UCSF Academic Senate

Academic Planning and Budget Committee
Chad Christine, MD, Chair

ANNUAL REPORT
2016-2017

Primary Focus Points for the Year:
- Campaign Planning
- Campus Finance
- Campus Planning
- Campuswide Space Committee
- Helen Diller Task Force
- Human Resources Reforms
- Information Technology Security
- Meeting with New Senior Vice Chancellor Paul Jenny
- Mission Hall Report
- Open Workspace Plan Change Management
- UC International Activities Policy
- UC Information Technology Policy

Issues for Next Year (2017-2018):
- Campaign Planning
- Campus Finance
- Campus Planning
- Faculty Workspace Planning
  - Mission Hall Post-Occupancy Study
  - Mission Hall Committee and Reforms
- Human Resources Reforms
- IT Security
- Research Management Services

2016-2017 Members

Chad Christine, Chair	Margaret Wallhagen
Russell Pieper, Vice Chair	**Ex-Officio Members**
Aditi Bhargava	Joe Bengfort, Chief Information Officer
Carol Dawson-Rose	David Teitel, Vice Chair, Academic Senate
Howard Fields	Teresa Costantinidis, CFO
Hannah Glass	Lori Yamauchi, Assoc. VC, Campus Planning
Bo Huang	**Permanent Guests**
Phillip Knott	Lydia Zablotska, Medicine Faculty Council Chair
Sean Mong	Deanna Kroetz, Pharmacy Faculty Council Chair
Snehlata Oberoi	Sneha Oberoi, Dentistry Faculty Council Chair
Christian Vaisse	Abbey Alkon, Nursing Faculty Council Chair
Paul Volberding	

Number of Meetings: 7 Committee Meetings
Senate Staff: Artemio Cardenas

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

UC Information Technology Policy
In May, the committee reviewed proposed revisions to the Presidential Policy on Electronic Information Security - http://senate.universityofcalifornia.edu/_files/underreview/Senate-review-electronic-information-security1.pdf. After discussion, members determined that they did not have any comments on the proposed changes. However, they did have concerns with existing Section 1.2.2 Costs of an Information Security Incident. According the current policy, "Units will bear the direct costs that result from an Information Security Incident under the Unit's area of responsibility that resulted from a significant failure to comply with this policy. The costs include, but are not limited to: the response, containment, remediation, forensics, analysis, notification, litigation, penalties, regulatory fines and any other costs directly attributable to the Information Security Incident." According to the policy, "Units" are described as, "A generic term for Dean, Vice Chancellor or similar senior role who has the authority to allocate budget and is responsible for Unit performance. At a particular location or in a specific situation the following senior roles may also be Unit Heads: department chairs, assistant/associate vice chancellor (AVC), principal investigators, directors or senior managers." APB members noted that with every changing IT security risks, faculty are having a difficult time keeping up with security requirements. Based on workload and clinical responsibilities, it is not reasonable to expect that all faculty and staff are meeting all standards. Due to this fact, and many other reasons, members believe that faculty should be indemnified from any responsibility over IT security incidents. A communication was sent to Division Chair Ruth Greenblatt outlining the concerns of the committee (Appendix 1). In June, the APB committee recommended that Chief Information Officer Joe Bengfort should be invited to the Executive Council to discuss the issue and provide more information on faculty liability.

In July, CIO Bengfort attended the Executive Council and reported that the intent of the policy was not to hold faculty personally liable. Instead, the goal of the policy is to hold units such as campuses, schools and departments accountable. Executive Council members noted that intent is not enough and that the policy should explicitly state that faculty should not be held personally liable. CIO Bengfort encouraged the UCSF Senate work with the other campuses to raise the issue and ask the Office of the President for a revision. After the meeting, the UCSF Division of the Academic Senate submitted a communication to systemwide (Appendix 2).

UC International Activities
In October, members of the committee reviewed the proposed International Activities policies - http://senate.universityofcalifornia.edu/_files/underreview/International-Activities-Policy.pdf. Members did not have any comments for the language. They recommended that Global Health Sciences be contacted and asked for comment as they may have international activities that would fall under the policies.

UC Planning and Budget Committee Reports
Over the course of the year, UC Planning and Budget Committee member Russ Pieper reported on the following issues:
- Self-supporting Degree Programs (SSDGP): SSDGPs are programs that provide additional training to students for a fee and are mainly for working adults or professionals. Most of the UC campuses are interested in these self-supporting programs because they have the potential to generate additional funding for the host department. The concern of the Senate is that that SSDGPs have the potential to drain resources away from state-supported degree programs. A lot of discussion has focused on the viability of SSDGPs. UCSF has a few self-supporting programs such as the MS HAIL (Health Administration and Interprofessional Leadership) which has been relatively successful. UCSF also has the self-supporting DNP (Doctor in Nursing Practice) degree proposal under review by the systemwide senate.
- Enrollment Increases: Last year, the State Legislature offered an additional funding for an increase in the enrollment of in-state students. The funding would go to finance an additional 5000 students at all of the undergraduate campuses. This upcoming year, there will be another

5000 students in the freshmen class. This means that the campuses will have a total of 10,000 more students than they had two years ago. These increases have occurred with relatively the same number of faculty, staff and facilities. With the additional number of students, campuses are struggling to accommodate the demand on resources. For example, to address housing shortages, UCSD is no longer guaranteeing housing for sophomore students. There are also discussions of offering courses later in the evening and on weekends.

- Rebenching: In November, the UCPB committee spent most of their meeting addressing the new systemwide revenue funds flow model, otherwise known as rebenching. During the original negotiations between the campuses, UCSF struck a deal to be exempted from the same process that the other campuses follow. The reasoning is that our campus does not have an undergraduate student population and the graduate student population is quite small

- Non-Resident Students: At the last UCPB meeting committee members discussed whether the university should establish a cap on non-resident student enrollment. Over the past several years there has been a lot of pressure on the University of California system to enroll less non-resident students and more resident students. the cap will not be a problem at some of the UC campuses that do not enroll that many non-resident students, it will be a big problem at other campuses. For example, UC Berkeley and UCLA could lose funding resources if a cap was implemented.

<div style="text-align:center">**Divisional Business**</div>

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

Campus Finance

In June, Chief Financial Officer Teresa Costantinidis presented on the 2015-2016 Campus and UCSF Health Financial Report (Appendix 3):

- General Observations
  - 2015-16 financial performance exceeded projections by $56 million (excluding non-cash accounting adjustments for retirement benefit liabilities) –the Campus exceeded projections by $41 million
    - UCSF Health exceeded its plan by $15 million
    - UCSF Health remains at 60% of UCSF's revenues in 2015-16 ($3.5 billion of $5.9 billion total)
  - The UCSF consolidated enterprise reflects positive net income starting in 2017-18, after a projected loss of $18 million in 2016-17 – For the campus, growth in salary and benefit costs is now expected to outpace revenue growth resulting in a modest loss in 2020-21 and 2021-22
  - A modest loss is still projected for UCSF Health in 2016-17, followed by steady annual increases in income
  - Investment and focus on the role of philanthropy is critical to both the Campus and UCSF Health
  - Campus cash reserves will be relatively flat in the ten-year projection, due to endowment transfers and investments in capital projects
  - Cash reserves for UCSF Health will grow steadily over the ten-year plan, however, cash falls below the UCOP requirement of 60 days in 2016-17
- Combined Enterprise – Campus and UCSF Health
  - More than 80% of our sources comes from competitive and rapidly changing markets – 60% from the clinical enterprise and 22% from research
  - Personnel-related costs drive 64% of our combined enterprise expenses
  - The 2015-2016 results were better than planned for both for the campus and UCSF Health.
    - Campus gained $103 million. This was better than the projection by $41 million

- Revenues exceed projections by 4%, primarily due to a $40 million one-time TRIP distribution and higher private contract and grants, partially offset by unfavorable private gift transfer from the foundation
- Expenses exceeded projection by 3%, primarily due to higher salaries and wages expenses, along with higher than expected professional and consulting services and sub-award expenses
  - UCSF Health losses of $27 million were less than planned by $15 million
    - Higher than expected patient activity resulted in operational results exceeding the plan by $82 million in the west bay.
    - Along with a $13 million loss on operations (driven by decreased volume), several significant events impacted end of year results at BCH Oakland
  - Revenue from competitive markets will continue to be our dominant source of funds
- UCSF Health provides support to the campus in several ways
  - Salary support for faculty serving as medical directors in the hospitals
  - Support for the administrative infrastructure associated with resident and intern training
  - Strategic support to the School of Medicine for programmatic activities, such as clinical program start-up costs and faculty recruitments
  - Strategic support to the Chancellor for enterprise-wide investments
  - The Schools of Medicine and Dentistry generate professional fee revenue through clinical services provided by their faculty
  - Dean and department taxes on professional fee revenue support academic programs
  - The clinical enterprise provides essential patient care and research experience for students
- Near-term compound annual growth rates show total revenue growth outpacing total expense growth
  - Total revenue grows faster than total expense growth over the next three years
  - Research revenue growth is tempered in the near term, reflecting a rotation from federal to private sources
  - Personnel-related costs continue to outpace modest revenue growth
  - Interest and depreciation expenses increases are driven by campus renovation and new program project investment
- In the long-term, total revenue is expected to grow at a slightly higher rate than total expenditures
  - Philanthropy is a major source of revenue growth, especially for the campus
  - Research revenue growth returns to traditional growth level in the long term
  - Expense growth aligns with revenue growth levels
  - Personnel-related costs and benefit costs are outpacing modest revenue growth
  - It is a recommendation that UCSF should continue to exploit our strategic sourcing investment
- UCSF's cash position is expected to grow through 2025-26
  - UCSFs achievement of its projected level of future cash is dependent on strong earnings driven by operating growth and expense management, including tight controls on capital outlays
  - The projection assumes 65% of daily cash balances will be held in the TRIP instead of the STIP
  - UCSF Health unrestricted cash improves as a result of strong earnings in the west bay. A slight decline is projected in 2016-2017 driven by increased capital expenditures and planned operating losses at BCH Oakland and in our strategic affiliates
  - Significant cash holdings at BCH Oakland help bolster the overall cash position of UCSF Health
- UCSF's ten-year capital spending plan totals $5.56 billion

- o To fund the capital plan, total debt increases to $3.3 billion during the ten-year projection period
- o In addition to regular activities, UCSF must record unfunded retirement benefit liabilities on our financial statements
  - In November, UCOP will estimate the current cost of the retirement system and retiree health benefits for all past and current employees
  - Each year we will also show any changes in that liability as an expenses or credit on our income statements
  - Though our balance sheets already reflect the current liability for UCRP, we have not included a projected estimate for the OPEB liability
  - The new accounting rules could reduce UCSF combined enterprise net income by $200-350 million annually
  - Unfunded pension and retiree health liabilities also affect UCSF's balance sheet, potentially reducing our debt capacity
  - Currently the impact of the new accounting rules on our debt capacity is unclear. The requirements will likely no impact the universities overall credit rating because the rating agencies are already aware of the liabilities
- Campus Segment
  - o Revenues, Expenses, and Net Income
    - Net income goes negative in 2020-21 and 2021-22 due to unanticipated growth in personnel costs
    - Philanthropy along with increased physician productivity are key elements in the forecast period. However, philanthropy growth reflects tempered assumptions in this plan
    - Campus Revenue growth does not keep pace with expense growth in the near-term
    - Research revenue growth is tempered in the near term, reflecting a rotation from federal to private sources
    - Private gift revenue expected to slow from current growth rates
    - Personnel-related costs continue to outpace modest revenue growth
    - Strategic sourcing expected to limit supplies growth rate at 2% through 2018-19
    - Interest expense increases reflect campus renovation investments.
  - o Total salaries grew much faster than plan during 2015-2016, largely due to headcount growth in the School of Medicine
  - o Campus revenue and expense 3-year projections
    - Campus revenue growth does not keep pace with expense growth in the near-term
    - Research revenue growth is tempered in the near-term, reflecting a rotation from federal to private sources
    - Private gift revenue expected to slow from current growth rates
    - Personnel-related costs continue to outpace modest revenue growth
    - Strategic sourcing expected to limit supplied growth rate at 2%
    - Interest expense increases reflect campus renovation investments
  - o Private Gifts
    - New projection assumes steady levels of private gifts for several years before slower increases in the outer years
  - o Campus days of cash on hand above the recommended 160-day target provides an opportunity for self-borrowing
  - o Campus spending plan over ten years will be $2.66 billion
  - o Capital expenditures for the campus drop below projected depreciation in 2020-21 suggesting a need for additional investment

Campaign Planning
In January, Vice Chancellor for University Development and Alumni Relations John Ford, provided the following presentation ([Appendix 4](#)):
- Campaign Planning Process and Approval
  - o Timing

- Four years ago, UCSF considered embarking on a major fundraising campaign. After discussion, then Chancellor Sue Desmond-Hellmann decided that the time was not right and that the initiative should be postponed until the university could develop the necessary infrastructure to take on a significant campaign.
- Last year, new university leadership determined that the necessary resources were in place and a new campaign could now be considered.
  - Community Engagement
    - The University Development and Alumni Relations Office developed several potential campaign themes for the campus community to consider. Once all of the feedback was collected, six workgroups were charged with the review of the response data and the development of proposals on how to proceed.
  - Volunteer Engagement
    - Once proposals were finalized, four meetings with the Board of Overseers, and others, were held to vet the proposals.
  - Senior Leadership and Board Approval
    - In December, the Chancellor recommended proceeding with the campaign
    - The Board of Overseers voted unanimously to support moving forward
- Monetary Goal
  - Target goal: $5 billion
    - Target public launch Fall 2017
    - Campaign nucleus fund – all new commitments starting from July 2013
  - Campaign Nucleus Fund
    - VC Ford provided the committee with an overview of the funds raised to date. These include a mix of funding for capital, endowment, grants and current funds.
- Non-monetary Goals
  - Catalyze planning; set university priorities
  - Raise the visibility of UCSF
  - Expand base of donors and volunteers
  - Identify next generation of volunteer leaders
- Next Steps: Refining Content
  - Language and Presentation
    - Tell a compelling story
    - Highlight UCSF's differentiators
    - Present fewer themes
  - Organization of Ideas: Matrix
    - Cross-cutting themes
    - Disease areas
    - Mission pillars
- Next Steps: Planning
  - Recruit campaign leadership
  - Adjust campaign goals
  - Collect and refine content up until public launch in Fall 2017
  - Prepare campaign materials
  - Engage Key Prospects
  - Continue to build nucleus fund

After the presentation, APB committee members requested that a new subcommittee or task force be created to provide feedback to administration on the allocation of the new $500 million Helen Diller gift.

Campuswide Space Committee
In October, the members of APB reviewed the proposed Space Committee legislation set to be voted upon at the October 27 Division Meeting. After review, members identified an overlap between the proposed Space Committee bylaws and APB bylaws regarding roles and responsibilities of reviewing space planning matters. To address this issue, the members of APB requested that the proposed Space Committee bylaws be submitted to the Rules and Jurisdiction Committee for additional review and revision. Members also proposed that the new Space committee focus on existing structures including principles for assigning and relinquishing space, best use policies, etc. This division of labor would allow APB to continue its established role of

providing oversight and advice for campus planning and construction of new buildings. A clear difference in the purview should help the committees to accomplish work efficiently although some communication will doubtless be needed. Members concluded that they would attend the Division meeting on October 27 and request that the vote be tabled until Rules and Jurisdiction can review. In addition, a communication from the APB committee with the recommendations was submitted to Division Chair Ruth Greenblatt (Appendix 5) requesting that the October 27 Division meeting vote be tabled.

At the October 27 Division meeting, APB members were successful in postponing the approval vote. However, instead of sending the bylaws to just the Rules and Jurisdiction Committee for comment, the proposed bylaws were sent to all standing committees of the senate for review.

At the November APB meeting, members continued the discussion on the Space Committee bylaws and charge. APB members reiterated their concern that creating committees with overlapping responsibilities would cause inefficiencies as well as cause confusion for senate members and for the administration to understand the roles of the committees. Members proposed three alternate plans, with the third being the least desirable:

1. A standing space subcommittee is permanently established within APB. Additional members with interest in Space planning would be added to APB including those on the ad-hoc building committees and ex office members proposed in by law 185. The subcommittee would meet each month 1 week prior to an APB meeting and then report to APB and would send a representative to the executive council.
2. A new space committee is formed but has a charge to focus on use of existing structures (not planning of new structures). The bylaw could be amended in this manner:
   a. Setting principles and goals to guide UCSF space planning efforts and maintenance of existing infrastructure (but probably not be involved in initiatives and philanthropic campaigns if APB is supposed to be involved in planning).
   b. Consult with the administration and stakeholders over all space utilization policies, including setting criteria for the assessment of the value of space utilization, as well as underutilized space, which is subject to reallocation.
   c. Participate and advise in Senate efforts into UCSF space planning committees and subcommittees (but probably should not be involved in strategic planning, the development and planning of new buildings, and modifications to existing buildings and structures.)
3. A new space committee is formed and the APB bylaws are rewritten such that APB is no longer involved in space planning.

A communication was drafted and submitted to the Executive Council for review (Appendix 6).

In January, UCSF Academic Senate Division Chair Ruth Greenblatt attended the APB committee meeting to discuss the committee's communication on proposed Bylaw 185 – Space Committee.

Division Chair Greenblatt acknowledged APB concerns outlined in their communication. She informed APB that the development of a new space committee came out of an effort to raise the faculty voice on space governance issues. UCSF is undergoing an unprecedented time of growth. A total of five buildings will be constructed with in the next couple of years, and many more buildings are in the planning stages. Chair Greenblatt believes that if the committee structure were to remain the same, APB would be stretched in its abilities to effectively address space governance along with all of the other major administrative and budgetary issues the committee must review. Chair Greenblatt believes that to be more effective, the Senate should develop a new space committee that can bring together appointees from all of the various space planning groups to one place.

After the discussion, members agreed that more should be done to elevate the Senate's voice on space governance and planning issues. However, APB members still feel that the Senate should still consider alternative ideas to a new committee that will ensure effective shared governance while not being a significant strain on faculty time.

In March, APB Chair Christine and Vice Chair Pieper met with the Committee on Committees to review proposed Bylaw 185 and work to find a compromise that would meet APB's concerns. Revisions were

drafted and shared with the APB committee for review. Members agreed with the edits developed at the Committee on Committee meeting. However, members commented that they still believe the Academic Senate does not need a new standing committee devoted to space. Instead, it is a better idea to have the committee serve as a subcommittee of APB.

At the May Division meeting, the action item to approve the proposed Space Committee bylaws were tabled once again. In June, the UCSF Academic Senate approved of the bylaws via an online vote.

Campus 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.

- Parnassus Campus:
  - UC Hall Retrofit/Renovation
    - Construction on this project will be delayed. The Block 33 building must first be ready in order to allow the Ophthalmology department to decant
    - The budget/design approval by Regents will be delayed
  - Mission Hall Improvements
    - Space Administration Block Committees and Building Governance Committee have been formed
    - Rapid Improvement Funds will be used for wayfinding and identifying signage, with the remainder to be divided between the space block committees
    - Capital Improvements proposed scope: Convert 243 focus rooms into private offices (with ergonomic furniture), acoustic treatment above workstations and town centers, sound isolation of rooms, reorient workstations in high-traffic areas to increase privacy
    - Estimated costs of 4.3 million funding has been approved for more significant capital improvements
    - Implementation of capital improvements will happen with minimal disruption
  - Mission Bay East Campus Phase 1 (Block 33)
    - Programming Committee and Working Groups met in October through March
      - The Academic Senate representative on this group is Charles McCulloch
    - Smith Group JJR and Webcor design and build team selected
    - Budget and Design approval at January 2017 Regents Meeting
    - 2017-2019 construction timeline
    - Clinics, Dry Research, Instructional, Administrative space
      - Occupants include:
        - Vision Neurosciences for Ophthalmology and Proctor Foundation clinics, research facilities and administration
        - School of Medicine programs:
          - Institute for Computational Health Sciences
          - Institute for Health Policy Studies
          - Arthritis Research
          - Geriatrics
          - Medical Effectiveness Research
          - Anthropology History and Social Medicine
          - School of Medicine Dean's Office Finance Group
          - Radiology
          - Department of Medicine
          - OBGYN
          - Anesthesia
        - School of Pharmacy Program on Drug Development
        - School of Nursing
          - Social and Behavioral Sciences and Institute for Health and Aging
        - School of Dentistry programs
          - Center for Health Professions

- Preventative and Restorative Dentistry
  - Campus administrative units such as Center for Health Professions, Preventative and Restorative Dentistry Research, Innovation/technology/alliances, University Relations, Diversity and Outreach, and University Development and Alumni Relations
- Precision Cancer Medicine Building
  - Stantec Architects and Rudolph and Sletten design and build team selected
  - Budget and design approval anticipated at March 2017 Regents meeting
  - 2017-2019 construction plan
  - The building will house Cancer Outpatient Care including clinics, infusion and support services for adult solid tumor cancer treatment
  - Once complete there will be a consolidation of cancer programs at Mt. Zion and Mission Bay and growth of outpatient cancer programs
  - Faculty clinicians and their staff will be assigned workspace in Mission Hall (173 existing faculty and staff plus 101 clinicians to be named)
- Mission Bay Neurosciences Building (Block 23A)
  - Preliminary plan funding approved at the March 2016 Regents meeting. Budget and Design approvals at May 2017 Regents meeting
  - Mark Cavagnero Associates/Cannon Design and DPR Construction selected
  - 2017-2020 construction timeline
  - Following completion of programming in September, Building Committee was formed to oversee design.
  - Clinics/Imaging, Wet/Dry Research, Vivarium space
  - Building occupants include the Neurosciences Institute, with a translational focus on neurodegeneration
  - The building will include 45 PIs in Neurology, Psychiatry, Neurosurgery, the institute for Neurodegenerative Diseases
  - Clinical imaging space for existing neurology outpatient clinics moving from Parnassus and new clinics
- Psychiatry Building at 2130 Third Street
  - Developer-built project (Prado/SKS joint venture), ZGF/Pfau-Long Architects selected Land to be leased to developer and building to be leased back by UCSF with option to purchase
  - Project approvals at May 2017 Regents meeting
  - Existing building to be demolished and new building to be developed
  - 2018-2020 construction timeline
  - Clinics, Dry Research, Instructional and Administration Space for Department of Psychiatry
    - Child, Teen and Family Center
    - Department of Psychiatry programs now at LPPI at Parnassus, Laurel Heights, Mount Zion, ZSFG, and Mission Bay
    - Convening, retail and support space
- Research Building at Zuckerberg San Francisco General Hospital
  - The programming committee for this building has met. The Academic Senate representative on this programming committee is Fran Aweeka
  - Ground lease and Environmental Impact Report approvals occurred at the November 2016 Regents meeting. The timeline for the budget and design approval has yet to be determined
  - Design and construction timetable to be revised based on delays
  - Construction delayed due to the additional time needed to complete ground lease negotiations
  - The new building will include wet and dry research, instructional and administrative space
  - Building will include School of Medicine programs now located at ZSFG and programs now located at Laurel Heights
- Minnesota Street Student and Trainee Housing

- The university has acquired three parcels of land on Minnesota street (566,590 and 600)
- The planned use for the land is to develop UCSF student and trainee housing. There is a potential 610 housing units for approximately 800 occupants.
- Budget and Design approvals at the May 2017 Regents meeting
- 2017-2019 timeline for construction
- Space Management System (Archibus)
  - UCSF's new space management system was launched in May of 2016. The program is jointly operated by Campus Planning and Medical Center Space Management
  - Space management module tracks all UCSF space at owned and leased sites.
  - Processes space requests from control points
- Space Walk-throughs and Space Utilization Reports
  - EVCP and Vice Dean-SOM announced space walkthroughs at Parnassus, Mission Bay and Mount Zion. The walk-throughs took place in the Fall 2016 and Winter 2017, and focused on research space.
  - The review found that most of the Mission Bay research space is occupied. Parnassus on the other hand is less occupied. There are many reasons for the lack of utilization at Parnassus, including the condition of the lab space.
  - Space utilization reports requested from schools and vice chancellors were postponed

Helen Diller Task Force Report

In early 2017, the Helen Diller Foundation pledged a transformative gift of $500 million to support UCSF. A $100 million portion of the fund will be used to retain outstanding current professors and recruit preeminent faculty to UCSF by funding Helen Diller Distinguished Professorships. An additional $100 million will provide funds for the Helen Diller Faculty Scholars program to support early- and mid-career scientists. When news of the funding opportunity was announced, the UCSF Committee on Committees requested a task force be convened to assist the Chancellor with disbursement of funds for Distinguished Professorships and Faculty Scholars. Chair Christine volunteered to chair the task force and assemble a group of APB members interested in providing feedback on the eligibility criteria.

In March, the members of the Academic Planning and Budget (APB) committee reviewed the Helen Diller Task Force report (Appendix 7). After lengthy discussion, members agreed upon the following recommendations:
- No Administrative Support: APB Members recommend that funds from the gift should not fund faculty whose main work will be administrative. Members believe the gift should support faculty focused on the research, teaching and clinical missions of the university, not the development of administration, or administrative leaders.
- Further Consideration of Endowed Chairs: APB members recommend that some endowed chairs should be eligible for the Helen Diller funds. Currently the Task Force recommends that "concurrent distinguished or endowed chairs, or equivalent" should be ineligible for gift funding. Members note that not all endowed chairs are the same, and that some faculty receive a relatively small amount of funding from their endowment. All members did agree that Howard Hughes and BioHub chairs should be exempted.

On May 11, the UCSF Academic Senate held their bi-annual Division Meeting. At the event, Chair Christine reviewed the Helen Diller Task Force recommendations and Division Chair Ruth Greenblatt reported on the campus-wide survey of faculty feedback. No decisions were made at the meeting. Instead, members agreed to keep the survey open and to encourage more faculty to participate. Once additional responses are collected, Division Chair Ruth Greenblatt intends to send a communication to the Chancellor in the summer or fall.

Human Resources Reforms

In May, Associate Vice Chancellor David Odato attended the APB meeting to provide an update on the recent work of the Human Resources department (Appendix 8).
- 2017 Service Improvements
  - Rapidly evolving support for newly unionized Post Doc population
    - Participated in bargaining, representing departments' concerns

- o Streamline Labor and Employee Relations (LER) case management and simplify escalation path to reduce delays
  - HR website relaunch in July 2016
  - Launched bimonthly HR liaison meetings to strengthen partnership with departments
  - Developed/delivered Service Partnership Agreement (SPA) trainings to help achieve SPA goals
  - Faculty Staff Assistance Program (FSAP) opened a satellite office at MCB one day/week to expand services near Mission Bay. Based on response, increased to a second day and are looking to add a third day soon.
- 2017 Accomplishments
  - o Strong, ongoing collaboration with the HR Advisory Board, SPA and Funding Model committees
  - o Implement Lean strategic planning methodology
  - o Pilot of a new customer survey to enable more frequent feedback and identify key service drivers
  - o Launch of redesigned STAR program
  - o Career tracks implementation completed
  - o Lean Visa process improvement workshops defined goals and needed improvements
  - o CRM system build fully underway
  - o Postdoc CBA bargaining
  - o Successfully completed OFCCP conciliation agreement without penalties or additional reporting requirements
- Challenges Expressed by HR Customers
  - o Inconsistent advice from HR
  - o Accuracy/quality of HR work
  - o Timeliness of various HR actions
  - o HR website not welcoming and hard to navigate
  - o Requesting actions from HR not user-friendly experience
  - o Value of HR services relative to cost
- Key Planning and Program Challenges
  - o Customer satisfaction
  - o Improved systems but have not realized full benefits
  - o Compliance obligations and mandated projects/process changes
  - o UC Path
    - UCSF is scheduled for last roll out – estimate between late 2018 and late 2019
- HR Customer Satisfaction Survey
  - o Last year FAS decided to overhaul its customer survey, and HR was selected to pilot the new model
    - Goals:
      - Improve the survey design to better understand the drivers of customer service
      - More frequent collection of feedback to monitor trends
  - o CFI Group was selected to design and implement the survey because of their use of the robust American Customer Satisfaction Index
  - o Received the results of the third wave of quarterly surveys last week
    - Now evaluating the results to determine top priority areas for service improvement efforts
- HR Strategic Planning
  - o HR leadership has embraced the Lean strategic planning philosophy
    - Defined new mission and vision
      - Mission: Attract, develop, and retain outstanding and diverse people
      - Vision: Strategic and trusted partners empowering the UCSF community to leverage their talents
    - Identified top strategies:
      - Create a culture of performance excellence within HR

- Transform customer experience
- Support UCSF's strategic objectives while balancing risk through compliance
- Lead workforce strategies
- Partner strategically with leadership
- Postdoc Shared Services
  - 2017 Service Accomplishments
    - 1100-1300 postdocs at UCSF
      - 550 of the 1100 visas processed from March 2016 to March 2017 were for postdocs
    - Supported the bargaining to renegotiate CBA and implemented new postdoc contract and salaries at the end of 2016
    - Clean-up of Postdoc appointment and salary records
    - Partnered with the Graduate Dean's Office to develop, improve and document standardized processes
  - In-Progress Activities
    - Deliver the outcomes and improvement recommendations as a results of the Visa Lean workshop
    - Implementation of timekeeping system for post-doc – UCSF is leader in developing timekeeping rules
    - Developing Post-doc 101 – Training for the campus community
    - Collaborating with the Graduate Dean's Office and Labor Relations to develop local policy guidelines and standards for postdoc compensation practices
- Labor and Employee Relations
  - Launched an effort to increase support for department in managing staff performance
    - Identified all those who have a "less than meets" performance evaluation on file
    - LER Specialists are tracking/logging whether or not " an action" has been taken to address this performance/conduct
- Lean Process Improvement – Visa Application Processing
  - Goal: Identify a streamlined process that collects just the data required to process a visa application, in the optimal order, with high accuracy and minimal waiting
    - Implemented improved tracking by Academic Shared Services and Postdoc Shared Services teams
    - International Students and Scholars Office has added clarifying information to improve data from collection from scholars
  - Expected outcome once full solution is implemented: improved process for scholar and department, reduce back-and-forth, enable shorter turnaround times.

At the end of the presentation, committee members expressed concerns with the recently signed post-doc labor contract. While the faculty support pay and benefit increases for all post-docs, members noted that the compensation increases have directly come from their research grants. With increased labor costs, some faculty have had to hire fewer post-docs or reduce desired research activities. Committee members asked AVC Odato to please consider faculty interests in the next collective bargaining agreement negotiation process, and they encouraged the university to provide central funding to pay for future increases in compensation.

Information Technology Reports
In November, Chief Information Officer Joe Bengfort and Director of IT Security Pat Phelan attended the APB meeting to provide an update on the work of the Information Technology Office. The following items were discussed:
- Overall Information Technology Strategy
  - There is an increasing demand for IT investment at UCSF
    - Need for data access and analysis
    - Development of the a new ACO Network
    - Management of the Electronic Health Record system
    - Support for Clinical Trials

- Need for High Performance Computing
- Development of Digital Health services
- Development of additional security controls
  - o To meet future needs there is an effort to control costs
    - Consolidating IT infrastructure
    - UC leveraging its scale for value
    - Implementing security compliance program
    - Implementing lean process
- IT Security
  - o There have been zero known breaches from lost or stolen computers in the last fiscal year
  - o Major improvement in security fundamentals
    - Patching and vulnerability management
    - Intrusion detection system installed at network boarder
  - o Collaboration Efforts
    - IT and faculty have been working together to shape a strategy that balances practical functionality with security and privacy.
    - There has been collaboration across the UC system to increase IT security. In particular, the health systems have been working with each other to establish common practices, metrics, and tools.
    - Significant work has been completed to address HIPPA
- What to Expect in the Upcoming Year
  - o Continuation of Security Improvement Initiative
    - BigFix automated patching and vulnerability scanning
  - o Improvements in medical devices security
  - o FireEye
    - Implemented in November
    - FireEye system detects sophisticated zero-days and advanced persistent threats that often circumvent firewalls, intrusion prevention systems, antivirus applications.
  - o Passwords
    - Password reset requirements will phase in gradually in Spring of 2017
    - Offering LastPass password management software to help people
  - o Network Access Control
    - Delayed until 2018

In March of 2017, Chief Information Officer Joe Bengfort reported on the following items:
- Strategic Sourcing Update: UCSF has outsourced several IT services. These include phone system management, networks systems, server operations, and email system monitoring. The sourcing project was completed at the end of January. Now UCSF is in the process of optimizing the system. There is a backlog of tickets, but improvements are being made.
- Password Security Update: UCSF has identified the need to update password security protocols. IT will be working on new password policies later this year.
- Clinical Systems: Over the course of the past several months, faculty have had issues with clinical systems. At the request of APB members Heidi Collins, Vice President of Clinical Systems provided the following report:
  - o Incoming Ticket Volume – Maintenance and Production Support
    - UCSF has implemented several system upgrades over the past few years. After each upgrade there is a spike in the number of tickets. Overtime, the number of tickets does trend downward.
  - o Effort Tracking Statistics
    - Volume of tickets has dropped from 2400/month to an average of 1800 incident/maintenance tickets over the past 6 months
    - Stabilization from double upgrade in January 2016
    - Average 15,054 hours/month has been devoted to production support over the same six-month period

- 8.36 hours/ticket (diagnosis/troubleshooting, build changes, testing, peer review, documentation, change control, and customer communication)
- Equates to 110 FTEs (taking into account vacation time)
- An average 2500 changes/month to production code
- Incoming Ticket Volume – All (Including Enhancements)
- Average # of Days to Close
  - Increases during holiday and vacation periods
- Discussion
  - Clinical Systems has ~110 analysts/trainers devoted to production support
  - No additional Apex staff has been added in past two years, except for Beacon oncology support, though resources have been rebalanced within the team
  - Given Bay Area market for Epic, cost of analysts is very high (~$100/hr inclusive of benefits)
  - Clinical Systems budget currently >$75 million annually for West Bay only
  - Also balancing project support from same team
  - Project resources range from 35 to 100 FTEs at any given time
  - Majority of project resources funded from capital and cannot be redirected to production support
  - In reality, project deadlines put pressure on team to shift resources *away* from production support to meet project deadlines
  - FY17 performance goal related to timely closure of High and Medium tickets—significant improvement thus far
  - FY18 goal will likely focus on reducing outliers with long time to closure; visibility of team metrics
  - Biggest issue is getting timely response from customers to assist with troubleshooting or validating fix

Meeting with Senior Vice Chancellor for Finance and Administration Paul Jenny
New Senior Vice Chancellor for Finance and Administration Paul Jenny was appointed in June of 2016. In March, SVC Jenny attended the APB meeting to introduce himself to the APB committee members and discuss his strategy for the future. In the conversation, SVC Jenny noted that he wants to focus on fostering collegiately, trust, collaboration, and accountability.

Mission Hall Report
In 2014, UCSF commissioned a workplace research project to assess satisfaction, well-being, work effectiveness, and engagement prior to, and following, the occupancy of Mission Hall. The research team was comprised of UCSF Principal Investigator Dr. Nancy Adler, Dr. Janice Barnes, and staff from the architectural firm Perkins+Will.

The team assessed the use of Activity-Based Workplace design at UCSF, and the effectiveness of the new Mission Hall workspace in supporting individuals, teams, and departments. In May of 2017, the final report on Mission Hall was issued - https://space.ucsf.edu/sites/space.ucsf.edu/files/wysiwyg/mh_workplace_study_coverpage_april2017.pdf. Chair Christine encouraged all faculty review the report.

Open Plan Workspace Change Management
In June, Manager Cristina Morrison and Associate Dean Kevin Souza presented on Open Plan Workspace Change Management Design Recommendations (Appendix 9):
- Context
  - Approximately 1,700 people are currently working in Open Plan Workspaces
  - By the end of 2019, this number will increase to approximately 4,000 people working in Open Plan Workspaces, which is approximately 20% of the UCSF campus workforce.
  - Based on lessons learned, we need to:
  - engage early with building occupants

- o acknowledge the changes that come with open plan workspace and proactively address them
  - o develop a change management plan to ensure a smooth transition
- Design Team Formation
  - o In October 2016, Executive Co-Sponsors Dan Lowenstein and Paul Jenny reached out to faculty and staff leaders to request participation on the Open Plan Change Management Design Team.
  - o A total of 9 Design Team members elected to participate in the process.
  - o To support the Design Team's work, a Project Management Team was formed with membership from Campus Planning, School of Medicine Dean's Office and Project Management Office (PMO)
- Open Plan Adoption Framework
  - o Working and Living in the Building
    - ▪ Support Getting Around: Reception areas and clear wayfinding
    - ▪ Provide Adequate Equipment and Tools: Appropriate tools for mobile working
    - ▪ Adopt Behaviors and Norms: deploy guidelines for standard etiquette in Open Plan buildings that building governance groups can tailor to their needs.
    - ▪ Creating/Preserving Identity: Promote the idea of "One UCSF" while enabling departments to their department identity
  - o Building Governance structure and Roles Recommendations
    - ▪ Open plan necessitates occupant-driven governance of the space given the multi-departmental character of the occupants
    - ▪ Design Team recommends two levels of governance: Building wide and Block level (1 or more floors)
    - ▪ Open Plan governance is not intended to substitute for management responsibilities: Department management remains accountable for department personnel
    - ▪ Create new role of Space and Operations Coordinator already in practice at Mission Hall and critical to smooth operations of future Open Plan buildings
  - o New Shared Services Recommendations
    - ▪ Enhance Facilities Services to meet new minimum standards: cleanliness and sanitation, pest and insect control, and basic convenience services; incorporate costs in annual facilities budget
    - ▪ Provide assigned accountability to manage the huddle and conference rooms: maintenance, standard technology and support, how to documentation, and clear "how to call" information. Any solution requires funding.
    - ▪ Provide coffee/tea and equipment: small cost with large positive impact on UCSF's goal of Great People, Great Place
    - ▪ Funding model for shared services: recommend these guiding principles: (1) Efficient funds flow; (2) Cost neutral for majority of departments in Open Plan; (3) Equitable cost sharing; (4) Supports Great People-Great Place initiative
  - o Shared Funding Model Options
    - ▪ Option A: A central budget is allocated
    - ▪ Lower administrative cost
    - ▪ Everyone on campus participates equally in funding these services, since generally departments do not choose whether to be in open plan workspace or not
    - ▪ Funding Source options: Chancellors budget or take a share of the indirect costs to fund these costs
    - ▪ Option B: Multiple recharge processes are created and executed to bill and collect all costs
    - ▪ High administrative cost to design and manage the multiple transactions
    - ▪ Could provide incentive for departments to effectively utilize their space as departments pay for all spaces assigned to them. However, the cost per workspace has not had an impact on workspace utilization at Mission Hall.
    - ▪ *The design team recommends Option A.*

- o Transition and Community Building
  - Consistently engage with over 60 Change Agents and prepare them for moving and transition to Open Plan environment. Change agent list will be available on Open Plan Design web page in Fall 2017.
  - Establish governance structures before moving into the building in order to work through building protocols and processes
  - Provide transition tools and events
  - File Shredding parties
  - Welcome packets
  - On-line user guides
  - Website with all relevant information
  - Hold Community Building events before and after move-in.
- o Implementation Timeline
  - Work need to begin now on standard open plan change items including technology, shared services requirement details and funding model.
  - New open plan building governance should be in place at least 6 months before move in and support provided to address the building specific change management tasks included in the detailed implementation plan.

Going Forward

Ongoing issues under review or actions which the Committee will continue into 2017-2018:

- Campus Finance
- Campus Planning
- Campaign Planning
- IT Security
- Faculty Workspace Planning
  - o Mission Hall Post-Occupancy Study
  - o Mission Hall Committee and Reforms
- Human Resources Reforms
- Research Management Services

Appendices

This Annual Report is posted online and accessible via the APB Web page on the Academic Senate Web site.