not a testing or a fabrication service are: develop, research, experiment, development, intellectual property, IP, interpret, interpretation of data, follow on testing, create, and consult. In addition, an extensive statement of work needs to be reviewed closely, since testing and fabrication statements of work are typically simple.

PINS records will be imported into the Research Administration Data & Reporting System (RADAR) and assigned to the “Negotiator Inbox”. SPARCS will mark these records as “Other Sponsored Activities” (not as “sponsored research”).

The RADAR record will be assigned to a SPARCS negotiator in the RADAR system.

The assigned negotiator will review the protocol/SOW in order to confirm or adjust department and college’s determination that the work represents testing or fabrication services. SPARCS will issue the final determination regarding this matter after communicating with the investigator and college research office as appropriate. Investigators and/or administrators shall work with the assigned negotiator in order to answer negotiator’s questions and/or respond to negotiator’s requests for additional information during this process.

The negotiator will send the company a copy of the University’s standard TSA/FSA agreement for company’s review and/or signature.

The company may elect to sign the non-negotiated template (see item III above) or begin negotiating the template (see item IV above). Negotiated TSA/FSAs will be assessed the federally negotiated indirect cost rate for “other sponsored activity” as described on the University’s federally negotiated indirect cost rate agreement. Once the TSA/FSA has been executed, the SPARCS negotiator will have the agreement signed on behalf of the University and will return a copy of the fully executed agreement to the company.

Fully executed standard agreements will be coded as “EXECUTED” (not AWARDED) in RADAR and will be routed to the CRO to be managed in a 3 or 4-ledger. Negotiated agreements will be coded as “AWARDED” in RADAR and will be routed to the Office of Contracts & Grants (C&G) for an assignment of a ledger 5 account.

Processing Modifications to Existing TSA or FSA Agreements:

Modifications to TSAs and FSAs are rare and should only be used if there is additional funding to conduct the same type of testing or fabrication service on additional materials.

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- I. Instructions for efforts managed by 3 or 4 ledgers: (1) Please route a "TSA Supplement" or "FSA Supplement" in PINS with a SOW and a sentence stating the cost of the additional work. Keep in mind that the service center, department and/or CRO may require a budget and/or budget justification for the increased funding. A SPARCS negotiator will be assigned the PINS record after said record is imported into RADAR in order to process a TSA or FSA modification/amendment. (2) Please send an email to sps@ncsu.edu if the effort requires a no-cost extension in order to complete the SOW. A SPARCS negotiator will be assigned the extension request to process a TSA or FSA modification/amendment. Supplemental TSA/FSAs transaction will be marked as "EXECUTED" (not "awarded", or "continuation", or "supplement") in RADAR.

- II. Instruction for efforts managed by 5-ledgers: (1) Please route a "TSA Supplement" or "FSA Supplement" in PINS with a SOW and a sentence stating the cost of the additional work. Keep in mind that the service center, department and/or CRO may require a budget and/or budget justification for the increased funding. A SPARCS negotiator will be assigned the PINS record after said record is imported into RADAR in order to process a TSA or FSA modification/amendment. (2) Please route a Project Management Request (PMR) if the effort requires a no-cost extension in order to complete the SOW. A SPARCS negotiator will be assigned the PMR to process a TSA or FSA modification/amendment. NOTE: Supplemental TSA/FSAs transaction will be marked as "continuation" or "supplement" in RADAR.

The SPARCS negotiator assigned the actions referenced above and will send the standard modification form to the company for review and execution.

Additional Notes:

1. The Compliance Checklist previous required for all TSA and FSA actions routed before November 16, 2015 is no longer required after this date. The questions provided on said checklist are a part of the PINS system.

2. Please submit a request via: <http://research.ncsu.edu/intranet/sparcs/pins/pins-pi-request/> in order to add new project directors to the PINS system for TSA/FSA access only.