OSU-Mansfield Course Buyout Policy

• This policy will be revisited by Executive Committee each year during the first few years under semesters (and periodically after that) to ensure the cost of buying out of a course is reasonable for faculty but also fair to the University given costs of hiring nontenure track faculty to cover the courses etc.

• In most cases, course buyouts from grants are limited to the equivalent of one term release from teaching (e.g., 2-3 per semester) as faculty are required to teach at least 9 credits per year. Additional course buyouts are possible, contingent on grant type and amount as well as the Dean’s approval.

• The department must be able to find a suitable, high-quality replacement to teach the course. The faculty member may be asked to participate in finding a suitable replacement.

• The faculty member is responsible for informing not only the Associate Dean and the Program Coordinator that he/she will be using a grant-funded course release in a given quarter, but also Human Resources and the Fiscal Officer so that paperwork can be generated in advance of the term. This necessary paperwork is not generated automatically from the grant’s budget or the Dean’s office.

• Faculty should not assume that they may drop their least favorite or larger courses. The Associate Dean and the program coordinator will determine what course(s) the faculty member is most needed to teach in a given term. The preference of the faculty member will be honored to the extent that this is feasible.

• Course buyouts should not be arranged in semesters preceding or immediately following an SA or an FPL, except under extenuating circumstances as determined by the Dean.

• When a faculty member has a reduced teaching load because of a course buyout, the faculty member will still be expected to carry out all other duties of a faculty member, including service to the campus and the university, unless s/he is approved to conduct research at a remote site.

• For course buyouts from internal grants (including Start-Up Funds and Seed Grants), the cost of buying out one course will be sufficient to cover all replacement costs (including benefits) for another instructor to teach the course in question. The current figure of $6,000 is recommended as the standard approximate replacement cost for a 1-4 credit lecture course, especially when there are restrictions on funding. However, courses that include laboratories or courses worth 5 credits are more costly to replace; thus, the replacement cost for a 5-credit course or a 4- to 5-credit course with a lab will be $7500.

• If the grant sponsor or funding agency does not allow a line item in the grant budget for course buyouts, then the faculty member will negotiate with the Dean to find an appropriate and fair way to determine a mechanism for funding the course buyout. In some cases this may derive from the indirect costs associated with the grant (where applicable), direct costs (particularly those that are earmarked for expenses which would ordinarily be paid through other sources of college income), or a combination of the two sources of funds. In other cases, a mechanism derived from stipends paid to the grant recipient may have to be considered.
• If the grant sponsor or funding agency allows their grants to fund course buyouts, or if some other suitable mechanism (as stipulated in the preceding paragraph) can be found for fully covering a course buyout, then faculty members must use the following algorithm to determine the cost.

• If only a single course buyout is requested, then the grant must specify replacement cost of $6000 for a lecture course and $7500 for a course that includes a lab and a lecture. If the faculty member normally teaches a lecture and two labs, then the buyout for both is $15,000 because these count as two courses for the faculty member. For all additional courses, cost will be based on an increasing proportion of salary plus benefits. Benefits currently cost approximately 27.4% of total faculty salary, so the cost for a 2nd or additional courses would be based on salary*1.274. Using this total, a second and third course buyout would cost a faculty member 12% of salary and benefits for each course. Additional course buyouts are negotiated with the Dean. If you are unsure of your annual base salary, please contact Human Resources (5-4047).

**Example 1:** A faculty member with a annual salary of $60,000 who requests a two-course buyout of lecture courses would calculate the cost thus:
A. Cost of first course: $6,000
B. Multiply base salary\*1.274: $76,440 ($60,000 * 1.274 = $76,440)
C. Multiplier for second course: 0.12
D. Cost of second course is B x C: $9,173 ($76,440 * 0.12 = $9,173)
E. Total cost of buyout is A+D: $15,173 ($6,000 + $9,173)
If a 3rd course off is requested then:
F. Cost of third course is B x C: $9,173 ($76,440 * 0.12 = $9,173)
G. Total cost of buyout is E+F: $24,346 ($6,000 + $9,173 + $9,173)

**Example 2:** A faculty member with a annual salary of $60,000 who requests a two-course buyout of courses with labs would calculate the cost thus:
A. Cost of first course: $7,500
B. Multiply base salary\*1.274: $76,440 ($60,000 * 1.274 = $76,440)
C. Multiplier for second course: 0.12
D. Cost of second course is B\*C: $9,173 ($76,440 * 0.12 = $9,173)
E. Total cost of buyout is A+D: $16,673 ($6,000 + $9,173)
If a 3rd course off is requested then:
F. Cost of third course is B x C: $9,173 ($76,440 * 0.12 = $9,173)
H. Total cost of buyout is E+H: $25,846 ($6,000 + $9,173+$9,173)

• This policy acknowledges that full-time teaching, non-tenure faculty may wish to pursue a grant opportunity, but their situation may differ from the above and should be negotiated with the Dean. Such a faculty member may be moved to a research scientist position.

• The numbers above are meant to start low enough to encourage faculty to effectively pursue their research. However, some grants allow and even anticipate that the buyout will be a higher total. When possible, a faculty member is encouraged to take full advantage of higher funds offered from grant agencies. For instance, when funding is not as restricted, faculty members would be expected to ask for the percentage of salary and benefits that are commensurate with the amount of time they are going to be released from their teaching responsibilities. For
instance, a release from 3 of 6 courses typically is interpreted as a 50% release, and therefore could be cost out as a full 50% of the faculty member’s salary and benefit costs.

• To assist with these decisions, faculty members should contact the Regional Campus Program Officer in the Office of Sponsored Programs (http://osp.osu.edu/) at least 4 weeks in advance of grant deadline. In that email, include a link to the website for the grant opportunity. Within 2 weeks, the faculty member should also consult Mansfield administration and their TIU to discuss the budget and plans for cost sharing. Budgets need to be finalized and the ePA-005 form (https://rf.osu.edu/secure/ePA-005/) submitted within 1 week of the grant deadline.

Endorsed by Faculty Assembly, May 2012

This document is kept current by the Professional Development Committee.

Revised May 2012.