

## **OGCA PROCEDURES RELINQUISHMENT/TRANSFER OF SPONSORED PROJECTS**

### **OVERVIEW**

When a PI (Principal Investigator) leaves Emory and transfers to another institution, there are three options for an existing award:

- The award is retained by the PI and is transferred to the new institution;
- The award is retained by Emory and a substitute PI is appointed; or
- The award is terminated.

In all cases, the final decision as to how an award will be handled involves a negotiation of the award status between the PI, the Departmental Chairperson, the AE (Administrative Entity/School), the sponsor and the new institution.

As part of the transfer process, it will need to be determined whether or not any equipment or supplies (purchased with either sponsor funds or Emory funds) will be transferred with the PI to a new institution. (Note: A determination on equipment/supplies transfer may need to occur even if no “current” awards are transferring with the PI.)

In some cases, an award will not be eligible for transfer to a new institution (e.g., institutional training awards). In some cases, the new institution may not be eligible to receive a certain type of award (e.g., private practice or for-profit would not be eligible to receive most Federal grants). In those cases, the award will either be retained at Emory with a substitute PI or be terminated.

The details of forms and notifications to be completed will vary by sponsor. The following provides common practices and general guidelines for transferring awards. (NIH requirements are used in most of the examples. Actual forms or procedures will be different for other sponsors.)

All relinquishments/terminations/substitute PI must have the approval of the Departmental Chairperson, the AE, OSP (Office of Sponsored Programs) and OGCA (Office of Grants & Contracts Accounting). OSP and OGCA are the legal, institutional signatories for all transfers and terminations.

### **STEPS TO TRANSFER**

As soon as possible, the Department/PI should informally notify the AE, OSP and OGCA of the PI's potential transfer. Early notification is important so that each of the offices can review the necessary requirements, forms and issues of the transfer. OSP and OGCA should be contacted, even if the official transfer date has not been determined. Internal procedures for the transfer will take time to complete and early notification will help expedite the transfer.

The PI should verify with the sponsor that the award is eligible for transfer and clarify any specific sponsor requirements for the transfer. (OSP and OGCA can assist in clarifying eligibility and procedures.)

The PI should contact the new institution, to determine the internal procedures and requirements, at that institution, for accepting the transfer award. Some sponsors will require that the new institution complete a proposal package (e.g., NIH 398 or PHS 2590) in order to process the transfer to the new institution.

The PI and Department Chairperson should review all of the PI's awards and determine how each award will be handled.

If equipment will be transferred, before making any final decisions, the PI/Department should contact OGCA with the potential equipment list. OGCA will review the title status of the item and verify whether or not it is eligible for transfer. Once it is determined that the equipment is eligible for transfer, the PI/Department can continue their negotiations on the status of the transfer and decide which specific items will be transferred to the new institution.

When all negotiations have been completed between the PI and the Department, the PI should write a memo to OSP stating that the PI wishes to transfer an award. The letter should include:

- Title of award;
- Sponsor grant number;
- Emory award #
- Effective date of transfer;
- Name of new institution to receive the award; and
- Attach a list of all equipment associated with the award that will be transferred to the new institution.

The Departmental Chairperson and the AE, signifying their agreement to the transfer, the effective date and the release of equipment, must countersign this letter.

As the negotiations are progressing, the PI/Department need to review the COMPASS accounting statements and project all appropriate Emory expenditures to be incurred/reported prior to transfer of the award. Whenever practical, expenditures should be stopped prior to the anticipated transfer date, so that there is a clear understanding of total costs to be reported under the Emory award.

Upon receipt of the letter, OSP and OGCA will prepare the appropriate relinquishment forms and financial reports that will be forwarded to the Sponsor. (Examples: NIH relinquishment form, NSF FastLane relinquishment notification.) Both OSP and OGCA must certify the transfer.

As part of the transfer process, OGCA will create an internal financial report for the award. OGCA will not certify the transfer until it is clear that all costs to be reported have been identified and/or projected. It is important for the PI/Department to have firm information on projected expenditures and to be able to verify that all costs have been included in the

information provided to OGCA for the financial report. A delay in providing financial information will result in a delay in processing the relinquishment forms.

In the event that actual costs exceed the estimated costs, in many cases, Emory will not be able to collect the difference between what was reported on the relinquishment and what were actual costs. Any cost discrepancies will need to be absorbed by the Department from an unrestricted account or their overrun account.

OGCA will also verify/validate the equipment transfer and remove the equipment items from the Emory inventory system.

Once the financial report has been completed, OGCA will sign the relinquishment form and forward it to OSP. OSP will be the final institutional signature and OSP will forward the transfer/relinquishment form to the sponsor.

As part of the transfer process, some sponsors may also require the PI to submit an interim/final technical progress report, before they will approve the transfer.

For most Federal awards, the PI must also complete a Final Invention Statement and Certification (e.g., HHS 568). The invention statement should be forwarded to OSP for completion/certification, when the transfer letter is submitted.

Some sponsors may require additional closeout documents such as a final inventory report, an assignment of refunds and rebates or a contractor's release. These documents are completed and submitted by OGCA as part of the financial closeout reporting.

In some cases (but not most), the sponsor will issue a formal award modification showing the termination at Emory. OSP will issue an NOA when a modification is received. OGCA will close the account based on the relinquishing financial report date/information, whether or not an official modification or NOA has been received.

### **SUBSTITUTE PI**

Where it is determined that the award will stay at Emory, with a substitute PI, an official letter requesting this change in status must be submitted to the sponsor. The sponsor must approve the PI substitution. The letter request should be signed by the PI and the Departmental Chairperson and routed to OSP. OSP is the official institutional signatory and they will forward the request to the sponsor. In some cases (e.g., NSF Fastlane), this may be an on-line process, but still must be approved/submitted by OSP. The sponsor must be contacted, as soon as possible.

In cases where the PI substitution crosses departments, the Chairperson for both departments should sign the letter or have an approval/agreement memo attached. In cases where the PI substitution crosses AEs, both AEs should sign the letter or have an approval/agreement memo attached.

Upon receipt of the sponsor approval for the substitute PI, OSP will issue an NOA showing the change.

Some sponsors (e.g., foundations, industrial clinical trials) may approve the substitution via less formal notifications, such as email exchanges with the PI or the Departmental Chairperson. Any such approvals should be forwarded to OSP for processing, so that an NOA can be issued and all notifications and database changes are completed.

In some cases, the sponsor may not approve the substitution of PI and the award may be terminated or an additional request for a different substitute PI may need to be submitted.

### **TERMINATION**

When it is determined that the award will be terminated, an official letter should be submitted to the sponsor advising them of the termination and the effective date. The letter should be signed by the PI and the Departmental Chairperson and routed to OSP and OGCA. OSP is the official institutional signatory and they will forward the letter to the sponsor. The Sponsor must be notified, as soon as possible. OSP will issue an NOA showing the effective date of the termination.

In addition to submitting the letter of termination, the PI usually must submit a final technical report. For most Federal awards, the PI must also submit a final invention statement.

OGCA will complete the final financial report and other closeout documents that may be needed (e.g., final inventory, refunds and rebates, contractor's release) upon receipt of the NOA or other confirming information on the termination.

### **SPECIAL NOTES**

#### **CASH BALANCES**

Emory Policy (August 27, 2003) prohibits the transfer of University cash to another institution or agency in connection with the relocation of faculty, staff or administrators, except under unusual, mitigating circumstances. Any transfer of PI discretionary (or similar) funds must have prior approval, in conformance with the policy. Only the Ways and Means Committee has the authority to authorize the transfer of University cash. The Department should not process any cash transfers without the appropriate authorizations.

For cost reimbursement awards, an award may have received advance payments and there may be a positive cash balance on the Emory account at the completion of the final financial report. OGCA will return the funds to the sponsor and they normally re-award the funds to the new institution. This process does not require Ways and Means Committee approval. OGCA will not normally forward award balances to the new institution, only to the Sponsor.

Occasionally, a sponsor may not re-award all of the fund balance to the new institution. How much to re-award is strictly a sponsor decision, which Emory cannot impact. PI's are not guaranteed automatic transfer of all the Emory fund balance.

For fixed fee awards, any residual funds will normally be retained by Emory and will not be transferred to the new institution. Under unusual circumstances, in accordance with Emory Policy, the PI may request a distribution of the funds to the new institution. Only the Ways and Means Committee has the authority to authorize the transfer of fixed fee residual funds. OGCA will not process any residual cash transfers to the new institution without the appropriate authorizations.

### EQUIPMENT

No equipment should be physically transferred to the new institution unless OGCA has reviewed the equipment for title and other inventory and compliance issues and both OGCA and the AE have approved the equipment transfer. Shipping costs related to the transfer of equipment would not normally be charged to a sponsored award.

### NEW INSTITUTION

The PI should contact the OSP office at the new institution, as soon as possible (even before the actual start date/transfer). Each institution has their own internal procedures for establishing accounts and contacting sponsors to receive awards. The PI will need to determine what is needed at the new institution to complete the transfer within their system. Significant delays can occur in the transfer process, if the new institutional offices are not involved at an early date.

Some institutions may request special letters of authorization, from Emory, concerning the award transfer or equipment transfers or fund balances. Any such requests should be referred to OGCA or OSP to determine the appropriate means of response and for institutional signatures.

Most transfers involve a significant delay in the scientific progress of the award. Depending upon the type of award and the award dates, the PI may need to request a no cost extension from the sponsor to complete the work. It sometimes expedites the process if the extension request is incorporated in the transfer request.

If there are unusual delays in the transfer and setup of the project at the new institution, such that there will be no scientific activity under the award for more than a few weeks, the PI should advise the sponsor of the situation and the projected status of the scientific progress. Federal sponsors must be notified if there will be a 90 day or more delay in project activity.