

NORTH CAROLINA STATE UNIVERSITY
College of Textiles, Textiles Extension Education
SERVICE AGREEMENT

Rev. 11/11

NUMBER _____ **Date** _____

This Agreement entered into by and between the North Carolina State University, College of Engineering, Textiles Extension Education (hereinafter referred to as "NC STATE"), Raleigh, North Carolina, and _____ with a principal place of business at _____, (hereafter referred to as "SPONSOR.")

The project contemplated by this AGREEMENT is of mutual interest and benefit to the NC STATE and the SPONSOR, and will further the instructional, research, and public service objectives of the NC STATE in a manner consistent with its status as a public educational institution; and the SPONSOR desires to provide funding in support of the project; the parties hereto agree as follows:

1. NC STATE will use its best efforts to perform the activities as described in its proposal entitled "_____" which is attached hereto and hereby made a part of this AGREEMENT, and hereafter referred to as "project."

2. The project shall be under the supervision of _____ who shall serve as the Project Manager. If for any reason the Project Manager shall be unable to continue to serve, a successor acceptable to both parties will be chosen or this AGREEMENT shall be terminated as provided.

3. The activities of this project shall be conducted during the period beginning _____, 20__ through _____, 20__. (This period may be modified by mutual written agreement of the parties hereto.)

4. In consideration of NC STATE'S performance hereunder, SPONSOR agrees to support NC STATE'S costs incurred conducting the activities of this project, in the amount of \$_____. The check should be payable or the Purchase Order should be sent to **NC State/Textiles Extension Education**. Payments shall be made by the SPONSOR according to the following schedule (select one):

- a. Payment in full, prior to the start of the project; or
- b. An initial payment of \$_____ due on _____ (normally the start of the project) and a final payment of \$_____ due on _____ (project completion); or
- c. An initial payment of \$_____ due on _____ with _____ equal payments of \$_____ due on the last work day of each month for the duration of

the project. If necessary, a final payment of the outstanding balance will be due on _____ (project completion).

5. Neither party transfers by operation of this Agreement any intellectual property rights that either party now owns or hereafter acquires in the performance of the work. Should any invention potential arise during this project, a sponsored project agreement (“SPA”) must be executed.
6. The liability of NC STATE, as an agency of the State of North Carolina, for bodily injury, property damage, infringement of proprietary rights and patents, and other items is limited by state law.
7. The Project Manager and/or SPONSOR shall not seek a consulting arrangement with each other on the subject of this study during the period covered by this AGREEMENT, according to the Conflict of Interest Policies of NC State.
8. NC STATE shall deliver to the SPONSOR reports showing the results of the activity performed as described in the statement of work.
9. NC STATE shall have the right to publish the results obtained from this project; however, the SPONSOR shall review and edit a draft of the written text to prevent publication of any sponsor-owned information.
10. No Hazardous material is associated with this project.
11. Performance under this AGREEMENT may be terminated by either party upon thirty (30) days written notice. Upon termination by either party, NC STATE will be reimbursed for all costs and non-cancelable commitments incurred by performance of the project prior to the date of termination in an amount not to exceed the total commitment.
12. This AGREEMENT is governed by the laws of the State of North Carolina.
13. The SPONSOR shall indemnify and save harmless NC STATE, its officers, its agents, and its employees from all loss, cost, and expense arising out of any liability or claim of liability for injury or damages to persons or property sustained or claimed to have been sustained by any one whomsoever, by reason of the performance of this AGREEMENT, or by any act or omission of the SPONSOR or any of its officers, agents, employees, guests, patrons, or invitees.
14. The State or NC STATE auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with North Carolina General Statute §147-64.7 and Session Law 2010-194, Section 21.
15. If NC STATE provides the SPONSOR with personal identifiers as listed in N.C.G.S. §132-1.10 and in N.C.G.S. §14-133.20(b) or any other legally confidential information, SPONSOR hereby certifies that collection of this information from NC STATE is necessary for the performance of SPONSOR’s duties and responsibilities on behalf of NC STATE under this

Contract. SPONSOR further certifies that it shall maintain the confidential and exempt status of any social security number information, as required by N.C.G.S. §132-1.10(c)(1), and that it shall not re-disclose personally identifiable information as directed by State and Federal laws. Failure to abide by legally applicable security measures and disclosure restrictions may result in the interruption, suspension and/or termination of the relationship with SPONSOR for a period of at least five (5) years from date of violation. If SPONSOR experiences a security breach, as defined in N.C.G.S. §75.61(14), relating to this information, in addition to the SPONSOR's responsibilities under the NC Identity Theft Protection Act, SPONSOR shall immediately notify NC STATE with the information listed in N.C.G.S. §75-65(d)(1-4) and shall fully cooperate with NC STATE. SPONSOR shall indemnify NC STATE for any breach of confidentiality or failure of its responsibilities to protect confidential information. Specifically, these costs may include, but are not limited to, the cost of notification of affected persons as a result of its unauthorized release of NC STATE data provided to SPONSOR pursuant to the Contract.

16. If NC STATE provides the SPONSOR with “personally identifiable information” from a student’s education record as defined by the Family Educational Rights and Privacy Act (“FERPA”) and its implementing regulation 34 CFR §99.3, SPONSOR hereby certifies that collection of this information from NC STATE is necessary for the performance of SPONSOR’s duties and responsibilities on behalf of NC STATE under this Contract. In this instance, NC STATE considers SPONSOR a school official with a legitimate educational interest under FERPA. SPONSOR further certifies that it shall maintain the confidential status of education records in their custody, and that it shall not re-disclose personally identifiable information as directed by FERPA. Failure to abide by legally applicable security measures and disclosure restrictions may result in the interruption, suspension and/or termination of the relationship with SPONSOR for a period of at least five (5) years from date of violation. If SPONSOR experiences a security breach relating to this information or if SPONSOR re-discloses the information, SPONSOR shall immediately notify NC STATE. SPONSOR shall indemnify NC STATE for any breach of confidentiality or failure of its responsibilities to protect the personally identifiable information. Specifically, these costs may include, but are not limited to, the cost of notification of affected persons as a result of its unauthorized release of NC STATE data provided to SPONSOR pursuant to the Contract.

17. If NC STATE provides any data to SPONSOR pursuant to this Agreement then SPONSOR shall preserve and maintain the data for a period of three (3) years or as indicated in a litigation hold letter issued by NC STATE, to fulfill NC STATE’s obligations under the North Carolina Public Records Act and under the Federal and North Carolina Rules of Civil Procedure. SPONSOR shall immediately preserve and maintain data (and any generated email correspondence) upon NC STATE’s request or upon notice of litigation or audit and further SPONSOR shall make available all data that NC STATE may specify within the time limits required.

The parties hereto have executed this AGREEMENT effective as of the date above.

Proposed by: _____
_____, Project Manager

SPONSOR

NORTH CAROLINA STATE UNIVERSITY
Textiles Extension Education

Name: _____
Title: _____
Company: _____
Address: _____
City, State, Zip: _____
Date: _____

Name: _____
Title: _____
Date: _____