University of Colorado at Boulder

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TO: Directors and Chairs
FROM: Todd T. Gleeson, Dean
SUBJECT: Reinvestment of Unused Start-Up Funds
DATE: 14 December 2010

Following nearly three semesters of discussion regarding how to deal with the growing sums of unspent start-up funds on the college books, we have arrived at a policy that I believe addresses most of the concerns raised. The policy below shall be implemented January 2012 in order to allow those with remaining funds ample time to make reasoned decisions about heir unspent funds.

Funds subject to Review & Reinvestment:

A. Start-up funds with $10,000 or more remaining.

B. In the 3rd year after the last distribution year of a start-up funding package, unencumbered funds will be reviewed and subject to recovery and reinvestment in the fourth year.

C. “Old” funds, those that predate our appointment letter language that specified that unused funds could be swept and reinvested (circa 2003), will be exempt from this policy.

Distribution of Funds:

1. Faculty members will retain the first $10,000 or 20% of the total initial start-up funding package, whichever is more. These funds can be used for unexpected or otherwise unfunded scholarly expenses. The remaining funds will be reinvested according to 2a and 2b below.

2. The start-up funds not retained in #1 above shall be distributed in proportion to the contributions to the original start-up package as follows:

a. X% of the remaining residual funds will be issued as an IOU credit to the faculty member’s primary unit that can be used to reduce the department share of contribution to future start-up packages, or for other research/creative work expenses approved by the associate dean.

b. Y% of the remaining residual funds will be reinvested by the College in future start-up packages.

c. X and Y will be the same as the contribution formula that went into the original start-up funding package.

d. Where other research units also participated in sharing the original start-up costs (institutes mainly), a proportional share would also be returned to them.

Footnotes

1 Example: A faculty member’s account with a startup package distributed over a one-year period would be subject to review and notification of recovery in year 4 of their employment, with actual recovery and reinvestment at the beginning of year 5. A faculty member’s startup distributed over a three-year period commencing with their first year of employment would be subject to review and notification of the status of their startup fund in year 6 of their employment, with actual recovery and reinvestment of the funds occurring in year 7.

2 Start up funding includes funds to support the faculty member’s scholarly and research activities INCLUDING those funds specifically designated for equipment, supplies, and computers. Startup funds EXCLUDE funding received for moving, dean’s summer grant, research semester, $1,000 college account, and library acquisitions.