



## Guidance on Grant Award Transfers

It is not unusual for funded Principal Investigators (PIs) to move from one institution to another. However, The process of transferring awards from one institution to another is not a simple matter and requires negotiation between the sponsor, the old institution and the new institution. The negotiations are carried on by the two sponsored projects offices in consultation with the principal investigator.

Matters of concern are the form of transfer, determination of the unobligated balance, differences in F&A rates and the funding gap created by the time required to closeout and re-award the grant. The time involved can be several months depending on the complexity of the project being transferred.

For transfers of NIH grants, please also see NIH-Specific Instructions, page 4.

### New Faculty Transferring Awards to Pacific

To transfer awards received at another institution to Pacific, a new faculty member must prepare a new proposal for each sponsored project. These proposals usually consist of:

1. A revised budget showing Pacific salaries, fringe benefits, and F&A costs.
2. A budget justification.
3. A project description that usually consists of a progress report and a description of the work that remains to be done on the project at Pacific.

The transfer can take several forms:

1. New award to Pacific - When an award is to be transferred in its entirety to Pacific, the principal investigator's previous employer must formally relinquish the award and state the unobligated balance, and a new, Pacific, proposal must be submitted to the sponsor. The sponsor then awards the grant to Pacific.
2. Subcontract to Pacific - When only a portion of the work is to be transferred, a new principal investigator is named at the former institution (with the concurrence of the sponsor) and a proposal is submitted to the principal investigator's former institution which will then issue a subcontract to Pacific.
3. New award to Pacific with a subcontract back – When the majority of the work will take place at Pacific but some remains at the old institution, a principal investigator at the old institution submits a proposal to Pacific which is then incorporated into the proposal Pacific submits to the sponsor.

When the award arrives at Pacific, a subcontract is written to the old institution.

### F&A Rate Issues

If a project is being transferred in its entirety to Pacific and if Pacific's F&A rate is significantly higher than that of the principal investigator's previous employer, Pacific will accept a lowered rate for the remainder of the budget year. It is expected that the full Pacific rate will be used in proposals for all subsequent years of the project.

When only a portion of the work is to be transferred, if adding a subcontract to Pacific places a burden on the original project budget, Sponsored Programs is willing to negotiate F&A rates with the principal investigator's former institution.

### Faculty Transferring Awards to a New Institution

Depending upon the type of award, the sponsor's policies, the relationship of the project to Pacific, and the expectations of the principal investigator's new institution, there are several options for the disposition of active awards when the principal investigator leaves the University:

- Option 1: Awards may remain at Pacific in their entirety when the project is tied closely to the University. For example:
  - The purpose of the award is to develop a new course designed to fill a niche in Pacific's offerings.
  - The grant is for equipment.
  - The primary purpose of the grant is to fund students. For example, a training grant may have a group of students at Pacific in various stages of training.
- Option 2: In some circumstances the award may be transferred entirely to the principal investigator's new employer. This is the most likely outcome when the project is identified exclusively with the principal investigator and does not fund graduate students or other personnel.
- Option 3: The project may remain at Pacific, and a portion of the project may be transferred to the principal investigator's new institution through a subcontract.
- Option 4: Conversely, the award may be moved with its original principal investigator, and a subcontract may be issued to Pacific for the work remaining here.

Principal investigators should discuss the status of their awards and their plans for the future with their sponsors. Sponsored Programs will discuss the transfer with the sponsor's administrative staff to find out how the sponsor would like to proceed.

### Procedures for Transfers

Procedure 1/Option 1: The entire project, with a new principal investigator, stays at Pacific which continues to receive funding directly from the sponsor.

- A new Pacific principal investigator must be identified and approved, in writing, by the sponsor.

Procedure 2/Option 2: The entire award, relinquished by Pacific, is transferred to the principal investigator's new institution.

- Funds available for transfer – the unobligated balance - must be identified.
- Sponsored Programs, representing Pacific, must formally relinquish, in writing, the project. (NSF and NIH have forms for this process.)
- The project will be closed at Pacific in accordance with Pacific and sponsor policies.
- Upon receipt of a proposal from the investigator at his or her new institution, the sponsor will re-issue the award to the new institution.

Procedure 3/Option 3: A project stays at Pacific which continues to receive funding directly from the sponsor. A portion of the work is transferred to the principal investigator's new institution using a subcontract.

- The sponsor must approve a new Pacific principal investigator.
- The Pacific budget must be revised to include a subcontract and F&A cost issues must be negotiated by Sponsored Programs.
- Using the figure provided by Pacific, a subcontract proposal must be prepared by the departing principal investigator's new institution and submitted to Pacific.
- The subcontract and new budget must be approved by the sponsor.
- When approval is secured, Sponsored Programs will issue the subcontract.

Procedure 4/Option 4: The project is transferred to the principal investigator's new institution which will receive funding directly from the sponsor. The new institution will issue a subcontract to Pacific.

- Funds available for transfer – the unobligated balance - must be identified.
- Sponsored Programs, representing Pacific, must formally relinquish the project. (NSF and NIH have forms for this process.)
- Pacific must identify an appropriate principal investigator and submit a subcontract proposal to the departing principal investigator's new institution, based on figures provided by the new institution.
- Any F&A cost issues must be negotiated by Sponsored Programs.

- The sponsor will re-issue the award to the new institution which will then issue a subcontract to Pacific.

### Identifying Funds Available for Transfer

The principal investigator and the department must work closely with Sponsored Programs to calculate the dollar amount that is unspent and available to be transferred. If Pacific relinquishes too much money, because, for example, an outstanding commitment wasn't made known, it is very difficult to get that money back. Likewise, if Pacific underestimates the funds to be relinquished, there is no mechanism for moving excess funds at a later date.

### F&A Cost Issues

When a budget is revised to include a new subcontract, the cost of the subcontract should be included in the indirect cost calculations. However, the institution preparing the new subcontract proposal could also reasonably expect to include F&A costs in its calculations. This creates a burden on the original budget. Any reduction of direct costs to cover the F&A cost burden could affect the outcome of the project and would probably not be allowed by the sponsor. ORS will negotiate a fair distribution of F&A cost recoveries with its counterpart at the principal investigator's new institution. In practice, this usually means that each university will accept a lower rate for the project.

### Equipment Transfers

Title to equipment never rests with an individual faculty member. Award documents will state whether title is vested in the sponsor or the university. If title rests with the University, written permission must be secured from the appropriate dean and the Provost before the equipment can be released. If the sponsor or another government entity owns the equipment, written permission must be secured from the agency before the equipment can be sent to the principal investigator's new institution.

## **NIH Specific Instructions**

NIH suggests the following steps:<sup>1</sup>

1. **PI should close out the grant at the old institution before moving.** The grant belongs to the grantee institution, and they have the right to either relinquish it or keep it. Therefore, deal with issues affecting the old

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<sup>1</sup> This information was provided by NIH Staff at the NCURA Pre-Award Research Administration Conference, August 2008, in a document titled "Thinking of Moving: A Guide for Transferring a Grant to a New Institution."

- institution while you are still there. You and your institution should be in clear agreement (get it in writing!) as to how much of the grant funds have been spent and how much they are relinquishing. Discuss what equipment will be transferred with the grant.
2. **Notify the NIH program official and grants manager of the proposed move as soon as possible.** NIH prior approval is required for the transfer of a grant. This notification should occur at least three months prior to the date of transfer. Any notification after this time may cause delays.
  3. **Consider the timing of a transfer.**
    - The cleanest approach to transferring a grant is when the transfer takes place on the anniversary date. Transfers that are proposed within three months of the end of the budget period may be negotiated to correspond with the anniversary date.
      - ◇ NIH will terminate the grant at the old institution on the date of relinquishment and award the next year's non-competing continuation at the new institution on the anniversary date
      - ◇ Any funds remaining from the current and past years will be transferred to the new institution through the Payment Management System when the Financial Status Report is filed by the old institution.
      - ◇ This type of transfer requires submission of a full progress report in the transfer materials from the new institution.
      - ◇ The transfer and the non-competing continuation are done in one step and with one award to the new institution.
    - Transfers other than on the anniversary date are considered mid-year transfers.
      - ◇ This requires two grant awards to be processed, with a budget period and awarded budget split between the old institution and the new one.
      - ◇ These transfers also require submission of a non-competing progress report 45 to 60 days prior to the next budget start date.
    - The transfer of a grant with less than three months left in the project period requires exceptional justification that there are adequate resources and work remaining to warrant the transfer. Only in rare circumstances will NIH transfer a grant in a no-cost extension, or with a small balance of funds.
  4. **Do not start working at the new institution before the grant is properly transferred.** Your new institution views this transfer as new support, and there are protocols they must follow to properly accommodate the grant. This step is particularly tricky because it is normally done before you walk in the door. A good practice would be to familiarize yourself with the new

institution's sponsored programs office. Also remember that if your research requires approvals for humans, animals or other compliance matters, you will need to receive the required approvals from your new institution before the research can fully begin.

5. **Submit the entire transfer package together.** Ideally, the submissions should be coordinated so that the old and new institutions submit all of the required documentation in one package. Although this is not a requirement, this minimizes the risk that individual pieces will be misplaced or lost. After review and approval of the complete package, NIH staff will issue a Notice of Award.

Below is a typical checklist used by Sponsored Programs in transferring NIH grants from another institution.

Item	Date Sent to NIH
Former institution:	
Relinquishing statement	
Final invention statement	
Final Financial Status Report	
Pacific:	
Application Face Page	
Project Performance Site Primary Location information	
Progress report	
Description of facilities at new institution	
Research Plan Statement	
Biosketches	
Other Support Pages	
Checklist Page	
List of equipment to be transferred	
List of Key Personnel	
Budget	
Human and animal compliance information, if applicable	