Committee on Academic Planning and Budget
Warren Gold, MD, Chair

MINUTES
Thursday, December 3, 2009


ABSENT: S. Cheung (Vice Chair), F. Brodsky, B. Gerbert, M. Gray, C. Tsourounis, D. Weiss, L. Yamauchi, C. Kennedy, J. Lee, H. Lipton

GUESTS: None

The Committee on Academic Planning and Budget (APB) was called to order by Chair Gold on December 3, 2009 at 1:35 p.m. in room S 30. A quorum was present.

The minutes of October 22, 2009 were approved.

Chair’s Report
Chair Gold’s report consisted of reports from UCPB, which is presented below.

Report from the University Committee on Planning and Budget (UCPB)
Chair Gold attended the most recent meeting of UCPB and provided an update to the Committee. Agendas and minutes will be posted to the UCPB Web page. UCPB discussed the “patchwork remedies” in place to address the state budget shortfall. Expected deficits have been reported as follows:

$305 Million One-time Cut
$105.7 Million Cut to UCRP and Health Plans
$156.7 Million Unfunded Enrollment
$332 Million “Reinvestment in Academic Excellence”

Furlough savings is reported at $184 million.

Chair Gold brought UCPB discussions of indirect cost recovery and next-step prioritizing to UCSF APB.

Discussion of Indirect Cost Recovery (IDC) Formulae and Practices
Chair Gold and UCPB have been exploring the calculation and allocation of IDC across the UC system and the campuses. UCPB and UCORP have formed a joint task force to investigate IDC recovery, and Chair Gold is a member of this task force. Chair Gold notes that it may be worthwhile to form a local UCSF task force to review the issue, as roughly $50 million of UCSF’s indirect costs are allocated to other campuses, and a disproportionate amount (half at last report) of UCSF indirect costs recovery is redirected (under policies of the previous Chancellor) to support the development and operation of the Mission Bay campus. At the end of the line, PI’s receive only approximately 3% of the original IDC.
Chair Gold called for two or three members to investigate the situation on the UCSF campus with regards to indirect cost recovery. Chair Gold will disseminate the slide from UCOP which details the formula for IDC allocation.

It was noted that UCSF will soon have a new Chief Business Officer and it would benefit the campus to educate this person and get him or her advocating for UCSF at UCOP on this issue as soon as possible.

Discussion followed, including issues related to the Medical Center. E. Foster suggested inviting CMO Josh Adler to address the Committee to explain the condition at the Medical Center and the financial, clinical, and educational relationships with the Schools (particularly how the clinical finances interoperate).

Also added to this discussion was the rate of increase of administrative staff compared to faculty or student levels.

**Budget Items of Interest**
Chair Gold reported to the Committee information on certain budget items affecting the UCSF campus based on reports he has received in his capacity as Chair of APB. Discussion followed which resulted in a recommendation for the formation of a new task force of APB members (and other committees such as Faculty Welfare and Research) and representatives (or delegates) from the faculty councils of all four schools to examine the trends in faculty growth and growth of administrative positions on this campus, and to conduct this investigation in light of the investigation underway at systemwide and the recently completed report from the task force following up on the Armitage report (which will be disseminated to the Committee and the faculty in the coming weeks). This recommendation will be discussed with Division Chair Elena Fuentes-Afflick after review of the report of the task force following up on the Armitage Report.

**Internal Discussion Poll of UCPB**
UCPB created and disseminated among its members a list of budget cut worsening case scenario items to prepare for future discussions and deliberations if and when the next round of draconian cuts are mandated by the State Budget, Regents or UCOP (Attachment 1). Members were ask to rank these items from 5 (willing to explore) to zero (desperately wish to avoid) to focus budget discussions in the future and mitigate “panic mode.”

Chair Gold shared this list with UCSF APB members and asked for their opinions so he might best represent UCSF APB to UCPB.

M. Engler recommended adding to the revenue list the increase of CME courses (online, remote access education), however Chair Gold noted that the experience of other institutions has shown this avenue to be unsuccessful. Discussion continued regarding other educational programs to external communities. In some cases, it was suggested that it would be better not to charge for these programs, but use these as opportunities for development and fundraising, or alternatively to target the external education programs to communities able and willing to pay (a sort of reverse medical tourism).

The Committee would like to invite the new Vice Chancellor for Development Carol Moss to address a meeting of the Committee to both hear her ideas for addressing and improving fundraising, but also to suggest faculty ideas for development opportunities. Some of the ideas bandied about during discussion may or may not garner financial support, but could be used to secure public and politic support in Sacramento.

K. Topp suggested adding to the Cuts section, adding the postponement of creating the medical school at the Riverside campus, as well as postponing expansion of other campuses.
Discussion followed, including the dangers of the lure of electronic systems and the duplication systems and efforts in the medical center.

Discussion continued regarding the “Cuts” list, and suggestions included merging some graduate departments across campuses (but infrastructure for facilitating such need to be developed and implemented). Global Health is a good example. Departments in the School of Nursing have successfully merged not their academic programs but some of their administrative activities.

The Committee agreed that it would not support additional increases in graduate student fees, nor suspension of faculty merits, nor extending the furloughs.

**Old Business**
None.

**New Business**
None.

Chair Gold adjourned the meeting at 3:30 p.m.

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