



College of Arts and Sciences

## **Guidelines for Startup Funds**

**FY 21-22**

### **Purpose**

Faculty members are provided with startup funds for the purpose of establishing and enhancing their research career in the College of Arts and Sciences at the University of South Carolina. Startup funds are to be used to establish a strong foundation for a research program that can be sustained over time. Faculty are expected to deploy these resources in a manner that will enhance their national and international reputation as a scholar and facilitate the acquisition of federal grant funding or other external funds to support their ongoing research program.

### **Policies**

Startup funds are delineated as part of the official offer of employment from the College of Arts and Sciences. The amount of the startup package and period of availability are stated in the body of the offer letter signed by the Dean of the College of Arts and Sciences. Any proffer of support outside the official offer is not guaranteed by the College of Arts and Sciences and does not constitute a contractual obligation. The funding of the startup package is negotiated between the Office of the Dean and the hiring unit and is outlined in a separate memorandum.

The utilization of startup funds is subject to all university policies and procedures governing the expenditure of resources. Departmental business managers can provide guidance regarding university rules relating to procurement of equipment, reimbursement for travel expenditures, contracting for renovations, and the purchasing of books, supplies or other academic materials. Startup funds may be used to cover summer salary and fringe benefits (typically limited to one or two months per year), support graduate research assistants or hire temporary personnel. Departmental human resources managers should be consulted to ensure adherence to applicable state, university, and college policies and procedures.

## **Procedures**

Starting in FY19, the College implemented a procedure to establish a start-up project account for each newly hired faculty member. These project accounts are N-funds. The Office of the Dean transfers funds on a prorated basis each year, subjective to the terms of the offer letter. These projects also serve as the account for other start-up funds to be added (department or Provost contributions). If additional funds are needed by the faculty beyond the annual allocation, a written request with a brief justification should be sent via the unit head to the Dean. If approved, either additional funds will be added or a commitment will be established. Please note all commitments adhere to the College's reimbursement process.

All College startup obligations prior to FY19 are set-up as commitments. Expenditures are posted to a department account and reimbursement is requested through the commitment reimbursement process.

Departmental business managers are solely responsible for tracking and managing any departmental portions of start-ups, including expenses, available funds, and commitment end dates.

Any one expense (including salary) that is \$5,000 and above must be pre-approved by the Dean's office. The faculty will work with the department business manager to submit the pre-approval request and obtain approval before a purchase or hire is made.

## **Acceptable uses**

Unless otherwise specified, startup funds may be used for the purchase of necessary equipment and supplies, travel, and other research related expenses. In some cases, laboratory remodeling, course buyouts, and summer salary (to include associated fringe benefits) may also be allowed. This should be outlined in either the offer letter or an MOU signed by the faculty, unit head, and the Dean.

All University policies and procedures must be followed when using startup funds, this includes purchasing regulations and use of A or E funds. For example, furniture for personal use (i.e., a couch for an office) is not an acceptable use of University or College funds. Startup funds may not be used for any expense that is prohibited under university policies and procedures.

### **Summer Salary**

If specifically outlined in the offer letter or separate MOU, startup funds may be used to provide extra compensation during the summer up to the maximum allowed under university policy. Total compensation during the summer may not exceed 33.3% of the academic year salary. Both salary and fringe costs will be charged against the startup account. Summer compensation is subject to change on an annual basis.

It is the expectation of the College that individuals who pay themselves summer salary from startup will return to the faculty in the fall. The college will not reimburse summer ECOM or related fringe expenses for faculty members who do not return to service in the next academic year.

### **Hiring graduate students, temporary time-limited employees**

If allowable, startup funds may be used to support graduate students and/or temporary time-limited employees. All USC guidelines and procedures must be followed when hiring students or temporary employees. If hiring a temporary employee, a request for new position must be submitted to the Dean's office. For any position that will total more than \$5,000, a pre-approval is also required. All fringe costs must be covered by the start-up funds.

### **Separation from Service**

If the faculty member separates from the University within their first three years of employment (or at any date prior to the end date of the startup package), the startup package will be terminated. All residual funds will be returned to the providing units proportionately, unless otherwise specified in the offer letter.

The College will not reimburse any expenses that are incurred after notification from the faculty member that they are resigning.

### **Extensions**

Unless otherwise specified, startup funds are available for use for three years from the date of employment. Requests for extensions from the faculty member may be submitted to Dean's office budget contact for the unit and must include a detailed plan for the expenditure of remaining funds.