

March 5, 2025

Dear UH Research Community,

The purpose of these guidelines is to provide further information in the event that an award is either terminated or a Stop Work Order has been issued.

Since taking office in January 2025, the new White House administration has issued a number of unprecedented Executive Orders (EOs) aimed at eliminating initiatives and programs promoting DEIA, affirmative action, gender ideology, and environmental justice at the federal level. The National Institutes of Health (NIH) has also been directed to reduce indirect cost recovery rates negotiated by universities to a maximum cap of 15 percent, a move that could reduce federal research funding by billions of dollars and severely impact universities across the country.

And most recently, on February 26, 2025, the White House issued [EO 14222](#), entitled "Implementing the President's 'Department of Government Efficiency' Cost Efficiency Initiative." This EO is probably the most impactful to the University, as it requires:

- Federal agencies to review within 30 days all "covered contracts and grants" (defined as discretionary spending through Federal contracts, grants, loans, and related instruments);
- Federal agencies to terminate or modify such contracts and grants to reduce overall Federal spending, promote efficiency, and advance the policies of this Administration
- Each payment will require "brief, written justification" by agencies, and the process is to "commence immediately and prioritize the review of funds disbursed under covered contracts and grants to educational institutions and foreign entities for waste, fraud, and abuse."

The potential impact of termination of more grants and manual review of all requests for payment on all of our contracts and grants is extremely significant.

As President Hensel stressed in her [February 28, 2025 message](#), the UH administration is working diligently and closely with our constituents, including the Governor's Office, the Hawai'i Congressional Delegation, and other organizations to proactively assess and navigate this highly fluid and uncharted landscape in higher education. As the situation develops, we will try our best to keep everyone updated and informed.

While there have been a relatively small number of Terminations and Stop Work Orders issued on UH projects so far, it is expected that the numbers will eventually grow,

resulting in a substantial reduction or loss of federal funds. Large-scale cuts of federal funding could have major impacts on UH programs, with the University being unable to subsume or supplant a significant loss of federal funding. With payroll for research personnel being the largest budget line item for most extramurally-funded projects, below are suggested guidelines to follow in the event a Termination or Stop Work Order is received.

During this time, we strongly recommend preservation of cash reserves in our Research and Training Revolving Fund (RTRF) accounts. The untenable scenario that we are trying to avoid is campuses and units not having the reserve funds to carry employees through their notice periods and/or to pay subawardees and vendors who have already provided services.

Please visit our webpage (research.hawaii.edu/new-administration-federal-funding-updates/) for ongoing research-specific updates and guidance.

We recognize the uncertainty that many face is incredibly challenging and stressful and we do not take that lightly. Thank you for your understanding, patience, and resolve during this time.

Sincerely,

Vassilis L. Syrmos
Vice President for Research and Innovation

Termination and Stop Work Order – Process & Guidelines

UH Campuses

- Upon receipt of a Termination or Stop Work Order, the Office of Research Services (ORS) notifies the Principal Investigator (PI) and Fiscal Administrator (FA). In cases where the Stop Work Order is issued directly to the PI, the PI shall immediately notify ORS.
- Potentially, a stop work order may have been issued but NOT received by the PI or ORS. If the PI believes their project may be affected or there is reason for concern, he/she shall notify his/her [ORS Contracts & Grants Specialist](#) to inquire further with the sponsor.
- The PI assesses project implications, especially for progress-to-completion, payroll implications, including affected graduate students, and compliance and safety requirements.
- The PI informs the department chair and the dean/director.
- The college makes a first assessment and decides whether RTRF reserves can be utilized to provide the necessary time notifications to unionized employees per the collective bargaining agreement; please consult with the [UH Office of Human Resources \(OHR\)](#) or the RCUH [Office of Human Resources](#) regarding required notifications. RCUH employees need to be notified per [RCUH policy 3.285 RCUH Termination of Employment](#). If the college has no RTRF reserves, a request should be made to the campus (provost, chancellors) for consideration in using available campus RTRF reserves.
- Graduate students can apply to the UH emergency relief fund for temporary salary relief. There is a limited amount of funds established for this purpose, so separate instructions on this process will be forthcoming.
- During this period, the PI and dean should determine if affected employees can be appropriately reassigned to a new project, if FTE can be reduced (in case of multiple accounts only use the ones where there is no stop work order), or if the employee will need to be terminated.
- If personnel termination becomes necessary, the PI and/or employee supervisor should contact the OHR at UH or the Office of Human Resources at RCUH for further consultation, other employment opportunities within the UH System, and information on benefits.
- ORS shall immediately notify all subaward recipients of the termination or stop work order, and appropriate steps may be needed to terminate or stop the subaward.
- All fiscal transactions must cease and/or be cancelled in compliance with the terms of the stop work order.

Compliance Assessment

- Inventory all compliance protocols (such as human research, vertebrate animal research, biosafety, etc.) that may be impacted by a stop work order or termination notice.
- Work with the relevant review board on protocol-specific requirements for project close-out, as these will vary depending on the nature of the work and regulated activities. Any proposed changes to a protocol, including early close-out, must receive prior approval by the appropriate board (i.e. IRB, IACUC, IBC) before they are implemented.
- If a protocol is ending early due to funding changes, provide a final report to the relevant board with the revised end date. Include a description of how the work was terminated in a safe and compliant manner.
- Document all costs of termination, as recovery may be available depending on the contract or grant.

UH System

In the case of UH System contracts and grants, the Stop Work Order process is the same. PIs should contact the appropriate vice president, while vice presidents should contact the Vice President for Research and Innovation, if further assistance is required.

ORS Advance Account Requests

Requests to ORS for advance accounts for federal funding should be carefully considered and limited given the current uncertainties.

Effective immediately, departments shall ensure requests for advance accounts of federal funds include only the essential and minimal amount needed for the immediate future. These amounts will be limited as follows:

- Duration: Up to three (3) months of operating expenses per request. Projects determined to be high-risk may be limited to one (1) month advance periods; and
- Budget: Up to a three (3)-month proration or 25% of the total anticipated award amount (whichever is less). Detailed budgets and budget narratives will be required.

High-risk awards may require additional approvals at the chancellor level.

Other Fiscal Considerations

Continue to exercise fiscal constraint on federally-funded projects, especially those that may be at high risk of being terminated. Difficult decisions may need to be seriously considered, such as delaying/pausing the hiring of new employees, travel, making large expenditures, and the issuance of new/continuation subawards and vendor subcontracts.

Ensure that all project costs are being charged directly to project accounts to reduce the need for after-the-fact transfers. Projects may not be able to move expenses after a stop order is received. The PI and FA should coordinate with ORS accounting to ensure all project costs charged up to the date of the Stop Work Order are included in the final invoice.

Reference

These guidelines and other resources and updates are available on OVPRI's New Administration Federal Funding Updates webpage at research.hawaii.edu/new-administration-federal-funding-updates/.