

FIN-ECO PPS 2.03

**Policy Statement on:
Merit Guidelines
Texas State University
Department of Finance and Economics
Adopted 5-10-2016**

PURPOSE

This PPS explains the policies and procedures used to make merit pay decisions in the Department of Finance and Economics.

GENERAL INFORMATION

The University and the McCoy College of Business Administration have established policies and procedures for adjusting faculty salaries based on merit:

AAPPS 7.10 – Procedures for Awarding Merit and Performance Raises

CBAPPS 5.01 – Faculty Evaluation

CBAPPS 5.04 – Merit/Performance Policy

CBAPPS 5.06 – Workload Policy

CBAPPS 5.07 – Criteria for Faculty Qualifications

Following are some important features of these policies:

A. McCoy College faculty are categorized as Scholarly Academic, Practice Academic, Scholarly Practitioner, Instructional Practitioner, or Other. Their workloads are dictated by the weights assigned to the teaching, scholarship, and service components of their workload plan [CBAPPS 5.01, 5.06, 5.07].

B. Faculty are expected to contribute to the goals of the College through teaching, scholarship, and service, and to do so with integrity, professionalism, and a spirit of collegiality. Evaluation in these areas is the basis for salary decisions. Per College policy, the mandated weights for tenure-track faculty are 40% teaching, 50% scholarship, and 10% service/professional activities. The usual weights are 40-40-20% for tenured faculty, but they may request other weights within these ranges: 30-50% teaching, 30-50% scholarship, 10-20% service/professional. Non-tenure-line ranges are 60-80% teaching, 0-20% scholarship, 10-40% service/professional [AAPPS 7.10, CBAPPS 5.01, 5.04, 5.06].

C. Although University and College policies refer to performance and merit raises (AAPPS 7.10, CBAPPS 5.04), the practice is to award only merit. Faculty who meet expectations are eligible for a base merit raise, as explained below. Per Department policy, faculty who exceed expectations are eligible for an additional raise.

PROCEDURES

1. Evaluation Materials

Each year, by January 31, faculty shall submit the following documents to the Chair:

Activity Report. Faculty shall submit an activity report detailing their achievements in the prior year in teaching, scholarship, and service. Whether their performance was below, at, or above expectations shall be assessed in light of their workload plan; points accumulated in teaching, scholarship, and service; and the goals set forth in their activity plan (see below) for that year.

Self-Assessment Form. Faculty shall submit a self-assessment form (see Appendix A) listing points claimed in teaching, scholarship and service. The Chair shall make any adjustments deemed appropriate.

Activity Plan. Faculty shall submit an activity plan for the coming year that identifies anticipated activities and goals in teaching, scholarship, and service. Faculty who wish to request a workload with other than the usual weights in these categories shall specify the desired weights in their activity plan. The Chair shall make the final decision regarding weights.

The Chair shall not schedule the meeting discussed in Section 2 below until all three documents have been submitted. This meeting is a precondition for the awarding of merit pay to the faculty member.

Faculty are also responsible for the following:

Digital Measures. The McCoy College uses Digital Measures for reports that must be submitted to the University and to its accrediting agencies. Faculty have an ongoing obligation to ensure that their information is current and accurate, but in any event this requirement must be met by January 31.

Course Assessment. Course assessment for SACS and AACSB, in the form of common examination questions in core courses, is a mandatory part of the teaching process. A faculty member's failure to participate fully in the assessment process in the prior year shall result in a lower score in teaching, as determined by the Chair.

2. Meeting of Chair and Faculty

By March 1, the Chair shall meet with each faculty member to discuss the following:

A. The points assigned by the Chair for the prior year in teaching and any adjustments made in the points claimed by the faculty member for scholarship and/or service.

B. Whether the individual's performance in the prior year was below, at, or above expectations.

C. The workload plan (see CBAPPS 5.06) for the coming year and the weights for teaching, scholarship, and service. If, after this meeting, any adjustments in the faculty member's activity plan are required, he/she shall make those changes and submit the revised plan to the Chair. This process must be concluded expeditiously, as merit pay recommendations must be submitted to the Dean's Office by March 15.

3. Evaluation System

The Department merit pool is a percentage, determined by the University, of the combined salaries of Department faculty. In years in which merit money is available, the Department shall set aside 10% of this pool for the additional raise explained below. The remaining money (base merit pool) shall be given to faculty who meet expectations based on a percentage calculated by dividing the base merit pool by the sum of the salaries of faculty eligible for merit.

Thus, if 30 people each earn \$100,000, total salaries are \$3,000,000. If the University provides a 3% raise, the merit pool is \$90,000. Of that, 10% is set aside for additional raises, leaving a base merit pool of \$81,000. If two people are not eligible for a merit raise, the sum of salaries of those eligible is $28 \times 100,000 = \$2,800,000$. Thus, the merit raise as a % of one's salary is $\$81,000 \div \$2,800,000 = 2.89\%$.

To be eligible for a base merit raise, faculty must meet expectations. To do so, faculty must be categorized as Scholarly Academic, Practice Academic, Scholarly Practitioner, or Instructional Practitioner; have an average score of 50 or more points for teaching, scholarship, and service for the prior three years [CBAPPS 5.04]; and provide evidence of sustained engagement in teaching, scholarship, and service throughout the evaluation period.

The 10% set-aside shall be allocated as an additional raise to faculty who exceed expectations. To do so, faculty must have an average score of 75 or more points for teaching, scholarship, and service for the prior three years or be in the top quarter of faculty who receive base merit pay in that three-year period, whichever number is higher. Eligible faculty shall share equally in the set-aside. Thus, if 9 faculty qualify for the additional raise and the set-aside is \$9,000, each person will receive \$1,000 in addition to their base merit raise.

Although the merit raise is based on a three-year average, faculty should submit a self-assessment form related to accomplishments only in the prior calendar year. Faculty may claim up to a maximum in each category based on their classification and workload election. Thus, a faculty member with a 40-40-20% workload could claim up to 40 points in teaching and in scholarship and 20 points in service. As noted in Appendix A, some items can only be claimed once while others can be claimed per occurrence.

Teaching. Various measures allow faculty to earn points for Teaching. One measure is quality as demonstrated by University- and College-mandated student evaluations. In each course taught in the Spring and Fall semesters of the reporting year, the scores on questions 1-16 of the student-evaluation forms shall be averaged; these per-course scores shall, in turn, be averaged and rounded up two decimal places to produce the overall average for the reporting period.

To receive points in the student-evaluation category, the overall average in the reporting year must be at least 3.0, which represents an average score on the 1-5 range in the evaluation form. Points for eligible faculty shall be calculated by multiplying their overall average by 15; these points shall then be adjusted by factoring in the percentage of the faculty member's workload that is allocated to teaching. Thus, a faculty member whose teaching workload is 60% and who has an average of 4.8 on student evaluations would accumulate 43 points ($4.8 \times 15 = 72 \times .6 = 43.2$). The Chair may adjust the point total upward by as many as five points if, in his/her judgment, the nature of the written comments in the evaluation forms so warrants.

Because student evaluations reflect only a portion of one's dedication to teaching, Appendix A provides additional measures of evaluation, e.g., class size and type, the number of preparations in a semester, innovation in teaching methods, creation of teaching materials, and self-improvement.

Scholarship. The primary measure for scholarship is articles published in quality peer-reviewed journals and in law reviews. Faculty can claim points for each article accepted or printed in the reviewing period, but the article can be claimed only once; thus, if a faculty member claims credit for an article accepted in Year 1, he/she cannot claim it again when it is printed in Year 2. The points awarded for each article relate to the journal's rank of A (30 points), B (20 points), or C (10 points) on the McCoy College or Departmental Journal Lists located on TRACS (or the journal lists of other Texas State University departments for interdisciplinary publications). Points can also be earned for book / book chapter publications and external grants. Co-authorship is credited equally to single authorship.

If the faculty member's on-list article publication points exceed the maximum points available for Scholarship, he/she can bank up to 20 excess points to be claimed the following year. Thus, a faculty member with a 40-40-20 allocation who published two A-quality articles worth 60 points and also earned 5 points for conferences would receive 40 points in Year 1 and have 20 remaining for Year 2. If he/she published one A-quality article and earned 15 points for book chapters and conferences for a total of 45 points, then he/she would claim 40 points in Year 1 and have no banked points for Year 2.

Service. Points are available for service to the University, McCoy College, and Department and to the faculty member's profession, such as leadership in regional and national associations, serving as a peer reviewer, and writing book reviews. General community service does not count for merit unless the faculty member can demonstrate a link to his/her field (e.g., a BLAW faculty member providing legal advice to a non-profit organization), except that non-tenure-line faculty can claim points for business- and professional-related activities listed in CBAPPS 5.07.

First-year faculty may qualify for a base merit raise of 1/3 of the base merit percentage determined by the formula explained above. Eligibility shall depend on the Chair's comprehensive assessment of the faculty member's performance at Texas State; in this assessment, the Chair shall consider the points on the self-assessment form while accommodating the fact that the individual has only a partial year at Texas State. Second-year faculty shall qualify for the base merit raise – but not the additional raise – with an average score of 50 or more in the previous two reporting periods.

For faculty who take a Faculty Development Leave during one semester of the reporting period, service activities conducted in the non-leave semester should be considered as applying to the entire year. If Faculty Development Leave encompasses the entire reporting period (Spring and Fall semester of the calendar year), points will be assigned for teaching and service based on the average of points in these two areas from the previous two reporting periods.

4. Merit Advisory Committee

A Merit Advisory Committee [MAC] shall assist in resolving disputes between faculty and the Chair regarding point assessments in teaching, scholarship, or service; whether the faculty member's performance in the prior year was below, at, or above expectations; and/or the proper workload plan for the faculty member and weights to be given teaching, scholarship, or service.

The Personnel Committee [PC] shall elect three tenured faculty members, one each from Business Law, Economics, and Finance, to serve staggered three-year terms on the MAC. Elections shall occur in the August Department faculty meeting each year. In AY 2016-2017, business law, economics, and finance members shall serve, respectively, one-, two-, and three-year terms.

The members of the MAC shall designate one member to serve as Chair for the year.

If a faculty member and the Department Chair cannot resolve a dispute regarding merit-point allocation, the faculty member may appeal to the MAC within five (5) working days of his/her meeting with the Chair. The appeal must be submitted in writing to the MAC Chair, identify the grounds for the appeal, and specify the desired remedy. On receipt of any appeal(s), the MAC Chair shall convene the MAC to review the case and arrive at a judgment. In conducting its review the MAC may consult any resources or with any person(s) it deems relevant.

After the MAC has arrived at its judgment, the MAC Chair and Department Chair shall meet to resolve the dispute. The Department Chair shall notify the faculty member of the outcome. If the faculty member is dissatisfied with the resolution, or there is none, the matter shall be referred to the PC for a final decision, which shall be by majority vote of the members present at the meeting scheduled for that purpose. If the faculty member is not satisfied with the PC's decision, he/she may appeal to the Dean of the College.

If a member of the MAC files an appeal, the Personnel Committee shall elect a tenured faculty member from the affected discipline to replace him/her for purposes of dealing with that appeal.

Because merit recommendations must be submitted to the Dean's Office by March 15, any appeals must be fully resolved by then.

5. Review of this PPS

This policy shall be reviewed at least once every three years. To that end, every third year, or upon request of the Chair or the Personnel Committee (see below), the Chair shall convene a committee of four tenured and two non-tenured faculty to review the policy and make any recommendations

for change. The Personnel Committee shall meet to vote on these recommendations, with adoption requiring a majority vote of those present.

Before the fixed three-year review, the Chair or a majority of the Personnel Committee may request reconsideration of this PPS. Upon such request, the procedure noted in the preceding paragraph shall be followed.

APPENDIX A

The items listed below are drawn from CBAPPS 5.01 and 5.07. Unless otherwise noted, points can be awarded per event (*e.g.*, new course developed, article published, or manuscript reviewed). Those denoted with an “*” may only be awarded up to the maximum of the range indicated. If an award is given at multiple levels, the faculty member can claim only the highest amount. For example, a departmental teaching award that leads to a McCoy College teaching award is worth 2 points.

Teaching	
Teaching Quality	Based on work-load %
Extended Responsibilities	
Graduate, Honors, or Writing Intensive Courses	5
Additional Preps (more than 2 per semester or 3 per year)	4*
New Course Development (including first instance of online / hybrid course even if previously taught onsite)	6
Directing Honors / graduate theses	5 (max of 10 points)
Directing independent studies	2 (max of 8 points)
More than 150 students taught without course load reduction	1-4 (per semester)
Textbooks	
Author / co-author textbook (1 st edition only)	1-10
Curriculum, Pedagogy, and Assessment Development Activities	
Present at Conference / Workshop re Teaching	3
Attend Conference / Workshop re Teaching	1 (max of 2 points)
Teaching Awards	
Department, College, University	1, 2, or 3 respectively
Regional or National Association	2 or 3 respectively
<i>Other Documented Teaching Activities</i>	1-10*
Sum of Teaching Points	
Workload Percentage Maximum (30-80)	
Total Teaching Points Claimed	
Scholarship	
Journal & Law Review Publications	
Non-refereed Article Publications	30 (A), 20 (B), 10 (C)
Scholarly Book/Monograph with Academic Publishers	1-5
Chapters in Scholarly Books published by Academic Publishers	30
Funded National, State / Local, University, or McCoy College Grants	10 (max of 20 points per book)
	20, 5-15, 3, 1, respectively
Scholarship Awards	
Department, College, University	2, 5-15, 3, 1, respectively
Regional or National Association	2 or 3 respectively

Scholarly Presentations	
Conference Presentations	3 (max of 9 points)
Other Presentations	1 (max of 3 points)
<i>Other Documented Research Activities</i>	1-5*
Sum of Scholarship Points	
Workload Percentage Maximum (0-50)	
Total Scholarship Points Claimed	
Service	
University, College, Department Service	
Chair Committees or Other Major Service Responsibilities	5-10
Committee Membership (non-leadership)	1-5
Advise / Sponsor Student Organizations or Competition Teams	1-10
Professional Service	
Leadership and Committee Activities in National, Regional, or State Academic or Professional Organizations	1-5*
Editing / co-editing academic or professional journal	1-10
Review manuscripts for academic or professional journals or for national or regional academic conferences, or publish academic book reviews	2 (max of 10 points)
Community Service	
Service Related to Faculty Discipline	1-10*
Service Awards	
Department, College, University	1, 2, or 3 respectively
Local, Regional, or National Association	1, 2, or 3 respectively
<i>Other Documented Discipline-Related Service Activities</i>	1-5*
Sum of Service Points	
Workload Percentage Maximum (10-40)	
Total Service Points Claimed	
Total Points for Teaching, Scholarship, Service	