



Post-Award Changes Don't Have to Be Daunting

You've submitted an SBIR/STTR proposal and have been awarded. Great news, right? But before you receive any money something in your company changes from that portrayed in your proposal. Panic time? Not necessarily. Agencies recognize that the budget presented in your application is somewhat "experimental," and between the time you submit and receive any money, your company may experience changes that can be expected in any evolving business.

Our best rule of thumb is that whenever you are contemplating or have experienced **significant** post submission or post award changes, and you are uncertain about the need for prior approval, consult **in advance** with the awarding agency's contract officer or grants management officer/specialist. Here are some general guidelines for what constitutes *significant* change that requires agency permission:

Change in Scope is a change in direction or other area that constitutes a significant change from the aims, objectives, or purpose of the originally approved project. This includes:

- Change in the specific aims approved at the time of award
- Substitution of one animal model for another
- Any change from the approved use of animals or human subjects
- Transferring the performance of substantive programmatic work to a third party through a consortium agreement, by contract, or any other means
- Change in key personnel
- Significant re-budgeting resulting from a change in scope
- Purchase of a unit of equipment exceeding \$25,000 due to a change in scope

Change in Principal Investigator (PI)

- Withdraw from the project entirely
- Be absent three months or more
- Reduce time devoted to the project by 25% or more

Prior approval from the awarding agency is also required if there is a deviation from award terms and conditions or if there is a change of grantee organization, for example your company changes from an LLC to an S Corp or is acquired. These changes can usually be managed by getting in touch with the appropriate grant/contract manager and following the necessary procedures.

First and foremost, the agency awarding you wants to help you be successful so don't hesitate speaking with them. Agencies differ in their change requirements; communication is important. Across all agencies, it is best to approach them with a solution to the problem before you make the call.

To repeat, always check with the awarding agency's grant/contract manager or contact BBCetc. And take heart, not every change requires re-budgeting. Reapportioning items between categories is not unusual and allowable. So when you see that your travel budget was too generous, you can apply a portion of that to your supplies budget, etc. It's true that change can be your friend!