Committee on Academic Planning and Budget
Steven Cheung, MD, Chair

MINUTES
Thursday, April 14, 2011


GUESTS: Eric Vermillion, Associate Vice Chancellor, Finance; John Ellis, UCSF Assistant Vice Chancellor, Controller; and Rob Cotterman, Assistant Controller, Disbursements

The Committee on Academic Planning and Budget (APB) was called to order by Chair Cheung on April 14, 2011 at 1:00 p.m. in room S 30.

The minutes of March 17, 2011 were approved.

Chair’s Report and Report from the University Committee on Planning and Budget (UCPB)

Chair Cheung reported on the following items:

- Chair Cheung reported on the recent discussions at UCPB and the Academic Council. Agendas and minutes of UCPB meetings will be posted to the UCPB Web page. Academic Council minutes are posted online on the Academic Council Web page. Topics included: State support is at $2.5 billion and the fear is that this is not the final cut as another $500 million cut is possible. Methodologies to reallocate state funds to the campuses are under consideration (Rebenching). Student fees may rise again. Sacramento has proposed pension reform that may impact the University of California.
- Susan Carlson, system-wide Vice Provost Academic Affairs visited the UCSF campus and met with Senate leaders, including APB and CAP leadership.

Presentation: New Personal Accounting System for UCSF
John Ellis, UCSF Controller and Rob Cotterman, Assistant Controller Disbursements gave an informational presentation regarding the new traveler accounting and reimbursement system for UCSF faculty and staff referred to as the “My Expense” program. Slides from this presentation are attached as Attachment 2.

Update on the Recommended Modifications to the Health Sciences Compensation Plan, Meeting with the Committee on Faculty Welfare
Vice Chair Mary Gray met with the Academic Senate Committee on Faculty Welfare last week on April 7 to present and discuss APB’s proposed modifications to APM 025 and APM 670 regarding the Health Sciences Compensation Plan. Vice Chair Gray shared the discussion points with the Committee, which are summarized in the communication from Faculty Welfare to APB dated April 12 and attached as
Attachment 1). The Committee discussed the concerns raised by the Committee on Faculty Welfare as well as other points for APB to address before submitting this to Chair Fuentes-Afflick and the Coordinating Committee. Points included

1. A variable scale for those at less than 100% appointments.
2. Justification for the proposed $40,000 limit.
3. Tying the $40,000 limit to a regular review (e.g. every ten years) or tied to an external financial index.
4. Survey of local departments as to their individual limits.
5. Broadening the range of categories of income which could be retained.
6. Stating safeguards to abuse of the system for those with private practices and outside patient care.
7. Liability for external clinical activities needs to be covered by an external agency before such activity is allowed by the Department Chair.

It is important to remember that these modifications are being proposed to mitigate significant expenses imposed by postemployment benefits plans, which will reduce faculty compensation. Discussion continued.

It was particularly noted that the Clinical Professor, Volunteers who would possibly be the most at risk for the conflict in carrying on a private practice are not members of the Health Sciences Compensation Plan and therefore the problem is not as large as some may fear. Faculty with 100% appointments also would not have the time, opportunity, or even mechanisms within legal regulations to abuse the system in the imagined ways.

The Committee was interested in historical incidents which prompted the limits and restrictions on external patient care so that they could better draft criteria to prevent such from recurring while still allowing a greater range of and greater retention of outside clinical activity. It appears that there were some abuses of University space and clinical resources for which the clinician accepted the funds privately. These situations have been remedied. There were also issues of insufficient OR time for faculty practitioners to attend to their patients while practitioners with UCSF privileges consumed local resources by bringing high-complexity (expense) cases here instead of their private practices. These concerns also seems to have been addressed by a revision in the OR reservation policies. Contrary examples of the relative ease of transferring a case from UCSF to another medical center were offered.

The question is: Have there been enough systematic barriers to prevent these issues from recurring if broader clinical activities are allowed? It was argued that the 1999 revision to the HSCP was not designed to address these concerns, nor was the revision the means by which these issued were resolved. Currently, there is only a day cap and not a dollar cap for external professional activity.

The Committee also noted the difficulty in capping external income for faculty in the current terrible financial situation when salaries are cut, benefits are cut, the disparity with comparable institutions is so great, and faculty and their families are struggling.

The question was raised, “Does the case of the full faculty member with an active outside practice truly exist anymore?” The prevailing opinion was “no.” In the cases that a person would take a shift in an outside clinic, it would likely be as a contractor. However, the potential for conflict (and “cherry picking”) is real and should be addressed in the proposal. This potential for abuse could be minimized by the allowance of or level of external care to be at discretion of department chairs.

Chair Cheung proposed sending additional comments to him or Mary (please copy the analyst), and the sub-committee will produce a revised draft proposal.
Old Business
None.

New Business
None.

Chair Cheung adjourned the meeting at 3:00 p.m.

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