



STERN TEACHING AND RESEARCH SUPPLEMENT (STARS)

HANDBOOK

April, 2023

As stipulated in the 2008 version of this handbook, the dean will appoint a task force to review core provisions of the STARS policy every three years, and in the interim, the Office of Faculty Affairs will maintain an up-to-date FAQ online reflecting any minor changes. This version reflects the review conducted in AY 2022-23.

I. BACKGROUND

Stern Teaching and Research Supplement (STARS) accounts are discretionary funds provided by the Stern School of Business to full-time faculty members to support eligible teaching and research related activities. While individual faculty members are in the best position to determine how to promote their teaching and research activities, they also must consider whether their expenditures support excellence in teaching or research, and whether they are reasonable and not excessive. Expenses without legitimate research or teaching-related justifications, or that are unreasonable or excessive, may be denied.

Faculty members are held accountable for their STARS spending. All required documentation to process and support expenses must be provided on a timely basis and must indicate a business purpose related to teaching or research. All expenditures must be reasonable and conform to University guidelines and IRS regulations. NYU guidelines may be found at: <https://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/business-expenses.html>. Faculty members are also expected to regularly review the accuracy of their monthly STARS activity statements.

II. STARS ALLOCATION

The STARS allocation pool is a fixed percentage of each department's total faculty members' annual base salaries. (The task force has recommended that this remain at 12% until the next review.) The pool must first cover 100% of the salaries for the department's administrative aides and student workers, and 25% of the administrative coordinator's salary. Then each department chair allocates a portion of the balance for a departmental reserve and for faculty members. Faculty members are entitled to receive at least 4% of base salary, unless they voluntarily agree to less. The Dean's Office may supplement a faculty member's STARS account for specific tasks or assignments.

III. GUIDELINES

- A. The STARS calendar is September 1 through August 31st.
- B. All items purchased from the STARS allocation are the property of the University.
- C. All purchases from STARS must be made through NYU Purchasing Services (iBuy), regardless of cost.
- D. All expenditures must be reasonable and conform to University guidelines and IRS regulations.
- E. All STARS expense reimbursements need to be submitted for payment within sixty (60) days of incurring the expense. Any end-of-year expenses must be submitted by September 30th, or they will not be reimbursed.
- F. Monthly statements of STARS account activity are available online through Sternlinks. Faculty members should check those statements regularly.
- G. STARS funds are transferable among faculty members provided the transfer has a valid teaching or research purpose and has been approved by the Dean's Office.
- H. Balances remaining in STARS accounts at the end of a year may be carried forward to the next year. In no year may a faculty member spend more than double the past three years' average STARS allocation, or more than double the past three years' average spending, whichever is greater. This is true regardless of the balance available.
- I. A faculty member may borrow against the following year's allocation up to a ceiling of 10% of the current year's STARS allocation. This is allowed only if there is a reasonable expectation that the faculty member will have an allocation in the following year.

- J. Faculty members on unpaid leave of absence do not normally receive a STARS allocation, although department chairs can, at their discretion, allocate funds from the departmental reserve to faculty members who are on leave. If a faculty member is on leave and not being paid by another institution, and incurs research-related expenses, said expenses can be reimbursed from the individual's existing STARS balance.
- K. Faculty members on sabbatical continue to receive a STARS allocation, the size of which is determined by the department chair.
- L. When on sabbatical or leave, and in residence away from NYU, normal living expenses such as rent, personal meals or commuting cannot be paid by STARS. However, expenses for research-related travel (e.g. conferences, meetings, short visits) during a sabbatical or leave are reimbursable.
- M. Visiting faculty members may request reimbursement from the departmental STARS reserve up to an amount determined by the department chair set forth in the offer letter. At a minimum, the funding covers the normal office expenses of the visitor.
- N. Retired faculty who engage in research and teaching activities which support the mission of Stern, and who maintain a presence at Stern, will have access to STARS funds as follows:
 - 1. Retired faculty may use up to \$5,000 per year for up to five years, provided such expenditures are for research or teaching purposes and they have a sufficient balance in their STARS account.
 - 2. Retired faculty who have no balances in their STARS account, or who have been retired for more than five years, may apply for funds for research and teaching purposes. Such funds can be granted by the department out of the department funds, or by the Dean's Office.
- N. The allocation remaining when a faculty member leaves, for reason other than retirement, returns to the School. It does not remain in the respective department's STARS pool and cannot be reallocated for departmental uses. Spending or transferring funds by faculty members who are departing will be reviewed on a case-by-case basis.
- O. When travelling on non-NYU business, expenses are not reimbursable by STARS. If the trip also includes NYU-related commitments, relevant expenses can be reimbursed pro-rata.
- P. If in doubt about the eligibility of any expense, the faculty member should discuss it in advance with the Stern Budget Department.

IV. ITEMS PROVIDED WITH NO CHARGE TO STARS

The school provides basic space and supplies to faculty with no charge to STARS:

- A. Office space with standard furniture
- B. Telephone calls, and digital network connections, from the office
- C. First class mail other than mass mailings
- D. Mainframe computer use and access to certain software databases
- E. Basic office supplies: Stern letterhead, printer paper, ruled pads, basic pens and pencils, Scotch tape, paper clips, Post-Its, rubber bands, staples, file folders, index cards, printed and plain envelopes, etc.

V. ITEMS ELIGIBLE FOR STARS REIMBURSEMENT

1. SERVICES

a. Payments to Human Participants

Payments to human participants to support research are considered an “award” or “prize.” All paid participants must sign that they received payment. Social Security numbers are required for participants who will be paid \$600 or more.

b. Research and Teaching Assistance

Faculty members may use STARS to pay for students hired to assist with research or for costs of a teaching fellow, graduate fellow or grader who are exceptions to standard policy. In both cases, the department’s administrative coordinator should be involved from the start of the process. Teaching hires must be made through the Office of Faculty Affairs TF/GF program prior to starting work. Payments made to students using personal cash or checks will not be reimbursed. STARS funds may also be used to hire organizations and/or individuals to assist in faculty research where the expertise provided is unavailable in NYU. Normal procedures for hiring these outside agents must be followed.

2. TELECOMMUNICATIONS AND EQUIPMENT

a. *Computer Hardware and Computer Software – Purchase Methods*

As with all items purchased with STARS, computer hardware (desktop computers, laptops, printers, etc.), and software must be purchased through NYU Purchasing Services (iBuy).

b. *Computer Hardware Purchase and Replacement*

Faculty members may use STARS funds to purchase one desktop and two other computers (either laptop, desktop, or enhanced tablet), and one standard tablet. Each computer may not exceed \$2,500, and standard tablets may not exceed \$500. Any exception to these limits requires advance approval by the Budget Office. Hardware referred to in this section may be replaced once every three years. If it is replaced within four years of original purchase, the item must be returned to Stern.

c. *IT Staff Support*

IT staff must be consulted beforehand if there is any expectation of hardware or software support services from the staff. It should be noted that certain software and databases are provided by the school. Software or databases that are to be installed on Stern's servers and research computers (as opposed to on individual faculty machines) may be installed only with the approval of IT staff.

d. *Broken, lost or stolen equipment*

In general, faculty members are responsible for the maintenance of equipment purchased through their STARS funding. Stern is insured for items stolen from the premises; items lost or stolen off premises are not reimbursable via that insurance. Faculty members can pay for the replacement of such equipment from their STARS account not more often than every three years. Faculty members are expected to take reasonable precautions to protect University property.

e. *Cellular Phones and Home Internet Connection*

STARS may be used to reimburse up to 67% of expenses associated with hardware and data plans for cell phones, and home internet service. The total amount reimbursed may not exceed twelve hundred dollars (\$1,200) per fiscal year. As is the case with all reimbursements, requests must be submitted within 60 days of incurring the expense.

f. *International Calling and Data Plans*

Additional expenses for international calling and data plans when travelling abroad for business purposes may be submitted for reimbursement separately; in this case documentation is required.

3. TRAVEL AND ENTERTAINMENT

a. *Travel Expenses*

Faculty members should familiarize themselves with [NYU's policies regarding travel expenses](#). NYU's travel provider (currently [Egencia](#)) must be used to book, or to validate the lowest price if booking elsewhere. For rental car insurance coverage, faculty members should use an agency that participates in the NYU car rental agreement.

- i. *Personal meal expenses while travelling*, including alcohol, are reimbursable (with receipts) up to an average of \$100 a day. In the absence of receipts, per diem reimbursement is subject to the US government rates, found at the following sites:

Domestic: <http://www.gsa.gov/portal/content/104877>

International: <http://www.state.gov/travel>.

Note that a single trip must use either the per diem method or be based on receipts; the two methods cannot be combined in the same request. When claiming per diem, travel days are pro-rated at 75%.

- ii. *Airfare reimbursement considerations*

For business trips longer than one week, 100% airfare will only be available for selected business purposes, such as a seminar or conference presentation (including discussions, session chairing, panels, etc.), teaching, or interviewing recruiting candidates. For other business purposes, such as merely attending a conference or visiting a co-author, reimbursement of airfare will be pro-rated to reflect the amount of time spent on the business purpose. If uncertain, faculty should seek clarification in advance from the Stern Budget Office about the extent of airfare reimbursability.

Business class travel may be reimbursed if in compliance with [NYU's expense policy](#). [As an exception, Stern allows up to \\$5,000 for business class to Europe, only for teaching or presenting at a conference.](#)

Up to \$3,000 for premium economy may be reimbursed for flights to the west coast or to Europe.

NYU requires dean's approval for international travel. As an exception at Stern, department chair approval is required.

If a personal travel destination is added on to business travel, creating a multi-city trip, proof must be provided of what the round-trip airfare to and from the business destination would have been had it been purchased at the same time as the multi-city trip airfare. Reimbursement amount cannot exceed that round-trip fare.

iii. Child Care Travel Allowance

Subject to the program [policy](#), full-time faculty members may use STARS to help defray additional costs of child care incurred due to professional travel.

iv. Visa and Passport Expenses

When travelling abroad for a specific business purpose, visa expenses may be reimbursed. Basic passport renewal fees are also eligible.

b. *Business Meals*

Business meals in New York City (or in Shanghai or Abu Dhabi for faculty members with appointments at those campuses) are reimbursable only if they include at least one person who is not a full-time NYU employee. An exception is made for a tenured professor hosting a first-year assistant professor for purposes of mentoring. STARS can also be used for lunch or dinner with a doctoral student, or with MBA or undergraduate students with appropriate justification (e.g., if the faculty member is a mentor or advisor to those students). All requests for meal reimbursement must state the purpose of the meal and include a list of the attendees and an itemized receipt. Dinners are limited to

\$75 per person, including no more than two alcoholic beverages. Lunch is capped at \$35 per person. At Stern, these limits are increased for recruiting dinners to \$125 per person for at most four NYU participants, with an overall limit of \$500. These caps do not include tax and tip. These caps also apply to seminar speaker dinner expenses.

- c. Tip may not exceed 20%.

V. OTHER

- a. *Academic Books, Reprints and Subscriptions to Academic Journals*

Faculty members may charge books and reprints for teaching or research as well as one-year subscriptions to academic journals. Newspaper and magazine subscriptions are not allowable expenses unless they are directly related to research and/or teaching responsibilities.

- b. *Express Mail*

Faculty members will be charged for all express mail and courier usage. University guidelines require the use of United Parcel Service for all courier services.

- c. *Memberships*

Faculty may be reimbursed for professional memberships and licenses (e.g. Academy of Management, CPA etc.).

- d. *Photocopy Charges*

Photocopying of classroom materials is charged to individual STARS accounts.

VI. ITEMS NOT ELIGIBLE FOR STARS REIMBURSEMENT

This is not an exhaustive list of ineligible items; the only eligible items are those described elsewhere in this document.

- A. Sales tax on capital items that can be purchased with purchase orders through NYU.
- B. Replacement of personal items lost from or damaged on Stern premises, unless they are items used for professional purposes (e.g. books or computer equipment).
- C. Any electronic devices beyond what is specifically outlined in Section V of this manual.
- D. Home office furniture or non-standard furniture for Stern offices. STARS *can* be used to purchase ergonomic desk chairs and standing desks.

Certain travel expenses, per NYU and IRS rules:

- i. First class airfare. Lodging, not including taxes, exceeding \$300 daily, unless it is the actual rate of the conference hotel.
 - ii. For rental cars in the U.S., collision damage and liability insurance. (see Section V.3.a above.)
- E. Family (spouse/partner/children) travel expenses, with the exception of those described in Section 5.3.iii above.
- F. More than two class-wide meals per full-semester class each term. Cost per student at each meal may not exceed \$20.
- G. Immigration documentation expenses, including visa renewal or related permanent resident application fees.
- H. Publicity, marketing and promotion expenses related to PR and media relations, books, speaking engagements and personal brand building.

VII. DEPARTMENTAL RESERVE ACCOUNTS

Department chairs are responsible for allocating a portion of each years' STARS pool to the Departmental Reserve account, and for managing that account. The purpose of this account is to provide funding to support a department's collective research, teaching, and administrative support activities. Examples of expenses that qualify for use of Departmental Reserves include, but are not limited to:

- Additional administrative support for the department
- Database purchases or licensing
- Department seminars
- Conferences
- Department meetings and retreats
- PhD program support
- Retirement celebrations

While the purpose of these examples is not meant to be proscriptive, care should be taken to ensure that expenditures are aligned with Stern's overall academic mission and are not excessive. In addition, the following rules and guidelines must be followed:

- A. All expenditures, including travel must meet University guidelines and IRS regulations.
- B. All purchases made from Departmental Reserves are the property of the University.
- C. Reimbursement requests must include valid receipts and must be made within 60 days of incurring the expense. The Departmental Reserves calendar is September 1st through August 31st. Any expenses submitted after September 30 of the subsequent academic year will not be reimbursed.
- D. No single event can exceed \$25,000 unless outside funding is used to cover the amount over \$25,000, or with approval as noted below.
- E. Expenses or purchases that will exceed \$75,000 must be reported to the budget office 12 months in advance to ensure no school-wide budget implications.
- F. Multi-year hiring commitments (e.g. administrative aides, research assistants) cannot be made without a long-term funding plan and staff expectations should be set to align with funding availability.

Any exceptions to the above must be approved by the Vice Dean of Faculty and Chief Financial Officer.