

MEETING MINUTES
TUESDAY, JUNE 20TH, 2017
10:00 – 11:30 AM
ACADEMIC OFFICE ONE, 7TH FLOOR BOARDROOM

EXECUTIVE COMMITTEE MEETING

PRESENT:

John J. Reilly, Jr., MD, Dean, School of Medicine and Chair

MEMBERS: John Cambier, PhD; Will Cook; Robert D'Ambrosia, MD; Stephen Daniels, MD, PhD; Frank deGruy, MD; Gerald Dodd, MD; Alison Heru, MD; Mark Johnston, PhD; Brian Kavanagh, MD, MPH; Wendy Macklin, PhD; Naresh Mandava, MD; Dennis Matthews, MD; David Norris, MD; Connie Savor Price, MD; Angie Ribera, PhD; Nanette Santoro, MD; Richard Schulick, MD, MBA; David Schwartz, MD; Ron Sokol, MD; Tamara Terzian, PhD; Ann Thor, MD; Andrew Thorburn, DPhil; Vesna Todorovic, MD, PhD, MBA; Ken Tyler, MD; Richard Zane, MD

GUESTS: Robert J. Anderson, MD; Peter Buttrick, MD; Terri Carrothers; Mark Couch; Jeffrey Druck, MD; Anne Fuhlbrigge, MD; Amy Gannon; Carolyn Goble; Ben Honigman, MD; Steven Lowenstein, MD, MPH; Ellen Mangione, MD; Sarah Miller; Michael Pascarella; Judy Regensteiner, PhD; Suzann Ruedeman; Jane Schumaker; Christopher Smith; Richard Traystman, MD; Shanta Zimmer, MD

MEMBERS NOT PRESENT: Rebecca Braverman, MD; Donald Elliman, Chancellor; Jena Hausmann; Sallie Houser-Hanfelder; Herman Jenkins, MD; Kevin Lillehei, MD; Jennifer Richer, PhD; Dan Theodorescu, MD; Kathleen Torkko, PhD; Erik Wallace, MD

I. GREETINGS – Dean Reilly

II. APPROVAL OF MINUTES

The May 16, 2017, meeting minutes were adopted unanimously as presented.

III. DEAN'S UPDATES

The Dean referenced the updates document (*see attached*) and then noted the following items:

Potential changes to Medicaid coverage, both with upper payment limit application and pending federal legislation, as well as the current administration's proposal for the NIH budget, have been discussed at recent clinical meetings for CU Medicine. If enacted, the

NIH budget will substantially impact the Anschutz Medical Campus. The proposed budget would cap money awarded for facilities and administrative costs (F&A) at 10%, which would be an overall reduction of 80% to what the campus currently receives. This would also reduce the NIH funding to a level substantially below what it would take to pay the debt service on research buildings or even keep buildings in operation. The budget also would reduce the NIH salary cap from executive level 2 to executive level 5, which would cap the number used to calculate salary support for faculty. The campus collectively spends \$8 million/year in salary subsidies for those who are above the cap. The budget change would increase spending to over \$12 million/year. Overall, the proposed cuts would reduce funding to campus by nearly \$50 million, which would force the school to make difficult decisions. The school is educating legislators about the implications of the proposed changes and how the proposed budget would drastically impact the campus.

IV. DISCUSSION ITEMS

- A. Institutional Action Project-ELAM 2017:** Angie Ribera, PhD, Chair, Department of Physiology and Biophysics (*See attached document for full presentation.*)

Dr. Ribera participated in this year's ELAM, the leadership development project focused on women in leadership in academic medical careers. Dr. Ribera's project involved support of basic science research at academic medical centers.

- B. F&A Rate for Private/Industry Research Projects:** *Terri C. Carrothers, Senior Vice Chancellor for Administration and Finance and Chief Financial Officer, University of Colorado Denver | Anschutz Medical Campus; Amy Gannon, Associate Vice Chancellor, Financial Services and Controller, University of Colorado Denver | Anschutz Medical Campus (See attached document for further information.)*

Terri and Amy discussed the current F&A rates for private/industry research projects for both on campus and off campus rates. Terri said that when they looked at other institutions across the country, they found that most schools are charging more than the 26% that CU charges on industry and private corporations. When talking about F&A, it is helpful to know that while the federal rate is 55.5%, the recovery rate is about 37% of that on NIH and federal grants. There is a lot of infrastructure at this size of an institution, and F&A rates go towards supporting the operational costs, debt service on buildings, etc.

Amy discussed the current campus F&A policy for federal and private sponsored research projects. When looking at other universities, as well as results from a recent

AAMC survey, they found that CU charges industry/private corporations well below other schools (currently at 26%). AAMC shows a median of 30%, an average of 29%, and a maximum of 35% (on total direct costs).

Effective July 1, 2017, the recommended changes for new contracts for industry clinical trials at the school will maintain the F&A rate at 28% but change the base to 'total direct costs' versus modified total direct costs. This would increase the school's annual revenue by \$2 million. Children's Hospital and UCHHealth north and south are planning to increase their F&A rate to 28% as well.

C. Affiliate Updates from Denver Health: *Connie Savor Price, MD, Chief Medical Officer*

Dr. Price-director of service for emergency medicine search has launched. Richard Zane, MD, Chair, Department of Emergency Medicine, is assisting with the search for a new Director of Service for Emergency Medicine.

Denver Health has decided to close down its animal lab. Between CU and Denver Health, they are subsidizing the animal lab by around \$200k/year. Currently only two of the seven cages are occupied and they are unable to continue doing research on larger animals because of regulations. Dr. Price asked anyone with concerns to contact her or the Director of Research at Denver Health.

EXECUTIVE SESSION

I. APPROVAL ITEMS

- A. Faculty Promotions Committee Actions were approved unanimously.
- B. Professor Emeritus/Emerita Appointments were approved unanimously.

II. FYI ITEMS

- A. Personnel Action FYI Reports

III. ADJOURNMENT

The meeting was adjourned at 11:30 a.m.

Minutes submitted by School of Medicine Dean's Office

