

*** DISCLAIMER ***

- This presentation does not cover the entire APM 671 policy. For more details, please review the following:
- Systemwide APM 671:
https://www.ucop.edu/academic-personnel-programs/_files/apm/apm-671.pdf
- UC Davis SOM and SON Implementation Procedures:
https://www.ucdmc.ucdavis.edu/academicpersonnel/documents/SOM_SON_Comp_Plan_Implementation_Guidelines_2015-Final.pdf
- Review your department's compensation plan guidelines

APM 671

Conflict of Commitment and Outside Activities of Faculty Members

Policy Highlights

October 23, 2018

Why? 671-2 Purpose:

- a. “Faculty members who are employed by the University of California owe their primary professional allegiance to the University and accept as their own the University’s responsibilities to advance and communicate knowledge. Teaching, research or other creative activities, clinical care, and the cultivation of scholarly or creative competence are their primary activities and should receive the largest commitment of time and energy; the same expectation exists for part-time faculty to the extent of their faculty appointment...Outside professional activities that interfere with a faculty member’s professional obligations to the University represent a conflict of commitment....”
- b. “...Plan participants must comply with all University policies involving University intellectual property, conflict of interest, and restrictions on compensation....”

More of the why...

- Regent's Standing Order 103.1(b) states that faculty members shall not allow outside employment to interfere with primary University duties.
- APM 671-4-b states that a conflict of commitment occurs when a faculty member's outside professional activities, whether compensated or uncompensated, interfere with the faculty member's professional obligations to the University of California.
- APM-020-1 states that members of the faculty may render professional or scholarly services for compensation, unless they are prohibited by the terms of their appointment from accepting such compensation, but in no case may such employment be solicited or interfere with regular University duties.
- SOM and SON Health Sciences Compensation Plan Implementation Procedures effective July 1, 2015, Section VII.B

671-4 Definitions

- a. “Outside Professional Activities, compensated or uncompensated and regardless of financial interest, are defined as those activities that are within a faculty member’s area of professional, academic expertise and that advance or communicate that expertise through interaction with industry, the community, or the public. Outside additional teaching as described in APM 671-10-a-(2)-(a) is included in this definition...must not interfere with a faculty member’s obligations to the University.”

- e. Office of the President and our system wide colleagues agreed that OATS will be tracking hours instead of days. Agreement was reached to define a “day” as 8 hours. However, when teaching is involved then every 6 contact or “podium” hours spent with students is determined the equivalent of one day as stated in APM 662-17-b-(1).

671-6 Responsibility

b. Faculty

- (1) Maintaining Good Standing per the terms of the Plan;
- (2) Obtain prior written approval for engagement in Category I activities;
- (3) Maintaining a running total of annual earnings from, and time spent on, all outside professional activities;
- (4) Depositing all income that exceeds the earnings approval threshold into the Plan (APM 671-8-c) with the exception of income earned from Category III activities (APM 6710-10-a-(3)) and certain other activities listed in APM 671-10-b;
- (5) Obtaining prior written approval to engage in outside professional activities that may result in exceeding the total annual time and/or earnings approval thresholds;

671-6 Responsibility (continued)

b. Faculty (continued)

- (6) Submitting annual reports of all Category I and II activities and compensation earned from such activities (or lack thereof); Attesting to adherence with the requirements of this policy in the annual report;
- (7) Attesting to adherence with the requirements of the policy in the annual report;
- (8) Disclosing any current or prospective outside professional activity to the Department Chair if in doubt as to whether there is a conflict of commitment; and,
- (9) Obtaining prior approval from the Department Chair before involving a student in an outside professional activity (see APM 671-8-f).

671-8 General Principles

a. **Obligations to the University**

“...faculty members must maintain a significant presence on campus, meet classes, keep office hours, hold examinations as scheduled, be accessible to students and staff, be available to interact with University colleagues, and share service responsibilities throughout every quarter or semester of active service.”

671-8 General Principles (continued)

b. Time Limits

School Implementing Procedures must specify the maximum number of days which Plan participants may devote to compensated and uncompensated outside professional activities that may not be less than 21 days and may not exceed 48 days annually.

21 days (168 hours) = is the time specified in the UC Davis School of Medicine and School of Nursing Health Sciences Compensation Plan Implementation Procedures effective July 1, 2015

22-48 days = requires justification and exception approval to exceed time limits; Provost has final approval

671-8 General Principles (continued)

c. Earnings Approval Threshold

- (1) The maximum annual outside professional activities approval threshold set by the Provost and Executive Vice President shall be:
Up to \$40K or 40% of the fiscal-year base salary scale (Scale 0), whichever is greater, for an individual faculty member's rank and step.
- (2) A Plan participant who is in Good Standing, has not exceeded the number of days devoted to outside professional activities established in School Implementing Procedures, and whose annual earnings from all outside professional activities will not exceed the approval threshold is allowed to engage in outside professional activities (other than patient care) in accordance with all applicable University policies.

671-8 General Principles (continued)

d. Retention/Non-retention of Income

(1) Income earned above the approval threshold, except from Category III activities (APM 671-10-a-(3)) and certain other activities in APM 671-10-b, must be deposited to the Plan.

...see policy for additional items related to this topic.

e. Exception Requests

An exception to exceed time and/or earnings thresholds must adhere to policy, which includes prior written approval. The Chancellor's designee (Provost and Executive Vice Chancellor) has final decision authority. Contact your department or dean's office for any potential exception request and policy guidance.

671-8 General Principles (continued)

f. Students

Faculty member is responsible for ensuring that the activity does not interfere with student's academic obligations.

If a faculty member has, or expects to have, academic responsibility (instructional, evaluative, or supervisory) for the student, the faculty member must obtain prior written approval from the Department Chair before involving a student regardless of whether the faculty member is compensated or has a financial interest in the activity.

671-10 Guidelines - Types of Categories

- **Category I - most likely to create a conflict because...**
 - 1) related to the training and expertise which is the faculty member's expertise and qualification for University appointment, but performed for a third party; and/or
 - 2) Require significant professional commitment

Requirements:

- ✓ Prior Approval
- ✓ Time Limits & Earnings Threshold
- ✓ Annual Reporting

A few examples:

- *Teaching *Research
- *Employment outside of the Univ.
- *Founding or co-founding a company

671-10 Guidelines - Types of Categories (continued)

- **Category II - less potential for conflict of commitment because...**
 - 1) generally shorter-term
 - 2) outside the course and scope of University employment

Requirements:

- ~~✓ Prior Approval~~
- ✓ Time Limits & Earnings Threshold
- ✓ Annual Reporting

A few examples:

- *Additional University-compensated teaching (UNEX, etc.)
- *Consulting or testifying as an expert witness
- *Providing or presenting a workshop for industry

671-10 Guidelines - Types of Categories (continued)

- **Category III - unlikely to raise conflict of commitment because...**
 - 1) within the course and scope of University employment

Requirements:

- ~~✓ Prior Approval~~
- ~~✓ Time Limits & Earnings Threshold~~
- ✓ Annual Reporting

A few examples:

- *Reviewing manuscripts; acting in an editorial capacity;
- *Attending and presenting talks at university/academic colloquia and conferences;

671-10 Guidelines - Types of Categories (continued)

- **Other Activities** - income from the following may be retained by Plan participants and does not count toward time and earnings approval thresholds (definitions for list below found in APM 671-10-b):
 - 1) Prizes
 - 2) Royalties
 - 3) Honoraria
 - 4) University Honoraria
 - 5) Administrative Stipends
 - 6) Income from a profession unrelated to the training and experience which is the individual's qualification for University appointment.

671-10 Guidelines (continued)

c. Disclosure requirements

(1) Prior approval requirements

Faculty are required to obtain prior approval for all Category I activities and requests to exceed time or the earnings threshold in advance of performing the activity

(2) Reporting requirements

Faculty are required to file an annual report - even if they did not engage in outside professional activities during the year. They must report all Category I and II activities during the prior 12 months, including during normal service periods and periods of leave with pay. All earnings derived from these activities must be reported as well.

671-14 Eligibility

- a. “All participants in the Health Sciences Compensation Plan are subject to this policy.”
- b. Recalled faculty who are participants in the Health Sciences Compensation Plan are subject to the provisions of this policy.
- c. “Faculty who engage in professional activities while on approved leaves with pay such as sabbatical and vacation must comply with requirements for disclosure, prior approval, and annual reporting for outside professional activities. These activities as well as professional activities performed during the evenings and weekends, count toward the annual time limits and earnings approval threshold. School Implementing Procedures must describe the requirements for disclosure, prior approval, and annual reporting for outside professional activities and earnings during periods of leave without pay.”
- d. Faculty Administrators = covered by APM 671 + their administrator policy (e.g., APM 240 Deans, APM 241 Faculty Administrators (<100%) or APM 246 Faculty Administrators (100%)).

671-26 Non-compliance

a. Monitoring

- Department Chairs are expected to monitor compliance, collect and review annual reports; consult with the Dean about concerns.
- Deans review Department Chairs' annual reports.

b. Consequences for Non-compliance

- May be subject to discipline, corrective action or administrative remedies (School Implementation Procedures, APM 671, APM 016, APM 150)

When in doubt...

For questions about policy, consult with resources...

- MSO/CAO
- Department Chair
- Innovation Access Office
- Dean's Office Analyst
- Dean

For questions about how to use the OATS program, please send an email to:

oats-help@ucdavis.edu

Thank you!