

COMMITTEE ON PLANNING & BUDGET
MINUTES
MAY 30, 2023

PRESENT:

Peter Atkinson, Entomology, Chair
Dana Simmons, History, Vice Chair
Reza Abbaschian, Mechanical Engineering
Juliann Allison, Gender & Sexuality Studies
Subramanian Balachander, Business
Roger Lake, Electrical & Computer Engineering
Bronwyn Leebaw, Political Science
Hiroki Nishimura, Economics
Frances Sladek, MCSB

ABSENT:

David Lo, School of Medicine
Ayala Rao, Microbiology & Plant Pathology
Yadong Yin, Chemistry

Chair Peter Atkinson called the meeting to order at 11:00am.

CHAIR'S UPDATES / COMMITTEE DISCUSSION

Chair Atkinson will attend the June 6 UCPB meeting.

P&B is requesting the presence of the FEC Chairs at its June 13 meeting, so a discussion may be held regarding the prospect of FEC Chairs being more heavily involved in the UCR Budget Consultation Process.

The committee continued to discuss/share concerns and questions regarding the OASIS project, to include the following:

- Is there data to support that the OASIS project will support its intended aim?
- Will the OASIS project create jobs for UCR and the Inland Empire?
- Is there data to support the community has been actively engaged and involved in the planning of this clean technology park?
- When the Chancellor made the decision to utilize AB2046 funds to finance the OASIS project, how was this decision made clear to Senate members in the decision-making conversation/process?
- Administration conveyed that the OASIS building was in long range development plans (LRDPs); and no one raised any red flags about it--hence it got seen as a done deal. This issue needs to be addressed, as faculty in general do not pay attention to LRDPs.
- Does the Brailsford & Dunlavy report on the OASIS project need to be updated?
- It should be noted that the OASIS project popped onto the Capital Financial Plan list and was near the bottom. Other capital priorities have languished on that list for years.

- Objections are not being raised by P&B with respect to the seed grants associated with OASIS.

Instead of two separate memos capturing P&B's concerns with the OASIS building and with the campus shared governance process (that led to the OASIS outcome), P&B will include all related concerns and questions in this school year's Annual Report. Thus, in part the Annual Report will address:

1. Shared Governance Process for the Future
2. Specific Action Items related to OASIS.

How is Administration going to track:

- a) Number of jobs created?
- b) Outcomes from community engagement?
- c) Outcomes for stunted engagement?
- d) Financial solvency of the building

P&B members stressed that the primary concerns in the Annual Report should center on the dysfunctional "process" of how OASIS came to be—not necessarily the "outcome." The lack of quality faculty involvement/input in the decisions on how to spend taxpayers' money remains a vital concern. Moreover, the financial sustainability of OASIS must be made clear; otherwise OASIS may become a huge financial burden for UCR.

MEETING WITH DEAN OF SCHOOL OF MEDICINE (SoM)

The Dean of the School of Medicine (SoM), Deborah Deas, attended the meeting along with SoM's Associate Dean/CFAO, Maria Aldana. Dean Deas indicated that SoM's greatest fiscal challenge is stabilizing its clinical enterprise.

With respect to the status of SoM's clinical debt: Dean Deas specified that last year it was approximately \$15 million. This year, it stands between \$15 million to \$16 million.

In the State Budget Act of 2020, SoM received an increment of \$25M in annual operating funds, bringing total state funding to \$40M per year. This funding addresses the shortfalls in support for SoM's education and research programs.

While UCR SoM will need to grow to help address the regional primary care physician shortage, its ability to do so is threatened by significant financial and structural challenges. SoM has faced operating deficits since its inception and had to rely on UCR Central Campus for financial support to close annual operating deficits. A considerable challenge is the absence of clinical funds that are generated from an academic medical center which could support the educational and research enterprise of the School.

At its current size and level of state support, UCR SoM operating deficits are projected to grow and will require continued subsidy from the Central Campus. SoM has exhausted its current space and is unable to grow beyond its current class size. As a community-based school, SoM is reliant on a network of community hospital partners, voluntary faculty, and clinics for clerkship rotations and residency programs, which creates operational complexity and financial challenges.

In the absence of a primary hospital partner, the faculty practice (UCR Health) has struggled to define and implement a financially viable growth strategy. The UCR Health clinical practice is small and operates below capacity both in terms of space and physician productivity. There is interest in enhancing the degree of alignment between SoM's research agenda and mission, and also opportunity to do so. There are opportunities to enhance the degree of alignment between the research agenda of the Biomedical Sciences Division and the mission of SoM; and to augment the clinical, translational and population health research areas.

SoM has grown steadily since its inception, and it has graduated a significant proportion of medical students, residents and fellows who match into primary care residencies and continue to train in the Inland Empire. A good number of SoM graduates return to practice in the Inland Empire; and a major goal of SoM is to see this trend continue/increase.

The lack of a primary hospital partner necessitates SoM's reliance on a network of voluntary community hospital partners and clinics for clerkship rotations, which limits SoM's ability to closely monitor program quality.

Existing physical space on UCR's campus has limitations to support current undergraduate medical student enrollment. SoM lacks physical space required to support increased enrollment. SoM cannot currently hire ladder-rank faculty. Also, SoM is at maximum capacity with respect to lab space and cannot hire additional research faculty in SoM space. The lack of collaborative research space limits opportunities for cross-disciplinary and translational research.

The absence of a primary hospital partner and other factors create substantial headwinds to building a sustainable faculty practice. Despite support for SoM's mission and recognition of the UCR brand as a valued asset in the community, potential hospital partners have not expressed a desire to expand clinical relationships, citing costs, legacy issues, and competitive dynamics with incumbent community physicians and service lines.

To stabilize the financial position of SoM in the short term and position it for long-term sustainability and growth, SoM plans to: regularize and modestly grow its education programs; strengthen UCR Health and develop long-term partnerships with local health systems; deepen its commitment to clinical and population health research and better integrate its education and research missions with the basic science departments; and embark on a UCR SoM-led campaign of strategic philanthropy to bolster the School's finances.

The meeting was called to a close at 1:10pm.