

Proposed CILST Research Policy

April 30, 2009

Subject: Calculating Course Buyout Amount and Staff Time for Research Projects

Context

CILST faculty members have raised questions about how to calculate the cost of buying out of a course. This is in the context of developing a grant proposal where:

- Grant funds will be requested for covering the cost of a course buyout
- CILST will provide matching/cost share funds for a course release

Standardizing the ways in which CILST faculty members calculate the cost of a course buyout will simplify grant preparation.

In general, an appropriate formula needs to take account of the following components:

- Workload percentage reported on workload form
- Assigned teaching load
- Base 9-month contract salary
- Fringe benefits and insurance coverage

In addition, CILST staff members may also be dedicating time to funded research projects, and their time needs to be calculated if grant funds are paying for that time. For staff members, the calculation only needs to address the percent level of effort going to the project.

Scenarios for Calculating Course Buyouts for Faculty

Scenario A presents a formula to arrive at the cost of a course using workload percentage, assigned teaching load, and base salary. Scenario B is a more simplified approach using the rule of thumb of 10% level of effort for each normal course. In addition to the cost of the course, fringe benefits, retirement, and insurance costs (prorated) need to be included in the final cost.

Scenario A

Cost is based on work load allocation for teaching, teaching load and base salary. Assume for illustration a 5 course teaching load in the academic year. Assume the 5 course load is represented on your workload form as 50%. Assume a base salary (9 month contract) of \$60,000.

50% of \$60,000 = \$30,000 – this gets at the amount of your total base salary that is “paying” you for your teaching responsibilities.

\$30,000 divided by 5 = \$6,000 – this gets at the cost of one course.

The formula is: Base Salary X Workload Percentage for Teaching X Number of Courses
Assigned

Scenario A will give the same cost of a course as Scenario B **IF** the workload percentage allocates 10% for each assigned course in the course load. If, for example, one listed 50% teaching effort and had an assigned course load of 3 courses, the calculated costs between Scenario A and B would differ.

Scenario B

According to UNT Policy Number: 15.1.9., ACADEMIC WORKLOAD AND MERIT EVALUATION OF FACULTY, http://www.unt.edu/policy/UNT_Policy/volume3/15_1_9.html, it states: "Assuming a "normal" class size and delivery method, responsibility for a single class in a given semester would represent approximately 10% of faculty effort. Larger or smaller classes, innovative teaching methods, use of distributed learning techniques, oversight of teaching assistants or fellows, coordination of multi-section courses, etc. may require more or less than 10%, and must be considered in the local context."

With this in mind, the calculation for a single course cost would be:

$\$60,000 \times 10\% = \$6,000$ – this gets at the cost of the course using the 10% of effort equaling one course.

The formula is: Base Salary X 10%

Proposed Policy

1. Calculating Course Buyouts for Faculty

The formula is: Base Salary X Workload Percentage for Teaching X Number of Courses Assigned

2. Calculating Staff Effort for Research Projects

The formula is: Base salary x % of time dedicated to the project.

3. Fringe Benefits and Other Costs

The cost of a course buyout and also staff time needs to include fringe benefits, prorated contribution to retirement, and health insurance. Prorated contribution to retirement depends on the choice of ORS or TRS. Insurance costs depend on the coverage (Employee only, Family, etc.).

The % of base pay for retirement is:

TRS: 21.48%

ORS: 23.5%

And then the prorated insurance cost in dollars need to be added.