

Committee on Academic Planning & Budget

Chad Christine, MD, Chair

DRAFT MINUTES

Tuesday, May 24, 2016

PRESENT: Chad Christine (Chair), Russ Pieper (Vice Chair), Janine Cataldo, Michael Clune, Howard Fields, Hannah Glass, Stefan Habelitz, Sean Mong, Norm Oppenheimer, Paul Volberding, Meg Wallhagen, Lori Yamauchi

ABSENT: Michelle Arkin, Jennifer Arnett, Joe Bengfort, Sally Marshall, Mike McMaster, Howard Pinderhughes, Elliot Seeley

GUESTS: None

The Committee on Academic Planning and Budget (APB) was called to order by Chair Chad Christine on May 24, 2016 at 1:00 p.m. in room MH-2105. A quorum was present.

Approval of the April Minutes

Committee members reviewed and approved of the April minutes.

Chair's Report

Chair Christine reported on the following item:

- **Space Committee:** Chair Christine and member Paul Volberding recently attended a campus-wide space committee meeting. The group spent most of the time reviewing the plans for Block 33 and the Psychiatry building. The committee was also informed that the Chancellor has decided to move forward with conversion of some Mission Hall focus rooms into private offices. Space committee members were glad to hear that improvements are planned. However there are now concerns that administration is focusing more on the adding more programs to the building, rather than on making improvements for current occupants.
- **Campaign:** The committee's comments have been submitted. We will wait this summer to learn whether the campus will take on a new capital campaign.
- **UCSF Academic Senate Division Meeting:** On June 2, the Academic Senate will be holding their bi-annual Division meeting. The focus of the meeting will be on IT security and strategy.

UCPB Report

UCPB representative Russ Pieper reported on the following items:

- **UC Berkeley Structural Budget Deficit:** Earlier this year, UC Berkeley Chancellor Nicholas Dirks announced that the Berkeley campus could have a deficit of \$150 million in the next three years. To deal with the issue, the campus must make cuts and major structural reforms. In addition, the Chancellor disassembled the Office of Strategic Initiatives. Expansion plans have been scaled back and the campus will be focusing more on the core budget.
- **Salary Scale Increases:** The faculty pay scales have increase by 1.5% and there is another 1.5% increase anticipated later in the year. These increases are part of a faculty pay increase initiative that the Regents approved last year.
- **Health Science Compensation Plan Review:** UCPB recently reviewed the structure of the Health Science Compensation Plan (HSCP). This was mainly an information item to orient other UC faculty to the structure of the HSCP.
- **Non-Resident Supplemental Tuition:** UCPB discussed how each campus is using the revenue from non-resident undergraduates. In general, revenue is used for additional financial aid and to

enhance the overall educational experience. The big concern for the campus is whether or not there will be a cap or UC will be forced to reduce the number of students. This is a big concern for many of the campuses.

Review of Mission Hall Survey Results

Chair Christine informed the committee that while highlights of the Mission Hall survey were noted in the Open Workspace Taskforce report, specific statistics on occupant responses were not available. To review the survey in more detail, Chair Christine requested that the consultant firm hired to do the survey provide the raw data. In late April, consultants provided a scrubbed version of the data for APB member review. Committee members provided the following comments:

- The population of Mission Hall is predominately female
- The survey is not specific to faculty
- There are issues with some of the questions regarding the number of self-identified clinical and non-clinical faculty
- A majority of respondents provided negative feedback regarding their ability to concentrate; have confidential conversations; and adjust the workspace to personal needs.
- Responses were balanced when it came to whether the Mission Hall workspace affected individual ability to coordinate tasks with others; solve problems with others; locate others communicate with a group and overall group productivity.
- Overall results seem to show that respondents do not feel that productivity has gone down significantly. APB members noted that this might be because faculty and staff are committed to their research and will work hard no matter what the environment. However, that does not mean that members are satisfied or appreciate their work environment.
- Respondents still feel positive about UCSF and the work that they do.
- Respondents overwhelming felt that UCSF as an organization does not value them due to the space.
- Noise level is high and sound privacy responses are very negative.

After the initial review of the report, committee members made two data analysis requests. First, all members of the committee agreed that it would be much more helpful if the faculty and staff responses were separated. Committee members noted that a breakdown of faculty responses would be much more helpful in understanding how the activity-based workspace specifically impacts faculty productivity and well being.

The second request is for further investigation into an apparent discrepancy between survey questions 2 and 3. Members noted that question 2 results show that 175 individuals identified as faculty members. However, on question 3, a total of 254 individuals responded that they were either clinician/research or non clinical/research faculty. If 175 respondents were faculty members, then the total responses to question 3 should be surpass the same number. Committee members believe that some of the respondents may have been confused by question 3.

Campus Planning Report

Associate Vice Chancellor of Campus Planning Lori Yamauchi provided the following campus planning report:

Block 33 Building

- This building has been programmed with a hybrid of private offices and open-plan workstations
- There will be room for 1477 individuals. Building occupants include faculty and staff from Ophthalmology department and several other academic and non-academic units.
- There will be 231 assigned private offices and 1236 assigned open-plan workstations. There will also be 124 private offices will be available for workstation occupants to use.
- Learning from Mission Hall:
 - Noise: the new Block 33 building will have a different design to mitigate noise for occupants. For example, workstations will be moved away from common spaces like printer areas and the kitchen.
 - In addition, workstations will be organized so that the backs of occupants will not face circulation paths.
 - Focus Rooms: The new focus rooms will be called hotel rooms.

- Direction: there will be a way finding system
- More printer spaces
- More huddle rooms
- Block 33 will not take up the entire site. The additional area will be devoted to parking until the next Block 34 building can be built. When the next building is built there will be a new parking garage.

Psychiatric Building

- The new psychiatric building will be located south of the Beniof Children's Hospital, in the dogpatch neighborhood. Currently there is a building on the site that will be demolished.
- A private developer has been contracted to construct the building. Once complete, the university will lease the building back from the developer for the period of the lease agreement. At the end of the lease, the university has the option to buy the building.
- The new psychiatric building plans include clinical space, conference rooms and workspace.
- The new building will house programs that are currently located at Parnassus and SFGH.
- The new building will replace the Langley Porter building on the Parnassus campus. The Langley Porter building will be demolished and a new hospital will be constructed on the site.

Core Financial Plan Report

Acting Associate Vice Chancellor of Budget and Resource Management Michael Clune provided the following Core Financial Plan report:

- The Core Financial Plan
 - Management of the Core Financial Plan is governed by several key strategic principles
 - Provide timely, clear and comprehensive financial information
 - Collect the input of stakeholders
 - Shift from silo-based thinking to enterprise-wide thinking
 - Continue to move from short-term tactical actions to a long-term strategic approach
 - Continue to base projections on reasonable assumptions with alternate scenarios
 - Avoid fencing off fund sources
 - Provide management with the capability to choose from among competing demands
 - Maintain appropriate levels and types of reserves
 - Establish sound on-going baseline allocations
 - Keep an eye on UC system-imposed requirements
 - The Core Financial Plan provides an overview of UCSF's centrally-managed operating core funds
 - The main source of revenues include:
 - Indirect cost recoveries
 - State Funds
 - Infrastructure and Operations Fund
 - Tuition
 - Interest Income
 - Non-core revenues include:
 - Clinical Revenue
 - Contracts and Grants
 - Fees for Service
 - Private Gifts
 - Investment Income
 - Core funds are mainly used for school and administrative operations and to pay for debt service and UCOP
- 2014-2015 Results
 - Actual 2014-2015 Recurring Sources: \$545 million
 - This amount excludes \$89 million one-time Laurel Heights lease

- Recurring Sources Include the following:
 - In 2014-2015, Recurring Allocations totaled \$359 million
 - Annual Allocations in 2014-2015 were \$171 million
- Core Financial Plan Changes – 2015-2016 through 2024
 - During the 2015-2016 budget process, the Chancellor authorized \$116 million of funding for UCSF initiatives
 - The topics of these initiatives includes
 - EVCP Strategic Staffing Support
 - Library Collections
 - Tech Commons/eLearning/Kanbar Center
 - IT Security
 - Science and Health Partnership
 - University Development
 - Branding
 - Diversity and Outreach
 - CTSI Center for Community Engagement
 - Pillar on the Culture of Inclusion
- Revenues and Allocations 2015-2016 through 2024 – 2025
 - The key metric we use to monitor the Core Financial Plan over time is the annual ending fund balance. This consists of the recurring sources minus the recurring and annual allocations
 - Projected 2015-2016 Recurring Sources: \$595 million
 - In 2015-2016, recurring allocations will total \$386 million, reflecting deferrals of some commitments from 2014-2015
 - Annual allocations in 2015-2016 will be \$281 million
 - The greatest demand on our resources will continue to be recurring allocation to control points for operations
 - Over the next ten years, sources of funds are expected to rise steadily, but modestly.
 - Over the next ten years, debt service and recurring allocations will contribute to increases in outflows
 - The annual cost of debt service for facilities and infrastructure increases in support of our capital plan
 - Allocations for fixed cost increase, including utilities, become part of the recurring base budget
 - We are making good progress on addressing facilities investment needs
 - The core financial plan includes a ten-year commitment to technology project identified by the IT Governance Committee
 - Strategic Initiatives are funded in part with support from the UCSF Health System
 - \$105 million from UCSF Health Strategic Initiatives Support
 - \$32 million Strategic Initiatives from Chancellor support
 - In addition to the assessment for UCOP operations, UCSF contributes funds toward systemwide initiatives
 - Projected cumulative costs for UCOP Administrative Tax is \$386 million over the next 10 years
 - Projected cost of UCOP initiatives such as UC Path is \$127 million over the next 10 years

Old Business

None

New Business

None

Chair Chad Christine adjourned the meeting at 3:00 p.m.

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