

Minutes*

Faculty Consultative Committee
Thursday, October 6, 2011
12:00 – 2:15
262 Mondale Hall

Present: Chris Cramer (chair), Linda Bearinger, Avner Ben-Ner, Peter Bitterman, Elizabeth Boyle, Thomas Brothen, Colin Campbell, Carol Chomsky, Janet Ericksen, Walt Jacobs, Russell Luepker, Elaine Tyler May, James Pacala, Kathryn VandenBosch, Richard Ziegler

Absent: Nancy Ehlke, Caroline Hayes, Jan McCulloch, George Sheets

Guests: Vice President Aaron Friedman, Elizabeth Nunnally (Academic Health Center); Interim Vice President and CIO Ann Hill Duin, Vice President Richard Pfitzenreuter; Professors Leslie Lytle, Vernon Weckwerth (Academic Health Center Faculty Consultative Committee), Professor Michael Oakes (member, Academic Health Center Executive Steering Committee)

Other: Emily Lawrence (President's Office)

[In these minutes: (1) Academic Health Center finances; (2) enterprise systems oversight; (3) AHC Faculty Consultative Committee response to the AHC Executive Steering Committee Report]

1. Academic Health Center Finances

Professor Cramer convened the meeting at 12:00 and welcomed Vice President Friedman and Ms. Nunnally to discuss an overview of the finances of the Academic Health Center (AHC). Copies of slides were provided.

Vice President Friedman began by saying that all faculty members in all of the AHC schools have already or will be provided the information they are presenting today; they are meeting with all the faculty in all of the AHC schools to discuss it. The data and information presented here, Ms. Nunnally explained, are abstracted from a larger presentation with much more school-specific data, in order to provide a high-level look at the finances.

Ms. Nunnally reviewed a slide indicating AHC sources of funds (\$1.44 billion in FY10).

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| Tuition and fees | 8% |
| State | 13 (general) |
| State | 2 (targeted) |
| UMPhysicians | 3 (academic transfers) |
| Resident contracts | 4 |
| Generated income | 11 (veterinary, dental clinics) |

* These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions, or actions reported in these minutes represents the views of, nor are they binding on, the Senate, the Administration, or the Board of Regents.

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| Philanthropy | 3 (funds transferred in from U foundations) |
| Sponsored programs | 25 |
| Indirect cost | 5 |
| MERC | 3 (Medical Education and Research Costs, cut in half by the legislature in 2011) |
| UMPhysicians | 23 (excluding academic transfers) |

Ms. Nunnally explained that UMPPhysicians is a legally separate 501(c)(3) organization but it is integral to the Medical School. Professor Cramer asked what dictates that UMP be a legally separate organization. Vice President Friedman said that UMP operates clinics and has arrangements with a number of organizations completely separate from the University, and it would be more difficult to carry out those activities if it were not separate. UMP is similar to practice plans at many large universities that have a medical school. What is the reporting relationship, Professor Cramer asked? Are there Regents on the Board of Directors? There are not, Dr. Friedman said, but the Board reports to a subcommittee of the Board of Regents and to the Medical School. In order to be a 501(c)(3) organization, under the IRS code, the board must have public members, which UMP's Board does. It is Board of Regents policy that directs the University faculty practice of medicine, Ms. Nunnally said, and there is also an element of risk management in having UMP a separate organization. Would there be savings if the veterinary and dental clinics were structured in the same way, Professor Cramer asked? Dentistry is looking at that question right now, Dr. Friedman replied; it is a complicated issue. Professor Bearinger asked if the 501(c)(3) status affects the way that salaries are structured. Ms. Nunnally said that to the extent physicians are serving patients, they are considered UMP employees; when doing research and teaching, they are paid as University employees. The University functions as the common paymaster and receives FICA savings as a result. But the physicians do have two employers.

Professor Bitterman inquired about the relationship between the Dean of the Medical School and the CEO of UMP. Dr. Friedman said that the UMP CEO is a vice dean of the Medical School. The UMP Board of Directors makes a recommendation on selection of the CEO to the Dean of the Medical School, and the Regents have decreed that the Board of Directors may not select someone who is not approved by the Dean.

Committee members discussed how UMP receives revenues, the status of physicians at Fairview, and several other matters related to the AHC revenues. In response to questions, (1) Ms. Nunnally noted that the MERC funding will decline by 50% because of state cuts and that the state funding is also decreasing; (2) Dr. Friedman said that although UMP revenue depends in part on what happens with Medicare and other programs, its revenues are not likely to fluctuate very much; and (3) the average effective indirect-cost rate is 20% for the AHC as a whole and 26% for the Medical School.

Professor Bearinger asked about funding from the Clinical and Translational Science Award (CTSA). Ms. Nunnally reported the CTSA award is a \$50.2 M award over five years, with just over \$10M per year in direct and indirect cost funding. The annual CTSA budget of \$18M includes the CTSA award and is comprised of the following funding components: \$5.94 M CTSA UL1 direct costs; \$1.26 M CTSA KL2 direct costs; \$3 M indirect costs; \$1.7 M generated income; and a \$6.3 M University funding match. Ms. Nunnally noted that the University match is comprised of realigned budgets from units/functions that have reorganized into CTSA over time, along with additional compact investments for clinical translational research over the last five years.

The Committee next reviewed the distribution of funds in the AHC by academic area.

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| Medical School | 38% |
| School of Public Health | 8 |
| Veterinary Medicine | 6 |
| Dentistry | 4 |
| Pharmacy | 3 |
| Nursing | 1 |
| AHC Shared Units | 17 |
| UMPhysicians | 23 (excluding academic transfers) |

(Shared units include, for example, Masonic Cancer Center, Clinical Translational Science Institute, Center for Infectious Disease Research and Policy) Ms. Nunnally said that the way the funds are spent is similar to that in other colleges: about one-third for salaries and benefits, about one-third for non-personnel costs, and about one-third for overhead.

Professor Jacobs asked if this distribution is stable. It is, Dr. Friedman affirmed.

Professor Cramer asked what would happen if Congress were to cut NIH funding by 50%: Would all the colleges be affected or would the impact be primarily on the Medical School? It would be the Medical School and the School of Public Health, Dr. Friedman said. What is the biggest risk on the revenue side, Professor Cramer asked: Sponsored projects? State O&M funds? Ms. Nunnally observed that faculty members in the AHC can compete for sponsored funds but there is no such option for state funds. On a year-to-year basis, the state funds are at greater risk, Dr. Friedman said, but over the long term it may be sponsored projects.

Professor Luepker observed that if one considers UMP part of the Medical School, then the Medical School accounts for nearly two-thirds of the funds the AHC distributed.

Ms. Nunnally next reviewed information about the AHC Shared units. They are managed similarly to a college or other academic program (they are not administrative units) and reside under the umbrella of the AHC and they serve many schools. They pay cost-pool charges like other units (about \$19 million across all the units). The academic programs may involve teaching (generating tuition revenue), research (obtaining sponsored funding and indirect-cost revenues), or fee-for-service activities (generating income). The specialized Internal Service Organizations include, inter alia, Research Animal Resources, Genomics, Molecular Cellular Therapy Production, and the Clinical Translational Science Institute.

The Committee reviewed a pie chart indicating the budgets of the AHC Shared Units (there are 24 slices of pie on the chart), which total \$208 million, of which \$55 million comes from the state and the rest from tuition, research, and service fees. Professor Bitterman inquired if someone not in the AHC wanted to use services from one of these units, could they? They serve the entire University, Ms. Nunnally said, and some of them are entrepreneurial in seeking fee-paying customers outside the University. The Committee also looked briefly at the distribution of the state funds among the Shared Units.

Ms. Nunnally reviewed AHC administrative services and noted that AHC colleges are charged only once for them, via the central cost pool, because AHC administrative services are considered satellite

offices of central offices and are part of the central cost pools. The scope of AHC administrative services is driven by the scope of AHC Shared Unit programs and transaction volumes, services that would otherwise be conducted by schools or by central units, and services that integrate cross-collegiate needs. The Committee considered a table indicating the budgets of AHC administrative units and the portion that comes from O&M funds (the total budgets are \$14,371,000). Ms. Nunnally provided comparative information on the volume of financial transactions (voucher transactions, p-card transactions, and journal entries) in the AHC: In FY10 the Medical School had close to 60,000, Veterinary Medicine had over 15,000, the AHC Shared Units had over 20,000; by comparison, CLA had just over 12,000.

Professor Luepker asked how dollars flow. There are cost pools, all units are charged for them, and the dollars go to central administration and then back out to support administrative functions. How are the budgets of those AHC administrative functions determined? Ms. Nunnally said that the administrative units go through the fall budget cycle like all other central administrative units, follow the budget instructions, and meet with the "Budget Five" (six, Senior Vice Presidents Jones and Sullivan, Vice Presidents Friedman, Mulcahy, and Pfitzenreuter, and Ms. Tonneson from the Office of Budget and Finance). Decisions are made as a result of that process, and from those meetings the University's budget office develops budget instructions for academic units with the projected cost-pool charges. Are these part of the decisions made in Morrill Hall, Professor Luepker asked, or are the decisions separate for these AHC units? They are made in Morrill Hall, Ms. Nunnally said. Ms. Nunnally confirmed that the Budget Five has all the details for each of these units and reviews them.

Professor Bearinger inquired how many of the services would need to shift to support the Medical School if the AHC did not exist. They support more than the Medical School, Dr. Friedman pointed out. Offering an illustrative example, Ms. Nunnally said that the AHC Administrative Information Systems office provides a very robust desktop support service that is available for purchase by all of the schools, and the Medical School relies entirely on it. If it were gone, the Medical School would have to develop its own service or part of the existing service would have to be transferred to the Medical School. The Cancer Center, Genomics, etc., all rely entirely on these services, as well, and the other AHC schools largely do, as well.

Professor Cramer thanked Dr. Friedman and Ms. Nunnally for their report.

2. Enterprise Systems Oversight

Professor Cramer next welcomed Interim Vice President Duin and Vice President Pfitzenreuter to the meeting to discuss oversight of the enterprise systems (and upgrades that will be needed).

Dr. Duin began by noting that there are three enterprise systems: Campus Solutions (the student system, launched in 1998), Human Capital Management (the human-resources system, also launched in 1998), and Financial Supply Chain Management (the enterprise financial system, or EFS, launched in 2008). The two earlier systems received upgrades in 1999, 2000, and 2006; the most recent of which was a technical upgrade only. These systems are widely used; in FY10 there were 1.8 million registration transactions, over 100,000 admissions applications processed, \$638.6 million in financial aid distributed to 59,900 students, 905,000 pay checks generated for employees, and so on. At present there are over 3000 employees who regularly use the student and human-resources systems to do their jobs and over 4000 employees who regularly use the financial system for their jobs.

Dr. Duin noted that all three systems are heavily integrated to provide a comprehensive system to support the student, human-resources, and finance business processes. These systems have created efficiencies by reducing duplicate or legacy systems, centralizing processes where possible, and providing services that did not exist previously in a computerized form. There are a number of oversight groups in place—she noted several that include faculty and college representatives—that regularly provide advice. Looking across the system takes place at the executive level among the senior leadership, and they are now forming an executive oversight group that will be charged by President Kaler. She said she would like Committee views about, and increased faculty participation in, system decisions that are both academic and administrative.

Dr. Duin noted challenges and opportunities that came with upgrades. If one system is tweaked, it affects the others, and they have modified the systems through the years, adding to complexity. There is continual maintenance required, both for security upgrades and in order to comply with changing state and federal regulations. The effort to upgrade the technology could also mean upgrading the University's business processes, which could be even more difficult. The University received a customization report from Oracle (the owner of the PeopleSoft systems) indicating that Minnesota had the second-most customized student and human-resources systems (first was Michigan), that Minnesota was fifth in terms of customization of the financial system, although in the latter case most have been created as "bolt ons," or additions to the current system, versus customizations to existing PeopleSoft modules.

To be fair, Dr. Duin said, Minnesota was one of the earliest adopters of PeopleSoft systems. Mr. Pfutzenreuter pointed out that the student system was in beta when the University adopted it, and Minnesota is largely responsible for making it work the way it does. Many of the University's changes have been incorporated in system upgrades, Dr. Duin agreed.

Software has life expectancy and the University buys a lot of it, Professor Cramer observed. Is there a budget line for replacement or upgrades that is saved until it must be spent? There is not, Mr. Pfutzenreuter said. There is a core level of central information technology—human resources, financial system, student system—that is status quo on maintenance. When a big upgrade is needed, then the question is how to finance it. Doing an upgrade is often expensive because it often means bringing in technical expertise from outside. That is what is now coming. The University has financed tens of millions of dollars for the three major systems through the enterprise tax: They run a deficit to install the upgrades and then repay it with the tax. The existing deficit, which covers all work since 1997, will be paid off in 2017—unless the University uses that strategy again, in which case the date it will be paid off will be pushed into the future. His hope, Mr. Pfutzenreuter said, was to pay it off and get rid of the enterprise tax.

Mr. Pfutzenreuter said that they have consistently said "go vanilla" in adopting these systems, an approach about which he has mixed feelings. The University wants to be vanilla, but then the systems don't work as well as they need to for the institution. So the University fixes it, and then Oracle puts the changes from Minnesota in the next release. It is said that institutions should not customize, but the fixes have been made regular.

Professor Cramer commented that PeopleSoft does not really care about higher education because it is too small and specialized a market compared to its business customers. If one were to invest University resources and found a Center for the Study of Software for the Educational Enterprise, and actually combine the scholarly work with the development of higher-education software—that could be

marketed worldwide—would it not have a chance of being cost-effective in the long run? If millions of dollars of employee time are spent patching inadequate software, why not invest in ground-up development? Mr. Pfutzenreuter reported that there was a group of universities and colleges that were going to build their own system; the University rejected that approach because it already had the PeopleSoft student and human-resources systems and was not going to have a different financial system. If the University were going to replace all three systems at once—which would be a huge undertaking—that would be a fair question.

Professor Luepker said that the Committee heard earlier that there are issues about the three systems talking to each other. Now the University is looking at newer systems. Are they coming together so the systems talk to each other? The integration is complex, Dr. Duin said, which gets to the role of the oversight committee. The systems do talk to each other, Mr. Pfutzenreuter said, but there are different opinions on how well they do so. They have to use "combo codes" now so that the financial and human-resources systems talk to each other, which is not efficient or easy. There is a recommendation on how to improve the communication between systems. That seems to be a critical issue, Professor Luepker said, especially since the systems all came from the same vendor. The problems are because of choices the University made, not because of the vendor, Mr. Pfutzenreuter said. Human Resources uses a different chart of accounts from the financial system, so there is a need for codes to enable the two systems to talk to each other.

Professor Ben-Ner asked about the annual licensing fee. They have said the University cannot move away from PeopleSoft; is there a way to get out of this hostage situation? The Office of Information Technology (OIT) has tracked its employee time on the systems, Dr. Duin reported. This time which was about \$7.2 million in FY11 (part of which is operating infrastructure and support for development work on the student and human-resources systems) represents a third of the cost (as the other 2/3rds is in other units) She promised to provide the licensing fee information. [For FY12, that cost is \$1,548,755. For FY13, it is expected to be \$1,626,193.]

Universities do such a different array of things than the usual public- or private-sector business that the software is ill-prepared, Professor Cramer commented. Mr. Pfutzenreuter agreed that on the financial side, the University is decentralized but the system is not built for that kind of organization.

Dr. Duin outlined the reasons for an upgrade now. Support for the current versions ends in December, 2012; student and faculty expectations increase; social media combines activities into one page; increased use of cloud computing requires integration with standard systems; and the last upgrade was technical only, while business systems continue to change. They are engaged in a "fit/gap" analysis, which looks at what the system is now and how much change is needed. Dr. Duin also noted the various groups with which they are consulting, including the vice presidents, functional and technical lead people, the senior leadership group, the Senate Committee on Information Technology, deans and chancellors, the Academic Technology Advisory Committee, the IT Leadership Alliance (collegiate and campus IT directors), and other work groups.

Professor Bitterman asked who integrates all the consultation and makes the final decision. Dr. Duin said she leads the effort, in concert with the oversight group, but President Kaler is the ultimate decision-maker. Professor Ben-Ner suggested that there could be different fit/gap analyses and options provided to the President; there will be, Dr. Duin told the Committee.

Dr. Duin outlined the next steps: complete the fit/gap analysis this fall, including suggestions on directions the University should go, complete the planning phase by December, and issue an RFP during winter 2012 (for an implementation partner). The implementation start is yet to be determined. There are no fixed timelines, Mr. Pfutzenreuter said; the student system has the biggest needs, followed by human resources and then EFS. The work could be phased in over a number of years.

Professor Ben-Ner asked what the cost will be. Mr. Pfutzenreuter said that after the fit/gap analysis and identification of the timeline, the cost will be a big item. The University could go faster, which would cost more, and there could be mistakes. They have learned from UC Berkeley that they must do enough outreach so that all the stakeholders are consulted. In the 1990s the software was not developed; now the sense is that the organization should change, not the code.

Professor Chomsky recalled that the Committee has asked repeatedly, about the Enterprise Financial System, what they learned in order to avoid the same problems in the future. Consultation is good, but not enough; it would help to see some reflection of learning from the past. The vision sounds fine, but very broad; the institution needs to get there, and useful consultation requires focus. Mr. Pfutzenreuter said he has thought a lot about that. They did talk to many in the trenches about EFS, and maybe they talked to too many people and did not listen enough. Perhaps it would be better to pick a dozen of the smartest people and listen to them a lot, and then go out to others.

Professor Cramer concluded the discussion by observing that the Committee can expect to have another conversation with Dr. Duin and Mr. Pfutzenreuter on the topic. He thanked them for the report.

3. AHC Faculty Consultative Committee Response to the AHC Executive Steering Committee Report

Professor Cramer now welcomed Professors Lytle, Oakes, and Weckwerth to the meeting and turned to Professor Campbell, chair of the AHC Faculty Consultative Committee (AHC FCC), to lead a discussion of the report from the AHC FCC. The report follows, between the * * *.

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On September 1, 2011, the Faculty Consultative Committee (FCC) charged the Academic Health Center (AHC) FCC with preparing a formal response to the draft report of the AHC Review Executive Steering Committee. In terms of a formal response the AHC FCC was asked to address the following questions, as appropriate:

1. What recommendations in the report does the committee endorse without change?
2. What recommendations does the AHC FCC believe are ill advised? What rationale led the AHC FCC to a conclusion different from that of the review committee?
3. What recommendations would benefit from specific modifications; what are those modifications, and what motivated the committee's thinking in suggesting any changes?
4. What issues are not addressed in the report that the AHC FCC deems sufficiently important to warrant additional scrutiny, either prior to finalization of the report or at some later stage?
- 5.

Members of AHC FCC are Colin Campbell, chair, Susan Berry, Cynthia Gross, Leslie Lytle, Paul Olin, Ned Patterson, and Cheryl Robertson.

Background: Earlier this year, President Bruininks and Provost Sullivan charged an Executive Steering Committee with conducting a comprehensive review of the AHC. The purpose of the review was to examine and define the appropriate role, mission, and value of the AHC and to make recommendations on how the AHC should be best organized in order to ensure that academic programs are properly supported, that there is no duplication of administrative services, and to make certain that interdisciplinary centers are appropriately aligned.

On September 7th and 16th, 2011, the AHC FCC met and discussed at-length the draft report of the AHC Review Executive Steering Committee. Additionally, as suggested by the FCC, AHC FCC members made every effort to solicit opinions from a broad cross-section of AHC faculty, including school governance groups. Based on those discussions and input received, the AHC FCC identified the following:

- There was widespread agreement with the Executive Steering Committee's Recommendation 1 that the AHC should continue to serve as the convening academic and administrative unit for the schools of Dentistry, Medicine, Nursing, Pharmacy, Public Health, and Veterinary Medicine.
- There was general agreement with Recommendation 2, the AHC should report to a Vice President for Health Sciences reporting to the President, and that the Vice President should focus on interdisciplinary education, research and clinical programs. However, the report lacks specificity regarding these domains, and did not propose a vision to direct defining its boundaries.
- The response to Recommendation 3 was mixed. With the exception of the Medical School, there was agreement that the Medical School Dean should report to the Provost on broad academic issues and not directly to the President. As noted above, the interface between academics and clinical education and research has not been defined.
- The AHC FCC found widespread support for Recommendation 4, to split the position of Vice President for Health Sciences and Dean of the Medical School into distinct and separate positions. More outside-the-box thought should be given to looking at how to handle these positions such as the Medical School FAC's suggestion to have the Medical School Dean also serve as the Vice President for Medical Services (VPMS), and have a separate Vice President for Health Sciences (VPHS) position focusing on interdisciplinary, interprofessional and intercollegiate programs that cut across the AHC colleges and other University collegiate units engaged in health science education and research. [See attached letter from the Medical School Faculty Advisory Council (FAC)].
- Recommendation 5 was generally viewed as acceptable.
- Recommendation 6 was generally viewed as desirable.
- The AHC FCC found widespread skepticism and unmet expectations regarding Recommendations 7 and 8. The report did not go far enough in sharpening the focus or in leveraging enterprise resources. The report calls for continuation of centers that are "essential and unique" and services/functions that are "critical and unique" to the AHC, but supports the status quo without delineating a framework for distinguishing what is essential, critical and unique.
- The Executive Steering Group's charge called for broad representation from AHC staff, faculty and University leaders on each of the sub-teams to ensure that there is a breadth of expertise represented. However, despite requests by both the AHC FCC and the FCC, there was inadequate non-administrative faculty representation on the sub-teams. As a result, inadequate rank and file representation served to undermine the credibility of the report.

- The Executive Steering Committee's recommendations were unremarkable. The report lacked vision and failed to put forward a plan to make the AHC better.
- The report was vague, ambiguous and lacked transparency. For example, it lacked financial data to support its recommendations. In addition to finances, the report did not fully address accountability, oversight or governance matters.

With regard to the FCC's request to identify recommendations that are ill-advised or should be modified, it must be acknowledged that there was near-unanimous support for a focused AHC (Recommendations 1, 2 and 5) and separating the Dean of the Medical School from the AHC Vice President for Health Sciences (Recommendation 4). Recommendations 3 and 4 needed greater specificity of scope and rationale to guide implementation. With regard to Recommendations 7 and 8, the AHC FCC would like an independent body, including representation of faculty from all AHC colleges and external experts, to re-evaluate the findings and recommendations of the sub-teams given a significant number of their recommendations were overturned by the Executive Steering Committee without compelling rationale and supporting data. As previously noted, the credibility of the report was undermined by the narrow composition of the Executive Steering Committee. This re-review should begin by establishing a framework for assessing what is unique, critical and essential in order to optimally leverage enterprise-wide resources with the flexibility to meet unit-specific unique needs.

What was not addressed in the report? The report was Twin Cities-focused, and did not consider the coordinate campuses, although at least three AHC schools have major divisions at Duluth and Rochester. Finances and the size of the infrastructure of the AHC were not adequately addressed. Data on the size, organization and functions of the AHC, separate from its colleges and centers, was omitted as well.

In conclusion, the AHC FCC as a group, and, on behalf of the collective faculty, there were significant concerns about the report. Most notably, we question the degree to which representation of the faculty was achieved. We also felt that the report lacked details that would address accountability, oversight, and governance. The response to our solicitation of comments also reflected the divide between the Medical School and the other AHC schools about the role of the Medical School Dean. The AHC FCC agrees that the AHC should continue to serve the health science schools, and the Vice President for Health Sciences should be a separate position from the Dean of the Medical School. The report did not delve deep enough. There needs to be a more in-depth analysis of the current AHC structure and finances evaluated by an independent committee that includes direct input from more rank and file AHC faculty and staff. This report provided recommendations that were broad, non-specific and open to interpretation, and presented the status quo as acceptable while failing to present data to support that conclusion. We would like to see a report that puts forth a vision for how the AHC can best serve the University community in years to come.

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Professor Campbell said that there was broad consensus on the AHC FCC on many of the items in the report, including that the AHC should exist, at least in its ideal form, that there should be a vice president for the AHC, and that the positions of Dean of the Medical School and vice president should be split. The AHC FCC also found much of the report too vague. Except for those individuals from the Medical School, the AHC FCC did not believe the Dean of the Medical School should report to the President, but should report to the Provost. The AHC FCC viewed skeptically the Executive Steering

Committee report intimation that everything is working fine and there are no redundancies; there were few references to support the claim. To many, the report represented an opportunity to sketch out a vision for the AHC, but it did not do so. There is also a concern that the report will not have as much impact as it might have because there were so few (one) faculty members involved. They are also concerned, Professor Campbell concluded, that many faculty members in the AHC will not respond to the report, which should not be interpreted to mean that they are happy with the way things are, but rather reflects a perception that their opinions will have no impact on the process, which is regarded as a *fait accompli*.

Professor Cramer said he has noticed that the College of Liberal Arts, the College of Science and Engineering, and the College of Education and Human Development all have large numbers of undergraduates; perhaps they should be grouped as Colleges with Large Undergraduate Majors and Programs, or CLUMP, and CLUMP should be provided its own administrative structure to provide and coordinate services. The implementation of the CLUMP structure might be revenue-neutral from a University perspective, or then again it might not be--certainly staff in CLUMP colleges would probably appreciate having their own support structure, but, as matters stand they don't have that (instead they use central University services, e.g., room scheduling). Does there really need to be a wrapper around the six colleges called the AHC? Professor Campbell said that he could not respond effectively because he is not a clinician, and it is clinical activity that binds the AHC together. Professor Cramer said that there is no CLUMP office of student services, instead there is a University-wide office, even though it serves primarily CLUMP colleges; why cannot there be an office of clinical care that serves the entire University? It was noted that some AHC colleges have negligible clinical activity and some non-AHC units have substantial clinical activity, making the clinical activity justification seem weak.

Professor Bitterman said that two points should be clarified with regard to any perceived discrepancies between the Medical School faculty view and the rest of the AHC colleges and schools. First, the Medical School Faculty Advisory Committee opinion (letter sent to the AHC FCC to be included in today's report to the FCC) is in close accord with the views expressed by the other AHC colleges, that deans should not become middle managers reporting to a vice president when, in the view of the faculty, they should be disciplinary leaders and run their colleges. Second, to address the unique challenges posed by the position of UMP in the University reporting structure, the Medical School FAC suggests a very different type of combined Dean-VP position than the one discussed in the AHC Executive Steering Committee Report. Their suggestion is that the Dean of the Medical School also be the Vice President for Medical Services. In that capacity, the Dean-Vice President for Medical Services would report to the President only for matters related to the practice of medicine by UMP. This is a nearly-\$1-billion-dollar-per-year activity that includes complex contractual relationships with private health care corporations, creating a significant risk that it could stray from the core University academic mission without direct input and guidance from the President. For all functions other than the practice of medicine, the Dean of the Medical School would be on par with all other deans and report to the Provost. This would focus the Dean of the Medical School only on the Medical School and practice plan, and not on the functions of any other college.

Professor Pacala said that his concern is that there are already enough problems because the Medical School and UMP are run separately; if a separate reporting structure is created, that would further complicate coordination and synergy of the clinical mission of UMP and the academic mission of the Medical School.

What has not come up, Professor Ziegler said, is the responsibility the AHC has for interprofessional education between the AHC schools. He said he does not know how far that has progressed, but it was to be explored and is a reason to retain the AHC. Professor Cramer observed that there are many intercollegiate programs at the University that do not have a special wrapper like the AHC. But they are problematic to set up with clinical settings, Professor Ziegler said, and the AHC umbrella makes it easier to do so—especially if the program will be out in the state.

Professor Luepker said the report: (1) appears to be heavily driven by the word "clinical," but there are many people at the University who deliver clinical services but are not part of the AHC; and (2) of the AHC schools that are pulled together under that umbrella, his offers no clinical services and the paid clinical activity in Nursing and Pharmacy is trivial, the Committee just learned from Ms. Nunnally, so is the AHC limited to six schools, three of which do not have a clinical practice? With respect to who reports to whom, Professor Luepker said, deans report to the Provost, but for clinical activities they report to the Vice President for the AHC. If a college has no clinical activity, should it report only to the Provost? There are universities with health science schools but without an AHC and the schools/departments take care of clinical imperatives. He said he did not want the AHC to be driven only by clinical imperatives.

Professor Ben-Ner asked about the linkages among clinical activities across Dentistry, Veterinary Medicine, Nursing, and so on; there are also schools that have professional degree programs that it was not found necessary to connect together for programmatic or financial reasons. Professor Lytle said that in the School of Public Health, their interdisciplinary work often extends far beyond the AHC. Administrative help from the AHC is not often required for the interdisciplinary work in which many faculty members in Public Health are involved.

All of these comments, Professor Campbell said, are being made because there was no vision in the report; it was very pedestrian and contained nothing about what should be done. It is a lost opportunity. That is what he has heard over and over, Professor Bitterman agreed.

One small counterweight, Professor Chomsky said, is that there has long been discussion about how interdisciplinary efforts do not work well all around the University; this report could have been an opportunity to improve that situation. She said she did not know if the answer is to get rid of the AHC cluster.

Professor Chomsky asked about the AHC FCC report. In the case of recommendation three, it appears to be the Medical School versus everyone else. That division warrants more discussion. If there is no body to engage in "visioning," and given the criticisms of the report about vagueness, lack of faculty participation, and lack of specificity, should one outgrowth of this discussion be a recommendation for involving more faculty members in the process?

Faculty apathy is not unique to the AHC, Professor Cramer said. Speaking more to the point of shared identity, he noted that there were eight faculty members from AHC colleges present at this meeting; he asked them how they respond when asked by people in the supermarket what they do: Do they say they are a professor in the AHC or a professor in, for example, the Medical School? The AHC is supposed to be a brand that has value. None of the eight said that they would identify themselves as being "in the AHC" as opposed to their college.

Professor Pacala said he would identify himself as a professor in the Medical School. There exists a curious disconnect here: He recently attended a national conference on interprofessional education and the University of Minnesota was the "rock star" in the room, seen as the furthest along in developing it. Relatively speaking, the AHC is doing well; on an absolute scale, it is doing poorly. The potential of the AHC in interprofessional education is not being realized and there are few programs run or sponsored by the AHC.

And some faculty members are very rigid, Professor Weckwerth observed. In some cases, Professor Pacala agreed, but he said he does some interprofessional education in spite of the AHC. There was a local conference on how the AHC could promote interprofessional education; he said then that what is needed is a common calendar and decent room scheduling. Neither has happened. Instead, he must call colleagues in the School of Nursing and the School of Public Health to work out times when an interprofessional class might be offered. They wanted a hard look in the mirror with this report and they didn't get one, Professor Pacala concluded.

Professor Ben-Ner said that it's not possible to control the many units and departments of the University directly from the center, so there is a need for intermediate structures. Colleges are one way to decentralize, but those may also be too many. Structures like the AHC may be the answer, but it's not an obvious one (the University experimented with provostal areas for health, arts and sciences, and the professions in the 1990s). He said he did not believe the re-visioning of the AHC should be from the inside; it should be done externally, from above. It is very difficult to look beyond one's own horizon. He said he had no view about how an AHC might be structured—perhaps initially there were synergies that may not be present now. He suggested there could be opportunities for interprofessional and interdisciplinary synergies and cost savings from reconfiguration of the University collegiate structure and reorganization, something the current University administration is considering already. Professor Cramer agreed that the report seemed inward-looking even though the Executive Steering Committee included two vice presidents from outside the AHC. The report does not reflect the outside looking in, he agreed.

Professor VandenBosch noted that Professor Pacala had commented that classroom scheduling does not work—but there is an AHC office of classroom management, as was discussed earlier in the consideration of AHC finances. This raises questions of why AHC classrooms are not managed by the central Office of Classroom Management, and whether central scheduling might be more efficient. As apparently the scheduling of AHC classrooms is not effective currently, she asked? Ask any professor, Professor Pacala responded.

Professor VandenBosch said she would like to hear more about how AHC colleges related to the non-AHC colleges. Not all clinical activities are in the AHC, she also observed, and AHC colleges interact with other colleges in research and teaching, as well. She said she would like to hear about the charge and the committee's activities from the faculty member who served on the Executive Steering Committee—Professor Oakes.

Professor Oakes reported that the gist of the charge to the Executive Steering Committee was to provide the new president with a richer understanding of the AHC and how it is integrated, or not, with the rest of the University. The group met many times, and like all committees, it aimed for a horse and got a camel; committee work is about compromise and, for better or worse, the products of committees are typically compromised products. Regardless, those who drafted the report view this comment period

as absolutely critical. Dr. Oakes applauded the AHC FCC for having done its job and he believed that this Committee (the FCC) is correct to consider the report at its own level. From his perspective, as an AHC professor and former member of this Committee, the elephant in the room is the question, "to what extent does the AHC help the University versus the University helping the AHC?" Are they going together or apart? What the President needs is an understanding of what the vision of the AHC is and whether or not it fits with the University. Professor Luepker tapped a nerve: When people say "clinical," non-clinical people shudder because lives are at stake, but that should not be used to dissuade serious reconsideration of the AHC structure.

The big issue on the campus, Professor Oakes continued, is the Washington Avenue moat, that physical and metaphorical divide that seems to create two universities from one. There appears to be a lot of lost collaborative opportunity created by the current structures of the AHC. Professor Oakes wondered how the moat could be drained and increased efficiencies exploited.

Those comments are not in the report, Professor Bitterman observed, and if they had been, the report would have been better received. How to make the University better is nowhere in the report nor are his insights, Professor Bitterman told Professor Oakes. This was an opportunity to get talent together to make the life and health sciences at the University better for its students and faculty, and he objected to the absence of vision, creativity, innovation, and information. This represents a missed opportunity. The final AHC Executive Steering Committee Report as written would be unscored in an NIH study section—or "not recommended for further consideration, streamlined."

It was a committee of people who did their best, Professor Oakes said, and he expressed the hope that the Committee would pursue vigorously the topics FCC has raised. That is why the comment period is so important.

What are the obstacles to addressing Professor Bitterman's points, Professor VandenBosch asked? It is difficult for any group to look at itself, Professor Oakes said. A self-report is important, but an external review is also always needed; there needs to be external peer review. Professor Cramer is correct, Professor Oakes said: Among others, there were vice presidents with a University perspective on the Executive Steering Committee. And the group also included some very smart people who worked very hard to take a fresh look at things. But the basic challenge is that self-assessment is hard to do. An outside assessment is typically needed, he emphasized.

Professor Bearinger said she agreed with Professors Bitterman and Luepker. She is in three of the six schools and would not identify herself as a professor in the AHC, but rather name the three schools. When Senior Vice President Cerra had an AHC-level meeting to announce that the positions of dean and vice president would be joined, it was talked about as a temporary arrangement. At the meeting, one person asked if any other dean could be the vice president; Dr. Cerra's answer was that any dean who could handle the clinical enterprise could take the position. That told the story, she said. When one looks at the dollars, clinical practice is a Medical School issue—and the tail should not be wagging the dog. When she looks at the list of services provided by the AHC (reviewed earlier in the meeting), where they are going is disproportional to the pie chart entries (also provided earlier in the meeting) with the vast majority servicing the Medical School. If the services provided to the Medical School by the AHC were moved under the Medical School umbrella, what would remain? If there is to be an AHC, one should ask what should be remain in the AHC and what could/should be provided by central administration.

Professors Bitterman and Oakes addressed a more philosophical point about the AHC, Professor Cramer said, while Professor Bearinger spoke to a more technical point about the AHC budget. He said he believes the services of AHC do need to be offered, and that if there are savings to be achieved, it is likely at the level of supervision, not of frontline workers. Professor Bitterman agreed; "we need doers and the financial question is about the number of watchers."

Professor Bearinger said she has been involved in interdisciplinary education for the past two decades and, relative to the support she has received has come from Vice President Mulcahy and from the Graduate School, the AHC provided very little.

Professor Luepker said there are a couple of elephants in the room. One is the lack of vision on how to make the AHC better; on that point, there is nothing there. He also had an "aha" moment during the discussion with Vice President Friedman and Ms. Nunnally earlier in the meeting: Why was the AHC bureaucracy built? Not for his school. It is for the \$200 million in centers it oversees. There is an infrastructure there, with good people in it, but it is protecting itself. Professor Oakes said he chaired the subcommittee on centers; by and large, the centers found little benefit to the AHC umbrella per se. But Ms. Nunnally said that is why the AHC is needed, Professor Luepker recalled—but the Cancer Center has its own human resources, public relations, and information technology staff. Professor Oakes said he interviewed every center director and, if he recalled correctly, only one indicated they could not move from the AHC to the university level.

When the AHC was created, Professor Weckwerth recalled, the issue was the hospital. Its time is now past. And the AHC could lose its shirt if it were linked to the hospital again.

Professor Ziegler noted that the Medical School has an accreditation review in March and that in a mock review, it was said that the relationship between the dean and vice president needs to be clarified.

Professor Chomsky said there is an odd disjuncture between the conversation at this meeting and the first bullet point in the AHC FCC report about a consensus view that the AHC should continue. Professor Campbell said that those on the AHC FCC have asked what the AHC aspired to do and how much it would cost. The broad perception is that it costs too much and does too little.

Professor Cramer said that he thinks it is critically important that FCC communicate to the President its thoughts on the AHC report, but that rather than simply sending a memo, it would be good to learn from the President what he might find most useful in terms of formal or informal input. He suggested that he and Professor Jacobs would talk with President Kaler about the report and ask what he would like to see from this Committee.

Professor Cramer thanked Professors Lytle, Oakes, and Weckwerth for joining the meeting and adjourned it at 2:10.

[Note: It was the intent of the AHC FCC to include, with its report to this Committee, a copy of a letter from the Faculty Advisory Committee of the Medical School to the President about the structure of the AHC. The letter was not included, so was not discussed at the meeting, but it can be found here: http://www.med.umn.edu/prod/groups/med/@pub/@med/documents/content/med_content_359631.pdf. Subsequent to the discussion reported here, but prior to the finalization of these minutes, FCC learned that the faculty consultative committee of the School of Public Health had also formally expressed itself on

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the AHC report. A link to that document is also provided here given its relevance.
<http://www.sph.umn.edu/facstaff/sphfcc/ahcreview/index.asp>]

-- Gary Engstrand

University of Minnesota