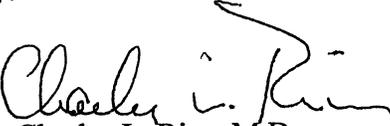




USUHS



DIRECTIVE SYSTEM TRANSMITTAL

NUMBER USUHS I-1412	DATE FEB 12 2009
ATTACHMENTS None	
<p style="text-align: center;">INSTRUCTIONS FOR RECIPIENTS</p> <p>The following pen changes to USUHS Instruction 1412, "Pay Policy for Administratively Determined (AD) Employees," dated April 26, 1993 have been authorized.</p> <p><u>Pen Changes</u></p> <p>1. Pages 4-5: C. DEFINITIONS</p> <p>19. <u>Physicians' Comparability Allowance.</u> An allowance that may be authorized for physicians who are involved in direct patient care or medical research. The maximum amount of a physicians' comparability allowance is \$30,000.</p> <p>2. Page 12: D. POLICIES AND PROCEDURES</p> <p>2. Pay. a. 5) <u>Physician's Comparability Allowance.</u> Physicians who have clinical or medical research responsibilities that are an integral part of their assigned duties may receive additional pay for the performance of these duties, up to a maximum of \$30,000. The President, Dean, or Chairperson will make this determination at the time of the assignment of each physician's responsibilities. Each physicians' comparability allowance will be reviewed annually for continuance, increase, decrease, or termination. Physicians' comparability pay is subject to the limit on the total amount of annual compensation (excluding expenses) specified in 3 USC Sec. 102, as reflected in 10 USC Sec. 2113.</p> <p><u>Effective Date</u> This change is effective immediately.</p> <p style="text-align: center;"> Charles L. Rice, M.D. President</p>	

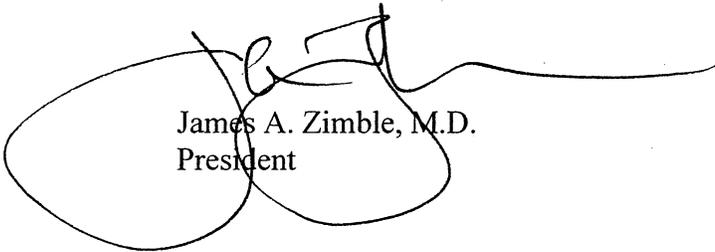
WHEN PRESCRIBED ACTION HAS BEEN TAKEN, THIS TRANSMITTAL SHOULD BE FILED WITH THE BASIC DOCUMENT



USUHS



DIRECTIVE SYSTEM TRANSMITTAL

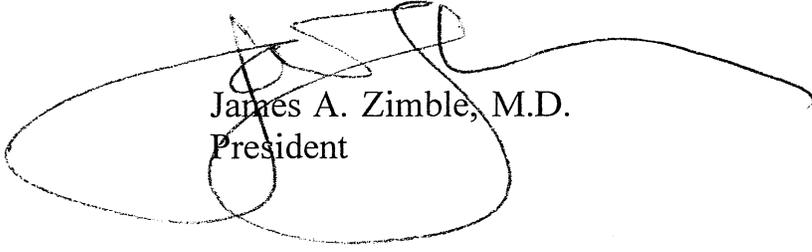
NUMBER USUHS I-1412 (CHR) Ch-2	DATE AUG 28 2002
ATTACHMENTS None	
INSTRUCTIONS FOR RECIPIENTS	
<p>The following pen changes to USUHS Instruction 1412, "Pay Policy for Administratively Determined (AD) Employees," dated April 26, 1993 have been authorized.</p> <p><u>Pen Changes</u></p> <ol style="list-style-type: none">1. Page 2.C.4., line 8, replace with, "Base pay is limited to the rate of pay authorized by Title 5 for Executive Level I."2. Page 3.C.11., line 2, delete, "retired military and."3. Page 7.D.2.a.1.(a), delete paragraph (a), re-letter paragraph.4. Page 9, paragraph D.2.A.3.(g), line 4, replace Executive Level IV with, "Executive Level I."5. Page 21.D.3.a., line 2, delete, "military and." <p><u>Effective Date</u> This change is effective immediately.</p> <div style="text-align: center;"> James A. Zimble, M.D. President</div>	



USUHS



DIRECTIVE SYSTEM TRANSMITTAL

NUMBER USUHS I-1412 (CHR)	DATE JUL 30 1998
ATTACHMENTS None	
INSTRUCTIONS FOR RECIPIENTS The following change to USUHS Instruction 1412, "Pay Policy for Administratively Determined (AD) Employees," dated April 26, 1993 has been authorized. <u>Pen Change</u> Page 11, Paragraph D.2.a.4)(f), 1st line, delete the word "not." <u>Effective Date</u> This change is effective immediately.  James A. Zimble, M.D. President	



USUHS INSTRUCTION No. 1412

Date: 26 April 1993



SUBJECT: Pay Policy for Administratively Determined (AD)
Employees

- References:
- (a) 10 USC 2113 (f)(1)
 - (b) DoD Directive 5105.45, "Uniformed Services University of the Health Sciences," April 19, 1991.
 - (c) USUHS Instruction 1418, "Civilian Faculty Salary and Benefits Plan," August 18, 1988.
 - (d) USUHS Instruction 1100, "Policies and Procedures for Appointments, Promotions, and Tenure of the USUHS School of Medicine Faculty," June 18, 1981.
 - (e) USUHS Instruction 1107, "Recruitment and Nomination Procedures for the Appointment, Promotion, and Granting of Tenure for Billeted and Non-Billeted Faculty Members," June 8, 1990.
 - (f) USUHS Instruction 1205, "Faculty Grievances," July 7, 1988.
 - (g) USUHS Instruction 1423, "Faculty Performance Management System," September 1, 1988.
 - (h) 5 USC 575, Subpart A, "The Federal Employees' Pay Comparability Act of 1990," November 5, 1990.
 - (i) OSD Memorandum, dated 31 May 1991, subject: Dual Compensation Restriction Waivers for Civilian Employees.

A. PURPOSE

This Instruction is to establish USUHS policy, in accordance with the provisions of 10 USC 2113, concerning the setting of pay for employees whose salaries are administratively determined (AD). This includes pay setting for new employees and for those who are continuing USUHS employees.

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B. APPLICABILITY

This Instruction applies to all faculty and staff who are in pay plan "AD" and whose salaries, therefore, are administratively determined. This may include: the President; vice presidents; associate and assistant vice presidents; deans; associate deans; assistant deans; assistants to the President, vice president or deans; chairpersons; professors; associate professors; assistant professors; instructors; postdoctoral fellows; senior research associates; research associates; visiting scientists; graduate fellows; and senior graduate fellows; etc. Eligibility for kinds and levels of pay under this Instruction is not retroactive.

C. DEFINITIONS

1. Academic Administrators. USUHS administrative staff, who may or may not have faculty appointments, whose assignments are primarily administrative in nature and whose principal functions are not teaching and/or research. These include, but are not limited to: the President; vice presidents; associate and assistant vice presidents; the dean of the School of Medicine (SOM); associate and assistant deans; assistants to the President, vice president, or deans; and chairpersons.

2. Administratively Determined (AD). A Federal pay plan for employees whose salaries are not set by the Office of Personnel Management or title 5 USC. The University's enabling legislation grants the Secretary of Defense (SecDef) the authority to establish and approve salary schedules for the USUHS faculty and Schedule A staff members, who are in pay plan "AD."

3. Annual Pay Comparability Study. An annual, comprehensive review and comparative analysis of the pay and benefits of the faculty (including administrative faculty), professional staff (postdoctoral fellows, research associates, et al), and graduate students at USUHS and the medical schools in the vicinity of Washington, D.C.

4. Base Pay. The rate of pay for a position held by an employee, which has been fixed by law or administrative action, exclusive of physicians' comparability pay, retention allowances, awards, or bonuses. Base pay may be changed by merit increase, cost of living adjustment, comparability increase, promotion, reassignment, or demotion. Base pay is subject to calculations for retirement and disability benefits, as well as all applicable Federal, state, and local taxes. Base pay is limited to the rate of pay authorized by title 5 for Executive Level IV.

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5. Basic Science Faculty. Those faculty who hold primary appointments in academic departments or sections whose main mission is teaching, research, and scholarship in the basic sciences. Basic science departments include: Anatomy, Biochemistry, Medical Psychology, Military Medicine, Microbiology, Neuroscience, Pathology, Pharmacology, Physiology, and Preventive Medicine and Biometrics. Basic sciences sections include Medical Education and Medical History.

6. Civilian Billeted Faculty Members. Those civilian USUHS faculty members who are paid by the University, either through appropriated or extramural funds, who, therefore, occupy a USUHS manpower space or billet.

7. Clinical Science Faculty. Those faculty members who hold primary appointments in departments whose main mission is teaching, research, and scholarship in the clinical medical sciences. Clinical science departments include: Anesthesiology, Dermatology, Family Practice, Medicine, Military Medicine, Neurology, Obstetrics and Gynecology, Pediatrics, Psychiatry, Radiology, and Surgery.

8. Comparability. A rate of compensation which is on par with similar specialties and ranks. Salary comparability is achieved when the USUHS mean (or other appropriate measure) for a particular specialty and rank has less than a 1% discrepancy from the mean for a like specialty and rank in the medical schools in the vicinity of the District of Columbia.

9. Comparability Increase. An increase to base pay or other salary, which can be given at the same time as cost of living increases to USUHS faculty and staff. This pay adjusts, incrementally, the base pay or other designated pay category of USUHS faculty members in a specialty and rank, the mean (or other appropriate measure) of which is below that of their counterparts in the D.C. vicinity medical schools.

10. Cost of Living Increase. An annual increase to base pay, which is given at the same time as that provided to medical schools in the vicinity of the District of Columbia. The maximum cost of living increase for USUHS faculty members will not exceed the average of that provided to faculty members at other medical schools in the vicinity of the District of Columbia for the same school year. Cost of living increases will not be given to USUHS AD employees if their counterparts in the D.C. area schools do not receive cost of living raises.

11. Dual Compensation Waiver. A waiver of dual compensation restrictions for retired military and Federal civilian personnel authorized by the U. S. Office of Personnel Management under Section 5332 of title 5 of the United States Code. Waivers may be authorized only when such employment is

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needed to meet exceptional difficulty in recruiting or retaining qualified candidates for particular positions or an emergency involving an immediate and direct threat to life or property. The retired pay received is not considered a part of USUHS compensation (i.e., base pay, bonuses, or allowances).

12. Extramural Grant. Money awarded by an outside granting authority to fund research protocols. The grant is awarded to support USUHS research and is managed by a primary investigator, who controls expenditures of the funds, and it is administered by the institution to which it is awarded.

13. Graduate Fellow. A student who is matriculating in the Graduate Education Program of the Uniformed Services University of the Health Sciences. The title graduate fellow includes graduate students who are working on master's degrees and those who are working toward doctoral degrees but who have not yet been advanced into candidacy. Graduate fellows are in pay plan "AD" and receive stipendiary pay.

14. Involuntary Separation. Separation initiated by USUHS against an employee's will and without his/her consent for reasons other than cause, charges of misconduct, or delinquency.

15. Medical Schools in the Vicinity of Washington, D.C. These include Georgetown, George Washington, Johns Hopkins, Maryland and Howard University Medical Schools. These schools are surveyed annually for information on the compensation (salary and benefits) packages offered to their medical school faculty members.

16. Merit Pay Increase. A permanent increase in base pay or other salary allowances that is based on superior performance when compared with an AD employee's performance standards or objectives. This pay adjusts base pay or other designated pay category within allowable limits.

17. Pay Scale for Faculty with Medical Doctorate Degrees. The portions of the approved USUHS pay schedule that are used to pay faculty members in Basic and Clinical Sciences Departments who hold medical doctorate degrees and who are physicians or surgeons licensed to practice applicable professions (i.e., M.D., D.O., etc.).

18. Pay Scale for Faculty with Other Doctoral Degrees. The portion of the approved USUHS pay scale that is used to pay faculty members in Basic and Clinical Sciences Departments who hold other doctoral degrees (Ph.D., D.V.M., D.D.S., etc.).

19. Physicians' Comparability Allowance. An allowance that may be authorized for physicians who are involved in direct

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patient care or medical research. The maximum amount of a physicians' comparability allowance is \$20,000.

20. Recognition Bonus. A one-time, lump-sum cash award, not to exceed 10% of base pay, for unusually excellent performance in a project, a teaching session, or a portion of the rating period. This award is subject to applicable Federal, state, and local taxes, but is not included when computing benefits such as retirement, life insurance, disability, etc. Recognition bonuses are subject to the aggregate pay cap for Executive Level I.

21. Recruitment Bonus. A one-time, lump-sum recruitment bonus, not to exceed 25% of base pay, may be provided to a new faculty or staff member, who is unusually well-qualified, whose specialty is in short supply, who must dissolve a private practice in the local commuting area, or whose position has been historically documented as hard to fill. Recruitment bonuses require a continued service agreement of not less than 12 months at USUHS. This award is subject to applicable Federal, state, and local taxes, but is not included when computing benefits such as retirement, life insurance, disability, etc. Recruitment bonuses are subject to the aggregate pay cap for Executive Level I.

22. Relocation Bonus. A one-time, lump-sum relocation bonus, not to exceed 25% of the employee's base pay may be provided to new USUHS faculty or staff members, who move from one geographic commuting area to another. A relocation bonus may be authorized to help alleviate the burdens on USUHS faculty members of moving a residence, family, and/or dissolving a medical practice. Relocation bonuses are in addition to permanent change of station costs and require a continued service agreement of not less than 12 months. This award is subject to applicable Federal, state, and local taxes, but is not included when computing benefits such as retirement, life insurance, disability, etc. Relocation bonuses are subject to the aggregate pay cap for Executive Level I.

23. Retention Allowance. A retention allowance, not to exceed 25% of base pay annually, may be provided to current USUHS faculty members and staff in cases in which unusually high qualifications of the employee or a special need of USUHS make retention of the employee essential. A retention allowance is considered part of aggregate salary and is paid in the same manner and at the same time as other salary (base pay and physicians' comparability allowances). This allowance is subject to applicable Federal, state, and local taxes. Retention bonuses are subject to the aggregate pay cap for Executive Level I. Retention allowances can be granted to retain faculty administrators and other employees with special qualifications.

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24. Salary. A fixed compensation paid to an individual on a regular basis. Salary includes base pay, physicians' comparability pay, and retention allowance, if applicable.

25. Senior Graduate Fellow. A student matriculating in the USUHS Graduate Education Program who is working toward a doctoral degree and who has been advanced into candidacy for that degree. Senior graduate fellows are in pay plan "AD" and receive stipendiary pay.

26. Stipend. A student-employment remuneration that is paid to graduate fellows and senior graduate fellows during their matriculation in the USUHS Graduate Education Program. Stipends are subject to all applicable Federal, state, and local taxes.

D. POLICIES AND PROCEDURES

1. Salary and Benefits Survey

a. The University's enabling legislation (reference (a)) authorizes the Secretary of Defense to establish salary schedules and grant retirement benefits so as to place employees of the University on a comparable basis with the employees of fully accredited schools of the health professions within the vicinity of the District of Columbia. To meet this requirement, the Directorate for Civilian Human Resources Management, in coordination with the Pay Comparability Committee of the Faculty Senate, conducts a salary and benefits survey annually to obtain information about the salary and benefits packages at the Schools of Medicine at George Washington, Johns Hopkins, Georgetown, Maryland and Howard Universities (reference(c)). These data are collected at the beginning of the calendar year from both the schools themselves and the American Association of Medical Colleges (AAMC), and are analyzed to develop a faculty salary schedule for implementation the following calendar year.

b. The resulting recommended salary schedule, which includes ranges for the various academic ranks within the various medical specialties, is forwarded to the Dean of the USUHS School of Medicine (SOM) for review. When the Dean, SOM, approves the recommended salary schedule, it will be forwarded with a recommendation to the President, USUHS, for approval/disapproval.

c. If the President, USUHS, concurs with the Dean's recommendation, he/she presents the salary schedule, with the advice of the USUHS Board of Regents, through the Assistant Secretary of Defense for Health Affairs (ASD(HA)) to the Assistant Secretary of Defense for Force Management and Personnel (ASD(FM&P)) for approval/disapproval on behalf of the SecDef.

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d. If the SecDef (through ASD(FM&P)) approves the recommended salary schedule, it is returned with appropriate approval documents through the organizational chain to USUHS for implementation.

e. The annual study will be completed so that cost of living pay adjustments can be processed as close as possible to the beginning of the calendar year.

f. Specific information on the USUHS faculty benefits plan is contained in reference (c).

2. Pay

a. Salary Setting: all administratively determined (AD) pay is subject to the ranges approved in the annual USUHS pay schedule.

1) Considerations in Determining Initial Pay Levels

(a) Base pay is limited to the rate approved in Title 5 USC for Executive Level IV.

(b) In setting base pay for initial appointments of faculty members, the dean, chairperson, and/or activity head must consider several factors (references (d) and (e)):

- (1) The level of the position to which the appointment is to be made and the value of the position to the University;
- (2) Criticality of the candidate's medical or scientific specialty to USUHS' special needs;
- (3) Degree type;
- (4) Number of years of experience after the postdoctoral level;
- (5) Number of publications, the type of journals in which they have been published, the recency of those publications, and the value of those publications to the field of science;
- (6) The type and value of the research which has been undertaken by the prospective faculty member;
- (7) Recommendations by former supervisors or mentors;
- (8) The scarcity of the medical specialty or scientific discipline of the candidate;
- (9) Extramural funds that the candidate has generated for research support;
- (10) Labor market competition;

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(11) Availability of funds.

(c) In setting base pay for initial appointments of Schedule A staff members, including postdoctoral fellows, senior research associates, research associates, and visiting scientists, the dean or chairperson must consider:

- (1) The level of the position to which the appointment is to be made and the value of the position to the University;
- (2) Degree type and recency;
- (3) Previous postdoctoral experience, if any;
- (4) Previous professional or technical experience;
- (5) Recommendations by former supervisors or mentors;
- (6) Labor market competition.
- (7) Availability of funds.

2) President's Pay

The annual base pay of the President, USUHS, is set by the SecDef. The SecDef will also decide on the use of any physicians' comparability pay or recruitment, relocation, recognition, or retention incentives for the appointment and/or retention of the USUHS President, as are described in paragraphs D.2.a.4) and D.2.c. below.

3) Base Pay

(a) Base pay of other faculty and academic administrative staff members (vice presidents, deans, associate and assistant deans and vice presidents, and other Schedule A administrators) is set by the President, USUHS, within the appropriate ranges for the respective academic ranks and medical specialties or within ranges for comparable administrative appointments at medical schools in the vicinity of the District of Columbia if there is no specific currently approved range.

(b) Base pay of faculty and academic administrative staff members (associate/assistant deans, chairpersons, section heads) who report directly to the Dean of the School of Medicine is recommended by the Dean, SOM, within the appropriate range on the current salary schedule, and is approved by the President, USUHS.

(c) Base pay of assistant deans, chairpersons, and section heads is recommended by the Dean, SOM, and is approved by the President, USUHS.

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(d) Base pay of faculty and staff in the various academic departments and activities who are paid from appropriated funds is recommended by the respective chairperson or activity head and is approved by the Dean, SOM.

(e) Base pay of faculty and staff who are paid by extramural funds is recommended by the principal investigator (PI) on whose grant such an employee is working. All salary recommendations for grant employees must be reviewed by the respective chairperson or activity head, and approved by the Dean, SOM, as appropriate.

(f) Base pay is annotated on the Notification of Personnel Action (SF-50) in the Remarks section and is combined with any physicians' comparability allowance or retention allowance, as appropriate, in the Salary block.

(g) Individual base pay levels for teaching and research faculty members and chairs must be set within the salary schedule range for the academic specialty and rank and will not exceed Executive Level IV. Aggregate salary, including base pay, physicians' comparability allowance, retention allowance, any merit or comparability increases, will not exceed the approved schedule range for a specialty and rank or Executive Level I, except as approved by the SecDef or his designated representative.

(h) Individual base pay levels for academic administrators will be commensurate with the level of the position and any available comparability data. Aggregate salary, including base pay, physicians' comparability allowance, retention allowance, and any merit or comparability increases will not exceed the approved schedule range for academic administrators or Executive Level I except as approved by the SecDef or his designated representative.

(i) Salaries for faculty members who are Ph.D.'s are set using the approved basic sciences pay schedule (Group I). Salaries for academic employees who are M.D.'s in basic sciences departments will be based on the approved schedule for Basic Science M.D.'s (Group III).

(j) The pay range for salaries of visiting scientists is from the lowest of the range for instructor for that specialty to the highest of the range for professor for that specialty, depending upon the responsibilities and the credentials of the visiting scientist, and the availability of funds.

(k) Documentation to support salary setting rationale and decisions will be maintained in the faculty members' Official Personnel Files.

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(k) Documentation to support salary setting rationale and decisions will be maintained in the faculty members' Official Personnel Files.

4) Retention Allowances

(a) Retention allowances may be awarded by the President, USUHS, to USUHS academic staff members at the assistant professor level and above in cases in which unusually high qualifications of the employee or special need of USUHS make retention of the employee essential. There are two types of retention allowances: retention allowances for USUHS faculty administrators and retention allowances for faculty members with special qualifications. Consideration for a retention allowance results from a recommendation from a dean, department chairperson, or activity head, whose activities would be significantly affected by the loss of an exceptionally qualified and productive employee. These recommendations will be made through the Dean, SOM.

(b) In recommending a retention allowance, the approving official must certify in writing that, absent a retention allowance, the employee would be likely to leave the Federal service for employment outside the University. The documentation must include a written description of the extent to which the employee's departure would affect the organization's ability to carry out an activity or perform a mission-essential function. As appropriate, the written certification may describe such things as (1) the results of recent efforts to attract and retain employees with similar qualifications; or (2) the availability in the labor-market of candidates for employment with the qualifications necessary to perform the full range of duties of the position with a minimum of training or disruption.

(c) To be considered for a retention allowance, the employee must have been on the University payroll for at least one complete school year and may not still be under a service agreement for a prior recruitment or relocation bonus and/or a retention allowance.

(d) A retention allowance is approved for a one-year period and may not exceed 25% of an employee's annual base pay.

(e) The aggregate salary of the employee, e.g., base pay plus any merit or comparability increases, physicians' comparability allowance, retention allowances, recruitment, relocation, or recognition bonuses, may not exceed the maximum of the range for the appropriate academic specialty/rank on the approved salary schedule or Executive Level I.

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(f) A retention allowance is not considered a part of an employee's annual salary for calculation of retirement contributions and disability payments, but it is subject to all appropriate Federal, state, and local taxes, like any other income.

(g) Amounts of retention allowances will be reviewed and approved annually for continuance, increase, decrease, or termination and are effective for one year unless terminated earlier or specified for a shorter period.

(h) Retention allowances will be paid in the same manner and at the same time as base pay although it shall not be considered a part of base pay.

(i) Retention allowances are annotated on the Notification of Personnel Action (SF-50) in the Remarks section by category and amount, and are combined with any base pay and physicians' comparability allowances in the Salary block.

(j) A retention allowance may be paid during the year for as long as conditions warranting the allowance continue to exist. An annual recommendation and recertification of necessity must be made to continue payment of a retention allowance.

(k) The amount of the retention allowance may be reduced or the allowance terminated when it is determined that: (1) a lesser amount or no allowance at all, would be sufficient to retain the employee; (2) labor-market conditions have changed and recruitment of employees with needed qualifications would be possible; (3) the need for the services of the employee has lessened; or (4) budgetary considerations preclude payment.

(l) The amount of, or the lack of receipt of, a retention allowance is not grievable under the USUHS Faculty Grievance procedures (reference (f)) or any other grievance procedures.

(m) Deans, department chairpersons, and activity heads who recommend retention allowances must ensure that there are sufficient funds available for the payment of such allowances.

(n) Approving officials are responsible for ensuring that the basis for any retention allowance is fully documented and retained in the employee's Official Personnel File (OPF). Documentation shall be readily available for review and submission upon request.

(o) As a minimum, the following information shall be maintained on a fiscal year basis: (1) the number of

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employees offered/accepting a retention allowance; (2) the percentage of salary offered/accepted in each individual case; and (3) a summary statement assessing the effect of allowance authority on the activity's ability to retain quality employees in key positions.

(p) Retention of Faculty Administrators

(1)) Faculty members who have administrative responsibilities, in addition to teaching and research responsibilities (e.g., president, vice presidents, deans, associate and assistant deans and vice presidents, chairpersons, heads of interdepartmental programs or institutes), may be eligible for a retention allowance to retain them in administrative positions.

(2)) Faculty members who are assigned administrative responsibilities in an acting capacity are also eligible for administrative retention allowances for the duration of their temporary assignments for periods up to one year. Such allowances can be extended in one year increments.

(3)) Upon termination of assigned administrative responsibilities, the appropriate amount of administrative retention allowance will be eliminated.

(q) Retention of Faculty Members with Special Qualifications

(1)) Faculty members, who have had significant professional achievements which add continuing value to their professional credentials, are eligible for retention allowances.

5) Physician's Comparability Allowance

(a) Physicians who have clinical or medical research responsibilities that are an integral part of their assigned duties may receive additional pay for the performance of these duties, up to a maximum of \$20,000. The President, dean or chairperson will make this determination at the time of the assignment of each physician's responsibilities. Each physicians' comparability allowance will be reviewed annually for continuance, increase, decrease, or termination. Physicians' comparability pay is subject to the aggregate pay limit set in Title 5 USC for Executive Level I.

(b) If the physician ceases his/her clinical or medical research responsibilities, the appropriate amount of physicians' comparability allowance will be eliminated.

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(c) Physicians' comparability allowances are considered along with base pay and retention allowances for the calculation of benefits and taxes.

(d) The amount of, or the lack of receipt of, a physicians' comparability allowance is not grievable under the USUHS Faculty Grievance procedures (reference (f)) or any other grievance system.

6) Stipendiary Pay

(a) Stipendiary pay is a remuneration that is paid to graduate fellows and senior graduate fellows using the USUHS Stipendiary Pay Schedule.

(b) There are two rates of stipendiary pay: one for doctoral students who have not yet been advanced into candidacy and one for doctoral students who have been advanced into candidacy.

(c) The rates of stipendiary pay are based on an annual survey of pay provided to comparable students at graduate schools in the vicinity of Washington, D.C.

(d) Increases to the rates of stipendiary pay will be recommended by the Assistant Dean for Graduate Education through the Associate Dean for Academic Affairs and the Dean, SOM, to the President, USUHS, for his approval. Such recommendations will be based on the results of the survey of graduate student stipends, provided that there are sufficient funds available.

(e) Once five years of graduate study have been completed, the fellow is no longer eligible for a stipend from appropriated funds.

(f) Stipends are subject to applicable Federal, state, and local taxes.

(g) Recipients of stipends are not eligible for Federally-funded benefits.

b. Salary Increases: There are three types of salary increases. All salary increases are subject to the maximum payable rate in the authorized ranges on the annual USUHS pay schedule and applicable pay caps.

1) Cost of Living Increases

(a) The President, USUHS, will direct the increase of base pay for all faculty and staff members who are paid by appropriated funds by a percent of base pay not more than

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the average percentage of cost of living increases provided to faculty members at the other medical schools in the vicinity of Washington, D.C. during that school year.

(b) Departmental budgets will be allocated funds to support cost of living salary increases described above, including the resulting benefits increases for those employees.

(c) Provided sufficient funds are available, the cost of living increase will be effective at the beginning of the first full pay period following the beginning of the calendar year, the time when other Federal agencies receive such increases.

(d) Cost of living increases for faculty and staff members who are paid by extramural grants are strongly recommended; however, the granting of such increases will depend on the availability of extramural funds. Decisions to grant no cost of living increases will be documented with appropriate rationale and submitted to the President, USUHS, for approval.

(e) All planned cost of living increases are subject to sufficient appropriations and applicable pay caps.

2) Comparability Increases

(a) One of the calculations which is made as a part of the annual salary survey is the percentage by which the USUHS mean (or other appropriate measure) and range for each specialty and rank meets, exceeds, or lacks comparability with the D.C. area medical schools.

(b) For those ranks and specialties which lack comparability with the D.C. schools, one-fifth of the percentage amount of FY92 disparity is added to the authorized pay ranges in 1992. In 1993, one-fourth of the annual comparability disparity will be added to the range in addition to an appropriate percentage for a cost of living increase. In 1994, one-third of the annual comparability disparity will be added to the range in addition to an appropriate percentage for a cost of living increase. In 1995, one-half of the annual comparability disparity will be added to the range plus an appropriate percentage for a cost of living increase. In 1996, 100% of any comparability disparity will be added to the range in addition to an appropriate percentage for a cost of living increase. All planned comparability increases are subject to sufficient appropriations. Specialties and ranks currently at comparability will not be authorized comparability increases.

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(c) The percentages of comparability increase will vary by each specialty and rank and will be consistent with the approved USUHS faculty and staff pay schedule and applicable pay caps.

(d) Departmental budgets will be allocated funds to support the cost of comparability increases described above, including the resulting benefits increases for those employees. Such allocations will be authorized specifically for comparability increases. The President, USUHS will approve the allocation of funds for comparability increases to departments and to individuals within each specialty and rank after considering recommendations made by department chairpersons, activity heads, and the Associate Dean for Academic Affairs (ADAA) through the Dean, SOM.

(e) Provided sufficient funds are available, the comparability increase will be effective at the same time as the USUHS faculty cost of living increase, which is the first full pay period following the beginning of the calendar year.

3) Merit Increases

(a) The faculty performance rating period ends on May 31 each year. In June, performance ratings are given to faculty and staff members based on the quality of performance during the prior rating period (reference (g)). If the appropriate supervisor decides that a faculty or staff member has performed in an exceptional manner or has contributed significantly to the mission of the department or the University, which must be substantiated in his/her performance rating, he/she may recommend to the second level supervisor that this employee be granted a merit increase. Such an increase, which affects the level of base pay permanently and affects the level of physicians' comparability pay or retention allowance or both within allowable caps and time limits, may be recommended to reward exceptional performance by a faculty or staff member which has been exhibited throughout the entire rating cycle. Merit increases can be recommended once per year as part of the annual USUHS faculty pay adjustment process. Approved merit increases will be timed, as closely as possible, for concurrent implementation with the annual cost of living increase.

(b) The amount of a recommended merit increase may be up to a maximum of 10% of an individual faculty or staff member's base pay, subject to applicable pay caps and categorical limits. At the time of recommendation, the appropriate supervisor must ensure that there are sufficient departmental/activity funds available (or grant funds, if the employee is paid by an extramural grant) for the recommended merit increase.

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(c) The recommendation for a merit increase must include evidence of superior performance either through documentation in the official performance appraisal for the period or through a special narrative discussion of the rationale for the increase, including employee's performance and productivity in teaching, research, clinical (if appropriate), and administrative activities; the employee's success in meeting annual goals; and the employee's general and specific contributions to the department or the University. Any reviewing or approving official may alter the recommended increase.

(d) Chairpersons recommend and/or review recommendations from subordinate supervisors for merit increases for faculty members in their departments. Approval authority for merit increases up to 5% of base salary rests with the Dean, SOM, or the ADAA as appropriate. Approval of merit increases in amounts over 5% of base pay will be given by the President, USUHS.

(e) Recommendations for merit increases of up to 5% of base pay for chairpersons or other faculty members who report directly to the Associate Dean for Academic Affairs will be made for approval by the Dean, SOM. Merit increases in excess of 5% will be approved by the President, USUHS.

(f) Recommendations for merit increases for deans, assistant deans, and other faculty members who report directly to the Dean, SOM, will be made for approval by the President, USUHS.

(g) Approved recommendations for merit increases are forwarded to the Directorate for Civilian Human Resources Management for implementation and for filing in the Official Personnel Folder.

(h) A recommended merit increase for a faculty or staff member who is paid from extramural funds will be made by the principal investigator on whose grant the employee works. In general, these decisions are subject to the funds available in the grant, and are based on the excellence of the employee's work and productivity. The recommendation will be forwarded through the chairperson to the ADAA or Dean, as appropriate, for a final approval/disapproval for amounts up to 5% of base pay. Merit increases in excess of 5% will be approved by the President, USUHS.

(i) A faculty or staff member may receive both a merit increase and a recognition bonus in the same calendar year, provided the total salary does not exceed the aggregate pay cap for Executive Level I.

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(j) The amount of, or the lack of receipt of, a merit increase is not grievable under the USUHS Faculty Grievance procedures (reference (f)) or any other grievance system.

c. Bonuses: There are three types of bonuses which may be awarded to USUHS faculty and staff members: recognition, recruitment, and relocation bonuses. All types of bonuses are subject to the maximum payable rate in the authorized range on the annual USUHS pay schedule and are subject to the aggregate pay limit for Executive Level I in Title 5 USC. Bonuses will not be considered as compensation for the purpose of assessing comparability or for computing retirement, life insurance, or disability insurance benefits.

(1) Recognition Bonus

(a) A recognition bonus, a one-time, lump-sum, cash award that does not affect base pay, is given to recognize excellent performance on a project, in a series of teaching exercises, or for a particular period. A recognition bonus may also be awarded for single honors to USUHS faculty and staff members, including the receipt of international or national professional awards or prizes.

(b) The amount of a recognition bonus may be up to a maximum of 10% of the employee's base pay and is subject to the Title 5 USC aggregate pay cap for Executive Level I.

(c) The recommendation for a recognition bonus must include a narrative discussion of the rationale for the bonus, including the project or activity in which the employee was engaged and a summary of the employee's performance on this project/activity; the nature of the award or prize that the employee received; or any other reason for the awarding of this type of bonus.

(d) Chairpersons recommend and/or review recommendations from subordinate supervisors for recognition bonuses for faculty members in their departments. Approval authority for these bonuses rests with the ADAA or the Dean, SOM, as appropriate.

(e) Recommendations for recognition bonuses for chairpersons or other faculty and staff members who are directly supervised by the ADAA will be made to the Dean, SOM.

(f) Recommendations for recognition bonuses for chairpersons or other faculty and staff members who are directly supervised by the Dean, SOM, will be made for approval by the President, USUHS.

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(g) A recognition bonus is given in a lump sum, as soon as possible after its approval.

(h) A faculty or staff member may receive both a merit increase and a recognition bonus in the same calendar year, provided the total salary does not exceed the aggregate pay cap for Executive Level I.

(i) Approved recommendations for recognition bonuses are forwarded to the Directorate for Civilian Human Resources Management for implementation and filing in the Official Personnel Folder.

(j) A recognition bonus is not considered part of an employee's annual salary for calculation of retirement contributions or disability payments. It is, however, subject to all appropriate Federal, state, and local taxes, like any other income.

(k) The amount of, or the lack of receipt of, a recognition bonus is not grievable under the USUHS Faculty Grievance procedures (reference (f)) or any other grievance system.

(2) Recruitment Bonus

(a) To facilitate the recruitment of individuals with superior qualifications and stature to USUHS academic positions at the rank of Assistant Professor and above, within the scope of the appropriate departmental budget, the President, USUHS, may approve the use of a one-time, lump-sum payment of not more than 25% of base pay to unusually well-qualified candidates; candidates whose specialties are in short supply, who must dissolve a private practice in the local commuting area; or for whom there has been a historically documented recruiting difficulty. A recruitment bonus is subject to the aggregate pay limit for Executive Level I in Title 5 USC.

(b) A recommendation for a recruitment bonus will be submitted in writing by the appropriate dean, department chairperson, or activity head through the Dean, SOM, to the President, USUHS. This recommendation will include, at a minimum, a description of the qualifications sought; a summary of the recruitment methods used to obtain candidates for the position and the results of this recruitment; a description of the availability of qualified candidates in the region and in the country; a discussion of the methods used to attract minority candidates; and a comparison of the candidate's qualifications to the qualifications sought.

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(c) The amount of the recruitment bonus to be paid, if any, will be determined, based on various criteria, including the level of the candidate's qualifications, the significance of this candidate to the USUHS teaching and/or research programs, scarcity of qualified candidates, the extent of recruitment activity, and the period of service commitment.

(d) Recruitment bonuses will be paid only to newly appointed employees or to former civilian Federal employees who are returning to the Federal service after a break in service of at least one year.

(e) Prior to the receipt of a recruitment bonus, candidates must sign a formal, written commitment to remain in the position for a minimum of 12 months. Longer commitment periods can be required. Such employees who leave their positions prior to the completion of the commitment period will be required to repay the University the prorated balance of their recruitment bonuses.

(f) Recruitment bonuses will be paid to employees in a lump-sum, as soon as possible after their appointment at USUHS.

(g) Appropriate records of the approval of recruitment bonuses, the rationale for such approval, and a copy of the service agreement will be maintained on the left side of the Official Personnel Folder.

(h) A recruitment bonus is not considered part of an employee's annual salary for calculation of retirement contributions and disability payments. It is, however, subject to all Federal, state, and local taxes, like any other income.

(i) Deans, department chairpersons, and activity heads who recommend recruitment bonuses must ensure that there are sufficient funds available for the payment of such bonuses.

(j) The amount of, or the lack of receipt of, a recruitment bonus is not grievable under the USUHS faculty grievance system (reference (f)) or any other grievance system.

(k) An employee may not receive simultaneous recruitment and relocation bonuses.

(l) Employees who fail to complete a service agreement because they are involuntarily separated will not be subject to repayment of recruitment bonuses.

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(3) Relocation Bonus

(a) Selectees for academic positions at the assistant professor level and above, who move from one geographic commuting area to another, are eligible for relocation bonuses. Approval authority for these bonuses rests with the President, USUHS.

(b) Relocation bonuses are available to help alleviate the burdens on current Federal employees of moving a residence, family, and possibly dissolving a medical practice. Relocation bonuses may not exceed 25% of base pay. This relocation bonus is in addition to permanent change of station (PCS) costs. This bonus is subject to the aggregate pay limit for Executive Schedule I in Title 5 USC.

(c) Approval of a relocation bonus will be made by the President, USUHS, in response to a written recommendation from the appropriate dean, chairperson, or activity head through the Dean, SOM. This recommendation should include, at a minimum, information on the recruitment process, the recruitment efforts to attract minority candidates, the scarcity of qualified candidates, and the essentiality of the prospective employee to the USUHS teaching and/or research programs. In addition, this recommendation should describe the rationale for the relocation bonus, including the anticipated impact that the relocation is expected to have on the new employee and his/her family.

(d) Determination on the amount of the relocation bonus to be paid, if any, will be based on various criteria, including the qualifications of the selectee, the difficulty in attracting highly qualified candidates in the local commuting area, the scarcity of candidates with the selectee's level of qualifications, and the impact that the relocation has had/will have on the employee and his/her family.

(e) In return for the relocation bonus, the selectee must sign a formal, written commitment to remain with the University for a minimum of 12 months. Longer commitment periods can be required. Any employees, who have accepted relocation bonuses and who leave the University before the completion of their committed service, will be required to reimburse the University for the prorated balance of their relocation bonuses.

(f) A relocation bonus is paid in a lump-sum, as soon as possible after approval.

(g) A relocation bonus is not considered part of an employee's annual salary for calculation of retirement contributions or disability payments. It is, however, subject to

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all appropriate Federal, state, and local taxes, like any other income, as well as the aggregate pay limits for Executive Schedule I.

(h) Appropriate records on the approval of relocation bonuses, the rationale for such approval, and a copy of the service agreement will be maintained on the left side of the employee's Official Personnel Folder.

(i) Deans, department chairpersons, and activity heads who recommend relocation bonuses must ensure that there are sufficient funds available for the payment of such bonuses.

(j) The amount of, or the lack of receipt of, a relocation bonus is not grievable under the USUHS faculty grievance system (reference (f)) or any other grievance system.

(k) An employee may not receive simultaneous recruitment and relocation bonuses.

(l) Employees who fail to complete a service agreement because they are involuntarily separated will not be subject to repayment of relocation bonuses.

3. Dual Compensation Waiver

a. A waiver of dual compensation restrictions for retired military and Federal civilian personnel may be requested through the Office of the Secretary of Defense to the U. S. Office of Personnel Management (OPM) under Section 5332 of Title 5 of the United States Code. The OPM may authorize waivers only when such employment is needed to meet exceptional difficulty in recruiting or retaining qualified candidates for particular positions or an emergency involving an immediate and direct threat to life or property. The retired pay received is not considered a part of USUHS compensation (i.e., base pay, bonuses, or allowances).

b. Specific instructions for requesting waivers and documentation requirements are provided in reference i.

E. RESPONSIBILITIES

1. The Secretary of Defense is responsible for:

a. Authorizing the establishment of salary schedules and granting of retirement benefits so as to place employees of the University on a comparable basis with the employees of fully accredited schools of the health professions within the vicinity of the District of Columbia.

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b. Setting the pay of the President, USUHS, including the use of any physician's comparability allowances or recognition, recruitment, relocation, or retention incentives.

2. The Assistant Secretary of Defense (Force Management and Personnel) (ASD(FM&P)) is responsible for approving or disapproving the USUHS faculty salary schedule on behalf of the Secretary of Defense.

3. The Assistant Secretary of Defense (Health Affairs) (ASD(HA)) is responsible for:

a. Evaluating the proposed USUHS faculty salary schedule and either recommending its approval to the ASD(FM&P) or disapproving it and returning it to USUHS.

b. Evaluating recommended changes to the USUHS benefits package and approving/disapproving them.

4. The Board of Regents (BOR) is responsible for:

a. Evaluating the USUHS faculty salary schedule and for providing advice about it to the ASD(HA).

b. Evaluating proposed changes to the USUHS benefits package and making recommendations about them to the ASD(HA).

5. The President, USUHS, is responsible for:

a. Setting the salaries of those AD employees directly supervised by the President.

b. Approving/disapproving requests for pay increases or decreases, including all merit pay increases in excess of 5%; recognition, recruitment and relocation bonuses, retention allowances; and physicians' comparability allowances. (Authority may be delegated to the Dean, SOM.)

c. Notifying the work force of the percentage of the annual cost of living increase for USUHS faculty and staff.

d. Forwarding or disapproving changes in the USUHS faculty and staff benefits package. Requests will be forwarded through the ASD(HA) to ASD(FM&P) for a final decision.

e. Directing the planning and requesting of the USUHS appropriation so that sufficient funds will be available to pay for such recommendations.

f. Overseeing the development of internal controls to ensure the integrity of this pay system.

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6. The Dean of the School of Medicine is responsible for:
 - a. Directing the planning for and completion of the annual faculty compensation survey.
 - b. Reviewing recommendations for changes in the USUHS faculty and staff benefits package and forwarding viable changes to the President for approval/disapproval.
 - c. Overseeing the implementation of the annual cost of living increase for faculty and staff.
 - d. Recommending salary levels, pay increases or decreases, and bonuses for those AD employees whom he/she directly supervises to the President for approval.
 - e. Reviewing recognition, recruitment and relocation bonuses and making appropriate recommendations to the President.
 - f. Reviewing requests for pay increases, bonuses, merit or comparability pay, physicians' comparability allowances, or retention allowances and approving or making appropriate recommendations to the President.
 - g. Approving/disapproving recommendations made by chairpersons or deans who report directly to him or made by the Associate Dean for Academic Affairs for merit increases or recognition bonuses for chairpersons or other faculty members whom the ADAA supervises directly.
 - h. Fulfilling pay approval authorities delegated by the President.
 - i. Conducting annual reviews of individual physicians' comparability and retention allowances, recommending appropriate increases, decreases, or terminations.
 - j. Ensuring that sufficient funds are available to pay for such recommendations.
 - k. Implementing internal controls to ensure the integrity of this pay system.
7. The Associate Dean for Academic Affairs is responsible for:
 - a. Approving/disapproving merit increases and recognition bonuses recommended by department chairpersons who report directly to him.

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b. Recommending merit increases and recognition bonuses for chairpersons or other faculty members whom he/she directly supervises to the Dean of the School of Medicine.

c. Reviewing and recommending recruitment and relocation bonuses and retention allowances through the Dean, SOM, to the President, USUHS.

d. Evaluating the credentials and recommending the initial salary levels and compensation of new faculty and staff members who report to him/her directly.

e. Conducting annual reviews of physicians' comparability allowances or retention allowances and recommending appropriate increases, decreases, or terminations thereto.

f. Ensuring that sufficient funds are available to pay for such recommendations.

g. Implementing internal controls to ensure the integrity of this pay system.

8. Deans, chairpersons, and activity heads are responsible for:

a. Evaluating the credentials and recommending the initial salary levels and compensation for new faculty and staff members.

b. Recommending recruitment and relocation bonuses and retention allowances for subordinate staff.

c. Recommending merit increases and recognition bonuses for subordinate staff.

d. Approving/disapproving adjustments to salaries recommended by principal investigators for employees paid by their grants.

e. Recommending that retention allowances be approved for employees who are engaged in administrative activities or who have special qualifications.

f. Recommending physicians' comparability allowances for employees who have clinical responsibilities or who are engaged in medical research work.

g. Conducting annual reviews of physicians comparability and retention allowances and recommending appropriate increases, decreases, or terminations.

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h. Ensuring that sufficient funds are available to pay for such recommendations.

i. Implementing internal controls to ensure the integrity of this pay system.

9. The Faculty Senate Comparability Committee is responsible for participating in the completion of the annual faculty and staff salary survey.

10. Principal investigators (PI's) are responsible for:

a. Recommending to their activity head, chairperson, or dean initial levels of pay for faculty and staff members who are paid from their extramural grants.

b. Recommending to their activity head, chairperson, or dean adjustments to salaries, merit increases, and recognition bonuses for employees who are paid from their grants.

c. Ensuring that sufficient funds are available to pay for such recommendations.

d. Implementing internal controls to ensure the integrity of this pay system.

11. The Director of Civilian Human Resources Management is responsible for:

a. Preparing for, initiating, coordinating, and completing the annual comparability survey.

b. Preparing a recommended pay schedule for submission through the Dean, SOM, the President, USUHS, BOR, and OASD(HA) for approval by the SecDef or his/her designee.

c. Ensuring that approved salaries do not exceed the official USUHS salary schedule or applicable pay caps.

d. Effecting salaries which have been set by the SecDef; President, USUHS; deans; chairpersons; and activity heads.

e. Effecting bonuses, allowances, physicians' comparability pay, or pay increases that have been approved by the appropriate authority.

f. Maintaining appropriate documentation in the faculty members' Official Personnel Folders to support each pay setting or bonus decision.

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g. Recommending changes to the USUHS faculty benefits package.

h. Implementing internal controls to ensure the integrity of this pay system.

12. The Director of Financial Management is responsible for:

a. Ensuring that departments and activities do not exceed the approved pay levels for Schedule A personnel.

b. Maintaining accurate and up-to-date percentages of the costs of faculty benefits to salary.

c. Reviewing requests for merit increases and bonuses to ensure that there are sufficient funds available.

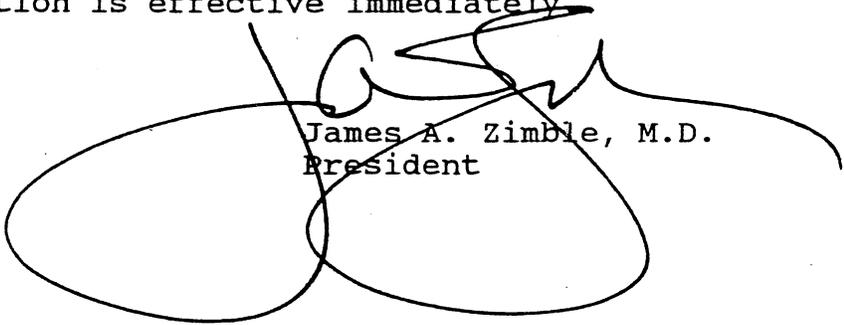
d. Projecting the cost of faculty compensation (base pay, special pay, merit increases, awards, and bonuses) and benefits on an annual basis in the USUHS budget for both the current year and out-years.

e. Provide a monthly status of funds report to department chairs, activity heads, deans, and the President. This report shall provide managers with current balances of funds used and those available to operate the activity.

f. Implementing internal controls to ensure the integrity of this pay system.

F. EFFECTIVE DATE

This Instruction is effective immediately.



James A. Zimble, M.D.
President