DEPARTMENT OF ORTHOPAEDIC SURGERY
“GOOD-STANDING” CRITERIA

Purpose: Participants in the UCSD Health Sciences Compensation Plan should satisfy the following general good-standing criteria in order to be permitted to earn and/or retain income from outside professional activities, whether or not the income is retained directly or is returned to them via the University paycheck.

1. Faculty have an obligation to cover their \((X + X' + Y + Y')\) salary components;

2. Faculty have an obligation to meet teaching responsibilities to graduate students, medical students, residents, and fellows. They are expected to provide both didactic teaching in classroom or lecture settings, and more informal teaching in the laboratory and during clinics, periods of rounding, and in the operating room.

3. Faculty have an obligation to participate in departmental activities, including faculty meetings, educational conferences, and department committees to which they are assigned;

4. Faculty have an obligation to meet clinical responsibilities including operative care of patients, outpatient clinical care, and call;

5. Faculty have an obligation to fulfill research commitments inherent in contract and grant awards on which they serve as investigators;

6. Faculty follow the UC Faculty Code of Conduct and other UC Rules and Regulations.

Faculty who do not meet these criteria will be counseled by the Department Chair. Additionally, faculty who do not meet these criteria, and are therefore no longer deemed to be in good-standing, will be so notified in writing by the Chair of the Department. Such notification will include the reasons for that determination. Faculty who are not in good standing shall be precluded from engaging in any unassigned outside professional activities unless such activities are approved in writing and in advance by the department chair and the Vice Chancellor for Health Sciences/Dean of the School of Medicine. The appeal process for faculty in this situation includes writing to the Outside Professional Activities Review and Advisory Committee (OPARA). OPARA, after consultation with the faculty member and the Department Chair, will make a recommendation to the Vice Chancellor for Health Services.

The Good Standing Criteria and Salary Negotiation Process will be reviewed by faculty annually. This will be accomplished via presentation at a faculty meeting or email communication.

K:\My Documents\ORTHOGOODSTANDING CRITERIA & COMPENSATION GUIDELINES, FY09 UPDATE.doc
DEPARTMENT OF ORTHOPAEDIC SURGERY
FACULTY COMPENSATION GUIDELINES

1. General Process. The Department of Orthopaedic Surgery begins planning faculty salaries each January. Individual faculty salaries, as modeled in the budget document, are implemented after approval by the Dean. This typically occurs in July of each fiscal year and is substantiated by the receipt of a final budget letter from the Dean’s Office. Clinical salaries are determined by the Clinical Compensation Plan and fluctuate with productivity. Approved negotiated salaries implemented in July will remain constant during the fiscal year. Mid-year renegotiations of salary are permitted only under unusual circumstances. For an exception to be granted, approval must be obtained by the Chairman and the Dean prior to implementation.

Usually, between January and March of a calendar year, faculty members meet with the Chairman and the Department Business Officer to discuss sources of salary support for the coming fiscal year. At this meeting, academic and research productivity, AAMC benchmarks for both salary and clinical productivity are discussed with each faculty member as applicable. Any outstanding issues related to the Department’s Good Standing Criteria are also addressed at this time. Faculty effort will be reduced if the faculty member does not have sufficient resources to maintain the current level of appointment.

Upon approval of the Department’s Budget, the Chair sends a letter to each faculty member documenting salary sources (see sample letter attached).

2. Membership in the Health Sciences Compensation Plan. Eligible faculty are those with appointments of fifty percent or greater in the following professorial series: Professor, Professor In-Residence, Professor of Clinical X, Adjunct Professor, Acting Professor, Clinical Professor, and Visiting Professor. Faculty members who are otherwise eligible for membership, but who have appointments of fifty percent or less of full-time, may participate in the plan upon the recommendation of the Department Chair and approval by the Dean and Vice Chancellor for Health Services.

3. Salary sources. All sources of confirmed support for X, X', Y, Y' and Z salary components are identified prospectively, including:

   a. State FTE allocation.
   b. Salary from grants awarded.
   c. Clinical income.
   d. ASCs (Medical Directorships, Residency Director, Clinical Service Chief)
   e. Service Agreements or other contracts.
   f. Clinical Trials income. Faculty with substantial involvement in clinical trials are expected to provide for at least 10% effort on those awards.
   g. VA Eighths
   h. Other sources, such as Consulting and Witness fees.
4. **Outside professional activities.** Outside income brought through the practice plan will be returned to the faculty member generating it. Faculty may retain up to $20,000 or 20% of base compensation value ($X + X' + Y$), whichever is greater, for outside professional activities directly. This dollar amount is identified for each faculty member in his or her annual faculty compensation letter. For activities where compensation is retained directly, there is no assurance that faculty will be indemnified for those activities. When such income is brought through the practice plan, it is subject to a 4% Dean's Tax.

5. **Academic Program Units.** All Orthopaedic Surgery faculty participate an Academic Program Unit (APU). Faculty who wish to participate in a new or unique APU must follow the procedures detailed in the compensation plan.

6. **FTE Salary Savings.** Participation in the salary savings plan is voluntary. The first component is a contribution to the Department proportional to the state budget cut. This component is tied to the budget cut and will, therefore, fluctuate up or down with the budget cut rate, but will not exceed 15%. If and when the state budget cut is restored, the Department has the option to continue a tax on the FTE for a specific purpose, subject to the approval of the FTE faculty (voluntary participation rule). The second component is a 5% Y Tax. Funds generated by the Y Tax will be set aside in a pool for future use by the Department. In the event that a faculty member does not have sufficient funds, s/he may be released from participation in the salary savings plan for that year. Insufficient salary funding is defined as that below 1.1X (Scale 1).

7. **Leave of Absence.** Faculty who wish to have a leave of absence, with or without compensation, will follow University guidelines and will present a written request for leave to the Department Chair in advance.
July 1, 2008

XXXXXXXX XXXXXXXX, M.D.
Assistant Clinical Professor III

Dear XXXX,

The clinical faculty salary plan has been approved for fiscal year 2008-2009. Your total estimated salary according to the clinical faculty salary plan is shown on the next page. The estimated salary amount is based on budget projections and any change in these numbers (i.e. WRVUs, revenue, expenses) will affect your actual annual compensation. The projections used to arrive at your estimated salary are detailed on the attached spreadsheet along with the breakdown of each component of your salary.

With respect to salary support from contracts, grants and other research or academic pursuits, it is expected that salary support will be commensurate with effort and that the amount of salary support awarded will be used for that purpose.

Outside income of $20,000 or 20% of covered compensation, whichever is greater, may be retained directly. This is $XXXXX for fiscal year 2009. Compensation exceeding this figure must be run through the University and is subject to Dean and Department tax. The remainder may then be paid to you as income or deposited into an index for your discretionary use.

Should you have any questions regarding your salary please feel free to contact the Business Office.

Sincerely,

Steven Garfin, MD
Professor and Chair
Department of Orthopaedic Surgery

Fiscal Year 2008 – 2009

Individual Faculty Salary Profile for:

XXXXX, XXXXXXX MD

Your employee number is XXXXXXXXXXX

You currently hold the academic rank of Asst Prof in the series "Clin" at step III.

For fiscal year 2008/2009, your total estimated salary is: $200,000

Actual pay will depend on productivity and other factors outlined in the faculty salary plan. Should you have any questions, please contact the Business Office.

Your salary breaks out as follows:

<table>
<thead>
<tr>
<th></th>
<th>Monthly (July 1 – Sept. 30)</th>
<th>Monthly (Oct. 1 – June 30)</th>
</tr>
</thead>
<tbody>
<tr>
<td>X Base:</td>
<td>$5,750.00</td>
<td>$6,450.00</td>
</tr>
<tr>
<td>X’ Prime:</td>
<td>$1,725.00</td>
<td>$1,933.33</td>
</tr>
<tr>
<td>Y’ Prime:</td>
<td>$2,016.67</td>
<td>$2,258.33</td>
</tr>
<tr>
<td>Y Base:</td>
<td>$6,058.33</td>
<td>$4,908.34</td>
</tr>
<tr>
<td><strong>Total Monthly of X &amp; Y:</strong></td>
<td><strong>$15,550.00</strong></td>
<td><strong>$15,550.00</strong></td>
</tr>
<tr>
<td>Estimated RVU</td>
<td>5,060</td>
<td>Total Annual X Base: $75,300.00</td>
</tr>
<tr>
<td>Estimated $/RVU</td>
<td>$73.04</td>
<td>Total Annual X’ Prime: $22,574.97</td>
</tr>
<tr>
<td>Estimated After OI</td>
<td>$34.50</td>
<td>Total Annual Y’ Prime: $26,374.98</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Annual Y Base: $62,350.05</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Z Salary: $13,400.00</td>
</tr>
<tr>
<td><strong>Total Annual Salary:</strong></td>
<td><strong>$200,000.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Based on rolling 6 month average calculations