

## STANDARD OPERATING PROCEDURE

### Academic Department Offer Letters to Faculty Members and Non-Faculty VMG Clinicians

This SOP provides guidance for compliance with VUMC's *Review of Academic Department Offer Letters Policy - FIN 54* regarding the review of offer letters for new faculty and academic department staff clinician recruits who will be employed by VUMC. This workflow supersedes prior practices regarding offer letter review. *Faculty offer letters for appointments at all ranks on all academic tracks must now be submitted for review and approval before being transmitted to the faculty candidate. Similarly, offer letters for certain staff clinicians (as described below) hired by the academic department will require review before transmittal.* VUMC's Interfolio system will manage the submission of offer letters for review and will route them automatically to appropriate reviewers.

A final draft version of the offer letter accompanied by a current curriculum vitae (or resume if staff position) and the ID Number from the Personnel Change Form submitted during the Budget/Forecast process should be submitted to the Interfolio system, which will automatically distribute these to various offices and officials, as appropriate, for review. Offer letters must be accompanied by detailed information describing the funding sources used to cover salaries and costs associated with professional/practice/program development. In cases where Department resources are unavailable to cover all costs associated with a recruitment package, offer letters must also be accompanied by a request describing specific needs. In all cases, it is the department's responsibility to ensure that the proposed package reflects fair market value. The latter is especially important for physician compensation. The Department of Finance will confirm that proposed sources of support, including previously submitted Funds Flow Committee requests and Academic Support Requests (APS) requests, are consistent with budgeted allocations for recruitment purposes and that the faculty or staff position is appropriately reflected in the Department's budget or most recent forecast.

- Offer letters for faculty who will be proposed for appointment to the **Investigator (Tenure) Track** or on any academic track for whom the assignment of dedicated space, funds for program development, or capital equipment are requested will be reviewed by the Executive Vice President for Research and the Associate Dean for Faculty Affairs.
- Offer letters for recruitment of **Clinical Fellow-Instructors** with faculty appointments will be reviewed by the Associate Dean for Graduate Medical Education and Associate Dean for Faculty Affairs before transmittal to the candidate. These letters must include language defining the scope of training and independent practice and must explicitly confirm the absence of overlap between the two. These letters must utilize a unique **Non-ACGME Fellow** offer letter template developed specifically for persons in this faculty category.

- Offer letters for recruitment of **Research Track** faculty will be reviewed by the Executive Vice President for Research and the Associate Dean for Faculty Affairs before transmittal to the candidate. In such cases, hiring into a new “Health Sciences” staff position or existing “Staff Scientist” position should be considered before drafting an offer letter using the faculty template. Justification for a faculty appointment must be provided in a cover letter accompanying a faculty offer letter. In addition, such letters should state expectations and timelines for remaining on the Research Track relative to the acquisition of extramural funding for which the faculty member will be the principal investigator.
- Offer letters for **VMG member physicians whose clinical practice will be limited to sites away from the main VUMC campus, One Hundred Oaks, or other Hospital-Based clinics** should ordinarily not contain language proposing a faculty appointment. Requests to propose faculty appointments for such persons must be approved in advance by the Senior Associate Dean for Faculty Affairs before submission to Interfolio. The Department of Finance will confirm that proposed sources of support are consistent with budgeted allocations for recruitment purposes.
- Offer letters for **non-physician VMG member clinicians** (regardless of practice site), especially those who will be appointed to the **Medical Staff category of Professional Staff with Privileges or Medical Staff category of Allied Health Professional**, should ordinarily not propose appointment to the faculty. The Department of Finance will confirm that proposed sources of support are consistent with budgeted allocations for recruitment purposes, and the Chief of Clinical Staff will review other aspects of these appointments for VUMC. If you have questions about these appointments, please contact the Chief of Clinical Staff in advance of making an Interfolio submission.
- Faculty offer letters associated with recruitment to all ranks and academic tracks may include a **signing bonus**, but these normally will not exceed 15% of the annual base salary. Higher signing bonus levels will require justification based on exceptional economic circumstances. **Relocation expenses** are likewise allowable for faculty candidates not already located in the Nashville area, but these cannot exceed 1/12<sup>th</sup> of the annual base salary.
- In the section of the offer letter describing performance expectations related to clinical service, scholarship, and teaching or administrative roles, all duties to be performed should be described with sufficient detail to minimize the potential for interpretive ambiguity. Descriptions of administrative roles should include duties and responsibilities in general terms, along with methods for periodic performance assessment. Expectations for percentages of time devoted to **Clinical Professional Effort (CPE)**, **Sponsored Committed Effort (SCE)** in scholarly pursuits, and **Internally Supported Effort (ISE)** that may include administrative activities or scholarship not yet supported by extramural sources must be specified. Guidance for the relative allocation of effort across these three domains is provided in the accompanying table entitled “Career Track Effort Grid.” Allocation percentages

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outside the recommended levels will require an additional explanation that should be included in the Interfolio submission.

- In cases where **medical and professional services** are to be provided to VUMC by an external party, when preparing agreements (PSAs and MOUs), please be as detailed as possible. A detailed budget must be included, with indication of how the cost of the agreement was calculated and how fair market value was verified. Once submitted through Interfolio, these agreements will be reviewed and approved by the Office of Legal Affairs due to the complexities of anti-kickback and related statutes, as well as by the Chief of Clinical Staff and Deputy CEO.

This SOP is intended to facilitate recruiting efforts while ensuring consistency with internal policies and external legal and regulatory obligations relating to hiring and compensation. **This process will be compliant with VUMC's *Review of Academic Department Offer Letters Policy - FIN 54* and this related **Standard Operating Procedure (SOP)**.** Please contact the Associate Dean for Faculty Affairs, Executive Vice President for Research, or Senior Associate Dean for Faculty Affairs with questions.

enc: [Finance Policy - Review of Academic Department Offer Letters](#)  
[Faculty Effort Grid - Academic Department Offer Letter](#)

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