



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

ANNUAL REPORT 2010-2011

Primary Focus Points for the Year:

- Reductions in Post Employment Benefits
- Strategies to address ongoing reductions in state funding
- Proposing changes to the Health Sciences Compensation Plan to allow greater external income to offset reductions in faculty compensation
- Monitoring efforts at UCOP to redesign how the UC campuses are funded (“rebenching”)

Task Forces, Special Committees, and Sub-Committees:

- UCSF Indirect Cost Recovery Task Force
- Task Force on Senate Membership
- Sub-Committee Reviewing the Health Sciences Compensation Plan

Issues for Next Year (2011-2012)

- Continued discussion with Deans and the Departments to increase retention of income from external activities to offset reductions in faculty compensation
- Continued monitoring of the “rebenching” effort to redesign how UC campuses are funded via the Office of the President

2009-2010 Members

Steven Cheung, Chair

Mary Gray, Vice Chair

Frances Brodsky
Mary Engler
Barbara Gerbert
Ruth Greenblatt
Nancy Hessol
Shelly Hwang
Peggy Leong
Wendy Max
Ida Sim
Michael Steinman
Jonathan Strober
Kimberly Topp
Candy Tsourounis
Marcia Wadell
Daniel Weiss
Elad Ziv

Ex-Officio Members

Robert Newcomer, Senate Vice Chair
John Plotts, Senior VC Admin & Finance
Lori Yamauchi, for VC Advancement & Planning
Sally Marshall, Vice Provost Academic Personnel

Permanent Guests

Elazar Harel, VC-IT/CIO
Janice Lee, Dentistry FC Chair
Meg Wallhagen, Nursing FC Chair
Heather Fullerton, Medicine FC Chair
Norm Oppenheimer, Pharmacy FC Chair

Number of Meetings: 9

Senate Analyst: Wilson Hardcastle

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)

Steven Cheung served as the UCSF and APB representative to the UCPB. Topics engaged by UCPB and discussed in APB focused on the state-wide and UC-wide budget cuts and related actions, including plans by UCOP to redesign the formulae for funding the individual campuses

Agendas, minutes, and reports from UCPB are available [online](#) at the Systemwide Academic Senate Web site.

Review of the Report from the Post Employment Benefits Task Force

The system-wide Senate distributed the Final Report from the Post Employment Benefits Task Force to the divisions for review ([Appendix 1](#)). Chair Cheung worked with UCPB on this issue and presented new slides to the Committee to better explain the situation and choices facing the University ([Appendix 2](#)). The primary opposition to all plans was that all results in a decrease in total remuneration, which is detrimental to current and future faculty/staff, as well as recruitment and retention.

After much discussion in the meetings and online, the Committee sent a Communication dated October 26, 2010 to Chair of the Division Fuentes-Afflick reporting their review and recommendations ([Appendix 3](#)).

Divisional Business

This year, the Academic Senate Committee on Academic Planning and Budget took up the following issues related to the San Francisco Division:

Mission Bay Phase II Study

Lori Yamauchi, MCRP, Assistant Vice Chancellor Campus Planning gave an informational presentation regarding the Mission Bay Phase II study. Slides from this presentation are attached as [Appendix 4](#).

The Committee discussed and provided feedback regarding aspects of the plan and perceived faculty priorities for development at Mission Bay, including faculty office space and faculty housing. Also noted was the need for planning to follow academic planning needs and the need to develop the feeling of a "living space" on the Mission Bay campus including housing, child care, playgrounds, athletic spaces and schools. Child care and housing are essential concerns regarding faculty recruitment and retention. Evening activity and safety will be essential to successful development as well.

Review of Updates to Campus IT Infrastructure and Long-Range Planning

On January 20, 2011 campus CTO Opinder Bawa gave the Committee an overview of recent upgrades to the campus IT infrastructure and outlines plans for the future. Slides from this presentation are attached as [Appendix 5](#). Discussion followed. CTO Bawa indicated that performance measurements of various facets of IT service will be reported to campus committees in about six months.

UC Funding Streams Proposals

On January 20, 2011 Chair Cheung, AVC E. Vermillion and AVC Angela Hawkins led the Committee in the review and discussion of the proposed new model for funding campuses in the UC system as put forth by UCOP, President Yudof and Provost Larry Pitts ([Appendices 6a](#) and [6b](#)). E. Vermillion and A. Hawkins presented spreadsheets indicating the impact to UCSF based on previous sample data ([Appendix 8](#)). It should be noted that these were not the final models and this issue remains ongoing and under continued revision. The Committee provided a response on February 2, 2011 ([Appendix 7](#)).

Proposing Revision to APM 025 and APM 670: Revising the Health Sciences Compensation Plan to Allow for Greater External Activity and Greater retention of Income from External Activities

In response to the combined increase in required faculty contributions to the retirement plan and the reduction to UC post employment benefits, the Committee suggested revising the Health Sciences Compensation Plan to allow for greater external activity and greater retention of income from external activities as a way to alleviate some of this burden on faculty and address recruitment and retention of new faculty. This issue was discussed at length and a subcommittee was formed to examine the issue. At the time of this report, this sub-committee remains actively engaged on this topic and is meeting with School Deans and other campus leaders on this issue. Documents relevant to this ongoing discussion are as follows:

- [Appendix 9:](#) APM 025, as of January 20, 2011
- [Appendix 10:](#) APM 670, as of January 20, 2011
- [Appendix 11:](#) APB Sub-Committee proposed modifications, first round, March 4, 2011
- [Appendix 12:](#) Communication from APB to the Committee on Faculty Welfare regarding proposed changes to the Health Sciences Compensation Plan dated March 15, 2011
- [Appendix 13:](#) Communication from the Committee on Faculty Welfare to APB regarding proposed changes to the Health Sciences Compensation Plan dated April 7, 2011
- [Appendix 14:](#) APB Sub-Committee proposed modifications, revised, May 4, 2011
- [Appendix 15:](#) APB Communication to John Plotts, Senior Vice Chancellor Finance, dated May 4, 2011
- [Appendix 16:](#) Communication from Sam Hawgood, Dean, School of Medicine, to SVC Finance John Plotts dated May 31, 2011

During subsequent meetings of the Sub-Committee and Chair Cheung with the Executive Vice Chancellor, Vice Provost Academic Affairs, School Deans, Senior Vice Chancellor Finance, and other stakeholders, there was not sufficient support from the administration to warrant an independent effort from the Senate to push for these changes at the system-wide level. Instead, efforts continue to instigate changes in policy on the local, campus level to benefit faculty in the areas of external activity and retention of income from external activity as a means of addressing the overall decreases in faculty remuneration and benefits.

- [Appendix 17:](#) APB Sub-Committee meeting with SOM and SOD Deans Scheduled for August 28, 2011

As it stands at the time of this writing, the crux of the matter is as follows:

Post-threshold outside revenue derived from non-clinical activities is subject to the dean's assessment and department tax, which is not homogeneous across campus. A negotiation point may be that if faculty were permitted to engage in professional activities that are related to the training and experience which are the individual's qualifications for University appointment, all stakeholders can benefit from additional revenue. The prevailing concern among campus administrators is that the University would suffer from adverse selection, with higher margin baskets of business going to satellite clinics, leaving lower margin residues to the University. This is a valid point, but monitoring, enforcement, and taxation schemes can be created to rope in runaway players. In our view, you can relax restrictions to create a better work environment for all and still maintain good control over the workforce.

Presentation: Ongoing UCSF Sustainability Activities and Accomplishments

Gail Lee, REHS, MS, HEM, UCSF Sustainability Manager gave a presentation regarding the recent "green" activities and programs initiated by UCSF. Ellen Weber serves as the APB representative to the Chancellor's Committee on Sustainability. Slides from this presentation are linked here as [Appendix 18](#).

Presentation: SciQuest “Bear Buy” E-Procurement System

Jim Hine, Executive Sponsor of the new joint UCSF and UC Berkeley Sci-Quest program addressed the Committee and reviewed the new e-procurement system for internal organizations, faculty, and staff. Slides from this presentation are linked here as [Appendix 19](#).

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 [Appendix 20](#).

UCSF and Industry Collaboration: Costs and Benefits

At the May 19, 2011 meeting, Chair Cheung led the Committee in a discussion with Executive Vice Chancellor Jeffrey Bluestone regarding UCSF programs, practices and policies governing collaborations with industry. EVC/P Bluestone reviewed the newly created offices and agencies on campus which seek to build partnerships and organize industry collaborations and manage technology transfers. (See the Office of Technology, Innovation, Industry, and Partnerships or [OTIIP](#).)

EVC/P Bluestone reviewed the recent arrangements with Pfizer as well as other new models for industry collaborations. The EVC/P would like to move toward towards a campus-wide system for agreements in which industry would supply both money and patents/technology to collaborative programs, proposals for which would be reviewed and approved by a central body.

One model in use is the one used for the Pfizer collaboration [Center for Therapeutic Innovation](#). UCSF sets aside a sort of venture fund to which faculty may apply (via a call for proposals) in conjunction with a financial and technological component from an industry partner. Such collaborations are currently in progress with Pfizer. Should the industry decide not to continue a project, control of intellectual property rights would be transferred to UCSF, with royalties to the original partner, and UCSF would be free to seek another partner and continue the project. In this manner projects cannot be “killed” by the industry partner.

The ECV/P reviewed other collaborative models in place, including the blanket MTA with Genentech and others, and the Cancer Center.

All of these models and programs adhere to high ethical standards to protect UCSF faculty, students and post-docs, as well as ensuring regulatory compliance.

EVC/P Bluestone also reviewed recent activities at QB3 before opening up the discussion to a Q&A with the Committee. Conversation included the balance of industry collaboration with academic freedom and integrity with funding opportunities and financial and educational benefits to the faculty and the campus, including increasing indirect cost recovery funds for the campus. Other points included outcome measures, warrants, options, management of intellectual property, conflicts of interest and ethical standards. Industry collaborative funding is very different from grant funding, and agreements are reviewed on an annual basis.

A Conversation with SVC Finance: Financial Challenges Facing UCSF, and Opportunities for Senate Cooperation in Facing these Challenges

At the May 19, 2011 meeting, Senior Vice Chancellor, Finance John Plotts addressed the Committee regarding the state and local budget cuts and other financial challenges facing the campus, and how the Academic Senate and its members can be more involved in the decision-making processes responding to these challenges.

SVC addressed what he believes are the top three challenges facing UCSF today.

- 1) Post-employment benefits costs and unfunded liabilities. UCOP has borrowed from the STIP in order to make additional contributions to the UCRP to shore up the pension plan, generate incremental investment return and limit the unfunded liabilities. Also discussed the estimated future of PEB contribution rates and the calculated unfunded liabilities to the University
- 2) Cuts in state support.
- 3) Pressure on the clinical enterprise cost structures: Pressures on the Medical Center with uncertainties which come with access to health care reform and costs developing the new clinical enterprise at Mission Bay.

Discussion continued and included striving to operate as a community if we seek to become more self-sufficient.

Planning for an Academic Commons for the Library

Karen Butter, University Librarian and Joe Castro, Vice Chancellor Academic Affairs, presented the Committee with initial ideas regarding the creation of an “Learning Commons” for the campus incorporating library space and library services (see “Re-envisioning the Library,” [Appendices 21](#) and [22](#)). K. Butter and J. Castro encouraged suggestions, input, thoughts and any and all comments regarding faculty ideas and vision for such an education/learning commons.

Long Range Development Plan

Lori Yamauchi, Assistant Vice Chancellor, Campus Planning and Kevin Beauchamp, Director of Physical Planning reviewed with the Committee the updated campus Long Range Development Plan (LRDP) and called for comments ([Appendix 23](#)). The different subcommittees which inform the LRDP are considering different methods of gathering information and opinion from the faculty and departments. Faculty and department space is a significant issue before the campus and there is little data available to ascertain needs. The subcommittees are working on developing methods to determine the most efficient way to gather such information and make recommendations regarding demand for faculty and department office space. In addition to the advisory groups, the LRDP team will be visiting Senate committees and the faculty councils when there are more concrete proposals for comment and advice.

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.

- UCSF Indirect Cost Recovery Task Force
- Task Force on Senate Membership

Going Forward

Ongoing issues under review or actions which the Committee will continue into 2011-2012:

- Continued discussion with Deans and the Departments to increase retention of income from external activities to offset reductions in faculty compensation
- Continued monitoring of the “rebenching” efforts to redesign how UC campuses are funded via the Office of the President

Appendices

This Annual Report is posted online and accessible via the [APB Web page](#) on the Academic Senate Web site.

- [Appendix 1:](#) Final Report from the UCOP Post Employment Benefits Task Force
- [Appendix 2:](#) Slides Produced for the Campuses to Review the Final Report from the UCOP Post Employment Benefits Task Force
- [Appendix 3:](#) Communication from the Committee on Academic Planning and Budget to the Chair of the Division Regarding Review of Final Report from the UCOP Post Employment Benefits Task Force (October 26, 2010)
- [Appendix 4:](#) Slides from the Presentation Regarding Mission Bay Development: Phase II
- [Appendix 5:](#) Slides Regarding Informational Technology Upgrades and Renovations Prepared for the Committee on Academic Planning and Budget
- [Appendix 6a:](#) University of California Funding Streams Proposal Prepared by UCOP Budget And Capital resources and Student Affairs, dated December 21, 2010
- [Appendix 6b:](#) Funding Streams Memo from UCOP to Academic Council, VCRs, VCSAs, and Graduate Deans Dated December 12, 2010
- [Appendix 7:](#) Communication from APB to Division Chair Elena Fuentes-Afflick regarding UC Funding Streams Dated February 2, 2011
- [Appendix 8:](#) Funding Streams Redistribution Sample Model Prepared for APB Discussion
- [Appendix 9:](#) APM 025, as of January 20, 2011
- [Appendix 10:](#) APM 670, as of January 20, 2011
- [Appendix 11:](#) APB Sub-Committee proposed modifications, first round, March 4, 2011
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- [Appendix 19:](#) Slides from the Presentation Regarding the “SciQuest” Procurement System
- [Appendix 20:](#) Slides from the Presentation Regarding the “MyExpense” Reimbursement System
- [Appendix 21:](#) Slides from the Presentation Regarding the Re-Envisioning of Library Space
- [Appendix 22:](#) Sample Schematic for Learning Commons, May 11, 2011
- [Appendix 23:](#) Slides from the Presentation Regarding the Long Range Development Plan

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