

**FACULTY INCENTIVE PLAN  
UNIVERSITY OF MARYLAND SCHOOL OF NURSING**

The purpose of this University of Maryland School of Nursing Faculty Incentive Plan ("Plan") is to encourage School of Nursing faculty to pursue service and research work which will enhance their abilities as faculty to advance the mission and goals of the School of Nursing ("School"). This Plan will incentivize such faculty work when it results in grants and contracts or professional service agreements (collectively, "sponsored agreements") which call for payments to the School to support a part of the salary and fringe benefit costs incurred by the School for employment of the faculty who are investigators under the sponsored agreements. This plan is effective September 15, 2022 and supercedes the School's previous plan.

A. Definitions

1. "School-Funded Salary" means the part of Institutional Base Salary paid to a faculty member by the School using funds in a Department budget obtained from General Assembly appropriation of tax revenues and tuition or from endowment or other unrestricted philanthropic income. School-Funded Salary does not include any variable compensation (e.g., administrative supplement, salary enhancement, performance incentive, special one-time payments) or compensation funded from another University of Maryland Baltimore ("UMB") school or a University System of Maryland component other than UMB. Institutional Base Salary is defined in UMB's Institutional Base Salary policy.
2. "Half-Year" means half of UMB's pay periods in a 12 month period. The first Half-Year begins the on the first day of the first full pay period of October. The second Half-Year begins the on the first day of the first full pay period of April. "Full Fringe Benefits Cost" means Salary Support multiplied by the applicable fringe benefit rate for faculty as specified in UMB's rate agreement with the United States Department of Health and Human Services.
3. "Full Indirect Cost" means indirect cost rate set for a type of sponsored agreement by UMB. Indirect cost at a lower rate is considered Full Indirect Cost if the lower rate is set by federal policy, state policy, local government policy, external sponsor or the policy of a tax-exempt non-government entity.
4. "Grant or Contract" ("G/C") means a sponsored agreement with UMB having at least one School faculty member as a Principal Investigator ("PI"), Co-Principal Investigator ("Co-PI"), Multiple Principal Investigator ("MPI"), or Co-Investigator ("Co-I") and providing funding for School faculty Salary Support, Full Fringe Benefits Cost related to that Salary Support and Full Indirect Cost. The income under the G/C must be available to the School and UMB to offset funds in a Department budget obtained from (a) General Assembly appropriation of tax revenues and tuition and/or (b) endowment income or other unrestricted philanthropic income. A G/C is characterized by a School PI, Co-PI or MPI who is responsible for determining and managing how objectives are met for a G/C.

5. "Incentive" means incentive compensation paid as provided in this Plan. Incentive is computed as a percentage of the amount UMB is paid under a sponsored agreement for effort of eligible School faculty. Incentive may not exceed 10% of total eligible School Funded Salary. Eligibility for Incentive and amount of Incentive will be determined as of the March and September Incentive Determination Dates (IDD), regardless of effective date, expiration date or termination date of the sponsored agreement.
  6. "Incentive Determination Date" ("IDD") means the date as of which the School will assess and reassess faculty eligibility for Incentive that will be payable with respect to the following Half-Year. Incentives and eligibility will be calculated twice a year. Only sponsored agreements fully executed as of March 15 and September 15 will be considered in determining eligibility and calculating incentive.
  7. "Participant" means a School faculty member participating in the Plan who is a PI, Co-PI, MPI, or Co-I on a G/C or a Practicing Faculty Member funded under a Professional Services Agreement ("PSA").
  8. "Practicing Faculty Member" ("PFM") means a faculty member providing specified professional services under a Professional Services Agreement.
  9. "Professional Services Agreement" ("PSA") means a contract for a faculty member to provide specified professional services as a PFM within the scope of nursing/health care practice (e.g., direct patient care, evidence based practice consultant, staff educator) to a corporate entity for at least 5% FTE effort per work week for a minimum of six months.
  10. "Salary Offset" means the part of a salary funded under a sponsored agreement that was initially budgeted to be funded from a Department budget obtained from (a) General Assembly appropriation of tax revenues and tuition and/or (b) endowment income or other unrestricted philanthropic income. Salary Offset is the basis for Incentive. Cost shared effort on a sponsored agreement is not eligible for incentive.
  11. "Salary Support" means sponsored agreement funding: (a) budgeted by the School, consistent with the G/C or PSA, for payment of all or part of Institutional Base Salary to a specific faculty member, and (b) under a G/C or PSA, providing Full Fringe Benefits Cost related to Salary Support and Full Indirect Cost.
  12. "Sponsored agreement" means an agreement between the School and an outside entity that is a G/C or PSA.
- B. Eligibility
1. To be eligible for this Plan, a faculty member must:
    - a) hold a School non-tenure track or tenure track faculty appointment;
    - b) hold a compensated faculty appointment other than a visiting faculty appointment;
    - c) receive School-Funded Salary equal to at least 50 percent of Institutional Base Salary;



- d) be employed at least 50 percent effort (.5 FTE);
- e) as of the IDD,
  - a. be a PI, Co-PI, or MPI on a G/C with at least 5% School-Funded Salary support or be a PFM with at least 5% School-Funded Salary support on a PSA; or
  - b. be a Co-I included as Key Personnel on an NIH grant, or equivalent on a non-NIH G/C, for at least 5% School-Funded Salary support on a single G/C;
- f) Docusign the designated paperwork required by the School to be considered a Participant in this Plan.

2. **New Faculty:** A School faculty member who begins employment during a Half-Year is eligible to become a Participant as of the start of the next Half-Year if the faculty member has met the requirements in B.1 as of the first IDD following commencement of employment. The Dean may exercise discretion to initiate Incentive at times other than the IDD under exceptional circumstances, such as to provide Incentive for recruiting new faculty with significant sponsored agreement funding.
3. **Existing Faculty – Gaining Eligibility:** A faculty member who has met the requirements in B.1 as of the IDD during a Half-Year is eligible to become a Participant as of the start of the next Half-Year.
4. **Existing Faculty – Losing Eligibility:** If a faculty member who is receiving Incentive fails to meet the requirements in B.1 as of the IDD during a Half-Year, the faculty member is ineligible and will receive no further Incentive in the next Half-Year. The requirements of B.1 will be applied to determine if a faculty member regains eligibility on the next IDD. Additionally, if the Dean decides a faculty member is not providing satisfactory performance of work required under the sponsored agreement and/or other School responsibilities, the Dean may terminate the faculty member's participation in the Plan immediately.

C. Calculation and Payment of Incentive

1. Incentive payable to a faculty member will be determined under the following formula:

<b>Required Minimum Salary Support as % of Base Salary</b>	<b>All PSAs (PFM)</b>	<b>G/C with School of Nursing Faculty as PI, Co-PI, MPI, Co-I</b>
Less than 5%	None	None
5% or Greater	20% of Salary Offset	20% of Salary Offset

2. Incentive will be paid biweekly as part of taxable earnings during a Half-Year. Incentive may increase or decrease from one Half-Year to the next, but will not be increased or decreased as a result of an increase or decrease in Incentive.

E. Other Matters

1. Incentive does not increase Institutional Base Salary.

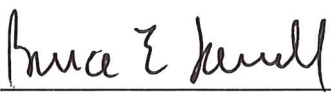
2. Incentive will not be considered when calculating merit increases to Institutional Base Salary and cost of living increases to Institutional Base Salary. Incentive is not subject to merit or cost of living increases. Incentive is not part of regular earnings and therefore will not be included in the calculation of leave payout upon termination or be included in the calculation of pension/retirement contributions.
3. Incentive will not be included in calculations to determine Salary Support in budgets for sponsored agreements. Incentive and related fringe benefit costs may not be charged to sponsored agreements. Incentive will be excluded from calculations of the percentage faculty effort charged to sponsored and non-sponsored accounts for certifying level of effort expended.
4. Regardless of the budgeted effort percentage that was used to determine the Salary Support amount used to calculate Incentive, salary should be charged to the sponsored agreement and effort should be certified to the sponsored agreement based on the percentage of effort actually expended on the sponsored agreement. Effort that exceeds the budgeted effort percentage must be negotiated with the Department Chair within the School's workload policy.
5. This Plan does not create an obligation on the part of the School or UMB to approve sponsored agreements proposed by faculty.
6. Incentive is payable as provided in this Plan subject to (a) reduction due to lack of anticipated Salary Support or other funds for a faculty member's salary, (b) State and Federal law and State payroll policies, and (c) applicable policies and guidelines of the University System of Maryland affecting faculty compensation.
7. Incentive payments will terminate immediately upon separation of a Participant from School employment or upon commencement of transitional terminal leave.

Requested:

  
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Dear, Jane Kirschling, PhD, RN, FAAN

9/13/22  
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Date

Approved:

  
\_\_\_\_\_  
President, Bruce Jarrell, MD

9/13/2022  
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Date