

THE FLORIDA STATE UNIVERSITY COLLEGE OF MEDICINE FACULTY PRACTICE PLAN

The Florida State University College of Medicine provides educationally oriented professional practice settings and opportunities through which faculty members provide professional services, including medical care and treatment to patients, including patients at independent hospitals and other sites as an integral part of their academic activities and employment as faculty. Such faculty practice activities are designed to assure professional practice activities and experiences that are essential in the training of students and postgraduate health professionals that will enhance skills and knowledge of faculty members who must teach and train medical students and residents. Participation in such faculty practice activities by members of the faculty of the College of Medicine is vital to the educational mission, the maintenance of skills in the treatment and diagnosis of diseases, and the maintenance of patient management skills, clinical expertise, and medical judgment, and is a necessary and essential part of their employment as faculty.

Because such faculty practice activities generate income from patients and third party payors, the College of Medicine is authorized by Florida Board of Governors Regulation 6C-9.017 and Florida State University Regulation 6C2-4.017, to collect fees generated from such faculty practice and to develop and maintain a faculty practice plan for the orderly collection and distribution of income. This document represents a formal statement of such a plan for the College.

Faculty practice income shall include all payments resulting from professional services rendered by College of Medicine faculty associated with residency programs located at Sacred Heart Hospital in Pensacola, Florida, for which the College of Medicine is sponsor. Honoraria, royalties, consultation fees or other income derived from outside employment approved by the Dean of the College are not considered to be faculty practice income as described herein.

Faculty members engaging in the practice of medicine must do so only through the College of Medicine and its faculty practice plan, unless otherwise specifically approved by the Dean of the College. Each member of the faculty who practices in association with the Sacred Heart Hospital residency programs will assign to The Florida State University all faculty practice income generated by or on behalf of such faculty member, and adequate records will be kept of these collections.

Faculty practice income shall be distributed to appropriate funds of The Florida State University to be utilized for purposes consistent with, and in support of, the College of Medicine and The Florida State University. Such purposes shall include the payment of faculty and staff salaries and benefits.

The affairs of the faculty practice plan will be directed by a Board of Directors which will have membership in accordance with the plan's articles of incorporation and bylaws.

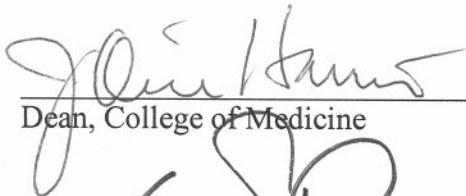
An annual financial statement for the prior fiscal year shall be prepared by the practice plan in accordance with the appropriate Chancellor's Memorandum of the Florida Board of Governors (Chancellor's Memorandum). An annual operating budget for the subsequent fiscal year, and amendments thereto as they may occur, shall be prepared by the practice plan in accordance with the appropriate Chancellor's Memorandum, for approval of the Dean of the College of Medicine and the President of the University. An annual financial audit of the financial records of the faculty practice plan shall be conducted in accordance with the appropriate Chancellor's Memorandum.

As to the faculty associated with the Sacred Heart Hospital residency programs, the Dean and the respective Department Chair shall discuss individual salary arrangements, with the result being memorialized by written contracts. The total salary of each faculty member must be approved by the Dean and the President of The Florida State University.

The governing principle is that the distribution of all faculty practice funds will be for the improvement and support of the academic mission of The Florida State University college of Medicine.

This plan shall become effective on the date approved by the Dean of the College of Education, the President of The Florida State University, and by the Chancellor of the Florida Board of Governors.

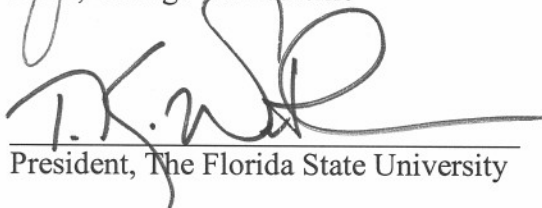
APPROVED:



Dean, College of Medicine

4/19/06

Date



President, The Florida State University

4/19/06

Date

Chancellor, Florida Board of Governors

Date