



## **Course Buyout Policy** **(effective Winter Quarter 2013)**

### **Purpose**

The Henry Samueli School of Engineering procedure for course buyout will permit ladder rank senate faculty to negotiate with their Department Chair to reduce their course assignments by charging a component of academic-year salary to alternate funding, such as extramural awards. Charging academic-year salary must be allowable on the fund source being charged, and consistent with the approved budget and terms of the award (Agency approval might be required). Approval of the course buyout is also contingent upon the request being accommodated without negative impact to the teaching program, as determined by the Department Chair.

### **Buyout Cost**

This program operates with the principle that state funding for faculty salaries is based on time commitment of 50% research and 50% teaching. Assuming a normal course assignment of four courses per academic year, the cost to buy out one course will be equal to 12.5% of the faculty member's academic year rate (i.e., one quarter [1/4] of fifty percent [50%]). As a result, 37.5% of the three monthly payments associated with the buyout quarter will be charged to the alternate funding source. As an example, for a faculty member whose academic year salary is \$100,000, the cost would be \$12,500 plus the commensurate percent of fringe benefits.

### **Program Participation**

Faculty participation in the program is voluntary and limited to a maximum reduction of two courses per academic year, though over a two-year cycle there can be no more than three course reductions through this program.

An individual faculty member requests participation after consulting with their financial analyst and department chair and by submitting a completed request form and obtaining advance approval of the Chair and the Dean. Upon receipt of approval, the Department's Personnel Office will implement the salary change in the payroll/personnel system and will implement the financial arrangements.

### **Salary Savings**

Salary savings will be retained by the department to cover the costs associated with finding a suitable replacement and administering the program. If the savings are substantially higher than these costs, funds can be used for research and educational needs of the department. At the discretion of the Department Chair, up to 50% of the net salary savings can be allocated to support the faculty member's research expenses or activities. The HSSoE Dean's Office will oversee the course buyout program and monitor the effects of its use, but will not share in any resulting salary savings.

## Guidelines

1. Any proposed course buyout must be allowable by the granting agency and be consistent with the terms and budget of the sponsored project.
2. Chairs will consider course buyout requests, along with sabbatical and leave requests, when determining teaching assignments for the coming academic year. Approval will depend upon whether the request can be accommodated without negative impact to the teaching program.
3. Approved participation does not relieve the faculty member in any way of their research and service obligations. The PI will be expected to complete their full complement of service commitments and will continue to accrue sabbatical credit for each quarter of qualifying service.
4. No retroactive transactions will be approved or processed, consistent with standard accounting practices. Because both teaching assignments and academic salaries are determined for the course of a full academic year, approval should be obtained from the Department Chair and the Dean following the same timeline as requests for leave. Extramural funds will be charged consistent with 9/12 academic quarter payroll dates, as follows: Fall: July-Oct, Winter: Nov-Feb, Spring: Mar-June. Without exception, course buyouts must be approved by the Chair and the Dean in time to be entered in the payroll system prior to the start of the quarter.
5. The amount of salary charged is 12.5% per academic year per course with a two-course maximum, or 25%. Under no circumstances can compensated effort supported by extramural funds exceed 50% of a faculty member's time in any given academic quarter or year.
6. Benefits costs associated with the percent of effort charged to extramural funding will be charged to that funding source.
7. The PI will be expected to certify the salary charged to the extramural award through the annual Payroll Certification System report associated with the budget period the salary is charged. By doing this, the PI verifies that the payroll charged to the award is correct and reasonable in relation to the work performed.
8. This program is subject to periodic review and may be modified or discontinued at the discretion of the Dean's Office.