

Research Buy-out Policy

Faculty with external grant funds may buy out their state EFT research time using funds from those grants. Awarded grant funds will be used to pay the corresponding part of their research salary; awarded grant funds will also need to be budgeted for fringe benefits on the faculty member's salary. Rates may be used to estimate benefits but PIs are responsible for actual costs of benefits. Odum School of Ecology (OSE) will return funds in a state account to the faculty member at a rate of 50% of the portion of the buyout amount. OSE will retain the remaining 50% to be used at the Dean's discretion to support research activities throughout the College.

Additional conditions:

- It is the faculty member's responsibility to determine if the grant funding agency will allow for the purchase of research time during the proposal process AND prior to submitting the proposal.
- Faculty must ascertain that the amount of their research EFT they wish to buy out will not cause any difficulties with UGA grant cost sharing formulas during the proposal process and prior to submitting their proposal.
- Any individuals hired on the returned funds must be told to consider this a soft money position, liable to be terminated when a grant expires or when the faculty member no longer wishes to continue buying out their EFT Research Time. If you employ a classified staff earning annual leave you are obligated to pay out up to 360 hours of annual leave upon termination or resignation. This is true regardless of funding source.

No change in the status of currently classified staff is required if a portion of their salary is paid from a returned research buyout account.

Example:

A faculty member with external grant funds may wish to employ an administrative assistant to manage grant personnel, procurement, and scheduling. The granting agency often will not permit such individuals to be hired on grant direct costs. Therefore, you may use your 50% return from the buyout to fund the said administrative assistant's salary.

Expenses that are not readily identifiable are often not allowed to be charged to the grant. These standards and rules are proposed by the Cost Accounting Standards Board (CASB) and are issued by the United States Government. Please consult with Ecology's pre-award representative if you have further questions about what may fall under these standards and rules. There are mechanisms in place that allow for some CASB exceptions.

Funds Expended From Grant:

- \$61,600 faculty salary research buyout charged to grant
- \$16,632 faculty fringe benefits @ 27% charged to grant
- \$78,232 cost of research buyout to grant

Distribution of Funds under Buyout Policy:

- \$61,600 total available transferable to the Odum School of Ecology
- \$30,800 (50%) returned to College; to be used at the discretion of the Dean
- \$30,800 (50%) returned to faculty; to be used at the discretion of the PI (per example above you could hire the administrative assistant)

Research Buyout Procedure

1. Existing accounts already funded by a grant.

- Send an email to the Associate Dean for Research, copying the Dean, requesting the buyout and include the proposed research buyout budget and the relevant account numbers.
- The Associate Dean will inform the faculty member if the request is approved.
- If the buyout is approved, the Associate Dean will send the information to the Director of Finance and Administration (AFD) to implement.

- The AFD will coordinate with the Accountant in Ecology to release the state funds, as appropriate, preparing a budget amendment to transfer the funds to the corresponding account. Funds released to the PI must be spent according to UGA's fiscal year end state deadlines. **There is no mechanism for carrying forward these funds.** If you do not spend them or encumber them by May 1 of the year they were distributed you will lose them.
 - These funds are provided by the state and must be spent accordingly.
 - Only travel, equipment, payroll and operating purchases are allowed.
 - No food, drink, entertainment or anything of such nature is allowed. If you have questions about allowable purchases please consult with Ecology's Accountant beforehand.
- The Accountant will then inform the faculty member of the availability of funds, including the account number to use.

2. Requesting as part of a research proposal or grant application.

- Send an email to the Associate Dean for Research, copying the Dean, requesting the buyout. Be sure to provide information about the proposal (title, total budget, funding agency).
- The Associate Dean will inform the faculty member if the request is approved.
- The faculty then selects the appropriate checkbox on the transmittal form, indicating the date of the approval and the Associate Dean who approved it.
- The faculty informs the Associate Dean, Dean and AFD when the grant is funded, and a UGA grant account is created, and re-confirms the requested buyout and budget.
- The AFD will coordinate with the Accountant in Ecology to release the state funds, as appropriate, preparing a budget amendment to transfer the funds to the corresponding account. Funds released to the PI must be spent according to UGA's fiscal year end state deadlines. **There is no mechanism for carrying forward these funds.** If you do not spend them or encumber them by May 1 of the year they were distributed you will lose them.
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FAQ

- Why does my grant get charged fringe benefits on my academic year salary?
When your academic year salary is paid by the state of Georgia, it covers the institutional share of fringe benefits. Once you move your salary to a restricted account, that account must pay the fringe. Hence a buyout costs your grant more than just your direct salary, and you must allow for this. See the example above.
- How do I coordinate with grants whose start and end dates are not on the standard fiscal year?
The accounts returned from a buyout will always be on a standard July to June fiscal year. Coordinating with your grant's year may require two separate buyout transactions. For example, if your grant starts on April 1, you should ask for one buyout to cover April 1 to June 30, and a second buyout to cover July 1 to March 31. These two transactions may both be requested and approved at one time.