BASE SALARY (X+X')
Base salary for an individual is the approved rate on one of the Health Sciences Compensation Plan Salary Scales, associated with that faculty member's academic rank, step and academic programmatic unit (APU). The base salary is covered under the University of California Retirement Plan (UCRP) up to the amount permissible by law and in accordance with UCRP provisions and regulations. *(Note: May also be referred to as APU Base Salary)*

FISCAL YEAR BASE SALARY (X)
The portion of the base salary associated with a faculty member's academic rank and step which corresponds to scale 0 on the Health Sciences Compensation Plan Salary Scales.

HEALTH SCIENCES BASE SALARY SCALE DIFFERENTIAL (X PRIME)
A Health Sciences Salary Scale approved for each academic programmatic unit (APU). The differential is the amount by which the health sciences base salary exceeds the fiscal year base salary (scale 0).

HEALTH SCIENCES SALARY SCALES (HSSS)
Specialized salary scales used in Health Sciences schools. Salary scale from 1 to 9 chosen for expanded retirement coverage associated with faculty member's academic rank, step and academic programmatic unit (APU).

HSSS 1-3
The portion of the base salary funded for UCRP benefits by the Office of the President. (Needs to be distinct from HSSS 4-9).

HSSS 4-9
The portion of the base salary above scale 3 on the salary scale funded for UCRP benefits at the department/APU level. The UCRP benefit cost factor is applied to covered compensation above scale 3. The factor is set by The Regents on an annual basis.

NEGOTIATED COMPENSATION (Y)
An additional amount of compensation that may be negotiated annually by the Chair or Academic Programmatic Unit (APU) director beyond the base salary (X) and Health Sciences base salary scale differential (X prime). This portion of salary is **not** covered for retirement benefits.

INCENTIVE/BONUS COMPENSATION (Z)
An optional additional amount of compensation that can be paid as frequently as monthly, as described in department compensation plan procedures.

TOTAL SALARY/COMPENSATION
All earnings paid by UC and reported to the IRS on a Form W2. This includes the X, X', Y and Z compensation.

ACADEMIC PROGRAMMATIC UNIT (APU)
Grouping of compensation plan members for the purpose of determining an appropriate Health Sciences Salary Scale, the Health Sciences Severance Pay Plan (HSSPP) and the rationale for establishing “Y” and “Z” compensation. *Reference 3.10 Academic Programmatic Units (APU) Guidelines*
BENEFIT RESERVE FUND
The retirement benefit contributions made by departments on HSSS 4-9 are separately maintained in a UC reserve account to be merged with UCRP balances in the future. Contract and grant funds cannot be used to fund the retirement benefit reserve cost applied to HSSS 4-9.

ORGANIZED MULTI-DISCIPLINARY PROGRAM
For purposes of establishing an APU, faculty from various departments who practice in a common group (e.g. Primary Care Medical Group) may have the opportunity to form a unit (for salary purposes only).

CONSULTING INCOME
Income received as payment for occasional (other than patient care) professional service to non-profit entities, for-profit entities and as an expert or professional witness. It may also include payment for occasional service to governmental agencies, non-profit health or education-related organizations, continuing health education programs administered by the University and to University Extension programs.

HONORARIA
Defined as payments by agencies outside the University for occasional lectures and similar public appearances beyond normal academic responsibilities to the University of California and which are not in return for other services, whether given directly or indirectly.

NON-CASH COMPENSATION
Includes stock or stock options received in exchange for professional services.

PROFESSIONAL SERVICES INCOME
Income derived from a profession or activity related to the training and experience which constitute the individual’s qualification for University appointment, including professional witness fees, fees for advice related to the practice of medicine, and industry consultation. Professional services income includes cash and non-cash compensation, such as stock or stock options, received in exchange for professional services.

GOOD STANDING CRITERIA
Good standing criteria are described in department compensation plan procedures and include requirements related to the following:
- Clinical coverage
- Teaching obligations
- Participation in department activities
- Compliance with the compensation plan
Faculty must satisfy good standing criteria to earn and/or retain income from outside professional activities.

ANNUAL OUTSIDE PROFESSIONAL EARNINGS APPROVAL THRESHOLD
An amount of outside professional services (other than patient care) income established in department compensation plan procedures that a Plan participant in good standing may retain without requesting prior approval from the Chair to engage in outside professional activities. The maximum approval threshold for the School of Medicine is $20,000 or 20% of the Health Sciences Compensation Plan salary scale for an individual’s academic rank, step and academic programmatic unit, whichever is greater. Once the approval threshold is reached, prior written approval from the Chair is required before engaging in additional outside professional activities.

GLOSSARY rev 3-05