

# 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 maximum 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

$\$100,000 \text{ UCS} \times 30\% = \$30,000 \times 50\% \text{ Gap} = \$15,000$

Non-Tenure: 30% of UCS x Gap (max 70%)

Example – Worst Case Scenario

$\$100,000 \text{ UCS} \times 30\% = \$30,000 \times 70\% \text{ Gap} = \$21,000$

# 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 faculty 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	Base Effort (State/Dept. Support)	Non-Base Effort (EVUs, Rolling Grant Support FTE, or Admin FTE)
Tenure / Tenure Earning	40 %	60 %
Non-Tenure Earning	20 %	80 %

# New Max Base Salary Adjustment

The maximum 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

$$\$100,000 \text{ UCS} \times 30\% = \$30,000 \times 60\% = \$18,000$$

Non-Tenure: 30% of UCS x Gap (80% max)

Example -Worst Case Scenario

$$\$100,000 \text{ UCS} \times 30\% = \$30,000 \times 80\% = \$24,000$$

# ANY QUESTIONS?

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

THANK YOU