

DOR Faculty Startup Funding Use

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OCG vs. DOR BizOps

What is the pre-hire process?

Does DOR have any part in it?

- Department prepares/routes through College: itemized list, proposed costing sheet, letter
- Provost's office approves any \$15,000 or less DOR packages, ensures itemization quality, forward higher cost packages to DOR
- Dr. Bose approves directly any portion of a startup package using DOR funding if it is more than \$15,000.

What expenses does DOR Support?

- Primarily equipment, M&O, and limited renovations of labs.
- M&O situations: glassware, equipment maintenance, etc.
- No postdocs/students, technicians, or travel, except in limited circumstances and only with prior itemized approval.
- The idea of DOR's participation in the startup package process is to ascertain need and best use of research dollars.

How do we get the funding?

- Submit the following:
 - Offer letter with acceptance
 - Approved Costing Sheet
 - Faculty member's Empl ID
 - Faculty member's UH email address
- Submit to:
 - dorbizop@central.uh.edu

What is DOR's next step?

- We will match your documentation to our:
 - Approved itemization
 - Dr. Bose approval email and other correspondence
 - Available funding
- We use this information to:
 - Determine the most appropriate fund source based on available funds, itemization, etc.
 - Determine when to distribute the funds
 - Establish an account and fund it

When are the funds provided?

- We may not have funding until the hire is made.
- We will honor early release requests on a case by case basis.
- To request an early release, we still need all of the information, including Empl ID and UH email address. ePOI processing will work.
- Email dorbizop@central.uh.edu for requesting early release of funding.

Are there usage restrictions?

Fund-specific restriction notes now in RD2K:

Neither OCG nor the DOR Business Operations Team (aka DOR Biz Ops) need to sign payroll reallocations, journal reallocations, or other expenditure documents associated to this internal funding. Please note that it is DOR's position that all funding provided should be used for the purpose for which the funding was approved and within the time period for which the funding was provided regardless of the flexibility of the funding source provided. E.g., if funding was provided for equipment, it should not be used for salary without prior written consent from DOR. See below for specific restrictions on each fund type. Compare this to the fund code on the first page of this Notice of Award to determine additional guidance for the use of this funding.

Restrictions by fund code:

Fund Code 1008 or 1043, HEAF, Higher Education Assistance Fund: Restrictions or Guidance:
<http://www.uh.edu/research/resources/business-tools/heaf-guide/>

Fund Code 1099, RDF, Research Development Fund: No construction or renovations; Texas Education Code Sec. 62.097 to "promote increased research capacity at the institution;" funds expire and are returned to the state at the end of the biennium unless encumbered using an official purchase order issued by Purchasing.

Fund Code 5999, TRIP, Texas Research Incentive Program: Texas Education Code Sec. 62.122, "for the enhancement of research productivity and faculty recruitment."

Fund Code 1121, NRUF, National Research University Fund: No construction or renovations. Texas Education Code Sec 62.149, "for the support and maintenance of educational and general activities that promote increased research capacity at the institution." (1) providing faculty support and paying faculty salaries;(2) purchasing equipment or library materials;(3) paying graduate stipends; and (4) supporting research performed at the institution, including undergraduate research."

Fund Code 2072, IDC, Indirect Cost Returns: May not be used as noted in the Account List online found at:
<http://www.uh.edu/finance/pages/References.htm> and click "Account List" at the top of the webpage.

Fund Code 2086, IP Royalties, Intellectual Property Royalties: No additional restrictions.

Regardless of these flexibilities, the funds should be used as proposed to and approved by DOR only.

Any other usage restrictions?

YES!

- Restrictions by account code vs. fund code provided.
- Restrictions directly from DOR

The itemization is what we use as a guide.

NA or Project ID—Does it Matter?

Is NA more flexible?

- It doesn't matter, both are providing funds restricted for certain uses.
- Please caution your DBA's that DOR funding still has the same rules regardless of R or I project ID, or NA account.
- Our accounts have a range of names, such as FS, Startup, etc. If they are uncertain, contact dorbizop@central.uh.edu

FAQ's-Itemization

- Is there always an itemization?
 - Yes, unless we are funding just one or two large items
 - Dollar value does not matter—number of items
- Why do you need the itemization?
 - Assess best fund source
 - Setup budget properly
 - Monitor

FAQ's- Items requiring prior approval

- If we have 1-2 items on the list or a renovation, can we use the remaining funds?
 - No. Special permission is required from DOR, and the request should be true to the original intent.
- Does DOR ever fund salaries or travel?
 - Only in limited circumstances and with prior written DOR approval.

FAQ's-Flexibility without prior approval

- If my itemized equipment is unavailable, can I substitute?
 - Yes, without prior approval, as long as the item is for the same general purpose.
- With a list of itemized equipment, can I switch to other equipment or M&O as needs change?
 - Yes, without prior approval, as long as the funding is used for the same general types of expenses.

FAQ's-How will we monitor activity?

- For now, focus on monitor just before close-out. Later rollout more frequent reviews.
- Monitor for unallowables by account code
- Monitor for usually DOR-unallowed items, and compare to the itemized and offer

UNALLOWABLE_TYPE	BUSINESS_UN	FUND_COI	PROJECT	CHARTFIELD	ACCOUNT	POSTED_TOTAL_AM	FIS
HEAF	00730	1008	R91		53855	91.73	
HEAF	00730	1043	R91		53917	22468.75	
HEAF	00730	1043	R91		54705	44.26	
HEAF	00730	1043	R91		52811	175	
FEDERAL IDC	00730	2072	NA		53113	70	
FEDERAL IDC	00730	2072	NA		53113	8	
FEDERAL IDC	00730	2072	NA		53113	70.36	
DESIGNATED TUITION FUNDS	00730	2064	NA		54905	200.95	
DESIGNATED TUITION FUNDS	00730	2064	NA		53901	185	

Offer Letter/Costing Discrepancies

- Offer letter denotes one dollar amount, costing sheets spreads it over three years.
- Offer letter denotes “computer and research setup,” costing form denotes “equipment.”

The University will provide you with a computer with an Internet connection, an office, and a telephone. The Vice President for Research has authorized \$500,000 to be used to help facilitate your computer and research setup and \$40,000 for lab renovations. These monies must be expended by July 31, 2016 or they will cease to be available to you.

Equipment (Provide details on Equipment Costing Sheet)

Department Budget			
College Budget			
Request for new Provost Funding	\$ -	\$ -	\$ -
Request for new DCR Funding	\$ 400,000	\$ 50,000	\$ 50,000
	<u>\$ 400,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Offer Letter/Itemized Discrepancies

- Itemized list of 13 various equipment and M&O needs, not salaries.
- Offer letter simply stated “to help facilitate your computer and research setup.”

The University will provide you with a computer with an Internet connection, an office, and a telephone. The Vice President for Research has authorized \$██████ to be used to help facilitate your computer and research setup. These monies must be expended by August 31, 2016 or they will cease to be available to you.

- PI hired students due to their interpretation.
- The offer letter may guide what UH must provide, but DOR supports the itemization.

What can departments do?

- Ensure that the offer letter is relatively aligned with the costing sheet/itemization.
- Use special verbiage provided by the Provost's office for certain flavors of funding that has strict guidelines or certain expirations.

Any Questions?