Salary Savings Policy

1. When faculty base salary is paid from extramural projects the College realizes salary savings.
   a. For 12-month faculty any salary savings will be split between the college and the faculty member in equal amounts.
   b. For 9-month faculty, the savings from the redistribution of faculty salaries from state to grant funds will be applied toward summer salary up to the point when their 12-month equivalent salary reaches 1.0 FTE. Residual savings, if any, will be split equally between the college and faculty member.
   c. Discussions regarding faculty salary support, salary savings and/or course buyouts should begin before the proposal is submitted.
   d. Plans for salary savings must be approved by the faculty member, Division of Graduate Studies and Research, Dean’s Fiscal office, and Dean at the beginning of the fiscal year (12-month appointments) or academic year (9-month appointment). Plans should be updated as necessary during the year as new awards are received and/or award plans change. Except in cases of late wards, retroactive salary distributions to generate salary savings will not be permitted.
   e. The faculty portion will be made available to the faculty member in TEAMS, OPS, or expense categories under a faculty-specific flex code in current or carry forward funds.
   f. In the rare case where faculty have salary savings accumulation attributable to more than one year and has different budget references, spending will be calculated as the first in, first out basis regardless which of the faculty’s salary savings chart fields were used to pay the expense.
   g. Situations in which the amount of estimated residual salary savings returned to the faculty exceed the $50,000 per year cap will be reviewed on a case-by-case basis by the Associate Dean for Graduate Studies and Research and the Executive Associate Dean.

2. Only accrued salary savings can be used toward summer salary. Salary savings cannot be paid as lump sum or overload payments.

3. The faculty member will need to spend funds from salary savings within one year of the allocation or by the end of the fiscal year, whichever is longer. A one-year extension for salary savings can be requested if a faculty member can present a specific spending plan for an ongoing project. Salary savings are not designed to be used for long-term savings. The purpose is to assist with immediate research expenses. Additionally, the College is required to limit the amount of state funds carried over from year to year. The College will not be held responsible for any decisions that affect these funds, such as budget cuts or usage restrictions, made above the College level.

Course Buyout Policy

1. If a faculty member’s coverage from grant funds equals or exceeds 25% for a semester (or about 10% on annualized 12-month basis), the faculty member may request to use 25% course buyout instead of receiving that share of salary savings.
2. In case of a buyout, none of the 25% of saved funds will be considered salary savings that can be applied toward summer salary or returned to the faculty member. Instead, the funds will be used to support the college’s mission.

3. The goal of applying a uniform salary percentage as the buyout cost is to maintain equity across all faculty in terms of a portion of salary rather than the actual cost of replacement.

4. Salary savings exceeding 25% will be split as described in “Salary Savings Policy.”

5. To request a buyout, the faculty member should notify the Department Chair in the affected department, at least one semester in advance of the requested course buyout. Decisions about course buyouts will be made on a case-by-case basis and should be started before proposals are submitted. In general, the College prefers that faculty not buy themselves out of all instructional activity.

6. The cost of the faculty buyout will be calculated based on the faculty member’s salary level when the external funds are awarded or the course buyout is approved, whichever is later.