

Purpose: The purpose of this job aid is to guide the GCO through the process of reviewing and responding to a sponsor initiated work suspension, stop-work order, breach of contract or early termination.

Audience: The intended primary audience for this job aid is the Award Management Team (AMT) who will coordinate with the Proposal and Negotiation Team (PNT)

Definitions:

- **Work Suspension:** Occurs on a sponsored project when the sponsor instructs the grantee to temporarily stop work on the project.
- **Stop-Work Order:** Occurs on a sponsored project when a sponsor submits a formal notice to a grantee to cease or hold work on a project. If not followed by an order to resume work, it amounts to termination of the contract.
- **Breach of Contract:** Occurs when a grantee fails or refuses to perform its obligations under a contract. Common breaches include failure to submit deliverables or sponsor is not satisfied with deliverables submitted, sponsor refusal to issue payment (e.g. late invoice; disallowed costs), failure to comply with IRB, IACUC, Export Controls, Foreign National Restrictions, or Conflicte of Interest Regulations, intellectual property, or inconsistencies in contract terms or conditions.
- **Early Termination:** Occurs when a sponsor submits a formal notice to the grantee to end the project early. This can be for cause or convenience.

Process: GCO receives a written notification from sponsor informing of work suspension, stop-work order, breach of contract or early contract termination. Work suspension should be treated as potential contract termination because there is a possibility work will not be resumed.

1. Set up a SharePoint Modification Task task to track the progress, if not already created.
2. Review the claim or request to determine the specific area of non-compliance or reason for the sponsor notification.
3. Review the Financial Management System for the reimbursement history and current billing status. Contact CMT Officer for more information on collection history, if needed.
4. Identify individuals or team who has been involved in the issue to date (PI, RA, CMT, PNT).
5. If PNT has not already been involved, send an email to proposalandnegotiation@asu.edu requesting the PNT GCO who negotiated the award or PNT Team Lead to review the notification and provide assistance with determining the next steps. Schedule a AMT/PNT meeting to discuss the following:
 - The basis/reason(s) project activities are suspended or terminated (change in funding priorities, programmatic refocus, poor project performance, lack of progress, agreement breach).
 - The terms of the work suspension/termination and the effective date.

- Potential dispute areas (Research Integrity, IP issues, property rights, equipment titles, confidential information, deliverables).
 - Final financial, technical and material deliverables.
 - The current billing status of the project.
 - How will the final invoice be determined - best estimate or cost reimbursable?
 - Determine next steps and necessary parties to involve
6. Schedule a review meeting with all necessary parties (e.g. PI, RA, PNT, etc.) to determine the following:
- Who besides PI and unit should be notified? Subcontractors, third party contributors, ASU Purchasing? Does the PI agree with the basis of suspension/termination?
 - Does the PI approve the project suspension/termination?
 - Does the PI anticipate financial, intellectual, material, or other disputes?
 - What are non-cancelable obligations and the termination costs?
 - What effect will it have on project personnel?
 - Is the PI prepared to submit final technical deliverables?
 - Is there any room for mediation and negotiation to continue the project?
 - Is there a need to re-negotiate SOW and costs, period of performance, deliverable schedule, milestones, identify institutional funds to continue work, adding personnel to improve work progress or request time extension.
 - Determine next steps and action items from each party.
7. Regroup once all actions have been completed and formulate a response to the Sponsor and copy all parties involved.
8. Once Sponsor acknowledges response and is in agreement on the the next steps (modification or termination) a final PI approval request is obtained, upload PDF of approval titled "(Account) (PI Last Name) AW (Suspension or Termination) PI Aprvl (Date)" to SharePoint task folder.

If termination is the result, follow WI-CP-10.

If modification is the result, follow WI-EP-140.