REVISED INTERNAL MEMORANDUM

Date of Revision: August 5, 2026
(See "Red" Text Below)

TO: All Deans (Academic/Health)
The University of Texas Rio Grande Valley

FROM: Can Saygin, Ph.D.
Senior Vice President for Research & Dean of the Graduate College
Interim Provost and Executive Vice President for Academic Affairs

Date: July 22, 2026

RE: New Policy for Course and Time Buy-Out AY27

I am writing to introduce a new, university-wide Course and Time Buy-Out Policy, which is enclosed with this letter. This policy establishes a consistent, transparent framework for how faculty research effort funded by external grants can be translated into course release or salary redirection, and how the resulting institutional savings are shared across the faculty member, the College or School, and the relevant central offices.

As UTRGV continues to grow its research enterprise and pursue Carnegie R1 classification, it is essential that our colleges and schools have a clear, predictable mechanism for supporting funded faculty while maintaining our core commitment to instructional quality and student access. The attached policy is intended to serve that purpose.

The policy addresses two distinct mechanisms:

- **Course Buy-Out** releases a faculty member from one or more assigned courses, funded at 10% of 9-month salary per course, with a replacement instructor secured by the College or School. Net savings after replacement costs are shared 35% to the faculty member (research expenses), 35% to the Dean's Office, and 30% to the Vice President for Academic Affairs or Health Affairs, as applicable.
- **Time Buy-Out** redirects the funding source of a faculty member's research effort from institutional to sponsored funds, at 1/10th ~~1/9th~~ of 9-month salary per 10% of committed effort, without changing total compensation or workload distribution. Resulting institutional savings are shared 25% to the faculty member (research expenses), 25% to the Dean, 25% to the Division of Research, and 25% to the Vice President for Academic Affairs or Health Affairs, as applicable.

This policy will be effective for the Academic Year 2026-2027 (AY27).

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Enclosure: Course and Time Buy-Out Policy

Course Buy-Out

A *Course Buy-Out* occurs when external grant funds or a faculty member's Indirect Cost (IDC) return funds compensate the College or School (at the Dean level) for a proportional share of the faculty member's salary, thereby releasing the faculty member from one or more assigned courses so that the equivalent effort (% time) can be redirected to a funded research project. The College or School, in coordination with the department chair, uses the buy-out funds to secure a replacement instructor for the released course(s).

The cost of one course buy-out is **10% of the faculty member's 9-month Institutional Base Salary (IBS)**. Once the cost of hiring a replacement instructor is subtracted from the buy-out amount, the remaining salary savings are distributed as follows:

- **35%** to the faculty member for research-related expenses (not as a salary supplement)
- **35%** to the Dean's Office
- **30%** to the Vice President for Academic Affairs or Vice President for Health Affairs (as applicable)

Course buy-outs represent a formal shift in a faculty member's workload distribution, reducing the percentage allocated to teaching and increasing the percentage allocated to research, for the duration of the semester. A faculty member with an approved course buy-out remains fully responsible for all **service and administrative obligations**; the buy-out applies solely to teaching effort and shall not be interpreted as authorization for a full-time research appointment or a reduction in service workload.

Time Buy-Out

A *Time Buy-Out* refers to the mechanism by which external grant funds replace a portion of a faculty member's institutionally funded salary allocated to "research effort", generating salary savings in institutional funds. Specifically, the grant sponsor compensates the university for a defined percentage of the faculty member's "research" effort during the academic year, and the corresponding institutional salary dollars are released. This arrangement does not change the faculty member's total compensation or the workload percentages but redirects the funding source for a portion of their salary from institutional to sponsored funds.

The cost of a time buy-out is **1/10th ~~1/9th~~ of the faculty member's 9-month Institutional Base Salary (IBS) per 10% of research effort** committed to the sponsored project. The resulting institutional salary savings are distributed as follows:

- **25%** to the faculty member for research-related expenses (not as a salary supplement)
- **25%** to the Dean
- **25%** to the Division of Research
- **25%** to the Vice President for Academic Affairs or Vice President for Health Affairs (as applicable)

Restrictions

- Faculty members are expected to teach at least two sections per year unless on approved leave; complete buyout of all courses (0% teaching) in a year requires additional approval.
- Faculty may not self-fund course buyouts with non-university funds; all funds must run formally through the university.
- Course buy-outs are not automatic and are subject to institutional review and approval at the department and College/School level. Neither a granting agency's budget approval nor a faculty member's request alone obligates the university to grant a course buy-out.
  - Accreditation and Qualifications. In programs where accreditation standards mandate specific faculty qualifications to teach particular courses, a course buy-out may not be feasible if a comparably qualified replacement instructor cannot be identified. In such cases, the buy-out request may be denied regardless of funding availability.
  - Replacement Instruction Availability. A course buy-out is contingent upon the availability of a qualified replacement instructor. If suitable replacement instruction cannot be secured, the Dean, in consultation with the department chair, reserves the right to decline the buy-out request for the affected course(s).
  - Instructional Continuity. Course buy-outs shall not be approved if doing so would compromise the ability of the department or program to meet its teaching obligations to students, including the timely completion of degree requirements.

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