To: CLASS Chairs/Directors

From: Dr. Daniel P. O’Connor, Dean

Date: December 15, 2021

RE: Sponsored Research Course Buy-Out Policy

Until further notice, the course buy-out rate is 12.5% of a faculty member’s nine-month salary plus fringe benefits for each course/semester, **OR** $10,000 of salary plus fringe benefits; whichever is lower. Thus, the rate is capped at $10,000 plus fringe benefits for faculty members whose 9- month salary exceeds $90,000.

Faculty requesting course buy-out for the purpose of payrolling on sponsored research funds must also include fringe benefit costs on their research grants. Your College Research Administrator (CRA) can calculate your fringe benefits for you. A sample course buy-out calculation is provided below. Upon a buy-out approval, the Full-Time Equivalency (FTE) on the state appropriated faculty salary budget is decreased proportionately for the 9- month period in which the course load reduction is to take place. A corresponding increase in the FTE is generated on a research or other institutional cost center. The reduction in FTE must occur during the actual buy-out period in order to comply with federal FTE effort reporting.

EXAMPLES:

**1 Course Buy-Out at 12.5%**

9-Month Salary=$60,000

$60,000 \* 12.5% = $7,500

$7,500 \* sample fringe rate (30%) = $2,250

FTE on state budget reduced to 0.85 FTE

FTE on other funds increased to 0.15 FTE

**Total to budget on other funds = $9,750**

**1 Course Buy-Out with Cap**

9-Month Salary=$100,000

$10,000 Salary

$10,000 \* sample fringe rate (30%) = $3,000

FTE on state budget reduced to 0.90 FTE

FTE on other funds increased to 0.10 FTE

**Total to budget on other funds = $13,000**

Any changes to the buy-out policy must be negotiated with me in advance.