

Fee For Service Agreements

A guide by Ritchie Taylor and Jo Ellen Scruggs
CHHS Office of Research and Creative Scholarship

February 11, 2022

Fee For Service Agreements

- Definition
- FFSA versus Grant Award
- Procedure to Create an Agreement
- Budget Document
- Service Fee



— Definition

Fee-for-service work consists of the performance of a predefined or routine process, analysis, or service at an established rate, or the production of a product or prototype that meets predefined specifications. **FFSAs do not involve discretionary judgment or expert opinion.**

FFSAs should be viewed as a contract and an agreement.

WKU FFSA procedure and templates found on [OSP Contracts and Agreements site](#).



— FFSA versus Grant Award

FFSA

Does not involve discretionary judgment or expert opinion (includes Scope of Work)

Daily Rates for faculty (outside of faculty contractual effort)

Technical Report required? Scope of Work

Sponsored Grant

Often longer duration

Can include faculty release time of academic year effort or off-contract (summer) effort compensation

Daily Rate and Billable Days

- Based on faculty contract period (9, 10, 11 or 12-month contract)
- Daily Rate = (Base salary/Contract Period)/20 work days*month⁻¹
- Limited to 4 days per month for faculty or 36 days for a faculty member on a 9-month contract
- In the summer you have 60 days that can be funded externally through a grant or FFSA
- Total days for externally funded compensation = 96 days per fiscal year (July 1 – June 30)

FFSA Procedure

More detail found on OSP's webpage [here](#).

- ➔ **Contact the WKU Office of Sponsored Programs**
OSP will assist completing the budget and agreement form. Also contact the CHHS Research office so the budget may be reviewed.
- ➔ **Contact the CHHS Office of Research and Creative Scholarship** Assistance will be provided.
- ➔ **Faculty Project Director is responsible for collecting internal (WKU) signatures and the Sponsor's signature.**
- ➔ **Send final document to OSP for processing.**
- ➔ **FFSAs under \$10,000 will be administered by the department or the associated CHHS ARC.**
- ➔ **FFSAs over \$10,000 will typically be set up in a restricted account and administered by the Office of Sponsored Programs and Grants and Contracts Accounting with a separate index number.**

FFSA FOR SERVICE AGREEMENT
Between
Western Kentucky University (hereafter WKU)
and
[Redacted]

This is for service agreement between WKU and the Sponsor to provide services and technical assistance to community businesses, industries, etc.

(Sponsor/Question)

For Sponsor:
Name [Redacted]
Title [Redacted]
Address [Redacted]
Phone [Redacted]
Fax [Redacted]
E-mail [Redacted]

For WKU:
Karyl Haskel, Ph.D.
Associate Professor for Research & Graduate Education
204 College Heights Blvd., #2220B,
Bowling Green, KY 42302-2228
(270) 740-4822
haskel@sp.wku.edu

I. SCOPE OF WORK. Services for this project will consist of the tasks listed here:
 See Appendix

II. PROJECT PERIOD: (Choose/complete one option.)
a. The work will begin on or about [month], [day], year [Redacted] and complete on or about [month], [day], year [Redacted].
b. Project will begin upon full execution of this document and will end when all agreed upon work is complete and a final report is submitted.

III. PERSONNEL. The personnel assigned to this project are as follows:
a. Project Director: [Redacted]
b. Other key personnel: [Redacted]

IV. COST OF SERVICES:
Agreed amount: \$ [Redacted]
Choose/complete one option:
 WKU will invoice the Sponsor for the above work/expense upon receipt of the signed agreement with full payment due upon completion of the project.
 WKU will invoice the Sponsor for the above work/expense in the following manner:

V. METHODS OF PAYMENT: All Sponsor checks shall be made out to Western Kentucky University, and made to 204 College Heights Blvd., #2220B, Bowling Green, KY 42302-2228, with 30-day net of amount of invoice.

VI. ACCOMPLISHMENT OF FINANCIAL OBLIGATIONS: This service agreement and related documents will be considered null and void if the Sponsor is delinquent to WKU and agreed by the Associate Research for Research and Graduate Education.

VII. GUARANTEE: The State of the Commonwealth of Kentucky shall govern the validity, construction, and effect of this agreement.

See Appendix

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8. ADMINISTRATIVE REPRESENTATIVES ARE AS FOLLOWS:
For Sponsor:
Name [Redacted]
Title [Redacted]
Address [Redacted]
Phone [Redacted]
Fax [Redacted]
E-mail [Redacted]

For WKU:
Name [Redacted]
Title [Redacted]
Address [Redacted]
Phone [Redacted]
Fax [Redacted]
E-mail [Redacted]

9. TECHNICAL REPRESENTATIVES ARE AS FOLLOWS:
For Sponsor:
Name [Redacted]
Title [Redacted]
Address [Redacted]
Phone [Redacted]
Fax [Redacted]
E-mail [Redacted]

For WKU:
Name [Redacted]
Title [Redacted]
Address [Redacted]
Phone [Redacted]
Fax [Redacted]
E-mail [Redacted]

10. ENTIRE AGREEMENT: This is the entire agreement between WKU and the Sponsor. It supersedes all prior and/or written agreements or understandings and it may be amended only in writing between the authorized signatories to this agreement.

11. REPORTS: WKU shall furnish a report to the Sponsor at the termination of the project. The report shall set forth the accomplishments and significant findings. The Project Director will prepare the report within 30 days of expiration of the agreement.

12. SIGNATURE AUTHORITY: Each person signing this agreement represents and warrants that he or she is duly authorized and has legal capacity to execute this agreement. Each party represents and warrants that the execution of this agreement and the party's performance hereunder have been authorized according to its terms.

See Appendix

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FFSA Budget

OSP will assist with budget creation.

CHHS Office of Research and Creative Scholarship will provide support.

Develop a proposal or specific scope of work.

Make a list of costs for all materials, activities/travel, student hourly costs, and faculty daily rates to make the work successful.

“Faculty members are expected to involve students in FFSA projects in ways that advance their educational goals.” (OSP FFSA Guidelines)

	A	B
	Fee for Service Agreement	
	PD:	
	Sponsor:	
	Budget Items	
	A. Personnel	
	Project Director: Individual's Name / % effort x base annual salary	\$0.00
	Project Role: Individual's Name / % effort x base annual salary	\$0.00
	Project Role: Individual's Name / % effort x base annual salary	\$0.00
	Total Faculty	\$0.00
	4. Student(s):	\$0.00
	Total Students	\$0.00
	B. Fringe Benefits	
	1. Faculty (24.22%)	\$0.00
	4. Student (8.15%)	\$0.00
	Total Fringe Benefits	\$0.00
	C. Materials and Supplies	\$0.00
	D. Travel & Lodging	\$0.00
	E. Equipment	\$0.00
	Total Direct Costs	\$0.00
	Service Fee 30% of Total Direct Costs	\$0.00
	Total Project Costs	\$0.00
	<i>For questions/problems with this template, please contact Sponsored Programs at (270) 745-4652 or by e-mail at sponsored_programs@wku.edu.</i>	

FFSA Service Fee

All FFSA will automatically include a 30% Service Fee (in addition to the project budget needs)

Service Fee supports WKU facilities and administration costs (F&A)

Funds are transferred to the CHHS F&A Indirects index after the completion of the FFSA:

10% will be allocated to WKU

10% will be allocated to the College

10% will be allocated to the associated Research Center or academic unit

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E. Equipment	\$0.00
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Service Fee 30% of Total Direct Costs	\$0.00
Total Project Costs	\$0.00
<i>For questions/problems with this template, please contact Sponsored Programs at (270) 745-4652 or by e-mail at sponsored.programs@wku.edu.</i>	



Benefits

1. Faculty will be **credited as the PI, Co-PI, or Co-I** on an externally funded project as captured in SPIRIT (**fulfills Research**)
2. **Builds a portfolio** of externally funded research (**fulfills Research**)
3. **Research products** may be produced from FFSA projects (**fulfills Research**)
 - Technical reports
 - Presentations (local, state, regional, and at conferences)
 - Published manuscripts
 - Other products (infographics, websites, invention disclosure, etc.)
3. May lead to **development of proposals** for external funding (**fulfills Research**)
4. **Extra Compensation** (36 days per academic year and 60 days in summer at the Faculty member's daily rate)
5. **Other Benefits**

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Contact

ritchie.taylor@wku.edu

jo.scruggs@wku.edu

sponsored.programs@wku.edu

Thank you.