



POLICY: Faculty Course Buyouts

DATE: October 23, 2023 (Revised)

This policy applies to all units within the College of Arts and Sciences. The College policy is subordinate to related policies outlined in the [University of South Carolina Faculty Manual](#). In cases of inconsistencies between this policy and the university, state, or federal policies, the university, state, or federal policy rules are the final authority.

I. Policy

Tenured and tenure-track faculty members in the College of Arts and Sciences (CAS) may buy out courses to free up time for advancing their scholarly work and research endeavors. This policy governs course buyouts from extramural and intramural awards. Extramural course buyouts are generally funded from grants, contracts or other external sources. Start-up and retention funds used for course buyouts are determined at the extramural levels. For competitive intramural awards (e.g., UofSC EXCEL award), course buy-outs are set at a lower level as outlined below.

A. Definitions

Course Release: Release from instruction granted by the unit chair or director and/or dean to an individual faculty member. Course release does not involve reimbursement from the College. Instructional coverage may or may not be provided by other faculty or temporary faculty. Typically funding from the college is not provided to support instructional coverage.

Course Buyout: Release from instruction granted to individual faculty members by the unit chair or director and approved by the dean in exchange for funding (provided by the faculty member being released). The funding is used to pay for a substitute instructor (i.e., TFAC). Typically, a course buyout applies when a faculty member pays a portion of their salary from a grant, contract, or external source. Percent (%) Effort: The amount required for course buyout is based on your percent effort. This is the equivalent percentage of base 9-month salary (plus fringe benefits and health insurance) unless your salary is above a mandated salary cap such as the Federal NIH Salary Cap (12-month salary of \$199,300 for 2021*). In these instances, the cost for buyout is based on the 9-month equivalent of the salary cap (For NIH, this is equivalent to \$149,475).

** note that the NIH Salary Cap can change on an annual basis and some other funding agencies use this as a basis.*

B. Unit Chair/Director Review

The unit chair or director has authority to approve or deny course buyout requests based on overall departmental needs including continuity of course offerings. The unit chair or director should assess the impact of the proposed course buyout on the department/program's curriculum. A course buyout will only be considered if the department/program's curricular needs can be met.

The following factors should be considered by the unit chair or director:

- a. Department/program needs (curriculum schedule, faculty on leave, administrative or service assignments),
- b. Course enrollment numbers,
- c. Other instructional releases,
- d. Suitable teaching replacements, and
- e. Number of sabbaticals or availability of other faculty in the department.

Faculty holding joint appointments will be governed by terms of the appointment for teaching responsibilities and teaching load. Course buyouts of cross listed courses must also have approval of both impacted units.

Faculty are strongly encouraged to buyout graduate courses first and undergraduate courses second.

C. Service and Administrative Responsibilities

A course buyout does not release a faculty member from their professional obligations to the university, including service responsibilities. A faculty member buying out of a course will be expected to participate fully in service and administrative duties. The buyout is strictly for teaching and must not be construed as approval for a full-time appointment to research.

Note that for faculty with existing course release for administrative duties, that release is intended to provide time for the administrative activity. Consequently, course buyout costs are determined by the faculty's base course load (i.e., without release in place).

D. Timing

A faculty member requesting a course buyout must plan accordingly to provide sufficient notification to the unit chair or director.

Requests for fall semester buyouts should be submitted by the previous July 1. Requests for spring semester buyouts should be submitted by the previous November 1, but no later than December 1.

E. Course Buyout Calculations

A common practice at peer institutions across the nation to buyout one semester is to set the rate at 25% of faculty base salary, plus fringe benefits. The CAS has decided to set a slightly lower salary rate. Effective immediately, the cost of a semester buyout will be 20% of a faculty base salary, plus fringe benefits or 9-month equivalent of the NIH Salary Cap. Calculations for % of 9-month salary for varying teaching loads to use for buy out from extramural, startup or retention funds is shown below, with examples in Table 1.

For competitive intramural awards (e.g., UofSC EXCEL Award), \$7,500 will be required to buy out of 1 course for faculty on a 2:2 or higher teaching load or \$15,000/course for those on a 1:1 teaching load.

- a. 1:1 Teaching Load
The rate for a single course is therefore 20% of the faculty member’s 9-month base salary. The cost of a semester buyout can be determined by multiplying the sum total of a faculty member’s 9-month base salary or grant mandated salary cap (to include applicable fringe and health benefits) by 20%.
- b. 2:2 Teaching Load
The rate for a single course is therefore 10% of a faculty member’s 9-month base salary and the cost of each course buyout can be determined by multiplying the sum total of a faculty member’s 9-month base salary or grant mandated salary cap (to include applicable fringe and health benefits) by 10%.
- c. 2:3 Teaching Load
The rate for a single course is therefore 8% of a faculty member’s 9-month base salary and the cost of each course buyout can be determined by multiplying the sum total of a faculty member’s 9-month base salary or grant mandated salary cap (to include applicable fringe and health benefits) by 8%.
- d. 3:3 Teaching Load
The rate for a single course is therefore 6.7% of a faculty member’s base salary and the cost of each course buyout can be determined by multiplying the sum total of a faculty member’s 9-month base salary or grant mandated salary cap (to include applicable fringe and health benefits) by 6.7%.

Table 1: Examples of course buy out costs for varying 9-month salaries

9 month base salary	Costs to buyout 1 course based on teaching load*			
	1:1 (20% 9 m)	2:2 (10% 9 m)	2:3 (8% 9 m)	3:3 (6.7% 9 m)
\$75,000	\$15,000	\$7,500	\$6,000	\$5,025
\$100,000	\$20,000	\$10,000	\$8,000	\$6,670
≥ \$152,775**	\$30,555	\$15,277.50	\$12,222	\$10,235.93

* salary calculation does not include fringe benefits (31.99%) or health insurance costs, see UofSC [SAM website](#) for most recent fringe benefits rates & insurance costs.

** NIH Salary cap as of Jan. 2022 (this is subject to change and can be restricted by the year award was made) – See [NIH Grants & Funding website](#).

F. TFAC Funding

The salary savings generated by course buyouts will be retained by the College; in return, the College will provide funding to the unit for a TFAC, if necessary, to cover the core curriculum, subject to enrollment minimums. When submitting a TFAC request, please indicate if the request is to cover a course buyout and the faculty member's name.

II. Approval Process

To request a course buyout, a faculty member should complete the Faculty Course Buyout Request Form and submit to the unit head. Requests for fall semester buyouts should be submitted by the previous July 1. Requests for spring semester buyouts should be submitted by the previous November 1, but no later than December 1.

The unit head will review the request. If approved by unit head, it should be forwarded to Associate Dean for Research for evaluation of funding availability (through CAS Grants and Contracts Office) who also shares this with Associate Dean for Courses and Curriculum for evaluation of course needs. Once approval is received from the Dean's Office, a corresponding Payroll Action Request Form (PARF) should be completed by the unit budget representative.

The completed PARF and the approved Faculty Course Buyout Form should be submitted to the unit's [CAS Budget Contact](#).

All forms and documents can be found online in the [Office of the Dean Document Library](#).