

Pilot Incentive Program in the Basic Science Departments July, 2003

I. Background

The Carver College of Medicine (CCOM) basic science departments consist of the departments of anatomy, biochemistry, microbiology, pharmacology and physiology. Dean Robillard and the basic science department heads are working to immediately address projected financial challenges. This situation demands that the College continue to grow its extramural funding sources and become increasingly cost conscious and cost efficient. Prudent management requires a more austere budgeted faculty salary policy for Fiscal Year 04 than has been experienced in quite a long time. Consequently, budgeted faculty salaries for FY04 have been held at their current levels with the exception of salary adjustments for those being promoted to the ranks of Associate Professor and Professor. Faculty are being advised that with potential tighter financial times it is possible that in FY05 some individuals may once again experience no salary increases or possibly decrements. Faculty in the basic science departments have twelve (12) month appointments rather than the traditional nine month academic appointments.

The basic science departments have had non-salary incentive programs that reward faculty who generate significant proportions of their salary from extramural research awards. Typically, departments “return” a portion of the faculty member’s salary into an enrichment account for research activities. The amount of salary recovered and returned to faculty has varied amongst departments.

In an effort to encourage incremental extramural funding during these difficult economic times, the College is proposing a modification of existent basic science department incentive programs that reward faculty who generate extramural salary support.

The proposed new plan would create a uniform approach for the basic science departments to reward faculty performance. This program would replace the five different enrichment account programs currently utilized by the basic science departments. A new feature to be added would be the establishment of lump sum incentive payments for faculty who generate 50% or more of their salary from extramural grants/contracts.

Funds previously distributed to faculty in the enrichment accounts would not be affected by this new plan. Those accounts would remain until the funds are depleted in accordance with existent departmental policies and practices.

This proposal will be evaluated over the next two academic years to determine if this pilot program is successful. The review will include an analysis of extramural funding trends and faculty productivity.

II. Proposed Plan

Concept

The concept of a basic science productivity-based incentive plan rests on the faculty member and the department achieving certain goals or productivity and achieving targets in the missions of research and service. This new plan would continue to recognize faculty whose extramural awards provide significant salary support, and in addition, would recognize faculty with high level awards that provide minimal or no salary support due to funding entity restrictions. The plan would also recognize those who spend a considerable amount of their time and effort contributing to important teaching administrative activities in their department. The new plan is intended to be an incentive that would lead to a substantial increase in research productivity and subsequent salary return for departmental uses, for example, visiting speakers seminar series, purchase of shared equipment, start-up funds for new faculty, bridging funds for faculty who experience an interruption of extramural support, etc.

Faculty having less than 50% of their salary funded through extramural sources, but 35% or more, would be eligible for “enrichment account” contributions. Faculty with 50% or more of their salary on extramural sources would be eligible for lump sum payments.

The lump sum bonus payments would be in addition to and unrelated to yearly merit salary increases. The basic science productivity incentive payment would be given in early November based on attainment of the previous academic years’ goals or targets. Accordingly, basic science productivity incentive payments will not be a permanent part of the faculty member's salary for those who participate in this plan. If the faculty member fails to meet the goals agreed upon, a basic science productivity payment will not be given.

This plan is consistent with the current expectation that all tenure track faculty in the basic science departments support a minimum of 40% of their salary through extramural grant/contract funding. This plan would be applicable to tenure track faculty including department heads of the basic science departments.

The initial year of this basic science productivity incentive plan focuses on research dollar generation. For the obvious reasons, that incremental money will assist in reducing the financial stress of individual basic

science departments. It is our hope that future versions of this plan will incorporate provisions that reward extraordinary teaching effort and/or accomplishment along with recognizing faculty service to departments, the College or University.

The following defines the lump sum payment amounts associated with the acquisition of extramural awards that provide salary support, extramural grants that provide limited or no salary support and teaching/administrative service productivity payments.

Research Basic Science Productivity Incentive Payments

Extramural Awards that provide salary support: ^{1, 2}

Salary offset of:

- 35%- 39% - \$1,000 enrichment fund contribution
- 40 – 49% - \$2,000 enrichment fund contribution
- 50 – 59% - \$5,000 lump sum payment
- 60 – 69% - \$10,000 lump sum payment
- 70 – 79% - \$15,000 lump sum payment
- 80 – 89% - \$20,000 lump sum payment
- 90% and above - \$25,000 lump sum payment

Extramural Grants that provide limited or no salary support. ^{1, 3,4}

- If the PI has \$350,000 - \$450,000 in such extramural research support per year, the productivity incentive payment will be determined by the department head and may be up to \$5,000.
- If the PI has >\$450,000 in such extramural research support per year, the productivity incentive payment will be determined by the department head and may be up to \$10,000.
- The PI for a training grant may qualify for an incentive payment of up to a maximum of \$10,000. Determination of payment amount will be by the department head and /or Dean depending on the type, scope and duration of the grant.

¹ Carver and other internal seed grant awards that originate from external sources are not considered extramural awards.

² All incentive payments will be based on the ratio of total extramural salary support of an individual faculty member as a percentage of the individual's total salary payments in the previous fiscal year.

³ Faculty are expected to maximize salary return on such grants to be eligible for productivity incentive payments.

⁴ May include shared instrumentation and training grants.

Teaching/Administrative Service Incentive Payments

- If a faculty member assumes the directorship of a course identified by the department as particularly intensive of time and effort, or assumes a significant administrative burden in the department, the incentive payment will be determined by the department head and may be up to \$10,000. Each department may identify a course(s) and/or departmental service(s) to which this incentive applies.

Eligibility Requirements

The incentive payment program is applicable to tenure track faculty having their primary appointment in a basic science department of the Carver College of Medicine.

In addition to the above requirements, a faculty member must be on the Carver College of Medicine payroll at the time payment is made. The only exception to this requirement is noted in the below paragraph addressing the eligibility of emeritus faculty.

Faculty in phased retirement will be eligible in year one of their phased retirement based on their performance in the previous fiscal year. Phased retirement participants will be excluded from participation in the incentive pay plan upon completion of the first year of their phased retirement.

Emeritus faculty will not be eligible for an incentive payment except during the first year of their emeritus status based on their performance in the previous fiscal year which is utilized for calculating the incentive payment amount.

Operational Guidelines

The maximum payment in FY04 for an individual faculty member is capped at \$25,000.

The development of procedures for implementation of this program will be the responsibility of the basic science department heads with the Dean, Carver College of Medicine, having final decision authority for the overall program, including adjudication of any interpretation issues, complaints, and/or grievances related to program policy.

This program will be conducted in a manner consistent with applicable personal income tax regulations and laws.