THE UNIVERSITY OF CALIFORNIA, RIVERSIDE
START-UP PACKAGE OFFER AND FUNDING POLICY
Effective July 1, 2019

INTRODUCTION

Effective with Faculty members *recruited* beginning July 1, 2019 and after, this Start-Up Package Policy (The Policy) details what can be offered in a start-up package and the manner in which central campus resources will be provided.

The intent of this Policy is to support the Schools and Colleges in the recruitment of exceptional faculty members, and to equip faculty members to succeed in their research and creative work. We acknowledge that the Schools and Colleges are in the best position to evaluate the merits of each start-up package and are ultimately responsible for the success of the recruitments. In alignment with the new budget model shifting resources and authority away from the center to the deans, we emphasize that any deficits accrued by a School or College in the process of committing startup funds are the responsibility of the School or College.

THE POLICY

ALLOWABLE START-UP PACKAGE CATEGORIES

The components making up start-up packages are restricted to the categories outlined below, and limited to the maximum amounts, where specified, regardless of the available funding or funding sources.

Category A – Computer & Office Set-Up

- Personal Computer
- Office Set-up

Category B – Equipment & Research Support

- Equipment*
- Core Facilities*
- Supplies
- Travel
- Research Personnel
  Post-Doc Salary & Employee Benefits
  Technical Staff Salary & Employee Benefits
  Graduate Student Researcher (GSR)

**The Vice Chancellor of Research and Economic Development shall be informed of large equipment purchases above normal office set up as well as funding earmarked for Core Facilities so joint funding efforts and core research laboratories may be effectively supported. Discussions with Research and Economic Development must occur prior to the recruitment package negotiation for potential cooperative funding opportunities to materialize.*

Category C – Additional Compensation

- Summer Salary – A maximum of four summer ninths will be included in the cost share calculations. Anything above that amount will need to be funded by the School/College.

Category D – Renovations

- Any renovations for newly hired faculty under this Policy will come from available start-up funding, unless other arrangements are agreed to and approved by the Provost in advance. This includes remediation that is often required in older facilities.

REMOVAL/RELOCATION

- Campus funding for the removal costs allowable under APM 560 is capped at $10,000 net ($13,000 Gross Max with Taxes) and is not part of the start-up package cost-share. Any amount over this is the responsibility of the School/College/Department.
- Housing Allowance – Approved on an exceptional basis only by the EVC/P and is excluded from any cost-share match.

FUNDING FOR START-UP PACKAGES

Within a given cohort, it is expected a number of packages will be above the average and others will be below it. Given the flexibility of pooled funding, Deans are free to distribute their total allocation within a given cohort according to their needs. For example, if Central's share for a particular School/College is $100,000 per hired faculty and the School/College has 5 new faculty hires for a given year, then $500,000 would be allocated from central campus resources into the start-up pool for the School/College. This $500,000 in the pool may be apportioned among the start-up needs of the five new faculty at the discretion of the Dean.

CALCULATIONS

Start-up funding is calculated annually based on a 3-year *average* of cost-share eligible expenses; non-cost share expenses are not included in the calculation. Please note that the cost-share eligible costs are derived from the Start-up Summary Reports provided by each unit. The average start-up costs for each School/College are listed within Appendix I of this document. For hires made under the "cluster" hiring initiative, the Provost will provide 100 percent of funds, up to the average costs in the table. For hires funded from School/College resources, the Provost will provide funding on a cost-share basis: 70% Provost and 30% School/College as noted within Appendix I.

DURATION OF RECRUITMENT PACKAGES

Campus funding for start-up packages will be available for six-years from the date of hire. In the event that the new hire is on Leave of Absence in the first year, the six-year window will begin once the new hire returns to work.. After the six-year period, any unspent funds will be returned to central campus resources. Given that reconciliation and Central pull back may be required, pooled funding must remain within each cohort and any surpluses may not be used to offset costs within other cohorts.

PROCEDURES FOR START-UP PACKAGES SUPPORT

Deans must obtain a commitment from the Provost to provide central funds in support of a start-up package prior to initiating a search for a position that is anticipated to be supported by central funds.

This is accomplished by listing anticipated start-up costs in the unit's annual budget process template. At the time of the budget process, costs are still associated with estimates, projections, and soft inquiries. Schools/Colleges will then submit searches in the college's annual hiring plan, which is reviewed by the Provost each summer. For searches that are not included in these hiring plans (often TOE hires, spousal hires, or opportunistic offers in deep talent pools), approval must be sought in advance for central support. This should be done before the college decides to proceed with the additional hire. Additional hires that will be fully supported by School or College funds (including all start-up package and removal / relocation costs) do not require pre-approval by the Provost, however such offers must be reported to the Provost Office for tracking purposes, and to facilitate discussions about space and other resources.

Once a faculty member's start-up package (commitment) is finalized, the Dean's Office will include the information in the Start-Up Package Summary Form that is submitted to Financial Planning and Analysis (FP&A) on an annual basis. FP&A will then provide a Start-Up Package Reserve Statement that will display the total funding allocated for each cohort. The Reserve Statement will be provided annually by FP&A detailing any withdrawals by the School/College for each cohort. These Reserve Statements will be used by the School/College and FP&A to track the balances of available funding throughout the six-year window. **Note, the Provost's approved hiring plans for each School/College will be used to help verify *recruitment* year of each hire within a cohort.**

Funds will be released at the request of the organization. FP&A will require an initial offer start-up package report as well as a summary of actual expenditures at the end of the six-year period. Note that individual Schools and College may have more stringent internal reporting requirements.

EARLY SEPARATIONS

If separations occur within the six-year window, the funding pool will be reduced by the differential between the Provost Share and actual spend. If applicable, surplus funds intended to offset a negotiated higher start-up package will be left in the funding pool.

For further clarification, please see examples of early separations found in Appendix I.

FACULTY TRANSFERS

If a faculty member moves from one School/College to another, the individual's FTE and funds will be transferred to the "new" School/College. If there is a difference in start-up averages between the Schools/Colleges, the original start-up average used when the faculty member came on board will remain in effect. Note that the original six-year window for start-up packages is

still in effect. After the six-year period, any unspent funds will be returned to central campus resources.

PROCEDURES FOR NON-RESIDENT FACULTY ASSISTANCE

Effective July 1, 2019, up to $8,000 may be provided and is restricted to costs related to a non-resident faculty member who wishes to pursue permanent residency within the United States. Funding is non-transferable and may not be used for any other purpose. Total funding available includes a projection of $8,000 per FTE as it is unknown what the actual costs will be. Adjustments will be made based on actuals. Please note this amount is not part of the start-up package cost-share.

APPENDIX I

CURRENT POLICY AVERAGES

Effective July 1, 2019 (70% / 30% Cost share split for all schools/colleges)

School/College	Provost Share for Non-cluster hires	School/College Share for Non-cluster hires	Average Package Cost per New Faculty Hire
BCOE	**$315,000**	**$135,000**	**$450,000**
CHASS	**Standard- $38,500** **Neuroscience - $434,000**	**Standard - $16,500** **Neuroscience - $186,000**	**Standard- $55,000** **Neuroscience- $620,000**
CNAS	**Physical - $528,500** **Life - $525,000** **Computational- $129,500**	**Physical - $226,500** **Life - $225,000** **Computational- $55,500**	**Physical - $755,000** **Life- $750,000** **Computational- $185,000**
GSOE	**$73,500**	**$31,500**	**$105,000**
Business	**$140,000**	**$60,000**	**$200,000**
SOM (7-1-16 and beyond)*	**$367,500**	**$157,500**	**Ladder-$525,000**
SPP	**$45,500**	**$19,500**	**$65,000**
LSOEs	**$6,500**	**$0**	**N/A**

* *There will be no central funds provided for SOM Clinical hires.*

PRIOR POLICY AVERAGES

Effective July 1, 2015 (Cohorts 15-16, 16-17, 17-18, 18-19)

School/College	Provost Share for Non-cluster hires	School/College Share for Non-cluster hires	Total Average Package Cost per New Faculty Hire
BCOE	**60%** **$360,000**	**40%** **$240,000**	**$600,000**
CHASS	**70%** **Standard - $70,000** **Neuroscience - $525,000**	**30%** **Standard - $30,000** **Neuroscience - $225,000**	**Standard- $100,000** **Neuroscience- $750,000**

CNAS	**70% Physical - $630,000 Life - $525,000 Computational -$129,500**	**30% Physical - $270,000 Life - $225,000 Computational - $55,500**	**Physical - $900,000 Life- $750,000 Computational- $185,000**
GSOE	**60% $75,000**	**40% $50,000**	**$125,000**
Business	**60% $72,000**	**40% $48,000**	**$120,000**
SOM (7-1-15)	**-**	**100%**	**Clinical- $0 Ladder- $750,000**
SOM (7-1-16 and beyond)	**70% $525,000**	**30% $225,000**	
SPP	**100%**	**-**	**$85,000**
LSOEs (7-1-16 and beyond)	**100%**	**-**	**$6,500**

EXAMPLES OF AN EARLY SEPARATION:

For both examples shown below, we will assume that College A has a start-up average of $450,000, which translates to $315,000 Provost Share and $135,000 College share.

The first example assumes Faculty New Hire #1 (FNH1) is offered a start-up package of $200,000 which is **lower** than College A's average of $450,000. Since the Provost share is $315,000 for College A, the full cost of FNH1's package can be covered with the Provost share leaving a balance of $115,000 to be used by College A to offset other higher packages within that cohort:

$315,000 – Provost Share
$200,000 – FNH1 Offered Package
$115,000 – Balance available for College A to offset higher packages

If FNH1 separates prior to the six-year cohort window having only spent $100,000, central would pull back only the difference between the $200,000 offered package and the actual spend.

$200,000 – FNH1 Offered Package
$100,000 – Actual spend upon separation
$100,000 – Balance pulled back to central campus resources

In this scenario, the $115,000 that was intended to offset other negotiated higher package within that cohort will remain in College A's funding pool.

The second example assumes Faculty New Hire #2 (FNH2) is offered a start-up package of $600,000 which is **higher** than College A's average of $450,000. Since the Provost share is $315,000 for College A, the full amount of the Provost share will be required to cover FNH2's package; therefore, no balance is available to offset other higher packages. Additionally, College A is expected to fund the difference using their own resources or available surpluses from that cohort:

$600,000 – FNH2 Offered Package

$315,000 – Provost Share
$285,000 – College A Resources/Cohort Surpluses
$0 – Balance available for College A to offset higher packages

If FNH2 separates prior to the six-year cohort window having only spent $100,000, central would pull back the difference between the $315,000 Provost share and the actual spend.

$315,000 – FNH2 Provost Share
$100,000 – Actual spend upon separation
$215,000 – Balance pulled back to central campus resources

In this scenario, since there was originally nothing left to offset other higher package, no surplus will remain in the funding pool.