



**APPLICATION AND RETENTION OF SALARY SAVINGS RESULTING FROM
SPONSORED PROGRAMS: BUYOUTS AND COURSE RELEASES**

Area:	Division of Research & Economic Development	Number:	RSSP-405-5
Subject:	Personnel Costs Charged to Sponsored Programs	Issued:	9/09/2013
Applies To:	University	Revised:	11/18/2013
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Responsible Party:	Vice President for Business and Finance	Page(s):	Page 1 of 2

I. Purpose

The policy aims to support externally-funded research and scholarship efforts at Georgia Southern University and to provide consistency in the application and retention of salary support for externally-funded efforts across all Georgia Southern University units.

II. Policy Statement

Salaries charged to sponsored programs may result in salary savings to the unit. This policy provides guidance to the unit on the application and retention of salary savings resulting from sponsored programs.

A “sponsored program” refers to externally-funded grants, contracts and cooperative agreements for research and scholarly pursuits submitted and managed by the Office of Research Services and sponsored programs on behalf of faculty members.

A “buyout” is when faculty or staff efforts are charged directly to a sponsored program to concentrate on efforts on research and scholarship pursuits. A buyout constitutes a percentage of the faculty or staff member’s total time allotted to institutional responsibilities.

A “course release” is when a faculty member uses a buyout to fund a portion of their teaching load, resulting in release time from a class or other instructional responsibilities.

“Personnel” refers to faculty members, staff or students.

1. Salary savings resulting from the direct charging of personnel efforts to sponsored programs are retained by the Vice President of the respective unit to be budgeted at their discretion. Salary savings are to be used in compliance with all the appropriate University policies and procedures as required for state funds and Vice Presidents are encouraged to use salary savings for development activities in furtherance of research and scholarship and research infrastructure needs of the unit.
2. A buyout may provide for partial salary or full salary of personnel funded from sponsored programs, so long as salaries charged to the sponsored program are commensurate with the percent of effort spent on the activity.

3. Approval to charge a buyout to a sponsored program for a faculty or staff member's efforts rests with the Office of Research Accounting, which will approve or disapprove the request after reviewing the approved award budget and the terms and conditions of the award.
4. All personnel charged to sponsored programs are required to certify their effort as prescribed by Research Accounting policy. Effort certifications are initiated by the Office of Research Accounting.
5. Only in rare cases will efforts charged at or above 95% FTE be approved.
6. This policy pertains to E&G funding which includes Funds 10000, 10500, and 10600.

III. Exclusions

1. Buyouts and course releases are administered at the college-level and require the authorization of the employee's supervisor.
2. Availability of a course release and the amount of funding required for a buyout or course release on a grant may vary according to employee workload and the salary of the employee.
3. The applicability of charging buyouts and course releases to a grant are determined by the grant proposal and the terms and conditions of the resulting award. The Office of Research Accounting reviews and approves requests for buyouts and course releases to ensure financial compliance with terms and conditions of the grant award.
4. Permanent salary buyouts are not allowed. Salary savings cannot be used to fund permanent actions such as reclassification, equity adjustments, etc.
5. Fringe savings generated from buyouts are retained at the institutional level.
6. Salary savings cannot be retained for prior year buyouts. Fiscal year ends on June 30th.
7. Salary savings cannot be used to fund additional buyouts or course releases for the same employee.

IV. Procedures

Direct charge of faculty and staff time to sponsored programs is performed through the completion of a Personnel Action Form, to be submitted to the Office of Research Accounting following approval by the academic or administrative unit. The budget section of the Personnel Action Form should be utilized to identify the location to transfer the salary savings generated from the buyout.

A payroll reallocation form is used to process a buyout for previously processed payrolls. The budget section of the form should be utilized to identify the location to transfer the salary savings generated from the buyout.