

Minutes 12-15-23

College of Medicine and Life Sciences Faculty Council Meeting
Friday, December 15th, 2023; 12:00-1:00 pm; HEB 100 and WebEx

1. **Call to Order:** COMLS Faculty Council President: Dr. Jennifer Hill, Ph.D.
2. **Approval of Previous Minutes:** September 29, 2023 and October 27, 2023 minutes
 - a. Dr. Willy noted a few changes in the 9-29-23 minutes that will be sent to Secretary Andrea Kalinoski.

b. Continuation of Discussion regarding FY24 & FY25 Budget with:

Dr. Scott Molitor, Interim Provost and Executive Vice President for Academic Affairs

Matt Schroeder, Executive Vice President for Finance and Administration and CFO

Question #2: Please discuss UToledo enrollment numbers for fall 2023, relative to the previous 10 years, and enrollment projections for fall 2024. Given fall 2024 enrollment projections, what will be the impact on our University and COMLS 2024-2025 budgets.

Matt Schroeder: We have had a 37% drop in FT students in UG over 10 years (↓7300). Considering the aging demographics, we have seen an increase in retention and graduation rate. We have a 5-year financial plan to establish our “life” path tied to program prioritization and the possibility of sunseting some programs over the next two to five years. If there is no market demand or relevancy to programs or there is opportunity to collapse programs the University will look at the economic benefit of doing so. There are some programs that could be sunsetted immediately or over the next 2-5 year allowing budget containment and the possibility of much needed reinvestment.

Question #3: Given stable enrollment numbers in COMLS, how much of any projected UToledo deficit will COMLS be asked to cover and why?

Matt Schroeder: The greatest issue the University of Toledo has faced are these incremental cuts year over year over year. COMLS is the largest operating budget of all the colleges and so one would assume they have a lot of money so cuts should come from here. That is not the case anymore and so we have to start prioritizing programs. Prioritizing what the University of Toledo really wants to be. We are known for our Health Sciences and professional programs. What is the vision for the University of Toledo? Working with the board of trustees, myself, Provost Molitor and President Postel we are talking through what an enhanced vision for the University of Toledo looks like. Jason Huntley and others have invested a lot of effort into the strategic plan and the university is taking that and refining it to recognize publicly who we are and focusing resources on this plan.

Provost Molitor: Overall FY25 budget requires review and program prioritization. The savings in the short term are probably not going to be that significant and what we are really hoping to get out of this is to focus faculty efforts on ways to improve existing programs to generate revenue through increased retention or to develop new programs that will generate new enrollment. This

may require off-loading faculty from existing programs that are not generating revenue and refocusing those efforts and repurposing their workload. This should help to reverse the enrollment slope from negative to positive and generate more revenue. Once the budget is stabilized then we could look at reversing the subvention and investing resources in our programs in the future.

Dr. Willey: Question – With the new budgeting process in place with the IBB model - will accounts (as was done in the past) be swept at the end of the FY? Will the department chairs be able to keep this money at the end of the FY. (i.e. carry forward).

Dave Walczak: Are you referring to end of the year balances or this past year we've had reduction in affiliation funding so we had to have reductions mid-year.

Dr. Willey Comment: Keeping these budgets separate is a really good idea with the IBB model and therefore the “sweeping” does not occur in future years.

Matt Schroeder: So we are in year 2 of IBB budgeting and prior we were in an incremental budgeting process and therefore essentially we were in a use it or lose it model that handicapped the Colleges. This carry forward that will eventually be available by modernizing our budget will allow for these carry forward balances or end of year purchases (i.e. scientific equipment. etc.) or for recruiting purposes (faculty hiring, start-ups, research, scientific equipment, recruitment, etc.). Program prioritization is needed to right size the stability and reinvestment into those programs and colleges that have the ability to do this moving forward. We will try to no longer handicap the colleges that are performing at the end of the year using the new IBB model. Declining enrollment didn't happen overnight and has been probably decades in the making. We are now in a position that we have to address it. What can we do in year one but then also as a reference, years two to five years is because while we assess part of the entire ideas and productively slow but the thoughtfulness that is required to protect the Academy and the fact that- we encourage our folks to teach, to do community service, to be at the lab, at the bench – out in the field. That's actually to do research so we have to manage thoughtfully some of our fixed costs which would be the human capital piece. 80 plus percent of our budget is tied to human capital and so we just have to be very thoughtful around attrition.

Question #4. Current and prospective faculty have major concerns about the sustainability of our clinical, research, and educational enterprises. Projected deficits solidify those concerns, promote attrition, and inhibit recruitment efforts, including four current chair searches. What is the University administration's narrative to current and future faculty about financial stability, sustainability, and growth?

Matt Schroeder: Scott, I didn't telegraph this question to you but I'm going throw question four at you. What is the university's narrative to current and future faculty about financial stability sustainability and growth - what is the elevator speech.

Provost Molitor: We are trying to do the hard work now so that we can get to a point of not hemorrhaging cash and work toward being financially stable. Then we can look at areas of

investment and growth in those colleges that are successful and demonstrate sustainability and have potential for growth. That is what I am hoping that we can get to as soon as possible.

Question #5. Please describe specific plans to resolve year-over-year deficits.

Matt Schroeder: Specific plans to resolve our year over year deficits include accountability. Programs that are producing need to be rewarded and those that are struggling need to be recognized. We need to work with the programs and faculty to make sure that from year to year our 5-year financial plan is updated. These plans will be presented to the BOT in great detail and reviewed on a yearly basis to include program prioritization and enrollment numbers and projections. FY25 will be presented to the BOT and we will go through that with the board in great detail. It will reflect program prioritization and what we envision from an enrollment standpoint. This includes the COMLS but is not directed at the COMLS. Overall, we feel good about progress to turn around enrollment. However, we know gross enrollment next year will be down. We hope new students continue to trend upwards but you know overall we have to see what happens and take that into account in the model along with the prioritization along with additional cuts to meet budget and to hopefully reallocate some resources. At the end of the day we're going to have to start picking the various horses that we're going ride and again I think it is pretty obvious what some of those horses are. It requires thoughtfulness right now and the Provost is adding into this finance and college deans which is an important next step.

6. Ohio State publishes an easy-to-understand financial plan:
<https://busfin.osu.edu/university-business/financial-planning-analysis/university-operating-budget>. **Could you post a similar financial plan on our UToledo website?**

Matt Schroeder: This is a pretty nice financial plan and it would be great if we could do this - but we are a budget team for the entire university. There are 3 FTE in budget and central payroll is 5 FTE so we are very very thin. The Budget Office shares on the UToledo intranet our budget/operating plan but we just simply do not have the capacity staff wise to put together a fancy published boilerplate piece. We want to get the numbers out and we want to explain the numbers. We want to do town hall type things like this but we're practically a few years away from doing something this fancy.

7. Could you provide details on revenues and expenses for Auxiliaries that are associated with COMLS?

Matt Schroeder: To the best of my knowledge there are no auxiliaries tied to the College of Medicine unless I've missed something here in the question.

Dr Cooper: It is not really auxiliary services, but I would say that this is where the COMLS is a little unique in that we cover some of the aggregate expenses on the HSC campus like the Academic Enrichment Center, Testing Center, Hillebrand Clinical Skills Center, Simulation Center those are all falling in our College academic budget.

Dr. Willey: Is it possible auxiliaries refer to UTP and UTMC - are those financials publicly available.

Matt Schroeder: Yes, absolutely. So, what we have started to do. I should not answer it that definitively. Let me answer it this way, obviously many of the individuals in this room are part of this physician practice plan. I believe UTP/CF just this week had a board meeting. From a central standpoint, central meaning starting with our board of trustees and I know there's a follow up question here regarding organizational details. We have created UT Health which is this umbrella structure.

9. Could you provide details on funds flowing among COMLS, UTP, and UTMC? Could you provide an update on the status of UTHealth, provide a UTHealth organizational chart, and describe UTHealth budget/fund flows?

Matt Schroeder: Somebody had asked for an org chart of what UT Health looks like. Here is the UT health organizational model (slides attached). UT health itself is not a standalone LLC501C. It is just an entity that helps the concept to bring together UTPCF (UTPLLC/UTVentus/UTMC/UTPATH). I do not think there is much going on with UT Path right now. So that rolls up under the UT health umbrella. Then you have UTMC and then you know down the road as this entity matures whether it is through mergers and acquisitions, joint ventures, you know we could create a UT health forum as a holding company. Right now, the way UT Health plays out is that you have your chief physician executive (Dr. Ramirez). There is your CEO of the hospital. When UT health matures, they report up to an executive Vice president of health affairs and that EVP of Health Affairs reports up to the president of the University. Last time I talked to Dr. Postal about this, we are still one to two years away from that EVP role. So right now, you have Ramirez and Swaine reporting up to the President. The President serves as the EVP given his strong clinical background. The sole purpose for UT Health and you folks as providers is really what you do in the clinical setting is hand and glove with UTMC. What you also know over the years that that relationship when you do on the professional side what they do on the facilities side, communications coordination and collaboration really has not been the great, but it's under UT Health where those two entities really should become one. So then to my comment about Central, what the Board of Trustees is now doing to underscore the importance of UTHealth... so every quarter when I show up and I present our financials, we present publicly a combined income statement for UTHealth. Taking UTP's performance through whatever period of time along with UTPCF performance aligning them into a single income statement. So, the days of UTMC saying look here, you know crushing it from the net patient revenue standpoint and then UTP currently down a number of providers. From an operating margin standpoint not keeping pace with budget, they are saying no more. They want to see you work as one entity and your performance presented as one entity. So real time and this is in public session not executive session, we are running through the UTHealth income statement in their packet then you have the separate financial performance for each of those entities. But everything we are doing on the clinical side now the expectation from the President and the board because you are one, work as one, partner as one for the greater good.

Dr. Willey: Question. Well, I was just going to say. Again, that is responsive since the last meeting. I appreciate it. We have heard a lot of concerns about doctors not making enough for UTP you would be losing money and so on. And as we all know, this has to do with the way, you know, insurance companies reimburse. I mean there is a whole lot we cannot do about it. They decide to reimburse to the hospital and not to the Doctors and so these things change. So, I appreciate your perspective.

Matt Schroeder: I'll go one step further, and Chris can speak to this going back in time. There were meeting cycles with the board and our clinical was, OK great you are the clinical arm of the university, and we don't really know what the clinical side does, and we aren't going to talk about it. As we started to encounter some things maybe five or six years ago started to look and understand the clinical side better. This is from just the board standpoint and so now we are at the level of detail again working with Ramirez and Swain as a team and that includes EPIC. It has been in place now just over a year. Please do not shoot me here, but everything I hear EPIC really did not stabilize. Some would argue EPIC still is not a stable platform, but let's just say didn't stabilize until February 23. You have a president and a board of trustees. Again, the mindset of UHealth understanding the importance of the clinical enterprise and the overall financial stability of the university. The board is talking about clinical AR, how clinical AR aging, talking about clinical revs cycle, what are some of the challenges within the rev cycle related to credentialing and other issues, what are the challenges within EPIC and then this is further accentuated with the UHealth Board that has been created. There are four university of Toledo trustees that sit on the UT health board. There are some members based on title and staff standpoint and there are seven community members. That number might be a little low or it might be accurate, but then there's community members. And so, the trustees have been appointed, the individuals based on title have been appointed and we are now at the phase of bringing community members, not just any community members though. They have to have a value add to the UHealth board. You know their clinical background, do they have insurance, they have a captive background is really important that over the second half of this year that we begin to fill those positions. So, sophistication is there now as it relates to understanding the clinical enterprise at the highest levels of the organization. But then also the importance of investing in clinical enterprise. If you look at the provider shortage right now compared to budget, we look at also there's time that is not too long ago where the providers were exiting because they didn't know what the certainty looked like here. So that's stability I think is a critical next step.

Dr. Duggan: This three-way operating agreement. What is the status of that, and why I'm interested in it is because while there is alignment between UTP/UTMC and COMLS to a certain extent...it is a rough alignment. Where is the status of this agreement. Again, did I understand you to say that this is not an LLC? It is a gentleman's agreement?

Matt Schroeder: I would say it's more than a gentlemen's agreement because it is backed by the board. So we have memorialized UHealth in the University of Toledo Trustee bylaws. We have updated the UTPCF Code of Regulations to recognize UHealth and what UTPCF can do, what

UTPCF needs to elevate to UHealth or what UTPCF need to elevate to the member which would be the University of Toledo BOT. It is absolutely memorialized in the university bylaws which are part of administrative code down in Columbus. It is a formal entity supported by the board. Great question on the affiliation agreement between College of Medicine UPMC and UTP. To the best of my knowledge here, and I will follow up and I do not expect the Dean to answer this question, so no need to help me out here. There was an initial draft circulated right before Dr. Ramirez started, but since her arrival with everything else going on it is probably on me to nudge to get fresh eyes on that agreement. Answer your question?

Dr. Duggan: So, it's not done?

Matt Schroeder: It's not done yet, no. Now the goal is to get it done this year. So, we circulated that initial draft, what in fact Dr Ramirez has been to her four months now, maybe so five months ago when it was warm out.

Dr. Duggan: And the way you're looking at this and rolling this out you are getting faculty input outside of just administration?

Matt Schroeder: Yeah, we're at that point where the draft was utilizing OSU Wexner as a model Taft our of Cincinnati put the draft together. I can't remember who was circulated to, so we are in version one point o.

Dr. Willey: So my impression is that the board is becoming educated, understanding better what the relationships are and I guess our hope is that this will move to a greater independent governance in the form of the UT Health Board and which is my understanding that the model of Ohio State. So that model still considered feasible for the board, increasingly so?

Matt Schroeder: So yeah, 100% correct and and I think I'm going to have to come back for a third visit. Yes, and to prove that the Board of trustees used to have a clinical affairs committee. As soon as UHealth Board or UT Health was approved in March of 23 and I think the first meeting might have been in June, the clinical affairs committee of the university board went away. It is UHealth through privileging, credentialing, a Finance Committee there are a number of other committees. So the board is delegating to UHealth. Again, there are certain things that the board has members still wants to see. So, for example, you know operating budgets for the UTPCF and things like that. Those code of rights which I believe went out to the UTP membership along time ago, but they are relying 100% on UT Health. You have to remember our board, they're appointed by the governor, they're volunteers, some may or may not have a clinical background and so the delegation to UHealth helps them in their overall governance. That's where the community members are going to be key players on that board.

Dr. Brickman: Hey, just circling back to the original question that we talked about in the COMLS. Example, the simulation center, the students, medical students all have to pay a fee, for the sim center and we really don't have a sustainable budget to maintain and upgrade the center like we need to. We have brought this up over and over and over again. But I've never really been able to get a resolution other than, yeah, we do need to fix this. It's not fixed yet, and so I guess I'm

still not seeing the pathway that addresses this and kind of stems off of Dr Coopers comments. It's just once again the College of Medicine where does it fit in to this and how is that going to get arbitrated so to speak to recover these expenses to maintain what you know, was a state-of-the-art sim center, still very good, fortunately philanthropy has helped up upgrade some things. But we cannot just hope that philanthropy will carry us down the road and so I'm just concerned about how that gets managed moving forward.

Matt Schroeder: Yeah. And it's a legitimate concern and you know I don't know all the details on the SIM center, but I know that the University made the initial 30 plus \$1,000,000 investment and you know that the technology is pretty much out lived it's useful life. I know that it is not only leveraged by the College of Medicine, but also nursing and others even outside entities. I also understand the business model for that is upside down and we have not been able to reinvest. I don't have the answer today, but it's a perfect example of why the prioritization and I cant speak at the program level but at the college level, why it is so important because you know when Jeff Gold put that in place, it was a leader within the United States. Right now, everyone has caught up and passed, you know, virtual reality comes into play as well. We have to address these concerns, but we also have to do it in a way to where we stay relevant in the community. And that's a tough question outside the College of Medicine for the university because we accept 96% of the students or young adults that are applying. We try to funnel them into various programs, but in doing so, the support that's needed is sucking from other areas of the university like a straw. Again, we just have to be courageous enough to say this is who we are and I think we're at this inflection point. I know it is top of mind for the president and the board. The support out of the president's office and the board of trustees is very strong. We just have to start collectively with the Provost with the with Deans making decisions such as this.

c. Dean's Reports:

a. Administration & Finance: Update from Dr. Cooper - budget and chair searches

Concerns for FY25 Budget: Chairs are voicing concerns regarding sharing a departmental administrator. Problems include delays in grant submission and basic departmental functions beginning to suffer as a result. Dr. Cooper and Dave will meet with Provost and CFO regarding this and ways we can increase revenue which include:

- Radiation Therapy Program
- UG Neurosciences Program (currently have 28 students enrolled)

Our goal is that all COMLS programs get to breakeven or better (enrollment, expenses, SSI, tuition, etc.). Need to consider synergies and dovetail into programs such as radiation therapy and medical physics (BS to MS). Also, the EMT certificate and the paramedic program and the possibility of the newly discussed home health aid program clustering together.

Departmental Chair Searches: Finished Orthopedics (Dr. Skie named chair) and Psychiatry (Dr. Rob Smith named chair).

Competitive National searches still ongoing in Departments of Pediatrics and Medicine with high quality candidates in second and third rounds of interviews.

Drs. Cooper and Smith - Proposal to combine the Departments of Neurosciences and Psychiatry

Process: Get input from departmental faculty and staff, present in faculty council, faculty senate executive committee, then to Provost and President.

Purpose: Combining both basic and clinical translational sciences in these departments will make it better (Mission focused) and reduce our administrative overhead. We take ideas from the bedside to the bench and from the bench to the bedside to align innovation and grow. Education: we need to expand neurosciences with the new UG program.

As we move forward, the NIH Brain initiative, there is just a huge opportunity there. And by putting the two together will be better positioned to meet that educational demand is an example.

d. Report from the COMLS Council Executive Committee: Dr. Jennifer Hill, Ph.D.

- Committee on Faculty Rules and Regulations Update at next meeting
- Using InfoEd for submitting new NIH proposals update

e. Old Business: none

f. New Business: none

g. Adjourn: 12:59p.m.