

Academic Planning and Budget Committee
Sharmila Majumdar, PhD, Chair

ANNUAL REPORT
2014-2015

Primary Focus Points for the Year:

- Chancellors Fund
- Core Financial Plan
- Development
- Industry Grants and Contracts
- IT Security
- IT Strategic Initiatives
- Mission Hall Post-occupancy Study
- Planning
- Ten-year Financial Plan
- UC Planning and Budget Committee Issues
- Warriors Arena Presentation

Subcommittees Topics:

- Administrative Initiatives
 - HR Reforms
 - Coverage Analysis
- Campus Finances
 - Ten-year Financial Plan
- Campus Planning
 - Immediate Projects
- Information Technology
 - IT Security

Issues for Next Year (2015-2016):

- Chancellors Fund
- Development
- IT Security
- Mission Hall Post-Occupancy Study
- Ten-year Financial Plan
- Retirement Plan Reforms
- Warriors Arena

2014-2015 Members

Sharmila Majumdar, Chair

Chad Christine, Vice Chair

Michelle Arkin

Stefan Habelitz

Oi Saeng Hong

Sally Marshall

Snehlata Oberoi

Norman Oppenheimer

Russell Pieper

Ex-Officio Members

Joe Bengfort, Chief Information Officer

Ruth Greenblatt, Vice Chair, Academic Senate

John Plotts, Senior VC, Finance & Admin.

Lori Yamauchi, Asst. VC, Campus Planning

Permanent Guests

Marcelle Cedars, Medicine Faculty Council Chair

Patrick Finley, Pharmacy Faculty Council Vice Chair

Maria Orellana, Dentistry Faculty Council Chair

Catherine Waters, Nursing Faculty Council Chair

Number of Meetings: 7 Committee Meetings and Numerous Subcommittee Meetings

Senate Staff: Artemio Cardenas

Systemwide Business

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

UC Planning and Budget Committee Reports

Over the course of the year, UC Planning and Budget representative Russ Pieper reported on the following issues:

- **2015-2016 UC Budget**
 - In November, Governor Jerry Brown requested that a special committee, with representatives from the Brown Administration and UC, be convened to recommend budget strategies would not result in tuition increases. President Napolitano declined, but she agreed to serve on a “Committee of Two,” which would just include the Governor and the President. Over the course of the winter and the spring, budget negotiations continued between the two and a resolution was reached in May. In the new deal, UC will receive additional state funding for general operations, deferred maintenance and UCRP. In return, UC has agreed to ease transfer pathways, reform its retirement benefits and refrain from increasing tuition for the next two years. Overall the Academic Senate was pleased with the deal. However, there are concerns over the planned pension reforms.
- **Total Remuneration Study**
 - In 2013, then UC President Mark Yudof commissioned a total remuneration study to determine how UC ladder-rank faculty compensation and benefits compared to comparable institutions. In late 2014, the results of the study were released and the report showed that UC’s overall compensation and benefits packages lagged by 12% compared to its competitors. UCPB representative Russ Pieper explained that in the past, the health and retirement benefits offered had exceeded all competitors. However, with the recent UCRP and Health Care reforms, the benefits package now lags what is offered elsewhere. In November it was announced that the Senate had decided to work with the administration on increasing faculty salaries.
- **Systemwide Faculty Salary Increases**
 - In November, the Regents approved of a UC Systemwide Sustainability Plan. Included in this plan were faculty salary increases designed to increase the salaries of all faculty by 3%, for the next 3-5 years. A communication was sent out by the Office of the President to the campuses to determine how the increases would be implemented on each campus. In response to the systemwide notice, UCSF responded back informing UCOP that the salary proposal would be problematic to implement as a large portion of the UCSF faculty population includes clinicians and/or researchers who generate their own salary support and receive no state funding. In May, it was reported that a systemwide faculty salary taskforce had decided to split the 3% into two portions. 1.5% will go to increasing faculty salary scales, and the other 1.5% will go to each chancellor to make up for cases of salary inversion and inequities. In his June report, UCPB representative Piper noted that no details had been released on how the program will be implemented at UCSF.
- **University-Industry Relations**
 - President Napolitano is encouraging more commercialization efforts. The founding of UC Ventures and the Innovation Council are examples of this work.
- **UC Constitutional Autonomy Legislation**: In January, UCPB was asked to opine on proposed legislation that would remove the constitutional autonomy from the University of California. This would give the state more authority over university decision-making. Currently, these responsibilities reside with the Regents. This would also be concerning to faculty because the state would have greater prevue over the degree offerings of the institution. This is currently a responsibility of the Academic Senate. UCPB opposed the measure

Divisional Business

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

Chancellors Fund

In September, Chair Majumdar informed the committee that Chancellor Hawgood had agreed to provide the Academic Senate with an annually reoccurring fund of \$500,000. In addition, the Chancellor had granted the Senate full oversight of the administration of the fund.

In October, the committee was informed that the Academic Senate had not yet decided on how to allocate the \$500,000 fund. Member Norm Oppenheimer noted that several years ago, the APB committee reviewed a Chancellors discretionary fund that amounted to several million dollars. Member Oppenheimer referenced committee minutes from 2007 and provided a summary of the proposals considered. Topics included:

- Campus Transportation
- Academic Information Technology Infrastructure
- Research Facilities
- Classroom Improvements

After the review of the topics, committee members commented that while improvement is still needed in many of these areas, the campus should be responsible for infrastructure development and maintenance, not the Academic Senate. Instead, the fund should be spent on things that will improve faculty life.

Committee members then proposed potential ideas for how the funds could be spent. These included:

- Founding a New Faculty Club
- University Development Training
- Educational Benefits for Faculty Dependents
- Clinical RVU Supplement to Attend Conferences
- Educational RVU Supplements

In February, the Academic Senate voted to approve a new plan to distribute the Chancellor Fund. Under this new plan, the Senate's standing committees were grouped into five clusters and the total \$500,000 was divided up between all groups. In this proposal the Academic Planning and Budget Committee was joined with the Clinical Affairs Committee and the four Faculty Councils. A total of \$91,604 would be available for the funding cluster. Some ideas discussed by faculty in the cluster include:

- Hiring Consultants to Review Campus and School Issues
- Using some of the funds to supplement RVUs for faculty attending conferences
- Strategic Infrastructure projects
- Faculty Development
- Child Care

Out of all of the ideas, the Chairs seemed to like the idea of offering development funds to faculty. APB members discussed the idea and provided the following feedback regarding the Faculty Development Fund:

- There needs to be a mechanism that holds the award recipients accountable. A suggestion was made to require the awardees to attend the Council meetings afterward.
- Feedback should be collected to see if this program works and which development activities worked the best.
- The application form must be simple and easy to fill out
- National Conference should not be considered
- There should not be a minimum or maximum for the award
- Faculty with 50% or greater appointments should be the only ones eligible

- A strong communications plan should be developed to make sure we can distribute the funds by June.

APB members endorsed the idea of offering a development fund. Analyst Cardenas then drafted a communication on behalf of all of the committees and councils outlining the plan ([Appendix 1](#)). In March, the Faculty Council's reviewed the document and agreed to support the idea of a faculty development fund. Under the plan, the chairs of the Academic Planning and Budget, Clinical Affairs Committees and Faculty Councils would evaluate and rank the proposals on a rolling basis. Only the School of Dentistry Faculty Council voted to evaluate the proposals independently.

In June, Senate Analyst Artemio Cardenas provided a summary report on the disbursement of Faculty Development Funds.

- School of Dentistry – The School of Dentistry received 7 proposals. Out of the 7 proposals received, 6 were funded. A total of \$17,804 was used, leaving a remaining \$5,097. Council members decided to transfer the remaining balance to the School of Dentistry's standing Faculty Development Fund.
- School of Medicine – The School of Medicine received 27 proposals. Out of the 27 proposals received, 14 were funded. A total of \$45,802 was used.
- School of Nursing – The School of Nursing received 19 proposals. Out of the 19 proposals received, 18 were funded. A total of \$45,802
- School of Pharmacy – The School of Pharmacy did not receive any proposals for the Faculty Development Fund. After asking faculty for more information as to why they did not apply, feedback was provided to the SOP Faculty Council Chair that there was confusion between the Faculty Development Fund and the Faculty Enrichment Fund. To compensate for the confusion, the Faculty Welfare Committee agreed to move over the SOP proposals for the Enrichment Fund to the Faculty Development Fund. A total of 6 proposals were moved over at an expense of \$9,204. A total of \$13,697 of the School of Pharmacy's Faculty Development Fund was left remaining.

Core Financial Plan Presentation

In May, Associate Vice Chancellor Teresa Costantinidis provided the spring update for the Core Financial Plan. The presentation ([Appendix 2](#)) covered the following points:

- Overview of the Core Financial Plan
 - Management of core funds is a key part of UCSF's business and financial planning efforts
 - The Core Financial Plan provides an overview of the UCSF's centrally-managed operating funds (core funds). The main sources for the core funds are indirect cost recoveries; state funds; infrastructure and operations fund; tuition and interest income
 - Core funds are mainly used as operating funds for schools and administration and to pay for debt service and UCOP.
 - Two major Core Financial Plan updates are based upon operating results provided by our quarterly and annual financial close processes.
 - Fall Update: Prior year financial outcomes, approved commitments, assumptions from the new UCSF 10-year financial plan
 - Spring Update: Material revenue adjustments, in year commitment changes, and new 10-year comprehensive capital plan
- Revenues and allocations for 2014-2015 through 2024-2025
 - The key metric UCSF uses to monitor the Core Financial Plan over time is the annual ending fund balance. The key point to monitor is that UCSF maintains a health balance to serve as a campus operating liquidity reserve.
 - When reviewing the projected 2014-2015 recurring revenue sources, it is apparent that Indirect Cost Recovery, State funds, TRIP/STIP earnings continue to represent more than 85% of reoccurring sources

- In 2014-2015, recurring Core Financial Plan allocations will total \$361 million
- Annual Core Financial Plan allocations in 2014-2015 will be \$231 million
- Over the next decade, the greatest demand on our resources will continue to be recurring allocations to control points, although we have tempered this over the past several years by reducing administrative allocations
- Over the next 10 years, sources of funds are expected to rise steadily, but modestly
- Over the next 10-year, debt service and recurring allocation will contribute to increases and outflows. As a result, we must continue to emphasize control over fixed cost increases going forward.
- The annual cost of debt service for facilities and infrastructure increases in support of our capital plan
- UCSF is making good progress on addressing our facilities investment needs
- The Core Financial Plan includes a ten-year commitment to technology projects identified by the IT Governance Committee.
- Strategic initiatives are funded in part with support from the UCSF Health System
- The UCOP administrative tax will grow more slowly due to a reduction in UCSF's portion of the cost. It is important to note that UCSF's portion of the UCOP tax declined in 2014-2015 due to a new distribution model. Immediate impact is neutral to the campus due to a withdraw of State funds equivalent to the reduction.
- Potential upside opportunities and downside risks
 - Upside opportunities could collectively contribute \$116 million over 10 years
 - Increases in unrestricted Philanthropy
 - Salary Controls
 - Potential Downsides
 - Reduced Indirect Cost Recovery
 - Urgent Facilities Needs
- Core Financial Changes
 - Spring updates to the Core Financial Plan resulted in a slightly higher
 - The Laurel Heights lease will generate nearly \$60 million net of expenses
 - Century Bond proceeds will create a revolving fund to support future projects
 - The additional bond issuance will add \$37.6 million to the Core Financial Plan by 2023-2024
 - Indirect and non-resident tuition are projected to exceed earlier estimates
 - Approved increases in recurring allocations total \$10.7 million over 10 years
 - New and adjusted non-capital annual allocations total \$15.8 million over 10 years
 - New debt services obligations, net of lease income, add \$44 million
 - New and adjusted capital allocations total \$11.1 million over ten years

Development Office Presentation

In October, Executive Director of Development, Olivia Herbert, met with the committee to discuss the prospect of a new campaign and the future fundraising plans. She started the discussion by informing the group that Development Office is still in the very early stages of considering a major campaign. In the immediate future, the Development Office plans to focus their efforts on big ideas that can get donors excited. In order to do this, the office would like to increase their efforts in reaching out to faculty and engaging them in the fundraising process. Director Herbert asked the faculty what best practices should be considered to better reach out to faculty. Members informed her that most faculty are unaware of the development resources at UCSF and that they would appreciate understanding more before they can recommend how the department can reach out to them. Committee members asked Director Herbert to meet with their subcommittee to discuss more.

Industry Grants and Contracts

In October, Director Jim Kiriakis, Associate Director Kent Iwamiya, and Associate Director Irene Shin attended the committee meeting to address faculty concerns with delays in contract analysis. Committee

members noted several examples of how delays in analysis have prevented faculty from performing studies in time and prevented faculty from receiving necessary salary support. In some cases, industry partners have abandoned working with UCSF and some contracts are being lost due to processes delays. Committee members asked for more information on what is causing the delays and what they can do to help remedy the situation.

Director Kiriakis informed the group that the main driver of the delays is the university need has significantly outgrown the capacity of the department to provide the necessary services. Currently, the grants and contracts unit is staffed at 50% the level of peer institutions. Even given these restrictions in funding and resources, the unit has worked hard to reduce turnaround times. In addition, the EVCP has been made aware of the problem and resources are slowly being allocated to remedy the situation. Committee members acknowledged that changes are being made, but informed the staff that the real issue is requiring all contracts to undergo contract analysis. In some cases, the analysis is not needed and the submissions are being backed up unnecessarily. Associate Director Irene Shin informed the group that she agrees and efforts are being made to change the policy.

APB members asked what the committee could do now to help the situation. Director Kiriakis informed the group that they need to put more pressure on administration to invest the necessary resources. To aid in this effort, his office can provide data on the delays. Associate Vice Chancellor Teresa Costantinidis responded that money was provided by the EVCP to help resolve delays in coverage analysis. The question is how and when the funds were spent. Director Kiriakis recommended that the committee contact Jennifer Grandis, the new Associate Vice Chancellor for Clinical and Translational Research, in January to request more information. Chair Majumdar charged the Administrative Initiatives subcommittee to work on this issue. She asked faculty who are interested in this subject to contact member Marcelle Cedars to join the group.

IT Security Presentation

In September, Chief Information Officer Joe Bengfort provided a report on the status of IT security and what the campus leadership plans to do to address gaps in security ([Appendix 3](#)). CIO Bengfort reported on the following issues:

- **Background and Context:** UCSF recently commissioned an assessment of its information security risk. The findings from the report indicated that UCSF's risk level is high and that there are significant vulnerabilities throughout the organization. For example, in a recent evaluation of access points to UCSF, the university found that in a five-day period, there were over a hundred thousand attempts to access open ports into the UCSF system. Out of all the access attempts, it was deemed that over 75 percent were malicious. It was also found that 90 percent of the connection attempts were coming from China. To address the situation, a Data Security Compliance Program is being developed.
- **Federal HIPPA Breach Data:** When it comes to the number of data leaks, UCSF is ranked second nationally. With federal enforcement activities increasing over the past decade, there is a good chance UCSF could be hit with a fine.
- **Overall Campus Compliance:** While most of the campus is compliant, there is a lot of work to be done.
- **What is the Driving the Risk Profile:** Some of the main issues that are driving such a high risk profile include: variable work practices across control points; no IT security compliance oversight to drive progress across the control points; lack of security-related procedures and practices; lack of technical controls; an IT funding system that requires that individual departments make decisions about investing in security controls; and the widespread use of personally owned devices for UCSF work.
- **Data Security Compliance Program:** The DSCP is an IT risk management program designed to secure UCSF's sensitive data. The goal of the program is foster collaboration between UCSF IT and the school control points and departments.

- **Changes to Expect:** CIO Bengfort informed the group that changes should be expected. All organizations should adhere to standards of operation to improve security. These include more regulations on granting access to data, physical security of equipment, and consistent patching of management systems. There should also be technical controls such as enforcement of encryption on all computers. CIO Bengfort noted that one of the hot topics is the recommendation that UCSF require periodic password changes.
- **Actions Taken to Date:** Some of the changes that have already taken place include, a new IT security policy mandating encryption; mandatory annual online training and security; process for firewall security tightening; and the Data Security Compliance Program.
- **Next Steps:** The next steps to increase security include a plan resource the encryption rollout of the campus; identify and training control points DSCP champions; present at chairs committees, present quarterly updates to the IT Governance committee; and visit constituent groups.

IT Strategic Initiatives

Chief Information Officer Joe Bengfort reported on UCSF's recent IT strategic efforts ([Appendix 4](#)). His presentation covered the following points:

- Major Dynamics in Information Technology at UCSF
 - Increasing Demand and Investment
 - Data Analytics and Warehousing: There is a lot of work being done at the UC Medical Centers to develop a single data warehouse center. Once complete the resource will provide many exciting opportunities for research.
 - Population Health Systems
 - Clinical Trials / Research Administration
 - Education Technology
 - Efforts to Mitigate Financial Impact
 - Consolidation of IT Organization
 - UC Leveraging Scale for Value
 - UC Data Center Consolidation
 - IT Strategic Sourcing
 - UCSF Infrastructure Consolidation
 - Security Compliance Initiative
 - IT Governance at UCSF
 - IT Governance Steering Committee: Controls a 5 million annual project budget to meet specific IT needs for UCSF Research, Education and Campus Administration. A separate project budget is available for UCSF Health related IT needs.
 - Subcommittee of the Steering Committee
 - Care Technology
 - Business
 - Research
 - Education
 - Technology and Architecture
 - IT Roadmap of Projects: Major projects on the horizon for UCSF include
 - Development of Data Center
 - Progress on our Security Agenda
 - Implementation of iRocket, a Student Performance Dashboard
 - Development of Resident Dashboard
 - Development and Implementation of MyPortfolio for Faculty

Mission Hall Post-Occupancy Study

In early April, a draft of the Mission Hall Post-Occupancy survey was released for the Academic Senate to review and provide feedback. After review, members provided the following comments and recommendations for the Coordinating Committee to consider:

- Reduction in the Survey Length: If left in its current state, APB believes that the survey will undoubtedly be cumbersome and time-consuming for respondents wishing to participate. If not made shorter, committee members believe that faculty will not take or complete the survey and that this will lead to a low response rate and incomplete results. To help resolve this issue, APB wants the Senate agree upon several core objectives for the study and then evaluate the survey again to determine which questions are necessary. Overall, members believe the survey should take no more than 5 to 10 minutes to complete.
- Address Concerns With Survey Oversight: Although an independent research firm is conducting the Mission Hall survey, APB members are concerned with the fact that the chief campus architect is responsible for the final approval, implementation and evaluation of the survey. With significant future workspace design decisions resting on the results of evaluation, members feel that the campus architect cannot be unbiased in the implementation and evaluation of the study. APB recommends that the Senate consider a request that another member of the campus leadership be given oversight responsibilities for the study.
- Ensure Meaningful and Useful Results: APB members acknowledge that the proposed draft is a validated instrument that it is one of many tools commonly used to evaluate new workspace. Nevertheless, after review of the questions, members believe that the survey, as is, will not provide meaningful or useful results. Members believe there should be fewer questions evaluating office furnishings, temperature control, and personal location, and more questions that will help us understand changes in faculty work behavior and productivity. Furthermore, questions should include rigorous metrics that can inform decisions.
- Reaffirm Intended Purpose: In 2013, when APB first asked that a Mission Hall survey be performed, members requested a study be conducted that would evaluate the efficacy of the activity-based workspace (ABW) in an academic health science environment. In addition, the study would inform the Senate and campus leadership on whether the ABW model compromised any parts of UCSF's mission. Previously, no similar studies had been done, and our institution had a unique opportunity to add to the literature in the area of academic workspace. Based on the survey questions provided, members feel the evaluation has strayed too far away from the committee's original intent. APB recommends that the Academic Senate determine core objectives for the survey that align with the committee's original goals and that survey be designed in away that can lead to actionable recommendations not only for the current Mission Hall workspace, but also for Clinical Sciences and future workspace designs.

A communication summarizing the points was drafted and sent to Division Chair Farid Chehab ([Appendix 5](#)).

In May, the Coordinating Committee reviewed communications from APB and the Faculty Welfare committees regarding the survey draft. Faculty concerns from both committees were very similar in that reviewers thought the draft survey was too long and did not ask the correct questions that would evaluate faculty productivity. Following the meeting, all Senate comments were submitted to the survey consultant and to Associate Vice Chancellor of Capital Programs Michael Bade. In addition, a request would be made for the survey to be revised and the administration of the survey postponed until the fall.

In June, Associate Vice Chancellor of Capital Programs Michael Bade attended the Academic Senate's Coordinating Committee to respond to faculty comments on the proposed Mission Hall Post-Occupancy Study question set. AVC Bade acknowledged the Senate's concerns with the survey questions and informed the group that he is willing to work with the Senate to make changes. He agreed to postpone the survey and give the Senate more time to discuss and revise the questions. The survey PI and the consultant will now go back and make revisions to the survey questions and a revised draft of the document should be shared with APB and the Coordinating Committee in the fall.

Planning Reports

Over the course of the year, Associate Vice Chancellor of Campus Planning Lori Yamauchi provided the Academic Planning and Budget Committee with several campus planning updates. In September, AVC Yamauchi provided the following report:

- **New Space Management System:** In June, it was reported to the Academic Senate's Coordinating Committee that a new campus space system was being developed to in order to account for the use of all space on campus. Since the initial presentation, APB members had questions on how faculty would be involved and whether the space system steering committee would be making decisions. AVC Yamauchi informed the committee that the development of a new space system does not include the establishment of a new space governance structure. Rather, a space system is being developed solely for the tracking of space and reporting to the control points who are the ones who ultimately control space. What she is looking for is senate involvement in the development of the space system. AVC Yamauchi informed the group that she is looking for Senate participation in the development of the new system, and assistance with the dissemination of the information to other committees and faculty.
- **CSB/UCH Update:** The School of Nursing faculty and administration recently expressed a considerable amount of concern about the plans for the retrofit and remodel of the Clinical Sciences Building. These concerns were voiced to campus architect Michael Bade and changes were made to address the concerns of the Nursing faculty.
- **Charge for the Use of Space at Mission Hall:** Chair Sharmila Majumdar and former Chair David Teitel were recently informed of rumors that there could be charges for space at Mission Hall. These changes would be associated with a possible plan to charge the Medical Center for use of the campus space. AVC Yamauchi informed the group that she investigated the issue and found that there are no such plans.
- **Mission Hall Occupancy Study:** AVC Yamauchi informed the group that Michael Bade is currently working with the research consultant on the occupancy study. She noted that the results of the study should be very helpful in informing how space will be organized in the new Mission Bay block buildings. APB members asked for a report on the preliminary occupancy study results when available.
- **LRDP:** UCSF is currently in the community feedback stages of the LRDP report. Once the community input stage is over the plan is to take the report to the regents in November for approval. The overall plan is to downsize on the Parnassus campus and focus on development at Mission Bay.
- **Laurel Heights:** UCSF signed a 99-year lease with developers for the technical sale of the Laurel Heights campus. The paperwork for this deal should be finalized by the end of the year.
- **Clinical Sciences Building:** The plan is to start the construction process next June. The construction process will take an estimated two years, with everything complete in 2017.

In February, Associate Vice Chancellor of Campus Planning Lori Yamauchi updated the committee on the following items:

- **Parnassus Campus:**
 - HSW and HSE: UCSF is currently working to remodel several floors in the Health Science West and East towers. The focus of the efforts is on the labs that were vacated by those who left for the Mission Bay campus. This remodel and move is mainly effecting faculty from the Schools of Medicine and Dentistry.
 - Clinical Sciences Building: In preparation for the retrofit and remodel of the CSB, the wet labs are moving to the newly renovated labs in the HSW and HSE buildings. All of the offices will be moved into UC Hall until the CSB project is complete in 2017. As a reminder, the campus planning office consulted the School of Nursing in the development of the current plans. After renovation, Clinical Sciences Building will contain education and multipurpose space on the 1st floor and workspace in the upper floors and the basement for faculty and staff based at Parnassus. The floors will be laid out with a mix of small private offices and workstations, with huddle and focus rooms for private and

focused activity, as well as “town centers” with kitchens and open seating. There will be no through access at the upper floors, except by cardkey for the occupants of the building.

- UC Hall: Once the Clinical Sciences Building project is complete, the university will start the process of retrofitting and remodeling UC Hall. When UC Hall reopens it will include student housing and administrative space. It will not include educational space.
- Mission Bay Campus
 - Mission Hall has been completed and people are moving into the workspaces.
 - Cancer Outpatient Building: There is an empty lot near the hospital that was put aside for the development of a cancer outpatient center. This new building has not been funded or approved. The idea was that this space would potentially house Radiology Oncology and a Proton Therapy Center. In order for this center to be developed the Medical Center needs to come up with a business model to pay for it. What units will be in the building, how many visits will it generate.
 - Lot 33 and 34: The university recently completed the purchase of Lot 33 and 34. UCSF will use this space to build two new administrative buildings to house desktop researchers and staff moving from Laurel Heights, programs in lease space and the development office.
 - Lot 40: There is space surrounding the Mission Bay campus that the university does not own. In regards to Lot 40, a private developer, Kilroy Realty, owns this land and plans to build an office and research lab building. The question is whether UCSF will be able to utilize some of this space.
- Laurel Heights Campus:
 - Future Decant: Members of the Campus Planning department have met with all of the departments and divisions on the Laurel Heights to survey desired relocation spots. Most of the respondents expressed interest in moving to Mission Bay, SFGH, Mt. Zion, and Parnassus. The CSB and UC Hall committee expressed that a broad policy should be implemented which states that all those located on the Parnassus campus should be working with patients or serving the educational mission.
- SFGH
 - The buildings that are currently occupied by UCSF members are seismically challenged. Since the buildings have historical protections the retrofit and remodel of the buildings would be of significant. An alternative idea that UCSF is proposing is to construct a new building on the site of a parking lot. There has been delays in the negotiations for the property with the city. If the plan to use the parking lot is approved, UCSF would like to develop wet and dry lab space and office space for UCSF faculty and staff. The hope is to start construction anytime between 2017 and 2019.
- Space Management System
 - The Office of Campus Planning is working on the development and implementation of a new system to track the allocation of space across the campus. The idea is having one system track space so that the schools and departments have a more accurate review of space. The system will go live in February 2016 and will track campus and Medical Center space.

In April, Associate Vice Chancellor of Campus Planning Lori Yamauchi provided the following report:

- July Regents Meeting:
 - UCSF is scheduled to present the Regents with five new major building projects for approval. The projects include a new SFGH building, the UC Hall renovation, a new outpatient cancer center, a new building on Lot 33, and a new research center on Lot 23a.
- Mission Bay Parking:
 - With more building projects up for approval, Chair Majumdar asked if UCSF has any plans for additional parking. AVC Yamauchi responded that Campus Planning has been

working with the Transportation Office on the development of new parking spaces on the northwest part of campus, near the Rutter Center. Member Norm Oppenheimer noted that the proposed area was set to be an athletic field. AVC Yamauchi acknowledged the point and added that the development of an athletic facility is still in the plan. However at present time there is no funding for that use of the space.

- Childcare Center:
 - AVC Yamauchi noted the Campus Planning Subcommittee's concerns with a long-term option for a Child Care Center on the Mission Bay campus. The current Center location is only temporary. The campus continues to look at alternatives that will work best for the campus community.

Ten-Year Financial Plan

In February, Associate Vice Chancellor Teresa Costantinidis presented the 10-year financial plan ([Appendix 6](#)). Her report covered the following points:

- Review of the Finance Principles
 - Financing
 - Investments
 - Operations
- 10-Year Financial Plan Summary Points
 - UCSF financial performance exceeds projection for 2014
 - 10-year operating projections show near term deficits and recovery in later years
 - Strong balance sheet, yet we must watch out future debt capacity
 - Pressure on Core Financial Plan resources partially mitigated by I&O funding plan
- Review of the UCSF Enterprise Revenue
 - State funds account for 1% of total revenues
 - Tuition accounts for 1% of total revenues
 - Most funds come from the clinical and research enterprise
- Review of the UCSF Enterprise Expenses
 - Salaries and Benefits account for 64% of expenses
- Review of Core Revenues, Expenses and Income – Combined Enterprise
 - AVC Costantinidis informed the group that while UCSF is doing fine right now, income will decline as the costs associated with the new hospital are incurred. Once UCSF increases its patient base, we will slowly pull out from deficit.
- Review of Core Revenues, Expenses and Income – Campus
 - AVC Costantinidis reviewed the 10-year campus outlook and pointed out that without strategic contributions from the Medical Center to the campus, the campus would be running at a loss. Main cost drivers for the campus include increased UCRP contributions, UC Path Costs and capital improvements.
- Review of Campus Segment Capital Plan
 - Planned capital allocations are less than projected depreciation. Campus leadership will need to make decisions to correct this problem.
- Summary
 - Overall, UCSF is managing things well. However, if corrections are not made, UCSF could be in trouble in the long-term.

Warriors Arena Presentation

In June, Associate Vice Chancellor of Campus Planning Lori Yamauchi provided the committee with an overview of the Warriors Arena project and how the plans might impact faculty, staff and patient access to the hospital and mission bay campus.

- Warriors Arena Site Overview: The proposed property development plans include not only an arena, but also:
 - Two 11-story office/lab buildings
 - Retail space

- Restaurants and a Food Hall
- Main public plaza
- Ancillary plaza
- Event Management: Along with the schedule of Warriors events, there will be hundreds of other events with varying attendance. These include:
 - Family Events
 - Concerts
 - Other Sporting Events
- UCSF's Concerns with the Project: UCSF's Concerns Stem from its Primary Responsibilities for its Patients, Faculty, Staff and Students/Trainees.
 - Traffic and Parking impacts on vehicular and helicopter access to Emergency Room, Helipad and Hospital/Clinics – ambulances, patients, employees
 - Scale and use intensity of Event Center project (including events frequency/size and overlap with AT&T), and impacts on UCSF campus, during and after construction
 - Safety of UCSF patients and personnel and Security of UCSF facilities and buildings
- Event Center Transportation Management: There are numerous transportation improvement assumptions that are included in the development plan. These include:
 - SFPD traffic control
 - UCSF ambulances will be able to use the bus lanes to access the emergency rooms.
 - Additional Muni service to the arena.
 - Pedestrian Network improvements
 - Bicycle Network Improvements
 - Shuttle and Parking improvements
- Next Steps: UCSF leadership will continue to work with the Warriors and the City and County of San Francisco to ensure that all of our institution's concerns are addressed.

Subcommittees

APB Subcommittees

In September, Chair Majumdar informed the committee that in the two previous years, the Academic Planning and Budget committee had broken out into several topic-specific subcommittees to address pressing issues. Those involved on the subcommittees have noted that this system worked well as members were able to focus on particular topics of interest. Furthermore, the APB committee as a whole was much more nimble in providing feedback to administration since the subcommittee included a small number of members. Committee members agreed to continue the subcommittee program through 2014-2015.

In December, members were informed that the subcommittees were having trouble meeting due to a lack of membership. As a result, Chair Majumdar requested that a call be sent out to all faculty members asking for volunteers to serve on the groups. In January, a call was issued and the Academic Senate received interest from over 35 faculty from all schools. In February, rosters were set and the following subcommittees addressed their assigned topics.

- Administrative Initiatives
 - HR Consultant Report Recommendations
 - In the spring, HR leadership was invited to attend an administrative initiatives subcommittee to review a consultants list of recommendations for reforming and improving the HR units. In response to the request, HR leadership asked that APB appoint a faculty representative on their steering committee instead of attending the APB subcommittees. APB members agreed and Marcelle Cedars was appointed as APB and the Academic Senate's representative.

- Coverage Analysis
 - In April, Vice Chancellor for Clinical and Translational Research Jennifer Grandis and Vice Chancellor for Ethics and Compliance Theresa O’Lonegan attended a subcommittee meeting to address faculty concerns with coverage analysis ([Appendix 7](#)). The purpose of the meeting was to discuss leadership’s plans to improve the Coverage Analysis and CHR review process. Many faculty have been concerned with the amount of time it takes for studies to be reviewed. During the meeting AVC Grandis and AVC O’Lonegan explained that they are aware of this issues with the study review process and that they are taking actions to improve review time, customer service, and communication. The goal is to have the complete review process down to 10 business days. The subcommittee members supported the idea of reducing the review time and coordinating efforts, but asked that the leadership also include more accountability. If the goal is 10 business days, faculty should expect that the review will be complete within that time frame. If it is not, there needs to be accountability. APB members agreed that AVC Grandis and AVC O’Lonegan should be invited to a meeting next year to follow up.
- Campus Finances
 - 10-Year Financial Plan
 - In April, Associate Vice Chancellor of Budget and Resource Management Teresa Constantindis attended the subcommittee meeting to provide the group with the 10-year financial plan. Subcommittee member Dan Vigneron was invited to the April APB meeting to provide a report. In his report, subcommittee members Vigneron informed APB members that faculty members in attendance at the subcommittee meeting were mainly focused on the financial performance of the campus and medical center. In particular, subcommittee members were concerned with the conservative estimation of research and clinical revenues. Members felt that the campus has been performing well in acquiring grants and contracts and that the campus should anticipate more funding than what was budgeted. Finally, Dan added that subcommittee members were concerned with UC Path and the amount of money that UCSF and UC are contributing to this endeavor.
- Campus Planning
 - Long-range Development Plan
 - In April, Vice Chair Chad Christine informed the committee that Associate Vice Chancellor of Campus Planning Lori Yamauchi had meet with subcommittee members to provide a report on campus planning on all major campus locations ([Appendix 8](#)). Topics covered included: Expansion Plans for Mission Bay Campus; the future of Laurel Heights SFGH Plans Parnassus Retrofit and Remodel Plans. Subcommittee feedback to APB included:
 - A proposal that the university add private faculty office space into future building plans if the results of the post-occupancy study prove to show activity-based workspace hurts productivity and recruitment.
 - A request that a permanent childcare center be built on the Mission Bay campus.

Overall, the subcommittee members appreciated the meeting and offered to assist APB in the future.
- Development
 - Meeting with Development Office Representatives:
 - In January, Member and Development Subcommittee Chair Michelle Arkin provided a report on the work of the Development Committee over the past two months.
 - Overview of Development at UCSF
 - UCSF Private Support Allocations
 - Most support is for departments, research and campus improvements

- Most support comes from foundations and individuals
- Overview of Development Office Resources
- Planned Giving
 - Corporate and Foundation Relations
 - Annual Giving
 - Donor Relations and Communications
 - Major Gift Officers
- Development Vision
 - Donors want to hear about the faculty's passion
 - What are donors missing?
 - How to maximize awareness in the community
- Subcommittee Discussion
 - Development representatives would like faculty feedback on what inspires faculty to think institutionally. This question has been a challenge for the subcommittee. In discussions, most members could not get over the issue of lagging salaries. However, issues like salary support are ongoing and don't garner much interest from donors. To think bigger, subcommittee members have commented that there needs to be an alignment of research with the clinical enterprise. An idea is to present to the donors with an understanding of the continuum of innovation. For example, donors must understand the value of basic science and how smaller developments can lead to big changes in the clinic.

After the presentation, APB committee members commented that it is a challenge for faculty to think institutionally. UCSF is characteristically large and fragmented across the city. Faculty members feel allegiances to their unit or department and less of a connection with the campus as a whole. If future discussions with donors will not be about compensation, then UCSF will need to do a better job at creating and projecting a better sense of community.

- In April, Development Subcommittee Chair Michelle Arkin reported on the subcommittee's work in February. Based on responses from subcommittee members after the first meeting with the Development Office, Chair Arkin requested that the Development Office do an analysis of previous major fundraising campaigns to help faculty learn more about what fundraising techniques were successful, who donated, and what did the money fund. In response, the office provided her with details on the most recent campaigns and a list of best practices learned. The first major campaign took place from 1990 to 1996 under the oversight of Chancellor Martin. The goal was to raise 530 million. The result was a total of 554 million. Half of the funds went to department support and research support. The other half went to student support and instruction. The second, and most recent, major campaign took place from 1998 to 2005 under the oversight of Chancellor Bishop. The goal was to raise 1.4 billion. When complete, a total of 1.6 billion was raised. Out of the funds raised most went to capital projects and the development of the Mission Bay campus. The rest went to research and education. Based on the review, the Development Department believes that in order to be successful, UCSF must get away from aggregating needs and focus more on visionary ideas.
- IT Subcommittee
 - The IT subcommittee did not meet in 2014-2015. When requested to attend a subcommittee meeting, IT leaders suggested that APB appoint faculty to their existing set of governance

subcommittees. APB members agreed and in the spring the Senate's Committee on Committees appointed senate representatives.

Going Forward

Ongoing issues under review or actions which the Committee will continue into 2015-2016:

- Chancellors Fund
- Development
- IT Security
- Mission Hall Post-Occupancy Study
- Ten-year Financial Plan
- Retirement Plan Reforms
- Warriors Arena

Appendices

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

- [Appendix 1:](#) Faculty Development Fund Proposal
- [Appendix 2:](#) Core Financial Plan Presentation
- [Appendix 3:](#) IT Security Presentation
- [Appendix 4:](#) IT Strategic Initiatives
- [Appendix 5:](#) APB Communication- Mission Hall Survey Questions
- [Appendix 6:](#) Ten-year Financial Plan Presentation
- [Appendix 7:](#) Administrative Initiatives
- [Appendix 8:](#) Campus Planning Subcommittee Meeting Notes

Senate Staff:
Artemio Cardenas, Senate Analyst
artemio.cardenas@ucsf.edu; 415/476-4245