

Gina Anderson

From: Renee Korte
Sent: Monday, January 28, 2013 9:18 AM
To: Gina Anderson
Subject: School of Medicine revised compensation plan
Attachments: UC Davis SOM Comp Plan Implementation Guidelines 2013.docx

Gina,

The system wide policy on Compensation Plans (APM-670) was recently revised. This meant that all compensation plans system wide needed to be revised. Office of the President set a deadline of January 31, 2013 for the plans to be submitted to OP. Due to the Manager of the School of Medicine accepting another position, the plan was just received in my office. Please have the appropriate Academic Senate committee(s) review and comment on this plan. The School of Medicine compensation plan was revised with track changes so you will be able to see what has changed.

I received approval for an extension to the January deadline from OP to submit the plan by February 28th. Let me know, if you need additional information on the changes that were made. Thank you for your assistance.

Renee Korte
Academic Affairs
(530)752-6069

**UC DAVIS
SCHOOL OF MEDICINE
HEALTH SCIENCES COMPENSATION PLAN
IMPLEMENTATION PROCEDURES
Effective January 18, 2013**

**UC DAVIS
SCHOOL OF MEDICINE
HEALTH SCIENCES COMPENSATION PLAN
IMPLEMENTATION PROCEDURES**

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**UC DAVIS
SCHOOL OF MEDICINE
HEALTH SCIENCES COMPENSATION PLAN STATEMENT**

In association with the terms of my appointment, I have received and read copies of the *University of California Health Sciences Compensation Plan*, the *Health Sciences Compensation Plan Implementation Procedures for the UC Davis School of Medicine*, and *compensation plan procedures for my home department*. I agree to comply with all of the conditions outlined therein and in any successor Plans. I will not retain any professional income except as provided.

PRINT NAME DATE

SIGNATURE DATE

Attachments

| University of California Health Sciences Compensation Plan ([July 2012](#))
| Health Sciences Compensation Plan Implementation Procedures for the UC Davis
| School of Medicine (revised [1/18/13](#)).

*Please return this form to your department for inclusion
with your employment forms. Employment forms will **not**
be processed without this Compensation Plan Statement.*

**HEALTH SCIENCES COMPENSATION PLAN
IMPLEMENTATION PROCEDURES FOR THE UC
DAVIS, SCHOOL OF MEDICINE
PREAMBLE**

The Health Sciences Compensation Plan Implementation Procedures of the UC Davis School of Medicine (hereinafter called the Plan) applies to all eligible faculty of the School of Medicine. The Plan is intended to provide an administrative framework for the allocation of income produced by professional activities of the faculty in a manner that supports academic programs and the recruitment and retention of faculty necessary for the maintenance of a high level of academic and professional excellence.

The Plan has been developed in accordance with the system-wide UC Health Sciences Compensation Plan approved by the Regents of the University of California in July [2012](#) and the UC Office of the President Guidelines on Occasional Outside Professional Activities by Health Sciences Compensation Plan Participants issued November 1999.

The Plan was originally adopted by the UC Davis School of Medicine Plan Compensation Advisory Committee on April 16, 2001. At that time, it received wide review by: 1) An ad hoc Health System Plan Advisory group; 2) the Council of Deans; 3) the Councils of Clinical Department Chairs and Basic Science Department Chairs; 4) the School of Medicine Faculty Executive Committee; 5) the SOM faculty; and, 6) the Davis Divisional Academic Senate. In academic year 2003-04, the Plan revision, which included review by: 1) an ad hoc Health System Plan Advisory group; 2) the Compensation Advisory Committee, 3) the Council of Deans; 4) the Council of Chairs; 5) the School of Medicine Faculty Executive Committee; 6) the SOM faculty; 7) the Vice Provost of Academic Personnel; 8) University Counsel; 9) Office of the President; 10) the Chancellor. These revisions were approved and effective July 1, 2005. [In academic year 2012-2013, the Plan was again revised and incorporated the July 2012 modifications made to the University of California Academic Personnel Manual Policy #670, Salary Administration, Health Sciences Compensation Plan. Review of the revisions made to the Plan was conducted by: 1\) the Compensation Advisory Committee, 2\) the Council of Deans, 3\) the Council of Chairs, 4\) the School of Medicine Faculty Executive Committee, 5\) the SOM faculty, 6\) the Vice Provost for Academic Affairs, 7\) University Counsel, 8\) the UC Davis Chancellor, and 9\) the Office of the President.](#)

The executive authority for governance of the Plan shall reside in the person of the Dean of the School of Medicine with approval of the Chancellor. The Plan is administered by The Dean of the School of Medicine assisted by a committee of faculty representatives known as the Plan "Compensation Advisory Committee" (CAC).

EXECUTIVE SUMMARY

The Health Sciences Compensation Plan Implementation Procedures for the UC Davis School of Medicine (v2, 7/01/2001) represents an integration of two previous guidelines (Guidelines for the Clinical and General Compensation Plans) into a single comprehensive plan. For the most part, the rules and regulations and governance procedures for the new comprehensive plan are not significantly different from those of the two predecessor plans. However, there are two significant differences that warrant explication: 1) Under the comprehensive plan, clinical sciences faculty and basic sciences faculty are now provided with comparable compensation opportunities and salary guidelines; and, 2) All departments must now select between one of two options (The University-wide Standard Requirement or the Alternative Option). The two options relate to the retention of "Non-plan Income". Income derived from patient care activities continues, under all circumstances, to be considered Plan Income, as in the prior plans. Also, as in prior plans, income derived by faculty from prizes, royalties, honoraria, University honoraria, administrative stipends, and income from a profession or activities unrelated to the training and experience which is the individual's qualification for University appointment may be retained by the faculty member under either the University-wide Standard Requirement or the Alternative Option. If a Department selects the University-wide Standard Requirement, the department chooses to maintain the option which most closely matches the *status quo* in terms of Non-Plan Income. Non-Plan Income is defined as income derived from: prizes, royalties, honoraria, University honoraria, administrative stipends, income unrelated to the training and experience for which the individual was hired by the University, and payments from 21 days of service (other than patient care) per fiscal year to governmental agencies, to non-profit health- or education-related organizations, to continuing health education programs administered by the University, or to University Extension, if such service has been approved by the Dean and the Chancellor. Twenty-one days is defined as 168 hours per year.

If a Department selects the Alternative Option, Non-Plan Income includes the above, and in addition the definition of non-plan income may be expanded to include the following types of income: fees from consultations to all types of not-for-profit entities; fees from consultations to for-profit entities; and/or fees related to expert or professional witness activities. Occasional outside professional activity may not exceed 21 days or 168 hours per year. Departments that select the Alternative Option must establish procedures for defining and monitoring outside income, including setting prescribed earning limits, reporting methods and "*good standing*" criteria.

Two principal objectives of department compensation plan procedures are to set out the department's selection of the University-wide Standard Requirement or the Alternative Option, and the selection of a base salary scale for the department, divisions and/or Academic Programmatic Units. These selections should be made with consideration of their impact on academic productivity. Each department's proposed compensation plan procedures shall be presented for review and comment to the department faculty and CAC each year, and approved by the Dean.

The Chair of CAC is appointed annually by the Dean. Of the ten members, four (4) are appointed by the Dean, and six (6) are elected for two year terms. Elected members

represent basic science (2), medical science (2) and surgical science (2) areas. Members may serve two consecutive terms before standing down for a two-year break.

Changes to a department's compensation plan procedures generally are made only once each year unless financial projections and/or other extraordinary circumstances warrant a more frequent change.

I. OBJECTIVES

Faculty of the School of Medicine espouse the belief that the quality of the School can only be sustained and assured by recognition of the close inter-relationship between the four functions of a professional school: research, teaching, professional service, and University and public service. The faculty also recognizes that while some of these professional activities are more lucrative than others, all are essential to the academic mission of the School and excellence in all areas accrues to the benefit of the institution and should be rewarded. Nevertheless, the competitive nature of recruitment and retention of faculty in the health sciences, and the diversity of training and experience required for a balanced academic faculty, dictate the need for economic incentives and a means of returning a fair measure of economic support to the generating academic units and their individual members. Thus, the Faculty declares its intent that a major objective of this Plan should be to provide, within the existing regulations of the University of California, continuing financial support of the faculty at a level competitive with the academic marketplace. Further, the Faculty affirm that another important objective of the Plan is the support and augmentation of the academic programs of the School by utilization of funds generated by Faculty in excess of those required for approved faculty compensation.

II. NATURE OF THE PLAN AND GENERAL CONSIDERATIONS

This Plan was adopted by the Plan Compensation Advisory Committee of the School of Medicine, with concurrence of the administration of the School and of the Chancellor, to ensure an orderly and sound basis for the utilization of the income generated by the professional activities of the faculty. Accordingly, the Plan is to be properly viewed as an approved administrative structure within the University of California, Davis, School of Medicine, for the purpose of fiscal administration and has no separate legal existence outside of the University corporate structure. Therefore, while the Plan, through its governing authorities, may recommend use of funds for support of University employees and programs, the Plan does not enter into employment contracts or assume the responsibilities and prerogatives of an employer, which prerogatives are reserved to the University and to its duly empowered officers. Likewise, University policies and procedures with respect to academic affairs, including employment, promotion, leave, eligibility for general campus benefits, or termination of employment, shall be unchanged by virtue of Plan participation. All grievance actions shall therefore be carried forth under the policies and procedures of the University, excepting grievances limited to fiscal actions or policies within the purview of the Plan, which grievance actions shall be carried forth and adjudicated by procedures described in Section V, Paragraph C, of this document.

III. NAME

The name of the Plan shall be "Health Sciences Compensation Plan, University of California, Davis."

IV. MEMBERSHIP

A. Appointment Required for Membership

Membership shall be mandatory for all faculty employed greater than 50% time by the University of California, Davis, School of Medicine (including faculty based at affiliated hospitals such as the Veterans Administration Medical Center) in any one of the following title series:

1. Professor
2. Professor In-Residence
3. Professor of Clinical (e.g. Medicine)
4. Adjunct Professor
5. Acting Professor
6. Health Sciences Clinical Professor
7. Visiting Professor
8. Health Sciences School Dean Titles
9. Any other title series approved for membership in this Plan by the President or the President's designee

Part-time members of the faculty ($\leq 50\%$ time) in any of the above title series may be considered for membership in the Plan under exceptional circumstances. Such exceptions must be recommended by the appropriate chairperson, reviewed by the Compensation Advisory Committee, and approved by the Dean and the Chancellor. School of Medicine faculty who hold administrative titles in the University such as Associate Dean will be eligible for Plan membership if they hold an academic title listed in this section.

[A member of the faculty who was appointed in a health sciences school at the time of their retirement may be recalled to participate in the Health Sciences Compensation Plan yet may not exceed a maximum total per each month of 43 percent of full time. \(Refer to APM – 205\), Recall for Academic Appointees, for terms and conditions for Plan membership for recall appointees\).](#)

Professional partnerships and individual or group corporations shall not be permitted for Plan members.

B. Period of Membership

Faculty who become members of this Plan shall not subsequently cease to be members except by resignation from the faculty, termination, retirement, reduction in percentage of appointment, or the termination of the Plan.

C. Requirements of Members

Each member, as a condition for use of Plan funds for the support of a portion of University compensation shall, at the time of appointment to membership, sign a statement affirming and agreeing to the following:

1. That the proposed member has received a copy of these Implementation Procedures and the University of California Health Sciences Compensation Plan, read them, and agrees to abide by them;
2. That the proposed member specifically agrees not to retain income from professional services except as provided in "Section VI, Paragraph B,

subparagraph 2: Income which May Be Retained by Plan Members.”

Since membership in the Plan is a term and condition of employment, failure or refusal to sign will not excuse the faculty member from the terms and conditions of the Plan.

V. GOVERNANCE

The executive authority for governance of the Plan shall reside in the person of the Dean of the School of Medicine. In exercising such authority, the Dean shall be assisted by a committee of faculty representatives which shall be known as the Compensation Advisory Committee (CAC).

A. Compensation Advisory Committee

The Compensation Advisory Committee shall be an administrative committee advisory to the Dean. As members of the CAC are members of the faculty of the University, they shall act in such a way as to promote the academic programs of the School.

1. Chairperson

The chairperson of the CAC shall be appointed annually by the Dean. The chairperson may serve three consecutive years before standing down.

2. Functions

The functions of the CAC shall be as follows:

- a) The CAC shall periodically review and, where appropriate, recommend to the Dean amendments to these Implementation Procedures.
- b) The CAC shall review and recommend to the Dean the compensation plan procedures to be used by each department chair in his/her determination of the appropriate compensation to be paid each faculty member of the department. The department compensation plan procedures should be reviewed by the CAC, and modifications recommended as necessary, at least annually.
- c) The CAC shall review and recommend to the Dean the designation of Academic Programmatic Units at the sub-divisional level in compliance with section VII. D. I.
- d) The CAC shall review faculty salaries and make comments to the Dean.
- e) The CAC shall make recommendations to the Dean concerning criteria to be utilized to ensure that appropriate reimbursement for a faculty member's research effort is represented in grant and contract applications.
- f) The CAC shall hear grievances related to the Plan in accord with section V.C.
- g) The CAC shall assist the Dean in resolving issues related to outside professional activities, including the establishment and administration of good standing criteria and outside professional earnings approval thresholds.
- h) The CAC shall meet as often as necessary.
- i) In carrying out these functions, the CAC may delegate specific assignments to a limited number of members who shall report to the entire committee at meetings.

3. Composition

- a) The Compensation Advisory Committee shall consist of ten (10) members in addition to the Chair. The Committee members shall all be members in good standing of the Health Sciences Compensation Plan. Of the ten members, four (4) shall be appointed by the Dean. The remaining six (6) members of the CAC shall be elected by the members of the Plan under the procedures described below. Of the six elected members, two (2) members shall be from the Basic Sciences departments, two (2) members from the Medical Sciences departments, and two (2) members from the Surgical Sciences departments.

The Associate Dean for Academic Personnel shall be an *ex officio* member of the CAC.

Ex officio members may attend meetings, enter into discussions, and suggest courses of action, but may not introduce or second motions or vote.

- b) Any committee member unable to attend a meeting may be represented by a proxy who shall be of the committee member's group as defined below V.A.4.b. (Elections). The appointment of the proxy must be approved by the Dean of the School of Medicine, and the proxy shall not be entitled to vote at the meeting unless approved by the committee. The appointment of a proxy shall take place in advance of the meeting.

The Associate Dean for Academic Personnel, who serves as *ex officio* member of the CAC, shall have the power to appoint, in writing, an authorized representative to serve as *ex officio* member on the committee in his/her absence with the same rights and limitations as granted to the incumbent.

4. Elections

Election to serve on the CAC shall be by the following nomination and balloting procedures. Only members of the Plan shall be eligible to nominate, be nominated, and to vote.

a) Nominations

Nominations will be made within each of three department groups which are defined as follows:

- Medical Sciences Group: Dermatology, Family and Community Medicine, Internal Medicine, Neurology, Pediatrics, Physical Medicine & Rehabilitation, Psychiatry & Behavioral Medicine, Public Health Sciences
- Surgical Sciences Group Anesthesiology & Pain Medicine, Neurological Surgery, Obstetrics and Gynecology, Ophthalmology & Visual Sciences, Orthopaedic Surgery, Otolaryngology, Pathology & Laboratory Medicine, Radiation Oncology, Radiology, Surgery, Urology
- Basic Sciences Group: Biological Chemistry, Cell Biology & Human Anatomy, Human Physiology & Membrane Biology, Medical Microbiology & Immunology, Pharmacology & Toxicology.

Nomination will require the signature of three members from the departments within the nominating group, as well as the concurring signature of the Plan member being nominated. The nominations process shall be carried out so as to permit timely elections of the CAC members. The nominees from each group shall be reported to the incumbent CAC.

b) **Balloting**

The election process for the CAC shall be organized annually and supervised by the incumbent CAC. Such elections shall be carried out two (2) months prior to the end of the term of office of the retiring members of the CAC. Balloting for nominees from each group shall be by mail; ballots must be returned within two (2) weeks of the date sent to be valid. Members of each group shall vote only for nominees from that group. The nominee receiving the majority (>50%) of the votes cast by the group shall be declared elected. In the event that no nominee from a group obtains a majority, a runoff shall be held between the two nominees from that group who received the greatest number of votes.

5. Term of Service

The regular term of elected membership on the Compensation Advisory Committee shall be two (2) years. New members shall take office at the first meeting in September following elections. A sitting member may be re-elected for one additional consecutive term, and thereafter may not be re-elected for two (2) years.

6. Recall and Compulsory Resignation

Individual elected members of the Compensation Advisory Committee are subject to recall by a special election which can be initiated upon presentation to the Dean of a petition signed by ten percent (10%) of the Plan participants in the group electing the member. In such event, the Dean shall call for a special recall election within one (1) month of such notification. The member shall be recalled if a majority (>50%) of the Plan members in the group electing the member, vote for recall. In the event of recall, the position shall be filled by a special election, from a new slate of candidates nominated according to the mechanism described above, the individual recalled being eligible for nomination and election on the same basis as others.

In addition to formal recall, any member of the Compensation Advisory Committee who shall be unable to serve due to termination of Plan membership or who is absent, even if represented by proxy, from three (3) consecutive meetings of the CAC by reason of sabbatical leave, illness, vacation or other circumstances shall immediately be replaced. If the member is an elected member, election of a replacement to complete the term shall take place within one (1) month, according to rules established for yearly elections. If the member is an appointed member, the Dean shall fill the vacancy by appointment.

B. Ad Hoc Subcommittees

The Dean shall, as needed, appoint *ad hoc* subcommittees for specified functions related to compensation and occasional outside professional activities. At least fifty percent (50%) of the members of such subcommittees, including the Chair, shall be members of the CAC.

C. Grievance Procedures

Faculty members of the School of Medicine who wish to file a formal complaint within the purview of the Plan shall present a written petition to the Associate Dean for

Academic Personnel. The Associate Dean for Academic Personnel will undertake fact finding and then present the case to the CAC or its appointed subcommittee for consideration. Both the complainant and the complainant's chair/director will have the right to be heard by the Committee/subcommittee. Recommendations about the grievance shall be forwarded by the CAC to the Associate Dean for Academic Personnel for consideration and comment before transmission to the Dean who will make a decision on the specific grievance. The Dean shall inform the grievant of the CAC's recommendations and comments. Any further grievance would be to the Chancellor in accordance with University procedures outlined in the Academic Personnel Manual (APM).

D. Revision and Amendment of these Implementation Procedures

Proposals to revise or amend these Implementation Procedures shall be by affirmative vote of two-thirds (2/3) of the members of the incumbent CAC. Such amendment or revision may include modification of the method of selection of elected members of the CAC but may not eliminate the principle of democratic elections or the representation of each of the various department groups, unless ratified by a majority of the Plan membership at a referendum. Furthermore, in modification of the mechanism for handling of grievances, the CAC shall not modify these procedures so as to eliminate the existence of an effective grievance process. Any proposed revisions or amendments of these Implementation Procedures shall be communicated to all members at least thirty (30) days prior to the proposed date of enactment. Revisions to these Implementation Procedures are subject to review and approval by the Chancellor and the President.

[Revisions to school Implementing Procedures that are necessitated by revisions to the Plan shall be submitted for the President's or the President's designee's review within one year of approval of said Plan revisions. School Implementing Procedures may be made effective as of the date of such revisions to the Plan or at any time thereafter, as authorized by the President or the President's designee.](#)

E. Procedures at Meetings

All meetings of the CAC and of any *ad hoc* subcommittees shall conform to the procedures described in the current edition of *Robert's Rules of Order*.

VI. ACCOUNTING PROCEDURES AND INDIVIDUAL ACCOUNTABILITY

A. General Standards

1. All professional income, except for income described in VI.B.2 (below) will be managed, accounted for and reported as revenue of the University.
2. Campus and Health System procedures, including billing and accounting methods, shall be used to provide necessary accountability for all plan funds.
3. UCDHS billing systems shall be used.

4. The accounting standards specified in the University of California Accounting Manual will be used in reporting income and expenses and all compensation arrangements.
5. Expenditures from funds covered by this Plan may be made only in accord with University and campus policies and procedures.
6. All income paid to faculty will be subject to federal and state withholding and reported on a W-2 as wages.

B. Professional Income

1. Income Definition and Allocation

All professional income of participants in the Plan shall be deposited into the appropriate School of Medicine accounts, except for income described in Section B.2. below. Professional Income is defined as income derived from a profession or activities related to the training and experience which constitute the individual's qualifications for University appointments, including professional witness fees, fees for advice related to the practice of medicine and industry consultation and technology transfer income. Professional income includes cash and non-cash compensation, such as stock or stock options received in exchange for professional services provided. Department compensation plan procedures shall include a section on the methodology that will be used to provide appropriate distribution of compensation to faculty members who generate revenue due the Plan, including revenue from professional witness activities and industry consultation.

Faculty who receive non-cash compensation, such as stock or stock options, for outside professional activities must disclose them to the Dean's Office within 30 days of receipt. Following is more specific guidance with respect to stock, stock options, and founders' stock.

Faculty who receive stock in lieu of compensation for outside professional activities must disclose this fact to the department chair/ORU director and to the Dean's Office within 30 days of the date of receipt, at which time it will be valued. If the stock is given to the faculty member at no cost, dollars equal to the stock's full value on the date of receipt are due the Plan. If the purchase price is equal to the market price/value on the date of receipt, no money is owed the Plan. If the purchase price is below valued price on the date of receipt, the difference between the purchase price and the value of the stock on the date of receipt is due the Plan. Following a determination of the value of the stock, the faculty member will be notified of the nature of any Plan obligations, based on the above methodology. Faculty who neglect to disclose the stock at the time of receipt will owe the Plan the difference between the purchase price or value of the stock at the time of receipt and the value of the stock at the time it is disclosed. Disclosure at the time of receipt is required regardless of the stock's potential valuation, and regardless of whether a faculty member believes that any dollars are due the Plan. Faculty in departments/ORUs that have implemented the alternative option may be able to retain the dollars due the Plan if they have not yet met or exceeded their time/dollar threshold for outside professional activities.

However, both the time spent in outside professional activities related to the receipt of stock and any dollars due the Plan under the formula above must be counted toward their time/earnings threshold. Stock options received in lieu of compensation for outside professional activities also must be disclosed to the department chair/ORU director and the Dean's Office within 30 days of the date the stock option agreement is signed. The Dean's Office will obtain a valuation of the stock as of the date of the agreement. If the option offer price is equal to or greater than the stock's valuation/market price on the date of the agreement is signed, no money is owed the Plan. If the option price is below its valued price on the date the agreement is signed, the difference between the option price and the value of the stock is due the Plan. Following determination of the value of the stock, the faculty member will be notified of the nature of any Plan obligations, based on the above methodology. Faculty who neglect to disclose this information within 30 days of signing such stock option agreements will owe the Plan the difference between the offered option price at the time the agreement was signed and the value of the stock at the time it is disclosed. Disclosure of stock options is required regardless of 1) the stock's potential valuation, 2) whether the faculty member intends to exercise the options, and 3) whether the faculty member believes that any dollars are due the Plan. Faculty in the alternative option may be able to retain the dollars due the Plan if they have not yet met or exceeded their time/dollar threshold for outside professional activities. However, both the time spent in outside professional activities related to the receipt of stock options and any dollars that would be due to the Plan under the formula above must be counted toward their time/earnings thresholds. Founder's stock received in lieu of compensation for outside professional activities must also be disclosed to the department chair/ORU director and to the Dean's Office within 30 days of the time of receipt. It will be valued at the time of receipt and any value will be due the Plan. Since the value of founder's stock is generally insignificant, in most cases a negligible amount would be owed the Plan. However, if the founder's stock is not disclosed upon receipt, the value of the stock at the time of disclosure is due the Plan.

2. Income which may be Retained by Plan Members

All income from patient care activities is due the Plan. The following categories of income accruing from occasional service, as described below, may be retained by plan members. The Department Chair and/or Dean shall monitor the frequency of individual activity and hours/days committed (if applicable) in these areas:

- a) Income from occasional outside professional activity (other than patient care) as described in department compensation plan procedures developed and approved in accordance with Section VI.B.3 of these Implementation Procedures.
- b) Prizes, defined as gifts in recognition of personal achievements and not for services rendered.
- c) Royalties, defined as shares of proceeds for contributions as authors or inventors, as allowed under the University's copyright and patent policies.
- d) Honoraria, defined as payments by agencies outside the University for occasional lectures and similar public appearance beyond normal academic

responsibilities to the University of California and which are not in return for other services, whether given directly or indirectly.

e) University honoraria, defined as payment for occasional lectures or similar services performed on a University of California campus as permitted by Academic Personnel Policy.

f) Administrative stipends, defined as payment by the University for responsibilities related to administration and above and beyond normal academic responsibilities.

g) Income from a profession or activities unrelated to the training and experience which is the individual's qualification for University appointment as determined by the Department Chair in consultation with the Dean.

3. Requirements for Department Procedures on Non-Plan Income which may be Retained by Plan Members

Each department shall include in its compensation plan procedures EITHER the University-wide standard requirement on occasional outside professional activities, OR an alternative option which must meet the criteria outlined below and which must be approved by the Dean upon recommendation by CAC before implementation. In addition to the requirements below, members of the compensation plan are required to obtain prior written approval for certain types of activities in accordance with Academic Personnel Manual 025 (APM 025). Some of the activities that require prior approval include:

- 1) assuming an executive or managerial position in a for-profit or not-for-profit business,
- 2) establishing a relationship as a salaried employee outside the University, or
- 3) engaging in outside activities that are likely to raise issues of conflict of commitment.

See APM 025 for further information.

University-wide Standard Requirement

The University-wide standard requirement on occasional outside professional activities is that Plan participants may retain payments for occasional service (other than patient care), not to exceed twenty-one days (168 hours) of such service per fiscal year, to governmental agencies, to non-profit health- or education-related organizations, to continuing health education programs administered by the University, or to University Extension, if such service has been approved by the Dean and the Chancellor.

Alternative Option

If an alternative option is selected by a department to replace the University-wide Standard Requirement and approved by the Dean, plan participants in the department may retain occasional professional income in accordance with the approved department compensation plan procedures. As described further below, in general, faculty in good standing will be allowed to retain income from the types of occasional professional service specified in the department compensation plan

procedures, not to exceed 21 days of such service, including vacation time, and not to exceed an annual dollar threshold stated in the department compensation plan procedures. Departmental compensation plan procedures must be consistent with the UCOP *“Guidelines on Occasional Outside Professional Activities by Health Sciences Compensation Plan Participants”*, Section II.C.4, and must satisfy the following criteria.

a) Statement of the Department Alternative Option

Each department that selects an alternative option shall include in its department compensation plan procedures a statement describing the occasional income from outside professional activities that may be retained.

b) Limit on the Number of Days Devoted to Compensated Outside Professional Activity

Department compensation plan procedures must state that the maximum number of days allowed for compensated outside professional activities is 21 days (168 hours) per fiscal year.

c) Description of Types of Professional Income that May be Retained

The types of professional income that may be retained must be described. In no case will Plan participants be allowed to retain income from patient care activities. In addition to the types of income specified in the University-wide Standard Requirement, department compensation plan procedures may allow Plan participants to retain consulting income from non-profit entities, consulting income from for-profit entities and/or income from consulting or testifying as an expert or professional witness.

d) Reference to Related Policies

All department compensation plan procedures for outside professional activities must reference the following policies and specify that faculty can obtain additional information on these policies from the Vice Provost, Academic Personnel.

- The University’s Conflict of Interest Code, adopted pursuant to the requirements of the Political Reform Act of 1974, which requires designated University employees to disqualify themselves from participating in University decisions in which they have a personal financial interest, and
- Policy on the Requirement to Submit Proposals and to Receive Awards for Grants and Contracts through the University.

e) Annual Outside Professional Earnings Approval Threshold Department compensation plan procedures must include an annual outside professional earnings approval threshold which may not exceed the maximum approval threshold of \$40,000 or 20% of the health sciences base salary (base and scale) for an individual faculty member’s rank, step and academic programmatic unit, whichever is greater.

Each Plan participant shall be responsible for keeping a running total of his or her annual earnings from all outside professional activities. If a Plan participant wishes to engage in an activity that might reasonably be expected to cause his or her total annual earnings from all outside professional activities to exceed the approval threshold, then the Plan participant must request approval to engage in the activity. Departmental/ORU procedures must detail a mechanism by which a faculty member may exceed the approval threshold. These procedures must conform with the Regents’ Plan Guidelines on Occasional Outside Professional Activities by Health Sciences Compensation Plan Participants issued by the President.

- If the department/ORU has adopted an annual threshold less than the School of Medicine maximum threshold, the chair/director has the authority to approve all activities that exceed the department/ORU maximum up to the School maximum. The Dean must approve such activities for the chair/director, and the Chancellor must approve such activities for the Dean.
- Only the Chancellor has the authority to approve a professional activity that exceeds the School maximum. If a faculty member wishes to engage in an outside professional activity that will cause the School maximum to be exceeded, s/he must request approval of the chair/director, who will then forward it to the Dean and the Chancellor. This request must describe the nature of the activity, the person or entity who will receive and/or pay for the service (e.g., government entity, for profit pharmaceutical company, etc.), the anticipated time/days, and the total expected income, and specifically state by how much the earnings approval threshold will be exceeded if the activity is approved. Any such approvals by the Chancellor must be in writing with a copy to the President.

After a Plan participant has received approval to engage in an activity which may cause his/her total annual earnings from outside professional activities to exceed the established approved threshold, s/he must request the chair's/director's approval for all subsequent engagement(s). If such engagements are allowed, they shall be undertaken with all related income accruing to the Compensation Plan.

Plan participants shall be required to notify Department Chairs immediately if they inadvertently exceed the dollar threshold, or if any of the information they provided in an approval request changes or becomes inaccurate. For example, a participant should immediately notify his or her Department Chair if the initial estimate of earnings from an outside professional activity turns out to be understated.

f) Corrective Action and Disciplinary Measures

Departmental compensation plan procedures must state that Plan participants are subject to corrective action and disciplinary measures as outlined in B.5., below, for violation, neglect or manipulation of Compensation Plan requirements.

g) Reporting of Outside Professional Activities

Each Plan participant, operating under the alternative option, shall be required to describe to his or her Department Chair the previous year's outside professional activities from which the Plan participant retained income, and an attestation of adherence to procedures implementing these guidelines. This is accomplished by submitting an Annual Report of Outside Professional Income, forms related to APM 025. It is the responsibility of the Plan participant to bring to the attention of his or her Department Chair those activities which require advance approval i.e., activities which may cause a Plan participant's earnings to exceed the departmental annual outside professional earnings approval threshold (see e above) or activities which a Plan member who is not in good standing may wish to undertake (see g below).

h) Good Standing Criteria

[Plan Participants should be deemed in good standing until they are otherwise found to be not in good standing.](#)

Plan Participants should meet Department/unit guidelines regarding productivity in research, teaching, patient care, mentoring, and University service as defined by their series, rank and step.

To be in good standing, a faculty member must also:

1. Demonstrate a record of satisfactory academic progression
2. Fulfill clinical, teaching, research, and administrative obligations as assigned.
3. Meet the Faculty Code of Conduct and other UC rules and regulations. Examples to be considered include reports of inappropriate conduct or complaints filed with the Chair, Associate Dean for Academic Personnel, Vice Provost, or other School, Health System, or campus administrator from colleagues, staff, students, patients, or members of the community.
4. Comply with state and federal regulations as related to professional activities.
5. Must work collegially with others.
6. Attend at least 50% of dept/health system meetings involving compliance issues.
7. Satisfy other requirements as determined by the department and described in the department's compensation plan.

Additionally, faculty with clinical responsibilities must:

8. Maintain active medical staff membership and current license.
9. Meet the practice standards and follow all policies of the UC Davis Health System (including billing, medical records, incentive programs).

A department must include criteria 1-7, in their departmental compensation plans. Criteria 8 & 9 also must be included for departments with clinical activities. A department may add other criteria which are consistent with those listed above. Prior to the implementation or revision of good standing criteria, affected plan participants shall be provided the opportunity to review and comment on the proposed criteria. The School's Compensation Advisory Committee must review and approve these additions.

Plan Participants are responsible for actively participating in activities that support the Department/unit objectives.

Plan Participant are expected to demonstrate professional behaviors including collaboration and teamwork, and responsibility and accountability in all areas of work. Additionally, Plan Participants are expected to take responsibility for the overall success and well-being, including financial, of the Department/Unit.

Loss of good standing may occur in the following instances:

- Finding of faculty misconduct
- Finding of research misconduct
- Finding of unsatisfactory performance in a five year review

- Failure to meet expectations related to generation of salary support and/or shared expenses
- Refusal or failure to participate in assigned duties
- Loss of clinical privileges (as required)
- Loss of licensure and/or credentials (as required)
- Refusal or failure to participate in required trainings
- Lack of compliance with University policy and/or reporting requirements¹

ADMINISTRATIVE REVIEW PROCESS

The Chair/ORU Director meets with the Plan Participant to discuss issues, how to remedy the situation and specific consequences as determined by the Plan, including but not limited to initiating the formal process outlined below. The Chair/ORU Director and the Plan Participant look for informal resolution as appropriate to circumstances but a specific timeline for that resolution must be determined. The Chair/ORU Director follows-up in writing with the Plan Participant confirming the details of their discussion.

If informal resolution is unsuccessful, the Department Chair/ORU Director must provide a written statement documenting the reasons for requesting that a Plan Participant be deemed not in Good Standing. The document should include recommendations on how to remedy the situation. Relevant back-up documentation should be attached.

The Plan Participant shall be given a copy of the written statement and an opportunity to provide a written response within 14 days to the Chair/ORU Director. If the issue is remedied within the 14 day response period, the Chair documents that the matter is closed.

If the issue is not remedied within the 14 day response period, the Statement, back-up documentation, and Plan Participant's response (if provided) should be sent to the Dean.

If the Dean's assessment is consistent with the Chair, then the Dean issues a written determination that the Plan Participant is not in Good Standing and identifies any corrective actions that must be taken in order to return to Good Standing.

Appeal process: If there is a determination of loss of Good Standing and the Plan Participant believes that the Good Standing Criteria have been applied unfairly, the Plan Participant may appeal to the Advisory Committee. The Advisory Committee provides a written assessment to the Dean for his/her consideration; however, the decision ultimately resides with the Dean. Senate faculty members may pursue their grievance rights before the Privilege and Tenure Committee

¹ Other relevant University policies and/or consequences may be pursued as appropriate to the circumstances.

under Senate Bylaw 335. Non-Senate faculty are entitled to a Step III hearing under APM - 140.

CONSEQUENCES

The following consequences may be imposed on Plan participants who have been determined to not be in good standing:

- Prohibition from participating and/or retaining income from outside professional activities
- Decrease in additional compensation (Y; see APM - 670-18-c(1))
- Incentive/Bonus compensation (Z; see APM - 670-18-c(2)).
- If a Plan Participant is unable to practice at a specific site due to revocation of clinical privileges, the Plan Participant must be willing to undertake new duties as assigned, or otherwise must forfeit the compensation from that assignment.
- Advance approval is required from the Department Chair to engage in any unassigned professional activities.
- Requests for any academic leaves will not be approved and/or requests previously approved will be revoked.

RETURN TO GOOD STANDING

- The Plan Participant must submit a request to his/her Department Chair to return to good standing which outlines how the issues have been resolved or rectified. The Chair makes an assessment on any progress made and forwards his/her recommendation to the Dean along with the Plan Participant's request. If the assessment of the Chair is that no progress, or insufficient progress, has been made, the Chair should include in his/her recommendation to the Dean what further actions must be taken.
- If the assessment of the Dean is that no progress, or insufficient progress, has been made, the Dean must notify in writing the Plan Participant that he/she has not been returned to Good Standing and outline what further actions must be taken.
- If the Dean believes that all issues have been resolved, the Plan Participant will be notified in writing that they are now in Good Standing.
- If the Plan Participant does not submit a request, he/she will continue to not be in good standing.

- [If a Plan Participant continues not to be in good standing for more than one year, the Chair may wish to pursue further actions as appropriate to relevant academic policy.](#)

A faculty member in a department which operates under the alternative plan must demonstrate good standing within the department in order to earn and retain non plan income from occasional outside professional activities.

Faculty who are not in good standing must obtain advance approval from the Department Chair to engage in any unassigned professional activities, and the income for all such approved activities shall accrue within the Compensation Plan. Exceptions may be approved in writing by the Dean and Chancellor. Any faculty member who is not in good standing shall be notified in writing by the Department Chair with the reasons for that determination. Faculty who believe the good standing criteria have been applied unfairly may appeal to the CAC.

4. Limitations on Use of University Resources in Connection with Outside Professional Activities

The use of University staff, laboratories, facilities or other University resources in connection with outside professional activities is subject to limitations. Limitations on the use of resources apply to all faculty whether they operate under the University-wide standard or alternative option. The Faculty Code of Conduct, Part II,C. lists the unauthorized use of University resources or facilities on a significant scale for personal, commercial, political or religious purposes as a type of unacceptable conduct (see Academic Personnel Policy 015, Section II, for The Faculty Code of Conduct.) In general, when faculty retain income from professional consulting or expert witness activities, particularly when the activities are conducted for third party for-profit entities or private individuals, the costs associated with the consulting or witness activities should be borne by the third party or the faculty member, not by the University. In addition, the University's liability coverage does not extend to certain faculty consulting and expert witness activities. For example, University malpractice/professional liability coverage does not generally extend to expert witness activities when the faculty member retains the related income. Questions about the appropriate use of University resources should be discussed with the faculty member's Department Chair, who may consult with the Dean and/or refer the questions to other appropriate University officers.

5. Monitoring and Enforcement

The primary means of monitoring compliance will be by means of a review by the Department Chair of information provided by the faculty member in annual reports on outside professional activities. If the Department Chair has any concerns, the matter may be referred to the Dean. The responsibility for oversight of the outside professional activities of Department Chairs shall reside with the Dean. The University reserves the right to take corrective action and disciplinary measures against any Plan member who fails to comply with Plan implementing procedures. Corrective action refers to the discontinuation of certain privileges available only to Plan members, in particular the opportunity to earn and receive compensation above

the fiscal year salary scale through the Compensation Plan, because of non-compliance. For example:

Incentive or bonus compensation (commonly referred to as “Z” compensation) may be discontinued until such time as the Plan member complies with Compensation Plan provisions.

Additional negotiated compensation (commonly referred to as “Y” compensation) may be set with consideration of the Plan member’s prior performance (see VII.D.2), including compliance with guidelines on outside professional activities.

In addition, corrective action will not preclude sanctions or disciplinary measures in accordance with the Faculty Code of Conduct and Academic Senate Bylaws. Violation by Plan members of either the time limits or approval thresholds on outside professional activities represent an unauthorized use of University resources and/or retention of funds belonging to the University

A faculty member who is subject to corrective action re: compliance with the Compensation Plan can initiate the grievance procedures as described in Section V.C. of this document. It is preferred that a faculty member first file a formal complaint via written petition to the Associate Dean for Academic Personnel to initiate the grievance process. Alternatively, a faculty member may grieve to the Vice Provost for Academic Affairs.

C. Fund Accounts and Sources

The campus shall establish a School of Medicine Plan Fund Account and separate plan fund accounts for each department within the School of Medicine. Additional accounts may be established for divisions and units within departments. All such fund accounts shall be separate University accounts and shall receive income from the following sources:

1. Income from professional services.
2. Amounts paid by University hospitals or affiliated institutions for professional and managerial services rendered to the hospital by participants in the Plan, excluding administrative stipends per VI.B.2.f.
3. Such other funds as are required by the Chancellor or President to be included in fund accounts.

Certain other sources of University income may be available to support faculty compensation and benefits but are not recorded in Compensation Plan fund accounts, such as:

4. Funds made available for academic salaries from University-administered grants and contracts.
5. Funds made available from unrestricted, non-State fund accounts within the School.
6. Gifts and other funds available for such purposes which are allocated by the Dean or Chancellor.

D. Contingency for Inadequate Funds

A Reserve for Contingency Fund shall be established and maintained at the School and department levels. In the event that the current year income of a department is insufficient to fulfill all commitments to pay the approved compensation to each member of the Plan, the Chancellor or the Dean shall turn first to the department's Reserve for Contingency Fund. If the department's Reserve for Contingency Funds are insufficient, the Chancellor may seek support from School of Medicine Reserve for Contingency Fund or other non-State fund accounts within the School. If the support is not available, then the participants' additional compensation will be reduced in a uniform manner, in accordance with any fund source restrictions, across the school, department, division or APU as determined by the Chancellor.

E. Allocation of Plan Income

Professional income received by the Plan shall be allocated to the various accounts as described below. An internal accounting document that is reconciled monthly with University of California, Davis ledgers will report all Plan income and will detail any assessments or other appropriate expenses against that income. The faculty recognize that the approved expenses of the Plan are the first financial obligation that must be met by Plan revenues. These expenses are covered by an assessment levied against gross Plan revenue. This assessment is subject to change. Affected Plan participants shall be provided an opportunity to review and comment on any proposed change to the assessment. The current assessments, defined below, will be maintained at the time of Plan implementation.

1. Plan income (which *does not* include reimbursements from University-administered research grants), shall be distributed in the following manner:
 - a) A percentage of cash collected through the Professional Billing Service shall be allocated to cover the billing and other professional operating costs. This charge shall be revised annually or, if indicated, more frequently to reflect the actual billing costs of the Plan.
 - b) A percentage of income, as determined annually by the Health System, will be allocated to the School of Medicine Fund Account.
 - c) All remaining income will be allocated to the accounts of the departments based upon the amount of professional income generated by faculty of the department.
 - d) Each department shall allocate a portion of professional income, as determined by the Dean, to a department Reserve for Contingency.

VII. PLAN COMPENSATION

The Plan shall provide compensation to School of Medicine faculty in order to assist in recruitment and retention of individuals necessary to carry out the academic missions of the various departments. Faculty members participating in this Plan shall receive a base salary and shall be eligible for additional compensation, as described below. Exceptions to this are subject to approval by the President and authorization by the Chancellor upon recommendation of the Dean.

A. Coordination of Salary Sources

In determining the Plan Compensation provided to Faculty there shall be consideration and coordination of salary sources including University sources, such as State funds available for compensation of that individual.

B. Compensation Limits

Compensation for any individual faculty member which is greater than four times the Professor Step IX rate on the Fiscal Year Salary Scale will be reported to the President who shall report it to the Regents.

C. Source of Plan Compensation

All Plan Compensation shall be paid out of the appropriate Fund accounts. Support of special department programs, sabbatical leaves, etc. by the School of Medicine Fund shall be by transfer of expenses from the various department Fund accounts.

D. Determination of Plan Compensation

Plan compensation shall be determined by a mechanism that takes into account both the total funds available to the department and the appropriate use of those funds for the compensation of department faculty.

1. Determination of Department Budget

Each department chair shall be responsible for the preparation of an annual department budget which will establish a fiscally prudent position. The department budget will address expected income for the Department Fund Accounts, compensation scale and expenses, and non-compensation expenses, including department development needs.

The Dean, with the assistance of the Executive Associate Dean and the Assistant Director, Finance will review and approve the department budgets. The base salary scale to be used in the compensation budget will be selected based on availability of sufficient operating income to support all components of the department budget.

Base scale assignment shall be by department, division, or academic programmatic unit and must be uniform therein. An “academic programmatic unit” (APU) is defined as a group of faculty who are engaged in activities with a common academic programmatic linkage. Academic programmatic unit designations must be of a size that clearly designates a programmatic relationship. After review by the Department Chair, CAC and the Dean, the Chancellor shall approve the academic programmatic units. Base scale assignment may be advanced to the next highest factor each successive fiscal year with the approval of the Dean and the Chancellor. Reassignment to a lower scale may occur each year at the beginning of the fiscal year with approval of the Dean and Chancellor.

[Deans must receive advance approval from the Chancellor or the Chancellor's designee for an APU comprising fewer than four members. The request for approval shall include the criteria for composition of the APU, and the name, series, rank and step of each member.](#)

In reviewing the department budget, the Dean shall consider the responsibilities assumed by the faculty of the department, the academic program requirements of the department and the fiscal position of the department. When approved by the Dean, the compensation budget shall be available for payment of compensation by the department.

The fiscal position of each department shall be monitored and, if necessary, the Dean shall require a department to use its Reserve for Contingency Fund, which is described at Section VI.D, to meet current year expenses.

2. Department Compensation Plan Procedures

In preparing recommendations for Plan compensation, the Chair shall adhere to these Implementation Procedures and to the department compensation plan guidelines, which are developed in consultation with the faculty of the department and approved by the Dean. Department guidelines shall include the basis for selection of the recommended Health Sciences base salary scales that will be used by the Department, Division or academic programmatic units and reflect necessity for sufficient operating income to meet all components of department budget including development needs.

Department compensation plan procedures must also describe the basis for determining any negotiated additional compensation (Y) and optional incentive/bonus compensation (Z). Incentive/Bonus compensation (Z) may be paid on a monthly, quarterly, semi-annual or annual basis. The guidelines shall state the schedule for paying Incentive/Bonus compensation. The guidelines should also detail the department's policy on distribution of professional witness fees.

Department compensation plan procedures must describe the types of professional income that may be retained. See Section VI.B.2. and 3 for additional information.

Department compensation plan procedures shall be reviewed by CAC annually, prior to review of compensation recommendations, and approved by the Dean. Prior to submitting the compensation recommendation, the Chair or faculty designee shall discuss individually with each faculty member of the department the salary to be recommended for the faculty member. The faculty member and the Chair shall sign a statement reflecting this discussion. Base salary (X), the methodology for determining the annual additional negotiated compensation (Y), and the methodology for calculating incentive/bonus compensation (Z) will be detailed. The statement is not a binding contract between the individual faculty member and the University, but rather a record of the salary negotiation discussion. In determining compensation level, the Chair shall consider total contribution of the faculty member, including the quantity and quality of contributions in teaching, research, professional service and University/public service. The quality of a faculty member's contributions include:

- a) A record of satisfactory academic progression
- b) Fulfilling clinical, teaching, research, and administrative obligations as assigned.
- c) Meet the Faculty Code of Conduct and other UC rules and regulations.
Examples of reports to be considered include reports of inappropriate conduct or complaints filed with the Chair, Associate Dean for Academic Personnel, Vice Provost, or other School, Health System, or campus administrator from colleagues, staff, students, patients, or members of the community,
- d) Compliance with state and federal regulations as related to professional activities.
- e) Collegial interactions with others.
- f) Attendance at a minimum of 50% of dept/health system meetings involving compliance issues.
- g) Compliance with guidelines on outside professional activities is also considered.
- h) Meeting other requirements as determined by the department and described in the department's compensation plan.

Additionally, faculty with clinical responsibilities must:

- i) Maintain active medical staff membership and current license.
- j) Meet the practice standards and follow all policies of the UC Davis Health System (including billing, medical records, incentive programs)

Plan Compensation for each Department Chair shall be established by the Dean in accord with the general guidelines specified herein and the appropriate department compensation plan procedures.

E. Separation from Compensation Plan Membership/University Employment

In recognition of the principle that the Plan is an approved administrative structure within the University of California and that funds generated from professional services of the faculty are, by virtue of Plan membership, due to the University of California as herein provided, the Plan members recognize that a terminated faculty member does not have rights to monies accruing in the accounts of the Plan or the accounts of the various departments, and that nothing in these Implementation Procedures shall be construed as creating an interest in accounts receivable resulting from prior professional service. Upon termination, a faculty member will be paid the approved compensation through the effective date of termination.

Faculty who were members of the Compensation Plan for the full fiscal year shall be eligible to receive Z compensation for that year, in accordance with their department compensation plan procedures, regardless of their employment status at the time of distribution of the Z payment.

F. Termination of the Plan

In the event that the Plan is terminated, all accounts receivable of the Plan and funds within the various accounts of the Plan will be transferred to any succeeding Plan on the approval of the Office of the Chancellor. Salary and other benefits due faculty for service subsequent to the termination of the Plan shall be according to the new Plan and shall not depend upon the previously negotiated salaries under this Plan.

VIII. BENEFITS AND PAID LEAVES

A. Base Salary Related Benefits

Base Salary related benefits are associated with an individual's salary from the Health Sciences Salary Scales, paid through the University of California payroll system. These benefits include participation in the basic retirement plan, health care insurance, short-term disability insurance, regular term life insurance, and such other benefits as may be approved by the Regents. These benefits will be available to the University of California, Davis, School of Medicine faculty participating in the Plan on the same basis as to all other comparable members of the University of California faculty.

B. Optional Benefits on Additional Compensation

The Regents have authorized several benefit programs on additional compensation beyond the Base Salary paid through the University payroll system:

1. Disability, life and survivors insurance programs, as approved by the Office of Benefits Programs, Office of the President.
2. Health Sciences Severance Pay Plan (HSSPP). A department may seek approval from the Dean and the Chancellor to cover Negotiated Additional and/or Optional Incentive/Bonus compensation for one or more of its divisions/academic programmatic units under HSSPP at a contribution rate between 0 and 13 percent; the contribution rate may differ by rank for faculty within a division/department. Changes in the division/department/academic programmatic unit contribution rate must be recommended by the Chairperson and approved by the Dean and the Chancellor.

Policies governing optional disability and life insurance programs on additional compensation are available from the Office of Benefits Programs. Presidential Guidelines for the Health Sciences Severance Pay Plan are available from the Office of the Provost and Senior Vice President - Academic Affairs. Availability of benefits on additional compensation is subject to legal and funding considerations.

C. Paid Leave

1. General

Department compensation plan procedures shall specify amount of time and which salary rate will be used to calculate compensation for faculty on sabbatical leave, leave with pay in lieu of sabbatical, and paid leave for medical, disability, childbearing, and family reasons, including Active Service Modified Duties. The possible rates that may be used are: 1) the Health Sciences Scales Base Salary rate, 2) the total negotiated salary rate, 3) a percentage of the total negotiated rate achieved through a reduction in Y. Different rates for different divisions and/or academic programmatic units may be specified in department compensation plan procedures. However, once a rate is specified for a department, division or academic programmatic unit, it shall be used uniformly for all Plan members in the department, division or academic programmatic unit. The specified rate may only be changed through an amendment of the department compensation plan procedures with the

approval of the Dean. [Extended illness leave may not exceed the maximum time period allowable under APM-710-11- a and b.](#)

2. Sabbatical Leave and Leave In Lieu of Sabbatical

Some or all of the compensation of a Plan member on sabbatical leave or leave in lieu of sabbatical will be funded from department funds. Faculty will be paid, at a minimum, the health sciences base salary scale for an individual faculty member's rank, step and academic programmatic unit. Department compensation plan procedures will specify what additional salary components, if any, will be funded for faculty on sabbatical leave or leave in lieu of sabbatical.

3. Vacation

Vacation leave will be paid at total negotiated salary. During terminal vacations with respect to University employment, the requirement for the assignment of all Professional Service Fees to the Plan shall continue in effect with regard to all services performed while receiving Plan Compensation unless the professional income is excluded from assignment under provisions of these Implementation Procedures.