



Committee on Academic Planning and Budget

Annual Report 2001-2002

Stanton Glantz, Ph.D.
Chair

During the 2001-02 academic year, the Committee on Academic Planning and Budget (APB) met as a Committee twelve times.

Issues reviewed and acted on by the Committee included:

- Contingency Planning for Proposed Budget Cuts.
- UCSF Campus Update to its Five-Year Perspective on Academic Programs.
- Increase in the Federal Rate of Return for Indirect Costs.
- Report on the Proposed Center for Health and Community.
- Proposal for a UCSF 5th School (School of Advanced Health Studies).
- APB Involvement in Campus Short- and Long-Range Budget and Planning Issues.
- Revision of the APB Bylaw.
- Allocation of new Faculty FTEs.

Systemwide Issues

Richard Price served as the University Committee on Planning and Budget (UCP&B) representative and reported to APB on matters considered by UCP&B during 2001-02. A primary focus for UCP&B this year was the UC budget in light of the declining state revenues and projected and actual budget cuts. Additional issues included:

Postdoctoral Fellows: A previous proposal for postdoctoral fellows was revived. The goal is to lend a consistency to policy governing postdoctoral fellowships throughout the UC system.

Audit of the Partnership Agreement by the Bureau of State Audits: Jerry Kissler, UC Vice President of Budget, Planning & Fiscal Analysis, discussed with UCP&B the pending audit related to the Partnership Agreement between the Governor's office and the University. This agreement (under former Governor Pete Wilson, this agreement was referred to as the 'Compact') outlines a number of items, including those that the state will provide the University (short list) and those the University (long and detailed list). This agreement formed the basis for increases in the University budget in the last two years in



addition to core budget issues and focuses in large part on general campus programs, with access, enrollment and outreach being particularly strong issues.

UCSF Academic Planning & Budget Issues

The Committee worked on several issues at the Division level.

Contingency Planning for Proposed Budget Cuts

In anticipation of proposed State funding reductions, the UC Office of the President (OP) requested that campuses consider a range of potential budget cuts. In response, the UCSF Budget Office prepared a confidential draft, for discussion purposes only, called '2002/03 and 2003/04 UCSF Financial Contingency Planning.' The UCSF Budget Office asked that Senate provide suggestions or processes to help plan for potential budget cuts. APB identified a set of criteria that the Budget Office could use, for example, if targeted cuts were recommended and through the Chair of the Senate, forwarded its recommendations to S. Barclay, Vice Chancellor for Administration and Finance. ([Attachments 1-2.](#))

In addition, VC Barclay updated APB on the fiscal problems facing the State of California this year and the consequent issues that OP faced. Among the issues he noted:

- When considering budget cuts, OP aimed to preserve the core academic programs, a goal APB fully endorsed.
- Any cuts due to the current budget crisis are magnified because the campus never fully recovered from the cuts and staff reductions implemented in the early 1990's.
- A hiring freeze was put in place for all positions funded by State 19900 funds.
- The Chancellor advised the Schools not to request significant, permanent new money in light of the State's budget picture.
- There will likely be large financial cuts to the Schools of Dentistry and Medicine due to the projected and actual State cuts in health and human services.
- The financial architecture of the State 2002-2003 budget is likely to cause problems in the 2003-2004 budget. Consequently, UCSF will need to engage in contingency financial planning for the possibility of greater cuts in FY 2003-04.

Task Force Report on the Center for Health and Community

APB member Jane Norbeck represented the Committee, along with members of the Committee on Research and Graduate Council on a Senate Task Force reviewing the



proposal for a non-ORU Center for Health and Community. APB reviewed and provided input into the Task Force report and unanimously endorsed the revised report

Update to UCSF Five-Year Perspective for New Academic Programs

UC Provost and Senior Vice President C. Judson King made the annual request in December 2000 to each campus for updated campus five-year perspectives for new academic programs for years 2001-2006. UCSF administration, in turn, asked the Senate to review UCSF's draft update to the campus five-year perspective and provide any suggested edits or additions. APB reviewed this draft at the request of Senate Chair Bikle. APB suggested one change to the draft document: Incorporation of an acknowledgement of the Senate's work on a detailed review of the proposed 5th School for Advanced Health Studies ([Attachment 3.](#))

Increase in Federal Rate of Return for Indirect Costs

Vice Chancellor Barclay reported that UCSF negotiated with the Federal government on increasing the return of indirect costs. UCSF attempted to include a component for technology in the rate, as that is currently not considered part of operational costs. In 2000-2001, the return of indirect costs was approximately twelve percent.

Proposal for 5th School at UCSF

The Office of Academic Affairs submitted a preliminary proposal for a 5th School (tentatively named the School of Advanced Health Studies) to the Office of the President and the Systemwide Senate. Senate Chair D. Bikle created a Task Force with representatives from APB and Graduate Council, as well as additional members to ensure representation from all four Schools. The Task Force was charged with reviewing and reporting on the proposal for a 5th School, as submitted. APB was the lead committee on the Task Force and worked with Graduate Council on finalizing the Task Force charge. ([Attachment 4.](#)) The Task Force included Jane Norbeck as Chair (also Vice Chair of APB from the School of Nursing), John Featherstone (School of Dentistry), Tony Hunt (School of Pharmacy APB member), Boris Peterlin (Graduate Council), Jon Showstack (School of Medicine APB member), Lynn Verhey (Graduate Council) and Zena Werb (School of Medicine APB Member).

The Task Force met several times, conducted numerous one-on-one interviews and reviewed available assessments of the proposal before writing and transmitting its final report to APB. APB in turn forwarded the report to Senate Chair Bikle for transmission to the Chancellor. APB had independent recommendations regarding the proposal and included those in a recommended cover letter for Chair Bikle to use in his transmission of the report to the Chancellor. ([Attachments 5-6.](#))



APB Involvement in Short- and Long-Range Campus Budget and Planning Issues

Continuing efforts begun last year, APB worked closely with Senate Chair Bikle, Senate Officers, Chairs of the Faculty Councils from all Schools and VC Barclay and his staff to finalize a plan for the Senate's expanded involvement in campus short-term and long-range budget and planning issues. In December 2001, Senate Chair Bikle forwarded an APB proposal to the Chancellor for consideration. After submission to the Chancellor, both the budget and planning portions of this proposal underwent significant revision.

Budget Involvement: Vice Chancellor Barclay, APB, Senate Officers and the Faculty Council Chairs continued to discuss and revise the budget portion of the proposal throughout the spring. Ultimately, APB and the Chairs of the Faculty Councils finalized a plan for integration into the campus budget process. This plan has two distinct components. It first outlines increased involvement of the Faculty Councils with their respective Deans in formulating the Schools' budget requests. The second half outlines APB's involvement in the budget process after the Schools have submitted their budget requests to the Chancellor. The Deans agreed to this plan, and VC Barclay and Senate Chair Bikle endorsed and forwarded it to the Chancellor. The plan will be fully implemented as a two-year pilot beginning in academic year 2002-03. ([Attachments 7-8.](#))

APB was, however, able to participate in a limited review of the campus budget and School's budgets and provide recommendations to the Chancellor this year. Those recommendations were based in large part on information that VC Barclay and Assistant Vice Chancellor of Budget and Resource Management E. Vermillion provided regarding major budget issues under Executive Budget Committee consideration. The Executive Budget Committee (EBC) comprised of the Vice Chancellors, the Deans, the Medical Center CEO, the Senate Chair and Vice Chair and the Senate APB Chair. The EBC's charge is to review, evaluate, prioritize, and make funding recommendations to the Chancellor for resource requests proposed in the operating and capital budgets submitted through the Campus Resource Call process. In the spring, the EBC reviews and discusses budget issues and ultimately makes budget recommendations to the Chancellor.

VC Barclay and AVC Vermillion distributed information and gave summary reports to APB on each of the following campus budget issues.

1. Bioterrorism
2. Deferred Maintenance
3. Administrative Systems
4. Mission Bay Start-up Costs
5. Return of Indirect Costs to Faculty
6. Funding of the Development Office



APB discussed the ramifications associated with various of these proposals. It was approximated that the Chancellor might have around \$10 million in new discretionary funds this year, an increase that results from the increase in the return of indirect costs. The Committee decided to use \$10 million as the framework for their budget recommendations. In addition, the Committee determined that it did not receive sufficient budget information from the Deans of the four Schools to provide recommendations relating to their budget priorities. After circulation of the draft to the chairs of the Faculty Council chairs, APB finalized its budget recommendations and, with concurrence from Senate Chair Bikle, transmitted them to the Chancellor. ([Attachment 9.](#))

Long-Range Planning Involvement: With regard to long-range planning, APB received information from Vice Chancellors Bainton, VC of Academic Affairs, and Spaulding, VC of University Planning, on the Chancellor's various long range planning committees. These committees are essentially divided into two categories: 1) New planning, and 2) Implementation of previous planning. The first, new planning, relates almost exclusively at this time to the amendment of the Long-Range Development Plan (LRDP) to incorporate planning for replacement of Moffitt hospital. Because many of these committees had already begun their work, the Chancellor was reluctant to appoint anyone new. He requested that APB instead review the list of members currently populating those committees and determine who on the list might best serve as a liaison to APB. APB agreed to this.

The second category of long range planning committees includes those committees implementing plans that were programmed into the last LRDP (e.g., the New Toland Hall Committee). With regard to both the LRDP amendment committees and the other long range planning implementation committees that have not yet started their work, the Chancellor asked that APB provide him with three recommendations for appointment to each committee from which he will choose one. APB agreed to this as well.

VC Spaulding noted the continual formation of long range planning committees as needs arise. APB would like to be systematically informed of the creation of committees at the Chancellor or Vice Chancellor's level. VC Spaulding agreed to set up a system wherein Lori Yamauchi, Assistant Vice Chancellor for University Advancement and Planning, notifies the APB chair of the formation of new planning committees. ([Attachments 7-8.](#))

Revision of the Committee Bylaw

The Committee on Rules and Jurisdiction (R&J) has been working on revising the Divisional Senate Bylaws. R&J has asked for comments/approval regarding each individual Senate committee's revised bylaws. With regard to its bylaw revisions, APB discussed whether all Committee members should be of Associate rank or higher and



whether ex officio members of the Committee should be able to vote. The Committee decided in favor of both those propositions and voted unanimously to approve the revised draft that required members to be of Associate rank and gave ex officio members the right to vote. APB forwarded its proposed bylaw revisions to the Committee on Rules and Jurisdiction. ([Attachment 10.](#))

Allocation of New Faculty FTE's

One of the charges of the APB Committee is to review and comment on FTE allocation decisions. The Committee feels the Senate should be involved in all future FTE allocation decisions, and discussions are taking place with Executive VC Kelly to identify the best way to coordinate this type of review. This is likely an issue that will get carried into the Committee's work in 2002-03.

Issues for the 2001-02 Academic Year

- Provide APB members with training and orientation relating to budget issues.
- Continue to improve communication between the Executive Budget Committee and APB.
- Continue to improve communication between the Faculty Councils and APB on budget issues.
- Issue budget recommendations for 2003-04.
- Continue to improve communication between APB and APB members and liaisons serving on long-range planning committees.
- Follow-up on ensuring that the Senate plays an integrated role in future faculty FTE allocation decisions.
- Review transmittals from all standing Senate Committees and Senate Officers relating to policy or other recommendations with a potential fiscal impact.
- See that appropriate campus procedures for QB3 are developed in concert with Systemwide UCPB
- Consider Planning and Budget implications of Mission Bay plans

Respectfully submitted,

Committee on Academic Planning and Budget

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