

## APPENDIX A: Compensation Plan General Guidelines

### I. GENERAL

The [UC Davis School of Medicine and School of Nursing Health Sciences Compensation Plan](#) provides guidelines to incentive our faculty and to meet the Institutional and Departmental goals.

A [Compensation Plan Toolkit](#) for Health Sciences Faculty is available to guide the development of a sound plan that meets the basic needs of the faculty and the Institution.

#### A. General Description of Salary Components

- *X + X' Component (Total Base Salary):* Total Base Salary is composed of the sum of the X component and the scale (X'). The X component is determined by academic rank and step and is derived from [University-wide salary tables](#) and [UC Davis-specific step plus salary tables](#). The X' portion is determined by using the multiplier (scale) associated with the Academic Programmatic Unit (APU) to which each faculty member is assigned.
- *Y Component:* The Y component is additional negotiated compensation based on such factors as market rate for the specialty/discipline and individual performance (see Part III below).
- *Z Component:* The Z component is an unscheduled payment made in compensation for known or recurring clinical/administrative responsibilities, unanticipated duties, special circumstances and additional responsibilities (as determined by the Dean or Department Chair), excess departmental income, and outside professional income. Total Compensation, including estimated Z payments, will be benchmarked against existing salary data to determine fair market value (typically the AAMC Western Region data for the corresponding specialty and year).

A detailed description of the salary components and salary administration can be found in the [AMP 670](#).

#### B. Relationship of Salary to Effort

The rights and responsibilities of employment are described in [AMP 670](#). In brief, a faculty member must be able to provide academic and/or clinical justification for all components of his/her salary (Total Base Salary, Y, and Z). This includes Ladder Rank faculty with X (UC Path earn code "HSR", HSCP-Regular (X)) component provided as part of state and tuition supported general funds (FTE). The general funds are intended to support instruction, research, and related administration. Examples of significant education or administrative responsibilities to be credited toward general funds include serving as department chair, clerkship director, or Instructor of Record, among others. Departments are responsible for ensuring that effort charged to sponsored projects relieves each payroll fund source in proportion to effort and the original allocation to salary, as required by University of California policy ([Payroll: Health Sciences Compensation, P-196-37, p.11](#)). All faculty members are expected to participate in teaching, administration, and community service, as defined within the description of their academic series in the Academic Personnel Manual (<http://manuals.ucdavis.edu/apm/apm-toc.htm>). An appropriate percentage of effort for teaching,

administration, and community service must be assigned to the individual faculty member by the department during the annual salary negotiation process required by the Health Sciences Compensation Plan, and non-research funds must be identified to pay for these activities. Faculty members in the Ladder Rank series receive general funds to support educational responsibilities. Therefore, they should not have more than 70% of their effort charged to sponsored projects (excluding Z payment), unless reviewed and approved by the Dean. Faculty members not receiving general funds should not have more than 95% of their salary (excluding Z payment) charged to contract or grant sources, unless reviewed and approved by the Dean.

A member of the faculty who was appointed in a health sciences school at the same time of their retirement may be recalled to participate in the Health Sciences Compensation Plan, but they cannot exceed a maximum of 43 percent of full time. (See [APM 205, Recall for Academic Appointees, for terms and conditions for Plan membership for recall appointees](#)).

### **C. Department Reserves**

In accordance with Sections E and F of the School of Medicine and School of Nursing Health Sciences Compensation Plan Implementation Procedures, each department is required to establish and maintain a Reserve for Contingency Fund, the amount of which is determined by the Dean. All departments should have a minimum of 25% of the running average of the previous three years actual operating expenses in uncommitted reserves. This is equivalent to three months of cash on hand.

The following are requisite thresholds to ensure departments meet the 25% benchmark:

- A department with 10% or less of its operating expenses in reserves will commit a minimum of 30% of year-end profit to reserves.
- A department with 10.1% to 15% of its operating expenses in reserves will commit a minimum of 20% of year-end profit to reserves.
- A department with 15.1% to 20% of its operating expenses in reserves will commit a minimum of 10% of year-end profit to reserves.
- A department with 20.1% to 25% of its operating expenses in reserves will commit a minimum of 5% of year-end profit to reserves.

If the minimum amount of year-end profit designated to go to reserves will take above 25%, the amount to reserves can be decreased to the delta between existing reserves and 25% of operating expenses.

Being at or below the 25% benchmark does not preclude Departments from investing in departmental needs, including start-up packages, equipment, etc. Future profit can be used to replenish the reserves as needed. For further details regarding funds to be allocated to reserves, see the School of Medicine Reserves Policy for Clinical Departments.

## **II. TOTAL BASE SALARY COMPONENT (X + X')**

**A. Definition:** Total Base Salary is composed of the sum of the X (HSR) salary and the X' (UC Path earn code "HSP", HSCP-Differential, also known as Scale). The X salary is determined by academic rank and step and is derived from [University-wide salary tables](#) and [UC Davis-specific step plus salary tables](#). Faculty in the Ladder Rank series receive state and tuition supported general funds (FTE) to support the X salary portion of their Total Base Salary. The scale (X') portion is determined by the Academic Programmatic Unit (APU) to which each faculty member is assigned. Salary scales range from Scale 1 to Scale 9; each successive scale is associated with a larger percentage multiplier, ranging from 10% to >100%. APU's are composed of faculty whose training and job responsibilities are fairly similar.

The scale for the APU is set to reflect the usual clinical earnings and/or research compensation for members of that group. The Total Base Salary is the figure which is used to determine retirement benefits for the UC Retirement Plan. A detailed description of the salary components and salary administration can be found in the [AMP 670](#).

**B. Academic Programmatic Units (APU):** Each APU is a group of faculty who are engaged in activities with a common academic, clinical, administrative or programmatic linkage as defined in [APM 670-18-b](#). This group can be created within a department or can be cross-departmental. Each APU has its own scale which is the same for all members of the faculty within that APU. The salary scale for the APU is set to reach the expected clinical earnings or research compensation for the members of that group. All departments reserve the option to create a Transitional APU for faculty who are changing programmatic focus or unable to meet the expectations set forth by department for members of that APU.

Each APU in the departmental compensation plan has set criteria for performance expectations and methods for determining the Y component and calculating any Z payment. The scale (X') selected for each APU should be based on department resources and faculty productivity within that APU. The excess departmental income Z plan should reflect the programmatic definition of that APU and should include measurements of performance in each applicable mission (research, clinical service, education) and may include goals specific to that APU's programmatic activities.

Faculty should be assigned to an APU based on their work assignments and contributions to the programmatic definition of each APU. Departments should be prepared to provide a justification for APU assignment for each faculty member, if queried. If there are no faculty members in a given APU, the department shall designate it as "Not applicable."

Faculty with a joint (50/50) appointment between two School of Medicine departments are members of both department compensation plans but can only be assigned to one APU (with assigned scale). If the appropriate APU for each department have different scales, with support of the chair(s) the faculty can select which department compensation plan APU scale they want to be assigned. This selection must be made in writing prior to the start of the academic year and cannot be changed during the year.

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.

The Chancellor reserves the authority to reduce a faculty member's Total Base Salary as a result of actions in violation of [APM 015](#) or a violation of any other University regulation governing employee conduct. Additionally, salary may also be reduced as a result of departmental budget shortfalls that require an equal or proportional adjustment of every faculty member's salary.

**APUs are organized as follow:**

#### **APU 1: Dean Administrator**

**Note:** The minimum scale is 6. This APU is reserved for those appointed at the Associate Deans level, with at least a 50% Dean appointment. In some cases, a member's scale may increase by joining this APU. In those instances, the School of Medicine Dean's office shall fund the additional scale increase. Each Dean will have the option to remain in their Departmental APU if the scale is higher.

#### **APU 2: Chair/Center Director Administrative Responsibilities**

**Note:** The Minimum Base Scale for Basic Sciences Departments: 4. The Minimum Base Scale for Clinical Sciences Departments: 6. This APU is reserved for Department Chairs, Center Directors and similar

administrator positions. For any administrator position other than Department Chair, there must be written approval from the Dean for inclusion in this APU. The Chair/Center Director scale may be greater than the Minimum Base Scale but no greater than the highest APU scale in the department. Any exception to this APU scale cap requires written approval from the Dean and must be reviewed annually. In these instances, the Dean's Office will not fund the scale differential.

**APU 3 and others** are used to define group of faculty who are engaged in activities with a common academic, clinical, administrative or programmatic linkage.

### III. Y SALARY COMPONENT (HBY)

**A. Definition:** Additional compensation will be negotiated on an annual basis with the Department Chair jointly with the Center Director (if applicable) in order to meet market rates for salary within a specialty or discipline. After the Y component for an individual faculty member has been set for the year, adjustments in total compensation (Total Base Salary + Y) cannot be changed after the Appendix II has been submitted.

Y salary components for Department Chairs and Deans are negotiated through the Office of the Dean and are subject to certain considerations in addition to the methodology described below (Section C).

By virtue of [APM 016](#), the Chancellor reserves the authority to reduce a faculty member's Y salary as a result of actions in violation of [APM 015](#) or a violation of any other University regulation governing employee conduct. Additionally, salary may also be reduced as a result of departmental budget shortfalls that require an equal or proportional adjustment to every faculty member's salary.

**B. Departmental/Division APU Fiscal Capacity for Y Component:** The Chair/Division Chief will make a conservative estimate of funds available for the department/division Y pool. The Y pool is the amount of money available after Total Base Salary obligations and all departmental expenses, including development needs, and prudent reserve funding, have been met.

**C. Methodology for Y salary:** [The UCD School of Medicine and School of Nursing Health Sciences Compensation Plan](#) Implementation Procedures, [section VII.B.1](#) states, "Department compensation plans 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. The department compensation plan must, "describe the basis for determining any negotiated additional compensation (Y) and optional incentive/bonus compensation (Z)" (Implementation Procedures, [section VIII.D.2](#)). In determining compensation level, "the Chair shall consider total contribution of the faculty member, including teaching, research and professional, University, and public service" (Implementation Procedures, [section VII.D.2](#)). The minimum Y component is \$ 1/month.

The Department Chair will establish expectations within each APU during annual career planning sessions with the faculty member. The Y salary will be determined through a methodology, which considers the faculty member's performance and fulfillment of these expectations from the previous year. Factors to be considered include the quantity and quality of his/her contributions (see below), which are appropriate to that faculty member's academic series, and the expectations and assignments for that faculty member in the coming year.

Quantitative factors include, but are not limited to (where applicable):

- The performance of all clinical activities as defined by the department.
- Effort charged to sponsored projects, department or Health System agreements related specifically to individual faculty efforts.

- Non-cost-recovered state general funds (FTE) attributed to an individual with demonstration that these funds have fulfilled the instruction, research, or administrative roles for which they were intended ([See section II.B.](#)).
- Number of teaching assignments and/or hours spent teaching.
- Grant funding and/or numbers of completed (published) creative works.
- Clinical RVUs generated, and/or dollars billed, and/or dollars collected, and/or number of service assignments fulfilled.
- Number of university or public service activities, and/or hours spent in such activities.
- Compliance with state and federal regulations as related to professional activities.
- Compliance with Health System annual training requirements, TB screening and the Seasonal Influenza Program.
- Compliance with guidelines on outside professional activities.
- Attendance at a minimum of 50% of department/health system meetings.

Qualitative factors include, but are not limited to:

- A record of satisfactory academic progression.
- Fulfilling clinical, teaching, research, and administrative obligations as assigned.
- Meet the [Faculty Code of Conduct](#) and other UC rules and regulations. Examples 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.
- Collegial interactions with others.
- Meeting other requirements as defined by the department and described in the department's compensation plan.

Factors to be considered regarding Chair specific duties:

- Appropriate plan/vision regarding development of the department with regards to the missions of the School of Medicine.
- Leadership that is recognized by the department members and the institution.
- Effective contributions to the growth and development of the department.
- Fair and wise dealings with members of the faculty and staff in administrative decisions relating to allocations of funds, space, research and teaching assignments.
- Effective and wise dealings with other directors, chairs, administrative committees, and Dean of the School in matters of curriculum, space, support funds and FTE's to advance the full scope of Responsibilities.
- Effective interpersonal relations within the faculty and staff which contribute to their morale and spirit of the department.
- Assisting junior faculty members in their continuing growth as teachers and scholars.
- Fair and appropriate application of the policies of the University of California and Davis campus.
- Effectiveness in his/her relations with affiliated institutions.
- Recognized scholarship, research and teaching as intellectual bases for an academic environment through his/her personal involvement.
- Administrative capabilities, including personnel management (recruitment, retention, development of faculty and staff), financial management, and resource allocation and acquisition.
- Maintain active medical staff membership and current license.
- Meet the practice standards and follow all policies of the UC Davis Health System (including billing, medical records, incentive programs).
- Adhere to ACGME resident work duty regulations and any other regulations as prescribed by the AAMC relating to resident work conditions.

- Meeting other requirements as defined by the department and described in the compensation plan.

*Please describe the department/division/APU methodology for determining the Y salary and how market rate for salary in the specialty/discipline, and faculty income, expense, and productivity (in research, teaching, university/public service, and professional/clinical activity) are considered in this determination. The methodology provided can be a formula or a narrative description but must be specific. Note that RVUs are the preferred method for characterizing clinical productivity. Please provide definitions if RVU-like measures are utilized to determine productivity in research, teaching or university/public service. Use the text box below to provide an example as to how a Y-salary is determined.*

**Note:** A faculty member may appeal a Chair's decision regarding the Y salary to the Compensation Advisory Committee, which is advisory to the Dean.

**D. Expenses:** Expenses include plan fees, malpractice insurance and net clinical recharge expenses, which can be allocated on a pro-rata basis based on clinical income, departmental operating expenses, or expenses specifically required by an individual faculty member (e.g., extra personnel requested by the individual faculty member).

#### **IV. Z COMPONENT**

**A. Definition:** The Z component may be disbursed under distinct scenarios. A Member may receive a Z payment under none, any or all of the following scenarios:

- Known or recurring clinical/administrative service such as evening on call duties.
- Unanticipated duties.
- Special circumstances and additional responsibilities as determined by the Dean or Department Chair.
- Outside Professional Income.

A faculty member must be in good standing to receive a Z payment. Good-standing criteria are defined as follows:

- Demonstrates a record of satisfactory academic progression.
- Fulfills the expectations established by the Chair during the annual salary negotiation process required by the [Health Sciences Compensation Plan](#), including clinical, teaching, and research assignments, and RVU generation and call obligations.
- Meets the [Faculty Code of Conduct](#), [Principles of Community](#), and other UCD policies and procedures.
- Compliance with all applicable state and federal regulations, including effort-reporting.
- Compliance with Health System annual training requirements, TB Screening and the Seasonal Influenza Program.
- Timely reports all outside professional activities, additional teaching activities and investments in health industry companies to the department each year on the [APM 025/670](#) reporting form.
- Does not negatively impact the performance of the department or other workplace unit including attendance at a minimum of 50% of dept/health system meetings as related to compliance issues, unless on a scheduled prolonged leave of absence (i.e. sabbatical or illness).
- Faculty must provide the Department at least 30 days advanced notice before voluntary termination of employment to be eligible for any Z Payment.
- Other requirements as defined by the department.

Additionally, for faculty with clinical responsibilities:

- Meets requirements for maintaining active medical staff membership, including compliance with medical staff rules and regulations.

- Meets practice standards and follows all policies of the UC Davis Medical Group including following all professional billing and requirements, participation in the department or Health System incentive programs or program development, and medical records requirements.

**B. Departmental/Division APU Fiscal Capacity for Z Component:** The Department Chair/Division Chief must make a conservative, yearly estimate of funds available for the overall department/division/center Z pool. The Z pool is defined as excess department funds after all department/division/APU expenses are paid. This amount is equivalent to the Department's operating gain in the Decision Line financial statement. A department/division must demonstrate that all expenses have been covered and that excess income exists prior to making excess departmental income Z payments. Please note that state general funds cannot be dispersed as a Z payment.

Any division or department receiving deficit support can appeal to Dean of the School of Medicine to keep a portion of unexpected revenue for Z distribution. All Z payments must be approved by the Dean.

**C. Opportunities and Methodology for Z Salary:** UCD School of Medicine and School of Nursing Health Science Compensation Plan Implementation requires that department plans establish procedures that "describe the basis for determining any negotiated additional compensation (Y) and optional, incentive/bonus compensation (Z). (Implementation Procedures, section [VIII.D.2](#)).

Each APU may have different methods for Z salary distribution, but they should consider contributions consistent with the duties required by the faculty member's academic series, and the quantity and quality of these contributions. The methodology should reflect the programmatic definition of that APU and should include measurements of performance in each applicable mission (research, clinical service, education) and may include goals specific to that APU's programmatic activities. The Chair may not, however, consider the volume or value of a faculty member's referrals of "designated health services" for which payment may be made under Medicare Part B.

The Chair shall provide detailed written documentation of the relevant factors used in determining incentive/bonus compensation, the relative weight of each factor and the allocation methodology used to distribute incentive/bonus compensation.

Any faculty member who works for less than a full year, but more than 50% of the year, whether because of start date, leave or departure, may be eligible for the following Z payments:

- **Administrative/Leadership Z Payments** – faculty eligible for prorated administrative/leadership Z payments for all time worked.
- **Extra Service Pay** – faculty eligible for Z payments for all extra service time worked.
- **Dollar per wRVU Payments** – faculty eligible for a prorated dollar per wRVU payment for actual wRVUs generated.
- **Fixed Incentive** – faculty eligible for a prorated fixed incentive Z payment if employed at the time of payment. The fixed incentive is designed to retain and to reward faculty, so faculty who are no longer employed at the time of payment will be ineligible for this Z payment. Note, faculty that retire at the end of the academic year (June 30th) and work through their retirement date, will be eligible for fixed incentive.

#### **D. Z Compensation Department Details**

**Eligibility:** To be eligible for a Z payment, faculty must be in good standing with the department compensation plan (see below) by the end of fiscal year and meet the department requirements for months worked. Good standing criteria include:

- 100% compliance with all required UC Davis mandatory training.
- Fully compliant with all required reporting of outside professional activities.
- Attend a minimum of 50% of division and department faculty meetings.
- Greater than 45% voting on department merits and promotions actions.
- Greater than 75% teaching evaluation completion rate.
- Medical records deficiencies as documented by not currently being suspended.

\*Note - If Z payments are calculated on a more frequent basis (monthly, quarterly, semi-annually), eligibility will be determined based on that "evaluation period". Departments may adopt an eligibility grace period, up to 90 days for annual Z payments and one additional "evaluation period" for Z payments calculated on a more frequent basis - i.e. if Z payments are calculated monthly; faculty would be provided an extra month grace period.

Notwithstanding the Z payment eligibility, faculty are still required to fulfill the good standing criteria of the compensation plan and policy requirements, including but not limited to APM 671 outside professional activity reporting requirements, UC Davis policies on mandatory training and medical record completion requirements.

### **1. Leadership and Administrative Z Compensation**

Please specify the roles and amounts for leadership and administrative roles that are paid out as Z payments. Leadership and administrative Z compensation should be paid for limited circumstances such as for new or changing leadership roles not in place at the beginning of the year.

### **2. Extra Services Beyond Expectations Defined as Part of Total Negotiated Salary.**

If the department will pay for call coverage, extra shifts or clinic coverage, or other additional service pay, please specify below the extra service activity (e.g., call coverage), minimum requirements per 1.0 cFTE before extra service is paid, and payment amount per extra service.

### **3. Z Payment for Special Circumstances**

In special circumstances, with joint approval of the Division Chief, Department Chair and/or the Dean, an individual may receive a Z payment for unanticipated circumstances, extra duties or extraordinary contributions. Such requests are expected to be unusual and well justified, and the amount of the Z payment in such cases would be determined by the Chief, Chair, and Dean or at discretion of the Dean and be commensurate with the effort associated with the extra duties. Z payments for special circumstances should be limited to no more than 25% of total negotiated salary. Any request for payment above that amount or any extraordinary Z that places total compensation at or above 90% of the applicable salary benchmark will require review and approval by the Dean.

### **4. Fixed Incentive Compensation**

All eligible faculty in APUs defined below should have an opportunity for fixed incentive compensation based on defined metrics. If the department does not reach budget targets, the Chair may reduce the fixed incentive opportunity amounts uniformly across the Department with approval from the Dean's Office. Fixed incentive compensation is paid prior to the reserve calculation being made.

### **5. Variable Compensation**

Clinical faculty on Model 2 may also be eligible for a \$ per wRVU payment after individual faculty exceed the

department cFTE adjusted wRVU target. Faculty must be at least 0.2 clinical FTE to qualify for variable incentive compensation. Variable incentive is calculated after the reserve requirement has been met.

## 6. Funding Z Payments

In the event that the current year income of a department is insufficient to fulfill all commitments to pay the approved compensation to each faculty member, the Department shall turn first to the department's Reserve for Contingency Fund. If the department's Reserve for Contingency Funds is insufficient, then the Department may seek support from the Reserve for Contingency Fund or other non-State fund accounts within the School. If additional support is not available, then the department faculty's Z 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 Dean and Chancellor.

## 7. Distribution of Excess Departmental/Division Income as Z-payments:

The Department/unit profit is defined as the ending balance in the operating account after fiscal close. The Z pool is defined as the Department/unit profit, minus any share of the funds designated for reserves. Please indicate how profit will be split between Department reserves and the Z-pool.

**XX%** of the profit will be allocated to Departmental/Division reserves

**XX%** of the profit will be allocated to the Z pool for distribution among eligible members of the compensation plan

*\*These items should add up to 100%.*

**NOTE: Any changes to this specified distribution between Department and Z-pool necessitated by exceptional circumstances are expected to be rare and must be approved by the Dean.**

Distribution of Excess Departmental/Division Income as Z-payment will be distributed to the individual faculty as follows: *(this applies to ALL faculty in the APU; individual selections are not allowable)*

**XX%** enhancement fund

**XX%** salary

*\*These items should add up to 100%.*

Z payments are distributed to the individual faculty member on a set schedule defined by the comp plan.

## V. OUTSIDE PROFESSIONAL INCOME

The [Academic Personnel Manual \(APM\) 671](#) – *Conflict of Commitment and Outside Activities of Health Sciences Compensation Plan Participants*, allows one method for managing income from outside professional activities (OPA), which includes a maximum time limit earning threshold.

In accordance with [APM 671](#), the University has set a maximum time limit on OPA at 21 days (168 hours) per fiscal year, and a maximum earning threshold of \$40,000 or 40% of the fiscal year base salary (scale 0), whichever is greater. Departments may set a more restrictive earning threshold limit with prior approval from Compensation Advisory Committee and Dean.

Each Plan Participant shall be responsible for keeping a running total of his or her annual earnings from all outside professional activities and report it on an annual basis. If a Plan Participant wishes to engage in an

activity that might reasonably be expected to cause their time and total annual earnings from all OPA to exceed the approval threshold, then the Plan Participant must request prior approval to engage in the activity.

If the Department has adopted an annual threshold less than the maximum threshold, the Department Chair has the authority to approve all activities (not requiring prior written approval) that exceed the Department maximum up to the School maximum.

If a Plan Participant wishes to engage in an outside professional activity that will exceed threshold limits, s/he must request prior approval of the Department Chair, who will then forward it to the Dean and the Chancellor in accordance with [UCD School of Medicine and School of Nursing Health Sciences Compensation Plan Implementation Procedures](#) and [APM 671](#).

Certain categories of income that accrue from OPA, as described below, may be retained by Plan Participants. These categories include the following:

### **Category I**

Category I activities are most likely to create a conflict of commitment because: 1) they are activities related to the training and expertise which is the individual's qualification for University appointment, but performed for a third party, and/or 2) requires significant professional commitment.

Category I activities require **prior written approval** by the Department Chair, Dean or Dean's designee, and the Chancellor or Chancellor's designee, in advance of performing the activity as well as require disclosure in annual reporting. Approvals are generally for one (1) calendar year but may be granted for a longer term. Category I activities count toward the Plan Participant's time and earnings threshold for outside professional activities.

Category I activities include, but are not limited to:

- Teaching, research, or administration of a grant at an educational institution, trust, organization, government agency, foundation, or other entity outside of the University (see [APM 671-10](#) for grant administration exception).
- Employment outside of the University.
- Assuming a founding/co-founding role of a company.
- Assuming an executive or managerial position outside of the University, excluding positions with professional societies.

### **Category II**

Category II activities are typically shorter term activities that are outside the course and scope of University employment. Category II activities have a lesser potential for a conflict of commitment than Category I activities.

Category II activities include, but are not limited to:

- Additional University-compensated teaching, including teaching for UNEX courses and programs (see [APM 662](#)).
- Participation in continuing health education programs run by the University.
- Participation in self-supporting UC degree programs – these are teaching activities outside of the assigned teaching load. If the department assigns the teaching activity, it is not considered an outside activity.
- Consulting under the auspices of the University of California.
- Consulting or testifying as an expert or professional witness.

- Consulting for for-profit or non-profit entities, non-profit health or education-related organizations, or government agencies.
- Serving on a board of directors outside of the University whether compensated or uncompensated.
- Providing or presenting a workshop for industry.
- Providing outside consulting or compensated professional activities performed for entities such as the Los Alamos and Lawrence Livermore National Laboratories.
- Other income-generating activities specified in approved Plan Implementation Procedures.

### Category III

Category III activities are within the course and scope of University employment. As such, they are unlikely to raise conflict of commitment issues.

Category III activities include, but are not limited to:

- Serving on government or professional panels or committees or as an officer or board member of a professional or scholarly society.
- Reviewing manuscripts, acting in an editorial capacity.
- Attending and presenting talks at university/academic colloquia and conferences.
- Developing scholarly or creative works.

The Plan allows for other categories of income from OPA (excluding income from patient care activities), as described below, may be retained by Plan Participants and does not count toward the earning approval threshold; however, should be reported annually. All income from patient care activities is due the Plan. The categories of income include:

- Prizes, defined as gifts in recognition of personal achievements and not for services rendered.
- Royalties, defined as shares of proceeds for contributions as authors or inventors, as allowed under the University's copyright and patent policies.
- 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.
- University honoraria defined as permitted for occasional lectures or similar services performed on a University of California campus as permitted by Academic Personnel Policy (see [APM 666](#), Additional Compensation: Honoraria) and applicable campus policies.
- Administrative stipends.
- 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.

The Department/Division/APU as a whole must annually adopt one of two options for distribution of Outside Professional Income Beyond Threshold. IRS regulations prohibit individual faculty from selecting any options other than identified below.

*Choose one of the following:*

- Health Sciences Compensation Plan maximum annual earnings limit of \$40000 or 40% of fiscal year base salary at scale 0, whichever is greater.
- \$~~XXX~~ per fiscal year. (Threshold limit cannot exceed the HSCP maximum annual earnings threshold (\$40000)).

*Choose one option and fill in the blanks:*

- Individual     APU/Department

**Individual Option:** This option recognizes this income as a form of Z payment separate from any distribution of departmental/divisional surplus as described above. Individual faculty members are reimbursed this income subject to the SOM Dean's tax and to a XXX% department tax. Payments to the faculty member will occur on a XXX basis and will be distributed according to the following:

- % paid to individual as bonus salary (Z payment).  
 % paid to an academic enhancement fund.

## VI. INDIVIDUAL ACADEMIC ENHANCEMENT ACCOUNTS

Academic Enhancement Funds are funds intended for use by individual faculty for educational activities pursuant to university regulations (travel to scientific or clinical meetings, subscriptions to scientific journals, etc.). Computers or other allowable devices purchased through academic enhancement accounts are considered University property. These funds cannot be distributed as income or salary.

*The text box below is used to describe the amount of budgeted Academic Enhancement Funds allocated for each member of the APU and the expected time in which the funds should be expended. If these funds are to be further enhanced by non-clinical funds, please describe sources of funding, methods of allocation, and applicable department/Dean's taxes, as described in [V.C.3b](#).*

## VII. SABBATICAL AND LEAVES IN LIEU OF SABBATICAL

If a sabbatical leave is granted by the department, the department must pay the faculty member's base salary.

Choose one of the following:

- Option 1     Option 2     Option 3

- **Option 1:** The department will guarantee the Total Base Salary and Y salary component to every faculty member granted sabbatical leave.
- **Option 2:** The department may grant a faculty member Total Base Salary and Y salary component of salary, if the faculty member can provide sufficient funding to support the Y component of salary.
- **Option 3:** The department will allow Total Base Salary support only.

The funding source for the sabbatical must be identified in the sabbatical request submitted to the [Office of Academic Personnel](#).

## VII. CHILDBEARING LEAVES

**Purpose:** To provide faculty members with a reasonable level of leave benefits for childbearing that: 1) can be financially supported by the departments; and 2) is equitable across departments.

**Policy:** It is the policy of the School of Medicine, UCDHS that faculty in all departments have equal benefits for childbearing leave, and the departments have primary financial responsibility for covering these benefits. This applies to all faculty in the following academic series: Ladder Rank, Clinical, In Residence, HSCP (paid), and Adjunct.

Childbearing leave is provided for a Plan Participant who holds a 12-month appointment and bears a child or children, regardless of academic series or months of service. The Plan Participant will be granted 90 days of paid leave at full pay (X, X'+Y), excluding clinical incentives and bonuses.

Childbearing leave is the time that the Plan Participant is temporarily disabled because of pregnancy, childbirth, or related medical conditions (APM 760-25). If the period of temporary disability due to pregnancy, childbirth, or related medical conditions lasts less than 90 days, the remaining period of paid leave (for a leave in progress), may be used for bonding, up to the maximum period of 90 days.

Paid childbearing leave will be allocated in one 90-day block. If the Plan Participant cannot return after the 90-day period of childbearing leave and qualifies for additional leave on the basis of a medical need supported by a provider's medical certification, the period of childbearing leave may be followed by extended medical leave, and if necessary, any disability benefits which may apply. At the direction of the Plan Participant's health care provider, the childbearing leave may be allocated in intermittent periods to cover pregnancy disability (if the participant chooses not to utilize the compensation plan medical leave), consistent with the provider's medical recommendations and the Plan Participant's eligibility for Family and Medical Leave. If childbearing leave is applied intermittently during pregnancy, then the remainder of paid childbearing leave will be allocated in one block equal to 90 days minus the number of days used intermittently during pregnancy.

**Procedure:** Childbearing leave: Women faculty in all departments and academic series indicated above will receive the benefits to that specified for the Ladder Rank faculty in [APM 760](#). This includes a paid leave at full salary for 90 days. This represents a modification of the benefits as described in [APM 760](#).

Departments must submit UPAY 573 Sabbatical Leave/Special Leave of Absence ([APM 700](#)) to initiate childbearing leave.

## VIII. FAMILY CARE LEAVES (OTHER THAN CHILDBEARING)

**Purpose:** To provide faculty members in the Ladder Rank, In Residence, Clinical \_\_\_\_, HSCP (paid), and Adjunct series with a reasonable level of benefits for family purposes that: 1) can be financially supported by the departments and 2) is equitable across departments.

**Policy:** It is the policy of the UCDHS that faculty in the Ladder Rank, In Residence, Clinical \_\_\_\_, HSCP (paid), and Adjunct series in all departments have equal benefits for family leaves, and that the departments have primary financial responsibility for covering these benefits.

**Background:** The University of California Academic Personnel Manual (APM) offers several policies regarding family leave and benefits. The family leave options are all separate forms of benefits but may run concurrently. These include:

- Family and Medical Leave ([APM 715](#)) based on the federal Family and Medical Leave Act and the state's California Family Rights Act that provides an unpaid leave for a maximum of 12 workweeks in the calendar year with continued participation in health coverage as if on pay status and reinstatement to the same or equivalent position.
- Parental Leave ([APM 760-27](#)) which is an unpaid leave for up to one year with reinstatement to the same or equivalent position, but without continuation of health coverage.
- Active Service Modified Duties ([APM 760-28](#)) which is not a leave, but which allows partial or full relief from teaching and a reduction in clinical duties for 3-12 months while one active duty with continued base pay.

The time periods associated with these options all run concurrently and cannot exceed 12 months. The APM allows additional salary compensation under the Health Science Compensation Plan to be paid according to campus policy.

## Benefits:

- Family and Medical Care Leave (FML and CFRA): The benefits as described in [APM 715](#) are applied without modification to faculty members in all departments and academic series. This form of leave is for use by faculty members for substantial care of a newborn (including paternity leave), newly adopted children, children newly placed in foster care or medical care for a spouse, domestic partner, child or parent. Academic appointees who do not accrue sick leave (as is the case for the titles listed in this policy) may request an approved leave without pay for up to 12 weeks.
- Parental Leave: The benefits as described in APM ([APM 760-27](#)) are applied without modification to faculty members in all departments and academic series. This form of leave is without pay (though accrued vacation may be used) and is for the purpose of providing care to a newly born or adopted child or a child placed in foster care.
- Active Service Modified Duties: This is not a leave but can be utilized in lieu or in addition to a leave to allow the faculty member to provide care to a child for whom the faculty member has substantial responsibility for the care. As described in [APM 760-28](#), the faculty member's base salary will remain intact, and that additional compensation paid under health science compensation plans shall be paid in accordance with campus policy for academic appointees who do not accrue sick leave (as is the case for the titles listed in this policy). As a policy, the School of Medicine will reduce the Y salary (negotiated additional compensation) proportionately to the reduction in duties.
- The University will grant up to five days of paid leave in any calendar year when a faculty member is required to be in attendance or to provide care because of the serious illness of the appointee's mother, father, husband, wife, domestic partner, son, daughter, brother, or sister; or of any other related person who is residing in the appointee's household. An additional amount of *unpaid* leave may be granted in some, but not all, of these circumstances as described above.
- The University will grant up to five days of paid leave when attendance is required due to the death of the employee's mother, father, husband, wife, son, daughter, brother, or sister; or of any other related person who is residing in the employee's household.
- See department policy for other paid leave(s) related to unprotected time away.

Answers to Frequently Asked Questions regarding Faculty Family Leaves can be found at [https://health.ucdavis.edu/academicpersonnel/docs/Faculty\\_Family\\_Leave\\_FAQs.pdf](https://health.ucdavis.edu/academicpersonnel/docs/Faculty_Family_Leave_FAQs.pdf).

## IX. MEDICAL/DISABILITY LEAVES

**Purpose:** To provide faculty members with a reasonable level of medical and disability benefits that 1) can be financially supported by the departments, 2) is equitable across departments and 3) allows faculty members to make appropriate choices regarding purchase of additional disability insurance coverage.

**Policy:** It is the policy of the UCDHS that faculty in all departments have equal benefits for medical and disability leaves, and that the departments have primary financial responsibility for covering these benefits.

**Background:** As defined in the University of California Academic Personnel Manual ([APM 710](#)), faculty do not accrue time for sick leave. The APM provides the following options for medical leave: Family and Medical Leave and vacation. Family and Medical Leave is based on the federal Family and Medical Leave Act and the California Family Rights Act and is defined in [APM 715](#) as an unpaid leave for a maximum of 12 workweeks in the leave year with continued participation health coverage as if on pay status and reinstatement to the same or equivalent position. The Chancellor may approve leave with pay in special circumstances ([APM 710](#)). The School of Medicine can grant increased benefits to their faculty members through the [Health Sciences Compensation Plan](#). This policy is intended to provide uniform benefits to all faculty within the School of Medicine which are also affordable by the departments.

**Procedure:**

- Departments must notify their faculty of the School's medical and disability policy and encourage them to purchase disability policies with a 180 day maximum waiting periods. If a faculty member is rejected by the insurance company, the faculty member can apply to the Dean for an exception to policy for an extended salary benefit period which would be individually negotiated.
- During an absence for medical or disability reasons, a department has primary financial responsibility for paying the faculty member's salary replacement, that is Total Base Salary (X + X') + negotiated additional compensation (Y) for 90 days, followed by an additional 90 days of total base salary only. Departments must budget this potential expense in their annual operating budget and in their departmental reserves.
- Faculty members are eligible for a maximum of 6 months of salary replacement as described above for a consecutive or intermittent paid medical leave within a ten year period for personal illness, injury, or disability ([APM-710](#))
- If a department does not have sufficient financial resources to fully cover medical and disability leaves, the department can make a formal request in writing to the Dean and the Director for financial assistance from UCDHS.
- After seven days of consecutive calendar days of absence, a faculty member must submit the UPAY 573 Sabbatical Leave/Special Leave of Absence ([APM 700](#)).
- After 90 days of disability during a rolling one year period of time, employees should be encouraged to schedule an appointment with UCDHS Benefits Office and Disability Management Services to discuss benefit options that may be available to them.
- Extended illness leave may not exceed the maximum time period allowable under [APM 710-11 a and b](#).

**More information regarding disability benefits can be found at:**

[https://health.ucdavis.edu/academicpersonnel/documents/SOM\\_Medical\\_Leave\\_Policy\\_July\\_1\\_2005.pdf](https://health.ucdavis.edu/academicpersonnel/documents/SOM_Medical_Leave_Policy_July_1_2005.pdf)

**Answers to Frequently Asked Questions regarding Medical/Disability Leaves can be found at:**

<https://health.ucdavis.edu/academicpersonnel/documents/Faculty%20Medical%20Disability%20FAQs.pdf>

**More information regarding salary replacement for Family Care and Bonding can be found here:**

<https://health.ucdavis.edu/academic-personnel/administrative-resources/administrators-managers/leaves/>

**For more information on the approval requirements for leaves of absence see:**

<https://aadocs.ucdavis.edu/policies/leaves/leave-approval-chart.pdf>