

**2020-21 Faculty Compensation Plan****FINANCE AND RESOURCE MANAGEMENT COMMITTEE****April 15, 2020**

As the university develops the annual Faculty Compensation Plan, it continues to use the parameters provided in the “Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education” document issued by the Secretary of Education several years ago. This document defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval.

In accordance with the most recent Consolidated Salary Authorization, the 2020-21 Faculty Compensation Plan provides information about (1) the 2020-21 pay structure, (2) the promotion and tenure process, (3) the annual evaluation and salary adjustment process for teaching and research faculty and administrative and professional faculty, and (4) salary adjustments within the evaluation period.

This faculty compensation plan covers only faculty positions. The compensation plan for staff is administered separately by the university administration in accordance with the Board of Visitors’ approval of the university’s Management Agreement, effective July 1, 2006, as well as guidance from the commonwealth and the state Department of Human Resource Management.

**Authorized Salary Average**

The Authorized Salary Average applies to all full-time teaching and research positions with the rank of professor, associate professor, assistant professor, instructor, or lecturer that are engaged in teaching and research for 50 percent or more of the time. As noted in the Consolidated Salary Authorization document, “Institutions are expected to award differential salary increases to their faculty based on performance and other circumstances such as promotions, tenure, and changes in responsibility. The net effect of all salary actions should be an average salary that approximates the state authorized salary average.”

The commonwealth measures the adequacy of faculty salaries by comparing the institutional average with the average of a unique benchmark group for each public college and university. The benchmark groups are constructed by matching characteristics of colleges and universities, such as size of the student body, percentage of degrees granted in various disciplines, percentage of graduate degrees conferred, and research activity levels. The General Assembly established an objective in the late 1980s to fund a faculty salary average at all institutions that would approximate the salary average at the 60<sup>th</sup> percentile in the ranking of salary averages in individual benchmark

groups. The State Council of Higher Education for Virginia (SCHEV) last reviewed and updated each institution's Faculty Salary Peer Group in 2007. The current benchmarking of Virginia Tech's Faculty Salary Average is made using the peer group established in 2007.

The Authorized Salary Average is updated from time to time by SCHEV. However, given that the University's Actual Salary Average currently exceeds the Authorized Salary Average, the university's current focus is the comparison of the Actual Salary Average to peer averages to determine the university's competitive position. This is consistent with Joint Legislative Audit and Review Commission's review and recommendations.

### **Actual Salary Average**

For Fall 2018, Virginia Tech's Actual Salary Average was \$104,132. This placed Virginia Tech at the 29<sup>th</sup> percentile of its peer group based on the most recent peer salary data available data from the Integrated Postsecondary Education Data System (IPEDS). Fall 2019 peer salary data is not yet available; however, based upon SCHEV's forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank at the 25<sup>th</sup> percentile of peer institutions for Fall 2019. Summary statistics are provided in the table below. The university's competitive positioning among peers for Fall 2019 will be recomputed once IPEDS data becomes available.

	<b>Fall 2018</b>	<b>Fall 2019</b>	<b>Change</b>
60th Percentile	\$116,058	\$119,191*	2.7%*
Actual Average Salary	\$104,132	\$105,262	1.1%
Rank - Actual	20 of 26	20 of 26*	-*
Percentile - Actual	29 <sup>th</sup>	25 <sup>th</sup> *	(4)*

*\*IPEDS peer salary data for Fall 2019 is not yet available. Estimates are based on the State Council of Higher Education's forecast of 2.7% salary escalation at peer institutions.*

Attachment A provides a list of the university's peer group and the comparative salary averages for Fall 2018.

### **2020-21 Pay Structure**

In accordance with the intent of the Consolidated Salary Authorization, a pay structure for the teaching and research faculty for 2020-21 is presented in Attachment B. This plan is unchanged from the 2019-20 approved plan. The attachment also displays the normal entrance rate for each faculty category along with the change from the approved compensation rate for each rank, along with the distribution of faculty across the ranks.

The salary average for administrative and professional faculty may not exceed the authorized salary average for the teaching and research faculty by more than 35 percent.

## **Promotion, Tenure, and Continued Appointment**

Promotion to a higher rank and appointment with tenure may be granted to faculty members on a regular faculty appointment who have demonstrated outstanding accomplishments in an appropriate combination of learning, discovery, and engagement. A current curriculum vitae together with student and peer evaluations of teaching, reprints of publications, evaluations by external reviewers from the same or a related field, and other similar documents comprise a dossier which furnishes the principal basis for promotion and tenure decisions. Faculty members being considered for either promotion or the awarding of tenure will have their dossiers reviewed at three levels: by a departmental committee and the head or chair; by a college committee and the dean; and by a university committee and the provost. Each candidate for promotion or tenure will be evaluated in the light of the tripartite mission of the university: learning, discovery, and engagement. Although not all candidates can be expected to have equal levels of commitment or equal responsibilities in each of these missions, a high level of general competence is expected in recognition of the need for flexibility in the future establishment of priorities in academic programs. Beyond that basic foundation of competence, decisions related to tenure or promotion to associate professor will require evidence of excellence in at least one area.

Because of the university's mission and commitment as a major research institution, successful candidates for the rank of professor must demonstrate excellence in research, scholarship, or creative achievement, as appropriate for the candidate's discipline and assignment. Promotion to the rank of professor is contingent upon national or international recognition as an outstanding scholar and educator.

In addition to the rank promotions within the faculty categories described below, faculty may be promoted to ranks within other faculty categories, as appropriate (for example, an Instructor may be promoted to a rank within the Professor of Practice or Collegiate Faculty categories.)

The Faculty Handbook provides detailed policies and procedures for the departmental evaluation, the college evaluation, and the university evaluation.

Members of the Library faculty and Cooperative Extension faculty not holding appointments in a collegiate department may be considered for continued appointment or for promotion in faculty rank in recognition of appropriate professional accomplishments. Candidates for promotion or continued appointment will be reviewed at two levels: first by the University Libraries or Extension promotion and continued appointment committee and dean of University Libraries or director of Virginia Cooperative Extension, and second by the University Promotion and Continued Appointment Committee and the provost.

At the June meeting each year, the university will submit to the Board of Visitors a report of recommended promotion, tenure, and continued appointment actions for review and approval.

The following raises are recommended for promotions to:

Professor	\$7,000
Associate Professor	5,000
Assistant Professor	3,000

For academic-year faculty members who have Research Extended Appointments (10, 11, or 12 month appointments funded by sponsored projects) with salaries adjusted in accordance with formulas in Policy 6200 - Policy on Research Extended Appointments, or for those who have a limited-term appointment as department head or other administrator, the stipend is adjusted by the same conversion rate to preserve its value when the faculty member returns to the academic-year appointment.

### Clinical Faculty

The clinical faculty track provides for long-term, full-time or part-time faculty appointments to individuals whose primary responsibilities are instruction and/or service in a clinical setting, such as veterinary medicine. Tenure cannot be earned in these ranks, and time spent in one of these ranks is not applicable toward probationary tenure-track faculty service. There are four clinical ranks beginning with Clinical Instructor. Those clinical faculty members with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

Clinical Professor	\$7,000
Clinical Associate Professor	5,000
Clinical Assistant Professor	3,000

### Collegiate Faculty

The collegiate professor series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three collegiate professor ranks, beginning with Collegiate Assistant Professor. Tenure will not be awarded at any of these ranks and service at these ranks is excluded from the pre-tenure probationary period if the faculty member is subsequently appointed to a tenure-track position. Collegiate professors with a record of significant scholarly and/or professional achievement may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

Collegiate Professor	\$7,000
Collegiate Associate Professor	5,000
Collegiate Assistant Professor	3,000

### Professor of Practice

The professor of practice series provides for short- or long-term, full- or part-time, non-tenure-track faculty appointments for individuals who bring specialized expertise to the instructional programs of the university, thereby complementing the qualifications and contributions of tenure-track faculty. There are three professor of practice ranks, beginning with Assistant Professor of Practice. Tenure will not be awarded at any of these ranks and all service at one of these ranks will be excluded from the probationary period should the faculty member later be appointed to a tenure-track position. Professor of practice faculty members with a record of outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

Professor of Practice	\$7,000
Associate Professor of Practice	5,000
Assistant Professor of Practice	3,000

### Instructors

The instructor track provides for full- and part-time appointments to individuals whose primary responsibilities are to the undergraduate instructional program. Tenure will not be awarded at any of these ranks and all service at any instructor rank will be excluded from the probationary period should the faculty member later be appointed to a tenure track position. There are three ranks in the series: Instructor, Advanced Instructor, and Senior Instructor. Those instructors with outstanding performance may be considered for promotion in rank by the relevant departmental and college promotion and tenure committees, with administrative approval by the provost.

The following raises are recommended for promotions to:

Senior Instructor	\$5,000
Advanced Instructor	3,000

### Extension Agents

There are three ranks for extension agents: Associate Extension Agent, Extension Agent, and Senior Extension Agent. Criteria for promotion in rank include educational preparation, performance, and professionalism. The Director of Cooperative Extension makes a recommendation to the Provost based on an evaluation of the candidate's dossier and recommendations of the Peer Review Committees, District Director, and Associate Directors of Cooperative Extension.

The following raises are recommended for promotions within Cooperative Extension:

Senior Extension Agent	\$5,000
Extension Agent	3,000

### Virginia Tech Carilion School of Medicine Faculty

Virginia Tech Carilion School of Medicine faculty members are of two types: faculty employed by the university or faculty employed by affiliate entities (in most cases Carilion Clinic). At all times, regardless of employer, faculty members providing instruction, academic support, or performing academic duties or roles as a Virginia Tech Carilion School of Medicine faculty member are governed by Virginia Tech's policies and procedures.

In the Virginia Tech Carilion School of Medicine, tenure-to-title is granted at the discretion of the school without any right to, interest in, or expectation of any compensation or guarantee for compensation or future employment and is granted only in the Virginia Tech Carilion School of Medicine to individuals who are not employed by Virginia Tech. Tenure-to-title is recognition of a faculty member's significant accomplishments in teaching, clinical care (if relevant), scholarship, and service to the school.

The tenure-to-title and/or promotion in rank dossier is reviewed at three levels: (1) by an appropriately charged departmental committee and the department head or chair, (2) by an appropriately charged college-level committee and the dean, (3) and by the provost. The department head or chair and dean make separate recommendations to the subsequent review levels. The provost reviews college and dean recommendations and makes recommendations to the president. The Board of Visitors grants final approval.

## **Annual Evaluation and Salary Adjustments**

### Teaching and Research Faculty

An evaluation of every faculty member's professional performance is held each year. All persons holding non-temporary faculty appointments are asked to prepare a report at the end of each academic year (or other appropriate 12-month period) citing their instructional activities, creative scholarship, and other professional activities and recognitions during the year. Salary recommendations are based upon performance documented in these annual reports, which are reviewed by departmental personnel committees in some cases, by the department head or chair, and the dean.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the department head or chair and are reviewed by the dean. At the university level, the dean reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

### Administrative and Professional Faculty

Administrative and Professional Faculty are comprised of Senior Administrators and Managers and Professionals. Senior Administrators perform work directly related to management of the educational and general activities of the institution at least 50 percent or more of their contractual time, and typically serve in executive leadership roles such as vice president, dean, and assistant or associate vice president or dean. Managers have responsibility for supervision and evaluation of a significant number of staff and/or professional faculty, and budgetary responsibility for their unit or a substantive program. Professionals provide direct service to students, other university constituencies, or clients external to the university as part of the university's missions of learning, discovery, and engagement. Professionals include, but are not limited to, extension agents, librarians, coaches, physicians, lawyers, engineers, architects, student or academic affairs professionals, development officers, specialists in public relations, human resources, information technology, and financial specialists.

Evaluations are based upon standards set by the supervisor with the participation of the faculty member and relate closely to the duties inherent in the functional title and job description of the position. Annually set expectations become one of the important criteria for judging professional job performance in the subsequent year. In addition to maintaining a high level of performance in carrying out their job-related duties and responsibilities, senior administrators, managers, and professionals are expected to participate in and provide leadership of departmental, divisional, or university-wide committees, special university-wide assignments, or similar activity on behalf of important university priorities.

Salary adjustments are based on merit; they are not automatic. Recommendations for salary adjustments originate with the supervisor and are reviewed as appropriate by the department head, dean, and vice president. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

### Research Faculty

Research faculty are those with the titles of research associate, senior research associate, postdoctoral associate, research scientist, senior research scientist, research assistant professor, research associate professor, research professor, project associate, senior project associate, or project director. Research faculty appointments are intended to promote and expedite the research activities of the university. Tenure cannot be earned in these ranks and service is not applicable toward probationary faculty service.

Each research faculty member is evaluated and given a merit adjustment on the same schedule for evaluations and raise recommendations as the other faculty groups. Salary adjustments are based on merit; they are not automatic. An annual performance review by the principal investigator and/or department head becomes part of the basis for salary adjustments. Recommendations for salary adjustments originate with the supervisor

(usually the principal investigator or the department head or chair) and are reviewed as appropriate by the department head or chair, dean, and vice president for research and innovation. At the university level, the dean or vice president reviews the salary adjustment recommendations at a formal salary hearing with the president, the provost, the chief financial officer, and others as needed.

### **Other Salary Adjustments**

Faculty salary adjustments are normally reviewed and approved by the Board of Visitors in two phases: adjustments for promotion are recommended at the June meeting and adjustments based on performance are recommended at the fall meeting. In addition to this process, it is sometimes necessary to adjust the salaries of specific faculty members at other times during the fiscal year. These adjustments are primarily for changes in duties and responsibilities, for special temporary assignments, for retention or other exceptional needs, and for faculty selected for a different position as part of a search. Adjustments on the anniversary date of appointment for a restricted faculty member may also be approved in lieu of the normal merit process.

To recognize continued educational attainment, faculty members may receive a base salary adjustment of up to \$3,000 for completion of the doctorate effective upon official certification by the degree-granting institution that all requirements have been met for award of the degree.

The president, provost, and chief financial officer are authorized to administer the faculty compensation plan during the year and act upon requests for salary adjustments. The president has issued a set of guidelines establishing the parameters for approval of special salary adjustments. By separate resolution, the Board has delegated authority to the president or designee for approval of changes in employment status that do not involve any salary action, salary adjustments made in accordance with existing policies and standard formulas, off-cycle salary adjustments less than 10 percent, new appointments and salary adjustments for faculty members on restricted contracts, and new appointments of non-tenure track instructional faculty or administrative and professional faculty below the level of senior administrator and their direct reports. The quarterly Personnel Changes Report will reflect those actions of strategic importance to the institution as identified in the resolution.

### **Faculty Research Incentive Plan**

During 2011-12, a university workgroup developed a university savings program by incentivizing faculty research activities. This effort resulted in the Board's creation of a Faculty Research Incentive Program (FRIP) that has similarities to programs at peer institutions. This plan was implemented in 2012-13 and will be continued in 2020-21.

The goal of the FRIP is to provide an incentive for principal or co-principal investigators to secure additional competitively awarded, externally sponsored activities. Through the leveraging of appropriately charged time to competitive grants and contracts, research

time that is funded by departments or colleges can be reduced, resulting in salary savings that can be used to both support the incentive program as well as to support academic initiatives.

One-time research incentive payments are made from department or college salary savings and are based on a minimum savings threshold that is applied equitably within departments or colleges. Faculty must apply in advance to be considered for the program. Research incentive payments must be approved by the department head or chair, the dean, and the vice president for research and innovation (or the appropriate administrators based on reporting structure); all disapprovals must also be reviewed by each management level. When salary savings result in a reduction in faculty assignments, those salary savings are excluded from the program.

### **Current Faculty Compensation Plans**

Recognizing the critical nature of faculty compensation, the university's standing relative to the 60<sup>th</sup> percentile of the university's peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover, the university will continue to explore opportunities to improve the competitiveness of Virginia Tech faculty compensation. However, due to the lack of a statewide salary program in 2020-21 and budget uncertainty resulting from the COVID-19 pandemic, no university merit process is currently planned for the 2020-21 fiscal year.

The university may elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs. For example, in some years the university has worked to address issues such as salary compression and equity needs. For 2020-21, such changes may result from one or more of the following processes:

- The university establishes a special pool of funds to address salary inequity and retention issues for specific faculty, such as national distinction. The funding will only be used to make adjustments based on evaluations of specific circumstances surrounding individual faculty members. As such, these adjustments would not be available to all faculty members and may occur at any time during the year, subject to approval by the Board.
- The president may use a special pool of funds to adjust individual salary recommendations made by the vice presidents and deans when he determines that a different adjustment is warranted.

### **RECOMMENDATION:**

That the proposed 2020-21 Faculty Compensation Plan be approved.

May 29, 2020

## Attachment A

## VIRGINIA TECH

## Peer Salary Benchmarking

Fall 2018

<u>Institution</u>	<u>Average Salary</u> <sup>(1)</sup>	<u>Rank</u>
California-Berkeley, University of	\$ 155,186	1
Cornell University	138,094	2
Southern California, University of	133,820	3
California-Davis, University of	131,105	4
Washington-Seattle Campus, University of	118,257	5
Texas at Austin, University of	116,462	6
Maryland-College Park, University of	116,442	7
Illinois at Urbana-Champaign, University of	113,428	8
Ohio State University – Main Campus	113,177	9
Wisconsin-Madison, University of	112,160	10
Purdue University – Main Campus	111,956	11
Michigan-Ann Arbor, University of	108,824	12
Stony Brook University	108,522	13
Minnesota-Twin Cities, University of	108,095	14
Texas A&M University	107,694	15
Rutgers University – New Brunswick/Piscataway	107,257	16
Michigan State	107,056	17
Florida, University of	105,826	18
Colorado at Boulder, University of	105,159	19
<b>Virginia Tech</b>	<b>104,132</b>	<b>20</b>
Pennsylvania State University – Main Campus	102,250	21
Iowa State University	100,652	22
North Carolina State University at Raleigh	99,473	23
Pittsburgh – Main Campus, University of	98,703	24
SUNY at Buffalo	95,850	25
Missouri-Columbia, University of	88,134	26

Virginia Tech Actual Salary Average Percentile

29th

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<sup>1</sup> Average salary of peer institutions is based on the latest available data (Fall 2018) from IPEDS

## Attachment B

## 2020-21 Pay Structure

## Virginia Tech

	<u>9-Month Faculty</u>		<u>12-Month Faculty</u>		<u>Distribution</u>
	<u>Entrance</u>	<u>Change</u>	<u>Entrance</u>	<u>Change</u>	<u>Approximate % of Total Faculty By Rank</u>
Professor	\$93,419	0%	\$113,938	0%	29%
Associate Professor	71,450	0%	86,578	0%	28%
Assistant Professor	59,107	0%	71,896	0%	30%
Senior Instructor	50,693	0%	65,961	0%	3%
Advanced Instructor	45,196	0%	58,633	0%	2%
Instructor	41,425	0%	53,898	0%	8%