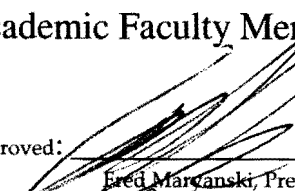
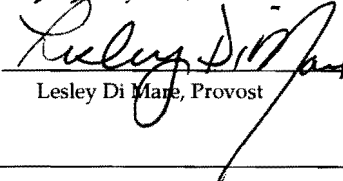




NEVADA STATE COLLEGE

Academic Faculty Merit Pay Policy

Approved:  12/9/08
Fred Marganski, President Date

Approved:  12/9/08
Lesley Di Mare, Provost Date

POLICY STATEMENT

The Nevada State College (NSC) Merit Pay Policy for Academic Faculty supports the College's commitment to reward excellence. Merit pay is awarded to recognize and retain high performing faculty who make significant contributions to the mission and goals of NSC in the areas of Teaching, Scholarship and Service.

Merit pay is awarded to academic faculty who receive overall rating of at least commendable in Teaching and whose overall performance is predominantly commendable or excellent. Based upon the categories of Teaching, Scholarship, and Service. Faculty members will not be eligible for merit pay if they receive a rating of unsatisfactory in any category, or a rating of satisfactory in two or more categories.

REASON FOR POLICY

Merit pay is awarded to academic faculty members based on their contributions, accomplishments, and ongoing high levels of performance. The ability to earn merit pay serves as an incentive for faculty to perform well. A fundamental premise of an equitable merit pay system is that it is built upon a sound and valid performance management system; one that is perceived as being fair, equitable, measurable, and objective. In the first year of implementation, changes to a merit pay system and/or performance management system are prospective and developmental.

This policy defines a College-wide framework for merit pay determination, in compliance with Chapter 6, section 9 of the NSC Bylaws.

The policy is pursuant to the preservation of transparency in merit pay award.

ENTITIES AFFECTED BY THIS POLICY

NSC Policy

Academic Faculty Merit Pay Policy

President, Provost, Deans, and academic faculty.

WHO SHOULD READ THIS POLICY

President, Vice Presidents, Provost, Deans, Directors, Department Chairs, and academic faculty.

REFERENCES FOR ADDITIONAL INFORMATION

NSHE Code, Title 2, Chapter 5, Section 5.12 Evaluation, 5.16 Review of Evaluations and/or Denials of Salary Increase

NSC Bylaws, Chapter 3, Section 3 Faculty ranks.

NSC Bylaws, Chapter 6, section 7 Evaluations

NSC Bylaws, Chapter 6, section 9 Merit Determinations

NSC Bylaws, Chapter 6, section 3 Grievance Procedures for Faculty

WEBSITE ADDRESS FOR THE POLICY

<http://www.nsc.nevada.edu/Academics/Faculty/FacultyResources/FacultySenate/Policies/Index.htm>

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

CONTENTS

Policy Statement 3.1	1
Reasons for Policy	1
Entities Affected by this Policy	2
Who Should Read This Policy	2
Website Address for this Policy	2
Contacts	4
Definitions	5-6
Policy	
Item 1 Introduction	7
Item 2 Ineligibility	7
Item 3 Exclusions	8
Item 4 Criteria for Academic Faculty Merit Pay	8
Item 5 Evaluation Process	8
Item 6 Merit Pay Formula	9-12
Item 7 Award Schedule	13
Item 8 Notice of Merit Pay	13
Item 9 Review of Merit Pay Evaluation	13
Item 10 Relation with other evaluation processes	14
Item 11 Special Provisions	14
Appendix	14

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

CONTACTS

For general questions about the Academic Faculty Merit Pay Policy, please contact the department's administrative office. If you have questions about specific issues, you should contact the following offices:

Area	Contact	Telephone
Academic Affairs	Provost	(702) 992-2621
Liberal Arts & Sciences	Dean	(702) 992-2634
Nursing	Dean	(702) 992-2853
Education	Dean	(702) 992-2041

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

Definitions

For purposes of this policy, the following definitions are used in this document:

Academic Faculty	"Academic faculty" is defined in Section 1.1(a) of the NSHE Code and Title 4, Chapter 3, Section 2(1)(b) of NSHE Board of Regents Handbook, and generally consists of those professional staff members who specifically create and disseminate scholarly information through teaching, or providing counseling or library services closely and directly supportive of teaching and research.(Nevada System of Higher Education CODE, Chapter 7, section 7.2.1.; and Chapter 3, Section 2 (a) and Section 3 (a) of the NSC Bylaws, published in Title 5, Chapter 24 of the NSHE Governing Documents)
Academic Faculty on "A" Contract	Academic faculty on a 12-month appointment
Academic Faculty on "B" Contract	Academic faculty on a 9-month appointment.
Administrative Faculty	"Administrative faculty" refers to a subset of the category of administrators defined in section 1.1.b of the Code and Title 4, Chapter 3, Section 2(1)(d) of the NSHE Board of Regents Handbook. (Nevada System of Higher Education CODE, Chapter 7, section 7.2.1.; Chapter 3, Section 2 (b) and 3(b) of the NSC Bylaws, published in Title 5, Chapter 24 of the NSHE Governing Documents)
Cost of Living Adjustment (COLA)	An across-the-board increase to base pay provided to all current employees regardless of their performance level designed to bring pay in line with increases in the cost of living. The Nevada State legislature may modify or rescind COLA funds at any time before they are distributed.
Eligible Academic Faculty	Academic faculty who have been hired by NSC through a competitive search or have been granted a search waiver. Academic faculty hired in one-year, nonrenewable contracts are excluded. Part-time instructors are excluded.

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

Executive Staff	NSC President, the president's direct reports, and deans
Fiscal Year	Period beginning July 1 of one year and extending through June 30 of the next year.
Merit Pay	Addition to base pay earned by eligible academic faculty for high levels of performance in the categories of Teaching,, Scholarship, and Service, as documented in the annual evaluation report. Merit pay must be earned each year.
Merit Pool	Total funds allocated as a designated percentage of NSC's annual budget; the percentage is determined and funding is appropriated by the state legislature through the budget process. The State legislature may modify or rescind merit funds at any time before they are distributed.
Faculty Pool	Total number of eligible academic faculty who may be considered for merit pay each year.
Obligation Dates	One full week prior to the commencement of classes and one full week after the conclusion of classes each semester, for faculty members who are on a "B" contract.
Part-time Academic Faculty	"Part-time academic faculty shall be equal to at least .5 FTE"(NSHE CODE, Title 2, Chapter 7, section 7.2.1)

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

MERIT PAY POLICY

Academic Faculty Merit Pay Policy

Item 1-Introduction

The Merit Pay award was created by the Nevada State Legislature. Title 4, Chapter 3, Section 20, subsection 4 provides that NSHE professional employees shall be eligible to be considered for merit awards during fiscal years when a merit pool appropriation is provided. NSHE institutions are authorized to develop written policies and criteria for merit award recommendation. The award of merit pay is intended to recognize, reward, and reinforce exemplary performance in the categories of Teaching, Scholarship, and Service, which can serve to enhance retention. Merit pay must be earned each year.

Merit pay is awarded to academic faculty who receive an overall rating of at least a commendable rating in Teaching, Scholarship, and Service and whose overall performance is predominantly commendable or excellent. Faculty members will not be eligible for merit pay if they receive a rating of unsatisfactory in any category, or a rating of satisfactory in two or more categories.

Merit pay is added to base pay when calculating the salary for the new fiscal year.

The policy is administered by the Provost's Office upon recommendations by Department Chairs (as applicable) and Deans. The President makes the final determination of the award and the amount to each eligible faculty member, upon recommendation by the Provost.

To be eligible for inclusion in the Faculty Merit Pool, academic faculty members must have at least one academic year of service or be in their first full academic year of a full-time academic appointment. Item 7 of this policy provides a detailed explanation of the process.

Item 2-Ineligibility

Academic faculty who would otherwise be considered eligible for merit will be considered ineligible in the following circumstances:

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

- a) Academic faculty who are not continuing employment at NSC for the next fiscal year.
- b) Newly-hired eligible faculty who begin employment at NSC after the commencement of the fall semester (i.e., who do not teach the entire semester)

Item 3-Exclusions

The Academic Faculty Merit Pay Policy for Academic Faculty does not apply to:

- a) Executive Staff
- b) Administrative Faculty
- c) Part-time Instructors

Item 4-Criteria for Academic Faculty Merit Pay

The Annual Evaluation Report will provide the basis for consideration of the annual merit pay increase. While specific policies may differ by school or department, all Annual Evaluation Reports should provide sufficient information to allow for full and fair evaluation of faculty, pursuant of Chapter 5, section 7 of NSC bylaws.

Teaching is considered the key criterion for the award of merit pay, and its contribution to the merit determination will have greater weight than the other two areas. To be eligible for inclusion in the faculty merit pool, an eligible academic faculty member must receive at least a commendable rating in Teaching and have overall performance rating of commendable or excellent. Faculty members will not be eligible for merit pay if they receive a rating of unsatisfactory in any category, or a rating of satisfactory in two or more categories.

Item 5-Evaluation process

The Chairs (as applicable) and Deans of the Schools will submit to the Provost recommendations of eligible faculty for merit pay consideration. The Annual Evaluation Report shall form the basis of this recommendation. The list of eligible faculty will be accompanied by supporting documentation.

The Provost will review the recommendations and determine the final composition of the Faculty Merit Pool. The final list of Merit Pay awardees and the amounts of Merit Pay

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

increase will be provided in writing to the Deans by the Provost, with an explanation of the components of the merit evaluation.

Since the Annual Evaluation Reports are the basis for merit pay increases, those records are considered confidential and not a matter of public record. Once awarded, the amount of the merit increase is a matter of public record.

Item 6- Faculty Merit Pay Formula

Merit pay for academic faculty members will be calculated as follows, for those who are eligible to be considered part of the Faculty Pool.

$\textit{Merit Pay} = \text{Individual's Final Evaluation Score} * \text{Merit Point Value}$
--

1. The first step in the calculation of the merit pay is the determination of the composition of the faculty pool. The faculty pool is the total number of eligible academic faculty who may be considered for merit pay each year. Two conditions are necessary:
 - a. Achievement of an overall rating of at least commendable in the categories of Teaching, Scholarship, and Service.
 - b. No satisfactory ratings in two or more categories.

2. The second step in the determination of merit pay is the calculation of the individual merit rating. Using a 3-point rating scale, each faculty is assigned a rate for each one of the three qualitative categories of Teaching , Scholarship, and Service of the annual evaluation report, as follows:

Excellent:	3 points
Commendable:	2 points
Satisfactory:	1 point

Eligibility for inclusion in the Faculty pool can be achieved in a variety of ways:

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

Initial Evaluation Points = Rating in Teaching + Rating in Scholarship + Rating in Service

Table 1
All possible combinations of eligibility for Faculty Merit Pool

Teaching	Service	Scholarship	Initial Evaluation points
Excellent	Excellent	Excellent	9
Excellent	Excellent	Commendable	8
Excellent	Excellent	Satisfactory	7
Excellent	Commendable	Commendable	7
Excellent	Commendable	Satisfactory	6
Excellent	Satisfactory	Commendable	6
Commendable	Excellent	Excellent	8
Commendable	Excellent	Commendable	7
Commendable	Excellent	Satisfactory	6
Commendable	Commendable	Excellent	7
Commendable	Commendable	Commendable	6
Commendable	Commendable	Satisfactory	5
Commendable	Satisfactory	Excellent	6
Commendable	Satisfactory	Commendable	5

3. The third step is to recognize excellence in teaching. In support of NSC’s focus on excellence in teaching, faculty members with a rating of excellent in the category of Teaching on their annual evaluation report, will receive double points (i.e., 6 points) for that sole category. The sum of points in the three categories for each faculty member comprises his/her Final Evaluation Points.

Final Evaluation Points = Rating in Teaching* + Rating in Scholarship + Rating in Service

**Double points if excellent in teaching*

Based on item 3, the maximum Final Evaluation Points for an eligible faculty member is 12 points, and the minimum is 5. Faculty members who have less than

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

5 points, less than a commendable rating in teaching, two or more satisfactory ratings, and one or more unsatisfactory ratings will not be included in the Faculty Pool upon which merit increases are determined.

4. The next step is the calculation of Total Evaluation Points, obtained by adding up the individual Final Evaluation Points of all the faculty members in the Faculty Pool.
5. Next is the calculation of the value of one merit point. This is obtained by dividing the Merit Pool by the Total Evaluation Points. Information about the Merit Pool is provided by the Office of the Vice President of Finance and Administration.

$$\text{Merit Point Value} = \frac{\text{Merit Pool}}{\text{Total Evaluation Points}}$$

The Merit Point Value reflects the dollar amount of Merit Pay funds allocated to each evaluation point in the Faculty Pool.

6. The last step is the computation of the dollar amount of Merit Pay awarded to each faculty member. This is the product of his/her Final Evaluation Points and the Merit Point Value.

$$\text{Merit Pay} = \text{Individual's Final Evaluation Score} * \text{Merit Point Value}$$

6.2 Example

An example of the application of this formula is shown below. This example assumes a Merit Pool of \$5,000, a list of 9 faculty members with different ratings submitted to the Provost Office. In this example:

- Faculty A is eligible to enter the Faculty pool because he/she received excellent in two categories, one of them being "Teaching" and the other commendable. Additionally he/she would be assigned double points in Teaching according to item 6.3 of this policy.
- Faculty B would also be eligible to enter the Faculty Pool but not assigned double points, as the excellent performance was not in the Teaching category.

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

- Faculty C, E, F, and G would be eligible for a merit increase because they achieved at least commendable in Teaching and satisfactory rating only in one category.
- Faculty D, and H would not be eligible for a merit increase, since a commendable rating is required in Teaching.
- Faculty I would not be eligible for a merit increase because of the rating of satisfactory in two categories.

The Faculty Pool would include only 6 of the 9 faculty members and their 45 Final Evaluation Points (See table 2).

Table 2 Example of Merit Pay Distribution Table for a Fictitious Faculty Pool of 9 Eligible Faculty Members

Faculty member	Categories			Initial Eval Points	Final Eval Points		Merit Point Value		Merit Increase
	Teaching	Scholarship	Service						
Faculty A	Excellent	Excellent	Commendable	8	11	x	\$ 111.11	=	\$1,222
	3	3	2	(3+3+2)	(6+3+2)				
Faculty B	Commendable	Commendable	Excellent	7	7	x	\$ 111.11	=	\$778
	2	2	3	(2+2+3)					
Faculty C	Excellent	Excellent	Satisfactory	7	10	x	\$ 111.11	=	\$1,111
	3	3	1	(3+3+1)	(6+3+1)				
Faculty D	Satisfactory	Excellent	Excellent	7	(not		(not eligible)	=	0
	1	3	3	(1+3+3)	eligible)				
Faculty E	Commendable	Satisfactory	Excellent	6	6	x	\$ 111.11	=	\$667
	2	1	3	(2+1+3)					
Faculty F	Commendable	Commendable	Commendable	6	6	x	\$ 111.11	=	\$667
	2	2	2	(2+2+2)					
Faculty G	Commendable	Satisfactory	Commendable	5	5	x	\$ 111.11	=	\$556
	2	1	2	(2+1+2)					
Faculty H	Satisfactory	Commendable	Satisfactory	4	(not	x	(not eligible)	=	0
	1	2	1	(1+2+1)	eligible)				
Faculty I	Excellent	Satisfactory	Satisfactory	5	(not				0

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

	3	1	1	(3+1+1)	eligible)	x	(not eligible)		
				Faculty Pool -->	45		Merit -->		\$ 5,000
							Pool		

Merit Point Value = \$5,000 ÷ 45 = \$111.11

Faculty pool 45 = 11 (Faculty A) + 7 (Faculty B) + 10 (Faculty C) + 6 (Faculty E) + 6 (Faculty F) + 5 (Faculty G).

The Merit Increase for each eligible faculty is the product of his/her Final Evaluation Points and the Merit Point Value, as shown in the last column of Table 2.

Item 7- Award Schedule

Merit *salary* increases will be awarded once annually.

The recommendations *regarding faculty eligible for merit salary award consideration* shall be made by the Deans to the Provost no later than May 15.

Publication of calculations for merit pay disbursements will be provided to the campus no later than July 1 of each year. Merit points will not be consolidated into smaller categories when determining the amount of merit pay increases.

Item 8- Notice of Merit Pay

As provided in Item 7 of this policy, when an academic faculty member has been awarded merit pay, the faculty member shall be informed about the amount of merit pay increase in writing.

The official date of notification of merit awards for the purpose of review and grievance shall be the later of (a) the first day of the fall semester or (b) the day the merit list is released to the campus. The merit list shall be made available to the public.

Item 9- Review of Merit Pay Evaluation

Pursuant to Title 2, Chapter 5, Section 5.16 of NSHE Code, academic faculty members who are in disagreement with their particular award of merit may seek review in accordance with the procedure adopted in the NSC bylaws.

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

Item 10-Relation with Other Evaluation Processes

The Merit Pay evaluation process is a separate process in itself, different from any other evaluation made of faculty. While the Annual Evaluation Report process and the assignment of merit pay are integrated, schools may have separate criteria for their Annual Evaluation Reports.

The receipt of merit pay in one or several years does not guarantee that a faculty member will be promoted and/or tenured. This distinction also makes it possible to reward effort that may be important to a specific school but that, without other equally important contributions, may not justify promotion and tenure.

Item 11-Special Provisions

Any discrepancy between the content of this policy and other related policies and procedures established by the NSC bylaws and Faculty Senate bylaws will be resolved by the Faculty Senate, in accordance with the provisions of the NSHE Code.

Appendix A

All possible combinations of ratings of Faculty Performance

Option	Teaching	Service	Scholarship	Eligible	Initial Evaluation points
1	Excellent	Excellent	Excellent	Y	9
2	Excellent	Excellent	Commendable	Y	8
3	Excellent	Excellent	Satisfactory	Y	7
4	Excellent	Commendable	Excellent	Y	8
5	Excellent	Commendable	Commendable	Y	7
6	Excellent	Commendable	Satisfactory	Y	6
7	Excellent	Satisfactory	Excellent	Y	7
8	Excellent	Satisfactory	Commendable	Y	6
9	<i>Excellent</i>	<i>Satisfactory</i>	<i>Satisfactory</i>	N	4
10	Commendable	Excellent	Excellent	Y	8
11	Commendable	Excellent	Commendable	Y	7
12	Commendable	Excellent	Satisfactory	Y	6
13	Commendable	Commendable	Excellent	Y	7
14	Commendable	Commendable	Commendable	Y	6

NSC Policy	Academic Faculty Merit Pay Policy
------------	-----------------------------------

15	Commendable	Commendable	Satisfactory	Y	5
16	Commendable	Satisfactory	Excellent	Y	6
17	Commendable	Satisfactory	Commendable	Y	5
18	<i>Commendable</i>	<i>Satisfactory</i>	<i>Satisfactory</i>	N	4
19	<i>Satisfactory</i>	<i>Excellent</i>	<i>Excellent</i>	N	7
20	<i>Satisfactory</i>	<i>Excellent</i>	<i>Commendable</i>	N	6
21	<i>Satisfactory</i>	<i>Excellent</i>	<i>Satisfactory</i>	N	5
22	<i>Satisfactory</i>	<i>Commendable</i>	<i>Excellent</i>	N	6
23	<i>Satisfactory</i>	<i>Commendable</i>	<i>Commendable</i>	N	5
24	<i>Satisfactory</i>	<i>Commendable</i>	<i>Satisfactory</i>	N	4
25	<i>Satisfactory</i>	<i>Satisfactory</i>	<i>Excellent</i>	N	5
26	<i>Satisfactory</i>	<i>Satisfactory</i>	<i>Commendable</i>	N	4
27	<i>Satisfactory</i>	<i>Satisfactory</i>	<i>Satisfactory</i>	N	3

| Note: Combinations in *italics* are not eligible for the Faculty pool.