

3333 California Street
Suite 103, Box 0462
San Francisco, CA
94143-0462
tel: 415/502-NEWS (6397)
fax: 415/476-3541

SECURING UCSF'S FUTURE - FACT SHEET January 17, 2012

University of California, San Francisco's vision is to become the world's preeminent health sciences innovator, as outlined in its three-year strategic plan (<http://www.ucsf.edu/about/ucsfs-2014-2015-plan>). One of the five goals is to create a financially sustainable enterprise-wide business model.

A consolidated financial forecast shows that, without intervention, UCSF's projected expenses will outpace revenues in the year 2015 due to rising costs for employee pension and benefits, health care reform, opening UCSF Medical Center at Mission Bay and seismic upgrades.

UCSF is committed to taking bold and immediate action to realize its public mission and its other four goals: to provide unparalleled care to patients, improve health through innovative science, attract and support the most talented and diverse trainees in the health sciences and be the workplace of choice for top-tier talent.

Chancellor Susan Desmond-Hellmann, MD, MPH, proposes exploring options for creating a financial model that enables UCSF to meet the challenges of a 21st century academic medical center, to ensure that UCSF continues to thrive in an environment of dramatic changes in health care and advances in science. Those options could include:

- **Forming a work group to explore alternative governance strategies and financial relationships between UCSF and the UC system.** UCSF remains committed to its public mission and to being a part of the UC system.
- **Seeking new opportunities to increase revenues.** During her nearly three-year tenure, the chancellor has championed forging new partnerships to connect scientists with the rich resources and expertise in the pharmaceutical, biotech and high-tech worlds to more quickly move science and inventions into drugs, therapies and cures.
- **Continuing to streamline administrative processes through Operational Excellence,** which already has yielded an estimated \$30 million in annualized savings and is on track to save \$50 million a year by June 2013.

With a \$3.86 billion budget, UCSF is significantly different than the other nine UC campuses:

- Focuses exclusively on the health sciences
- Enrolls about 3,000 graduate students and no undergraduate students
- Receives only 1 percent of revenues, net allowances, from tuition
- Receives only 5 percent of its revenues from the state; 15 percent of faculty are supported by state funds
- Receives about 80 percent of revenues from its clinical and research enterprises.
- Operates a large, not-for-profit medical center in a highly competitive market.
- Has a \$6.2 billion annual impact on the Bay Area and is San Francisco's second-largest employer, after the city itself.

The co-founder of the biotech industry, UCSF remains a biomedical powerhouse. In 2011, it received \$532.8 million in funding from the National Institutes of Health, once again garnering the most funds among public institutions in the United States, second overall after private Johns Hopkins University.