

July 2017

UCLA SCHOOL OF DENTISTRY IMPLEMENTATION PROCEDURES

UNDER THE

UC HEALTH SCIENCES COMPENSATION PLAN

I. ADOPTION

This document sets forth the implementation procedures (the “Procedures”) for the UCLA School of Dentistry Compensation Plan (the “DSCP”) under the University of California Health Sciences Compensation Plan (“HSCP”) and the Conflict of Commitment and Outside Activities of Health Sciences Compensation Plan Participants (“APM 671”). These Procedures supersede any previous UCLA School of Dentistry (“School”) procedures. These Procedures have been approved by the University of California Office of the President (“UCOP”), and made effective as of July 1, 2015.

In addition to these Procedures, members are also subject to the requirements of other University policies, including but not limited to, any and all applicable conflict of interest policies, including (1) 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 (2) the Policy on Requirements to Submit Proposals and to Receive Awards for Grants and Contracts through the University. A faculty member’s compensated outside activities may create an obligation for the faculty member to disclose a financial interest before making, or participating in, certain University decisions. Faculty can obtain information on the disclosure and disqualification requirements of the Political Reform Act of 1974, including the Academic Decision Regulation, from the office of Campus Counsel.

The DSCP shall operate as a self-supporting program and shall not incur any additional costs to State funds.

II. DSCP COMMITTEE

The School has an established DSCP Committee, which is advisory to the Dean in resolving the issues that may arise from implementing the Plan. These include, but are not limited to, development of the school Implementation Procedures, establishment of Good Standing Criteria, academic programmatic units (“APUs”) and optional negotiated additional compensation as defined below. The committee shall consist of five faculty members elected for a 3-year term through a process conducted by the Faculty Executive Committee (“FEC”). In addition, the Senior Associate Dean for Academic Affairs, the Assistant Dean of Finance and the Director of Academic Personnel shall serve as *ex-officio* members without voting rights in an advisory capacity to the committee. The Director of Academic Personnel shall also serve as the Staff Support for the Committee.

The DSCP Committee will assist in the review of all compensation plan matters, including compliance with and resolution of issues on outside professional activities, conflict of interest, and conflict of commitment. The committee shall also review all Subgroupⁱ agreements and shall review and evaluate Subgroup finances and APU/Scale placement.

III. MEMBERSHIP

A. Eligibility

1. Members of the faculty of the School of Dentistry shall be members of the DSCP if they hold a University Funded appointment at greater than 50% in any of the following series: Professor, Professor-in-Residence, Professor of Clinical X (e.g., Dentistry), Adjunct Professor, Acting Professor, Health Sciences Clinical Professor, Visiting Professor, Health Sciences Dental School Dean, or any other professorial series approved for membership in the DSCP by the President of the University of California (“President”) or President’s designee.
2. If eligible, membership in DSCP is a term and condition of employment. All new and continuing eligible DSCP members shall receive a copy of the HSCP and these approved Procedures, and shall sign the following statement: “I have received a copy of the University of California Health Sciences Compensation Plan, the approved School of Dentistry Implementation Procedures and APM 671. I understand that the provisions in each of these documents constitute terms and conditions of my employment.”
3. A member of the faculty of the School of Dentistry who falls within the criteria in Section III.A.1, except that his or her University appointment is funded at 50% or less may be approved by the Dean to become a member of DSCP. If membership of a part-time appointment is approved, said member shall be required to make a full-time professional commitment to the University to the exclusion of all other professional activities that conflict and/or compete with the individual’s activities under the DSCP.
4. The Dean may approve membership in the DSCP for otherwise eligible faculty members who have retired and are recalled. Such appointments may not exceed a maximum total of 43 percent of full time per month. Refer to APM-205, Recall for Academic Appointees, for terms and conditions for Plan Membership for recall appointees.

ⁱ A Subgroup is a dental practice cost center in the School consisting of a single APU.

B. Period Of Membership In DSCP

Membership shall continue while DSCP continues to be in effect. Separation from eligible appointments will terminate membership in DSCP.

C. Partnerships And Incorporation

DSCP members may not form partnerships, corporations, or any other type of business entity whose professional purpose or activity conflicts with or violates the Procedures, the HSCP, and/or any other terms and conditions of employment.

IV. COMPENSATION

A. Total Compensation

DSCP members shall receive a base salary (“X” and “X’”); shall be eligible for optional additional compensation (“Y”, “Z”); and shall be permitted to retain other miscellaneous income as set forth below. No State funds shall be used for the portion of base salary that exceeds the Fiscal Year Salary Scales (Scale 0), or approved off-scale equivalent for a DSCP member’s rank and step, or for optional additional compensation as set forth in Section C below. Generally, off-scale salaries are not allowed. This portion of compensation shall only be funded using compensation plan funds and other non-State funds in compliance with any related fund source restrictions.

B. Base Salary

Base salary (X and X’) for a member is the approved rate on one of the Health Sciences Compensation Plan Salary Scales associated with that faculty member’s academic rank, step, and APU. The base salary is covered under the University of California Retirement Plan (“UCRP”) up to the amount permissible under law and in accordance with UCRP provisions and regulations. Salary scales are assigned to APUs and may be changed pursuant to guidelines issued by UCOP.

1. Assignment to APUs within the School is recommended by the DSCP Committee and approved by the Dean. An APU is defined as a group of faculty with similar clinical, teaching, and/or research responsibilities.
2. Each APU shall have a minimum of four (4) members. All DSCP members in an APU shall be on the same scale. Any exceptions to these requirements are subject to the approval of the Chancellor or Chancellor’s designee.
3. Subject to the recommendation of the DSCP Committee and approval by the Dean:

- (a) An APU may advance each successive fiscal year to the next highest salary scale on the table of health sciences salary scales, provided that there is sound fiscal evidence to conclude that net revenues will continue to be realized at a level sufficient to sustain the increase;
- (b) An APU may be reassigned to a lower scale after a one-year period in cases where there has been a decrease in net revenues to a level insufficient to fund the previously approved scale; and
- (c) A member may be assigned to another APU if their clinical, research, or teaching responsibilities should change.
- (d) The committee shall report annually to the Dean the names of individuals who have changed APUs.

C. Additional Compensation

Supplemental to the base salary, DSCP members in Good Standing (as defined below) may receive additional compensation in accordance with fund source restrictions as follows:

- 1. Negotiated Additional Compensation (“Y”). The Dean may negotiate an amount of additional compensation to be funded from any allowable fund source. This “Y” component shall be paid monthly in addition to the base salary and shall not be considered compensation for UCRP calculations.
- 2. Incentive/Bonus Compensation (“Z”). DSCP members may receive incentive/bonus compensation. Z compensation shall only be funded from fees for professional services (*i.e.*, patient care fees, consulting fees, expert witness fees) and shall be paid only after the base salary obligation has been met.
 - (a) Distribution And Payment Of Z Compensation.
 - (i) Z payments are calculated and distributed on a quarterly basis (December 1st, March 1st, June 1st, September 1st).
 - (ii) Subgroup Z payments shall be distributed on the same quarterly schedule as above although they retain the flexibility to alter the payment schedule.
- 3. Administrative Stipends. With the approval of the Dean, DSCP members may receive administrative stipends, defined as payments by the University for responsibilities related to University administration beyond normal responsibilities.

D. Assessment Of Dean’s Tax On Professional Services Income

All income deposited into the DSCP is subject to a Dean's tax. The Dean determines the assessment rate and schedule on an annual basis.

V. OTHER INCOME

A. Off-Campus Clinical Practice And Revenue

DSCP members are required to conduct their patient-care activities within the University setting, or as part of an approved affiliation agreement or professional services agreement. The Dean is authorized after consultation with the DSCP Committee, to permit an individual to engage in off-campus practice for one year. Permission may be granted, for example, if there is limited patient flow at the FGDP. Such permission must be renewed annually. All faculty practicing off-campus shall operate under a standard Professional Services Agreement.

All clinical income, including income from off-campus professional services, shall be deposited into the DSCP in accordance with these Procedures. Faculty who are permitted to practice off-campus under a Professional Services Agreement must make deposits of their patient fees in the FGDP account. In no case shall DSCP members be allowed to retain income from patient care activities.

Upon separation from the University (*e.g.*, retirement or termination of membership in the DSCP), the individual gives up all rights to any and all account receivables not collected by the date of separation.

B. Outside Professional Activities Income

1. **Obligations To The University.** Outside professional activities, both compensated and uncompensated, may be undertaken by DSCP members. However, such activities must not conflict with a DSCP member's primary professional obligations to the University as defined by the DSCP member's faculty appointment. Any external activity with the potential to reduce the time and attention a DSCP member can devote to University responsibilities, and thus negatively impact his/her performance of assigned duties, constitutes a "conflict of commitment."
2. **Time Limits.** DSCP members may devote up to 48 days annually to compensated and uncompensated outside professional activities, consistent with the time limits established for outside professional activities in APM 671-8b.
3. **Annual Earnings Approval Threshold.** Depending on the category of outside professional activities, the maximum annual earnings threshold shall be \$40,000 or 40% of the fiscal-year base salary scale (scale 0), whichever is greater, for an individual faculty member's rank and step. *See* APM 671-8c.

4. Exception Requests. If a DSCP member wishes to engage in an activity that might reasonably be expected to cause his/her time and/or total annual earnings from outside professional activities to exceed the annual approval threshold, then the DSCP member must request prior written approval to engage in the activity.

To request approval, the DSCP member must provide his/her Division Chair, in writing, the relevant details about the proposed engagement or schedule of engagement including: the nature of the services to be provided; the person(s) or entity(ies) who will receive and/or pay for the services; the anticipated period of service and/or the days to be devoted to the activity; the total expected income from the activity; and the amount by which the DSCP member's total annual earnings from outside professional activities are expected to exceed the threshold. The Division Chair shall forward to the Dean or his/her designee any request which requires review by the Dean and/or Chancellor.

If the DSCP member receives approval to engage in the activity that may cause his/her time allotment and/or annual earnings from outside professional activities to exceed the approval threshold, the DSCP member must request the Division Chair's approval for any subsequent engagements. If such engagements are approved, they shall be undertaken with all related income accruing to the DSCP unless an exception is requested and approved in writing.

However, only the Chancellor or the Chancellor's designee shall have the authority to approve any request by a DSCP member to retain earnings that exceed the maximum annual outside professional earnings approval threshold set by the Provost and Executive Vice President.

5. Outside professional activities are grouped into categories according to their potential to raise conflict of commitment issues:

Category I

Category I activities possess the greatest possibility of creating a conflict of commitment because they utilize the DSCP member's professional expertise and they require significant professional commitment directed to a third party. Activities in this category 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 the University;
- Employment outside of the University;
- Assuming a founding/co-founding role of a company;
- Assuming an executive/managerial role; and

- Any other activity that possesses a greater potential for a conflict of commitment.

Category I activities require prior approval by the Dean and require disclosure in annual reporting. Category I activities count toward the DSCP member's annual 48-day time allotment and the earned income counts toward the earnings approval threshold. All income earned from Category I activities that exceeds the earnings threshold is owed the DSCP even if the 48-day allotment has not been met.

Prior approval by the Dean for Category I activities is also required for DSCP members who are on periods of leave either with or without pay.

DSCP members during periods of leave either with or without pay also remain subject to the annual 48-day time allotment and the annual earnings approval threshold.

Category II

Category II activities are typically shorter term activities that are outside the course and scope of University employment and have less potential for a conflict of commitment. Activities in this category include, but are not limited to:

- Additional University-compensated teaching, including teaching for UNEX courses and programs (see APM - 662, Additional Compensation: Additional Teaching), Continuing Dental Education programs administered by the University; and Self-Supporting UC degree programs;ⁱⁱ
- Consulting under the auspices of the University of California;
- Consulting or testifying as an expert of professional witness;
- Consulting for for-profit entities;
- Consulting for non-profit entities;
- Consulting for non-profit health or education-related organizations;
- Consulting for government agencies;

ⁱⁱ These are teaching activities outside of the assigned teaching load. If the department assigns the teaching activity, it is not considered an outside activity.

- Serving on a board of directors outside the University whether compensated or uncompensated; and
- Providing or presenting a workshop for industry.

Category II activities require disclosure in annual reporting, but do not require prior approval. Category II activities count toward the DSCP member's annual 48-day time allotment and the earned income counts toward the earnings approval threshold. All income earned from Category I activities that exceeds the earnings threshold is owed the DSCP even if the 48-day allotment has not been met.

DSCP members may retain income accruing from occasional services only for the following Category II activities, not to exceed 21 days of such service per fiscal year:

- Consulting for government agencies;
- Consulting for non-profit health or education-related organizations;
- Continuing Dental Education programs administered by the School;
- University Extension, if such service has been approved by the Dean;
- Self-Supporting School degree and certificate programs outside the member's teaching load.

DSCP members during periods of leave either with or without pay also remain subject to the annual 48-day time allotment and the annual earnings approval threshold.

Category III

Category III activities are considered to be within the course and scope of University employment and thus, unlikely to raise conflict of commitment issues. Category III activities, even if compensated, do not require prior approval. Such activities also do not count toward the DSCP member's 48-day time allotment and any compensation received for Category III activities does not count toward the annual earning approval threshold. However, Category III activities must not interfere with a DSCP member's obligations to the University.

Activities in this category include, but are not limited to:

- Serving on government or professional panels or committees;
- Serving as an officer or board member of a professional or scholarly society;

- Reviewing manuscripts and/or acting in an editorial capacity;
- Attending and presenting talks at university/academic colloquia and conferences; and
- Developing scholarly or creative works.

C. Non-Cash Income

Professional income governed by the DSCP includes not only cash compensation, but also non-cash compensation. DSCP participants are required to disclose non-cash compensation received in exchange for professional services based on the guidelines below.

1. Stock: Faculty who receive stock in lieu of compensation for outside professional activities must disclose this fact 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 DSCP. If the purchase price is equal to the market price/value on the date of receipt, no money is owed the DSCP. 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 DSCP. Following a determination of the value of the stock, the faculty member will be notified of the nature of any DSCP obligations, based on the above methodology. Faculty who neglect to disclose the stock at the time of receipt will owe the DSCP 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 is required regardless of the stock's potential valuation, and regardless of whether a faculty member believes that any dollars are due the DSCP.

2. Stock Options: Stock options received in lieu of compensation for outside professional activities also must be disclosed to 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 the agreement is signed, no money is owed the DSCP. If the option price is below the stock's valuation/market price on the date the agreement is signed, the difference between the option price and the value of the stock is due the DSCP. Following determination of the value of the stock, the faculty member will be notified of the nature of any DSCP 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 DSCP 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 DSCP.

3. Founders' Stock: Founders' stock received in lieu of compensation for outside professional activities must also be disclosed 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 DSCP. Since the value of founders' stock is generally insignificant, in most cases a negligible amount would be owed the DSCP. However, if the founders' stock is not disclosed upon receipt, the value of the stock at the time of disclosure is due the DSCP.

D. Outside Professional Activities Reporting Requirements

All members are required to complete and submit to the Dean an annual report of all outside professional activities, compensated and uncompensated, conducted during the previous year, both during normal service periods and during periods of leave either with or without pay, inclusive of vacation and/or weekends.

DSCP members during periods of leave either with or without pay also remain subject to the annual 48-day time allotment and the annual earnings approval threshold.

E. Exempt Other Activities Income

Income from the following activities may be retained by DSCP participants and does not count toward the earnings approval threshold. Time related to these activities also does not count toward time limits. (*See APM 671-10b*).

1. Prizes, defined as gifts in recognition of personal achievements and not for services rendered;
2. Royalties, defined as shares or proceeds for contributions as authors or inventors, as allowed under the University's copyright and patent policies.
3. Honoraria, defined as payments by agencies outside the University for occasional lectures and similar public appearances beyond normal academic responsibilities to the University of California, and which are not in return for other services, whether given directly or indirectly.
4. University honoraria, defined as payments for occasional lectures or similar services performed on a University of California campus as permitted by Academic Personnel Policy;

5. Administrative stipends; and
6. Income from a profession or activity unrelated to the training and experience, which is the individual's qualification for University appointment.

VI. ACADEMIC ENRICHMENT ACCOUNTS

The School may at its discretion establish and operate Academic Enrichment Accounts for the purpose of funding expenditures in support of research and academic activities and/or employee development. Any Academic Enrichment Account established is subject to the following guidelines:

By May 31st of each fiscal year, each DSCP member shall select in writing one of the following options for income accumulated in the plan in excess of financial requirements that will remain in effect for the forthcoming fiscal year (July 1 – June 30). Changes are not permitted under any circumstances until the following fiscal year.

Academic Enrichment Accounts are established for the purpose of supporting the academic activities of the DSCP member by allowing direct charge or reimbursement for business-related expenses. Funds allocated to an Academic Enrichment Account may be used to support University-approved academic professional activities that are allowed direct charge or reimbursable University-related business expenses of an individual DSCP member consistent with University accounting guidelines. Once funds are allocated to an Academic Enrichment Account, these funds cannot subsequently be used for faculty salary support. Funds are allocated to an Academic Enrichment Account under the following conditions:

- The Academic Enrichment Account may be allocated from a portion of a DSCP member's academic outside professional activity income due to the DSCP.
- On an annual basis, if allowed by his/her department/unit guidelines, a DSCP member may request that funds be allocated to an Academic Enrichment Account for the forthcoming academic year July 1 through June 30 and such a request must always occur in writing prior to July 1 of the forthcoming academic year in which the income will be earned.
- Disposition of the funds in an Academic Enrichment Account is under the auspices of the School. The Dean or his/her designee has final authority over the use and distribution of funds held in an Academic Enrichment Account.

- Once funds have been allocated to an Academic Enrichment Account, the DSCP member cannot change the designation of these funds as Academic Enrichment Account funds.
- The School must maintain detailed records that are readily available for audit and other appropriate reviews that support the allowable nature of the reimbursable academic professional expenses that are paid from the Academic Enrichment Account. DSCP members must submit all required supporting documentation for reimbursement consistent with University accounting guidelines. Unspent travel advances or any other disallowed amounts charged to the Academic Enrichment Account must be repaid by the DSCP member consistent with University accounting guidelines.
- An Academic Enrichment Account can maintain a positive balance at the end of an academic year that may be carried forward to the next academic year at the discretion of the Dean or his/her designee. Disposition of year-end positive balance is communicated annually to the DSCP member at the time requests for allocations to an Academic Enrichment Accounts are made.
- Unexpended balances remain the property of the University when the DSCP member retires or separates from University employment.

The options are:

Option A - Z Payment: Income is paid as a “Z” payment on a quarterly basis following the close of each quarter (September 30, December 31, March 31 and June 30). A “Z” payment may be paid earlier in the quarter if the DSCP member retires or separates from University employment.

Option B - Academic Enrichment Account: Income is allocated to an academic enrichment account and is never eligible to be taken as a “Z” payment or as salary by the DSCP member. Unexpended balances remain the property of the University when the DSCP member retires or separates from University employment.

Option C - Designated Academic Enrichment Account and Z Payment: A DSCP member may submit a request to designate a specific amount of income for the forthcoming period July 1 – June 30 that is to be allocated to an academic enrichment account and is never eligible to be taken as a “Z” payment or as salary by the DSCP member. Unexpended balances in the academic enrichment account remain the property of the University when the DSCP member retires or separates from University employment. Additional income beyond the specific amount designated by the DSCP member that is to be allocated as an academic enrichment account is paid as a “Z” payment on a quarterly basis following the close of each quarter (September 30, December 31, March 31 and June 30). A “Z” payment may be paid earlier in the quarter if the DSCP member retires or separates from University employment.

VII. BENEFITS

A. Base Salary-Related Benefits

These benefits are associated with that portion of an individual's salary related to one of 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, disability insurance, regular term life insurance, and other benefits as may be approved by The Regents. Base Salary benefits will be available to members on the same basis as to all other faculty of the University.

At this time, the School of Dentistry does not offer supplementary benefits on additional compensation beyond the Base Salary Scale paid through the University payroll system.

Sabbatical leave salary at a member's assigned Health Sciences Salary Scale may be granted by the Dean if the member is able to generate the component needed for their assigned scale through contacts/grants and/or professional fees (to maintain patient care continuity) during this leave.

B. Paid Leave

Members who are eligible for sabbatical leave, leave with salary, or extended illness leave may be granted such leave at the Health Sciences Scales Base Salary rate (X & X') or the total negotiated salary rate (X, X' & Y).

A member who leaves University service or transfers from a vacation-accruing title to a non-accruing title shall be paid for accrued vacation at the DSCP Plan member's total negotiated salary rate (X, X' & Y) at the time of separation as set forth in the Provisions.

1. Extended Illness: Members who are appointed full-time to at least a twelve-month term who are unable to work for reasons of extended personal illness, injury or disability, shall be granted paid medical leave of a minimum of six (6) weeks of consecutive or intermittent paid medical leave at the Health Sciences Scales Base Salary rate (X & X') or the total negotiated salary rate (X, X' & Y). Total paid medical leave for members shall not exceed the maximum time period allowable, as determined by years of service, under APM-710-11-a and b.
2. Childbearing And Childrearing: Childbearing and childrearing leave shall be approved consistent with APM-760-25. In no case shall childbearing and childrearing leave be less than the minimum time period or base salary rate (X & X') as allotted under APM-760-25-b.

All such benefits, as described above, shall be provided uniformly within all APUs as approved by the Dean.

VIII. FISCAL PROVISIONS

A. Management And Reporting Of Income And Expense

1. All professional services income generated by members shall be managed by, accounted for, and reported as revenue of the University; the only exception to this requirement shall be income which members are allowed to retain in accordance with Section IV.F. Professional service income includes, but is not limited to, clinical practice, expert witness fees, or other consulting income. All compensation paid by the University to members shall be subject to Federal and State withholding and reported on a W-2 form as wages. All financial transactions shall be approved, documented, and otherwise processed or executed in accordance with University policies, procedures, and delegations of authority.
 - (a) Professional fee billing and collection activities shall be conducted by University billing groups or by external vendors with whom the University has contracted or as otherwise permitted by University procedures. All such fees shall be deposited upon receipt by the University or by an external vendor in a University bank account established in accordance with University delegations of authority.
 - (b) Contracts with external billing vendors shall be processed and executed in accordance with delegated authority and University purchasing policies and procedures. They shall contain standard University approved clauses, be subject to audit, and provide for monthly transmission of billings and receipt information to the University.
2. The accounting standards specified in the University of California Accounting Manual will be used in reporting income and expenses in all compensation arrangements.

B. Fund Accounts And Sources

1. Separate School of Dentistry Fund Accounts shall be established at the APU level. Income from the following sources shall be deposited in these fund accounts, as appropriate:
 - (a) Income received from professional services of members.
 - (b) Amounts paid by University hospitals or affiliated institutions for professional services rendered to the hospitals by members excluding stipends in Section IV.F.6.
 - (c) Such other funds as are required by the Dean, Provost, Chancellor, or President to be included in fund accounts.

2. Certain other sources of University income may be available to support faculty compensation and benefits but are not recorded in Plan fund accounts, such as:
 - (a) Funds made available for academic salaries from University-administered grants and contracts.
 - (b) Funds made available from unrestricted, non-State fund accounts within the School.
 - (c) Gifts and other funds available for such purposes, as allocated within the School.

C. Contingency In The Event Of Inadequate Funding Of Academic Programmatic Unit (APU) Practice Plan Fund Account

1. Each APU shall establish a Practice Plan Fund Account with sufficient funds to pay all Plan expenses, including but not limited to, the agreed-upon compensation to each member. Each APU shall also establish a Programmatic Development (“Reserve”) Account. APUs may choose to pool programmatic development accounts.

In the event there are insufficient funds in the APU Practice Plan Fund Account, payment of all expenses and commitments shall default to the Reserve Account, including payment of additional compensation. Should there be insufficient funds in both the Practice Plan Fund and Reserve Accounts; the DSCP Committee shall recommend appropriate action, approved by the Dean, for returning the APU Practice Plan Fund Account to a state of solvency. Appropriate actions may include, but are not limited to, the following:

- (a) Use of other non-state funds within the School; or
- (b) Renegotiations of APU salaries. Any salary adjustment made will be applied equally to each member of the APU.

D. Budgeting

Each APU may be asked by the Dean to submit an annual budget of estimated revenues and expenditures for approval.

IX. IMPLEMENTATION AND ADMINISTRATION

These Procedures will be jointly implemented, administered, and periodically reviewed for revision by the DSCP Committee and the Dean. Any amendment or modifications to the Procedures shall be drafted by the DSCP Committee. Members shall be afforded the opportunity to review and comment on any proposed revisions to these Procedures. Following approval by a majority vote of the members, the proposed amended Procedures are subject to review and final

approval by the Dean. Revisions shall be submitted by the Dean to the Chancellor for submission to UCOP for its review and approval.

X. PERFORMANCE STANDARDS

Members shall be subject to a Good Standing Criteria as defined herein. The Good Standing Criteria for members shall include, but is not limited to, established policy expectations for their professorial series appointments, School expectations related to service, and School expectations related to the successful generation of funds for salary support and other shared expenses. Members shall be deemed to be in Good Standing until circumstances as set forth herein warrant a loss of Good Standing.

A. Good Standing Requirements

1. Members are expected and required to meet School guidelines and goals regarding productivity in research, teaching, patient care, mentoring, and University service as defined by their series, rank and step.
2. Members are expected and required to actively participate in activities that support and advance the mission and objectives of the School.
3. Members are expected and required to demonstrate and exhibit professionalism, including but not limited to, collegiality, collaboration, teamwork, responsibility, and accountability in all activities.
4. Members are expected to contribute to the overall success and well-being of the School.

B. Loss Of Good Standing

1. Loss of Good Standing will be determined on a case by case basis.
2. Grounds that may result in the Loss of Good Standing include the following:
 - Faculty misconduct;
 - Research misconduct;
 - 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;
 - Loss of licensure and/or credentials;
 - Refusal or failure to participate in required trainings;
 - Non-compliance with and/or violations of University policy, reporting requirements, and any applicable federal laws, state laws, or regulations; and

- Other circumstances as determined by the DSCP Committee.

C. Administrative Review Process

If a member is at risk of losing his/her Good Standing status, the Division Chair shall promptly provide a written notice to the member and the DSCP Committee. The Division Chair shall then meet with the member to discuss (1) the issues; (2) the possible solutions; (3) the administrative processes and procedures in place, including but not limited to, initiating the formal process outlined below; and (4) the potential consequences that may be imposed as a result of a loss of Good Standing. The Division Chair shall set a specific timeframe within which he/she and the member shall attempt to find an informal resolution of the issues before presenting the issues to the DSCP Committee for formal review.

Following the meeting, the Division Chair shall memorialize the details of his/her discussion with the member in a written statement and provide the member and the DSCP Committee with a copy of the statement within 5 business days. The statement shall include proposed corrective actions and recommendations on how the member can remedy the situation to maintain his/her Good Standing status.

The member shall have an opportunity to provide a written response to the Division Chair within 5 business days of receiving the statement. The written response shall indicate whether the member accepts or rejects the Division Chair's recommendations.

If the member accepts the recommendations and remedies the issues within the stated timeframe, the member shall remain in Good Standing and the matter is closed.

If the member accepts the recommendation(s) and does not remedy the issues within the stated timeframe, the Division Chair shall submit a written report to the DSCP Committee, with a copy to the member, recommending that the member be deemed "Not In Good Standing." The report shall include a summary of the background facts supporting the recommendation and shall attach all relevant back up documentation, including the statements prepared by the Division Chair and any responses submitted by the member.

Upon receipt of the report by the Division Chair recommending that the member be deemed Not In Good Standing, the Chair of the DSCP Committee shall call a special committee meeting to review the report within 10 business days, or as soon as a quorum may be convened, whichever is later.

If the DSCP Committee disagrees with the report and the recommendation of the Division Chair, the member shall remain in Good Standing and the matter is closed.

If the DSCP Committee agrees with the report and the recommendation of the Division Chair, the DSCP Committee shall issue a written determination within 5 business days stating that the member has been deemed to be Not In Good Standing. The written

determination may include additional recommendations and corrective actions that must be taken in order for the member to return to Good Standing.

The member shall have 5 business days to provide a written response indicating whether he/she accepts or rejects the DSCP Committee's determination and recommendations (if any).

Copies of all written statements, responses, and supporting documentation submitted in connection with the issues shall be maintained as part of the member's personnel records by the School's Academic Personnel Office.

D. Appeal Process

If there is a determination of loss of Good Standing by the DSCP Committee and the member disagrees with the determination, the member may appeal to the Dean or his/her Designee. If there is an appeal, the DSCP Committee shall provide a written statement detailing the facts and bases for its determination to the Dean for his/her consideration. The Dean's decision shall be the final determination at the Department level. If the member disagrees with the Dean's decision, Senate faculty members may pursue their grievance rights before the Privilege and Tenure Committee under Senate Bylaw 335. Non-Senate faculty are entitled to a Step III hearing under APM - 140.

E. Consequences Of A Loss of Good Standing

The following consequences may be imposed on members who have lost their Good Standing status:

1. Prohibition from participating and/or retaining income from outside professional activities.
2. Decrease in additional compensation (Y). *See* APM 670-18-c(1).
3. Suspension of Incentive/Bonus compensation (Z). *See* APM 670-18-c(2).
4. If a member is unable to practice at a specific site due to revocation of clinical privileges, the member must be willing to undertake new duties as assigned, or otherwise must forfeit the compensation from that assignment.
5. All outside professional activity, including intra and extramural continuing education, by the member shall require prior written approval from the Dean.
6. Requests for any academic leaves shall not be approved and/or requests previously approved shall be revoked.
7. Other consequences as determined by the DSCP Committee.

F. Return To Good Standing

A member cannot be returned to Good Standing unless he/she submits a written request and undergoes the following formal review.

The member must submit a written statement to his/her Division Chair requesting to return to Good Standing and describing how the issues have been resolved or rectified. The Division Chair shall make an assessment of any progress made and forward his/her written recommendation to the DSCP Committee along with the member's request. If the assessment of the Division Chair is that no progress, or insufficient progress, has been made, the Division Chair shall include in his/her recommendation what further steps should be taken. The Division Chair shall provide the DSCP Committee and the member with his/her assessment and recommendation within 10 business days of receiving the request.

Upon receipt of the Division Chair's assessment and recommendation, the DSCP Committee shall schedule a meeting within 10 business days, or as soon as a quorum can be convened. If the assessment of the DSCP Committee is that no progress, or insufficient progress, has been made, the DSCP Committee shall notify the member in writing that he/she has not been returned to Good Standing and outline what further actions must be taken. The DSCP Committee shall provide the member with a written statement of its assessment and determination within the next 10 business days.

If the DSCP Committee concludes that all issues have been resolved, the member will be notified in writing within 10 business days that he/she is now in Good Standing.

If a member does not return to Good Standing within a one year period from the date of loss of Good Standing, the Division Chair may wish to pursue further actions as appropriate in accordance with relevant academic policies.

XI. COMPLAINTS AND APPEALS

Members who have a complaint related to DSCP activities should first attempt to resolve the complaint informally by discussing the issues with the Associate Dean for Academic Programs and Personnel. If the complaint cannot be resolved informally, the member's complaint and the Associate Dean's response shall be memorialized in writing to the Dean. The Dean will then charge the DSCP Committee with conducting a fact-finding investigation. Both the member and the Associate Dean (or his/her designee) shall have the right to be heard by the DSCP Committee. The DSCP Committee shall thereafter make a formal recommendation for resolution to the Dean, who will make and issue a written decision on the complaint. If the member is dissatisfied with the Dean's decision, s/he may pursue administrative remedies through applicable University academic personnel processes.

XII. MONITORING AND ENFORCEMENT

The enforcement and monitoring of compliance with the Procedures is the responsibility of the Dean. Monitoring the compliance of the Dean is the responsibility of the Chancellor or Chancellor's designee.

For monitoring and compliance purposes, the DSCP Committee shall review all reported violations of the terms and conditions of the "UC Health Sciences Compensation Plan" or the "UCLA School of Dentistry Implementation Procedures Under The UC Health Sciences Compensation Plan" and make disciplinary recommendations to the Dean.

If the DSCP Committee has concerns about a member meeting the established standards of the Procedures, it may refer the matter to the Dean. The University reserves the right to take corrective action and disciplinary measures against any member who fails to comply with the Procedures. Corrective action refers to the discontinuation of certain privileges available only to members, in particular, the opportunity to earn and receive compensation above the Fiscal Year Salary Scale (Scale 0) through the DSCP, because of non-compliance. Corrective action will not preclude sanctions or disciplinary measures in accordance with the Faculty Code of Conduct and Academic Senate Bylaws.

If a member's actions are alleged to be in violation of the UC Faculty Code of Conduct (APM 015), UCLA policies governing the investigation of alleged faculty misconduct and the imposition of disciplinary sanctions shall be followed.