Investigator Phase-out and Gift Options Policy

Purpose and Scope

This policy applies to HHMI Investigators at host-based sites who are in a non-renewable phase-out appointment (i.e., a phase-out period). It describes the eligibility to receive a non-renewable appointment and the support that HHMI provides during the phase-out period, including an option for certain HHMI Investigators to receive a gift of research funding to their host institution at the end of an HHMI appointment.

Policy

1. Standard Phase-out - Gift Option

Eligibility

In general, an HHMI Investigator with an unsuccessful HHMI scientific review will have a non-renewable phase-out period of two years before their HHMI appointment ends. This standard phase-out period begins at the end of the current term or the first day of the month following the review, whichever date is later. If an Investigator requests an early review in their first appointment term and is not recommended for renewal, then the standard phase-out period begins on the first day of the month following the review. The phase-out period is intended to allow the Investigator to adjust laboratory operations prior to the scheduled cessation of HHMI research funding, including seeking new sources of research support. HHMI Investigators remain employed by HHMI during their phase-out period and continue to attend HHMI scientific meetings and otherwise participate in HHMI activities during the standard phase-out period.

An HHMI Investigator with or without a scheduled scientific review who plans to leave HHMI but maintain an active research program at an HHMI host institution may forego the formal review process and request the standard two-year phase-out. An Investigator in this situation should discuss this option with HHMI’s Vice President and Chief Scientific Officer. Depending on the timing of the request, the start of the phase-out period under these circumstances may be earlier than the end of the Investigator’s current term, regardless of any remaining balance on the Investigator’s current term.

HHMI Support for Standard Phase-out

For Investigators who maintain an active research program at their current host institution, HHMI support during a standard phase-out period will include:
• The Investigator’s full salary and benefits from HHMI. Salary will continue to be set based on HHMI’s Lab Head Salary Scale;
• The Investigator’s laboratory operations budget for the two years of the phase-out which will remain at the same level unchanged throughout the phase-out period. The budget level will be based on the level of the Investigator’s laboratory operations budget at the time of the non-renewal decision, which may be in a different fiscal year than the start of the phase-out period;
• After notice to the Investigator of the non-renewal decision, the ability to carry forward up to $500,000 of unspent laboratory operations budget funds;
• Occupancy payments to the host institution, consistent with the collaboration agreement between HHMI and the host institution; and
• If the Investigator has at least $100,000 of unspent laboratory operations budget funds at the end of the phase-out period, the ability to receive these unspent funds, up to a total of $500,000, in the form of a gift to the host institution to support the Investigator’s continued research there.

Gift Terms

The following gift terms apply to any gift made to a host institution under this policy:

• In order for a gift to be made, HHMI and the host institution must agree on gift terms at least one month before the Investigator’s appointment ends.
• HHMI will not pay indirect costs with respect to any such gift, nor will HHMI agree to allow the host institution to charge indirect costs against the gift.
• Gifts must be expendable by the Investigator at their discretion in support of their continued research at the host institution. At the Investigator’s request, gift funds may be used to pay for the salary and benefits of the Investigator and members of their laboratory staff.
• After execution of a written gift agreement, HHMI generally will make a first gift payment within two to four weeks after the Investigator’s HHMI appointment ends, followed by a final gift payment after all the obligations against the Investigator’s budget have been cleared.
• To request a gift option, the Investigator must submit the Gift to Host Institution form on the HHMI Science Portal.

2. Expanded Phase-out– No Gift Option

Eligibility

An expanded, non-renewable phase-out period of up to five years is available to certain HHMI Investigators who meet one of the following eligibility criteria. Investigators who meet one of the eligibility requirements but elect to go through a scientific review and are not recommended for renewal will receive a standard two-year phase-out period. HHMI Investigators remain employed by HHMI during their expanded phase-out period and continue to attend HHMI scientific meetings and otherwise participate in HHMI activities during the phase-out period.

1) **Distinguished Long-Term Investigators**. To be eligible for the expanded phase-out an Investigator must have at least two successful Investigator reviews and have completed at
least 14 years as an Investigator. A transition review (i.e., a review to determine a Group Leader’s or Senior Group Leader’s eligibility to transition from HHMI’s Janelia Research Campus to a host institution as an HHMI Investigator) is not an Investigator review for purposes of this policy.

2) **Personal Health Considerations.** Any Investigator who has had at least one successful Investigator review and has completed at least two full Investigator terms (two five-year terms, one five-year term and one seven-year term, or two seven-year terms) and who plans to significantly reduce the size of their research program due to a serious personal health condition may choose to request a non-renewable phase-out appointment of up to five years. An Investigator who wishes to request an expanded phase-out for serious personal health considerations should contact HHMI’s Director of People and Culture with responsibility for host institution sites. The Director of People and Culture will present a recommendation on the Investigator’s eligibility for an expanded phase-out for serious personal health considerations to the Vice President and Chief Scientific Officer. The Vice President and Chief Scientific Officer shall make the final decision on the Investigator’s eligibility for an expanded phase-out for serious personal health considerations. If the Vice President and Chief Scientific Officer determines that the Investigator is eligible for an expanded phase-out for serious personal health considerations, the Investigator must follow the rest of the procedures, and meet all of the requirements, set forth in this policy.

**HHMI Support for Expanded Phase-out**

For Investigators who receive approval for an expanded phase-out period and maintain an active research program at their current host institution, HHMI support during the phase-out period will include:

- The Investigator’s full salary and benefits from HHMI. Salary will continue to be set based on HHMI’s Lab Head Salary Scale;
- The Investigator’s laboratory operations budget for the five years of the phase-out which will remain at the same level unchanged throughout the phase-out period; The budget level will be based on the level of the Investigator’s laboratory operations budget at the time of the approval of the expanded phase-out, which may be in a different fiscal year than the start of the phase-out period.
- After notice to the Investigator of HHMI’s approval of the expanded phase-out period, the ability to carry forward up to $500,000 of unspent laboratory operations budget; and
- Occupancy payments to the host institution, consistent with the collaboration agreement between HHMI and the host institution.

HHMI’s support will end at the conclusion of an expanded phase-out with no option to receive any unspent funds in the form of a gift to the host institution.

**Expanded Phase-out Procedures**

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1 For Investigators who received approval for an expanded phase-out period prior to January 1, 2022 and who did not opt in to the current phase-out arrangements, the level of support provided by HHMI is detailed on Exhibit A to this policy.
Eligible Investigators who wish to request an expanded phase-out in lieu of a review must follow the procedures set forth in this paragraph. An eligible Investigator must request an expanded phase-out period in writing to HHMI’s Vice President and Chief Scientific Officer (for phase-outs based on personal health considerations, this request must come after the Vice President and Chief Scientific Officer’s determination that the Investigator is eligible as set forth above) after their scientific review is scheduled and no later than the due date for submission of materials for the scheduled scientific review. The written request must be accompanied by the standard review materials, excluding the pre-recorded talk (see Investigator Review Guidelines), unless the Investigator has already submitted the materials for the scheduled review. HHMI’s approval of a request for an expanded phase-out period will be based on the review of the submitted materials. If a request for an expanded phase-out period is approved, the final phase-out period will begin at the end of the current term or the first day of the month following the scheduled review, whichever date is later. If the request is denied, the Investigator may submit revised materials for the scheduled scientific review by the submission due date or within one week of receiving notice of the denial.

Eligible Investigators who wish to request an expanded phase-out period that will start before the end of their then-current term must follow the procedures set forth in this paragraph. An eligible Investigator may request an expanded phase-out period at any time by making a written request to HHMI’s Vice President and Chief Scientific Officer (for phase-outs based on personal health considerations, this request must come after the Vice President and Chief Scientific Officer’s determination that the Investigator is eligible as set forth above). The written request must be accompanied by the standard review materials, excluding the pre-recorded talk (see Investigator Review Guidelines). An Investigator in this situation should discuss this option with HHMI’s Vice President and Chief Scientific Officer. HHMI’s approval of a request for an expanded phase-out period will be based on the review of the submitted materials. If the request for an expanded phase-out period is approved, the beginning of the expanded phase-out period under these circumstances will begin on the date determined by HHMI’s Vice President and Chief Scientific Officer at the time the final non-renewable phase-out period is approved. The start of the expanded phase-out period under these circumstances will be earlier than the end of the Investigator’s current term, regardless of any remaining balance on the Investigator’s current term.

3. Transfers and Early Departures During Phase-Out - Gift Option

Transfers

Under HHMI’s Laboratory Head Transfers policy, an Investigator in a phase-out period may request to transfer to another host institution provided that at least 12 months will remain in the Investigator’s HHMI appointment following the transfer. If an Investigator’s request to transfer is approved, HHMI’s support during the phase-out period will be as described above in Section #1 or #2, as applicable. Depending on the timing of the transfer, part of the Investigator’s budget may be needed for residual activities at the current host institution and the rest of the budget can be used for activities at the new host institution. For an Investigator in a standard phase-out, arrangements
for an end-of-term gift associated with a transfer are subject to the approval of the Investigator’s new host institution.  

Early Departures with Gift Option

An Investigator may request to end their HHMI appointment early provided that at least nine months would otherwise remain in the Investigator appointment period as of the proposed early departure date. Investigators in a standard phase-out who depart HHMI early may request an early departure gift to their host institution to support their continued research. Investigators in an expanded phase-out period (other than those who received approval for an expanded phase-out period before January 1, 2022 and did not opt in to the current phase-out arrangements) are not eligible for an early departure gift.

If an Investigator departs with at least 12 months remaining in the scheduled phase-out period, an eligible early departure gift would include funds in the amount of what HHMI would have paid as laboratory operations budget (including any carry-forward funds) and base salary (excluding benefits) for the Investigator for 12 months of a phase-out period. If the departure is made with less than 12 but at least 9 months remaining, the gift would include funds in the amount of what HHMI would have paid as the laboratory operations funds (including any carry-forward funds) and base salary (excluding benefits) for the Investigator for the number of months remaining in the scheduled term. In either case, the total gift amount is limited to $1.5 million.

If HHMI approves a gift in connection with an early departure, HHMI will also make a separate unrestricted gift to the host institution in the amount of the occupancy payments that HHMI would have paid for the Investigator’s space for 12 months or the number of months remaining in the Investigator’s phase-out period at the time of the early departure, whichever is less.

An early departure gift is only available to eligible Investigators in a standard phase-out who plan to continue research at an HHMI host institution, and who are not otherwise terminating their appointment to take a high-level administrative position that would not be approved for an HHMI Investigator under the Investigator Administrative and Non-Research Activities and Salary Supplementation for Administrative Service to Host policy to move to a company or another institution to which the HHMI appointment cannot be transferred under HHMI policies.

Transfer with Early Departure and Gift Option

An Investigator who wishes both to transfer and then request an early departure gift must request this option through the Gift to Host Institution form at least three months before the proposed transfer date. In this situation, the transfer must be completed not less than 12 months before the end of the phase-out period. If a transfer will not be completed at least 12 months before the end of the phase-out period, the Investigator is not eligible for an early departure gift but can request a standard end-of-term gift as described in Section 1 of this policy.

After the transfer is complete, an Investigator may request to end their HHMI appointment early and request an early departure gift. Such early departure gifts following a transfer will only be

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2 This sentence also applies to those Investigators in an expanded phase-out period that was approved prior to January 1, 2022 and who did not opt in to the current phase-out arrangements.
considered if there are at least nine months remaining in the phase-out period. Once a transfer has been executed no mechanism will remain for the previous host institution to receive a gift payment from the Investigator’s unspent budget or to receive occupancy fees. An early departure gift made following a transfer will be made to the new host institution in accordance with the Gift Terms set forth above and subject to the early departure gift limit of $1.5 million.

Related Procedures, Forms and Policies

- Laboratory Head Transfers Policy
- Investigator Review Guidelines
- Gift to Host Institution form on HHMI Science Portal
- Administrative Service, Leadership Roles, and Salary Supplementation Policy

Contact

Any questions about HHMI’s Investigator Phase-out and Gift Options Policy may be raised with the Scientific Officer or HHMI attorney responsible for the site.
Exhibit A
Pre-2022 Expanded Phase-Out Support

For those Investigators who (i) received approval for an expanded phase-out period before January 1, 2022, (ii) did not opt into the current phase-out arrangements, and (iii) maintain an active research program at their current host institution, HHMI support during the phase-out period includes:

- The Investigator’s full salary and benefits from HHMI during the expanded phase-out period. Salary will continue to be set based on HHMI’s lab head salary structure;
- For the first two years of the expanded phase-out period, the Investigator’s laboratory operations budget is unchanged. Thereafter, for the final three years of the phase-out period, the laboratory operations budget is reduced to 65%, 50%, and 50%, respectively, of the Investigator’s operations budget in the second year of the phase-out period;
- After notice to the Investigator of HHMI’s approval of the expanded phase-out period, the ability to carry forward up to $500,000 of unspent laboratory operations budget;
- Occupancy payments to the host institution for two years covering the existing HHMI space assignment prior to the final term, and then for up to three additional years at occupancy levels reduced in proportion to budget reductions; and
- If the Investigator has at least $100,000 of unspent laboratory operations budget funds at the end of the expanded phase-out period, the ability to receive these unspent funds, up to a total of $500,000, in the form of a gift to the host institution to support the Investigator’s continued research there. (Please see general notes on Gift Terms in Section 1 of the policy.) An early departure gift may also be an option. Please see Early Departures with Gift Option in Section 3 of the policy.