

## **COE Policy on Grant-Funded FTE, Course Buy-Outs & Course Releases (Final: Rolled out 2018-2019)**

### **Determining FTE on grants and related salary**

To comply with the expectations of funders and auditing standards, FTE allocated to any external grant **must** be based on the assessment of time needed to accomplish the scope of work and the distribution of that time across the year. While the summer months may provide an opportunity for focused attention to grant work, making summer salary appropriate in these cases, faculty should plan to allocate a minimum of 2% FTE to grant work during the academic year unless the work occurs entirely during the summer. For example supervising students or staff on grant-related activities during the academic year should be allocated at least 2% FTE during the academic year.

It is important to distinguish “course buy-outs” from “course releases.” A course buy-out occurs when a substantial portion of a faculty member’s salary (15% or more) is paid by a grant. A course release occurs when faculty are released from teaching responsibilities due to administrative work, appointment agreements (e.g., endowed chair), or grant awards that are specifically designed to free faculty time (e.g., NAE/Spencer postdoc awards), as approved by the dean.

### **Grant-related Course Buy-Outs** (*max. two per year without unusual circumstances*)

Because research is an expected responsibility of most faculty, whether grant-funded or not, a minimum of 15% of annual FTE must be provided via salary from external grants in order to request a course buy-out. Requests for course buy-outs (including the specific courses) must be approved by the faculty member’s Chair and the Associate Dean for Academic Affairs. Decisions about specific courses and alternative instructors (when necessary) should be made in conjunction with program faculty, the Chair, and the Associate Dean for Academic Affairs. (For faculty who have been approved for the AB salary plan, the terms of the AB agreement require that faculty reduce their state-funded FTE without reducing overall effort. Thus faculty on AB can request course buy-outs only when their grant-funded salary exceeds the % FTE of their B salary because faculty on the AB salary plan do not generate salary savings until after their B salary is covered.)

### **Rationale: How was 15% annual FTE determined as the minimum to consider a course buy out?**

The previous threshold was no longer sufficient to cover adjunct costs. A percentage of 15% FTE is in line with other units across campus (e.g., Evans School), and it does not increase the previous dollar requirement so much as to put a course buy-out out of reach for assistant professors. As agreed with the Budget Committee at roll-out, the Assistant Dean for Finance and Administration reviewed data from the initial year of implementation, and the 15% rate generates enough to cover the costs of alternative instructors for grant funded buy-outs, as well as supplement coverage for a small number of course releases (such as those required by NAE/Spencer postdoc awards).

### **Course “releases” (as opposed to “buy-outs”) funded via NAE/Spencer postdoctoral awards & similar awards supporting faculty professional development**

Such awards are designed specifically to fund release time from teaching, and although the COE encourages faculty submissions to such competitions, the budgets must allocate sufficient funds to approximate the COE outlay for the specified course releases. The following guidelines will help minimize the College outlay for course releases:

- Be released from courses that can go untaught for a year
- Be released from courses that can be covered by faculty colleagues without additional cost

- In any case, proposed course releases should be discussed with the program faculty and area chair **before** developing the proposal, so the applicant can budget accordingly if funded.

Of course, these guidelines also assist thoughtful resource allocations for course buy-outs. The same strategies that reduce College outlay to cover course releases should also be considered in the case of buy-outs. That is, even when grant dollars generate salary savings, does every course that is “bought out” need to be taught in a given year? Chairs, in collaboration with the Associate Dean for Academic Affairs, have the discretion and authority to determine *which* classes need to be offered via alternative instructors and which may go on hiatus, so that state-funded instructional resources (including salary savings) are used most appropriately.

**When a faculty member generates sufficient funds to request a course buy-out, how will the actual instructional costs be funded?**

Consistent with past practices in the COE, grant-generated salary savings are split 50/50 between COE and the faculty member. In cases where a faculty member generates salary savings and **does not request** a course buy-out (due to faculty choice or due to salary savings amounting to less than 15% FTE), faculty will retain the entire 50%. When grants fund 15% of the faculty member’s FTE in a given year and the faculty member **does request** a course buy-out, they will retain 15% of generated salary savings, with the remainder going to the COE to fund instructional costs, with specific courses and instructors approved by the Chair and Associate Dean for Academic Affairs. When all of the 15% of faculty FTE comes from current year grant funding (that is, no salary savings are used to supplement), the following table is illustrative. (When accrued salary savings are used to supplement current-year grant funds or cover a course buy-out, the cost will equal 15% of the faculty member’s current 9-month salary.)

Examples:

Name	Salary	15% FTE	No Buy-Out		With Buy-Out	
			Fac 50%	COE 50%	Fac 15%	COE 85% (covers adjuncts)
Prof. A	\$80,000	\$12,000	\$6000	\$6000	\$1800	\$10,200
Prof. B	\$100,000	\$15,000	\$7500	\$7500	\$2250	\$12,750
Prof. C	\$120,000	\$18,000	\$9000	\$9000	\$2700	\$15,300

*At this time, the above policies around salary savings apply to tenure-line faculty whose salaries are paid by state funds. For teaching faculty and faculty funded by fee-based programs, course buy-outs and grant-funded FTE must be negotiated with the program director in collaboration with the Area Chair and Associate Dean for Academic Affairs.*

## **Frequently Asked Questions about Grant Funded FTE, Course Buy-Outs, and Course Releases**

### **How much salary do I need to charge to a grant to buy out of teaching a course?**

The amount of effort allocated to any external grant **must** be based on the assessment of time needed to accomplish the scope of work and the distribution of that time across the year. In cases when 15% of annual FTE is provided via salary from external grants **and** results in salary savings to the College, faculty may request a course buy-out, subject to approval of the Chair and the Associate Dean for Academic Affairs.

### **Does the salary that I charge to a grant during the academic year supplement my salary during that period?**

No. During the academic year, salary from external grants results in salary savings to the College, a percentage of which is shared with the faculty to be used for professional expenses, such as conference travel, professional memberships, technology needs, etc. The exact percentage depends on whether you teach your full slate of courses for the year (you keep 50% of generated salary savings) or buy out of a course (you keep 15%).

### **Can I charge all my grant effort as summer salary?**

No, unless all the grant work is done in the summer. FTE allocated to any external grant **must** be based on the distribution of effort across the year, and salary must reflect effort. While the summer months may provide an opportunity for focused attention to grant work, making summer salary appropriate, faculty should plan to allocate a minimum of 2% FTE to grant work during the academic year unless the work occurs entirely during the summer. For example, supervising students or staff on grant-related activities during the academic year should be allocated at least 2% FTE during the academic year.

### **When my grant budget is small, can I allocate a larger percentage of my time than the percentage of salary I charge?**

No, unless required in the grant. This is a form of “cost-sharing,” and the University of Washington discourages cost-sharing unless explicitly required by the funder. The amount of effort allocated to any external grant, and the related salary charged, should be based on the assessment of time needed to accomplish the scope of work.

### **I've been awarded an NAE/Spencer postdoc award, which requires a reduction in my teaching. How do I pay to cover my courses and still complete the project?**

Some awards are designed specifically to fund release time, but the budgets should allocate sufficient funds to approximate the COE outlay for course releases. Several strategies can help minimize the actual COE outlay:

- Identifying courses that can go untaught for the year of the award,
- Identifying courses that can be covered by faculty colleagues at no additional cost.

Plans for proposed course releases should be discussed with the Area Chair and Associate Dean for Academic Affairs **before** developing the proposal for such awards.