

UW Bothell/UW Tacoma, Seattle College/School Name: ***School of Public Health***

1. Please provide a **1-2 page description with visualizations if possible of how you intend to grow or contract over the next five years**. Please provide these strategic plans at the college or departmental level, if you so choose. Where significant growth is anticipated, please provide specific fund source names and projections (in dollars). If these plans assume additional Provost Reinvestment Funds (supplement), please make that clear. If you wish to include a summary of growth plans, services or activities supported by sources other than GOF/DOF, please do so. If cross subsidy is required from other sources, please summarize the extent of that subsidy.
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Executive Summary:

The next five years (FY15-FY19) at the School of Public Health will be more a plateau phase than a growth phase. We expect stable or slightly decreasing research revenue, balanced by rising teaching revenue. We also expect considerable turnover of faculty, with many retirements anticipated; we aim to hire junior faculty with strong track records in both research and teaching. These transitions are driven by several factors.

With regard to teaching:

1. Continued growth in UWEO fees and in undergraduate tuition, in both relative and absolute terms.
2. Mild increases in graduate tuition.

With regard to research:

1. Declining Federal research support and growing competition for grants
2. The anticipated reduction or termination of several large grants

The only exception is the Global Health department, which plans some growth, supported by a mix of private funding, SPH funding, and SoM funding.

The financial impacts of this transition:

1. School carryforward funds will be significantly reduced over the next 5 years
 - a. Stable revenue for school with significant shift in composition of revenue.
 - i. FY15 is first year where UWEO revenue is greater than tuition revenue after full ABB implementation. The prominence of UWEO will continue to grow over the next five years
 - ii. Undergraduate education will surpass graduate education as the largest component of our tuition-based teaching revenue
 - iii. Our projections of stability are based on a 2010 baseline, taking into account anomalously high research revenues in FY11 and FY12 (large one-time fund transfers), and anomalously high undergraduate revenues in FY14 (an error in the timing of funds transfer)
 - b. Investment in new programs will increase expenses in the short run, with return on the investments taking several years
2. Paid FTE will remain flat or decline slightly; incremental expenses such as merit increases, and HRP system support, will represent substantial costs

Detailed Description

The summary financial table for this submission follows as Table 1:

Table 1. Financial Summary School of Public Health- FY10 – FY14 Actuals, Fy15-FY19 Forecast

		Actuals					Forecast				
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Grants and Contracts	Total Authority to Spend	\$316.4M	\$410.7M	\$397.8M	\$353.4M	\$340.2M	\$326.7M	\$332.9M	\$308.1M	\$312.1M	\$316.5M
	Fiscal Year Expenses	\$178.4M	\$208.1M	\$206.5M	\$198.1M	\$182.0M	\$204.5M	\$199.6M	\$184.1M	\$189.7M	\$193.6M
	Fiscal Year Balance	\$138.0M	\$202.6M	\$191.2M	\$155.2M	\$158.2M	\$122.2M	\$133.4M	\$124.0M	\$122.4M	\$122.8M
Operating Funds - ABB (GOF/DOF)	Total Authority to Spend	\$23.1M	\$33.9M	\$34.7M	\$37.7M	\$36.7M	\$31.6M	\$30.6M	\$30.7M	\$31.0M	\$31.3M
	Fiscal Year Expenses	\$16.7M	\$21.2M	\$19.2M	\$22.7M	\$25.2M	\$22.4M	\$22.6M	\$23.9M	\$24.7M	\$25.4M
	Fiscal Year Balance	\$6.4M	\$12.7M	\$15.5M	\$15.0M	\$11.6M	\$9.2M	\$8.1M	\$6.9M	\$6.3M	\$5.9M
Other Operating (UWEO, fee-based, etc.)	Total Authority to Spend	\$33.7M	\$35.8M	\$32.6M	\$38.9M	\$40.9M	\$39.8M	\$38.9M	\$36.2M	\$35.9M	\$36.4M
	Fiscal Year Expenses	\$19.9M	\$20.5M	\$17.4M	\$18.1M	\$17.3M	\$19.1M	\$21.1M	\$21.5M	\$22.8M	\$24.9M
	Fiscal Year Balance	\$13.9M	\$15.3M	\$15.3M	\$20.8M	\$23.6M	\$20.7M	\$17.8M	\$14.8M	\$13.1M	\$11.5M
Grand Total	Total Authority to Spend	\$373.3M	\$480.3M	\$465.1M	\$430.0M	\$417.9M	\$398.1M	\$402.5M	\$375.1M	\$379.0M	\$384.2M
	Fiscal Year Expenses	\$215.0M	\$249.7M	\$243.1M	\$238.9M	\$224.5M	\$246.0M	\$243.2M	\$229.5M	\$237.2M	\$243.9M
	Fiscal Year Balance	\$158.3M	\$230.6M	\$222.0M	\$191.0M	\$193.3M	\$152.1M	\$159.3M	\$145.6M	\$141.8M	\$140.3M

Table Notes:

- Includes all finances from Public Health activities in SPH (310), SoM (3040449), and UWEO (255)
- Total Authority Spend = Carryover from previous fiscal year plus new funds
- Expenses = Expenses inclusive of all account codes
- Fiscal Year Balance = Difference between Total Authority to Spend and Expenses

Table 1 includes all fund types, and all financial references in this report are subsets of data from this summary. The summary also includes the full amount of Global Health funds (both Medicine and SPH). The following sections discuss the most important transitions in each of the three financial areas highlighted in Table 1: Grants and Contracts, ABB Operating Funds, and Other Operating Funds.

Grants and Contracts

SPH is not immune to federal research funding trends. Over the next five years, we forecast continued challenges with winning grants and contracts, requiring faculty to submit more proposals, and to manage individual awards at lower funding levels and for shorter durations than in past years. Given the very strong track record of our faculty, and the emphasis on research success in new recruits, we forecast stable research funding. Table 2 summarizes the research metric forecasts we anticipate to meet the Grants and Contracts estimates in Table 1:

Table 2. Summary of Research Award Amounts, Proposal Amounts, and Proposal Counts

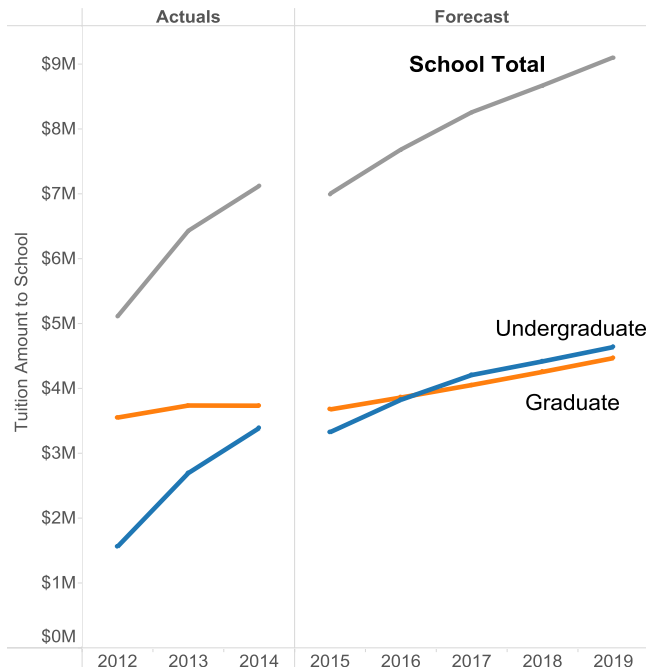
	Actuals					Forecast				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Awards \$	\$193M	\$269M	\$199M	\$160M	\$206M	\$218M	\$224M	\$214M	\$219M	\$231M
Proposals \$	\$208M	\$261M	\$279M	\$312M	\$263M	\$289M	\$289M	\$297M	\$305M	\$319M
Proposal Count	620	602	629	596	657	669	715	764	785	801

Table Notes:

Awards \$ in Table 2 are gross amounts of awards to the org code receiving the award. This contrasts with "Total Authority to Spend" for Grants in Contracts in Figure 1 which is net of sub-budgets to other school level org codes.

Operating Funds – ABB (GOF/DOF)

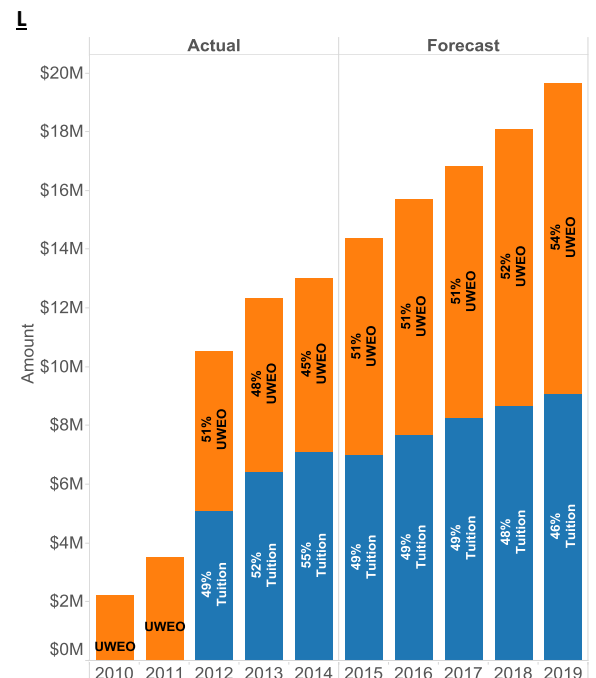
Figure 1. Tuition Revenue – Undergraduate and Graduate



DOF: SPH forecasts a significant decrease in ICR in FY16 followed by a slow increase over the next three years. This flat ICR funding coupled with no increase in number of paid FTE will require increased efficiency in proposal generation to meet the proposal forecast in Table 2.

GOF: SPH forecasts continued, steady growth in GOF driven by the continued growth in undergraduate teaching and implementation of financially sustainable tuition policies at the graduate level. Figure 1 provides the detailed forecast of tuition revenue.

Figure 2. Comparison UWEO and Tuition Revenue



Teaching Revenue

Other Operating (UWEO, fee-based, etc.)

This financial category is driven by two major activities:

1. Growth of UWEO activities
2. Investment of the \$3.5M Gates gift on Strategic Plan Faculty hires, and planning for new SPH building

The current financial systems do not readily permit comparisons of tuition revenue and UWEO revenue. Figure 2 provides an estimate of these values for SPH. For 2010 and 2011, only UWEO funds are shown, since it was impossible before ABB implementation to identify the tuition component of GOF funds.

In Table 1, the investment of the Gates gift can be seen as a reduction in the total authority to spend as we recruit and hire the new faculty. We expect it will take 3-5 years to see significant revenue growth from these faculty, so in the five-year window of this report there is no revenue growth shown from these investments. Therefore, the recruitment of these faculty appears as a new expenditure of carryforward funds for the five-year time period summarized, but the investment will show returns on a longer time horizon.

- 2. Please identify significant administrative, academic or other obstacle(s)** present in achieving the growth or strategic plans identified as part of Question 1. **Please plan to discuss these with the Provost.** If applicable, please summarize any operational risks that the UW must work to mitigate over time from your perspective.
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Significant Obstacles:

- Physical plant: Our physical plant poses major obstacles in several ways. First, the School of Public Health is highly decentralized, both administratively and physically. We have between five and seven admissions offices, pre-award offices, post-award offices, travel offices, and so on. This redundancy is inefficient and increase costs. Second, our physical dispersion across the city impedes faculty, staff, and students from carrying out their core functions together. Third, the need to site many functions off campus implies lower ICR recovery than would be the case for on-campus research. Fourth, the fact that many of our regular faculty have joint appointments at institutions with more ample research space, such as the FredHutch, means that major portions of research grants are run at those institutions resulting in further forfeiting some ICR recovery. Our need for a new building is critical.
- Classroom availability: Our faculty report increasing difficulty in getting access to classrooms to accommodate large enrolment courses. That has required splitting some classes (doubling the costs of offering them).
- Limited flexibility to manage expenses since for some (e.g. merit increase, HRP, tech recharge fee) a campus-wide approach is required.
- UW financial systems do not yet incorporate ABB categories, an obstacle to rigorous financial management.
- Hiring Plan Scrutiny: For our School, this extends to WOT faculty. Comparisons with other Schools cannot be made directly since our totals are inflated by this category of prospective hires.
- Succession planning. Managing unknown retirement dates with the need to overlap with junior (replacement) faculty. Reserves are being used on a priority basis for covering the funding needed to support the overlap.

Advantages (these will help mitigate the obstacles noted above):

- Increased undergraduate student interest in public health indicates continued robust growth of this highly successful program.

- Increased UWEO offerings in several programs.
- New faculty hired in the last few years have shown considerable promise in grant-getting.
- Large wave of retirements will permit hiring new faculty with innovative, cutting-edge interests.

3. Using the tab titled "Tuition Rec Worksheet" in the Excel workbook titled "Worksheets and Reference Materials – Academic," please identify proposed changes to current tuition rates in FY16 (2015-16) and FY17 (2016-17).

If you are recommending the creation of a **new tuition category**, please describe those changes below and be sure to identify the original tuition category, the proposed category, a suggested tuition rate for FY16 and (if applicable) a percentage increase for FY17. If you plan to move only a subset of your programs into a new category, please identify those programs by major name, pathway, level, and type.

Do you have any long-term plans for tuition that warrant discussion? If yes, please describe them below.

Recommended Tuition for FY 2016 and FY 2017

Using the table below, please identify **proposed changes to current tuition rates** (operating fee only) in FY16 (2015-16) and FY17 (2016-17). Updating the "% Change" cell for a tuition category will automatically update the associated tuition rate.

*If you are recommending the creation of a **new tuition category** or if you plan to move a subset of your programs into a new category, please use the narrative space provided on the "FY2016_Budget_Submission_Supplement_Academic" document to describe those changes (including the original tuition category, the proposed category, a suggested tuition rate for FY16, and a percent increase for FY17 if applicable).*

		FY 2015	FY 2016		FY 2017	
			% Change	Tuition	% Change	Tuition
Continuing rates with Revised Title and Scope						
Master of Public Health - 1st Year	Resident	\$16,614	16.0%	\$19,272	16.0%	\$22,356
	Non-Resident	\$33,738	0.0%	\$33,738	0.0%	\$33,738
Public Health PhD Programs	Resident	\$15,948	7.0%	\$17,064	7.0%	\$18,258
	Non-Resident	\$28,422	3.0%	\$29,274	3.0%	\$30,153

New Rates

Master of Public Health - Continuing	Resident	\$16,614	5.0%	\$17,445	16.0%	\$20,235
	Non-Resident	\$33,738	0.0%	\$33,738	0.0%	\$33,738
Public Health MS and other graduate programs	Resident	\$15,948	7.0%	\$17,064	7.0%	\$18,258
	Non-Resident	\$28,422	3.0%	\$29,274	3.0%	\$30,153

Table Note: Above table is submitted in place of the Excel spreadsheet. No spreadsheet was included with the submission

Long-Term Plans for Tuition

The School of Public Health has promulgated a tuition policy over the past 18 months. With collaboration of faculty and students, a consensus has been reached about the principles and policies that will govern Public Health tuition setting. These principles and policies govern only graduate tuition given the current constraints on undergraduate tuition setting.

The end result of that process is the following set of tuition categories and corresponding principles for setting the respective rates:

1. MPH Principles implemented in 2015 Biennium
 - a. Move toward eliminating the non-resident differential (not fully achieved for several biennia)
 - b. Tuition covers costs of education; departments can mitigate with scholarships and waivers
 - c. Students have predictability for duration of program
 - d. Tuition set with reference to tuition at Top 10 schools of Public Health from US News and World Reports
 - e. Higher tuition will lead to increased student aid
2. PhD Principles implemented in 2017 Biennium
 - a. Separate rate from MS and other degree programs
 - b. PhD: Minimize tuition payment directly from students
 - c. PhD: Each program has own rate
3. MS and other program principles implemented in 2017 Biennium
 - a. MS pricing might be different by program

4. Please **describe your school or college's emerging or changing faculty needs**, including information about faculty hiring trends and the recruitment and appointment of lecturers.

The School of Public Health faculty grew rapidly during the 1970-90s, so many of our faculty are now reaching retirement. Table 3 shows faculty hiring and separation numbers over the last 5 years (regular faculty only).

TABLE 3: SPH faculty hiring and separations, 2010-14				
	Separations			New Hires
	Resigned	Retired	Total	
2010	3	4	7	14
2011	7	4	11	9
2012	4	5	9	12
2013	6	7	13	13
2014	4	12	16	11
Totals	24	32	56	59

Several broad trends affect faculty in SPH:

First, we expect a small but significant **shift from research to teaching**. The overall SPH budget has been based about 10% on state funding and about 90% on grants and contracts. In an increasingly competitive research funding environment, and as our teaching increases, some faculty will replace research activity with teaching.

Second, our faculty will need to be **nimble and flexible in seeking external funding**. Faculty with longstanding successful research careers will need to pivot to new areas even as they work to secure continued funding for existing projects. Key to success will be interdisciplinary collaborations and innovative approaches to pressing global health challenges.

Third, **tenure** will remain an issue for SPH faculty. Currently our academic departments vary in their approach to tenure. At one end of the spectrum, the departments of Epidemiology and Global Health maintain most of their faculty as Without Tenure and rarely hire on the tenure track. At the other end of the spectrum, the Department of Biostatistics hires most faculty on the tenure track, much like departments on the upper campus. Our School's reliance on "soft money," which entails some inherent uncertainty and risk, is difficult to reconcile with the concept of tenure, which implies the certainty of permanent funding. Senior faculty are hard to recruit because we have less security to offer (of particular relevance for our strategic hires). We are actively working on providing additional clarity about what tenure means in SPH and how we honor our commitment to tenured faculty, recognizing the additional need for being explicit under ABB. We are fully committed to compliance with the UW Faculty Code, to financial sustainability for the School, and to hiring, retaining, and supporting the very best faculty, as we work to arrive at a durable approach to tenure.

Fourth, **equity** remains a challenge. We developed an explicit weighting for gender inequity and compression as part of calculating faculty merit raises this year, implemented it in one department, and plan to expand its use. Efforts are underway to track race and ethnic diversity in appointments, promotion and tenure decisions.

Finally, **lecturers** represent a small proportion of our School's faculty, mostly in instruction related to the field practice of Public Health. This is an essential component of Public Health training, and the lecturer's contributions are invaluable. Lecturers are fully integrated into our faculty; for example, they participate fully in faculty governance. We expect to continue this arrangement.

5. In the event that state funding for compensation adjustments in FY16 is not available, **all units** should have plans to **cover GOF/DOF salary increases out of other fund sources**. Should no tuition revenue be available, Provost Reinvestment Funds may be dispatched to provide support for increases. Please provide your units' plans to cover expenses associated with salary increases. A salary and tuition revenue model is available on the OPB website at <http://opb.washington.edu/content/fy16-budget-development>; this model is designed to give you a sense of the magnitude of the support that will be required at various percentage increases.
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At FY14 levels, a 4% merit increase for salaries and benefits paid from GOF and DOF funds would represent approximately \$800,000; this would be split roughly equally between GOF and ICR. Given our projections of stable FTE, and with some high faculty salaries being replaced by somewhat lower salaries as junior faculty are hired, this amount will remain approximately flat, or increase only slightly, each year through FY19.

Tuition and UWEO revenue will cover the merit increases, as ICR funds will decrease in FY16 and slowly increase from FY17 – FY19. As noted above, tuition revenue will increase for two primary reasons:

1. Increased undergraduate activity: increased degree generation as expanded enrollments begin to graduate, and increased SCH related to expanded course offerings
2. Adoption of graduate level tuition principles, and strategic reductions in exemptions and waivers

UWEO courses will contribute revenue by the continued expansion of the programs. TheT SPH allocation model allows for rebalancing of different revenue streams between departments.

If the revenue growth falls short of projections, SPH will pursue limited staff reductions in areas that experience slower growth. These reductions would be made in conjunction with a review of opportunities for school-wide consolidation to ensure the level of support is maintained.

6. This summer, the UW has been the sole subject of a state-required audit of net operating fee (tuition) and local fund accounts. This audit has revealed the importance of monitoring expenditures against budgets on a biennial basis, ensuring that colleges, schools and administrative units have plans to spend fund balance in a reasonable and mission-driven manner and that these plans are acted upon. As such, we ask that colleges and schools provide itemized obligations against fund balance, as estimated by OPB for the close of FY14. These obligations may be categorized by the following general classifications in the example provided, but greater detail is expected and will be relevant in discussions with the Provost.

The SPH carryover funds from GOF and DOF funds are \$9.4M; the total is \$11.4M when the SoM Global Health carryover is included. Table 3 summarizes the use of the combined total amount of 11.4M, since Global Health functions as a single entity.

Committed Carryforward Funds				\$9.18 M
	Year to be spent			
	FY15	FY16	> FY16	Total
Recruitment Expenses	\$0.65 M	\$0.6 M	\$2.0 M	\$3.25 M
Enterprise System Support	\$0.0 M	\$0.0 M	\$3.0 M	\$3.0 M
HRP			\$3.0 M	
Facilities	\$0.53 M	\$0.53 M	\$0.93 M	\$1.98 M
1616 Eastlake Lease	\$0.53 M	\$0.53 M	\$0.53 M	
Roosevelt Building Risk Pool			\$0.4 M	
Research Support and Cost Share	\$0.8 M	\$0.15 M	\$0.0 M	\$0.95 M
CFAR cost share	\$0.65 M			
Global WACH support	\$0.15 M	\$0.15 M		
Uncommitted Carryforward Funds				\$2.25 M
School	\$0.3 M			
Department	\$1.95 M			

7. **Though we believe that few, if any, state funds will be available and any new Provost Funds may be dispatched for mitigating cuts or providing salary increases, please indicate what Provost Reinvestment Funds are being requested.** Requests for funds should be identified by a unique title, accompanied by the amount requested, the year funding is requested, whether the request is for permanent or temporary funds, the number of years funding is needed in the case of a temporary request and a brief description, not to exceed 500 words. **Successful requests will provide better experiences for students and faculty, contribute to the long-term financial health of the University, and/or reduce institutional risk¹.**

Importantly, requests for new funding will be considered alongside carryover spending plans. Schools or colleges with growing temporary fund balances will be asked to explain why new funding is needed to support program enhancements.

Health Policy Center

Rapid, far-reaching changes in the nation's health care system demand a robust University presence. We propose a trans-disciplinary Health Policy Center, based in the School of Public Health, with faculty participation from the Schools of Law, Social Work, Public Affairs, Arts & Sciences (Department of Communication), Pharmacy, Medicine, Nursing, Dentistry, and Built Environments. This Center will address the pressing need for rigorous health policy analysis at the state, regional, and national levels, through research, program evaluation, teaching, and dissemination. Provost Reinvestment funds will support interdisciplinary faculty participation, recruitment of a faculty leader, and "Safe Table Forums" to establish the Center and assist policymakers with implementing the Affordable Care Act. Long-term financial sustainability will rest on a combination of grants and contracts with government agencies and health care institutions, sponsorships, and fees.

A full program description and business plan is available on request.

Amount Requested: \$600,000 per year, temporary funds, for 2 years

¹ Please see the attachment to the Provost's letter for more information about the University's Sustainable Academic Business Plan goals and top institutional risks.