



## **YSM Controller Tip Sheet**

### **General Guidelines for Programmatic Investments/Recruitment and Retention; Other Department Support**

**Issued: February 19, 2002**

**Revised: February 11, 2004**

#### **What is programmatic investment/recruitment and retention?**

Funding for faculty recruitment/retention, start-up funds and related equipment. Generally these funds are not used for major renovations or funding for ongoing operating expenses.

#### **What is Other Department Support?**

Agreements made to fund a department's or a program's operating expenses. "Deals" can be one time or on-going and include related entity funding, loans and mortgages.

#### **New Programmatic Investment/Recruitment and Retention or Other Department Support Agreement**

- All agreements should be in writing, detailing arrangements, time frame and amounts.
- The only agreements subject to these guidelines are those made with the Deans Office. Service arrangements are not intended to be included here.
- Copies of Programmatic Investment/Recruitment and Retention, Other Department Support (including Core Research Services support) agreements should be forwarded to Dave Crockett, Budget Office.
- Each agreement must have a separate project in which only costs relating to the agreement are collected, and no other expenses are charged. The funding of this project can include multiple sources (awards). Expenses on a project not covered by a Dean's Office agreement must be collected in a separate source (award) and covered from Department funds.
- If the agreement has several sections, each section should be a project (e.g. recruitment package with salary, equipment, new faculty recruitment, discretionary funds etc.).
- Request a project to be set up by YSM Business Operations (Ken Hoyt, 785-4449) in the designated sources.
- Type of support will be differentiated by a coding in OGM (coded by YSM Business Operations). (1 = Programmatic Investment, 2 = Other Department Support, 3 = Core Research, 4 = Rebates).
- All funding transfer requests are reviewed by the Budget Office/David Crockett prior to funding.

#### **Existing Programmatic Investment/Recruitment and Retention or Other Department Support Agreement**

- Ensure all current agreements are in writing with appropriate detail.
- Each agreement must have a separate project in which all costs relating to the agreement are collected. Forward current list of PTAE0 numbers of the accounts you are expecting to be reimbursed for a commitment to YSM Business Operations (Ken Hoyt), to make sure the accounts have been properly coded.

#### **How should I review and fund these projects?**

- All expenses need to be posted as incurred – the accounts should be kept current and no large year-end transfers of expenses should occur.
- Review transactions at least monthly as part of month end review for appropriateness of charges.

- Request fund transfers when activities have ceased or by the end of the fiscal year if the activity is on-going.
- Expenses not charged to appropriate project, will not be reimbursed.
- Funding from a NCPDF will be set up according to NCPDF guidelines.

**Please contact the YSM Controller's Office** – Deborah Armitage, 785-3890, with any questions on these guidelines.

**Examples:**

**Scenario 1** – Dr. X is a new **clinical recruit**. He has total “dowry” commitments of \$300,000 to be funded by multiple sources: 25% from the department, 25% from YNHH, 25% from NCPDF, and 25% from the Dean’s Office.

His accounts should be set up as follows:

9999999.00.0001AM..Dept org = Department commitment

9999999.00.W00104.. Dept org = NCPDF

9999999.00.0051AM.. Dept org = Dean’s Office commitment

9999999.00.0058AM..Dept org = YNHH commitment

\$75,000 in expenses should be charged to each of the accounts above. The YNHH account will be cleared monthly to YNHH, the NCPDF account will be funded annually with a deposit from the NCPDF, the Dean’s Office commitment will be paid annually, and the department commitment can be paid at any time during the year.

This structure allows both the department and the school to see a total commitment picture by running a brio or a statement on the shared project number.

**Scenario 2** – Dr. Y is a new **research recruit**. Terms of his “dowry” commitment are for a lump sum of funding over a three year period (expenses are to be shared by the school and the department) and for hiring and funding of various junior faculty members over an extended period of time.

His accounts should be set up as follows:

9999999.00.0061AM..Dept org = Dean’s Office commitment for Dr Y

9999999.00.0001AM..Dept org = Department commitment for Dr Y

8888888.00.0061AM..Dept org = Dean’s Office commitment to first junior faculty

8888888.00.0001AM..Dept org = Department commitment to first junior faculty

7777777.00.0061AM..Dept org = Dean’s Office commitment to second junior faculty

7777777.00.0001AM..Dept org = Department commitment to second junior faculty

This structure allows both the department and the school to view the various pieces of the commitment through shared projects over an extended period of time.

**Scenario 3** – Dr. Z is a new chairman recruit. She has a discretionary commitment of a set amount of dollars over a five year period from the Dean’s Office. This is a clinical department, and each doctor has his own account for establishing an annual P&L. This account may include both clinical and research activity. Money from Dr Z’s commitment will be transferred to various faculty members’ accounts if the faculty member does not break even in a given period.

The account could be set up with either a 0051AM or a 0061AM source. Quarterly, expenses should be transferred either individually or in lump sum to the recruitment account. If the faculty member recovers in the next quarter, expenses can be transferred from the recruitment account at that point. Managing the commitment in this fashion allows the school and the department to project annual expenses/recoveries for this commitment.