

ACADEMIC RESEARCH SERVICES ORDER (ARSO) FORM

INSTRUCTION SHEET FOR

The Pennsylvania State University Core Research Facilities

The ARSO is designed to be simple with minimal terms, vetted by Penn State's General Counsel and the Office of Sponsored Programs, which handles negotiations. It enables external customers to use Penn State's core facilities for routine research services. The ARSO is a cost reimbursable contract that can serve as an open order of research services from specialized core facilities for a defined period, based on an estimated cost.

1. **Basic Principles** – Decision makers in your organization such as leadership, negotiators, or general counsel should review and sign this document. If the ARSO is signed as written, work can begin as soon as a PSU countersignature is acquired, typically within a few days. In academia, Pls typically cannot sign on behalf of a university; industry organizations should have a well-defined signatory path.
2. **ARSO history and Acceptance by Industry** – Penn State has executed thousands of ARSOs without the need for modification from industry and universities, with no adverse consequence for either party. However, if your organization requires changes to the standard terms, please see instructions below, under *Terms and Conditions*, for requesting revisions to the language.
 - a. **Note that Penn State will not negotiate any T&Cs for ARSOs valued under \$5,000.**
 - b. Requesting changes can lead to a lengthy and costly negotiation process for both parties. As a result, university leadership will not allocate resources to this process. If your organization cannot sign the ARSO, it is best to reach out to discuss clarifications that your decision makers may need to move forward.
3. **Terms and Conditions that Penn State cannot negotiate**
 - a. **PURCHASE ORDERS** - Penn State cannot accept the terms of a customer's Purchase Order. Only the dollar value and time frame of a PO can be acknowledged. Penn State cannot accept a Purchase order in lieu of an ARSO.
 - b. **CONFIDENTIALITY** – The ARSO contains Nondisclosure language, and Penn State's technical staff are well versed in keeping information confidential. A stand-alone NDA in addition to an ARSO is duplicative and unnecessary, as Penn State is providing a purchased service, not a collaborative research program. Furthermore, unless the specific confidential information is reduced to writing, an NDA is meaningless. Most NDA verbal communications are never reduced to writing.
 - c. **WARRANTIES AND INDEMNITY** – Penn State cannot negotiate on warranties and indemnity. We provide all results on a research best-effort basis and cannot be held liable for any product protection.
 - d. **INTELLECTUAL PROPERTY** – Penn State has no interest in patenting your technology and is only interested in IP if a new analytical or processing technique is developed. In the last 15 years, neither of these has occurred.
 - e. **PUBLICATION RESTRICTIONS** – To preserve research tax exemption, Penn State must ensure that publication of research is permissible. We are not interested in publishing your proprietary research results but may be interested in publishing analytical techniques with generic data. There are exceptions to this but that is usually with our equipment partners who may be trying new things or vetting data and want to publish. You will be a partner, and we will have conversations if publishing is considered an option.

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4. Other Considerations

- a. **FEDERAL FLOW-THROUGH** – Penn State’s service level core facilities should not be considered “sub-contractors” on your federally funded award and cannot agree to flow-through terms. Please run the ARSO through your Purchasing Department as a purchased service. Most federally funded contracts contain a budget line item for purchased services.
- b. **EXPORT CONTROL** – Penn State cannot accept export-controlled samples without a conversation regarding material specifications and end use. If the materials or end use technology is on a restricted list, it could require special handling and may need to be licensed by filing with the federal government, which often adds a couple months to the start of the program.
- c. **CLASSIFIED AND UNRESTRICTED INFORMATION (CUI)** – Again, this takes additional steps, but it is possible. Typically, this incurs a higher level of information handling and can require higher IT and communication costs which will result in higher costs to your program.
- d. **CHARGES INCURRED** - Your organization will be responsible for all charges incurred on a best-effort basis regardless of the outcome. If your monthly invoices add up to more than the total estimated cost on your original ARSO, you will be required to process an ARSO amendment to increase the amount before incurring additional charges.
- e. **UNDERSPENDING OF ALLOCATED FUNDS** - If you spend less than anticipated, you won’t be billed for the difference. At the end of the period of performance, the account will be closed or renewed for another period if additional services are requested.
- f. **THE EXTERNAL USER TERM SHEET** is an additional form required IF representatives of your organization will become trained operators of the instruments in the core facilities (as opposed to having Penn State technical staff members perform the work), whether on-site or operating tools from a remote location; the Term Sheet is a basic risk and liability form.
- g. **THE ORIGINAL SIGNATURE** version of the form(s) is not required to execute the paperwork; scanned forms can be submitted by e-mail to LEOContracts@psu.edu to expedite account set up. Account set up can take a few days to complete.

5. Explanation of ARSO Form Fields:

Penn State	The contact information for the PSU core facilities’ individual to whom you can direct questions regarding the order process.
Sponsor	<i>Please add</i> the full legal name of your organization and full name, mailing address, phone number, and e-mail address of the Authorized Official who will be signing page three of the ARSO.
Penn State Contacts	The name of the main PSU technical contact that you have coordinated with regarding your research project.
Sponsor Technical Contact	<i>Please add</i> the name, mailing address, phone number, and e-mail address of the technical contact or principal investigator (PI) from your organization for this research project.
Sponsor Billing Contact	<i>Please add</i> the name, mailing address, phone number, and e-mail address of the billing contact person at your organization <u>who should receive copies of invoices</u> . This may be an accounts payable address rather than an individual.
Facility	The facility(ies) at Penn State that will be providing the research services for this research project.
Total Estimated Cost	The estimated total that you, in consultation with PSU technical staff, anticipate spending in the facility during the time specified on the form. This estimate should cover the entire scope of work that will be entered into the Description of Services

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	field. We will not accept ARSO's submission of less than \$1000. You will only be billed for the actual costs of services performed. Penn State reserves the right to not accept projects requiring negotiations, export review or CUI handling, based upon the cost of implementation in relation to anticipated sponsor spending.
Project Title	A brief descriptive title for this research project.
Period of Performance	The beginning date and end date of the period for which you would like to open this order. To prevent unnecessary additional paperwork, this period should be no less than three months.
If federally funded, Prime Sponsor	<i>Please indicate</i> the name of the prime sponsor and award number of your federal funding.
SBIR/STTR Funding	<i>Please indicate</i> if funding is through the Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR). The university has specific requirements by the federal government if work is funded by these programs.
Description of Services	A generic statement describing the work you would like to have done, typically developed in consultation with PSU technical staff (i.e., Characterization of Materials or Sample Analysis); this will allow you the most flexibility in utilizing the various user labs, instruments, and tools without the need to amend/adjust the paperwork to describe other specific technique and sample information. Please work with PSU technical staff to complete this.
Checkbox	<i>Please check</i> if your company employees will be operating any Penn State facilities whether on-site or from a remote location. (If this box is checked, you will also need to complete and return the External User Term Sheet.)
Terms and Conditions	<i>Please read.</i> These are the standard Terms and Conditions under which the Penn State Core Research Facilities operate. Over the last 20 years we have had thousands of organizations sign ARSOs with no necessary negotiations. If your organization cannot agree to the Terms and Conditions listed on the ARSO or the External User Term Sheet, please strike-through the language you wish to revise and write in your suggested alternate language (use additional sheets if necessary). Complete the remaining portions of the form as required and return. <i>Please note all the non-negotiable items listed previously.</i> No signature is necessary under these circumstances until all negotiations are complete. Deviating from the standard Terms and Conditions will require review and approval through the Office of Sponsored Programs (OSP) and General Counsel and adds significant time in Penn State's ability to proceed with the work. An OSP representative will contact you to negotiate your request. Please be aware that the negotiation process may delay the implementation of your research project by several weeks to months or even make it impossible to get what you want. Please take this delay into consideration when determining your project end date. <u>Internal conversations with the appropriate people in your organization are strongly encouraged to support the negotiation process and maintain progress.</u>
Endorsements - Penn State	Penn State's duly appointed official for executing agreements on behalf of the University. After this signature and date is acquired, you will receive a fully executed copy of the ARSO Form for your files.
Endorsements - Sponsor	<i>Please have the appropriate person in your organization sign, date, and provide their Title.</i> An authorized signatory at an academic institution is typically a VP, Provost, member of Sponsored Programs, Purchasing Agent or those duly appointed by them.