



Boston VA Research Institute, Inc.

Date: 5/24/2012

Finance and Accounting Management

POLICY NO. 12-12

TITLE OF POLICY:

TRANSFER POLICY

1.0 PURPOSE

To determine the resolution of remaining funds when an active Principal Investigator leaves the VA Boston Healthcare System.

2.0 SCOPE

All funds deposited with BVARI and all equipment purchased with BVARI funds are the property of BVARI's; and are therefore subject to policies and procedures established by the Board of Directors.

Requests to move said funds or equipment are determined by the Board of Directors.

3.0 POLICY

Transfer of Funds Associated with an Active Research or Education Project

Option 1 (External Transfer): Transfer of an active research or education project(s) and the associated restricted BVARI funds and/or BVARI-owned equipment may be made only after approval by the Board of Directors. The transfers may be made to another 501(c)(3) non-profit organization with the same stated exempt purpose of conducting research, or to a state or federal entity. A Principal Investigator who wishes to relocate an approved active research or education project, must submit a written request for such a move to the BVARI Board of Directors through the CEO (See Related Document A). A separate request must be submitted for each active research or education project that he or she wishes to relocate.

The BVARI CEO and/or Director of Finance will determine whether all outstanding financial obligations related to the project have been fully met. BVARI may hold back as much as 20% of the remaining project funds for up to 90 days to cover any costs that may incur after the transfer has been executed. Since restricted funds are bound by contractual obligations outlined in the agreements with the Sponsor, the principal investigator must obtain, from the project Sponsor, written permission to transfer the project to either another 501(c)(3) non-profit organization or state or federal entity. BVARI must receive a letter from the recipient organization accepting responsibility for the entire research or education project including the administration of funds and/or equipment. In addition, the new organization must provide documentation from the Internal Revenue Service as proof of their non-profit status.

To ensure the smooth, orderly transfer of a research or education project, the non-profit organization from which the principal investigator is transferring must be informed of such a move at least 3 months in advance of the transfer date. The Board of Directors has sole authority to approve such a transfer. Following approval by the Board, the principal investigator is responsible for the cost and risk of shipping equipment to the new location.

Option 2 (Internal Transfer): The project Sponsor shall be notified of any change of the designated principal investigator on an active research or education project; such changes cannot be made without prior written approval of the project Sponsor together with the completion of an amendment changing the principal investigator name (See Related Document B). If the designated principal investigator of an active research or education project is terminated from the study, or in the event of death, a written request to assign a replacement principal investigator must be submitted by the CEO to the project Sponsor. The Board of Directors must certify that the new principal investigator has the expertise, knowledge and technical support to perform the study consistent with the terms of the study protocol and the clinical trial agreement. The medical center's designated Institutional Review Board or R&D Committee must approve the transfer of responsibilities to the new principal investigator.

Corporation funds associated with the active research or education project and/or Corporation-owned equipment necessary for the conduct of the project will be transferred to the replacement principal investigator upon written approval from the project Sponsor.

Residual Funds

In the event an investigator terminates his or her VA employment with the VA Boston Healthcare System and his and her affiliation with BVARI, the investigator may submit an application for a Without Compensation (WOC) appointment to the VA Boston Healthcare System.. WOC employees may continue to maintain BVARI administered accounts and -owned equipment. Appropriate expenditures shall be made for the general support of the WOC investigator's research and/or education activities. The investigator must seek and obtain approval for a WOC appointment within 3 months following his or her official separation date from VA. If the investigator does not obtain a WOC appointment within 3 months of separation, the Board of Directors may approve the transfer of all residual funds into a BVARI's administrative unrestricted account and funds will be used at the discretion of the Board.

Funds donated to BVARI for the general support of an investigator's research or education activities and funds remaining from completed projects are generally referred to as "residual funds". Use of such funds for general research and education purposes is predicated on first fulfilling all requirements specified by the Sponsor, or any other donor at the time funds are initially received by BVARI. Residual funds may be used only for scientific and professional expenditures and must further the conduct of VA approved research projects or educational activities.

Once an investigator is no longer a salaried employee of the VA Boston Healthcare System, and he or she has obtained an approved WOC appointment, the investigator may request approval from the Board of Directors to utilize his or her residual fund balance to support a full or part time salaried position with BVARI. The investigator must submit an application for employment clearly indicating his/her percent effort, along with a position description and current curriculum vitae, to the Board of Directors through the CEO. The position description must accurately describe the duties and responsibilities of the position and how the position will advance the VA research program at the medical center. The investigator must maintain at least one active R&D Committee approved research project during the course of his or her employment with BVARI. Should a WOC investigator fail to maintain an active project for a period of time exceeding 12 months, the Board of Directors will review

the investigator's BVARI appointment to determine whether it should be continued. If the Board acts to terminate the investigator's Corporation appointment, the remaining balance of funds in his or her account(s) will be transferred to an administrative unrestricted account and used at the discretion of the Board.

All BVARI accounts maintained by WOC investigators will be reviewed annually by the Board of Directors to determine their appropriateness.

Sudden Death, Disability or Resignation of an Investigator

In the event an investigator should die or become unable to conduct research, the CEO shall immediately inform the Sponsor of each of the investigator's ongoing projects. With the Sponsor's permission, a project may be transferred to another investigator at the affiliated VAMC. If no other investigator is able to assume responsibility for a project, reports completed to date will be sent to the Sponsor along with any funds remaining, after all outstanding obligations have been paid. All residual funds remaining in the investigator's general residual account will be transferred to a BVARI administrative unrestricted account and will be used at the discretion of the Board of Directors.

4.0 DEFINITIONS

5.0 RESPONSIBILITIES

5.1 BVARI Board of Directors: The BVARI Board of Directors is responsible for the overall policy, planning, and coordination of all BVARI activities within the VA Boston Healthcare System.

5.2 CEO: The BVARI CEO is responsible for developing, administering, and coordinating a business process that provides optimal internal controls for BVARI.

5.3 DIRECTOR OF FINANCE: BVARI's Department Director is responsible for ensuring that the BVARI employees follow the policies defined in the policy.

6.0 PROCEDURES

Transfer of Residual Funds

Transfer of Residual Funds in the event an investigator terminates his or her employment at the VA Boston Healthcare System and affiliation with h BVARI, the disposition of residual funds remaining in the investigator's general residual account will be subject to the discretion of the Board. Generally, if the investigator is transferring to another VA facility with a VA-affiliated nonprofit established under 38 USC 7361, the Board of Directors will determine the maximum allowable balance of funds to be transferred from the investigator's general residual account. Alternatively, should a VA-affiliated nonprofit not be established, a transfer may be requested to a VA General Post Fund. The remaining balance, if any, will be transferred to a BVARI administrative unrestricted account or VA General Post Fund and will be used at the discretion of the Board of Directors. If the residual funds are donated, because the donor acknowledgement letter reflects the Board of Directors' view that all funds donated to the BVARI are intended to support VA projects and research and/or educational activities, BVARI will not allow transfer any of the residual funds to any organization other than a VA-affiliated nonprofit.

Transfer of Residual Funds In the event an investigator should die or become unable to conduct research, all residual funds remaining in the investigator's general residual account will be transferred to a BVARI administrative unrestricted account and used at the discretion of the Board of Directors. Because the donor acknowledgement letter reflects the Board's view that all funds donated to the BVARI are intended to support VA projects and research and/or educational activities at the VA facility affiliated with the BVARI, BVARI shall not transfer the residual funds or

BVARI-owned equipment to any other organization.

7.0 RELATED DOCUMENTS:

- A) Request to Transfer an Ongoing Research Project and the Associated Funding and Equipment
- B) Project Amendment: Change in Principal Investigator
- C) Residual Funds Policy

8.0 REVISION HISTORY

Revision Letter	Author	Revision Date	Description of Changes
A	Nancy Watterson-Diorio	03/24/2009	Original document
B	Jeffrey Burd	05/08/2012	Clarified some grammar.

REASON FOR ISSUE:

SUMMARY OF CHANGES:

Wording changed to clarify grammar. No substantive changes were made to policy content.

RELATED DOCUMENTS:

- A) Request to Transfer an Ongoing Research Project and the Associated Funding and Equipment
- B) Project Amendment: Change in Principal Investigator
- C) Residual Funds Policy

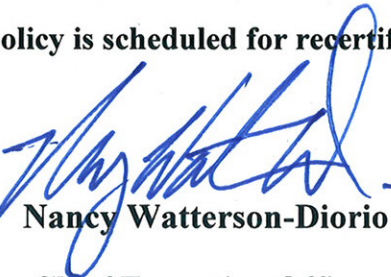
RESPONSIBLE OFFICER:

Director of Finance

RECISSION:

Residual Funds Policy 09-12

RECERTIFICATION: This policy is scheduled for recertification on or before the last working day of May, 2015.



Nancy Watterson-Diorio

Chief Executive Officer

DISTRIBUTION

Board of Directors, Date:

FLD: Sharepoint Server _____ E-mailed _____ to:

BVARI Staff, Stakeholders