

College of Humanities, Arts and Social Sciences (CHASS)

PILOT PROGRAM July 1, 2021 – June 30, 2025

Policy Title: Residual Accounts

Responsible Office:	CHASS Dean's Office
Origination Date:	7/1/2021

I. Policy Summary

CHASS will maintain policies and procedures to ensure that unrestricted funds accumulated by ladder rank faculty will be created, managed and used in accordance with CHASS and university policy. This policy is intended to enforce a process for managing faculty released 19900 salaries as a result of charging a portion of the salary to contracts & grants (C&G).

II. Definitions

Full Accounting Unit (FAU) – UCR's chart of accounts structure used to record, control and summarize financial data.

Ladder Rank Faculty – Faculty members holding tenured titles or tenure track titles in a series in which tenure may be conferred. See *APM-110 and Academic Ladder Rank Tables* for a list of title codes.

III. Policy Text

A. UCR CHASS Exchange of Funds by Ladder Rank Faculty

UCR CHASS will support the exchange of funds by ladder rank faculty into a 19900 unrestricted FAU, which will be tied specifically to the faculty member releasing the funds. This FAU will be managed in accordance with university policy and subject to the general fund restrictions as defined by the Office of the President. Although unrestricted in nature, since originally gleaned from funds specifically designated by the Office of the President for ladder rank faculty use, expenditures associated with these funds will be at the discretion of the faculty member. Funds cannot be used for faculty salary. Requests and approval will be done one fiscal year at a time.

B. Faculty Requesting a Residual Account

Faculty will receive 80% of the salary savings charged to extramural grants and the college office will receive 20%.

IV. Responsibilities

Faculty Investigators, Contracts and Grants Administration

V. Procedures

A. Establish a Residual Account

Ladder rank faculty may establish a residual account by completing "residual account request form".

1. Funds will be distributed to the faculty member's department designated activity code in the immediate following academic year that the salary savings were generated.
2. Departments will manage the funds and will expense charges to the designated activity code, faculty cost center and project code established by the Dean's office (KARAE)

B. Validation of C&G Funding

Prior to originating a released salary fund exchange, the Fund Manager/Analyst and the Chair, must validate the availability of the C&G funding that will be used to direct-charge the corresponding salary portion of the faculty member who is requesting the fund exchange.

1. Fund exchanges can only be authorized when a C&G fund is actually executed/awarded.
2. The C&G fund must allow direct-charge of salary.
3. Upon approval, the C&G budget will be used to project the available funds for the fund exchange and based on a 6-month period outlook.
4. The actual released salary amount will be evaluated and trued-up accordingly.

C. Use of Funds

1. Funds may be used for general funds approved purposes such as
 - a. Self-bridging
 - b. Hiring post-doctoral fellows and research staff (undergrads and grads)
 - c. Research-related equipment, etc.
 - d. Research travel
 - e. Research related supplies

2. The funds should not be used for any purpose specifically prohibited by the University.
3. The funds will carry over year to year if not used, and will remain under the control of the faculty member who initially requested the fund exchange.
4. If the faculty member retires they will have access to these funds for three years' post-retirement.
5. Reporting for this fund source will be managed by the department, as part of the faculty member's portfolio.

D. Restrictions

1. The residual funds may not be used for salary of the faculty member.
2. The residual funds may not be used for summer salary of the faculty member.
3. Course buyouts charged to extramural funds must be excluded from the calculation of the residuals.
4. Fellowship awards may not be used for residuals.
5. Approval may only be granted one fiscal year at a time; not multiple years.
6. Salary cap rates - Residuals will only be provided from salary charged to contracts and grants, not top up sources.

E. Fees

The college office will retain 20% of the residuals generated.

VI. Forms/Instructions

Residual Account Request Form

VII. Related Information

VIII. Revision History

Create Date: July 1, 2021

Approval(s):