FACULTY COMPENSATION

Compensation Plan, Introduction, Purpose, and Objectives

1. Introduction
   The UTHealth’s School of Nursing (SON) Compensation Plan describes a process designed to reward faculty performance which contributes to UTHealth’s mission of excellence in education, patient care, research, and community service. The Compensation Plan is also intended to provide alignment between the goals of the university and those of the SON and its programs. The Plan establishes guidelines for faculty performance and sets forth the manner in which faculty are rewarded for the achievement of excellence. The SON remains committed to providing a competitive compensation package including salary and retirement, as well as other benefits and rewards for performance. For those participating in the NSRDP Faculty Practice Plan, please refer to those specific by-laws.

2. Purpose
   The purpose of the Plan is to provide a basis for establishing an annual salary and incentive compensation for faculty at UTHealth SON. The Plan allows for salary increases in recognition of expanding a faculty member's duties, promotion in rank, excellent performance, scholarly accomplishmets, noteworthy professional achievements and periodic market adjustments. With regard to faculty performance, expectations of rank appear in the SON faculty handbook on the SON intranet. Clarification of expectations is available via discussion with the Dean and the appropriate Vice Deans or Associate Deans. This Compensation Plan does not constitute a contract or grant any rights beyond which any person is already entitled. UTHealth retains the right to modify or cancel the Plan at any time. With regard to faculty performance, achievement of excellence is generally interpreted as that which exceeds the expectation of rank. Individual goal-setting exceeding the expectation of rank occurs with the appropriate Vice Deans, Associate Deans, and the Dean.

3. Objectives
   a.) The Compensation Plan will strive to achieve the following:
      • Be understandable and transparent to participants
      • Provide adequate compensation to attract and retain excellent faculty
      • Ensure fairness and consistency among faculty
      • Establish a structure to set compensation
      • Provide incentives to encourage teaching, research, practice and administrative productivity
      • Provide for incentives to control expenses, improve quality, and strengthen the fiscal position of the programs and the School
      • Allow the SON to be responsive to changes in the market with regard to faculty salaries
b.) Compensation Plan Year

The Plan year will be September 1 through August 31 annually.

Applicability

1. The Compensation Plan will apply to all full-time and part-time faculty.

2. Sources of funding to the SON used in support of faculty salaries. These may include:

   • State appropriations
   • Hospital and clinics salary support and subsidies
   • Affiliated agencies' support
   • Grant and contract support
   • Endowment operating funds
   • Philanthropy and other support

Faculty Compensation Structure

1. Faculty compensation will be comprised of three components: X, Y, and Z. The X + Y components of salary are defined as “core” salary:

   a.) X = Base Salary is defined as the salary which is no less than the American Association of Colleges of Nursing (AACN) 70% of the median for each rank and educational preparation.

   b.) Y = Supplemental Compensation is based upon agreed additional nursing roles and responsibilities or specialty practice. These additional roles may include clinical practice, education, research and scholarly activities. These activities may be in the community, health care, and professional organizations, or administrative assignments, such as Associate Deans, program coordination, and other services to support the function of the school. The Dean of the SON approves specific additional activities. If the faculty member participates in the Faculty Practice Plan, the Vice Dean for Faculty Excellence will confirm faculty interest, area of expertise, and FTE availability with the Vice Dean for Practice and Engagement.

   i.) The salary determination for supplemental compensation is based upon the additional responsibilities and/or unique market issues for recruitment and retention of actual faculty in specific specialties.

   ii.) Sources of Revenue: Possible sources of revenue for the Y component are endowments where allowed, state funds, a portion of grants and contract savings, fees billed and collected for professional services and other faculty directed revenue streams, including other service contracts.

   iii.) Supplemental Compensation Review: The faculty member’s augmentation is reviewed and approved annually. When a practice or service contract is discontinued, the faculty member’s augmentation is discontinued. Alternately, if a
faculty member in an administrative role no longer serves in that capacity, the augmentation is discontinued.

c.) Z = Faculty Incentive Plan (FIP) is a component of the SON Faculty Compensation Plan. The purpose is to provide recognition for exemplary teaching, practice, research, and service.

d.) The FIP is congruent with the University and School of Nursing Compensation Plan objectives outlined in 3a above.

e.) The goals of the FIP are to:
   - Strengthen efforts in achieving the mission and strategic directions of UT Health San Antonio and School of Nursing.
   - Provide incentive to encourage excellence in the missions of the University.

f.) The FIP achieves these goals by establishing incentives which faculty and administrators may obtain by achieving established objectives of excellence in missions relevant to the University.

g.) The FIP operates under the following policies:
   - The FIP shall operate within the existing budget of the School of Nursing. All budgetary units contribute to a central pool managed by the office of the dean with all expenditures funded from this school-wide pool.
   - The financial stability of the FIP shall be ensured by creating reserves and making awards only from the accumulated reserves. By avoiding expenditures within the FIP that are continuing commitments, funds shall remain available to redeploy as needed.
   - Funds accumulated within the FIP may be allocated, according to the FIP operating procedures established by the Dean, Vice Dean for Faculty Excellence, administrators, and approved by the Dean for incentive payments to faculty members.
   - All incentive payments are given one year at a time on a twelve-month basis. The incentive payments are not guaranteed nor are they recurring payments. Incentive awards are not permanent salary adjustments, nor are they merit increases or salary rate changes. Incentive payments may fluctuate up or down from year to year without affecting base salary.
   - Examples of incentive accomplishments that may qualify for incentive funds include but are not limited to: Development of a new program, successful acquisition of new contracts and funding streams which benefit the school, recognition by election to major professional academies, selection for UT Health Presidential Teaching Award,
receiving a target number of major research grants, and service to the institution resulting in “transformative” positive change. Submitting manuscripts for peer reviewed journals and others.

- Incentive payments shall be treated as payroll items subject to federal income tax withholding and FICA withholdings.

**Z-1 Faculty Incentive Plan (FIP)**

1. Z-1 incentive calculation is based on the performance of the faculty in a fiscal year which begins in September 1st of a given year to August 31st of the following year. Z-1 incentives will be disbursed in September of the following fiscal year.

2. Individuals holding primary appointment as faculty within the School of Nursing (SON) on or before September 1 of the fiscal year may be eligible for participation, as noted below.
   a.) Eligible faculty must teach at least one course as course director or Co-teacher during the current fiscal year.
   b.) Faculty listed on an externally funded SON grant(s) as PI are exempt from the teaching requirement listed above and may still participate in the FY17 FIP plan. With consent of the dean, the teaching portion of the individual goals for PIs may be counted toward that person’s individual research goal.

3. Eligible individuals will receive a FIP plan description.

4. Eligible individuals will be automatically enrolled in the FIP program.

5. Each participating individual will be eligible for receipt of an incentive payment to be distributed after August 31st of the current fiscal year and based on the following guidelines:
   a.) In order for an FIP incentive payment for FY17 performance to be made to any SON faculty, the following criteria must be met:
      i. The School of Nursing’s grand total change in net position for current fiscal year must be greater than or equal to zero.
      ii. UT Health San Antonio must agree to distribute incentive pay. In the case that an institutional decision is made not to distribute incentives, SON FIP incentives will NOT be distributed for the current fiscal year.
   b.) Individual faculty must meet the following additional criteria in order to receive a FIP incentive payment:
i. The School of Nursing cost center in which the faculty member holds his or her primary appointment must have a zero or a positive contribution margin for the current fiscal year.

ii. Each faculty member will be eligible for a maximum incentive payment for the fiscal year of 5% of his or her annualized salary as of September the previous year. For example, if a faculty member is paid .50 FTE by a SON cost center and .50 by another school, only the portion of his or her salary paid by the SON will be eligible for FIP incentive payment (5% of .50 FTE salary). Faculty salary covered by SON based external research grants will be included in the calculation of “academic salary” for FIP purposes.

iii. FIP incentive payments will be:
   - 50% based on school goals (a maximum of 2.5% of academic salary)
   - 50% based on individual goals (a maximum of 2.5% of academic salary)

6. Total incentive payments would be 2.0% of salary if all FIP goals were met at the threshold level, 3.5% of salary if all FIP goals were met at the target level and 5% of salary if all FIP goals were met at the exceptional level. The criteria for specific goals are as follows:
   a.) Threshold: 80% probability of achievement
   b.) Target: 50% probability of achievement
   c.) Exceptional: 10-20% probability of achievement

7. The SON goals for the fiscal year are as follows:
   a.) Goal 1: Research - increase productivity as evidenced by total grant funding in comparison to the previous fiscal year as follows:
      i. Threshold – increase of 1%
      ii. Target - increase of 2%
      iii. Exceptional – increase of 4%
   b.) Goal 2: Increase scholarship– peer-reviewed abstracts, books, chapters and/or journal and/or online publications (refereed papers and published refereed abstracts) over current fiscal year. (See notes on scholarship at the end of this chapter.)
      i. Threshold – increase of 2%
      ii. Target – increase of 4%
      iii. Exceptional – increase of 6%
   c.) Goal 3: Improve student satisfaction compared to previous year as assessed by SON Exit Survey
      i. Threshold – increase of 1%
      ii. Target – increase of 2%
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Revised/Reviewed: February 2018
Responsibility: Office for Faculty Excellence

iii. Exceptional – increase of 3%

d.) Achievement of School goals will be based on aggregate numbers for all programs combined.

8. In addition to SON goals, faculty will have the following three (3) individual goals, with achievement as follows:

a.) Goal 1: Teaching excellence as assessed by faculty peer evaluation of teaching for all courses taught during the current fiscal year.

i. Threshold – mean faculty peer evaluation rate of 3
ii. Target – mean faculty peer evaluation rate of 3.5
iii. Exceptional – mean faculty peer evaluation rate of 4

b.) Goal 2: Research and Scholarship: Increase research and/or scholarly productivity as evidenced by total grant funding or publications as follows:

• Threshold

  i. 10 % (or $1000.00, whichever is greater) increase in external research grant funding as principal investigator (PI) or Co-PI
     OR
  ii. One (1) new external grant submission by June 30 of the current fiscal year which includes SON funding.
     OR
  iii. One refereed journal article submission as a contributing author by June 30 of the current fiscal year.
     OR
  iv. One new refereed abstract presentation published/presented by June 30 of the current fiscal year in a peer reviewed journal or conference proceeding.

• Target

  i. 15 % (or $5000.00 whichever is greater) increase in external research grant funding as PI or Co-PI.
     OR
  ii. One (1) new external grant submission as PI or Co-PI by June 30 of the current fiscal year which includes SON funding.
     OR
  iii. One new first or senior author refereed journal article submission by June 30 of the current fiscal year.
     OR
  iv. One new refereed journal abstract presentation published in a refereed journal or conference proceeding by June 30 of the current fiscal year.

• Exceptional
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i. 25% (or $10,000 whichever is greater) increase in external research grant funding as PI or Co-PI which includes SON funding.

OR

ii. One (1) new external research grant funded as PI or Co-PI (SON funding required) by June 30 of the current fiscal year.

OR

iii. One new first or senior author refereed journal article, book or book chapter published by June 30 of the current fiscal year.

OR

iv. Three new refereed journal abstract presentations published by June 30 of the current fiscal year.

c.) Goal 3: Service: Active participation and contribution to SON, university, and professional organizations at local, state, regional, national and international venues.

• Threshold

i. Productive service on at least one SON or University Committee as certified by the committee chair by June 30 of the current fiscal year.

OR

ii. Productive service in at least one community service activity as certified by the program sponsor by June 30 of the current fiscal year.

OR

iii. Productive service on at least one statewide, national or international professional service board, committee or taskforce as certified by the committee chair or organization sponsor by June 30 of the current fiscal year.

OR

iv. Service as a peer reviewer for a journal as certified by the editor-in-chief by June 30 of the current fiscal year.

• Target

i. Productive service on at least two SON or University Committees as certified by the committee chair or organization sponsor by June 30 of the current fiscal year.

OR

ii. Productive service in at least two community service activities as certified by the program sponsor by June 30 of the current fiscal year.

OR

iii. Productive service on at least two statewide, national or international professional service board, committee or taskforce as certified by the committee chair or organization sponsor by June 30 of the current fiscal year.
iv. Service as a member of the editorial board of a journal as certified by the editor-in-chief by June 30 of the current fiscal year

- Exceptional
  
  i. Productive service as chair of at least one (1) SON or University Committee as certified by an Associate Dean, Vice Dean or other official by June 30 of the current fiscal year

  OR

  ii. Productive service as chair or leader for at least one (1) community service activity as certified by the program sponsor by June 30 of the current fiscal year

  OR

  iii. Productive service as chair of at least one (1) statewide, national or international professional service board, committee or taskforce as certified by the organization sponsor by June 30 of the current fiscal year

  OR

  iv. Service as an editor-in-chief of a journal as certified by chief operating officer or manager of journal

9. Incentive payments will be calculated as follows:

  a.) School Goals – Attainment of SON goals may accrue in incentive of up to a total of 2.5% of the fiscal year’s annualized salary (1% total for threshold, 1.75% total for target, and 2.5% total for exceptional. Percentages are split evenly for each goal:

  - Goal 1. Research

    i. Threshold - .34% of annualized salary for the fiscal year

    ii. Target - .59% of annualized salary for the fiscal year

    iii. Exceptional - .84% of annualized salary for the fiscal year

  - Goal 2: Scholarship

    i. Threshold - .33% of annualized salary for the fiscal year

    ii. Target - .58% of annualized salary for the fiscal year

    iii. Exceptional - .83% of annualized salary for the fiscal year

  - Goal 3: Student Satisfaction

    i. Threshold - .33% of annualized salary for the fiscal year

    ii. Target - .58% of annualized salary for the fiscal year

    iii. Exceptional - .83% of annualized salary for the fiscal year
b.) Individual Goals – Attainment of individual goals may accrue in incentive up to a total of 2.5% of the annualized salary for the fiscal year (1% total for threshold, 1.75% total for target, and 2.5% total for exceptional. Percentages are split evenly for each goal)

- Goal 1: Teaching
  i. Threshold - .34% of annualized salary for the fiscal year
  ii. Target - .59% of annualized salary for the fiscal year
  iii. Exceptional - .84% of annualized salary for the fiscal year

- Goal 2: Research and Scholarship
  i. Threshold - .33% of annualized salary for the fiscal year
  ii. Target - .58% of annualized salary for the fiscal year
  iii. Exceptional - .83% of annualized salary for the fiscal year

- Goal 3: Service
  i. Threshold - .33% of annualized salary for the fiscal year
  ii. Target - .58% of annualized salary for the fiscal year
  iii. Exceptional - .83% of annualized salary for the fiscal year

Z-2 Faculty Incentive Plan (FIP)

1. The FIP Z-2 will be offered as an additional incentive to faculty members who have responsibilities and opportunities to generate revenue in practice & service through engagement with the Faculty Practice Plan through the Office of the Vice Dean for Practice and Engagement.

2. All School of Nursing Faculty with 50% or more appointment are automatically members of the Faculty Practice Plan. Those who are actively engaged in the practice plan through the office of the Vice Dean for Practice and Engagement may be eligible for the Z-2 incentive.

3. Z-2 incentive calculation is based on the performance of the faculty in a fiscal year which begins in September 1st of a given year to August 31st of the following year. Z-2 incentives will be disbursed in September of the following fiscal year.

4. Each faculty member engaged in the faculty practice plan may receive a maximum Z-2 incentive of not greater than 5% of their salary (X+Y).

5. In order for Z-2 to disbursed, the SON faculty practice plan must have an excess of 20% over net operating margin in addition to 3-month operating expense reserve for the fiscal year.

6. FIP Z-2 incentive payments will be: 50% based on Faculty Practice Plan Goals (a maximum of 2.5% of academic salary). 50% based on individual goals (a maximum of 2.5% of academic salary).

7. The SON Faculty Practice Plan Goal is to increase productivity as evidenced by achieving a margin in excess of 20% over net operating margin plus 3-month operating expense reserve and increase in margin in comparison to the previous year as follows:
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a.) Threshold – increase of 1%
b.) Target – increase of 2%
c.) Exceptional – increase of 4%

8. Individual Faculty Practice Plan goal is to increase practice productivity as evidenced by generated positive practice revenue

a.) Threshold: Generates a positive net revenue of 2-4%
b.) Target: Generates a positive net revenue of 5-10%
c.) Exceptional: Generates a positive net revenue of more than 10%

9. Incentive payments will be calculated as follows.

a.) SON Faculty Practice goals – Attainment of SON Faculty Practice goals may accrue in incentive of up to total of 2.5% of the percent of Faculty’s Clinical Practice effort for fiscal year’s annualized salary as follows:
   • Threshold – 1% incentive
   • Target – 1.75% incentive
   • Exceptional – 2.5% incentive

b.) Individual Faculty Practice goals – Attainment of individual Faculty Practice goals may accrue in incentive up to a total of 2.5% of percent of Faculty’s Clinical Practice effort for the annualized salary for the fiscal year as follows:
   • Threshold – 1% incentive
   • Target – 1.75% incentive
   • Exceptional – 2.5% incentive

The Faculty Practice Revenue follows the formula outlined below. Definitions of components are outlined below.

<table>
<thead>
<tr>
<th>Revenue</th>
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<tbody>
<tr>
<td>Fee for Service</td>
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<table>
<thead>
<tr>
<th>Expenses</th>
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<tbody>
<tr>
<td>Salary</td>
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<tr>
<td>Benefits</td>
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<tr>
<td>Dean's Tax</td>
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<tr>
<td>Office Faculty Excellence Tax</td>
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<tr>
<td>Institutional Contribution</td>
<td>$</td>
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<tr>
<td>UT Nursing Overhead</td>
<td>$</td>
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<tr>
<td>Total Expenses</td>
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</tbody>
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(Overhead % Reviewed Annually based on actual overhead costs)
Definitions:

Revenue – Practice income less expenses.

Salary – the % of faculty effort for the Faculty Practice (e.g. 10% of faculty’s X+Ys). Benefits – employer paid portion of the benefits paid to the employee. These expenses may include group health insurance, unemployment Insurance, worker’s compensation, Teachers Retirement Service or Optional Retirement plans, etc.

Dean’s Tax – a portion of the revenue earned from practice plan funds transferred to the Dean’s Office to support the School as a whole, such as faculty recruitment costs, faculty incentive payments, one-time equipment expenditures, additional M&O support for those activities that cannot be paid for with state funds, etc.

Office of Faculty Excellence Tax – a portion of the revenue earned from practice plan funds transferred to OFE to support faculty functions and activities such as faculty travel, faculty development, faculty presentations, etc.

Institutional Contribution – a portion of the revenue earned from the practice plan funds transferred to the Institution to be reallocated at the President’s discretion to fund various institutional commitments.

UT Nursing Overhead – expenses that support the practice plan. These expenses include non-faculty salaries (both administrative and medical), medical supplies, administrative costs, etc. The overhead rate is reviewed annually based on the prior year’s overhead expenses.

Faculty Performance Planning and Evaluations

1. Annual Plan and Review

   Annually each faculty member will participate in performance planning and evaluation with the Vice Dean for Faculty Excellence and the Dean. A plan for each component of the compensation structure will be developed by the Vice Dean for Faculty Excellence with approval of the Dean. The annual review will address superior productivity, as well as, any concerns about a faculty member not meeting the performance standard.

2. Faculty Compensation

   a. New Hires: Compensation will use the most current AACN 12-month AACN Salaries of Instructional and Administrative Nursing Faculty in Baccalaureate and Graduate Programs in Nursing using Table 33. Calendar Year: Salaries for All Full-Time Nurse Faculty in Institutions with an Academic Health Center by Rank, Public Institution, and Degree Level. The Vice Dean for Faculty Excellence, with the approval of the Dean will recommend a
starting salary no less than the 25th Percentile based on experience. The XYZ compensation plan guidelines will be followed. If hired on a 09-month basis, the salary will be pro-rated based on the 12-month schedule and percent effort.

b. Promotions: Faculty who are promoted will be compensated an annual 12-month increase based on the below schedule. This increase begins in fiscal year (September 1st) of the effective date of promotion based on percent of effort and applies to all tracks.

   i. + $3,000  Instructor to Assistant Professor
   ii. + $6,000  Assistant Professor to Associate Professor
   iii. + $10,000  Associate Professor to Professor

c. Merit: Merit Consideration will be determined by a defined criteria based on a meritorious performance rubric.

3. Process for Resolving Faculty and Vice Dean for Faculty Excellence Non – Concurrence

   In the event that a faculty member and the Vice Dean for Faculty Excellence do not agree on their evaluation and compensation plan, the faculty member will follow the normal chain of command and request to meet with the Dean. If the concerns are not resolved, the faculty member has the option of pursuing the concern further through the University Handbook of Operating Procedures Policy on Grievances.

Notes on Scholarship

As proposed by Boyer, scholarship includes four different categories:

1. The scholarship of discovery including original research that advanced knowledge;
   Examples:
   a.) Internally or externally funded research projects
   b.) Research projects
   c.) Working papers
   d.) Peer-reviewed journal articles
   e.) Book chapters and/or books
   f.) Creative activity: Compositions, presentations, performances, exhibits and projects.

2. The scholarship of integration that involves synthesis of information across disciplines, across topics within a discipline or across time.
   Examples:
   a.) Professional development workshop
   b.) Literature reviews
   c.) Policy papers
   d.) Inter-professional education
   e.) Presentations of research at conferences
f.) Non-academic publications that address discipline-related concerns  
g.) Meta-analysis (contrasting or combining results from different studies)

3. The scholarship of application/engagement that goes beyond the service duties of a faculty member to those within or outside the University and involves the rigor and application of disciplinary expertise with results that can be shared with and/or evaluated by peers; Examples:

a.) Consulting activities in field or industry that directly relate to the intellectual work of the faculty member  
b.) Support or development of community activities in the field or industry that link with academic discipline  
c.) Formal development and/or oversight of practice/partnerships on behalf of the University that connect students with the field/industry  
d.) The application of theory in the field to real world problems.  
e.) Development of centers for study or service  
f.) Media contributions (newspaper, magazine, etc.)

4. The scholarship of teaching and learning with the systematic study of teaching and learning processes. This differs from scholarly teaching in that it requires a format that will allow public sharing and the opportunity for application and evaluation by others. Examples:

a.) Development of new or substantially revised courses, curricula  
b.) Innovative teaching materials/strategies  
c.) Educational research projects resulting in findings disseminated at professional conferences and/or in peer-reviewed publications  
d.) Projects funded by external or internal grants to support instructional activities  
e.) Production of videos for instruction  
f.) Technical, procedural or practical innovations made clinically or professionally  
g.) Publication of textbooks or teaching materials.

References:  


McNabb, J. Pawlyshyn, N. (2014). Defining Scholarship: Boyer’s 4 models of scholarship: A faculty conversation. Northeastern University; Faculty Professional Development Day

Approved by Faculty Assembly – May 26, 2009 – via electronic vote