

MEMORANDUM

TO: School of Medicine Tenured Faculty

FROM: Arthur S. Levine, M.D.

DATE: October 23, 2000

RE: Update on Compensation System For Tenured Faculty of the School of Medicine

On June 15, 1999, I disseminated to the faculty of the School of Medicine a Memorandum on "The Distinction Between Academic and Clinical Salary" with attachments including those entitled "Clarification of Compensation System For Tenured Faculty of the School of Medicine" and "Clinical Department Faculty Compensation Allocation Between the University of Pittsburgh and the University of Pittsburgh Physicians (UPP)". As indicated in those documents, faculty members have an academic role and can also have clinical or patient care roles and responsibilities. This Update is intended to reiterate the information contained in those documents as well as to respond to questions which have arisen about those documents during the past year.

1. Tenured faculty of the School of Medicine who do not have clinical or patient care responsibilities and are therefore not simultaneously employed but the University of Pittsburgh Physicians (UPP) receive all of their compensation from the University of Pittsburgh based on performance in teaching, research and administrative responsibilities (if any). They are employees of the University only. Faculty with clinical responsibilities who have signed Employment Agreements with UPP are employed by and compensated by both the University and UPP. Compensation for clinical responsibilities and incentives will be governed by UPP.

A tenured faculty member's salary associated with tenure in the School of Medicine will not exceed the level of the current median salary for the equivalent rank of tenured faculty in the basic science departments of the School of Medicine. The salary median will be calculated by using the base salary and will not include incentives given to basic science faculty. The salary median will be calculated at the beginning of each fiscal year and will be applied for the duration of that year. The portion of a faculty member's salary associated with tenure and

academic responsibilities may be less than the median if the faculty member's current University base salary is less than this figure.

2. University base salary for tenured faculty beyond the median levels of the tenured faculty in the basic science departments will be viewed as additional compensation, unrelated to the tenure relationship. Such additional compensation will be determined by the faculty member's achievements and productivity in relation to the standards which describe expected levels and quality indicators for teaching, research and administrative service for the academic portion and for UPP standards for any clinical portion.
3. Each department will disseminate in writing to all tenured faculty members productivity standards which describe the expected levels and quality indicators of teaching, research and administrative services expected by the University. Clinical expectations for faculty will be determined and evaluated by UPP.
4. At the beginning of each fiscal year, each tenured faculty member will be given a performance plan and objectives for the coming year. The plan will reflect academic and clinical (where appropriate) productivity standards for faculty. Faculty with both academic and clinical responsibilities will receive an evaluation of academic performance by the University and of clinical performance by UPP. The faculty member's performance vis-à-vis the productivity standards will be the basis for that faculty member's evaluation for that year. At mid-year, each faculty member will have an interim evaluation. If it appears at that time that the relative productivity standards will or may not be met, a written warning that the salary will be decreased in the subsequent year will be issued. At year's end, if the productivity standards have not been met, University base salary may be reduced up to 20% for the next fiscal year. Determinations of reductions in UPP-paid salary will be made by UPP consistent with the terms of its Employment Agreement with each individual faculty member. Thus, the compensation of a tenured faculty member could decrease to the University base salary figure associated with tenure. Even then, this salary would only be warranted and be maintained for satisfactory full-time teaching or other academic performance. Otherwise, it could also be reduced.
5. A tenured faculty member's evaluation and University base salary adjustment may be appealed to the Dean of the Medical School/Senior Vice Chancellor for the Health Sciences. The Dean/SVC will seek the Executive Steering Committee's recommendation.

6. This compensation system applies to all tenured faculty in the School of Medicine, including department chairs.