

Faculty Incentive Pay Task Force Interim Report – February 2019

Members: *Ryan Austin Fisher, Cody Thomson Havard, Satish Kedia, Santosh Kumar (Chair), Latrice C Pichon, Charles A Pierce, Ty Flores (Facilitator)*

The Incentive Pay task force met in January 2019 to review the current policy and compare it with that from other universities. The committee considered the following questions.

- Is the rate standard across all academic departments, or do the departments get to choose what the rate will be?
- If the department gets to choose its own calculations, is it on an individual, case by case basis, or standard across the department for all departmental faculty?
- Is the incentive rate calculated on the amount of salary recovery or indirect costs?
- Who manages the program, and who must approve the incentive pay requests?
- Are rewards available as well?

Ty Flores conducted a review of different comparable universities that the committee assessed for its deliberations. The committee consists of faculty with different levels of experience with the incentive pay program, ranging from some with decades of experience. The committee made the following observations.

1. As the comparison shows (see Appendix A), the policy at the University of Memphis is comparable with those at other reviewed universities, but there are ambiguities in its interpretation as well as lack of uniformity in its application at different units as noted below.
2. Therefore, the wording in the policy document needs to be more explicit at several places to address several pertinent issues:
 - a. Do the faculty need to be tenured or tenure-track? Can it apply to instructors and other research and clinical faculty whose salary is budgeted in the base budget?
 - b. Is there a minimum percentage of salary that the faculty need to bring in to qualify for incentive plan?
 - c. Is there a limitation due to differences in the indirect cost?
3. There is potential for conflicts between the faculty bringing in grants and the chair due to non-uniformity in interpretations, amount of incentive pays, and lack of transparency, defeating the intended effect of incentivizing sponsored research. The committee was of the opinion that irrespective of faculty status, percentage of recovery, and level of indirect cost, there should be uniformity in incentive provisions across departments and colleges.
4. How can we expand incentives for other categories of faculty and instructors whose salaries are in the university base budget who are currently not eligible for this incentive pay program?

5. How can non-uniformity in teaching release policies across different units be addressed?

The committee will continue its work in formulating recommendations to revise the incentive pay policy, so it is aligned well with the goal of the university to support, encourage, and grow sponsored research activities across the university.

Appendix A: Ty Flores Faculty Incentive Pay Research

Carnegie 2

Memphis: Faculty can receive up to 50% of salary recovery. This is done on an academic departmental basis (the rate must be negotiated with the department chair, or the department has a set rate put in place for its faculty). The Incentive Pay form must be submitted to Payroll.

ETSU: Faculty can receive 50% of salary recovery but must negotiate rate with Chair.

Boise State and UTEP: Faculty receive 50% regardless of their academic department. The program is managed by the OSP.

Arkansas State: Faculty can receive 50% of salary recovery, but no more than 25% of their base salary regardless of their academic department. Must be approved by the Chair, Dean, and Provost.

Montana State: Faculty can recover no more than 75% of the salary recovered and shall not exceed 25% of the employee's base salary. Must be approved by Chair, Dean and Provost. Managed by OSP.

Florida Atlantic University: Individual Colleges are responsible for developing a calculation. Incentive cannot more than 25% of employee's base salary. A University-wide Incentive Pool has been created for this purpose. Provost and VPR must approve each colleges plan.

Wayne State: 80% of salary recovery is returned to the department, and the department determines its own incentive policies. Five annual awards of \$40,000 are awarded to faculty for research.

Carnegie 1

University of Tennessee-Knoxville: Departments can determine their own incentive plans, but incentive cannot exceed 20% of the faculty's salary. Departments should consider whether faculty have met expectations in teaching, research, MS/PhD production, and scholarly service for a certain number of years. Evidence of meeting these criteria is the annual faculty evaluation. The departmental incentive plan must apply to all faculty within the department, and should be approved by the Dean, Vice Chancellor for Research, and Campus Compensation Committee.

Iowa State: The departmental chair can decide to award a deserving faculty member who brings in many sponsored projects. The award can be no more than 20% of the faculty member's base salary. Must be approved by the Dean and Provost.

Missouri: Each department develops a formula that calculates awards based on the indirect costs recovered on sponsored projects. The maximum payment will be the greater of \$30,000 or 30% of the faculty member's base salary. "This flexibility among units is important because of variation in the management of their share of F&A (indirect costs) and salary savings among units and to allow units to adjust the incentive formula to its specific market forces." Departmental rates must be approved by Dean and Provost.

Virginia Tech: First 10% of salary recovery goes to department. The remainder gets split 50/50 between the faculty member and department.

Individual Departments

Creighton University School of Dentistry: Faculty can receive up to 50% of salary recovery. At least 10% but no more than 50% of the faculty's salary is charged to the grant. Cannot exceed 25% of faculty's salary.

Brown University Division of Biology and Medicine: Faculty must receive at least 20% in salary recovery from external sources. Once the 20% "hurdle" has been cleared, the faculty member will receive 50% of the remaining funds.

Illinois State College of Applied Science and Tech: Each faculty with a grant of at least \$10K will receive \$150 in travel funds, per grant.

Anonymous Institutions

Anonymous Institution 1: Faculty receive \$500 for every \$100K+ grant proposal submitted. Managed by OSP.

Anonymous Institution 2: Faculty Senate presents monetary awards of \$5K-10K to faculty who demonstrate excellence in securing sponsored projects.

Anonymous Institution 3: To encourage industry sponsors to contract with University, University will waive any applicable indirect costs fees.