

September 7, 2016

MEMORANDUM

To: University Community

From: Robert A. Underwood, President

Subject: **Directive on Buyouts**



I tasked an ad hoc committee comprised of faculty and administrators to review University of Guam practices relating to the internal distribution of buyout funds.

The ad hoc committee met on May 2, May 17, and June 3, 2016 to discuss changes to current practice. The following changes will apply beginning October 1, 2016:

Senior Vice President's Office	30%
Unit/PI	70%

Furthermore, the Unit/PI split on buyouts should be no more than 20% to the Unit (and can be less) and a minimum of 50% to the PI. Buyouts are subject to cost recovery, i.e. covering adjunct faculty salary costs in the case of a partial buyout of a teaching load, before funds are distributed as indicated above.

Buyouts occur when a grant buys out faculty/administrator time. In the case of locally funded faculty/administrators, the buyout can be deposited into a discretionary account at RCUOG (for those grants running through the Research Corporation) or at UOG (for those grants running through UOG business office). In the case of federally funded faculty, funds bought out by another grant are returned to the original federal grant for reprogramming.