Agenda

- Purpose of Compensation Plan
- Review of Key Elements
  - Salary Composition
  - Enhancement Accounts
  - LOAs and Impact on Salary
  - Outside Professional Activity
  - Retirement
- Understanding Your Own Plan
- Questions
APM 670: UC Policy

“The purpose of this Health Sciences Compensation Plan is to provide a common administrative framework within which a participating health sciences school can compensate its faculty according to the competitive requirements of each discipline.”

**Specific Goals of the Plan:**

- Provide sufficient non-state resources to recruit and retain outstanding health sciences faculty
- Encourage a balance among teaching, research/scholarship, clinical care and public service
- Provide teaching, patient care and research incentives that encourage and recognize academic merit as well as generation of income
- Provide consistent benefits and privileges to faculty
- Provide academic and research support funds to health sciences schools
Implementation Procedures

- The SOM is expected to have Implementing Procedures consistent with the Plan.

- UC Davis School of Medicine has a Compensation Plan template every department must utilize. Departments must:
  - Develop Academic Programmatic Units and set the scale for each APU
  - Establish methodologies for defining Y salary and determining Z bonus
  - Identify academic enhancement account amounts
  - Establish formula for sabbatical pay

- Each department plan must be approved by CAC

- The Dean is responsible for implementing and administrating the compensation plan including the resolution of complaints and appeals
Compensation Plan Eligibility

- Must be in one of the following academic series:
  - Professor (Regular/FTE)
  - In-Residence
  - Clinical X
  - Health Sciences Clinical
  - Adjunct
  - Acting
  - Visiting
  - Health Sciences Dean Titles

- Must have greater than a 50% appointment in one of the series or be a recalled retiree

- Exceptions must be approved by the Chancellor
Total Compensation

Three components:

- Only Base Salary ($X + X'$) is considered covered compensation for the purposes of UCRP

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<thead>
<tr>
<th>X (Base Salary)</th>
<th>+</th>
<th>Y</th>
<th>+</th>
<th>Z</th>
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<td>Based on Rank and Step ($X$)</td>
<td></td>
<td>Annually negotiated Department methodology MBY</td>
<td>Incentive/bonus Not guaranteed Generally performance based HBZ</td>
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<td>Plus a scale multiplier ($X'$) MEG + MB1-9</td>
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- 3 components: X, Y, Z
- X = Base Salary
  - Based on Rank and Step
  - Plus a scale multiplier
- Y = Annually negotiated
- Z = Incentive/bonus
  - Not guaranteed
  - Generally performance based
Base Salary

X or (MEG) Component

- Defined by Faculty Rank and Step
- Increases with Merit and Promotion
- Academic Series Define Percentage Effort for Clinical, Research/Creative Activity, Teaching and/or Service

### Scale 0 – Sample

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<tr>
<th>Rank</th>
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<th>Total Annual Amount</th>
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APU and Scale

- **Academic programmatic unit (APU)**
  “A group of faculty who are engaged in activities with a common academic, clinical, administrative or programmatic linkage.” (e.g., Research, Administrative, Clinical)

- Salary scale is set for each APU in the department, with all APU members at the same scale

- Scale is a multiplier applied to $X$
  - Scales range from 0-9
  - Multiplier is linear from 0-5, then non-linear
    - 1.1, 1.2, 1.3, 1.4, 1.5, 1.65, 1.8, 2.0, 2.5
## Scale 4 – Sample

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</table>
Y and Z Components

- **Y (Negotiated compensation)**
  - Based on quantitative factors, e.g., effort charged to sponsored projects, number of teaching assignments, grant funding, clinical RVUs
  - Qualitative factors, e.g., fulfilling clinical, teaching, research and administrative obligations; compliance with Faculty Code of Conduct and UC policy
  - Other factors as described, e.g., market salary data (AAMC Western Region)

- **Z (Incentive/Bonus)**
  - Eligibility criteria established by department, e.g. income generated over negotiated salary
  - Other income for unanticipated circumstances, administrative stipends, call coverage arrangements
Salary Negotiation

- Annually, the department chair shall meet with the faculty member to discuss total annual compensation

- Notification of annual compensation shall include
  - Amount of UCRP covered salary, including salary scale assigned to the faculty member’s APU (X)
  - Amount of negotiated additional compensation (Y)
  - Calculation and payment schedule of incentive/bonus (Z)
Academic Enhancement Accounts

- Money set aside for professional development and other work related expenses.
- Plan will define how much and type of usage
  - Roll-over year to year with cap, or
  - “Use or lose it”
Leaves of Absence

- **Types of Leave**
  - Medical (Personal, Spouse or Immediate Family Member)
  - Sabbatical
    - Eligibility Requirements

- **Salary Support**
  - First 90 days of leave = full salary (Total Base Salary + \( Y \))
  - Next 90 days Total Base Salary Only
  - Eligibility
    - Rolling Calendar Year

- **Other Benefits**
  - Disability Leave Benefits (Typically 180 day waiting period)
  - Supplement Benefit Insurance (LTD, SI, Basic Life, Suppl. Life)
Additional Compensation: Outside Professional Activities (non-clinical)

- May retain outside income from any sources – i.e. consulting, professional witness – up to $40,000 or 40% of total base salary at scale 0, whichever is greater.
  - Department discretion
- Limited to 21 days of compensated non-clinical professional activities unless exception granted (up to 48 days)
- Exception Approval Process
- Annual Reporting Requirement
Categories of Activities

- **Category I** – e.g. activities which common sense and good judgment would indicate are likely to raise issues of conflict of commitment – *Prior approval required*

- **Category II** – e.g. consulting, expert testimony, serving on board of directors

- **Category III** – e.g. compensated as editor of professional journal and manuscripts, officer of a professional or scholarly journal
Your UC Retirement System

UC Retirement System

PRIMARY

UC Retirement Plan
- 1976 Tier
- 2013 Tier

UC Retirement Choice Program
- Option 1 — Pension Choice
- Option 2 — Savings Choice

VOLUNTARY

UC Retirement Savings Program
- 403(b)
- 457(b)
- DCP (After Tax)
Contacts

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