



University of California
San Francisco

UCSF Financial Plan Fall 2017

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Vice Chancellor and Chief Financial Officer

7/27/2018

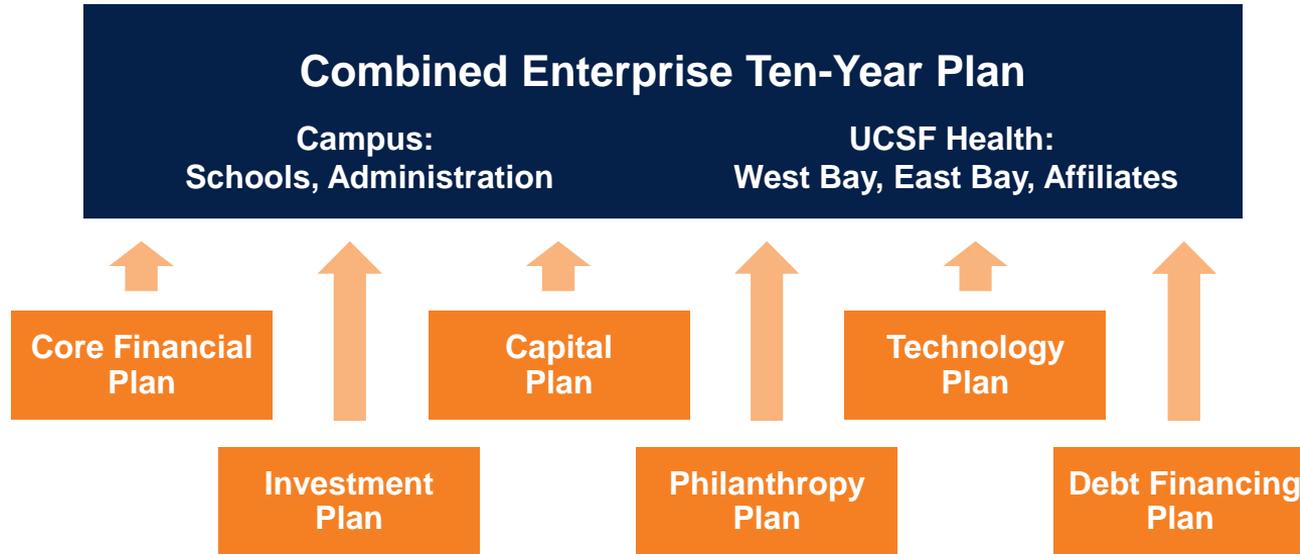
Presentation Overview

- General Observations
- Business and Financial Planning at UCSF
- 2016-17 Financial Results
- Combined Enterprise Projections
 - Income Statement (Revenues, Expenses, and Net Income)
 - Balance Sheet (Cash, Capital, Debt, and Retiree Benefit Liabilities)
- Campus Segment Projections
- UCSF Health Segment Projections
- Campus Core Financial Plan
- Summary

General Observations

- 2016-17 financial performance exceeded projections by \$238 million (excluding non-cash accounting adjustments for retirement benefit liabilities)
 - The Campus exceeded projections by \$33 million
 - UCSF Health exceeded its plan by \$205 million
 - UCSF Health accounts for 63% of UCSF's revenues in 2016-17 (\$4.0 billion of \$6.4 billion total)
- The UCSF consolidated enterprise now reflects positive net income for all years in the forecast period (excluding non-cash accounting changes)
- For the campus, projected net income is negative in 2020-21 and 2021-22 due to increased depreciation and interest expense associated with new and renovated buildings
- For UCSF Health, EBIDA is enhanced by \$120 million in 2018-19 through strong revenue growth coupled with effective cost management; steady annual earnings provide UCSF with the ability to invest in strategic capital initiatives and much needed infrastructure
- 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 period in preparation of replacing the Moffitt Hospital

Enterprise-wide strategic priorities drive UCSF's business and financial planning efforts

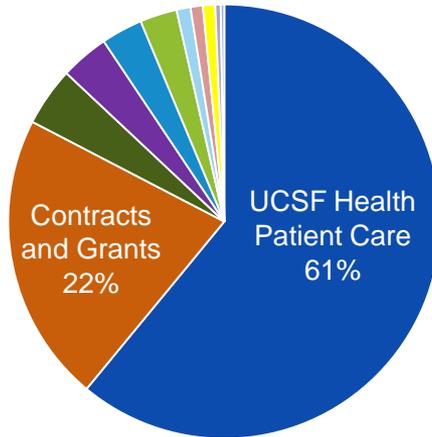


- The UCSF Combined Enterprise Ten-Year Plan serves as a strategic roadmap and helps drive optimal decision making
- Most control points provide a five-year operational plan; UCSF Health and the School of Medicine provide ten-year plans

Combined Enterprise: Campus + UCSF Health

More than 80% of our sources comes from competitive and rapidly changing markets – 61% from UCSF Health patient care and 22% from contracts and grants

2016-17 Combined Enterprise Revenue: \$6.4 billion



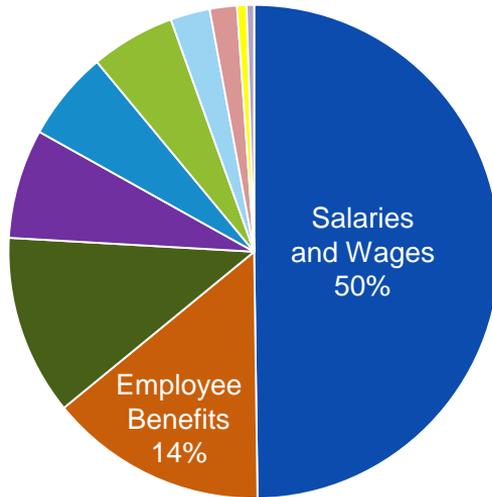
Sources	Revenue	Share
UCSF Health Patient Care	\$3,906	61%
Contracts and Grants	1,383	22%
Other Clinical and Educational Activities	280	4%
Private Gifts	232	4%
State Funds	198	3%
Investment Income	177	3%
Auxiliary Enterprises	67	1%
Student Tuition and Fees, net	59	1%
Other Revenues	59	1%
State and Federal Financing Appropriations	26	<1%
Patent Income	17	<1%
Total	\$6,403	100%

Note: Capital gifts excluded. Tuition and Fees net of scholarship allowance.

Dollars in millions

Personnel-related costs drive 64% of our combined enterprise expenses

2016-17 Combined Enterprise Expense: \$6.2 billion



Uses	Expense	Share
Salaries and Wages	\$3,078	50%
Employee Benefits	885	14%
Supplies and Materials	730	12%
Professional and Purchased Services	443	7%
Other Operating Expenses	364	6%
Depreciation	343	6%
Subaward Expenses	161	3%
Interest Expense	111	2%
Utilities	39	1%
Scholarships and Fellowships	30	<1%
Total	\$6,183	100%

Dollars in millions

Our 2016-17 results were better than planned for both the Campus and UCSF Health

2016-17 Results	Actual	Plan	Variance	
Combined Enterprise				
Revenues	\$6,403	\$6,057	\$346	6%
Expenses	<u>6,183</u>	<u>6,075</u>	<u>108</u>	2%
Net Income/(Loss)	220	(18)	238	
Campus				
Revenues	\$2,400	\$2,334	66	3%
PSA Transfer	<u>580</u>	<u>583</u>	<u>(3)</u>	(1%)
Total Revenues	2,980	2,917	63	2%
Expenses	<u>2,932</u>	<u>2,902</u>	<u>30</u>	1%
Net Income/(Loss)	48	15	33	
UCSF Health				
Revenues	\$4,025	\$3,750	\$275	7%
Expenses	<u>3,853</u>	<u>3,783</u>	<u>70</u>	2%
Net Income/(Loss)	172	(33)	205	

Note: Net income does not include effect of GASB 68 (Pension Liability) or GASB 75 (OPEB Liability), and other changes in net position. Professional Services Agreements (PSA) and other campus services provided to UCSF Health are recorded as Campus revenue and UCSF Health expense and are eliminated in UCSF consolidated financial statements. Dollars in millions

UCSF Campus core activities were operating at a surplus of \$48 million for the year and favorable to plan by \$33 million

- Revenues were higher than plan by \$63 million, primarily due to increases in private contracts and grants and investment income
- Expenses associated with core activities were higher than plan by \$30 million, due largely to higher salary spending related to increases in research and clinical activity

UCSF Health net income from core activities was \$172 million and favorable to plan by \$205 million

- Revenues were favorable to plan by \$275 million due to strong volumes and higher than planned Medi-Cal supplemental monies received at Benioff Children's of Oakland
- Expenses were above plan by \$70 million with only variable costs increasing with volume
- UCSF West Bay earnings performed better than expectations due to growth and management of expenses
- UCSF Benioff Children's of Oakland earnings improved significantly over the prior year due to the receipt of Medi-Cal supplemental monies earned in both 2015-16 and 2016-17 as well as unrealized investment gains

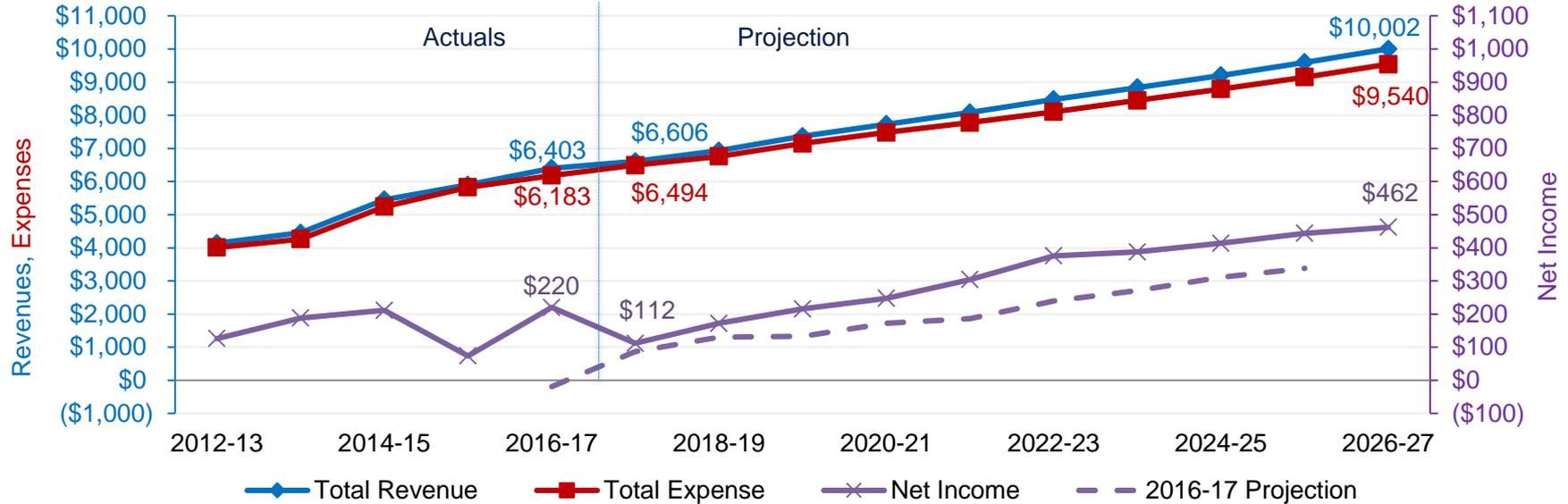
Due to the addition of the retiree health liability, UCSF's balance sheet now has a negative net position

Statement of Net Position, June 30, 2017



Dollars in billions

UCSF projects a combined positive net income for all years of the forecast period

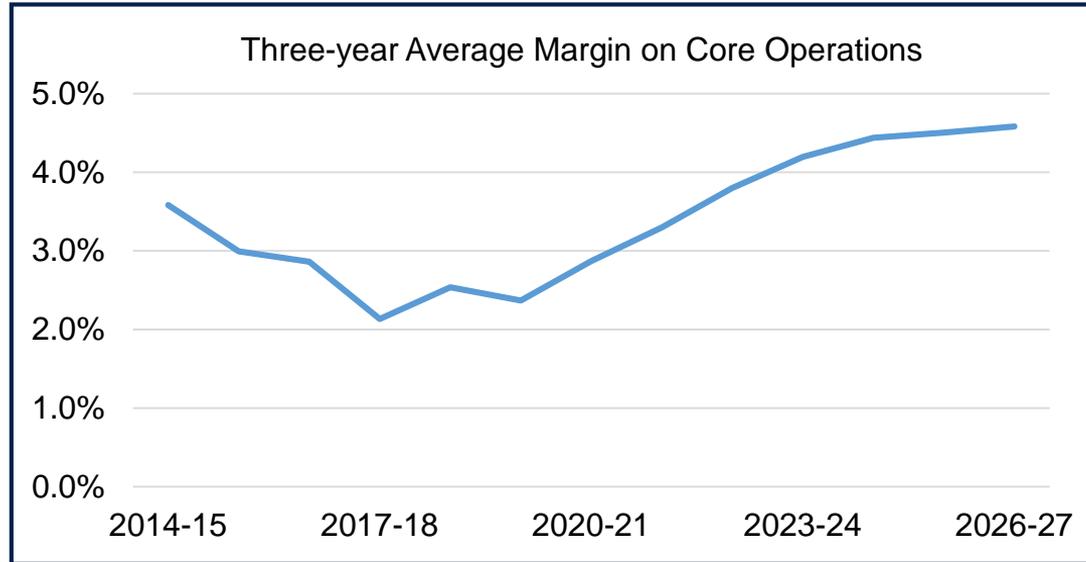


- UCSF Combined Enterprise total revenue is projected to reach \$10 billion in 2026-27
- 2012-13 to 2013-14 figures exclude Benioff Children’s Hospital Oakland (BCHO)
- Net income does not include non-cash accounting changes related to retiree benefits

Dollars in millions

Projected positive operating margins indicate that UCSF will be managing its core operations effectively

Three-year average margin on core operations before other changes in net position measures net income of core operations compared with total revenues



Calculation:

Three-year average of income before other changes in net position / revenues (operating + nonoperating)

Level

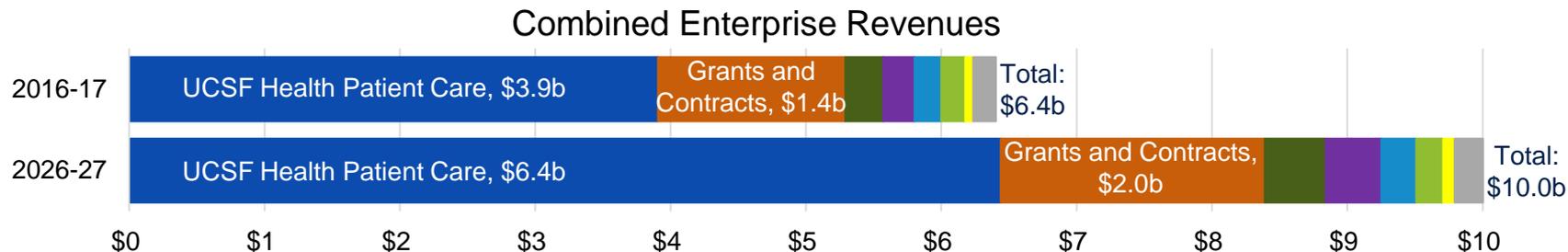


Trend



Excluding non-cash accounting adjustments for retirement benefit liabilities

Revenue from competitive markets will continue to be our dominant source of funds



Source	2016-17	2026-27
UCSF Health Patient Care	\$3,906	\$6,438
Grants and Contracts	1,384	1,951
Educational Activities	280	451
Private Gifts	232	410
State Funds	198	258
Investment Income	177	199
Student Tuition and Fees (Net)	59	85
Other Revenue	168	210
Total	\$6,403	\$10,002

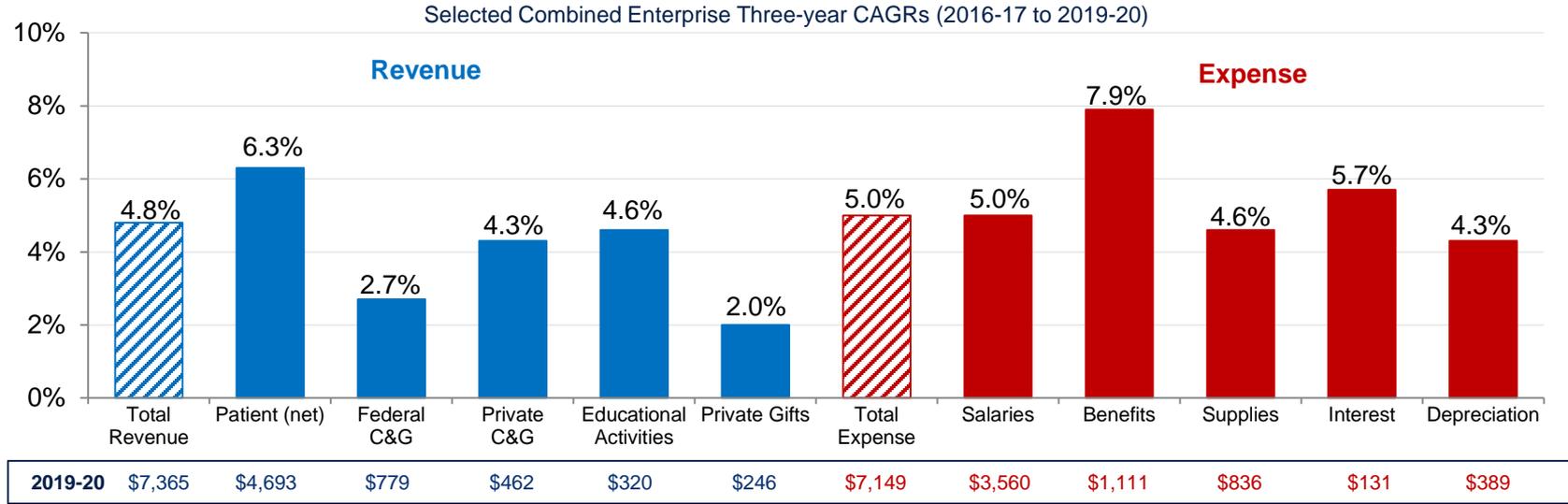
Dollars in millions

UCSF Health funds flow to the campus in several ways

- To the Core Financial Plan:
 - Support for strategic enterprise-wide investments
- To the School of Medicine:
 - The Schools of Medicine (and Dentistry) earn professional fee revenue through clinical services provided by their faculty
 - Salary support for faculty serving as medical directors in the hospitals
 - Support for the administrative infrastructure associated with resident and intern training
 - Strategic support for programmatic activities, such as clinical program start-up costs and faculty recruitments
- To administrative units:
 - For services provided by the campus on behalf of UCSF Health

In the near term, total expense growth slightly outpaces total revenue growth

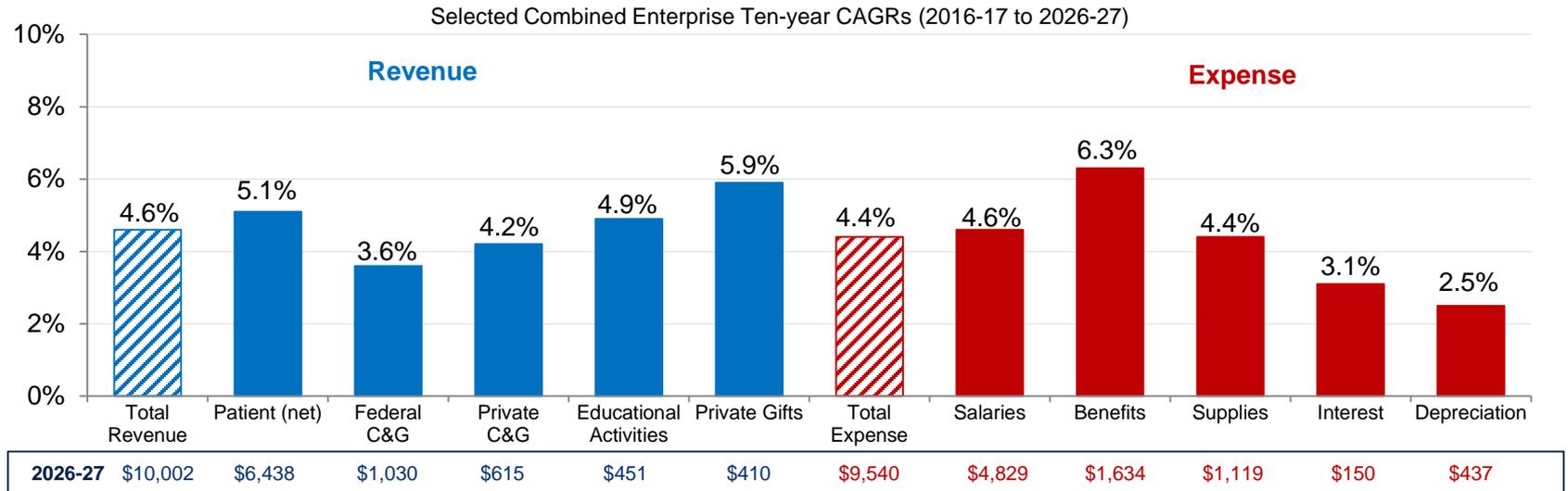
- Revenue growth from UCSF Health patient care significantly contributes to overall near-term performance
- Sponsored revenue growth is tempered in the near term, reflecting a rotation from federal to private sources
- Personnel-related costs continue to outpace modest revenue growth
- Interest and depreciation expense increases are driven by renovation and new program capital investments



Dollars in millions

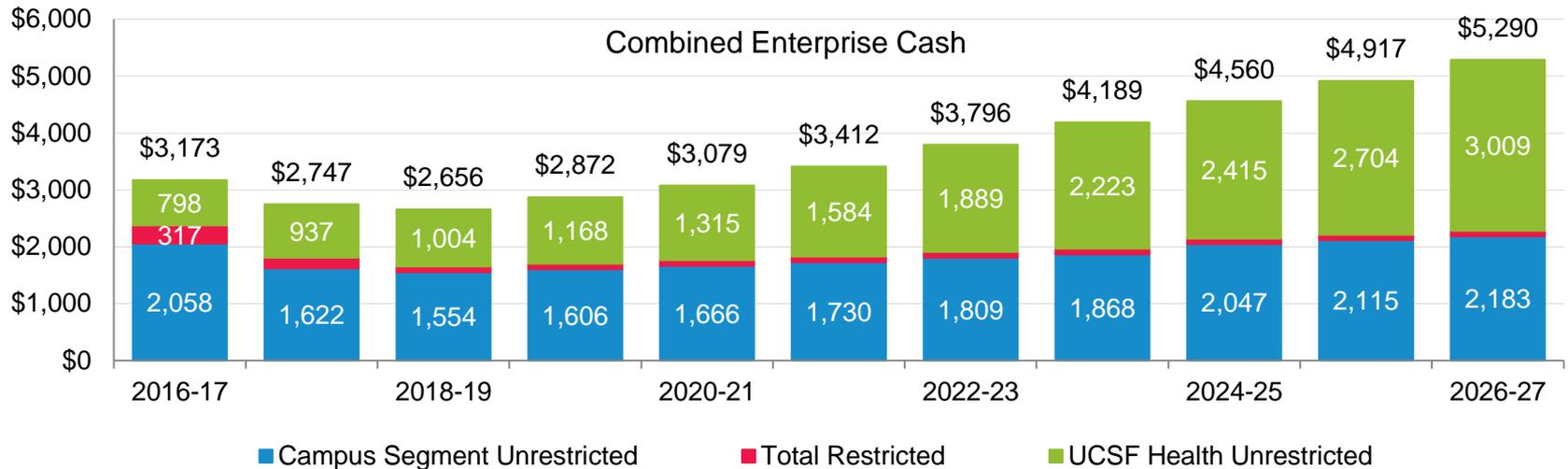
In the longer term, total revenue is expected to grow at a slightly higher rate than total expenditures

- Philanthropy is a major source of revenue growth, especially for the Campus
- Sponsored revenue growth returns to traditional growth levels in the long term
- Personnel-related costs, in particular benefit costs, continue to outpace modest revenue growth



Dollars in millions

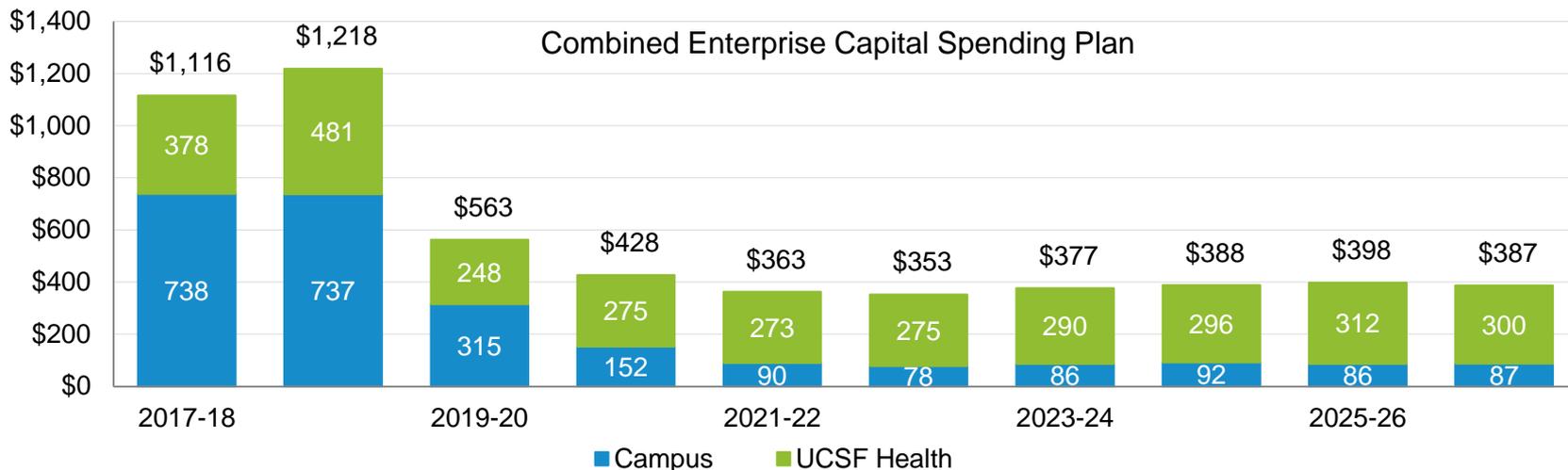
UCSF's cash position is expected to grow through 2026-27, driven by UCSF Health



- Achieving this projected level of future cash is dependent on strong earnings driven by operating growth and expense management, including tight controls on capital outlays for the campus segment
- The projection assumes 65% of daily cash balances will be held in the Total Return Investment Pool (TRIP) instead of the Short Term Investment Pool (STIP)
- Current cash holdings at BCH Oakland represent a significant portion of the overall cash position of UCSF Health; growth is driven by improved financial performance in the West Bay

Dollars in millions

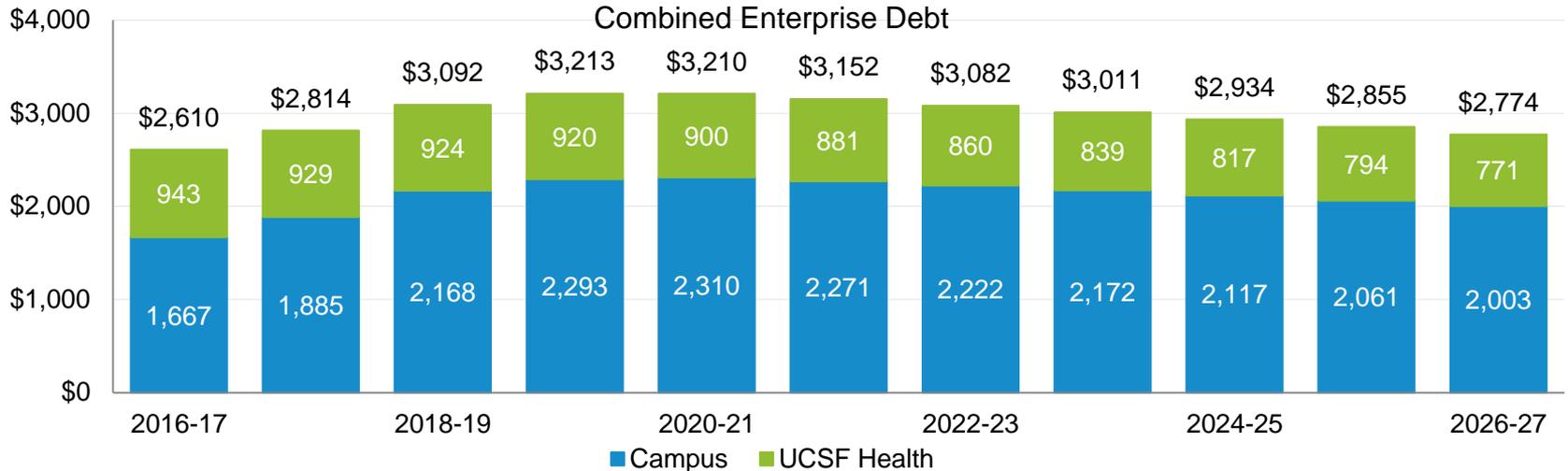
UCSF's ten year capital spending plan totals \$5.59 billion



- The campus capital plan totals \$2.46 billion, a reduction of \$200 million from the prior year plan
- The UCSF Health capital plan totals \$3.13 billion over ten years, including \$2.7 billion in West Bay projects and \$446 million East Bay projects
 - West Bay capital projects include the Precision Cancer Medicine Building (PCMB), a new inpatient unit on 15 Moffitt, an Ambulatory Surgery Center, multi-specialty clinic expansion, the new Langley Porter Psychiatric Hospital & Clinics (LPPH&C) outpatient project (TI's only), and equipment for the Weill Neurosciences building
 - East Bay capital includes the BCH Oakland Master Facility Plan, Phase I
 - The current capital plan does yet not incorporate Moffitt hospital replacement, a Proton Beam facility, BCH Oakland Master Facility Plan (MFP) Phase II, or replacement of the LPPH&C inpatient facility

Dollars in millions

To fund the capital plan, total debt increases to \$3.2 billion during the ten-year projection period



- Campus debt rises \$600 million over the next several years due to major capital investments (Weill Neurosciences, Precision Cancer Medicine, the ZSFG Academic Building, and Minnesota Street Housing)
- Debt issuance remains within UC coverage limits throughout the period
- Combined enterprise annual debt payments rise from \$121 million in 2016-17 to \$232 million in 2026-27

Dollars in millions

In addition to regular activities, UCSF must record unfunded retirement benefit liabilities on our statements

- The Governmental Accounting Standards Board (GASB) has stated that governmental organizations need to reflect pension and retirement benefits liabilities on their financial statements
 - In 2013-14, we began to reflect the UC Retirement Program (UCRP) pension liability on our income statements and balance sheet per “GASB 68”
 - In 2016-17, we began to reflect the Other Post Employment Benefit (OPEB) retiree-health liability on our financial statements per “GASB 75”
- Each year we will show any changes in these liabilities as an expense or credit on our income statements
- Though our balance sheets already reflect the current liability for UCRP and OPEB, actuarial projections are generally not available until after the planning cycle

Unfunded pension and retiree health liabilities affect our income statement, but “below the line”

Income Statement
Core Revenue
Core Expense
Employee Benefits
Income from Core Activities (the purple line)
GASB 68: Incremental Pension Gain (Loss)
GASB 75: Growth in Retiree Health Liability
Other Changes in Net Position
Increase (Decrease) in Net Position

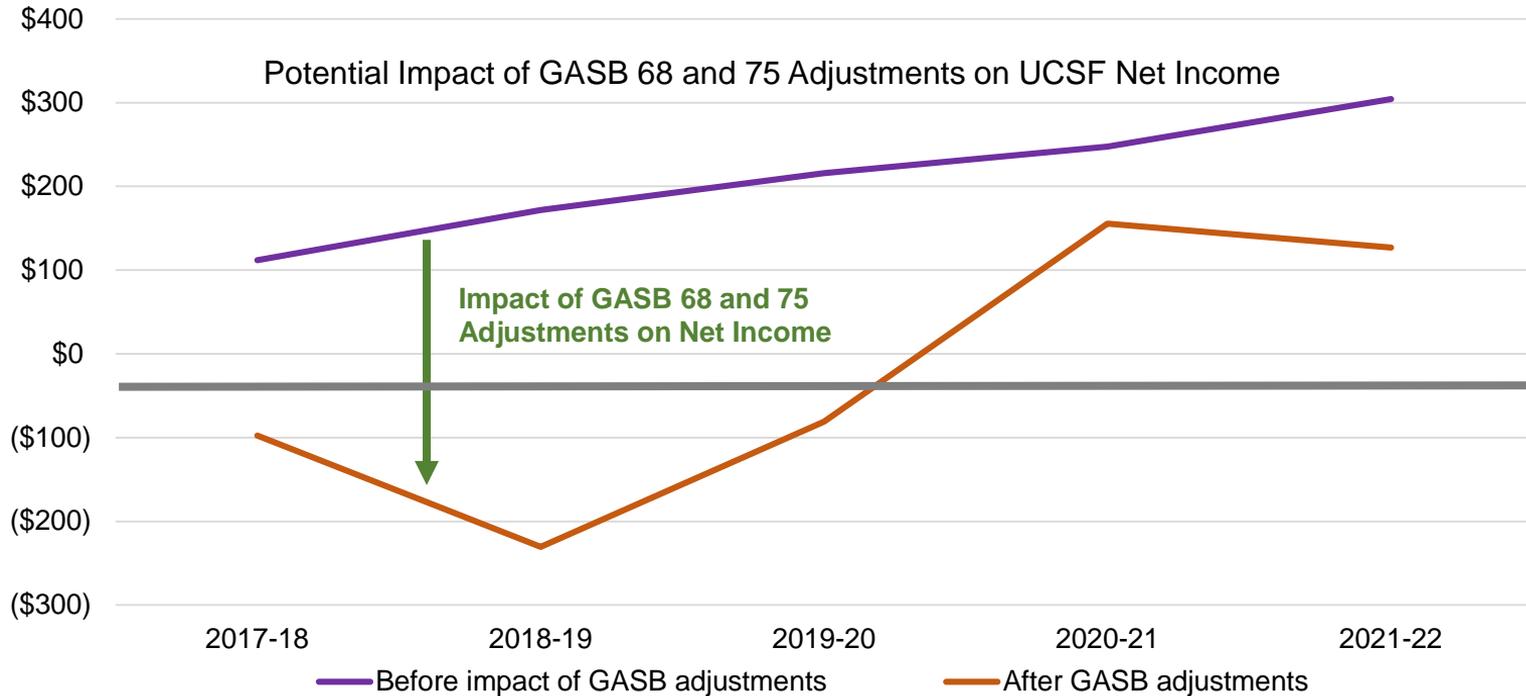
← “Employee Benefits” in the expense section of the income statement includes employer contributions to UCRP and the “pay-as-you-go” contribution we make for “OPEB”

← In a “below-the-line” section, we record the UCRP “true-up,” the year-over-year change in the UCRP pension liability that is not covered by actual contributions into the UCRP asset pool

In addition, last year we began recording the growth in the OPEB liability, as current employees accrue benefits in excess of what retirees are currently drawing

What this means:
Increase (Decrease) in Net Position, a measure of our financial well-being (for both the campus and UCSF Health), will be put into a “loss” position for several years

GASB 68 and 75 adjustments could reduce Combined Enterprise net income by \$90-400 million annually



Dollars in millions

Unfunded pension and retiree health liabilities also affect our balance sheet, potentially reducing our debt capacity

Balance Sheet
Assets
Cash
Property, Plant and Equipment
Other Assets
Liabilities
Debt
GASB 68: Unfunded Pension Liability
GASB 75: Unfunded Retiree Health Liability
Other Liabilities
Net Position

Already on our balance sheet:

- The 2015-16 year-end balance sheet included a total UCRP liability of \$2.35 billion which we project as remaining constant for 2016-17
- UC has a long-term plan to address the liability, but adjustments will be recorded every year

Added this year:

- The 2016-17 year-end balance sheet includes a total OPEB liability of \$3.38 billion
- This liability will grow each year because we are not making contributions to fund the long term cost of benefits being earned by current employees

What this means:

Our net position will go negative. However, one could argue that our assets are artificially low, as our endowment holdings are not included

What do these unfunded pension and retiree health liabilities really mean for UCSF?

- UCRP:

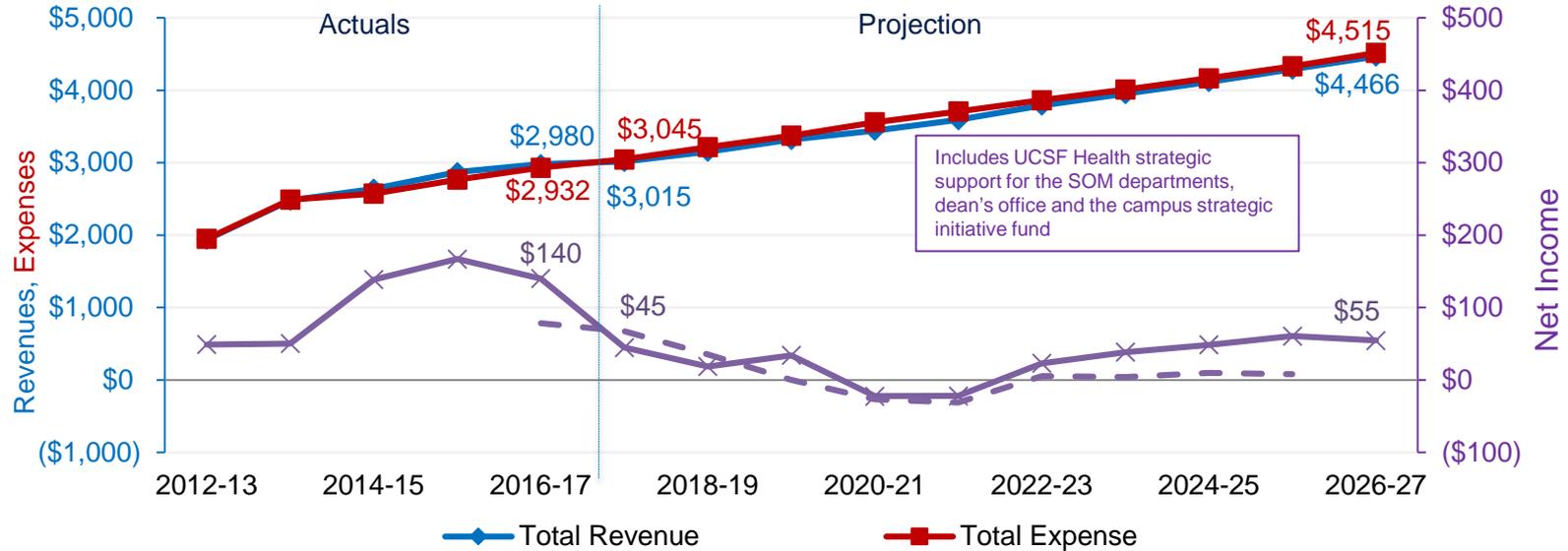
- The University is addressing the pension liability through increased contributions, asset management, and new pension tiers
- The pension gain/(loss) will fluctuate each year depending on investment gains
- Assuming positive investment returns and reduction in program offerings, the total liability will decline over the long term

- OPEB:

- The size of the retiree health liability depends heavily on assumptions about future health care costs
 - Holding assumptions constant, the liability will grow every year because we are not making contributions to fund the long term cost
 - President Napolitano has established a systemwide work group to develop recommendations for long-term financial viability
- There is nothing for UCSF to do at this time – we will continue to manage to net income from core activities (the purple line)

Campus Segment

Net income falls below zero in 2020-21 and 2021-22 due to increased depreciation and interest expense

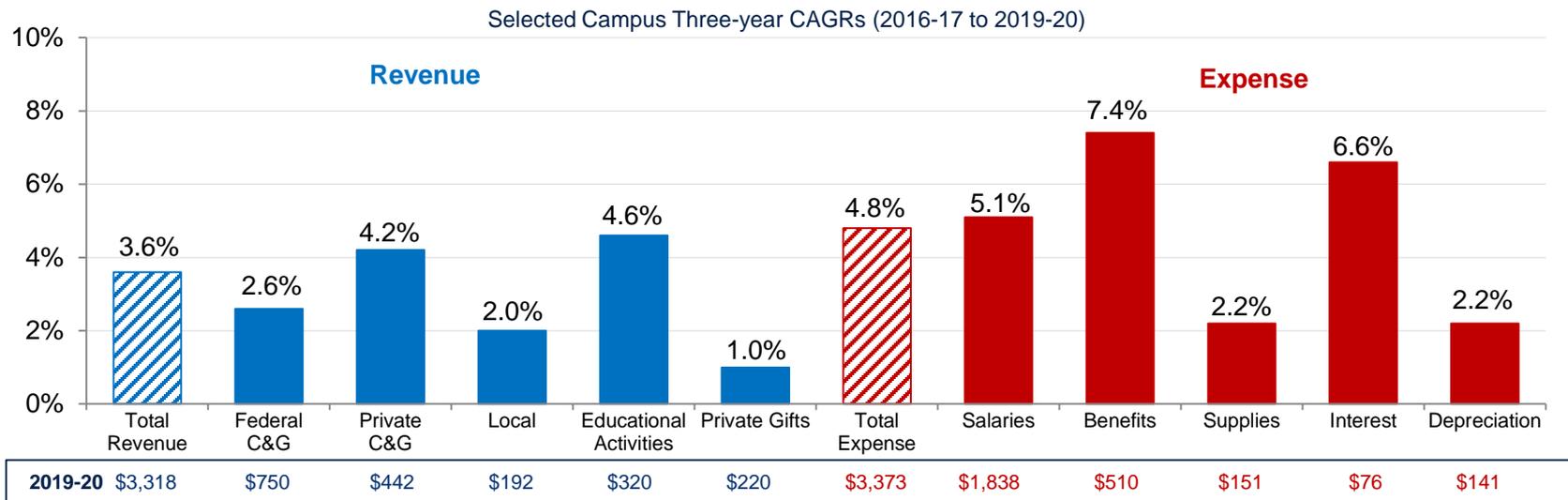


- Philanthropy and increased physician productivity are key elements in the forecast period
- Beginning in 2013-14, Professional Services Agreements (PSA) and other campus services provided to UCSF Health are recorded as Campus revenue and UCSF Health expense and are eliminated in UCSF consolidated financial statements

Dollars in millions

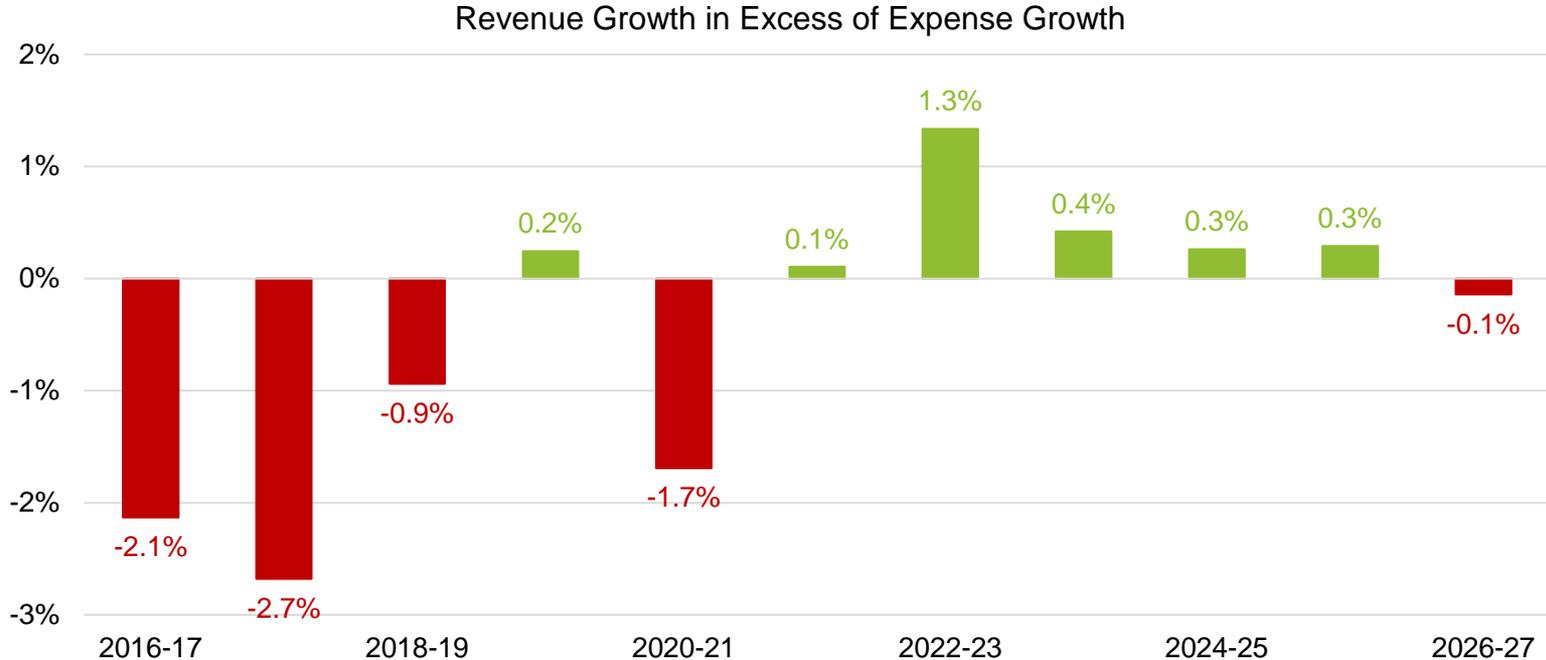
Campus expense growth outpaces revenue growth in the near-term

- Modest federal research revenue growth in the near term, continuing a slight rotation from federal to private sources
- Personnel-related costs continue to outpace modest revenue growth
- Interest expense increases reflect campus renovation investments

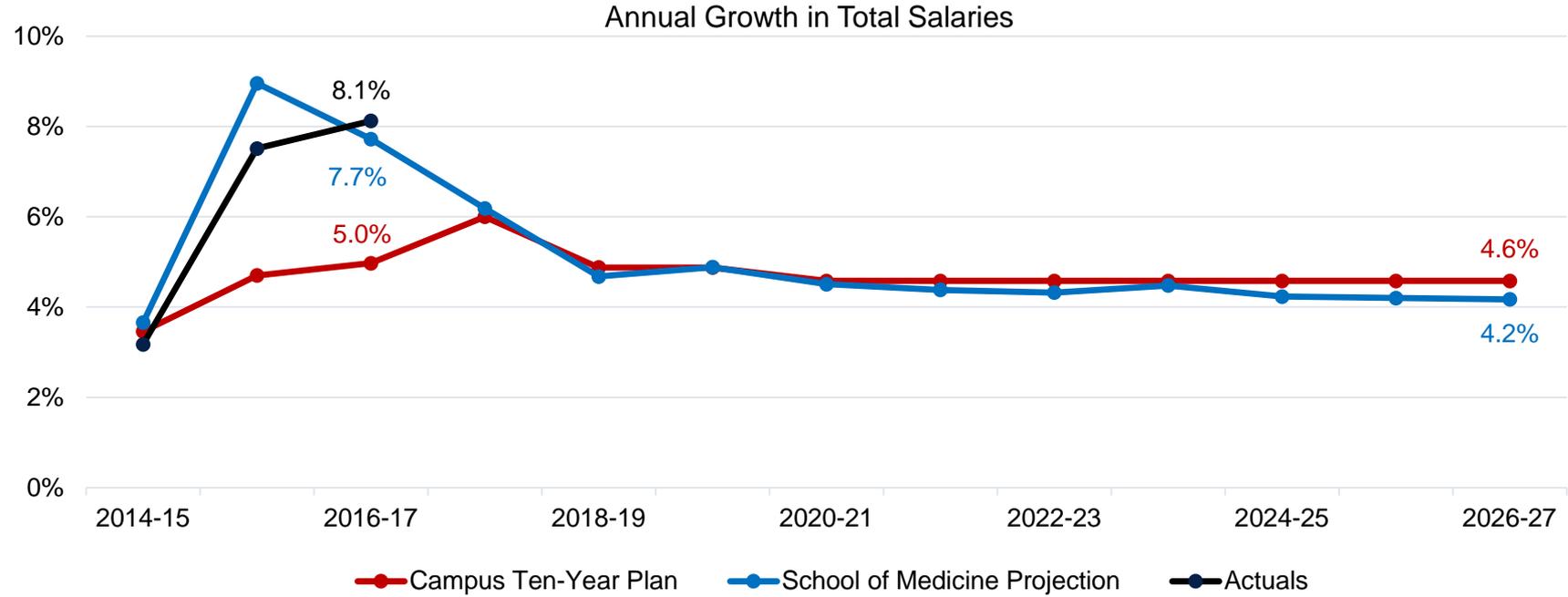


Dollars in millions

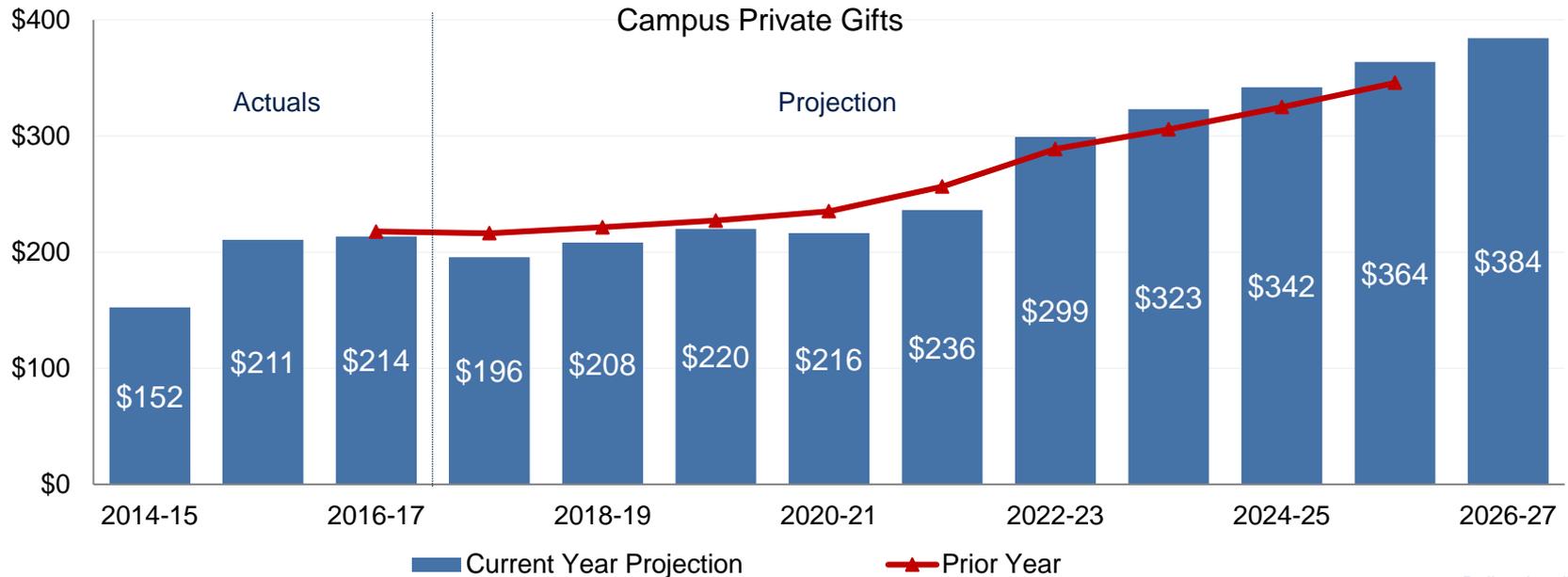
Annual campus revenue growth exceeds expense growth in the later years of the forecast period



The 2017 Ten-Year Plan assumption for Campus salary growth aligns closely with the School of Medicine

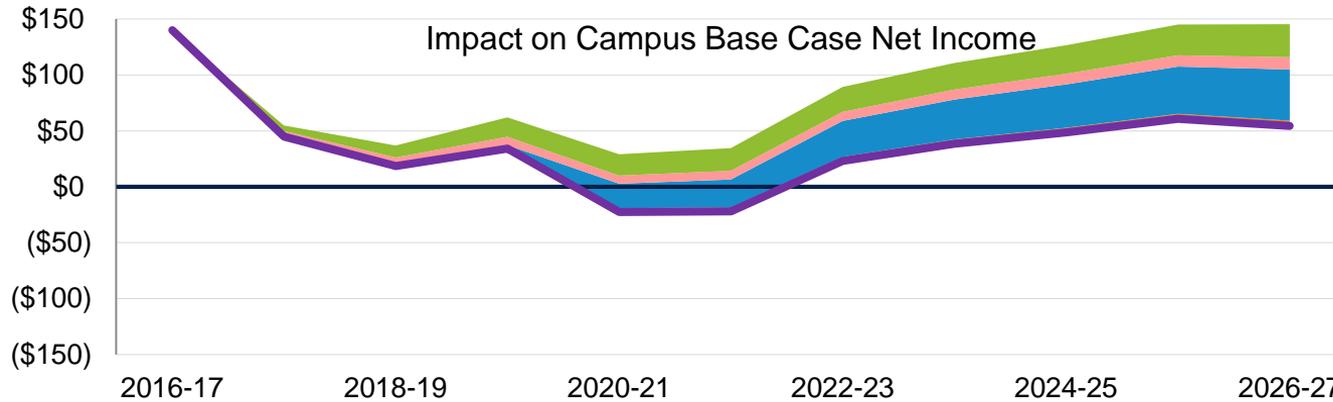


The Campus private gifts projection is consistent with last year's forecast



Dollars in millions

Potential upside opportunities for the Campus could collectively contribute up to \$556 million over the period

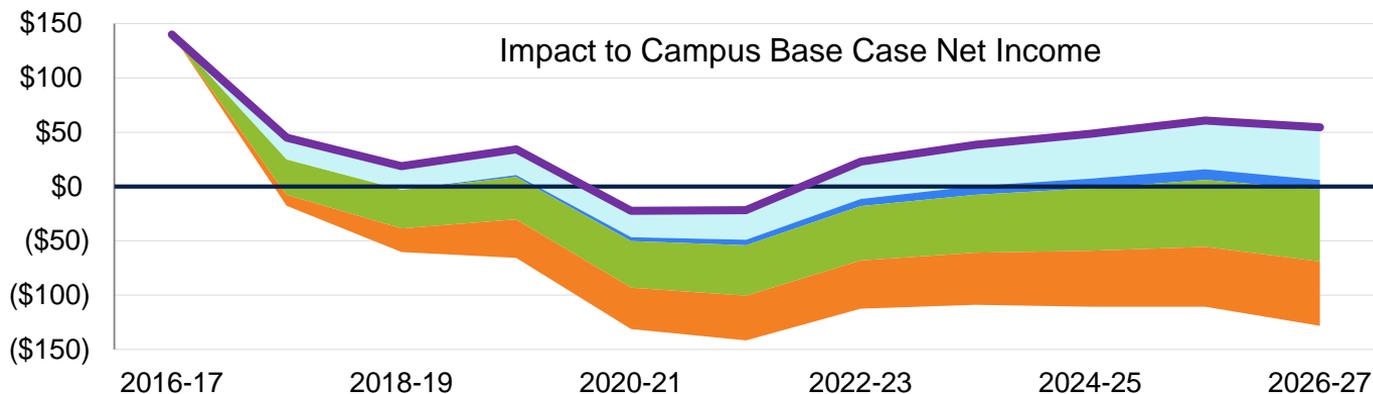


Upside Opportunities		Cumulative Impact
Revenue Measures		
■	Federal Contracts and Grants effective rate increase by 0.5% from 2017-18 to 2026-27	\$37
■	Private Current Gifts outperform base case by 10% starting in 2020-21*	241
■	Clinical trials revenues increase from 5% to 10% from 2017-18 to 2019-20	77
Expense Measures		
■	Salary growth decreases by 0.25% per year from 2017-18 to 2019-20	201
Total		\$556

* Note: a substantial portion of this increment would likely be invested in programs

Dollars in millions

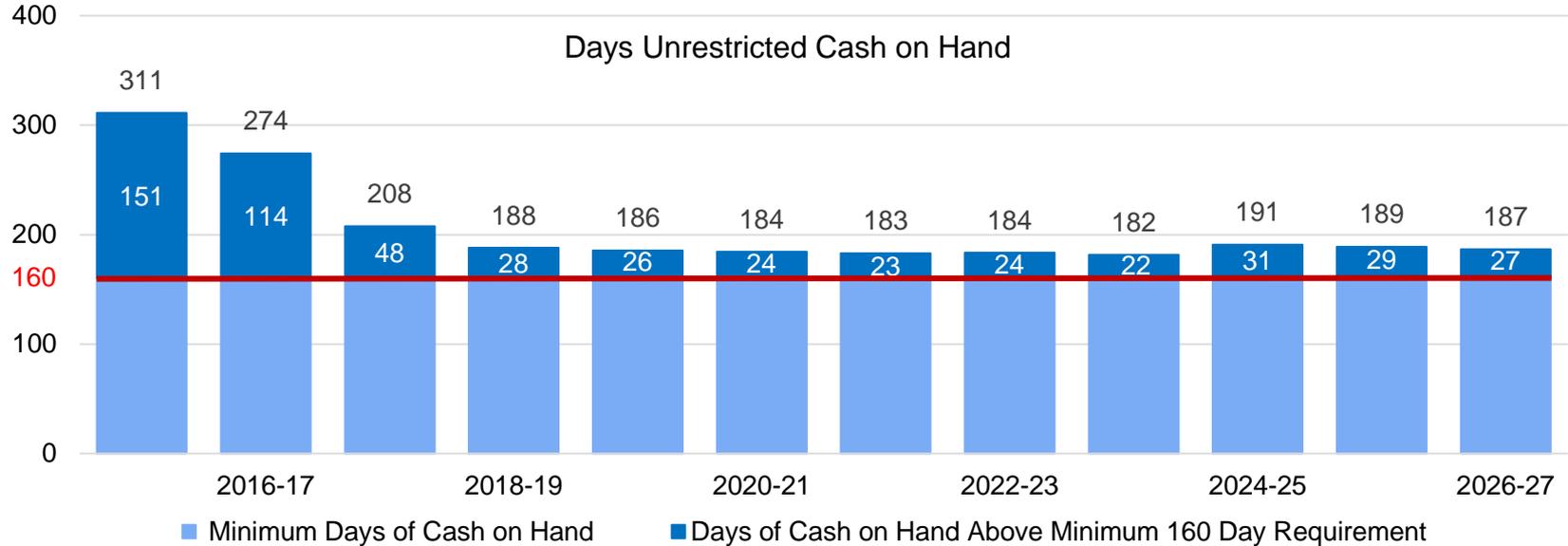
Potential downside risks for the Campus could cost the campus \$1.3 billion over ten years



Downside Risks	Cumulative Impact
Revenue Shortfalls	
Private Current Gifts goal not met, only 90% of Private Gift Base	\$(323)
Federal F&A negotiated rate remains flat at 58.5% for four additional years, through 2021-22	(53)
Clinical revenues 5% below plan	(485)
Expense Increases	
Increase salary by 0.50% starting from 2017-18 to 2019-20	(405)
Total	\$(1,266)

Dollars in millions

Campus days of cash on hand remain above the recommended 160-day target, but are reduced from the prior year plan



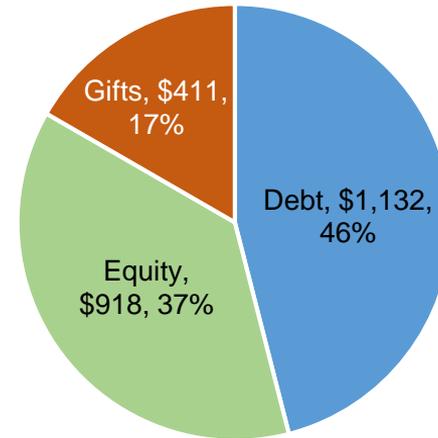
- Net expense per day for the Campus rises from \$7.8 million in 2017-18 to \$11.7 million in 2026-27; 22 days in 2023-24 represents approximately \$223 million
- Prior year plan showed Campus with a minimum of 214 days of cash on hand in 2023-24

Campus capital spending will be \$2.46 billion over ten years

2017 Campus Capital Plan Projects and Funding Assumptions

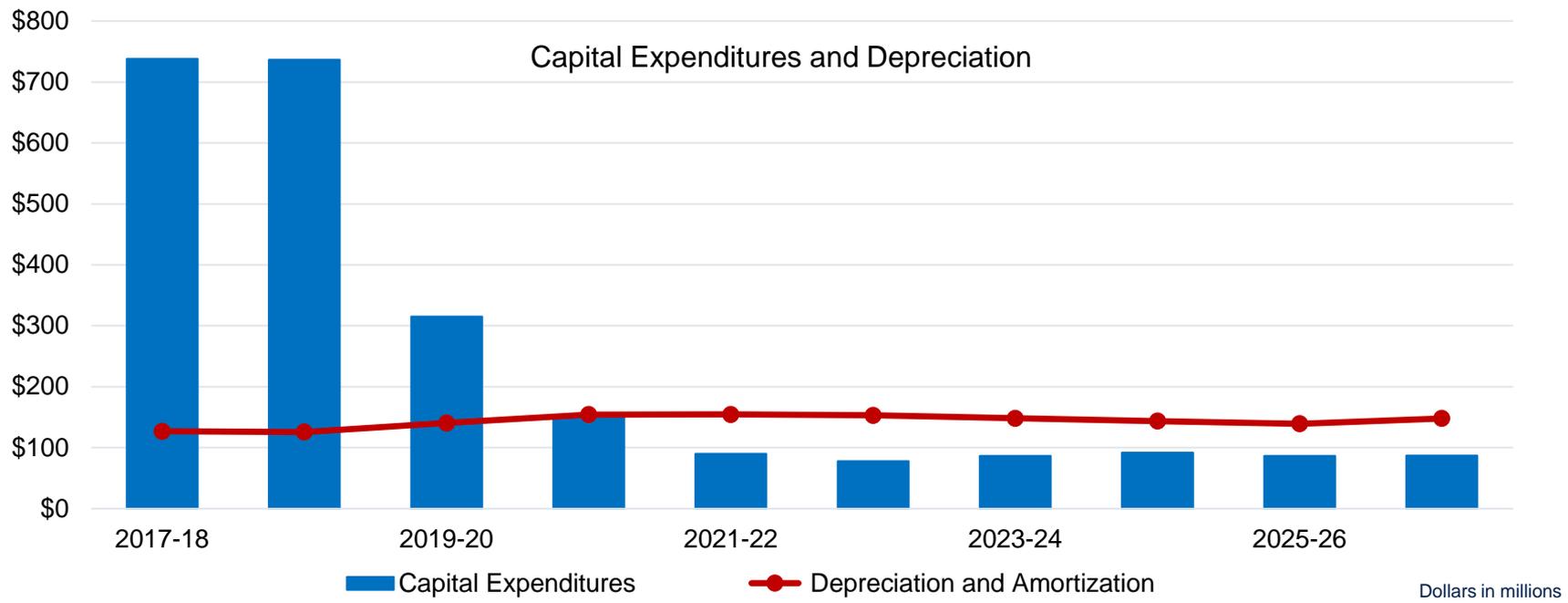
Project Type	Debt	Equity	Gifts	Total
Program Projects	\$473	\$173	\$361	\$1,007
Seismic and Decant Projects	262	187	50	499
Departmental Projects	-	301	-	301
Auxiliary (Housing/Parking)	224	23	-	247
Scheduled Renewal and Other	13	170	-	183
Facility Investment Needs (FIN)	160	64	-	224
Total	\$1,132	\$918	\$411	\$2,461

Capital Funding by Source



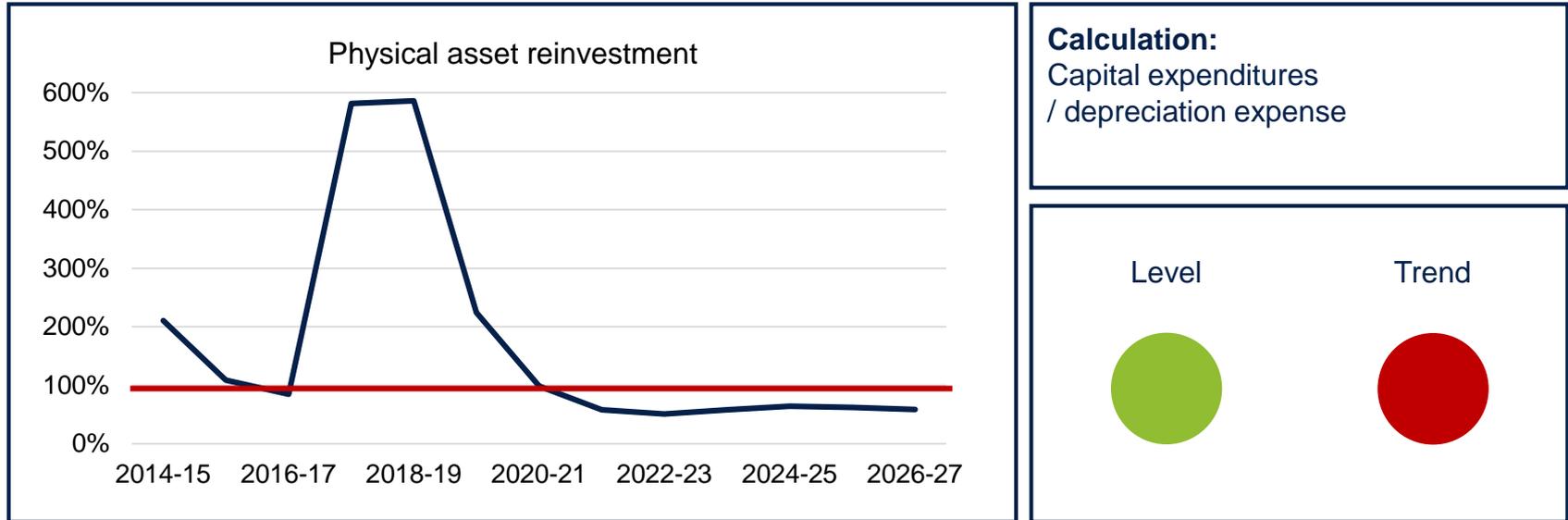
Dollars in millions

Campus depreciation is projected to exceed capital expenditures after 2020-21, indicating a need for additional investment



Campus physical asset reinvestment drops below 100% in 2021-22, indicating a need for additional investment

Physical asset reinvestment measures the extent capital renewal is occurring compared with physical asset usage



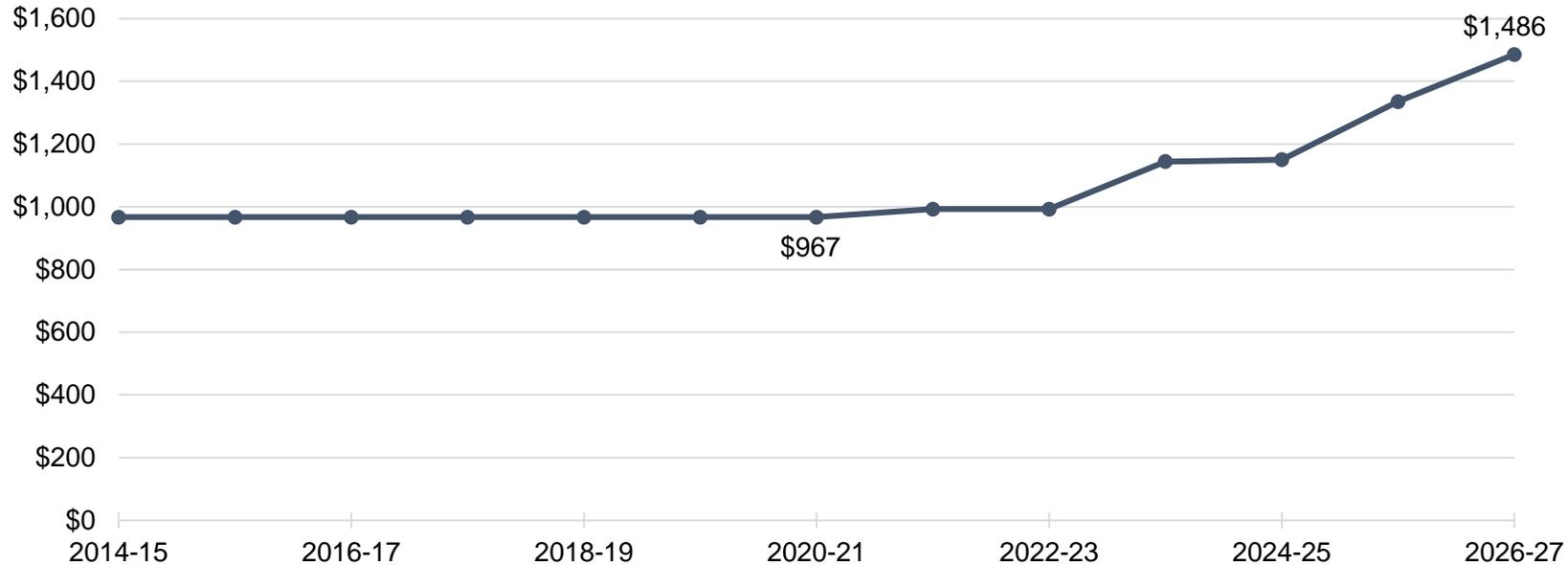
UCSF currently meets all three of the campus debt service tests in Regents policy

Ratio	Description	Test	Dashboard	Status
Modified Cash Flow Margin (must meet)	Net income / Operating revenues	$\geq 0\%$		✓
Debt Service to Operations	Debt service / Operating expenses	$\leq 6\%$		✓
Expendable Resources to Debt	Expendable resources / Total debt	≥ 1	<p style="text-align: center;">1.41</p> <p style="text-align: center;">(to be updated per UCOP schedule in January 2018)</p>	✓

Expendable resources defined as unrestricted net assets plus expendable portions of gifts and endowments, less liabilities for pension and OPEB

Remaining debt capacity for the campus is currently estimated to be \$967 million through 2020-21

Remaining Debt Capacity (Debt Service / Total Expense < 6%)

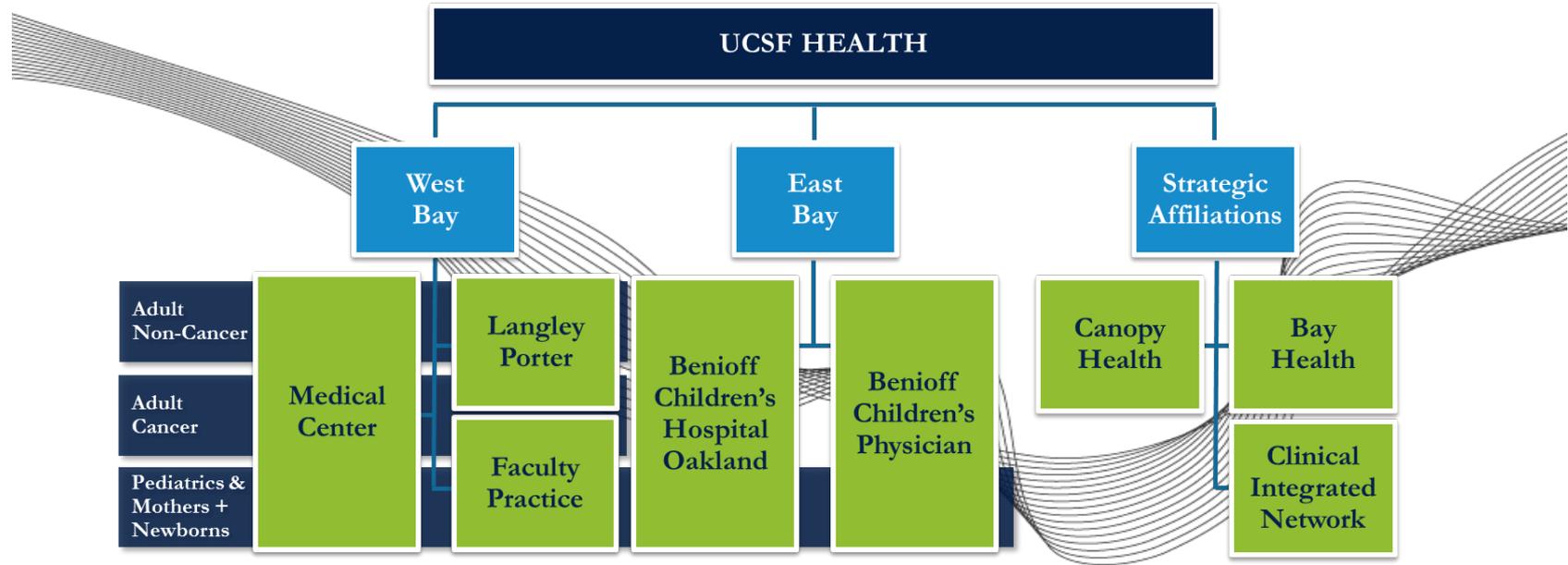


Dollars in millions

UCSF Health Segment

Redefining Possible

The expanding UCSF Health network provides the scale and diversity required to be competitive in the current Bay Area healthcare market



UCSF Health Initiatives Included/Excluded in Ten-year Plan

Overview of Initiatives

Initiatives Included in Ten Year Plan		
Precision Cancer Medicine Building	Block 23A: Weill Neurosciences Institute	Block 33: Ophthalmology Ambulatory
2130 3 rd St. LPPHC Ambulatory	BayHealth OPC (through Joint Venture)	Dignity Phase 1A
New ASC and Multi-specialty Clinic facility*	Marin General Hospital	Summit Lease Renewal
Build-out of 15 Moffitt for incremental beds	3 yrs of routine capital to 125% of depreciation	Strategic Investment of \$30M for 4 years

Initiatives are quantifiable, approved or likely to occur

Potential reasons for exclusion:

1. Prioritization needed
2. Specificity
3. Unknowns

Big uncertainties with major impact

BCHO Supplemental Monies

Medi-Cal Waiver reimbursement improvement

Healthcare Reform

Site of Service / Loss of Hospital- Based Reimbursement

Updated Retiree Pension and Health Care Benefits

Top Priority Big Ideas Not Yet Included

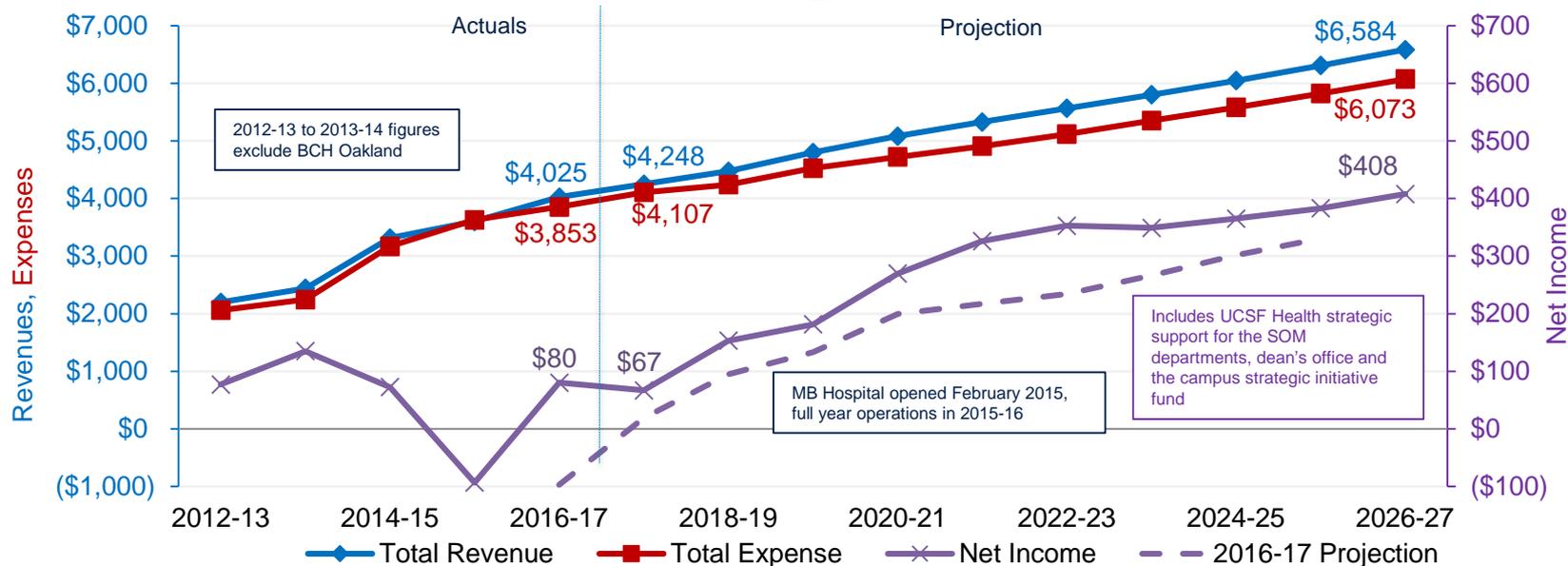
Build Moffitt replacement hospital	Mt. Zion & other facilities upgrades	LPPHC inpatient replacement
Increase MD compensation to 75 th percentile	Increase resident and teaching support	Chair/other recruitment packages
Expand Dignity to Future Phases	Further Cancer regionalization investments	Significant expansion of CIN
Genomic medicine investment	Expanded Immunotherapy Program	Digital Innovation JV
International Medicine Expansion	Investment in Proton therapies	Expansion of ASC through Joint Venture
Inner East Bay Adult Inpatient Facility	South Bay Hospital Affiliation	BCHO Phase 2 Master Facility Plan

* sites and the specific services that will be located in the clinic facility to be determined.

UCSF Health Executive Summary

- Strong earnings from core operations coupled with strategic investments and value improvement initiatives increase earnings and cash over the life of the plan
- Volume growth is concentrated in high-margin destination programs, cancer and other outpatient services; Capacity constraints in our existing San Francisco facilities require a new level of collaboration with our affiliate partners to allow continued program growth while leveraging available capital
- Projected commercial payor and managed Medi-Cal payment rate increases exceed salary and overall expense inflation improving core operating margins
- Value improvement initiatives of \$475 million are planned over the 5-year period beginning 2017-18 increasing our affordability by improving asset utilization, decreasing costs and optimizing the revenue cycle
- Improved financial performance allows for increased capital re-investment in our existing facilities
- UCSF Health's operating performance may be challenged by the uncertainties of health care reform, changes to the Medi-Cal waiver program, loss of hospital-based reimbursement differentials, union contract negotiations and/or increases in pension and retiree healthcare benefits

UCSF Health: Revenues, Expenses, and Net Income



- Stronger than planned financial performance in 2016-17 provides a baseline level of performance that accelerates UCSF Health's earnings to 2018-19 levels one year earlier than anticipated
- Strategic growth and commercial payor increases in excess of salary inflation coupled with on-going value improvement efforts drive future earnings in excess of previously planned levels
- UC Health support to the campus and School of Medicine grows substantially over this period, exceeding \$100 million in 2026-27
- Beginning in 2013-14, Professional Services Agreements (PSA) and other campus services provided to UCSF Health are recorded as Campus revenue and UCSF Health expense and are eliminated in UCSF consolidated financial statements

Dollars in millions

UCSF Health Segment Revenue and Expense 3-year CAGRs

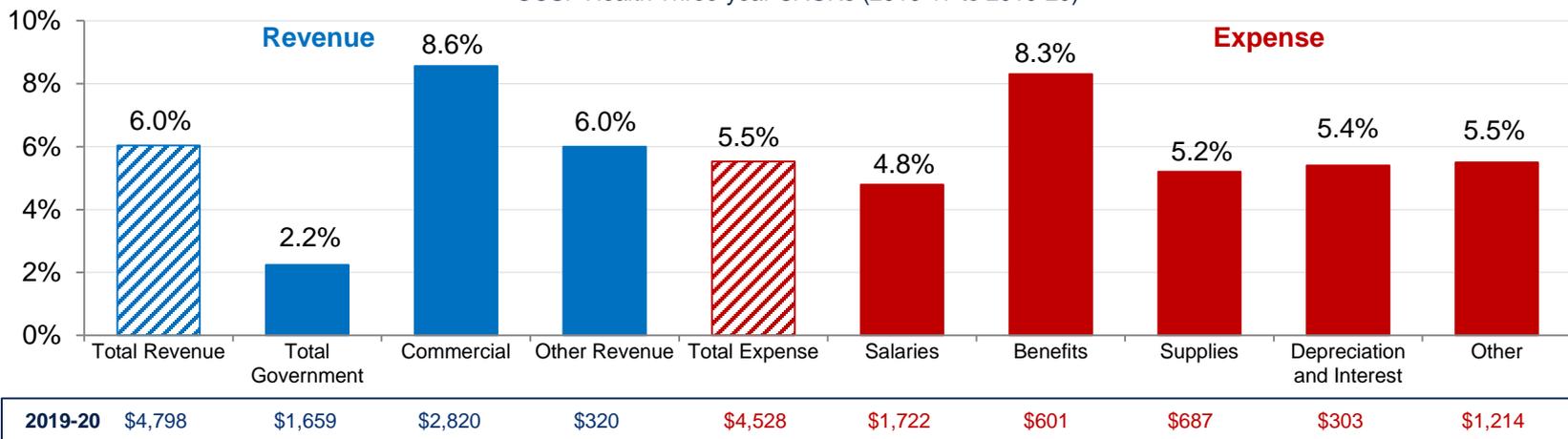
Revenue growth is critical in achieving our financial performance targets

- Inpatient volume CAGR of 2.7% driven by Cancer, other adult Destination Program expansion and the planned opening of 15 Moffitt as an adult inpatient nursing unit
- Outpatient services continue to grow faster than inpatient discharges in part due to inpatient bed constraints in West Bay
- Volume coupled with reimbursement rate increases drive an 8.6% annual growth in Commercial and Managed Medi-Cal revenue
- Other operating revenue growth is primarily derived from expanded outpatient pharmacy activity (340b and other retail)

Total cost structure has increased substantially to accommodate growth and support the expansion of services throughout the Bay Area

- Overall expense growth lags the revenue CAGR:
 - Fixed overhead costs continue to be spread over a growing activity base
 - The five-year value improvement plan of \$475 million helps offset some inflationary impacts
- FTE per Adjusted Occupied Bed continues to fall during this period and approximates the 75th percentile of peer institutions by 2021-22
- Non-cash other post retirement benefits (OPEB) are excluded from this plan

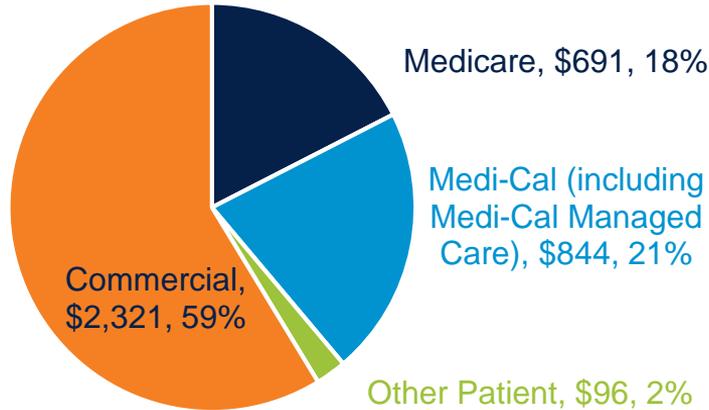
UCSF Health Three-year CAGRs (2016-17 to 2019-20)



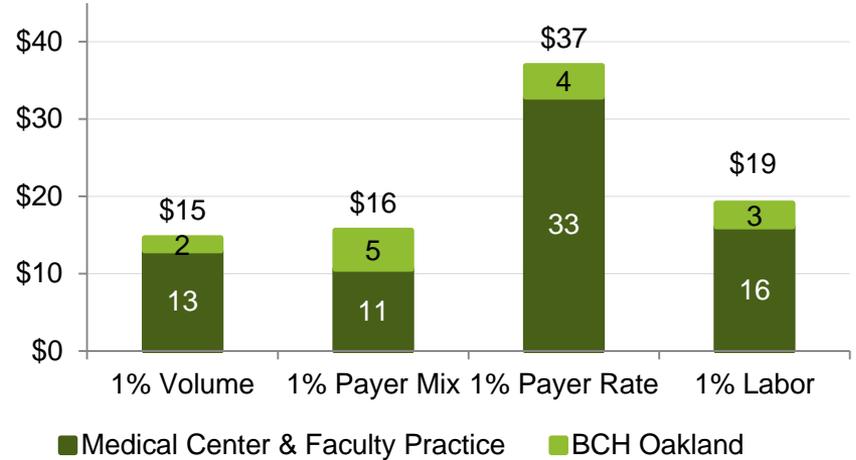
Dollars in millions

UCSF Health sensitivity analysis demonstrates the value of 1% shift in key areas

2017-18 Patient Revenue \$3.95 billion



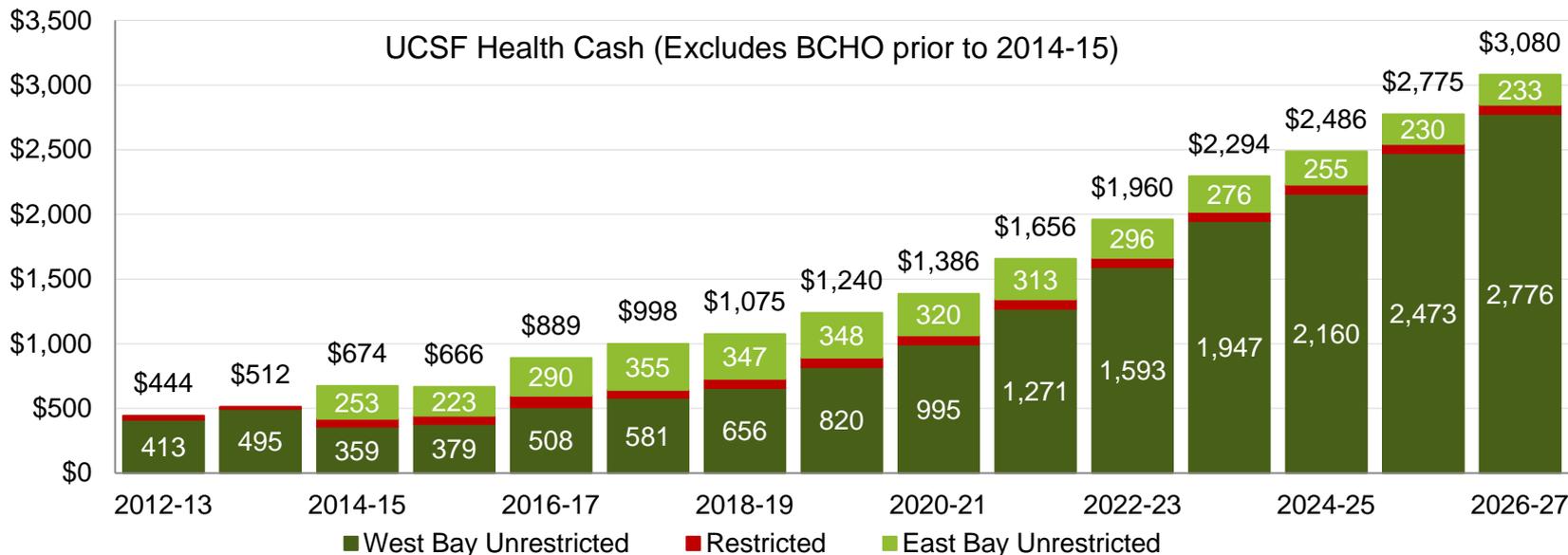
2017-18 Sensitivities - Value of 1% Shift



- Small shifts in these assumptions have large impacts on earnings
- Despite representing only 41% of the volume in the West Bay and 32% in the East Bay, commercial insurance payments account for almost 60% of UCSF Health's revenue
- Commercial payor rates increase 3.0-3.8% in the West Bay and 3% at BCH Oakland
- Salary costs are modeled to rise 3% annually; collective bargaining agreements are currently being negotiated with key represented employee groups

Dollars in millions

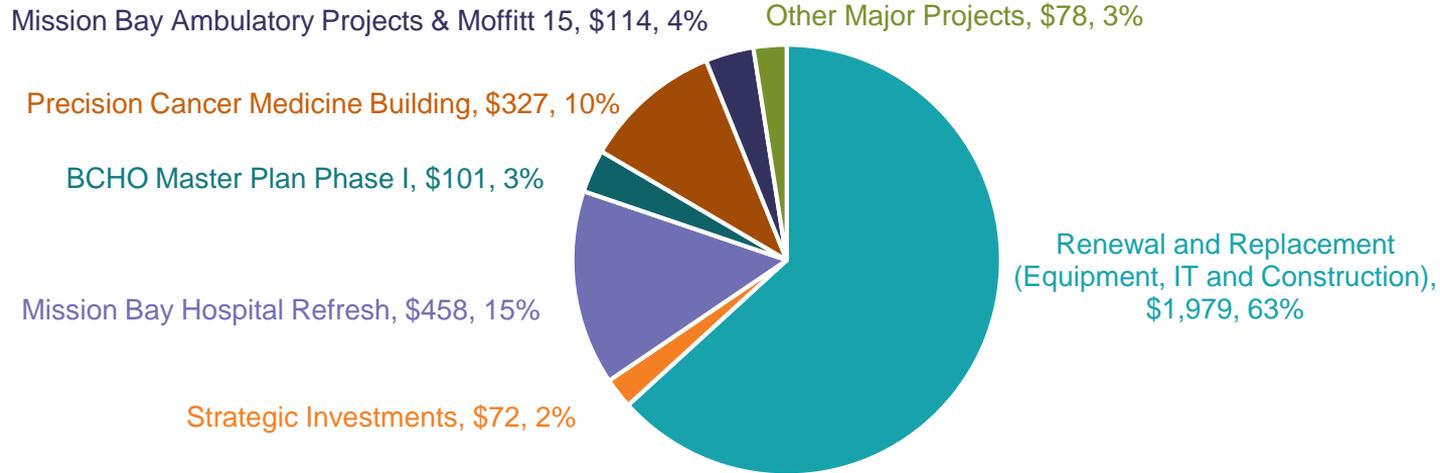
UCSF Health cash shows significant growth through 2026-27



- Cash balances are more favorable than last year's model due to stronger than expected financial performance in the West Bay in 2016-17 and beyond
- Increasing cash and the Days Cash on Hand will be required to support the funding plan for the Moffitt hospital replacement project beginning in approximately the 2024-25 timeframe

Dollars in millions

UCSF Health Ten-Year Capital Plan: Project Priorities, \$3.1 billion

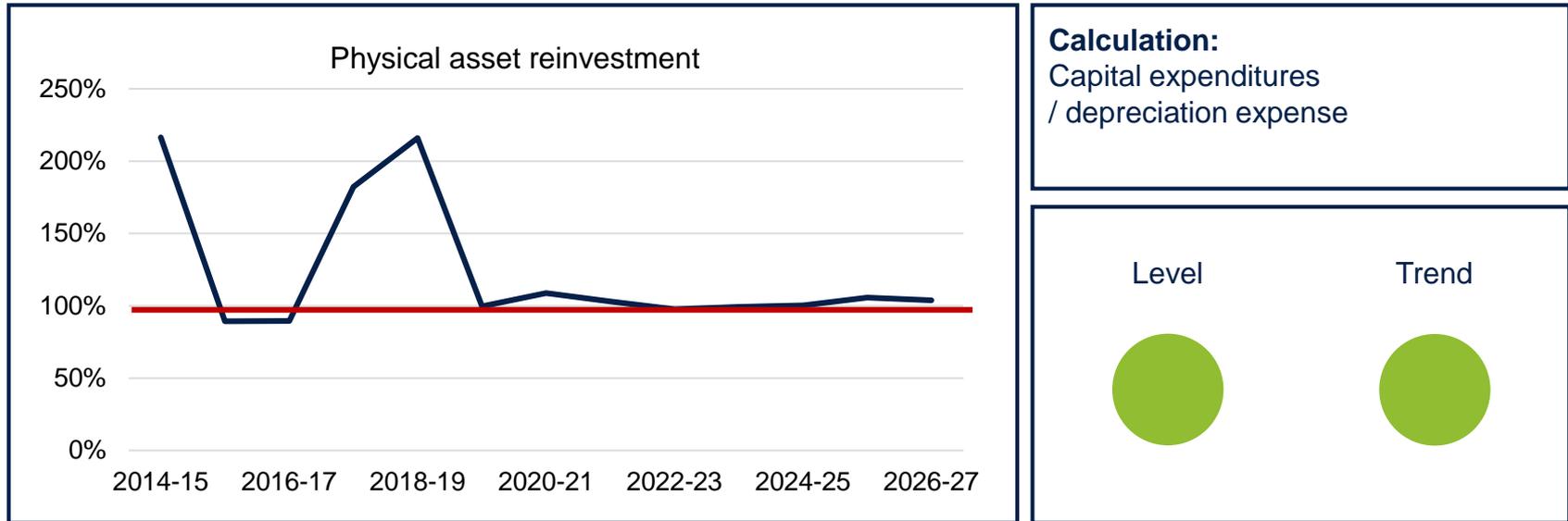


- Improved earning and cash balances over the life of the plan allow for increased capital investment in both strategic initiatives and upgrades within our existing facilities
- Physical asset reinvestment excludes an additional \$210 million of planned cash disbursements for additional strategic investments, including a potential affiliation with Marin General Hospital
- The capital plan excludes: Moffitt hospital replacement (by 2030), replacement of the Langley Porter inpatient facility, and Phase II of BCH Oakland's Master Facility Plan

Dollars in millions

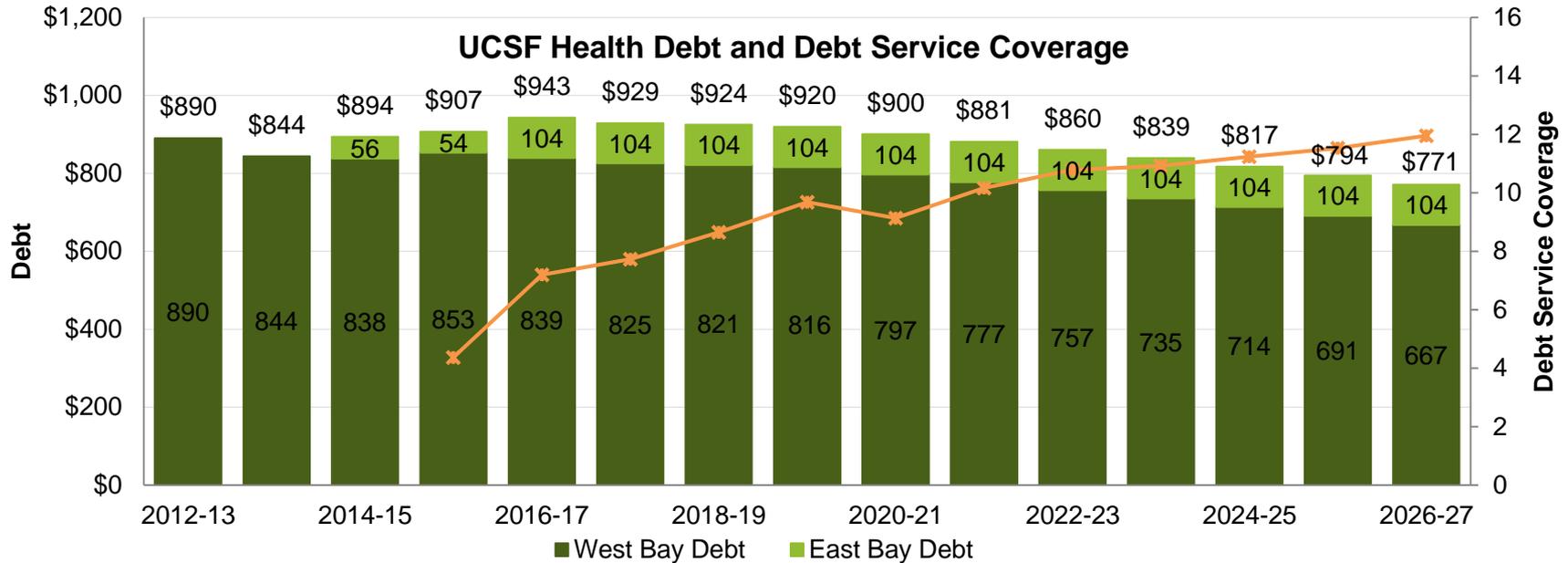
Physical asset reinvestment levels for UCSF Health are at 100% over the long term

Physical asset reinvestment measures the extent capital renewal is occurring compared with physical asset usage



Note: The Precision Cancer Medicine Building, the Moffitt 15 inpatient unit and other Mission Bay Ambulatory projects drive capital expenditures above 100% of depreciation in 2017-18 and 2018-19

UCSF Health Debt Service Coverage grows to levels necessary to replace Moffitt hospital



- Debt Service Coverage grows from 7.9 in 2017-18 to 12.0 in 2026-27 (excludes GASB)
- \$50 million debt issued in 2015-16 for Phase I of the BCH Oakland Master Facility Plan

Dollars in millions

UCSF Health – Risks & Opportunities

Risks

- **Executing on Competing Priorities:** Ability for management to execute on competing priorities including value improvement implementation, facilities expansion and affiliate initiatives
- **BCHO:** Risk of not attaining financial improvement
- **Labor Cost:** High cost of labor with pension and OPEB; Upcoming union negotiations
- **Recruitment and Retention:** Cost of living impedes ability to recruit and retain top talent
- **Payer mix:** Growth of out-of-county underfunded Medi-Cal
- **Facility capacity and funding:** Lacking capacity in existing facilities to ensure historically strong growth rates; Capital needs for existing facilities and partnerships exceeds available funds
- **Political Climate:** National healthcare regulations and reimbursement changes (340b pharmacy program, site neutrality rules and other); State and local politics of healthcare – difficult to implement change and cost reduction strategies

Opportunities

- **Affiliate Partnerships:** Leverage regional relationships to gain scale and enhance integration across continuum of services; Successfully operationalize East Bay outpatient facility; Increase complexity of and reimbursement for services rendered within UCSF footprint
- **Accelerate Value Improvement initiatives:** With increased clinician involvement, accelerate implementation of value improvement initiatives including asset utilization, productivity improvements, length of stay management, and overhead reduction
- **Improve Reimbursement:** Improve Medi-Cal payments under the waiver program; Pursue favorable settlements of Medicare cost report appeals; Implement sponsor mix committee initiatives to improve reimbursement rates
- **Population health strategies:** Expand Canopy service area through provider partnerships
- **Leverage research and innovation**
- **Long term financial strength.** Rebuild financial position post Mission Bay for Moffitt Hospital Replacement in 2030

Core Financial Plan

The Core Financial Plan (CFP) reflects unrestricted resources available for operating and capital needs

- The CFP is a business plan
 - Reflects best projections of all sources, recurring allocations, and one-time commitments
 - Ten-year projection allows for long-term strategic approach
 - Strategies inform allocation decisions
- We use the CFP to communicate choices and advise rationale for decisions
 - Biannual CFP updates are communicated to control point leadership and faculty
 - The Chancellor and B&I Committee facilitate decision making
 - Recipients of CFP funding understand that resources are limited
- Results indicate that we must remain vigilant in controlling costs and steering limited resources in strategic directions
 - Facilities and IT needs remain underfunded
 - Operating cost increases must be carefully managed
 - Further new revenue and balance sheet strategies are essential

The Core Financial Plan represents centrally-managed funds available to the Chancellor to help support the University's mission

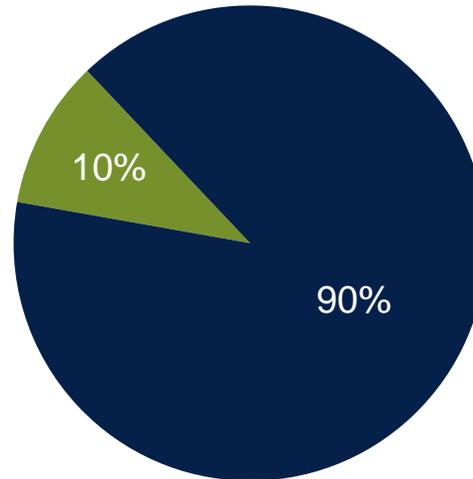
2016-17 Total UCSF Revenue (\$6.4 billion)

■ Core Funds (\$648 million)

■ Non-Core Funds (\$5.75 billion)

Main Sources:

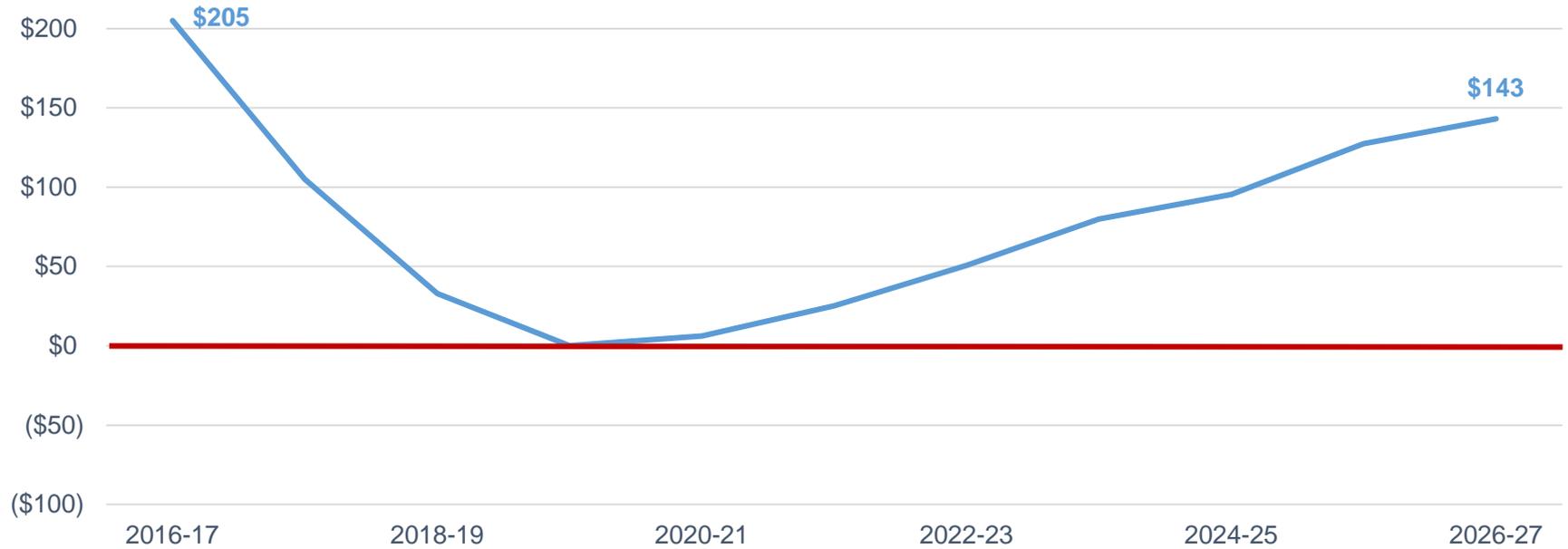
- Indirect Cost Recovery
- State Funds
- Infrastructure and Operations Fund
- Tuition
- Investment Income



Main Sources:

- Clinical Revenue
- Grants and Contracts
- Fees for Service
- Private Gifts
- Investment Income

The projected Core Financial Plan ending balance drops to zero in 2019-20, largely due to capital spending



Dollars in millions

Summary

What this means for UCSF

- We have made excellent progress and we are planning for the future
- Our competitive landscape continues to change and we must:
 - Continue to make strategic capital and programmatic investments
 - Promote cultural and organizational changes to support effective, nimble approaches
 - Align strategy with operations
 - Empower people to execute strategies
 - Adapt to a dynamic and uncertain marketplace
- Solutions will continue to require a comprehensive focus on:
 - Revenue growth and protection of cost-effective revenue-generating programs
 - Continued expense control – aggressively remove structural costs
 - Enterprise-wide solutions that leverage talent, capital, space, etc.
- What is best for UCSF is paramount – we cannot let our attention be diverted from our priorities and execution

Appendix

1 Combined Enterprise											as of 9/22/17 UCSF Financial Statements											
2 Income Statement (\$Millions)											2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
3 REVENUES																						
4	Student Tuition and Fees	57	59	63	66	69	72	72	75	77	80	82	85									
5	Grants and contracts, net																					
6	Federal Contracts and Grants	700	720	736	755	779	808	841	877	913	950	990	1,030									
7	State Contracts and Grants	66	72	71	71	72	73	74	76	77	79	80	82									
8	Private Contracts and Grants	356	408	426	443	462	481	500	521	543	566	590	615									
9	Local Government	185	184	188	192	195	199	203	208	212	216	221	225									
10	Subtotal Grants and Contracts	1,308	1,384	1,421	1,461	1,509	1,561	1,619	1,681	1,744	1,811	1,881	1,951									
11	Medical Center Operating Revenue (net)	3,521	3,906	4,146	4,375	4,693	4,971	5,212	5,443	5,670	5,913	6,168	6,438									
12	Educational Activities	265	280	291	305	320	336	353	371	389	409	429	451									
13	Auxiliary enterprises	62	67	68	71	89	93	97	100	104	109	113	117									
14	PSA and other campus services - Campus	-	-	-	-	-	-	-	-	-	-	-	-									
15	State Educational Appropriations	193	198	162	207	213	219	225	231	237	244	251	258									
16	State & Federal Financing Appropriations	11	11	12	12	12	12	12	12	11	11	11	11									
17	Private Gifts	222	232	213	234	246	243	261	327	353	368	390	410									
18	Investment Income:																					
19	Investment Income - STIP and TRIP	117	116	87	66	70	77	83	89	95	101	107	112									
20	Endowment Income	43	61	49	63	65	67	68	70	71	73	75	77									
21	Endowment Income - Additional FFE Earnings	-	-	-	-	10	10	10	10	10	10	10	10									
22	Subtotal - Investment Income	159	177	137	130	145	153	161	169	176	184	192	199									
23	Patent Income	15	17	9	8	8	7	7	11	12	13	15	16									
24	Other Revenue	88	73	85	63	63	62	64	61	60	64	65	65									
25	Total Revenues	5,902	6,403	6,606	6,930	7,365	7,729	8,082	8,481	8,835	9,205	9,596	10,002									
26	EXPENSES																					
27	Personnel Related Costs																					
28	Salaries and Wages	2,852	3,078	3,237	3,392	3,560	3,714	3,875	4,042	4,229	4,422	4,623	4,829									
29	Employee Benefits	857	885	973	1,045	1,111	1,168	1,239	1,307	1,382	1,461	1,544	1,634									
30	Subtotal - Personnel Related Costs	3,710	3,963	4,209	4,437	4,671	4,882	5,114	5,349	5,611	5,882	6,167	6,462									
31	Supplies and Materials	680	730	762	798	836	874	910	947	987	1,028	1,072	1,119									
32	PSA and other transfers	-	-	(0)	(0)	0	(0)	0	0	0	0	0	(0)									
33	UC Path	1	8	8	10	8	9	9	9	10	10	10	10									
34	Utilities	33	39	31	33	36	39	40	42	44	46	49	51									
35	Scholarships and Fellowships	26	30	31	32	33	34	35	36	37	38	40	41									
36	Interest Expense	109	111	116	126	131	159	159	166	162	158	155	150									
37	Loss on Disposal of capital assets	2	3	2	0	0	1	1	2	3	3	4	5									
38	Depreciation	335	343	335	349	389	407	420	435	441	439	434	437									
39	UCOP General Assessment	22	22	13	39	40	42	43	45	46	48	49	51									
40	Subaward Expenses	-	161	164	168	173	179	186	194	202	210	218	227									
41	Professional and Consulting Services	-	443	116	120	124	127	131	135	139	143	148	152									
42	Other Operating Expenses	910	337	707	646	708	729	729	745	768	787	807	834									
43	Total Expenses	5,826	6,183	6,494	6,758	7,149	7,482	7,778	8,105	8,448	8,792	9,152	9,540									
44	Income before Other Changes in Net Position	76	220	112	172	216	247	304	376	387	414	444	462									
45	Health System investment in clinical practices (net)	(2)	-	-	-	-	-	-	-	-	(0)	-	-									
46	TOTAL INCOME BEFORE CHANGES IN NET POSITION	74	220	112	172	216	247	304	376	387	414	444	462									
47	Extraordinary Items																					
48	GASB 68 pension (expense)/gain	(212)	(61)	(101)	(309)	(219)	(29)	-	-	-	-	-	-									
49	GASB 75 OPEB (expense)/gain	-	(242)	-	-	-	-	-	-	-	-	-	-									
50	Capital gifts and grants	45	33	140	82	90	85	83	53	36	161	36	36									
51	Transfers to Regents' Endowment	(53)	(182)	(225)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)									
52	State Capital Appropriations	0	-	-	-	-	-	-	-	-	-	-	-									
53	Other Changes in Net Position	-222	(3,145)	(67)	139	(2)	(51)	(31)	(25)	6	7	8	19									
54	Increase (Decrease) in Net Position	(369)	(3,377)	(141)	59	60	228	332	379	404	556	463	492									

Note: Professional Services Agreements (PSA) and other campus services provided to UCSF Health are recorded as Campus revenue and UCSF Health expense and are eliminated in UCSF consolidated financial statements.

1	Campus Segment									as of 9/22/17 UCSF Financial Statements			
2	Income Statement (\$Millions)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
3	REVENUES												
4	Student Tuition and Fees	57	59	63	66	69	72	72	75	77	80	82	85
5	Grants and contracts, net												
6	Federal Contracts and Grants	674	695	709	727	750	778	810	845	880	916	955	993
7	State Contracts and Grants	65	71	70	70	71	72	73	75	76	77	79	80
8	Private Contracts and Grants	340	390	407	424	442	460	479	499	520	542	565	589
9	Local Government	182	181	185	188	192	196	200	204	208	212	217	221
10	Subtotal Grants and Contracts	1,261	1,337	1,371	1,409	1,455	1,506	1,563	1,623	1,684	1,748	1,816	1,884
11	Medical Center Operating Revenue (net)	-	-	-	-	-	-	-	-	-	-	-	-
12	Educational Activities	267	280	291	305	320	336	353	371	389	409	429	451
13	Auxiliary enterprises	62	67	68	71	89	93	97	100	104	109	113	117
14	PSA and other campus services - Campus	542	580	638	675	728	772	812	850	889	930	973	1,020
15	State Educational Appropriations	193	198	162	207	213	219	225	231	237	244	251	258
16	State & Federal Financing Appropriations	11	11	12	12	12	12	12	12	11	11	11	11
17	Private Gifts	211	214	196	208	220	216	236	299	323	342	364	384
18	Investment Income:												
19	Investment Income - STIP and TRIP	115	79	67	51	50	54	57	60	62	66	70	72
20	Endowment Income	43	61	49	63	65	67	68	70	71	73	75	77
21	Endowment Income - Additional FFE Earnings	-	-	-	-	10	10	10	10	10	10	10	10
22	Subtotal - Investment Income	158	140	116	114	125	131	135	140	143	149	155	159
23	Patent Income	15	17	9	8	8	7	7	11	12	13	15	16
24	Other Revenue	92	77	91	79	79	80	80	80	80	81	81	81
25	Total Revenues	2,869	2,980	3,015	3,154	3,318	3,443	3,591	3,790	3,951	4,115	4,290	4,466
26	EXPENSES												
27	Personnel Related Costs												
28	Salaries and Wages	1,462	1,581	1,671	1,753	1,838	1,922	2,010	2,102	2,198	2,299	2,404	2,515
29	Employee Benefits	394	412	437	478	510	542	579	610	643	677	714	753
30	Subtotal - Personnel Related Costs	1,856	1,993	2,108	2,230	2,348	2,465	2,589	2,712	2,841	2,977	3,119	3,268
31	Supplies and Materials	129	141	144	147	151	154	157	161	165	168	172	176
32	PSA and other transfers	-	-	-	-	-	-	-	-	-	-	-	-
33	UC Path	-	1	6	7	5	5	6	6	6	6	6	6
34	Utilities	24	25	27	28	31	35	36	38	39	41	45	47
35	Scholarships and Fellowships	26	30	31	32	33	34	35	36	37	38	40	41
36	Interest Expense	61	63	68	71	76	105	106	114	111	108	106	103
37	Loss on Disposal of capital assets	1	2	2	-	-	-	-	-	-	-	-	-
38	Depreciation	130	132	127	126	141	154	154	153	148	144	139	148
39	UCOP General Assessment	22	22	-	26	27	28	29	30	31	32	33	34
40	Subaward Expenses	-	161	164	168	173	179	186	194	202	210	218	227
41	Professional and Consulting Services	-	116	116	120	124	127	131	135	139	143	148	152
42	Other Operating Expenses	517	245	251	258	264	271	278	284	292	299	306	314
43	Total Expenses	2,766	2,932	3,045	3,214	3,373	3,577	3,707	3,863	4,010	4,166	4,331	4,515
44	Income before Other Changes in Net Position	103	48	(30)	(60)	(55)	(114)	(115)	(72)	(59)	(51)	(41)	(49)
45	Health System investment in clinical practices (net)	64	92	75	79	89	92	94	95	96	100	102	103
46	TOTAL INCOME BEFORE CHANGES IN NET POSITION	167	140	45	19	34	(22)	(22)	23	38	49	61	55
47	Extraordinary Items												
48	GASB 68 pension (expense)/gain	(104)	(8)	(46)	(156)	(114)	(21)	-	-	-	-	-	-
49	GASB 75 OPEB (expense)/gain	-	(95)	-	-	-	-	-	-	-	-	-	-
50	Capital gifts and grants	1	(8)	51	39	39	38	36	6	3	128	3	3
51	Transfers to Regents' Endowment	(53)	(182)	(225)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)
52	State Capital Appropriations	0	-	-	-	-	-	-	-	-	-	-	-
53	Other Changes in Net Position	10	(1,655)	(191)	(54)	20	20	18	17	(2)	(2)	(2)	(2)
54	Increase (Decrease) in Net Position	21	(1,809)	(367)	(176)	(46)	(11)	8	21	14	150	37	30

1	UCSF Health Segment	as of 9/22/17 UCSF Financial Statements											
2	Income Statement (\$Millions)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
3	REVENUES												
4	Student Tuition and Fees	-	-	-	-	-	-	-	-	-	-	-	-
5	Grants and contracts, net												
6	Federal Contracts and Grants	26	25	27	28	29	30	31	32	33	34	35	36
7	State Contracts and Grants	1	1	1	1	1	1	1	1	1	1	1	1
8	Private Contracts and Grants	17	18	19	20	20	21	22	22	23	24	25	25
9	Local Government	3	3	3	3	3	3	3	4	4	4	4	4
10	Subtotal Grants and Contracts	46	46	50	52	54	55	57	59	61	63	65	67
11	Medical Center Operating Revenue (net)	3,521	3,906	4,146	4,375	4,693	4,971	5,212	5,443	5,670	5,913	6,168	6,438
12	Educational Activities	-	-	-	-	-	-	-	-	-	-	-	-
13	Auxiliary enterprises	-	-	-	-	-	-	-	-	-	-	-	-
14	PSA and other campus services - Campus	-	-	-	-	-	-	-	-	-	-	-	-
15	State Educational Appropriations	-	-	-	-	-	-	-	-	-	-	-	-
16	State & Federal Financing Appropriations	-	-	-	-	-	0	(0)	-	-	-	-	-
17	Private Gifts	11	18	17	25	26	27	25	28	30	26	26	26
18	Investment Income:												
19	Investment Income - STIP and TRIP	2	37	18	15	19	23	26	30	33	35	37	40
20	Endowment Income	-	-	-	-	-	-	-	-	-	-	-	-
21	Endowment Income - Additional FFE Earnings	-	-	-	-	-	-	-	-	-	-	-	-
22	Subtotal - Investment Income	2	37	18	15	19	23	26	30	33	35	37	40
23	Patent Income	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Revenue	21	18	17	7	7	6	9	7	6	11	12	13
25	Total Revenues	3,601	4,025	4,248	4,474	4,799	5,082	5,329	5,566	5,800	6,048	6,308	6,584
26	EXPENSES												
27	Personnel Related Costs												
28	Salaries and Wages	1,390	1,497	1,566	1,639	1,722	1,792	1,865	1,940	2,031	2,123	2,218	2,314
29	Employee Benefits	463	473	535	568	601	625	660	697	739	783	830	881
30	Subtotal - Personnel Related Costs	1,853	1,970	2,101	2,207	2,324	2,417	2,525	2,637	2,770	2,906	3,048	3,195
31	Supplies and Materials	553	590	620	653	687	723	755	789	824	862	902	945
32	PSA and other transfers	542	-	638	675	728	772	812	850	889	930	973	1,020
33	UC Path	-	-	2	3	3	3	3	3	3	4	4	4
34	Utilities	17	22	13	14	15	15	16	17	18	19	20	21
35	Scholarships and Fellowships	-	-	-	-	-	-	-	-	-	-	-	-
36	Interest Expense	48	48	48	54	54	54	53	52	51	50	49	47
37	Loss on Disposal of capital assets	1	2	-	0	0	1	1	2	3	3	4	5
38	Depreciation	205	211	208	223	248	253	266	282	293	295	295	289
39	UCOP General Assessment	-	-	13	13	13	14	14	15	15	16	16	17
40	Subaward Expenses	-	-	-	-	-	-	-	-	-	-	-	-
41	Professional and Consulting Services	-	908	-	-	-	-	-	-	-	-	-	-
42	Other Operating Expenses	409	102	464	400	455	469	463	472	487	499	511	531
43	Total Expenses	3,628	3,853	4,107	4,242	4,528	4,720	4,909	5,118	5,353	5,583	5,823	6,073
44	Income before Other Changes in Net Position	(27)	172	142	232	271	362	420	448	447	465	485	511
45	Health System investment in clinical practices (net)	(65)	(92)	(75)	(79)	(89)	(92)	(94)	(95)	(98)	(100)	(102)	(103)
46	TOTAL INCOME BEFORE CHANGES IN NET POSITION	(93)	80	67	153	181	270	326	353	349	365	383	408
47	Extraordinary Items												
48	GASB 68 pension (expense)/gain	(109)	(53)	(55)	(153)	(105)	(7)	-	-	-	-	-	-
49	GASB 75 OPEB (expense)/gain	-	(147)	-	-	-	-	-	-	-	-	-	-
51	Capital gifts and grants	44	41	89	43	51	47	47	48	33	33	33	33
52	Transfers to Regents' Endowment	-	-	-	-	-	-	-	-	-	-	-	-
53	State Capital Appropriations	-	-	-	-	-	-	-	-	-	-	-	-
54	Other Changes in Net Position	-232	(1,490)	125	193	(22)	(71)	(49)	(42)	8	9	10	21
55	Increase (Decrease) in Net Position	(389)	(1,568)	226	236	106	239	324	359	390	407	426	461

1	Combined Enterprise									as of 9/22/17 UCSF Financial Statements			
2	STATEMENT OF NET POSITION (\$M)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
3	ASSETS												
4	Cash and investments	2,863	2,946	2,620	2,630	2,845	3,052	3,385	3,769	4,163	4,533	4,890	5,263
5	Trusted Assets	17	226	126	26	26	26	26	26	26	26	26	26
6	Accounts Receivable Net of Reserves	751	813	854	906	955	1,002	1,048	1,095	1,141	1,189	1,241	1,295
7	Pledges Receivable	0	3	0	0	0	0	0	0	0	0	0	0
8	Current Portion of notes and mortg. receivable	3	3	3	3	3	3	3	3	4	4	4	4
9	Funds Held for Others	-	-	-	-	-	-	-	-	-	-	-	-
10	Supply Inventories, at cost	50	51	53	57	60	64	66	69	72	76	79	83
11	Prepaid Expenses	-	-	7	7	7	8	7	8	8	8	8	9
12	Other current assets	73	77	47	47	47	48	48	48	48	48	48	49
	Current assets	3,759	4,119	3,710	3,677	3,944	4,203	4,585	5,019	5,461	5,885	6,296	6,729
14	Pledges Receivable	0	0	0	0	0	0	0	0	0	0	0	0
15	Notes and Mortgages Receivable	39	36	37	38	38	39	40	41	42	192	243	344
16	Notes Receivable - PCMB	-	-	-	-	-	-	-	-	-	-	-	-
17	Land, Buildings, Equipment, Libraries	4,607	4,550	5,181	5,879	6,020	6,011	5,927	5,818	5,724	5,645	5,579	5,499
18	Noncurrent Deferred Outflows	978	1,287	1,568	1,483	1,399	1,314	1,314	1,314	1,314	1,314	1,314	1,314
19	Other Non Current Assets	24	24	55	55	60	82	96	116	137	161	191	191
20	Noncurrent assets	5,648	5,898	6,841	7,456	7,517	7,448	7,377	7,289	7,217	7,313	7,328	7,349
21	Total Assets	9,407	10,017	10,551	11,133	11,462	11,650	11,962	12,308	12,679	13,198	13,624	14,078
22	LIABILITIES												
23	Accounts Payable	286	279	505	518	540	558	579	604	632	660	690	721
24	Accrued Salaries and Benefits	372	323	128	134	140	147	153	160	167	175	183	191
25	Deferred Revenue	113	123	122	121	120	119	118	117	116	116	115	114
26	Funds Held for Others	2	1	1	1	1	1	1	1	1	1	1	1
27	Current Maturities of Debt	52	41	32	37	58	66	69	72	77	78	82	86
28	Third Party Liabilities	-	117	-	-	-	-	-	-	-	-	-	-
29	Other current liabilities	203	176	271	283	281	273	282	285	287	289	292	294
30	Current liabilities	1,028	1,060	1,060	1,095	1,140	1,164	1,203	1,240	1,280	1,319	1,362	1,406
31	Federal Refundable Loans	30	30	30	30	30	30	30	30	30	30	30	30
32	Deferred Inflows	267	1,152	547	592	598	516	516	516	516	516	516	516
33	Due to University	572	655	328	328	328	328	328	328	328	328	328	328
34	Pension Liability	2,492	1,878	4,952	4,967	4,980	4,999	4,999	4,999	4,999	4,999	4,999	4,999
35	OPEB Liability	-	3,377	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
36	Note Payable - PCMB	-	-	-	-	-	-	-	-	-	-	-	-
37	Other Long-Term Liabilities	141	130	225	379	485	495	498	500	503	505	508	511
38	Long-Term Debt	2,333	2,569	2,782	3,056	3,154	3,145	3,083	3,011	2,934	2,856	2,774	2,688
39	Noncurrent liabilities	5,835	9,791	10,465	10,953	11,176	11,114	11,053	10,984	10,910	10,834	10,755	10,672
40	Total Liabilities	6,863	10,851	11,525	12,048	12,316	12,277	12,256	12,223	12,190	12,153	12,117	12,079
41	NET ASSETS												
42	Invested in Capital Assets, Net of Related Debt	2,359	2,101	2,492	2,812	2,834	2,827	2,802	2,761	2,739	2,737	2,750	2,752
43	Restricted Expendable Fund Balance	401	630	640	650	650	650	650	650	650	650	650	650
44	Unrestricted Fund Balance	(215)	(3,564)	(4,106)	(4,377)	(4,338)	(4,103)	(3,746)	(3,327)	(2,901)	(2,342)	(1,892)	(1,402)
45	Total Net Assets	2,544	(833)	(974)	(915)	(854)	(627)	(295)	84	489	1,045	1,508	1,999
46													
47	Total Liabilities and Net Assets	9,407	10,017	10,551	11,133	11,462	11,650	11,962	12,308	12,679	13,198	13,624	14,078

1	Campus Segment																				as of 9/22/17 UCSF Financial Statements			
2	STATEMENT OF NET POSITION (\$M)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027											
3	ASSETS																							
4	Cash and investments	2,197	2,058	1,622	1,554	1,606	1,666	1,730	1,809	1,868	2,047	2,115	2,183											
5	Trusted Assets	17	226	126	26	26	26	26	26	26	26	26	26											
6	Accounts Receivable Net of Reserves	199	219	219	226	236	245	254	264	274	285	296	307											
7	Pledges Receivable	0	0	0	0	0	0	0	0	0	0	0	0											
8	Current Portion of notes and mortg. receivable	3	3	3	3	3	3	3	3	4	4	4	4											
9	Funds Held for Others	-	-	-	-	-	-	-	-	-	-	-	-											
10	Supply Inventories, at cost	1	1	1	1	1	1	1	1	1	1	1	1											
11	Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-											
12	Other current assets	5	8	8	8	8	8	9	9	9	9	9	9											
13	Current assets	2,423	2,515	1,979	1,819	1,881	1,950	2,023	2,112	2,182	2,372	2,451	2,531											
14	Pledges Receivable	0	0	0	0	0	0	0	0	0	0	0	0											
15	Notes and Mortgages Receivable	39	36	37	38	38	39	40	41	42	42	43	44											
16	Notes Receivable - PCMB	-	-	-	-	-	-	-	-	-	-	-	-											
17	Land, Buildings, Equipment, Libraries	2,225	2,201	2,661	3,101	3,242	3,211	3,119	3,017	2,925	2,845	2,762	2,671											
18	Noncurrent Deferred Outflows	436	451	610	526	441	357	357	357	357	357	357	357											
19	Other Non Current Assets	15	15	15	16	16	16	16	17	17	17	18	18											
20	Noncurrent assets	2,715	2,703	3,323	3,680	3,738	3,623	3,532	3,431	3,340	3,261	3,180	3,090											
21	Total Assets	5,138	5,218	5,302	5,499	5,618	5,573	5,555	5,543	5,522	5,633	5,632												
22	LIABILITIES																							
23	Accounts Payable	84	71	89	99	101	102	105	110	114	119	124	129											
24	Accrued Salaries and Benefits	192	123	128	134	140	147	153	160	167	175	183	191											
25	Deferred Revenue	113	123	122	121	120	119	118	117	116	116	115	114											
26	Funds Held for Others	2	1	1	1	1	1	1	1	1	1	1	1											
27	Current Maturities of Debt	26	36	28	32	39	46	48	51	55	55	58	61											
28	Third Party Payables	-	-	-	-	-	-	-	-	-	-	-	-											
29	Other current liabilities	98	108	110	112	115	117	119	122	124	127	129	132											
30	Current liabilities	516	462	479	499	516	532	545	561	578	593	610	627											
31	Federal Refundable Loans	30	30	30	30	30	30	30	30	30	30	30	30											
32	Deferred Inflows	148	619	544	589	595	513	513	513	513	513	513	513											
33	Due to University	296	325	325	325	325	325	325	325	325	325	325	325											
34	Pension Liability	1,254	917	1,198	1,225	1,247	1,266	1,266	1,266	1,266	1,266	1,266	1,266											
35	OPEB Liability	-	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599	1,599											
36	Note Payable - PCMB	-	-	-	-	-	-	-	-	-	-	-	-											
37	Other Long-Term Liabilities	99	101	103	105	108	110	113	115	118	120	123	126											
38	Long-Term Debt	1,452	1,631	1,857	2,137	2,253	2,265	2,222	2,172	2,117	2,061	2,003	1,942											
39	Noncurrent liabilities	3,280	5,222	5,657	6,010	6,158	6,108	6,069	6,020	5,968	5,915	5,860	5,802											
40	Total Liabilities	3,796	5,684	6,136	6,509	6,674	6,640	6,614	6,581	6,546	6,508	6,469	6,429											
41	NET ASSETS																							
42	Invested in Capital Assets, Net of Related Debt	883	704	902	959	976	927	874	820	779	754	727	694											
43	Restricted Expendable Fund Balance	337	545	545	545	545	545	545	545	545	545	545	545											
44	Unrestricted Fund Balance	122	(1,715)	(2,280)	(2,513)	(2,576)	(2,538)	(2,478)	(2,403)	(2,348)	(2,173)	(2,109)	(2,046)											
45	Total Net Assets	1,342	(467)	(834)	(1,010)	(1,056)	(1,067)	(1,059)	(1,038)	(1,024)	(874)	(838)	(807)											
46																								
47	Total Liabilities and Net Assets	5,138	5,218	5,302	5,499	5,618	5,573	5,555	5,543	5,522	5,633	5,632												

1 UCSF Health Segment										as of 9/22/17 UCSF Financial Statements											
2 STATEMENT OF NET POSITION (\$M)										2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
3 ASSETS																					
4	Cash and investments	666	889	998	1,075	1,240	1,386	1,656	1,960	2,294	2,486	2,775	3,080								
5	Trusted Assets	-	-	-	-	-	-	-	-	-	-	-	-								
6	Accounts Receivable Net of Reserves	552	593	639	680	719	757	795	831	867	905	945	987								
7	Pledges Receivable	-	3	-	-	-	-	-	-	-	-	-	-								
8	Current Portion of notes and mortg. receivable	-	-	-	-	-	-	-	-	-	-	-	-								
9	Funds Held for Others	-	-	-	-	-	-	-	-	-	-	-	-								
10	Supply Inventories, at cost	49	51	53	57	60	63	65	68	71	75	78	82								
11	Prepaid Expenses	-	-	7	7	7	8	7	8	8	8	8	9								
12	Other current assets	69	69	39	39	39	39	39	39	39	39	39	39								
13	Current assets	1,336	1,604	1,735	1,858	2,064	2,253	2,562	2,907	3,279	3,513	3,845	4,198								
14	Pledges Receivable	-	-	-	-	-	-	-	-	-	-	-	-								
15	Notes and Mortgages Receivable	-	-	-	-	-	-	-	-	-	150	200	300								
16	Notes Receivable - PCMB	-	-	-	-	-	-	-	-	-	-	-	-								
17	Land, Buildings, Equipment, Libraries	2,382	2,350	2,520	2,778	2,778	2,800	2,808	2,801	2,799	2,800	2,817	2,828								
18	Noncurrent Deferred Outflows	542	837	958	958	958	958	958	958	958	958	958	958								
19	Other Non Current Assets	9	9	40	40	44	66	79	99	120	144	173	173								
20	Noncurrent assets	2,933	3,195	3,517	3,776	3,779	3,824	3,845	3,858	3,877	4,051	4,148	4,259								
21	Total Assets	4,269	4,800	5,253	5,634	5,843	6,077	6,407	6,765	7,156	7,565	7,993	8,456								
22 LIABILITIES																					
23	Accounts Payable	202	209	419	420	439	456	474	494	517	541	566	592								
24	Accrued Salaries and Benefits	180	200	-	-	-	-	-	-	-	-	-	-								
25	Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-	-								
26	Funds Held for Others	-	-	-	-	-	-	-	-	-	-	-	-								
27	Current Maturities of Debt	25	5	5	5	19	20	21	21	22	23	24	25								
28	Third Party Payables	-	117	-	-	-	-	-	-	-	-	-	-								
29	Other current liabilities	105	68	161	171	166	156	163	163	163	163	162	162								
30	Current liabilities	512	598	585	595	624	632	658	678	702	726	752	779								
31	Federal Refundable Loans	-	-	-	-	-	-	-	-	-	-	-	-								
32	Deferred Inflows	118	533	3	3	3	3	3	3	3	3	3	3								
33	Due to University	276	329	3	3	3	3	3	3	3	3	3	3								
34	Pension Liability	1,237	961	3,754	3,742	3,732	3,733	3,733	3,733	3,733	3,733	3,733	3,733								
35	OPEB Liability	-	1,778	2	2	2	2	2	2	2	2	2	2								
36	Note Payable - PCMB	-	-	-	-	-	-	-	-	-	-	-	-								
37	Other Long-Term Liabilities	41	30	123	274	378	385	385	385	385	385	385	385								
38	Long-Term Debt	881	938	924	919	900	881	860	839	817	794	771	746								
39	Noncurrent liabilities	2,555	4,568	4,808	4,943	5,018	5,005	4,985	4,964	4,942	4,919	4,895	4,871								
40	Total Liabilities	3,067	5,166	5,393	5,539	5,642	5,637	5,642	5,642	5,644	5,645	5,647	5,650								
41 NET ASSETS																					
42	Invested in Capital Assets, Net of Related Debt	1,475	1,397	1,591	1,854	1,858	1,900	1,927	1,941	1,960	1,983	2,023	2,057								
43	Restricted Expendable Fund Balance	64	85	95	105	105	105	105	105	105	105	105	105								
44	Unrestricted Fund Balance	(337)	(1,849)	(1,826)	(1,864)	(1,762)	(1,565)	(1,268)	(923)	(553)	(169)	217	644								
45	Total Net Assets	1,202	(367)	(140)	95	201	440	764	1,123	1,513	1,919	2,345	2,807								
46																					
47	Total Liabilities and Net Assets	4,269	4,800	5,253	5,634	5,843	6,077	6,407	6,765	7,156	7,565	7,993	8,456								

10-Year Plan Summary Assumptions UCSF Campus Segment		Projection										
	Comments	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	
REVENUES												
1	Student Tuition and Fees	Effective Rate * PDST blended rate of programs, 3% 5Yr CAGR, 2.3% 10Yr CAGR due to PharmD 4th year students transitioning out/graduating in 2022 * Tuition (Ed Fee) 3% 10Yr CAGR * Non-Resident Fee - 0% 10Yr CAGR * SSDP blended rate of programs, 8% 10Yr CAGR primarily driven by increase in student enrollment 6% 10Yr CAGR	6.70%	4.75%	4.88%	4.38%	0.66%	3.30%	3.44%	3.13%	3.15%	3.14%
2	Federal Contracts & Grants	Federal Direct Effective Rate, same as Global Rate	2.00%	2.50%	3.00%	3.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
		Indirect Cost Recovery rate starting in 2019: * 100bp increase from 2018 to 2019 * 300 bp increase over 7 yrs from 2019 to 2025, increasing 50bp/yr * holding steady at 62.5% from 2025-on	58.5%	59.5%	60.0%	60.5%	61.0%	61.5%	62.0%	62.5%	62.5%	62.5%
3	State Contracts & Grants	State Direct Effective rate, same as global rate	-1.20%	-0.70%	0.60%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
4	Private Contracts & Grants	Private Direct Effective rate, same as global rate	4.00%	4.00%	4.00%	4.10%	4.10%	4.20%	4.20%	4.30%	4.30%	4.30%
5	Local Government	Local Direct Effective rate, same as global rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
6	Sales & Services - Other Clinical and Educational Activities	Effective rate, same as global rate Revenue is derived from a variety of additional patient care and academic programs: * Patient care affiliation agreements * Non-affiliation clinical activity * Educational Products and services * Laboratory service fees * Continuing Medical Education (CME), symposiums, classes, etc.	3.75%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
7	Sales & Services - Auxiliary Enterprises	Effective rate Growth primarily driven by Housing & Transportation: * \$19M of revenues starting in 2020 for occupancy of Minnesota Student Housing, MB * Public and permit fee increases	1.52%	5.00%	24.37%	4.73%	3.87%	3.93%	4.08%	3.92%	3.96%	4.07%
8	State Educational Appropriations	Effective rate, same as global rate Legislative handling of UCOP assessments during 2017-18 created a one-year fluctuation in revenues and expenses State funds reduced \$26.9m, loss offset by reduced campus share of UCOP assessment expense \$26.6m Impact on campus: revenue neutral (\$0.3m)	-18.25%	27.67%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%

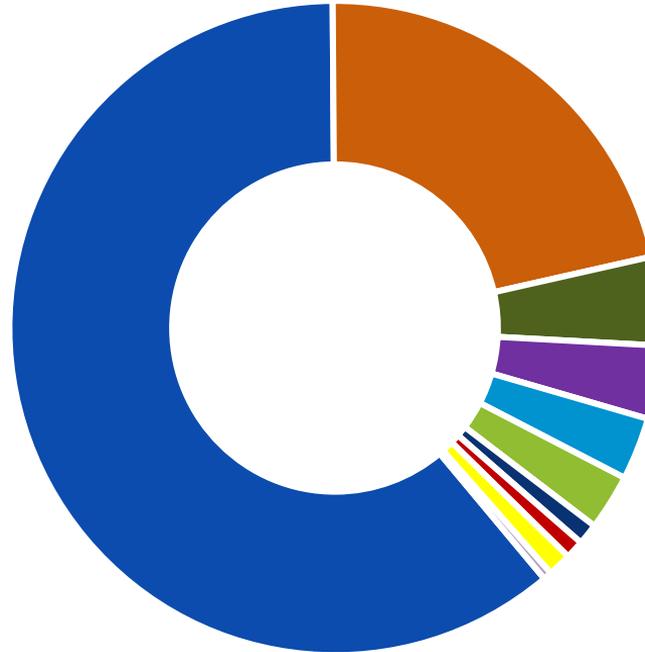
10-Year Plan Summary Assumptions UCSF Campus Segment		Projection										
	Comments	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	
REVENUES												
9	State Financing Appropriations	Reimbursements from the State of California for debt service payments on State Public Works Bonds (SPWB) used for UCSF Fresno and QB3. Re-financed to GRBs in 2016	-2.14%	0.00%	-0.18%	-5.81%	-0.01%	0.00%	-8.57%	-4.24%	-0.01%	0.00%
10	Federal Financing Appropriations	Build America Bonds - federal program where government subsidizes ~35% of interest expense for projects that use that financing vehicle	7.39%	0.00%	0.00%	0.00%	-0.14%	-0.16%	-0.17%	-0.67%	-0.71%	-2.19%
11	Private Gifts	Long-term projections remain consistent with last year's Gift Plan. However, capital gifts and one-time events create uneven cash flows i.e. MC-Bayside in 2018 and Neuro assumption in 2025.	-8.35%	6.39%	5.76%	-1.72%	9.17%	26.73%	7.96%	5.79%	6.42%	5.64%
	Foundation Endowment											
	Corpus Growth in base	\$121,405	\$54,000	\$56,700	\$59,535	\$62,512	\$65,325	\$68,264	\$71,336	\$74,546	\$77,528	
	Payout to UCSF (1 yr endowment performance)	5.0%	5.0%	5.0%	5.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
	6.3% avg vs. 4.8% avg, 2017 vs. 2016 Gift Model											
12	Investment Income - STIP and TRIP	Blended rate; allocation between STIP and TRIP split 35%/65%	3.36%	3.29%	3.23%	3.37%	3.44%	3.44%	3.44%	3.44%	3.44%	3.44%
	STIP earnings assumption, based off of the CBO projection	1.25%	1.50%	1.80%	2.20%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	
	TRIP earnings assumption	4.50%	4.25%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
13	Endowment Income - Distribution from Regents Endowment	Payout to UCSF from endowment held by Regents	-19.13%	27.58%	3.36%	1.97%	1.77%	3.30%	2.14%	2.28%	2.41%	2.55%
	Corpus Growth - Transfers to Regents Endowment											
	Payout remains in GEP over the 10 year period	-\$225,000	-\$25,000	-\$25,000	-\$25,000	-\$25,000	-\$25,000	-\$25,000	-\$25,000	-\$25,000	-\$25,000	
	Payout to UCSF (1 yr endowment performance)	5.00%	5.00%	5.00%	5.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	
14	Patent Income	Major patents expiring i.e. HepB vaccines drop off in 2021 and 2025. First half of plan lower: 4 major patents not performing as well as expected e.g. Cisco terminating collaboration & license agreement, Catheter for Ablation, Neuraltis drug, etc. Second half of plan higher: initiative to partner with philanthropists, investing in early inventions	-46.94%	-7.96%	-3.64%	-10.41%	-0.36%	50.90%	11.25%	11.25%	11.25%	11.25%
15	Other Non-Operating Revenue	Include capital remediation settlements, other legal recoveries, and property tax rebates	93.60%	-46.26%	74.85%	1.17%	1.18%	1.19%	1.20%	1.20%	1.21%	1.22%
16	Other Operating Revenue	Foundation management fees, agency management fees, and rental income	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

10-Year Plan Summary Assumptions UCSF Campus Segment		Projection										
EXPENSES	Comments	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	
17	Salaries and Wages	Effective rate Includes programmatic adjustments e.g., IT Sourcing, etc.	5.69%	4.87%	4.88%	4.58%	4.58%	4.58%	4.58%	4.58%	4.58%	
		Global rate	6.00%	4.88%	4.88%	4.58%	4.58%	4.58%	4.58%	4.58%	4.58%	
18	Employee Benefits	Effective rate	6.19%	9.28%	6.66%	6.44%	6.66%	5.38%	5.40%	5.42%	5.44%	5.46%
		Global Rates (Price increases):										
		Active Health	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
		UCRP (as a percent of eligible salary)	9.69%	10.58%	10.83%	11.12%	11.46%	11.46%	11.46%	11.46%	11.46%	11.46%
		Retiree Health	-4.19%	5.05%	5.45%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
		Worker's Comp	5.00%	4.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
		Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Supplies and Materials	Global rate, rate of inflation	2.00%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	
20	Subaward Expenses	Aligns with Federal C&G TDC growth rate	2.00%	2.50%	3.00%	3.50%	4.00%	4.00%	4.00%	4.00%	4.00%	
21	Professional and Consulting Services			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
22	Other Operating Expenses	Global rate, excludes IT sourcing	12.73%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
23	Professional Services Agreements (PSA) Transfer & Other MC Transfers	PSA and other Medical Center transfers aligned with Medical Center projections	9.96%	5.81%	7.83%	6.03%	5.30%	4.57%	4.64%	4.62%	4.65%	4.74%
24	Utilities	Effective Rate - Assumptions aligned with CCP and FAS Utilities Unit 10-year Financial Plan Additional expenses over the 10year period: * Increases in market prices of utilities projected to add \$16.2m * Consumption of utilities increase, adding \$5.2m Increase in 2020 and 2021 due to completion and occupancy of MB buildings Block 23A & Block 33	9.60%	3.88%	10.65%	10.98%	3.35%	5.01%	5.01%	5.20%	7.88%	4.94%
25	Scholarships and Fellowships	Aligns with ~25% of Gross Tuition	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
26	Interest Expense		7.79%	4.84%	7.32%	37.12%	0.97%	7.62%	-2.76%	-2.33%	-2.43%	-2.63%
27	Depreciation and Amortization		-3.70%	-0.96%	11.78%	9.71%	0.18%	-0.86%	-3.16%	-3.10%	-3.04%	6.27%
28	UCOP Fees	See SEA Revenue	-100.00%	-	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%

10-Year Plan Summary Assumptions												
UCSF Campus Segment												
		Projection										
		Comments	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
OTHER												
29	Medical Center investment in clinical practices	Aligns with the Medical Center	-18.66%	5.07%	13.69%	2.78%	1.90%	1.88%	2.27%	2.13%	2.19%	1.60%
30	Capital Expenditures - Campus segment	10YP informed by CCP Projects listed below are informed by approved CCP of \$2.46B: * Program Projects: \$1.007M mostly Mission Bay e.g. Neuroscience Bldg and Block 33 * Seismic Projects: \$499M mostly ZSFG New Research Facility, Clinical Sciences Bldg., etc. * Departmental Capital Projects: \$300.5M * Auxiliary Projects: \$246.7M mostly Minnesota Street Graduate Student and Trainee Housing * Facility Investment Needs (FIN): \$223.7M * Renewal Projects: \$139.6M * Remediation Projects: \$41.4M * Studies: \$3.6M	737,980	736,878	315,111	152,120	89,730	77,730	86,350	92,060	86,370	86,980
31	Capital Expenditures - UCSF Health	\$2.67 over ten years (2018 - 2027) for facilities master plan, strategic initiatives, backfill projects, IT, renovation, replacement and equipment. Mission Bay Block 40, 23A, Moffitt 15, 2130 3rd Precision Cancer Medical Building	\$ 241,384	\$ 299,413	\$ 213,244	\$ 271,875	\$ 268,228	\$ 267,483	\$ 279,915	\$ 282,679	\$ 296,280	\$ 282,970
			\$ 89,954	\$ 41,935	\$ 51,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<i>tie out</i>	\$ 103,429	\$ 146,745	\$ 3,568	\$ 3,509	\$ 5,160	\$ 7,606	\$ 10,499	\$ 13,384	\$ 15,658	\$ 17,500
			434,767	488,094	267,912	275,384	273,388	275,089	290,414	296,063	311,938	300,470
32	Capital Gifts & Other - Campus segment	Capital Gifts and other contributions of \$315M to fund approved Capital Projects in CCP	34,130	41,915	33,600	31,600	19,600	15,500	3,500	128,500	3,500	3,500
33	Philanthropy (Other Revenue) - UCSF Health	Benioff Children's Hospital philanthropic funds included in Other Revenue	25,332	22,221	23,311	24,357	23,615	24,632	25,293	23,844	23,799	
	Donations - UCSF Health - West Bay	Philanthropic support included in Other Changes in Net Position is comprised of various donations and contributions.	15,000	18,000	18,000	19,000	19,000	21,000	25,000	25,000	25,000	25,000
	Donations - UCSF Health - BCHO	Philanthropic support included in Other Changes in Net Position is comprised of various donations and contributions for Benioff Children's Hospital.	23,854	25,335	26,000	27,000	24,983	28,000	30,000	25,983	25,983	25,983
	Donations - UCSF Health - PCMB	Philanthropic support included in Other Changes in Net Position is comprised of various donations and contributions for the Precision Cancer Medicine Building	10,000	10,000	20,000	20,000	20,000	18,600	-	-	-	-
	Donations - UCSF Health - Mission Bay	2017 - 2021 Philanthropic support for the Mission Bay Project are included in Other Changes in Net Position.	56,100	6,600	5,100	100	100	-	-	-	-	-
34	Additional Long-Term Debt - Campus segment	Additional long-term debt of \$740.3M primarily for: * Program Projects: \$291.6M e.g. Neuroscience and Precision Cancer Medicine Bldg. * Seismic Projects: \$211.0M e.g. ZSFG * Auxiliary Projects: \$223.6M e.g. Minnesota Street Graduate Student and Trainee Housing * Remediation: \$14.1M	-	12,500	14,100	494,100	50,400	169,200	-	-	-	-
35	Additional Debt - UCSF Health	None	-	-	-	-	-	-	-	-	-	-

2016-17 Combined Enterprise Revenue Detail: \$6.4 billion

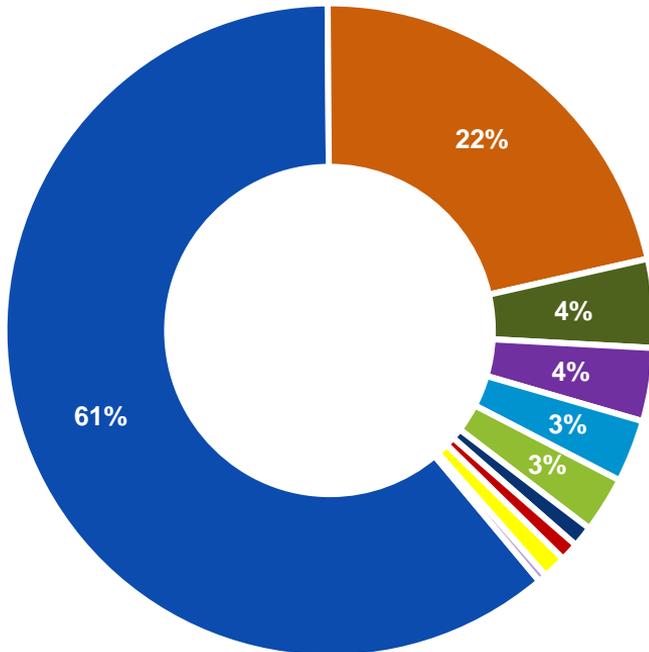
UCSF Health Patient Care	\$3,906	61%
Medical Center and Faculty Practice	3,355	
Benioff Children's Hospital Oakland	551	
Langley Porter	27	
Eliminations	(27)	
Grants and Contracts	\$1,383	22%
Federal	720	
State	72	
Private	407	
Local	184	
Educational Activities	\$280	4%
Fee for Service and Patient Revenue	114	
Affiliation Agreements	104	
Other Educational Activities	50	
Continuing Education	12	
Private Gifts	\$232	4%
Direct Gifts	14	
Foundation Transfers		
Research	129	
Institutional Support	42	
UCSF Health	18	
Instruction	17	
Other	12	
State Funds	\$198	3%



Investment Income	\$177	3%
STIP	27	
TRIP	15	
TRIP Equity Distribution	47	
Regents Endowment Payout	61	
Unrealized Gain/Other	27	
Auxiliary Enterprises	\$67	1%
Parking	24	
Housing	21	
Recreational Programs	13	
Other	9	
Student Tuition and Fees, Net	\$59	1%
Professional School Fees	40	
Tuition	30	
Student Fees	21	
Other	5	
Scholarship Allowance	-37	
Other Revenue	\$75	1%
Non-educational Sales and Service	22	
Patent Income	17	
Settlements	13	
Other	23	
Financing Appropriations	\$26	<1%
Federal BABS Subsidy	23	
Other State Financing	3	

Dollars in millions

2016-17 Combined Enterprise Expense Detail: \$6.2 billion



Expense Category	Campus	UCSF Health	Eliminations	Total
Salaries and Wages	\$1,581	\$1,497	\$-	\$3,078
Employee Benefits	412	473	-	885
Supplies and Materials	141	590	(2)	730
Professional and Purchased Services	116	908	(581)	443
Other Operating Expenses	270	104	(11)	363
Depreciation	132	211	-	343
Subaward Expenses	161	-	-	161
Interest Expense	63	48	-	111
Utilities	25	22	(7)	39
Scholarships and Fellowships	30	-	-	30
Total	\$2,931	\$3,853	\$(601)	\$6,183

Other operating expenses include insurance, occupancy, travel, meetings and entertainment, and miscellaneous other expenses.

Dollars in millions



University of California
San Francisco