Committee on Academic Planning and Budget
Kit Chesla, RN, DNSc, FAAN, Chair

ANNUAL REPORT
2008-2009

Primary Focus Points for the Year:
- Review of the Development Office Funding Model (delegation to a task force)
- Clinical Enterprise Strategic Plan
- Campus Ten-Year Capital Plan
- Impact of the Economic Downturn on Campus Budgets and Planning
- Review and Recommendations to the Control Points Budget Cuts and Requests for Chancellor’s Discretionary Funds

Task Forces, Special Committees, and Sub-Committees:
- WASC Accreditation Committee
- Chancellor’s Budget Work Groups on Reducing Costs and Increasing Efficiencies
- Task Force Reviewing the Proposal for the Development Office Funding Model
- Task Force Following Up on the Recommendations of the 2003-2005 Task Force on Faculty Recruitment, Retention and Promotion

Issues for Next Year (2009-2010)
- Continued Review and Comment to UCOP Salary Cuts and Furloughs
- Continued Review and Recommendation for Changes to the Funding Model for IT Infrastructure
- Continued Review and Recommendation for Changes to the Development Office Funding Model

2008-2009 Members

<table>
<thead>
<tr>
<th>Kit Chesla, Chair</th>
<th>Ex-Officio Members</th>
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<tr>
<td>Warren Gold, Vice Chair</td>
<td>Elena Fuentes-Afflick, Senate Vice Chair</td>
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<tr>
<td>Deborah Adey</td>
<td>Randy Lopez, Interim VC Admin &amp; Finance</td>
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<td>Christian Apfel</td>
<td>Bruce Spaulding, VC Advancement &amp; Planning</td>
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<td>Frances Brodsky</td>
<td>Sally Marshall, Vice Provost Academic Personnel</td>
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<td>Steven Cheung</td>
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<td>Ruth Greenblatt</td>
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<td>Nancy Hessol</td>
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<td>Shelly Hwang</td>
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<td>Peggy Leong</td>
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<td>Charles Marmor</td>
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<td>Wendy Max</td>
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<td>Norman Oppenheimer</td>
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<td>Ida Sim</td>
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<td>Kimberly Topp</td>
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<td>Candy Tsourounis</td>
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<td>Marcia Wadell</td>
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<td>Daniel Weiss</td>
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</table>

Ex-Officio Members: Elena Fuentes-Afflick, Senate Vice Chair
Randy Lopez, Interim VC Admin & Finance
Bruce Spaulding, VC Advancement & Planning
Sally Marshall, Vice Provost Academic Personnel

Permanent Guests:
Jonathan Showstack, OAAIS Liaison
Caroline Shiboski, Dentistry FC Chair
Linda Chafetz, Nursing FC Chair
Elyse Foster, Medicine FC Chair
Helene Lipton, Pharmacy FC Chair

Number of Meetings: 12
Senate Analyst: Wilson Hardcastle
Committee on Academic Planning and Budget (APB) Annual Report

Systemwide Business

The Academic Senate Committee on Academic Planning and Budget took up the following Systemwide issues this year:

University Committee on Planning and Budget (UCPB)
Norman Oppenheimer served as the UCSF and APB representative to the UCPB. Topics engaged by UCPB and discussed in APB include the following:

- Task Force for Planning for Professional and Doctoral Education
- UCOP Accountability Program
- Statewide/UC-wide budget cuts and related actions

Agendas, minutes, and reports from UCPB are available online at the Systemwide Academic Senate Web site.

Proposed Regents Item J1: Review and Comment
At the request of Division Chair Gardner, the Committee reviewed the system-wide Proposed Regents Item J1: a Proposed $2 Billion Revenue Bond Issue Intended to Finance Seismic Upgrades and Other Construction Projects (Appendix 1). The Committee communicated it support with comments and concerns to Division Chair Gardner in a communication dated December 11, 2009 (Appendix 2).

Review of the Proposed Higher Education Investment Act
At the request of Division Chair Gardner, and Senate Chair Croughan, the Committee reviewed and discussed the draft communication to the incoming Obama Administration from the Summit on Public Higher Education: The Higher Education Investment Act (confidential and not attached). The Committee expressed support for this proposal in a communication dated December 11, 2009 (Appendix 3).

Review and Comment: Proposed Business Plan for the University's Education Abroad Program
At the request of Division Chair Gardner, the Committee reviewed the UCOP Proposed Business Plan for the University's Education Abroad Program, or EAP (Appendix 4). The Committee discussed several points of the proposal, including the following:

- Revision of the program to increase fiscal soundness.
- Unfortunate timing of such a significant remodeling of this program in the current volatile economic market
- The concern of choosing in-country Directors rather than UC faculty and the related issues of UC control of quality of the curriculum. It was noted that this was considered carefully during the revision process.
- New and necessary coordination with other programs.

The Committee had no substantive comments or revisions from a budget or planning perspective.

Salary Cuts and Furloughs
The Committee reviewed the three possible options for salary cuts and furloughs prepared by the Chancellor and the EVC (dated June 17, 2009). These options were discussed extensively in the Academic Senate Coordinating Committee and June 18, 2009 meeting of the Division.
This year, the Academic Senate Committee on Academic Planning and Budget took up the following issues related to the San Francisco Division:

**Time and Attendance/Vacation Leave Assessment Project**
Z. Nelson and C. Taylor gave an informational presentation regarding the proposed Time and Attendance/Vacation Leave Assessment Project. Information and details are contained in the presentation slides attached as Appendix 5.

**Presentation of the Clinical Enterprise Strategic Plan**
J. Harris presented an overview of the new strategic plan for the clinical enterprise. The Executive Summary (16 page document) is attached as Appendix 6. Slides from the presentation are attached as Appendix 7.

Committee discussion regarding this topic included the following points:

- Concerns regarding Senate and faculty clinical teachers being left out of the plan and not being, in practical terms, integrated into the strategic plan (e.g. lack of accommodation or faculty offices at the new hospital, lack of FTEs to cover the clinical demands at the new clinical centers)
- The clinical enterprise strategic plan makes only passing reference to UCSF's core education and research missions. The mission of a medical center that operates as part of, and is owned by, an academic health center is significantly different from the mission of a stand-alone hospital. Shouldn't the clinical enterprise strategic plan describe how UCSF's educational and research missions are supported by the clinical enterprise?

J. Harris indicated that there were several calls for comment and feedback, including venues such as this (and the active participation of Academic Senate Clinical Affairs Committee). Faculty and campus concerns were collected and considered in the design of the implementation plan.

**Report from the WASC Accreditation Committee**
Harold Bernstein reported the status of the WASC accreditation to the Committee (Appendix 8). H. Bernstein reported that we are in the second stage: Capacity and Preparatory Review (CPR). The third stage will be the Educational Effectiveness Review, and that will take place latter part of 2009 (as will the site visit), and then the Effectiveness Review Report will be produced in 2010. The CPR Report will focus on three themes: Learning Environment, Learning Outcomes and Diversity.

The WASC Accreditation website was reportedly launched in November 2008. The Committee was advised to keep an eye out for a variety of campus engagement opportunities, and ongoing articles in UCSF Today. (See this article regarding the effectiveness of the Classroom Improvement Initiative, which was related to WASC accreditation preparation.)

Slides from Joe Castro’s (Co-Chair of the WASC Accreditation Committee) presentation to the School of Nursing contains additional information and are attached as Appendix 9.

**Recommendations of Academic Senate Task Force on Sustainability**
N. Oppenheimer, member of the task force, presented the summary and recommendations of the Senate Task Force on Sustainability (Appendix 10: Communication; Appendix 11: Slides).

Committee discussion regarding this topic included the following points:

- Switching to a stance of “encouragement” and “rewards” for participation in educational modules and best sustainable practices, rather than taking a position of “mandates.”
• The difficulty in limiting business travel when national and international reputations are necessary for academic advancement. Possible alternatives need to be provided.
• Opportunity for academic activity in sustainability: funding research to determine impact and alternatives for health sciences practices (blisters packs, operating theater equipment etc.)
• Tying sustainability goals to Quality Improvement projects.
• Again, the importance of a technical infrastructure to support videoconferencing between campuses.
• Include sustainability representative on various committees as in the same model of including diversity representatives—someone to ask about the green component of new initiatives or programs.

Review of State, UC, and UCSF Budget Status and Budget Processes Overview
Eric Vermillion, Associate Vice Chancellor Finance distributed binders of budget information and gave an orientation of the UCSF budget process. E. Vermilion specifically addressed the methodology of Indirect Cost Recovery.

E. Vermillion noted that much of this information, and a host of useful other financial planning and budget information, is available online at http://budget.ucsf.edu. The UCSF Updated Budget Review (contained in this binder) and the Final 2008-2009 Budget Update are now posted on the website.

Budget Process at the School Level
It should be noted in this annual report that at regular intervals, the Faculty Council Chairs shared with the Committee the budget and budget-cutting experience within each of the four schools and the level of faculty participation. Faculty have been involved in the budget planning process this year more than ever before.

Chancellor’s Executive Budget Committee (EBC), Budget Planning, and APB Cooperation
On January 22, 2009, APB Chair Chesla reviewed with APB the membership of EBC and the Principles and Guidelines to Govern Budget Reductions, Cost Savings, and Revenue Enhancements (Appendix 12). Chair Chesla reviewed the charge from the Chancellor to review budget processes in detail and prepare a three-year budget plan, considering a possible 10% budget reduction in state funding each year. It is clear that these serious budget cuts cannot be handled in the same manner as smaller cuts in the past. The Chancellor charged EBC with forming and organizing specific workgroups. These workgroups and their Senate/APB representatives are as follows (Appendices 13, 14, and 15):

1. Revenue Generation and Innovation—APB representative: Steven Cheung
2. Administration and Business Efficiencies—APB representative: Warren Gold
3. Academic and Clinical Programs Review—APB representative: Daniel Weiss (Senate Chair David Gardner will co-chair)

Chair Chesla had advocated for an APB representative on each work group, and the EBC agreed with the APB appointments.

Reports from the work groups were given in APB meetings and discussion points are noted in the minutes of February 19, 2009 and April 23, 2009.

UCSF Ten-Year Capital Financial Plan
Lori Yamauchi, Assistant Vice Chancellor, Planning gave an information presentation regarding the UC Capital Process Redesign and the Campus Capital Financial Plan (confidential). Presentation slides are attached as Appendix 16. UCSF plans to present their capital plans at the May meeting of the Regents. The long-range plans emanated from the strategic plan.
E. Fuentes-Afflick stressed the importance of sustainability as the long-range capital plans, which has also been stressed by the Chancellor. E. Foster suggested that “being a world leader” be stressed in conjunction with research/discovery as well as clinical services and clinical training. N. Oppenheimer suggested adding mention of the contribution of UCSF to the economy of California.

S. Marshall noted projects for parking at sites other than Parnassus. L. Yamauchi indicated that the new facility to replace UC Hall will be mixed-used and will include parking (part of the long-range development plan). She agreed to note this in writing in this proposed plan.

Chair Chesla requested that “Instruction” space be addressed separately from “Research,” as space dedicated to instructional is too often sacrificed in favor of research facilities. R. Greenblatt suggested that it might be beneficial to separate these two kinds of space for both planning and seeking development funds.

It was noted that when space is allocated for research purposes at UCSF, it is often considered to be for wet labs, even though there is a large amount of funding sent to this campus for clinical, translational, community or survey research. Such research space is less costly to build, and therefore seems to be given second priority, but is often overlooked and never allocated.

It was also noted that faculty office space at Mission Bay and in the proposal for the new hospital at Mission Bay is insufficient and needs to be addressed.

L. Yamauchi noted that this is a dynamic plan and encouraged Committee and faculty feedback, which can be sent directly to her via e-mail.

**Review of Control Points’ Budgets and Requests for Chancellor’s Stimulus Funds**

This year saw an unprecedented level of Senate involvement in the campus budget process, which was particularly important in this year of national and state budget crises, and significant cuts in state funding to the campus.

APB Chair Chesla and Senate Division Chair Gardner and Vice Chair Fuentes-Afflick attended the Chancellor’s Executive Budget Committee (EBC) meetings. All eight campus control points were asked to submit their proposed budgets to EBC, and in a parallel manner, to present to APB for review and comment.

While there were no Chancellor’s Discretionary Funds this year, the Chancellor was able to set aside a planned $12 million (over three years) in what came to be called Chancellor’s Stimulus Funds to which the control points could apply for offsets to their proposed budget cuts to maintain essential, mission-critical items. The EBC and APB would review these requests and make recommendations regarding approval to the Chancellor.

Each control point gave a presentation in person to the Committee. In addition to full Committee review, Committee members volunteered for subgroups to review each control point proposal in detail. The list of control points, workgroups, and members is attached as Appendix 17. Materials provided from the control points for review and considered confidential and are not attached to this annual report.

Ultimately, given the volatility of the State budget, the EBC decided to allocate only $4 million or one-third of the $12 million over the first year 2009-2010. The Office of Finance provided to the EBC and to APB a summary sheet of stimulus requests on a line-item basis, inclusive of dollar amounts, for the purposes of review and approval (also confidential).

Chair’s notes and comments from the Committee regarding the emerging process for budget review evaluation, and recommendation by EBC and APB are included in the meeting minutes, most extensively
discussed in the June 11, 2009 meeting. Please refer to those minutes for notations of opinion and suggestion regarding process.

Ultimately, the Committee heard and discussed presentations from all eight control points, discussed the guiding principles the Committee should use to guide their recommendations, reviewed the summary sheet from the Office of Finance, and ranked each line item on a scale of one to five. These ranking were used to frame the discussion in the meeting of the full Committee. The Committee identified priorities which were essential and reasonably made, and also considered mission-critical. The Committee recommended stimulus funding for its top priorities until the $4 million available had been allotted.

The Committee was also committed to providing greater feedback to the incoming Chancellors regarding the priorities and guiding principles for funding identified by the Committee. The Committee will re-address these principles in the fall after the installation of the new Chancellor.

The recommendations from the Committee on Academic Planning and Budget to Chancellor Bishop, dated June 19, 2009, is attached as Appendix 18.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Code</th>
<th>Description</th>
<th>Funding Request for 2009-2010</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>N1</td>
<td>Maintain faculty FTEs &amp; student enrollment</td>
<td>$552,000</td>
</tr>
<tr>
<td>1</td>
<td>D1</td>
<td>Maintain faculty-student clinic ratio at 1:8</td>
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<tr>
<td>1</td>
<td>N2</td>
<td>Maintain faculty FTEs - previously funded by Moore Fd.</td>
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<td>2</td>
<td>P3</td>
<td>Fund State General Fund est. budget reductions - FY 2009-10</td>
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<td>2</td>
<td>P1</td>
<td>Fund actual State General Fund permanent reductions - FY 2008-09</td>
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<td>2</td>
<td>C1</td>
<td>Improve Efficiency &amp; Cash Mgmt. - Grant Award Set-up - 4.00 FTEs</td>
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<td>2</td>
<td>P2</td>
<td>Fund actual State General Fund one-time reductions - FY 2008-09</td>
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<td>2</td>
<td>F1</td>
<td>Fund CACS (Sustainability) recommendations and initiatives</td>
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<td>3</td>
<td>AS1</td>
<td>Maintain committee stipends proposed for reduction (7% vs. 11% cut)</td>
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<td>3</td>
<td>D2</td>
<td>Additional staff to assist with accreditation</td>
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<td>3</td>
<td>A2</td>
<td>Collaborative Learning Environment (CLE) Core Implementation</td>
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<td>3</td>
<td>R16</td>
<td>Fund 2.00 FTEs Add'l Staff for C&amp;G Subcontract Team</td>
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<td>4</td>
<td>D3</td>
<td>Maintain student travel &amp; housing support</td>
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<tr>
<td>5</td>
<td>M1</td>
<td>Support to Family &amp; Community Medicine</td>
<td>$200,000</td>
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Total: $3,952,260

Members expressed a clear request that support recommended for Family and Community Medicine be specifically allocated to that department for teaching purposes. Additionally discussion about the relationship of the Medical Center budget to the campus budget raised many questions for faculty that the Committee hopes can be addressed in subsequent budget years.

Rate additive funding requests were not voted upon, since these requests were addressed or withdrawn in the Executive Budget Committee discussion on May 16, 2009.

The recommendations for funding the University Development and Alumni Relations Office were considered. Both the recommendation to increase STIP fee from 75% to 100% and to increase the foundation administrative fee from 0.35% to 0.40% passed by a simple majority vote.
Task Forces and Other Committee Service

This year, members of the Academic Senate Committee on Academic Planning and Budget served on the following Academic Senate task forces or other campus committees as representatives of APB or the Academic Senate.

- WASC Accreditation Committee
- Chancellor’s Budget Work Groups on Reducing Costs and Increasing Efficiencies
- Task Force Reviewing the Proposal for the Development Office Funding Model (Ongoing)
- Task Force Following Up on the Recommendations of the 2003-2005 Task Force on Faculty Recruitment, Retention and Promotion (Ongoing)

Going Forward

Ongoing issues under review or actions which the Committee will continue into 2008-2009:

- Funding Model for the Development Office
- Guiding Principles for Budget Planning and Funding During the Budget Crisis
- Ongoing Review and Comment on UCOP Proposed Salary Cuts and Furloughs
Appendices

Due to the extensive nature of these appendices, these documents will not be embedded into the PDF of this Annual Report, nor will paper versions be attached to hard copies. This Annual Report is posted online and accessible via the APB Web page on the Academic Senate Web site, and all appendices listed below link to the corresponding PDF document online.

Appendix 1: Regents Item J1: a Proposed $2 Billion Revenue Bond Issue Intended to Finance Seismic Upgrades and Other Construction Projects

Appendix 2: Communication from APB to Division Chair Gardner regarding Regents Item J1, dated December 11, 2009

Appendix 3: Communication from APB to Division Chair Gardner regarding the Higher Education Investment Act, dated December 11, 2009

Appendix 4: UCOP Education Abroad Business Plan presentation slides

Appendix 5: Time and Vacation Leave Assessment presentation slides

Appendix 6: Clinical Enterprise Strategic Plan, executive summary notes

Appendix 7: Clinical Enterprise Strategic Plan, presentation slides

Appendix 8: Western Association of Schools and Colleges (WASC) Accreditation Committee presentation, September 2008

Appendix 9: Western Association of Schools and Colleges (WASC) Accreditation Committee presentation given by Joe Castro to the School of Nursing Faculty Council (containing additional information), September 2008


Appendix 11: Sustainability Task Force presentation slides

Appendix 12: University of California, San Francisco Principles and Guidelines to Govern Budget Reductions, Cost Savings & Revenue Enhancements

Appendix 13: Charge from Chancellor Bishop: Work Group on Revenue Generation and Innovation

Appendix 14: Charge from Chancellor Bishop: Work Group on Academic and Clinical Program Efficiencies

Appendix 15: Charge from Chancellor Bishop: Work Group on Administrative and Business Efficiencies

Appendix 16: Ten-Year Capital Programs presentation slides

Appendix 17: List of control point presentations and the APB subgroups

Appendix 18: Communication from the Committee to Chancellor Bishop regarding budget and stimulus funding recommendations dated June 9, 2009

Appendix 19: 2008-2009 Attendance Record

Senate Staff:
Wilson Hardcastle, Senior Analyst
wilson.hardcastle@ucsf.edu; 415/476-4245