**FACULTY SENATE FOR THE SCHOOL OF MEDICINE**

**MEETING MINUTES**

**DECEMBER 3, 2015**

Meeting was called to order at 4:05 p.m. in the Green Lecture Hall in Scott Hall.

The meeting was chaired by the President, Dr. Kathleen Meert.

Dr. Meert opened the Faculty Senate Meeting by introducing herself to those present. She then introduced Dr. Jack Sobel, Dean of the School of Medicine (SOM), who expanded upon some of the issues that were brought forth in the recent Town Hall sessions. In addition to the two Town Hall meetings with the Faculty and Staff at the SOM, there were four additional presentations, six in total. These included presentations to WSUPG at Troy, the Academic Senate of the University, The Council of Deans, and the Board of Governors. He noted that there would be a report in Crain’s Magazine since they looked at the video and studied the report in detail. He urged individuals to stream the video of the Town Hall Meeting should they have missed the live presentation. Dean Sobel highlighted the following issues:

1) Wayne State University Physician Group (WSUPG) has supported or subsidized the SOM, including salaries, research, and staff subsidies, for several years, but the amount has diminished over that period of time.

2) In the recruiting of new Faculty and/or Chairs, up to 80-90 percent of the salary may have been supported by WSUPG. Thus, the failure of WSUPG in terms of revenues has resulted in roughly $20 million due to the SOM.

3) In order to cover this deficit, the University has agreed to cover some of the debt by reducing its fixed assets which has caused considerable concern in parts of the University outside of the SOM.

Despite the fact that 70 percent of the research dollars at the University are brought in by the SOM, we remain a very expensive enterprise so that, overall, research at the SOM loses money. At other universities, some of them within Michigan, they are able to subsidize the research mission by income from the hospitals or endowments. Although the DMC is profitable, the mission and the funds are not shared in a comparable fashion as in other major research medical schools and universities that have their own hospitals. Thus, over the very near future, there will be a reevaluation of all of our contracts.

In addition, there is an analysis ongoing regarding the economic impact of PhDs in the clinical departments. There are actually many PhDs in clinical departments in addition to the basic science departments at this time.

The numbers that are being generated are being worked on by a comprehensive team including the head of SPA, the new Chief Financial Officer of the University (Mr. Decatur), and other individuals including the team here at the SOM. Dean Sobel also pointed out that the financial issues at the University are broader than at the SOM, but because of the higher overall budget of the SOM as noted above, the problem looms much higher for the SOM in terms of actual dollar amounts.

Thus, he commented that there must be efforts to develop a different compensation plan for WSUPG, and he listed five issues that are of primary importance.

1) The reduction in morale that this is causing that must be addressed.

2) The compensations permitted by Chairs for recruiting new Faculty needs to be evaluated and scrutinized.

3) There needs to be development of a system to recruit Faculty committed to research and scholarly pursuits, albeit in a milieu where there is pressure to do more clinical work rather than scholarly activity.

4) The revamping of a culture where there have been no expectations of the clinical or basic science Chairs.

5) The realignment of overheads to create a workable environment.

The Dean also voiced the need to reexamine incentives for research. He noted that the recent metrics are indistinct and unclear. For example, the current incentive plan often goes unpaid until there is a frank reminder that there is such an agreement. He is examining other opportunities for when the current incentive plan needs to be renegotiated.

The Dean went on to point out that the deficit that accumulated with WSUPG, the FMRE, and the SOM in total and that the true financial status was masked initially by the sale of the building in Troy of which greater than 75 percent of the revenue of the sale went to pay the liability of WSUPG. All this time, revenue was declining on the clinical side, and there was no strategic planning to accommodate this change.

He also reported that WSUPG has a new governance board. He pointed out that the bylaws created by WSUPG were very close to providing it to be totally separate from the University. The majority of the governing board, from the inception of that organization, was not Faculty or Chairs but community physicians. He pointed out that the governance of WSUPG needs to be realigned. The Chief Operating Officer has been released, and the current Chief Medical Officer and Chief Executive Officer remain in place, but there will be reorganization. Everything is under analysis, and Mr. David Hefner is expediting the review and the analysis. There was expectation of more revenue, but this was not a realistic expectation. The biggest expense for the entire entity of the SOM as well as WSUPG was the generous pension plan that was given as buy outs to individuals. There was considerable variability in the benefits among the entities from the Veterans Administration Hospital, the SOM, and WSUPG. WSUPG was much more generous than that of Wayne State University or that of the Veterans Administration. This further contributed to the deficit.

The issue of mentoring for Faculty came up. The Dean emphasized that the roles and expectations of Chairs and Division Chiefs in this capacity need to be strengthened. It will be important to review the activities of faculty at the Annual Review which is to be separate from Selective Salary Review. There will be clarification regarding the distinctions between Annual Review and Selective Salary Review upcoming from the Office of Faculty Affairs. Dr. Delany-Black will be meeting with the Chairs and Division Heads of each department to clarify the differences between these two activities that are required per contract.

The Dean then went on to point out that data retrieval regarding our financial status and activities and the analysis phase will continue for the next two to three weeks. There is expectation of a report in the third week in December. Then we can look at what levers we can exert to rectify this situation. At this point, we cannot continue at a burn rate of $1.5 million per month.

After the Dean’s report, there were several questions and answers for clarification, but there were no new items brought up other than those above.

Mr. John Schiavone then presented a brief report on the accreditation of the University. He has been working along with Dean Sandy Yee on the University accreditation by the Office of Higher Learning Commission (HLC). In 2007, the NCA gave Wayne State University a completely clean evaluation and thus the University was provided with the OPEN PATHWAY for accreditation at this time which provides more flexibility. There are five criteria and 21 components. The five criteria are as follows:

1) Mission

2) Integrity

3) Teaching and Learning – which includes quality, research, and support

4) Teaching and Learning – which includes evaluation and implementation

5) Resource Planning and Institutional Effectiveness

There will be an open survey in October 2016, and the report of self-study is due on February 20, 2017, at which time there will be 10 visitors here for 1.5 days. The report will be made public. He did not clarify at which point in time, whether it will be before or after the visit. The accreditation of the University basically evaluates whether the criteria and core components have been met or not met. If they are not met, then the University moves to a “standard path” which is more stringent in terms of the requirements for accreditation. If not accredited, Mr. Schiavone pointed out that the University will not be eligible for federal grants and aid for its students, and this is of considerable importance for a university such as Wayne State University.

The meeting adjourned at 5:21 p.m.

Respectfully submitted,

Noreen F. Rossi, M.D.