



**POLICY NAME**

Entrepreneurial Leave (E-leave)

**EFFECTIVE DATE**

February 5, 2018

**POLICY APPLICABILITY**

This policy applies to faculty whose FTE  $\geq$  .80 FTE

**POLICY STATEMENT**

Entrepreneurial leave (E-leave) is a temporary reduction in full-time employment without pay. The purpose of this leave is to encourage faculty to develop and/or commercialize intellectual property to the benefit of the University. Any faculty member (probationary, tenured or term), who is .80 or more FTE, is eligible to apply for E-leave. The granting of E-leave is discretionary and any such application must be approved by the individual's supervisory chain of command in accordance with the same approval process and responsibilities/obligations of any other leave without pay. E-leave is designed to facilitate participation of faculty in business start-up activity that is related to the faculty member's Annual Work Plan (as discussed in Section 4.3.1 of the Redbook) and that has or is expected to have demonstrable value to the University.

E-leave may be granted for a period of up to one year and may be renewed with appropriate prior approvals. E-leave requests (initial or renewal) must specify the beginning and end dates of the E-leave. Such E-leave must be 5% or more time and effort.

To be eligible for E-Leave, an individual is expected (1) to have provided a plan describing how the E-leave would enable the individual to engage in entrepreneurial activities with another entity/company (e.g. a principal investigator (PI) on the company side of a Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) award or a start-up business using intellectual property developed while at UofL); (2) to have completed appropriate disclosures for determination how any applicable conflicts of interest will be managed; and (3) to have an approved conflict of interest management plan in effect for the dates of the E-leave if a conflict is identified. The faculty member's Annual Work Plan will be revised to incorporate the E-leave (or in the case where the faculty member's work outside the University is part of a Professional Practice Plan, the practice plan's work plan/specification of duties/assignments will be revised, as appropriate, to incorporate the E-leave). Although faculty on probationary status are discouraged from taking E-leave, should they wish to do so, the E-leave approval should state how the probationary period and tenure review will be affected.



Individuals awarded E-leave will acknowledge that any intellectual property developed while on E-leave is subject to the University’s Intellectual Property (IP) policy and would be owned by the University of Louisville Research Foundation (ULRF) subject to the exceptions noted in 2.b of the University IP policy.

The E-Leave request to reduce their FTE with the University is to be proportionate to the time and effort to be expended on the outside entity/company’s behalf (e.g. if the individual is a PI on an SBIR award for the company a majority of his/her time is to be spent with the company and as a result his/her University FTE would drop to no more than .49 FTE).

### **REASON FOR POLICY**

To encourage faculty to develop and/or commercialize intellectual property licensed by ULRF. To enable faculty to participate in SBIR funding where the PI for the company is required to work for the business a majority (> 50%) of his/her time.

### **RELATED INFORMATION**

While on E-Leave, the individual, for purposes of University fringe benefits, will be treated as one (1.0) FTE. If the E-Leave for an individual results in the individual dropping below a .80 FTE on the University side, the individual is responsible for payment to the University of that percentage of the cost of those benefits. For example, if the individual requested a 60% FTE E-leave, the individual would pay 60% of the cost of those benefits. (Such payment may come from the company with whom the individual is working while on E-Leave but the individual is ultimately responsible for paying those costs to the University if the company does not.) For those fringe benefits that are salary based, the benefit will be lowered to the salary that is paid by the University. For example, if the individual’s salary went from \$100,000 to \$40,000 with a 60% E-leave request, the fringe benefits would be calculated at a \$40,000 salary.

Whether and how the activities conducted by the faculty during their percentage of time on E-leave will be considered in a promotion and/or tenure review by the University is determined by the personnel policies of the respective unit and the Redbook.

Individuals with special types of faculty status, including but not limited to University Scholars and Distinguished University Scholars, have prior agreements/commitments with the University in conjunction with that status. Those obligations are not altered by an approval of E-leave. Any changes in these obligations would require approval separate from the E-leave request and approval process.

[UofL Intellectual Property Policy](#)

[UofL Conflict of Interest Policies](#)

[The Redbook, Section 4.3.1 Annual Work Plan and Presence at the University](#)



## DEFINITIONS

**Eligible Individual:** A faculty member (probationary, tenured, or term) whose appointment is at least .80 FTE.

## PROCEDURES

E-leave requests use the process for requesting leave without pay.

For individuals approved for E-leave, a spreadsheet outlining fringe benefit costs will be provided to the individual showing the amounts that they would pay (or that the company could pay on their behalf) while on E-leave.

## RESPONSIBILITIES

Applicants for E-leave will submit such requests a minimum of twelve weeks prior to the proposed start date of the E-leave or E-leave renewal. Individuals approved for E-leave will comply with UofL conflict of interest obligations including regular completion and updating as needed of the University's Attestation and Disclosure Form and following any approved conflict of interest management plan. While on E-leave, individuals will report any discoveries using the University's process for reporting research disclosures and, for E-leave exceeding six months, will provide a summary status report of activities while on E-leave to their supervisor.

## RESPONSIBLE AUTHORITY

Executive Vice President and University Provost

## RESPONSIBLE UNIVERSITY DEPARTMENT/DIVISION

Office of the Executive Vice President and University Provost  
Grawemeyer Hall, Suite 102, University of Louisville  
502-852-6160

## HISTORY

Revision Date(s):

Reviewed Date(s):

Approval Date(s): February 5, 2018

This policy replaces the previous e-leave option that was in place since the early 2000's for faculty members. This policy was reviewed by the Council of Academic Officers on September 6, 2016, the Executive Vice President and University Provost on October 13, 2016, and the Council of Research Deans on November 3, 2016. The Faculty Senate Executive Committee reviewed and endorsed the policy on November 30, 2016. The approved policy was presented to



the Academic and Student Affairs Committee of the University of Louisville Board of Trustees on February 5, 2018. The policy aligns with the University Board of Trustee's Approvals for Personnel Actions policy approved on February 23, 1998 and Short-Term Absences and Leaves of Absence policy adopted on October 26, 1992.