

University of South Alabama Policy on Project Transfers

Project and Equipment Transfers when a Principal Investigator Leaves USA

Overview

If a project is to be transferred to another institution before the expiration of the project period, OGA is to be notified so that it can make appropriate plans. If OGA agrees that the transfer is in the best interest of all parties, it will contact the appropriate officials at the funding agency and at the recipient institution to ensure that there will be no diminution of services and that the change is conducted in a timely, efficient, and orderly manner. After all obligations at the University have been met remaining funds may be transferred to the new institution.

Options for Active Awards

Depending upon the type of award, the sponsor's policies 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 the University in their entirety when the project is tied closely to the University. For examples:

- The purpose of the award is to develop a new course designed to fill a niche in the University'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 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 the University, 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 the University for the work remaining here.

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

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The Transfer Process

Option 1: The entire project, with a new principal investigator, stays at USA which continues to receive funding directly from the sponsor. A new USA principal investigator must be identified and approved, in writing, by the sponsor.

Option 2: The entire award, relinquished by USA, is transferred to the principal investigator's new institution:

- Funds available for transfer must be identified.
- OGA, representing the University, must formally relinquish the project. (NSF and NIH have forms for this process.)
- The project will be closed at USA in accordance with USA and sponsor policies.
- The sponsor will re-issue to award to the principal investigator's new institution upon receipt of a proposal.

Option 3: A project stays at USA that 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.

- A new USA principal investigator must be approved by the sponsor.
- The budget must be revised to include a subcontract and indirect cost issues must be negotiated by OGA.
- A subcontract proposal must be prepared by the departing principal investigator's new institution and submitted to USA.
- The sponsor must approve the subcontract and new budget.
- When approval is secured, OGA will issue the subcontract.

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 USA.

- Funds available for transfer must be identified.
- OGA must formally relinquish the project. (NSF and NIH have forms for this process.)
- USA 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 indirect cost issues must be negotiated by OGA.
- The sponsor will re-issue the award to the new institution, which will then issue a subcontract to USA.

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Identifying Funds Available for Transfer

The principal investigator and the department must work closely with OGA and Grants and Contracts Accounting to calculate the dollar amount which is unspent and available to be transferred. Due to logistical difficulties of transferring funds at subsequent times, the initial calculation is critical

Indirect 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 indirect costs in its calculations. This creates a burden on the original budget. Any reduction of direct costs to cover the indirect cost burden could affect the outcome of the project and would probably not be allowed by the sponsor. OGA will negotiate a fair distribution of indirect 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 vice president before the equipment can be released.

If the sponsor or another government entity owns the equipment, written approval from the owner must be secured before the equipment leaves USA. The department will be held financially liable for any equipment transferred without authorization.

New Faculty Transferring Awards to USA

Overview

To transfer awards received elsewhere to USA, a new USA faculty member must submit proposals with USA salaries, fringe benefits, and indirect costs through research support.

If the award is to be transferred in its entirety to USA, the principal investigator's previous employer must formally relinquish the award, and a proposal must be submitted to the sponsor.

When only a portion of the work is to be transferred, the proposal must be submitted to the principal investigator's former institution, which will issue a subcontract to USA.

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Rate Issues

If a project is being transferred in its entirety to USA and if USA 's indirect cost rate is significantly higher than that of the principal investigator's previous employer, USA may accept a lowered rate for the remainder of the budget year. It is expected that the full rate 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 USA places a burden on the original project budget, OGA may be willing to negotiate F&A rates with the principal investigator's former institution.