Faculty members with clinical, instructional and research skills are essential to the instruction of undergraduate medical students and graduate students, to the supervision and instruction of housestaff, to the care of patients, and to the development and enhancement of research programs in the School of Medicine at Virginia Commonwealth University. This policy defines the faculty appointment categories and compensation structure for all full-time and part-time faculty members in the School of Medicine. This policy also addresses clinical practice activities and the management of funds derived from the faculty group practice. Expenditures or transfers of funds that are inconsistent with the terms of this policy are prohibited.

I. FACULTY

A. FULL-TIME FACULTY

Full-time faculty employees in the School of Medicine are those who receive a salary from University sources according to policies described in this document, the Virginia Commonwealth University Medical School Faculty Appointment and Compensation Policy, and the Annual Salary Schedule for Medical School Clinical Faculty as approved annually by the University’s Board of Visitors.

Faculty who are not employed full-time at the University and receive all or a portion of their compensation from the Hunter Holmes McGuire Veterans Affairs Medical Center (VAMC), may be granted a “Full-Time Academic Appointment (VAMC)” with the University. For faculty with a Full-Time Academic Appointment (VAMC), the University makes no provision for salary or other compensation from University sources and assumes no current or future financial commitment.

Faculty who are not employed full-time at the University but who participate in the educational program of the School of Medicine and who either receive all or a portion of their compensation from and/or are otherwise affiliated with the Inova Health System (INOVA), may be granted a University academic appointment designated “Full-Time Academic Appointment (INOVA)”. Such INOVA academic faculty appointments are uncompensated faculty appointments. The University makes no provision for salary or other compensation from University sources and assumes no current or future financial commitment with respect to the recipients or holders of such academic faculty appointments.

B. PART-TIME FACULTY

Part-time faculty provide clinical, academic and/or research functions. Faculty appointments and assignment of faculty titles and rank are governed by School of Medicine and University policies for promotion and tenure. Part-time faculty in the School of Medicine may have a paid (adjunct) or non-paid (affiliate) appointment. Part-time faculty may support the School’s teaching, research and/or clinical service programs. Part-time paid faculty members who are referred to as “adjunct faculty,” are hired to cover specific needs and are expected to be appointed for a brief duration. Paid part-time faculty appointments may be for varying time periods not to exceed one year and require approval by the Dean, School of Medicine, Vice President for Health Sciences, and the VCU Board of Visitors. Nonpaid part-time faculty appointments, referred to as “affiliate faculty”, require approval by the Dean, School of Medicine, Vice President for Health Sciences, and the VCU Board of Visitors, and are renewable for one-year periods.

II. FACULTY CLINICAL PRACTICE

A. MCV Physicians: Group Practice Organization

MCV Physicians (MCVP) is a non-profit, educational and charitable 501(c)(3) practice corporation organized and operated to promote the multi-specialty group practice of medi-
cine and to support the School of Medicine. According to the MCV Bylaws (amended and restated, 2005), "only an individual who is a geographic full-time/part-time faculty member of the School of Medicine of Virginia Commonwealth University and holds a valid license to practice as a health care professional in the Commonwealth of Virginia shall be eligible to become an Individual Member of MCV Associated Physicians."

In addition to membership eligibility, certain faculty who are full-time and part-time employees of the School of Medicine also may be eligible, based upon established criteria, to become employees of MCV Physicians (MCVP). As employees of MCVP, faculty members are permitted to supplement their income through the faculty practice plan. Non-paid faculty in the School of Medicine may be employees of MCVP subject to MCVP policies.

B. Clinical Practice

School of Medicine full-time faculty members who are expected to devote a portion of total effort to clinical practice must practice in a manner consistent with established practice standards and criteria for the VCU Health System Authority and the School of Medicine. (The VCU Health System Authority refers collectively to MCV Hospitals and MCV Physicians.)

Faculty members in the School of Medicine are eligible for privileges at the VCU Health System Authority (VCUHSA) subject to University and VCUHSA policies. Consideration for consultation or admitting privileges at the VCUHSA will be determined based on the clinical service, research and educational needs of the academic medical center and are subject to the approval of the VCU Health System Authority Board.

Full-time and paid part-time faculty with clinical responsibilities must conduct professional billing for clinical services through MCV Physicians or its successor organization. Clinical departments shall bill for all clinical services through MCVP.

Pursuant to VCU Health System policies and procedures, contracts for clinical services with affiliated institutions or other non-affiliated organizations or entities must be approved by the CEO, VCU Health System, or his/her designee.

C. Clinical Earnings Contribution (CEC)

All faculty of the School of Medicine are expected to contribute to the academic mission of the institution. Consequently, all faculty who generate clinical income are required to make clinical earnings contributions (CEC) to the Dean, School of Medicine. Assessment of CEC shall comply with the following protocol:

The CEC payable to the Dean, VCU School of Medicine, shall be 4.5% of net professional medical services revenue. Net professional medical services revenue is defined as the actual receipts received by MCV Physicians for all professional medical services. Professional medical services shall be defined as all patient care activities conducted within and external to the VCU Health System. Effective July 1, 2007 the CEC shall be applied to the MCVP receipts from all new and renegotiated contracts for patient care and other clinical services. Professional medical services shall specifically exclude receipts for services provided to MCV Hospitals under the Clinical Operations Services Agreement (COSA), including, but not limited to, medical directorships, indigent care, supervision of interns and residents, and joint operations. In all cases, the Dean, School of Medicine, shall determine whether a service for which payment is received by MCVP is a professional medical service as defined above.

Payment of the CEC by MCV Physicians will be due within ten (10) working days following the end of each month. The Dean, School of Medicine, may direct that all or a portion of the CEC revenue remain at MCVP to meet various operational needs for the School of Medicine, consistent with its clinical, educational and research missions. CEC funds not deposited at MCVP will be deposited to an appropriate University account, and the use of these funds will be governed by University policies.

The CEC rate and procedures shall require the mutual approval of the VCU Health System Authority Board and the VCU Board of Visitors.

The Dean, School of Medicine, and the Vice President for Health Sciences shall report periodically to the VCU Board of Visitors and the VCU Health System Authority Board on the use of the CEC funds.

III. FACULTY COMPENSATION
All full-time faculty employees of the VCU School of Medicine, with the exception of administrative and professional faculty, are assigned either as clinical faculty or as teaching/research faculty. Faculty are assigned to an appropriate salary group by the respective department chair, the Dean, School of Medicine, and the Vice President for Health Sciences.

A. Full-Time Clinical Faculty

Within the full-time clinical faculty group, faculty are further differentiated into one of two salary groups based on the following criteria:

1. Clinical Salary Groups

   a) Full-Time M.D. Clinical Salary Group. Full-time faculty holding an M.D. or equivalent degree and performing clinical functions are assigned to this salary group.

   b) Full-Time Non-M.D. Clinical Salary Group. Full-time faculty who do not hold an M.D. or equivalent degree but who provide clinical services are assigned to this salary group. Clinical psychologists, licensed clinical social workers and others performing clinical services are examples of non-M.D.’s performing in a clinical capacity.

The clinical faculty salary groups may be modified from time-to-time based on recommendations of the Dean, School of Medicine, and the Vice President for Health Sciences and upon the approval by the VCU Board of Visitors.

2. Compensation for Clinical Faculty

Full-time faculty assigned to the M.D. Clinical and Non-M.D. Clinical Salary Groups are subject to the Clinical Faculty Salary Plan approved by the VCU Board of Visitors in January 1998 and revised in February 2002. According to this salary plan, clinical faculty shall have a defined fixed base salary as stipulated in the Annual Salary Schedule for Medical School Clinical Faculty approved each year by the VCU Board of Visitors. A faculty member must receive at least the defined fixed base salary from University sources to be considered a full-time VCU employee. Salaries for faculty assigned to the M.D. Clinical or Non-M.D. Clinical Salary Group may be reduced below the defined fixed base salaries approved in the Annual Salary Schedule for Medical School Clinical Faculty by actions of the Board of Visitors and the executive and legislative branches of State government. The salary plan incorporates a variable base salary component in addition to the defined fixed base salary.

Clinical faculty with specific administrative responsibilities also may receive an administrative salary supplement. An administrative salary supplement may be awarded based on defined additional administrative duties and responsibilities. Examples of those faculty members who might receive an administrative supplement include department chairs, vice chairs, division heads, medical and program directors. Faculty are eligible to receive an administrative salary supplement only so long as they perform the duties and responsibilities associated with the supplement. The administrative salary supplement amount must be stated in the annual contract letter to faculty.

A faculty member’s actual University salary may exceed the defined fixed base salary and will be determined in accordance with approved University policies, procedures and guidelines.

In addition to salary received through the University, clinical faculty in the School of Medicine may receive compensation directly from MCV Physicians (MCVP). Clinical faculty are required to be employees of MCVP in order to receive this compensation. All compensation paid by MCVP to School of Medicine clinical faculty must be prospectively approved by the department chair, the School of Medicine Dean, the Vice President for Health Sciences, the VCU President, and the VCU Board of Visitors. Normally, compensation paid to faculty employees of MCVP will be approved on a fiscal year basis with changes occurring on July 1 of each year. Clinical faculty also are eligible for incentive payments and other non-contract salary paid through MCVP in recognition of performance and/or workload beyond contract salary expectations.

Clinical faculty who are also employees of the McGuire Veterans Affairs Medical Center (VAMC) may receive compensation directly from the VAMC.

The sum of the University salary and the MCV Physicians salary shall be defined as the Institutional Base Salary as applied to sponsored programs grants and contracts. Salary received from the McGuire Veterans Affairs Medical Center (VAMC) is not included in the Institutional Base Salary. Any changes or adjustments to a faculty member’s Institutional Base Salary during a fiscal year requires the approval of the department chair, the School of Medicine Dean, the Vice President for Health Sciences, the VCU President, and the VCU Board of Visitors.

B. Full-Time Teaching/Research Faculty
1. Teaching/Research Faculty Designation

Full-time faculty who hold an M.D., or Ph.D. degree, or the equivalent and who are primarily involved in teaching, research and research training with few or no clinical responsibilities are assigned to the Full-Time Teaching/Research Salary Group. Faculty assigned to this salary group may, however, be assigned clinical service responsibilities by the department chair and Dean based on departmental needs and the faculty member's qualifications.

2. Compensation for Teaching/Research Faculty

Only full-time faculty assigned to the Teaching/Research Salary Group shall be compensated in accordance with the School of Medicine Teaching/Research Faculty Salary Plan approved by the VCU Board of Visitors in September 2003.

This salary and incentive plan incorporates a base salary component and a variable salary component. The base salary component is defined as the minimum salary level to be a full-time faculty employee of Virginia Commonwealth University. The base salary for a faculty member must be stated in the annual contract letter to faculty and may be adjusted periodically based on certain conditions as described in the policy. Salaries may be reduced below the base salaries subject to actions of the Board of Visitors and the executive and legislative branches of State government.

A faculty member may receive a variable salary based on defined departmental performance criteria for teaching, research and service. The variable salary component is not required and may vary by faculty member. The variable salary is identified during the annual University faculty salary administration process and is not subject to change until the next University salary review cycle. The variable salary amount must be stated in the annual faculty contract letter.

An administrative salary supplement may be awarded based on defined additional administrative duties and responsibilities. Examples of those faculty members who might receive an administrative supplement include department chairs, vice chairs, division heads, and program directors. Faculty are eligible to receive an administrative salary supplement only so long as they perform the duties and responsibilities associated with the supplement. The administrative salary supplement amount must be stated in the annual contract letter to faculty.

The total of the base salary, variable salary and administrative supplement shall constitute the Institutional Base Salary as applied to sponsored programs grants and contracts.

Faculty assigned to the Teaching/Research Salary Group shall not be permitted to be employees of or receive compensation from MCV Physicians.

C. University Incentive Payments

Faculty in the School of Medicine may be eligible for a University incentive payment in recognition of superior performance in teaching, research or service. The incentive payment is a one-time payment made during each fiscal year and does not increase the recipient’s University salary base. All University performance-based incentive payments must be approved by the VCU Board of Visitors. The specific eligibility criteria, process and procedures for incentive payments to faculty are in the separate University faculty bonus policy.

D. Non-University Compensation

Faculty in the School of Medicine may receive compensation from non-University sources for various non-clinical, outside professional activities as defined in the University policy, Policies Concerning Outside Professional Activity and Employment, Research, and Continuing Education. Outside professional activities, as defined in the University policy, require the prior approval of the department chair and the Dean, School of Medicine. Faculty are required to report annually on all outside professional activities.

IV. NONTENURED FACULTY CONTRACT NONRENEWAL

The following contract nonrenewal policy applies to School of Medicine full-time, nontenured faculty assigned to one of the three salary groups:

A. Nontenured MD Clinical and Non-MD Clinical Faculty

a) During their initial contract year, nontenured faculty in the School of Medicine who are assigned to the MD Clinical or Non-MD Clinical Salary Group shall be entitled to receive a minimum of four (4) months’ written notice should the University determine that employment with the University will cease. The faculty member shall be notified of the decision not later than the conclusion of the initial contract...
year. If the identified employment end date occurs subsequent to the end of the initial contract year, a new contract not to exceed four months duration will be issued for the period up to the specified employment end date, not to exceed four months duration.

b) During the second contract year, nontenured faculty in the School of Medicine who are assigned to the MD Clinical or Non-MD Clinical Salary Group shall be entitled to receive a minimum of six (6) months’ written notice should the University determine that employment with the University will cease. The faculty member shall be notified of the decision not later than the conclusion of the second contract year. If the identified employment end date is subsequent to the end of the second contract year, a new contract will be issued for the period up to the specified employment end date, not to exceed six months.

c) During the third and subsequent contract years, nontenured faculty in the School of Medicine who are assigned to the MD Clinical or Non-MD Clinical Salary Group shall be entitled to receive a minimum of twelve (12) months’ written notice should the University determine that employment with the University will cease. If the identified employment end date is subsequent to the end of the then current contract year, a new contract will be issued for the period up to the specified employment end date, not to exceed twelve months.

B. Nontenured Teaching / Research Faculty

a) During their initial contract year (July 1 – June 30), nontenured faculty in the School of Medicine who are assigned to the Teaching/Research Salary Group shall be entitled to receive a minimum of four (4) months’ written notice should the University determine that employment with the University will cease. The faculty member shall be notified of the decision not later than March 1st of the initial contract year.

b) During the second contract year (July 1 – June 30), nontenured faculty in the School of Medicine who are assigned to the Teaching/Research Salary Group shall be entitled to receive a minimum of six and one-half (6 ½) months’ written notice should the University determine that employment with the University will cease. The faculty member shall be notified of the decision not later than December 15th of the second contract year.

c) During the third and subsequent contract years (July 1 – June 30), nontenured faculty in the School of Medicine who are assigned to the Teaching/Research Salary Group shall be entitled to receive a minimum of twelve (12) months’ writ-ten notice should the University determine that employment with the University will cease.

APPROVED BY THE VCU BOARD OF VISITORS:
February 2007

EFFECTIVE DATE:
Upon Board of Visitors Approval