



## **University Process for Notice of Suspension or Stop-Work Orders from External Sponsor or Main Awardee from Which RIT is a Subawardee**

### **Introduction**

Federal sponsors can issue notices of suspension or stop-work orders for awards or activities. A Notice of Suspension or Stop-Work Order is a project modification from the applicable sponsoring federal agency that issued the award or a main awardee from which RIT is a subawardee to temporarily or permanently halt some or all activities on an award. This is distinct from agency-specific notices, guidance, or memos, related to the president's executive orders. Notices of Suspension or Stop-Work Order are specific to an agency award, includes the agency project number, and instruct recipients to stop certain or all activities (or other specific changes) by altering the terms and conditions of the award. They may also allow certain other identified project activities to continue.

When a notice of suspension or stop work order is received from a sponsoring agency or the main recipient of an award for which RIT is a subawardee, it is important to thoroughly and expeditiously review the project's activities, especially the personnel funded by the project. The Principal Investigator (PI), Department Head, College Dean, Sponsored Research Services (SRS), Sponsored Programs Accounting (SPA), Provost/Division Vice-President, Central Budget Office and Human Resources are important stakeholders that must collaborate to ensure the impact is evaluated and appropriate next steps are outlined. This process outlines the steps that should be taken when a Notice of Suspension or Stop-Work Order is received. This process can be applied to other notices and/or award modifications that alter the terms and conditions for an award, including any component of the budget.

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### **Stop-Work Order Process**

1. **Notification:** Most award modifications are transmitted directly to Sponsored Research Services (SRS) from the sponsor. Principal investigators and grant and contract administrators who receive a notification from a sponsor or a main awardee for which RIT is a subawardee that orders a suspension or stop-work on some or part of an award should forward it to Sponsored Research Services (SRS), just as they would any other sponsored project notification from their sponsor.
2. **SRS Notifies PI and SPA Offices:** When SRS receives a Notice of Suspension or Stop-Work Order, they will notify the PI and the grant and contract administrator, unless the

notice originated with them. They will process the Notice of Suspension or Stop-Work Order modification in the Novolution system so it is available to SPA and the PI. SRS will review any required notifications needed for any active subawards on the project. If required, the project end date in Novolution will be updated to reflect the modified end date. As applicable, SPA will update the project record in the RIT financial system, and an initial evaluation of accounts will be conducted by SPA to disable spending on the award.

3. **Meeting to Outline Next Steps:** SPA will meet with the PI, grant and contract administrator, and other college/department personnel to outline the steps needed to halt expenditures and formalize the list of accounts that will be disabled. This will include identifying grant-funded personnel that are partially or fully paid on the project. SPA will use a checklist to ensure payroll costing, equipment, outstanding purchase orders (PO), sub-awards, and any recurring charges are properly stopped from charging to the project account. All salaries and wages beyond the effective date of the suspension or termination, as applicable, will be removed from the project and allocated to alternative account (s). The default account on the employee record will be used until a permanent account or course of action is identified.
4. **Notifications to External Parties:** SRS will initiate any required Stop-Work notifications to any active subawardees on the award and copy the PI and SPA. All encumbrances will be evaluated by SPA to identify other vendors with open purchase orders and needed notifications. SPA will contact the Procurement Services Office (PSO) to begin the evaluation of contract cancellations and closure of purchase orders. PSO will engage with the Office of Legal Affairs and send contract cancellation language to suppliers, as needed.
5. **Planning for Staff Allocated to the Award:** The PI will evaluate if there are other sponsored projects that could use staff who were working on the affected award. The PI will confirm with SRS and SPA the process and procedures needed to follow to comply with the sponsor's rules, and within RIT, to properly move staff efforts to a different sponsored project where they would be able to contribute to that project's Statement of Work (SOW) and be of direct benefit to the project. If not, PI will work with their Department Chair and Dean to formulate a plan to reallocate effort for staff working on the award.

The Stop-Work Order directs the University to stop all, or some activities related to the award. If there is a decision internally to continue the work, alternative sources of funds from the PI, Department, or College are required to defray the costs of continuing activities. For staff who are grant-funded (OG), the plan should include the possibility of termination, schedule reduction, or reallocating efforts to other work at the university and hence a different source of funding. SPA (for grant accounts) and college/department personnel (for internally funded accounts such as discretionary and gift accounts) and the Central Budget Office (for operating accounts) will work together to ensure that alternative sources of funds identified are sufficient and for how long.

6. **Staffing Plan Approval:** Once a staffing plan is developed, it requires approval from Budget Heads for the accounts identified. Additionally, approval is required from the Department Chair, College Dean, Provost/Divisional Vice-President and the Central Budget Office.
7. **Employee Terminations and Other Employee Action:** If the staffing plan includes the termination of employees, schedule reduction, salary adjustments or any other employment-related actions, once the approval process is complete (Department Chair, College Dean, and Central Budget Office, if needed), the college/department staff responsible for HR matters will contact the Human Resources Business Partner (HRBP) and provide a list and detailed information related to the approved changes for those affected. They will collaborate with the HRBP on subsequent steps for the employees, whether it involves layoffs, schedule changes, pay changes, reassignment, or other employment-related actions.
8. **Processing EAFs:** Once the necessary approvals are obtained, Employee Action Forms (EAFs) must be finalized by the departmental/college staff to enter the revised costing or any other changes associated with the staffing plan and/or to terminate employees.
9. **Project Closeout:** SPA completes project closeout procedures, including the final draw, issuing the final grant statement, and producing effort reports for certification through the modified award end date. SRS works with the PI to submit final reporting as required and contact SRS if they have questions.

Appendix AStop-Work Order Process Flow Diagram