

PhD Performance – Based Budgeting

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Policy Objective

- a. To encourage and tangibly reward productivity, cost-effective effort management and overall support of the research, academic and clinical programs at the University of South Florida Morsani College of Medicine.
- b. To create a mechanism whereby PhD and non-clinically practicing MD faculty compensation is directly linked to MCOM performance measures that are reliable and accurate.
- c. To establish objective metrics and measures to track and implement performance benchmarks that emphasize and recognize effort that contributes to the mission, vision, and values of the MCOM.





Applicability

All out-of-unit ranked PhD and non-clinically practicing MD faculty in the MCOM:

- Professor

- Associate Professor
- Assistant Professor
- Graduate Research Professor
- Distinguished Professor
- Eminent Scholar





Does not apply to

- Instructors (job code 9004), Faculty Administrators (9199) and other miscellaneous administrative faculty
- Chairs of basic science departments
- Other defined major leadership positions
- Faculty with a defined supported clinical role
- Faculty w/ active NIH/RO1/U01/U54/PO1 funding
- Faculty who are members of the National Academy of Medicine (NAM)
- Faculty Members with less than three years of service.





FY 16-17 Base Effort Funding

Comes from State / Department Funds:

- Tenure or Tenure Earning Track: 50% of base UCS salary
- Non Tenure: 30% of base UCS salary

OR as defined by the Letter of Offer





Non–Base Effort Funding

- Remaining funding comes from:
 - a) EVUs
 - b) Administrative effort with funding
 - c) Rolling average on funded grants

(Note: unless prohibited by agency, the percent effort should be at least 10% per 100k award; we will not approve budgets that do not conform.)





Total Cumulative Effort

 The sum total of the Base Effort and all components of the Non-Base Effort equal the TCE.

• An applicable faculty member's TCE will be calculated as a percentage of his/her FTE.





Total Cumulative Effort – FY 16-17

	Base Effort	Non-Base Effort
Tenure / Tenure Earning	50 %	50 %
Non-Tenure Earning	30 %	70 %





Effort Gap

Any delta between the Total Cumulative Effort (TCE) and the faculty member's FTE will be considered an "Effort Gap".





Base Salary Adjustment Calculation

• All applicable faculty members with an Effort Gap will have their salary adjusted.

The calculation of a faculty member's salary adjustment will be:
30% of his/her current UCS x Effort Gap





Max Base Salary Adjustment

The <u>maximum</u> reduction of an individual's base salary due to an Effort Gap (in a one year period):

Tenure / TE: 30% of UCS x Gap (max 50%)

Example - Worst Case Scenario \$100,000 UCS x 30% = \$30,000 x 50% Gap = \$15,000

<u>Non-Tenure:</u> 30% of UCS x Gap (max 70%) Example – Worst Case Scenario \$100,000 UCS x 30% = \$30,000 x 70% Gap - \$21,000





Base Salary Adjustment Calculation Example (Tenured Faculty)

Original Salary	\$100.000 (UCS base)	
Base Effort (Tenured)	50%	
EVU Effort	10%	
Administrative Effort	0%	
Grant Funded Effort	5%	
Total Cumulative Effort ("TCE")	65%	
Gap	35%	
Adjustment calculated on 30% of UCS	\$30,000	
Adjustment = 35% GAP X \$30,000	\$10,500	
New Salary	\$89,000	





Timing of Adjustment Calculation

- Spring of the current fiscal year initial reports are provided.
- The Effort Gap will be calculated on current FY basis in the month of June (i.e. July 1 – June 30), with any resulting salary adjustment being effective on July 1 of the new fiscal year.
- A faculty member who has an Effort Gap will not have his/her salary adjusted if the resulting salary reduction is calculated to be less than \$5,000.





Base Salary Reinstatement*

A faculty member who has a salary reduction as a result of an Effort Gap *may be* eligible to have some or all of their salary reduction reinstated if they reach 100% TCE in the year subsequent to the year that the salary reduction is taken.

*Any such salary reinstatement shall be made solely at the discretion of the MCOM Dean.





FY 15-16 Results

- 11 funding gaps identified
- Administration worked w/ the chairs/supervisors and faulty members to clarify the effort
- Additional assignments were identified in some cases
- Four remaining faculty members received salary reductions Note, these reductions ranged from \$6,615K to \$19,615K. Two of the four faculty have resigned





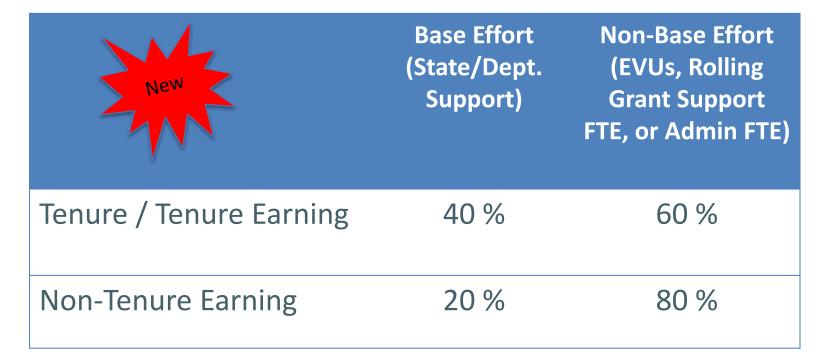
FY 16 – 17 Timeline

- Spring, 2017 Prepare Draft TCE Report
- Review draft with Chairs/Supervisors
- Determine potential assignment adjustments if needed
- June 2017 prepare final report for Faculty Affairs
- July 1, 2017 FY 16-17 Salary Actions Implemented
- July 1, 2017 FY 17-18 New proposed policy





FY 17-18 Policy Update – effective July 1, 2017







New Max Base Salary Adjustment

The <u>maximum</u> reduction of an individual's base salary due to an Effort Gap (in a one year period):

Tenure / TE: 30% of UCS x Gap (60% max)

Example -Worst Case Scenario \$100,000 UCS x 30% = \$30,000 x 60% = \$18,000

<u>Non-Tenure:</u> 30% of UCS x Gap (80% max) Example -Worst Case Scenario \$100,000 UCS x 30% = \$30,000 x 80% = \$24,000





ANY QUESTIONS?

- Dr. Liggett for Research assignments
- Dr. Bognar for Educational assignments
- Dr. Parisi for Faculty Affairs

THANK YOU



