



*Overview Session:
X-Factor & Dean's Assessment*

Why are departments assessed?

- ❖ This is University policy, and is stated in the University's Health Sciences Compensation Plan:
 - *“gross Plan income shall be assessed using a rate annually recommended by the Dean and approved by the Chancellor”*
- ❖ Provides a source of funds available to the Dean to support:
 - School-wide initiatives
 - Chair/faculty recruitment
 - Renovation projects

Dean's Assessment

- ❖ The assessment is applied against “all gross professional income”, which includes clinical revenue, expert witness income, consulting income, etc.
- ❖ The assessment percentage varies by department depending on the X-factor (ratio of total salary to the BYA and Reg).
- ❖ The Dean's assessment is processed monthly by the Finance Unit in the Dean's office.
- ❖ The monthly debit entry is recorded in your department's “current year” fund in the “DPA not used.”
- ❖ The NCA for the Dean's assessment is 340017.

X-Factor Analysis

Baseline Criteria:

- ❖ All compensation plan faculty members (Medical School, General Health Sciences, or Strict Full Time).
- ❖ Less active SFGH Faculty at 50% time or more in clinical care at SFGH.
- ❖ Less VAMC Faculty paid at 4/8 or more.
- ❖ Based on appointment and compensation data contained within the Employee database (EDB) for calendar year 2004.

X-Factor Analysis (cont.)

Formula:

1. Individual faculty X-factor is determined by the ratio of a faculty member's full salary* divided by Reg/BYA.

For example:

<u>Total full salary</u>	\$250,235
Reg/BYA	\$148,741 = 1.68 (individual X-factor)

*Full salary includes: Reg, HST, HSR, HSC, BYA, HBT, BYC, HSA, BYK, BYZ, BYN

2. Total department X-factor is the sum of all individual faculty X-factors divided by the number of faculty.

For example:

<u>Total X-factor</u>	30.96
Number of faculty	20 = 1.54 (total dept. X-factor)

X-Factor Analysis (cont.)

3. The X-Factor ratio is translated into a Clinical or Basic Science Dean's Tax assessment rate per the Rate Table:

<u>X-Factor Range</u>	<u>Clinical Rate</u>	<u>Basic Sci Rate</u>
0.97 – 1.20	1.30%	2.65%
1.21 – 1.45	1.90%	3.15%
1.46 – 1.69	2.50%	3.65%
1.70 – 1.93	3.10%	4.15%
1.94 – 2.17	3.70%	4.65%
2.18 – 2.42	4.30%	5.15%
2.43 – 2.66	4.90%	5.65%
2.67 – 2.90	5.50%	6.15%
2.91 – 3.14	6.10%	6.65%
3.15 – 3.39	6.70%	7.00%
3.40 and up	7.00%	7.00% (capped effective 1/02)

Department Review Process

- ❖ A spreadsheet listing all compensation plan faculty members is sent to the department. The listing includes faculty at SFGH and VAMC.

Faculty at 50% or more time at SFGH and VAMC are moved to the bottom of the spreadsheet and are not included in the calculation of the final department X-factor.

- ❖ The department reviews the data and returns the spreadsheet to the Dean's Office with any necessary changes.
- ❖ The department's assessment rate is calculated based on the final spreadsheet submitted to the Dean's Office provided any changes are accurate and reasonable.

Sample Excel X-Factor Spreadsheet

DEPT TITLE	ID #	NAME	PRIMARY TITLE CODE	TITLE	% Full Time	Total REG/BYA	Total Full Salary	VA Total IF <50%	X Factor	Notes
ANATOMY	012345678	JONES, SALLY	1741	PROFESSOR-GENCOMP-B	1.00	143,695	212,000		1.48	
ANATOMY	012345679	SMITH, JOHN	1746	PROF IN RES-GENCOMP-B	1.00	85,000	127,024		1.49	
ANATOMY	012345680	BUCKS, BILL	1741	PROFESSOR-GENCOMP-B	1.00	100,000	135,069		1.35	
ANATOMY	012345681	MONEY, MARY	1741	PROFESSOR-GENCOMP-B	1.00	105,000	196,169		1.87	
ANATOMY	012345682	GREEN, DOLLAR	1886	PROFESSOR-GENCOMP-B	1.00	100,000	121,000		1.21	
ANATOMY	012345683	PINCHER, PENNY	1739	ASSOCIATE PROFESSOR-GENCOM	1.00	70,000	111,446		1.59	
ANATOMY	012345684	FISCAL, WANDA	1739	ASSOCIATE PROFESSOR-GENCOM	1.00	65,000	104,325		1.61	
ANATOMY	012345685	BUDGET, BONNIE	1741	PROFESSOR-GENCOMP-B	1.00	100,000	144,428		1.44	
ANATOMY	012345692	JOHNSON, JOHHNY	1750	ADJUNCT PROF-GENCOMP-B	0.85	150,931	184,903		1.23	
ANATOMY	012345693	DEBIT, DUBIOUS	1741	PROFESSOR-GENCOMP-B	1.00	60,000	65,075		1.08	
ANATOMY	012345694	CREDIT, CRIS	1748	ASST ADJUNCT PROF-GENCOMP-B	1.00	110,000	149,951		1.36	
ANATOMY	012345695	BALANCE, BELLA	1741	PROFESSOR-GENCOMP-B	1.00	85,000	128,715		1.51	
ANATOMY	012345696	FINANCE, FIONA	1750	ADJUNCT PROF-GENCOMP-B	1.00	100,000	195,525		1.96	
ANATOMY	012345697	BANK, BRANDON	1741	PROFESSOR-GENCOMP-B	1.00	125,000	237,889		1.90	
Department X Factor:									1.51	
ANATOMY	012345698	SAMPSON, SALLY	3251	PROFESSOR IN RESIDENCE - FY	0.20	20,442	20,442		0.00	VA appt >50%

Dean's Office Review Process

- ❖ Changes on spreadsheets returned by departments are reviewed and corrected if necessary.
- ❖ Using the final spreadsheets, the Dean's Office calculates the department X-factors.
- ❖ The results are translated into the appropriate assessment rate using the rate table. For example:
 - ❖

Department X-factor	=	1.51
Clinical rate	=	2.50%
- ❖ Departments are notified of their new assessment rate via memo.
- ❖ The new assessment rate takes effect July 1, 2005 for FY05-06.