

Wake Forest University
College of Liberal Arts and Sciences

START-UP FUNDS POLICY

Revised: February 10, 2021

I. SCOPE

This policy provides guidance for determining the availability and use of faculty start-up funds. Faculty start-up funds may be given to university full-time tenured/tenure track faculty as part of their hiring package. The purpose of this policy is to ensure sound business practices, timely and accurate recording of expenses, compliance with university policies, and compliance with tax regulations under the Internal Revenue Code.

II. POLICY STATEMENT

Faculty start-up funds are provided to pay for expenses incurred in support of the new faculty member's research and scholarly activities over a defined period of time. Faculty start-up funds are not considered personal compensation and may not be used to supplement a faculty member's academic year or summer salary or to cover personal expenses. Therefore, faculty start-up funds are not subject to personal income tax.

The complete package of Faculty Start-up Funds, with a proposed budget, must be reviewed and approved by the Office of the Dean of the College and the Office of the Provost before an offer letter is issued to a faculty candidate. Start-up funds must be spent according to the approved budget. Any proposed deviations in the budget must be approved by the department chair or the Dean's Office: changes less than \$2,500 can be approved by department chair; changes \geq \$2,500 must be approved by the Dean's Office.

III. GUIDELINES

FACULTY START-UP FUNDS:

Typical costs covered by start-up funds for newly hired faculty include:

- New office computer if the University issued laptop is insufficient for faculty research work
- Specialized accessories and software.
- Books, journals, electronic resources, special laboratory and office supplies.
- Designated research travel associated with start-up or transition. This would include travel to special collections, to conferences, for professional development opportunities, etc.
- Major scientific equipment and materials/supplies not already available for the faculty member's use.
- Research publication costs including open-access journal publication fees.
- Materials or equipment for the "allied arts" professions.

Except for limited circumstances, such as when a research assistant or post-doctoral researcher is required for a limited time to support defined research activities, funding to conduct actual research studies, after hiring, must be supported by sources other than start-up funds, preferably external

sources. All expenses from faculty start-up funds need to be fully documented with specific reference to the research or scholarly activity being conducted and must follow all related university policies and procedures.

Durable assets (assets or property valued at greater than \$5000 that have a useful life of more than one year, and usually not consumable) or other items purchased with faculty start-up funds are the property of WFU.

The academic unit department chair is responsible for ensuring that approvals of faculty support expenses and reimbursements are made in accordance with this Policy and that an inventory of all durable assets in the unit is maintained. If the department chair approves faculty expenses or reimbursements counter to the Start Up Funds Policy, any expenses incurred will be drawn from the department budget. Chairs are encouraged to consult with the Office of the Dean of the College if they have any doubts about requests meeting policy guidelines before making any approvals.

Ordinarily, expenditures may be made from start-up funds within the first three academic years of the faculty member's appointment. During this time unspent start-up funds carry over to the next fiscal year. **Carry over into the 4th academic year must be requested by the Department Chair and justified in writing, accompanied by a revised budget, to the Office of the Dean of the College at least six months prior to the end of the third fiscal year.** Extensions beyond three academic years from initial faculty appointment are only granted under unusual circumstances and must be approved by the Dean in consultation with the Office of the Provost.

In the situation of a faculty member's departure from the institution, any unspent start-up funds, durable assets or other items remain with the university. Unspent start-up funds at the time of departure will be returned to the initial funding sources at the same percentage split (e.g. 1/3 Department & 2/3 Dean's Office).

The University prohibits the use of faculty start-up funds for gifts (employee and non-employee), donations, food, alcohol, briefcases, flowers, coffee makers, furniture/furnishings, rare books, works of art, home office expenses, faculty cell phones, non-academic streaming services, personal website expenses, non-research related travel, and any costs unrelated to faculty research or scholarly activities.

No expenditures will be allowed from startup funds, without the prior approval of the department chair and the Dean of the College, if the faculty member has announced plans to leave WFU.

PROCEDURES FOR APPROVING FACULTY START-UP FUNDS TO NEW HIRES

- a. If faculty start-up funds will be offered to a newly hired faculty member, the hiring unit must prepare a budget that lists the costs from all sources to be included in the start-up package.
- b. The hiring unit department chair will consult with the Office of the Dean of the College and the Provost and obtain approval of the start-up package before an offer letter is issued.
- c. Facilities-related costs for new faculty need to be discussed by the hiring unit in advance with the Office of the Dean of the College and approved by the Office of the Provost prior to inclusion in the offer letter. A quote for any proposed work must be presented by the requesting department to the Dean and Provost.