

Purpose/Scope: The purpose of this procedure is to establish uniformity of the course buyout process across all areas of the University. This procedure applies to all full-time tenure-track, and non-tenured academic and fiscal faculty with extramural funding, including externally funded grants, contracts, cooperative agreements and other restricted agreements supporting sponsored projects at Wright State University. This procedure does not apply to emergency hires.

This procedure allows faculty to buy out a portion of their contracted workload effort with the University so that they may have more time to engage in research, service, or creative activities.

Definitions

Base Salary (Institutional Base Pay): For the purposes of grants, annual compensation paid by an organization for an employee's appointment, whether that individual's time is spent on research, teaching, administrative or other activities. The institutional base salary includes the 9 month or 12-month salary and any annual stipends (such as Chair/Dean/Associate Dean) stipends. The Base Salary itself does not include fringe benefits, which must be added to the project budget in appropriate proportion to direct cost charges for all project personnel.

Benefits: Additional non-wage payments made by the University on behalf of an individual (social security, health insurance, etc.). Part of an individual's overall salary package, fringe benefits are included in personnel charges for project budgets as a percent calculation directly allocable to the direct costs for salary. WSU's DHHS approved fringe benefit rates can be found on the Research and Sponsored Programs website.

Course Buyout: Is the purchase of any portion of any employee's University paid effort for reallocation to an extramurally funded project. Therefore, a Course Buyout is **when grant funds "buy" a faculty member's released time by paying for a portion of their salary so that the equivalent amount of effort (%) can be spent working on the funded project.** The corresponding percentage of the faculty's appointment is directly charged (accounted for) to the grant budget during the term of the buyout.

Tenure/Tenure-Track Workload Assumption: Generally, faculty are expected to teach, engage in research, service, and other scholarly activity. With the approval of the Chair and Dean, faculty may buy out of teaching; however course buyouts do not affect the faculty member's obligation to engage in service, including mentoring of students. For appropriate planning, potential course buyouts must be approved by the Dean and the Department Chair at time of proposal submission.

Extramural Funding: Includes any form of sponsored project (grants, contracts, cooperative agreements, etc.)

Direct Costs: Direct costs charged to sponsored agreements must be allowable, allocable, and reasonable. These costs can be identified as belonging specifically to a particular sponsored project, an instructional activity, or any other sponsored activity, or can be directly assigned to such activities relatively easily with a high degree of accuracy. Direct costs do not include overhead/indirect costs (F&A).

F&A: Also referred to as indirect costs, overhead, overhead costs, or administrative costs. Defined as reimbursement for actual institutional expenses that support extramural activities but cannot be directly charged to a specific grant or contract, F&A is the cost of shared services such as libraries, plant operations and maintenance, utility costs, general, department and sponsored projects administrative

expenses, and depreciation or use allowances for buildings and equipment. Information on current F&A rates are available on the Office of Research website.

Co-Principal Investigator/Project Director (Co-PI/PD): An investigator who shares equal responsibility for the direction of a research program with another.

Fiscal Year: The University's financial calendar year runs from July 1 until June 30.

Academic Year: The University's academic year runs from August 1 – April 30.

Office of Management and Budget (OMB): A branch of the Executive Office of the President of the United States, its primary function is to oversee the development and implementation of the federal budget. The OMB establishes principles for determining costs applicable to Federal grants, contracts, and other sponsored agreements.

GUIDELINES:

Generally, the Chair, Dean or designee of a department will determine if requests for course buyout will or should be granted based primarily on the following conditions:

- Requests for buyouts should be prepared by the faculty member and forwarded to the Chair/Dean using the attached template by April 15 for the fall term, August 15 for the spring term, and December 15 for summer term. Variations from these submission deadlines will be considered by the Chair/Dean on a case-by-case basis, e.g., short notice grant opportunities.
- Course buyouts need to be requested and approved by Chair and/or Dean at time of proposal as shown above.
- With the approval of the department Chair and/or Dean, the faculty member can buy out of teaching a class using extramural research funding following confirmation with RSP. The specific course to be bought out by the faculty member is a determination made by the Chair and/or Dean based on program needs.
- After workload agreements, course buyouts, and other course releases, a faculty member should normally maintain a minimum teaching load of at least 2 courses per academic year. With the approval of their department Chair and/or Dean, a faculty member may teach fewer than 2 courses per year.
- A faculty member may not buy out of more than two courses per academic year. Initial priority will be given for the first buyout for faculty who have submitted the proper paperwork before consideration for the buyout of a second class for other faculty within an academic year. The Chair and/or Dean will work with the faculty member in question to determine which specific class(es) will be bought out, considering the semesters when added work may be needed to administer the grant.
- A faculty member wishing to buy out a course in the next academic year must inform their Chair and/or Dean as early as possible. The Chair/Dean may deny the request if it comes too late to allow for accommodation of the teaching need in the semester in question.
- Every effort will be made to accommodate buyout requests, but it should be recognized that periodically circumstances may arise that require flexibility (such as the need to shift the buyout term from Fall to Spring) due to instructional needs that affect student completion goals or the availability of faculty to teach in a given term.

With approval, faculty may buy out of more than one course but will be required to teach at least two courses annually. Faculty receiving an internally funded course buyout shall not be paid for overloads during the same semester. Exceptions may be granted but only upon prior written approval by the Chair and/or Dean, with permission of the Provost and only upon exceptional circumstances.

Cost of Course Buyout:

The faculty member would charge their academic year salary and benefits and F&A to a research grant or contract as shown in the table below (e.g. faculty member's salary is 100K)

Base Salary for 9/12 months (Y) or fiscal faculty	Buyout %	salary per course (X*Y)/Z	Fringe (24.3%)	Total (salary + fringe)	F&A Indirect Costs	Total Cost
\$ 100,000	16.67%	\$ 16,670	\$ 4,051	\$ 20,721	\$ 10,360	\$ 31,081

Note: It will cost faculty member \$20,721 for a 3-credit hour course buyout if their salary is 100K as shown in the table above.

These funds are to be used first to hire replacement or adjunct personnel, assuring that University functions continue to operate without interruption.

After the replacement personnel has been addressed, remaining released dollars (buyout salary dollars minus the cost of replacement personnel) will be distributed using the following percentages into the respective RIF accounts. These funds will be used to support and encourage further research and extramural projects including student support or strategic investments in research.

- College/School/Unit: 50%
- Department: 35%
- PD/PI: 15%

Parties are encouraged to use released funds prior to the end of the fiscal year as availability for use in subsequent fiscal years requires pre-approval from Dean or respective business manager.

CONTACT INFORMATION:

If you require additional information, or have questions regarding this procedure, please contact: Research and Sponsored Programs, (937) 775-3336.