Overview

1. Definition of Faculty Funds
2. Purpose of Faculty Funds Accounting Procedures
3. Process for Project Setup of Faculty Funds
4. Resources and Support

1. Definition of Faculty Funds

Faculty Funds are resources allocated to an individual faculty member or an academic department to support research and other academic activities of the faculty. These resources are allocated by University leadership such as the President, Board of Governors, Board of Trustees, vice president, campus chancellor, dean or director. They may consist of start-up funds, a return based on Facilities and Administration (F&A) or other revenue generated by the faculty, other incentive funding, internal research awards or any other discretionary funding available to the faculty member.

2. Purpose of Faculty Funds Accounting Procedures

The purpose of implementing a Faculty Funds process is to:

- Ensure adherence to Generally Accepted Accounting Principles (GAAP).
- Standardize and promote the consistent accounting treatment for recording faculty funds across the University.
- Track expenses and balances by faculty member or academic department.
- Track funds by funding source and/or purpose (start-up, incentive, or internal research award), as needed.
- Make faculty funds easily identifiable.
- Allow fund balances to carry forward over multiple fiscal years. Carry forward rules will be determined by the funding source.

[Please refer to the Accounting Procedures Presentation on the Controller’s website to learn more.]
3. Process for Project Setup of Faculty Funds

General Guidelines:
- Faculty funds are managed and tracked using the projects sub-ledger and must be recorded using the new Fund Type 160 – Internally Designated Faculty.
- All faculty funds projects will be in the 3XXXXX series.
- A faculty fund is for an individual faculty member or an academic department.
- No minimum dollar threshold will be imposed on faculty funds projects.
- Faculty funds projects will use the following naming convention:
  - Unit and faculty member’s name when the funding is specific to a single faculty member (i.e. SAS John P. Smith)
  - Unit and academic department when the funding is allocated to a department, rather than an individual faculty member (i.e. SAS Biology Department)
  - An individual faculty member or academic department should use one project, and distinguish various funding sources or uses identified by tasks.
- Faculty projects are funded via transfers. Faculty funds projects do not receive revenue directly.

Request for Faculty Funds new project setup:
- Download the Faculty Funds Project Request form from the Office of the University Controller’s website under Forms Repository.
- Forward the completed and approved form to the Chart of Accounts team at coa@finance.rutgers.edu.
- Requests for changes to an existing faculty fund project set up should also use the project request form and sent to the Chart of Accounts team at coa@finance.rutgers.edu.
- Current non-sponsored designated projects, 2XXXXX series, that are Faculty Funds have the following options:
  - Setup a new project under 3XXXXX series. Departments would transfer balances to the new 3XXXXX series project.
  - Departments can keep their current 2XXXXX series projects and spend down the funds by end of the 2019 fiscal year 06/30/2019.

4. Resources and Support

Please send inquiries or questions regarding the new Faculty Funds procedure to the Financial Management Help Desk:
- Phone: 848-445-2100
- Email: finance_helpcenter@finance.rutgers.edu