May 25, 2007

SYSTEM-WIDE SENATE COMMITTEE CHAIRS
DIVISIONAL SENATE CHAIRS

RE: Comments Requested on Academic Council Proposed Policy on Fiscal Impact Statements

Dear System-wide Senate Committee and Divisional Senate Chairs:

On behalf of Chair Oakley, the above document is being forwarded for your review and comments. Unlike traditional systemwide senate reviews, this review is more of an informal nature, an opportunity for not only the members of Council but for all Senate-wide Committees to provide comments prior to Council consideration of this particular proposed policy.

As background information, at its March 28th meeting, the Academic Council agreed to develop a statement that would address the issue of unfunded mandates. The statement is intended to be considered by OP when requesting the Academic Council to review a policy proposal that has budgetary implications for grants, campuses, divisions, etc. A work group, composed of Professors Mecartney (UCI Divisional Chair), Newfield (UCPB Chair), Powell (UCSD Divisional Chair), and Shetty (UCLA Divisional Chair), was asked to draft a statement for Council’s consideration. At its May 23rd meeting, the Academic Council decided that the draft Academic Council Policy on Fiscal Impact Statements be sent to all standing committees for review, with the request that responses be submitted in time for the June 27, 2007 Council meeting.

In order for the Academic Council to finalize a position with respect to this policy, during this academic year, we would very much appreciate receiving responses from both systemwide Senate Committees and Divisions by no later than June 14, 2007.

As a reminder to System-wide Senate Committee Chairs, similar to our request for comments during a formal systemwide Senate review, each Chair/committee may decide whether or not to opine. Please notify the Senate Office either directly by emailing me or through your Committee Analyst, if your committee chooses not to participate in this review.

Cordially,

Maria Bertero-Barceló, Executive Director
Academic Senate

Encl: 1
Copy: Academic Council Chair John Oakley
Divisional Senate Directors
Academic Senate Committee Analysts
Proposed Academic Council Policy on Fiscal Impact Statement

All policies or proposals submitted by the Office of the President to the Academic Council that may have budgetary implications for component divisions and/or individual faculty must be accompanied by a fiscal impact statement. Developed by the Office of the President in consultation with potentially impacted components of the university, the fiscal impact statement shall include an estimate of the cost savings, new or created costs, or cost neutrality.

The Academic Council—shall review and consider this fiscal impact information prior to final disposition of the policy or proposal.
Academic Council Statement on Fiscal Impact Statements
May 2007

Context:

Academic Council is often asked to comment on proposals without any accompanying analysis of their financial costs or impact. The Academic Council believes that all proposals with significant budgetary implications (> $100,000 per year or $500,000 over 5 years) should be informed by an accompanying "Fiscal Impact Statement" drawn up by OP analysts in consultation with individuals or groups explicitly affected by the policy/proposal. The analysis provided in the Fiscal Impact Statement is not intended to be as detailed as a full-fledged regulatory analysis. The intent is to provide the council members with enough information to see how the policy will financially affect individual divisions and faculty and allow council to make an informed decision.

At the very least, the Fiscal Impact Statement, should contain the following five sections:

1. Assumptions
2. Derivation of estimates including key pieces of data used to calculate the estimates
3. Estimated Impact - OP budget
4. Estimated Impact - individual divisions
5. Estimated Impact - faculty or academic units.

Beyond available facts and figures, impact assumptions may include approximations when all of the information is not available. The fiscal impact statement should focus on entities or groups explicitly affected by the proposal (e.g., graduate students affected by fee increases, research units required to comply with proposed increases in payroll, etc)

If multiple impacts are anticipated, they should, once itemized, be summed together and included on the impact statement as a total, rather than taking the form of multiple tables.

Additional information could include the following:

1. Does the proposal derive from a state or federal mandate?

2. If the proposal creates new costs, are mitigating funds provided (either state or federal or OP). If yes, list the amount of funding provided and the funding source (i.e. General Fund, federal funds, or other UCOP funds). If funding is provided, but is inadequate to fund the full projected costs of the proposal, details of the offset funds provided, how much more is required, and how OP or the local divisions plan to fund the difference.

3. If offset funds are not provided. A brief explanation of how costs of the proposal will be paid for. This may include identifying other programs or activities that will be eliminated, positions left vacant, fees increased, costs realized through operational efficiencies, etc.
Proposed template for a Fiscal Impact Statement:

Fiscal Impact Statement

Date:

Proposer:

Tracking number:

Contact person:

Summary of the Proposal:

Check appropriate box if the impact meets these criteria:
  ___ No Fiscal Impact.
  ___ Fiscal Impact less than $100,000 annually or $500,000 over 5 years.
  ___ Fiscal Impact cannot be determined.

Brief Explanation:

Fill in the form below if the proposal does not fit the criteria above:
  ___ Fiscal Impact of $100,000 annually or $500,000 over 5 years.
  (if checked, fill in the rest of the Fiscal Impact Statement)

Assumptions:

Describe how estimates were derived:

Estimated Impact to the UC by Fiscal Year
Year 1
Year 2
Year 3
Year 4

NET IMPACT (duration and total sum)
This rule is required by state law or federal mandate. Please identify the state or federal law:

Funding has been provided for the impact of proposal. Please identify the amount provided and the funding source:

Funding has not been provided for the impact of proposal. Please explain how the affected entities will pay for the impact:

Impact on individual divisions:

Impact on individual faculty or academic units:

Consultations with:

Supporting documents:

Analyst preparing estimate:

Date:

Telephone Number: XXX-XXX
Decrease in NIH Funding

Annual NIH funding cuts in 2006 and 2007 total $3.8 million per year. All NIH cuts total a cumulative 5.18% cut in funding for 2007 as compared with the original recommended award level.

Technology Infrastructure Fee Structure Change (UCLA)

Estimated total TIF for fiscal year 06-07: $37,132.08 (roughly $3,100/month)

TIF accounts for 79% of our total phone bill

From July, 2006 – March, 2007:
- Phone costs: $7,565.97
- TIF costs: $27,832.08

Total: $35,398.05

Total telephone costs would have been $19,530 with previous TIF structure of $39/line. This represents an increase of 81.2% or $15,868.05.

TIF Summary (July, 2006 - March, 2007)

<table>
<thead>
<tr>
<th>TIF costs</th>
<th>Mar-07</th>
<th>Feb-07</th>
<th>Jan-07</th>
<th>Dec-06</th>
<th>Nov-06</th>
<th>Oct-06</th>
<th>Sep-06</th>
<th>Aug-06</th>
<th>Jul-06</th>
<th>Averages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toga (AT)</td>
<td>2,325.10</td>
<td>2,668.04</td>
<td>2,660.35</td>
<td>2,591.66</td>
<td>2,826.65</td>
<td>2,155.57</td>
<td>2,692.78</td>
<td>2,676.80</td>
<td>2,809.04</td>
<td>2,600.67</td>
</tr>
<tr>
<td>Sowell (LS)</td>
<td>177.86</td>
<td>157.73</td>
<td>196.73</td>
<td>238.77</td>
<td>243.53</td>
<td>243.53</td>
<td>253.28</td>
<td>262.93</td>
<td>258.52</td>
<td>225.88</td>
</tr>
<tr>
<td>Thompson (PT)</td>
<td>142.35</td>
<td>144.16</td>
<td>241.66</td>
<td>196.83</td>
<td>207.86</td>
<td>261.33</td>
<td>351.50</td>
<td>329.39</td>
<td>143.64</td>
<td>224.30</td>
</tr>
<tr>
<td>Narr (KN)</td>
<td>33.15</td>
<td>33.15</td>
<td>33.15</td>
<td>33.15</td>
<td>33.15</td>
<td>52.65</td>
<td>52.65</td>
<td>85.80</td>
<td>17.64</td>
<td>41.61</td>
</tr>
<tr>
<td>Total TIF</td>
<td>2,678.46</td>
<td>3,003.08</td>
<td>3,131.89</td>
<td>3,060.41</td>
<td>3,311.19</td>
<td>2,713.08</td>
<td>3,350.21</td>
<td>3,354.92</td>
<td>3,228.84</td>
<td>3,092.45</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-TIF costs</th>
<th>Mar-07</th>
<th>Feb-07</th>
<th>Jan-07</th>
<th>Dec-06</th>
<th>Nov-06</th>
<th>Oct-06</th>
<th>Sep-06</th>
<th>Aug-06</th>
<th>Jul-06</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toga (AT)</td>
<td>865.34</td>
<td>849.98</td>
<td>833.43</td>
<td>848.84</td>
<td>841.01</td>
<td>831.83</td>
<td>81.30</td>
<td>147.00</td>
<td>880.41</td>
<td>6,179.14</td>
</tr>
<tr>
<td>Sowell (LS)</td>
<td>78.57</td>
<td>75.77</td>
<td>76.29</td>
<td>85.80</td>
<td>78.44</td>
<td>77.29</td>
<td>82.61</td>
<td>81.96</td>
<td>80.96</td>
<td>717.69</td>
</tr>
<tr>
<td>Thompson (PT)</td>
<td>142.35</td>
<td>17.82</td>
<td>18.44</td>
<td>18.02</td>
<td>17.76</td>
<td>18.37</td>
<td>18.18</td>
<td>19.16</td>
<td>42.19</td>
<td>312.29</td>
</tr>
<tr>
<td>Narr (KN)</td>
<td>33.15</td>
<td>33.15</td>
<td>33.15</td>
<td>33.15</td>
<td>33.15</td>
<td>52.65</td>
<td>52.65</td>
<td>85.80</td>
<td>0.00</td>
<td>356.85</td>
</tr>
<tr>
<td>Total</td>
<td>1,119.41</td>
<td>976.72</td>
<td>961.31</td>
<td>985.81</td>
<td>970.36</td>
<td>980.14</td>
<td>234.74</td>
<td>333.92</td>
<td>1,003.56</td>
<td>7,565.97</td>
</tr>
</tbody>
</table>

Total TIF paid to date

<table>
<thead>
<tr>
<th>TIF costs</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toga (AT)</td>
<td>23,405.99</td>
</tr>
<tr>
<td>Sowell (LS)</td>
<td>2,032.88</td>
</tr>
<tr>
<td>Thompson (PT)</td>
<td>2,018.72</td>
</tr>
<tr>
<td>Narr (KN)</td>
<td>374.49</td>
</tr>
<tr>
<td>Total LONI</td>
<td>$27,832.08</td>
</tr>
</tbody>
</table>

Since new TIF system was instated in July, 2006.

TIF costs are 3.7 times the cost of all other phone charges (line charge, voicemail, various tolls)
**UCLA LABORATORY OF NEURO IMAGING**

**FINANCIAL IMPACT**

### Graduate Student Researchers

GSR fees are steadily increasing at about **8 – 10% each year** and fees have increased 100% since 2002-2003. Current fees are $8,634 per year per student, subject to change. With 15 graduate students, the total fees to be paid is $129,510. This represents an **increase of $9,855** over 2006-2007. These figures do not include fees for which the student is solely responsible. In addition, each student receives a stipend of $22K to $26K/yr. Total commitment per graduate student is approximately $34K per year.

### Graduate Student Researcher Fee Remission (LONI portion only)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Remission I, II &amp; GSHIP</td>
<td>$8,634.00</td>
<td>$7,977.00</td>
<td>$7,827.00</td>
<td>$7,199.00</td>
<td>$6,071.00</td>
<td>$4,494.00</td>
<td>$4,329.00</td>
<td>$4,287.00</td>
</tr>
<tr>
<td>% inc. from previous yr</td>
<td>8.236%</td>
<td>1.916%</td>
<td>8.723%</td>
<td>18.580%</td>
<td>35.091%</td>
<td>3.812%</td>
<td>0.980%</td>
<td></td>
</tr>
<tr>
<td>Change in dollar amount</td>
<td>$657.00</td>
<td>$150.00</td>
<td>$628.00</td>
<td>$1,128.00</td>
<td>$1,577.00</td>
<td>$165.00</td>
<td>$42.00</td>
<td>$4,287.00</td>
</tr>
<tr>
<td>Number of students</td>
<td>15</td>
<td>15</td>
<td>20</td>
<td>13</td>
<td>10</td>
<td>6</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Total increase</td>
<td>$9,855.00</td>
<td>$2,250.00</td>
<td>$12,560.00</td>
<td>$14,664.00</td>
<td>$15,770.00</td>
<td>$990.00</td>
<td>$126.00</td>
<td>$8,574.00</td>
</tr>
</tbody>
</table>

* currently approved fees; subject to change without notice

### Mandated Salary Increases

**$98,791/yr** or $8,233/mo for increases effective **October 1, 2005**

**Eligible Non-Represented Employees (3.5% increase):**

- 1 MSP
- 1 MSO
- 1 Admin Analyst
- 1 Principal Admin Analyst
- 1 Principal Public Admin Analyst
- 17 Programmer Analysts

**Eligible Academic Employees (2% increase):**

- 1 Professional Researcher
- 6 Postdoctoral Scholars
- 14 Graduate Student Researchers

**Eligible Represented Employees (3% increase):**

- 1 Admin Assistant
- 5 Laboratory Assistant
- 15 Staff Research Associates

64 total eligible employees out of a total of 114 LONI-paid employees

**$110,661/yr** or $9,222/mo for increase effective **October 1, 2006**

**Eligible Non-Represented Employees (3.5% increase):**

- 1 MSP
- 1 MSO
- 1 Admin Analyst
1 Principal Admin Analyst
1 Principal Public Admin Analyst
19 Programmer Analysts

**Eligible Academic Employees (2% increase):**
2 Professional Researchers
8 Postdoctoral Scholars
16 Graduate Student Researchers

**Eligible Represented Employees (2.8% increase):**
1 Admin Assistant
1 Laboratory Assistant
12 Staff Research Associates

64 total eligible employees out of a total of 114 LONI-paid employees

**$9,780/yr or $815/mo for increase effective January 1, 2007 (SRA and Lab Asst only)**
2 Lab Assistants
9 Staff Research Associates

**$145,174/yr or $12,098/mo projected increase effective October 1, 2007 given static salaries and no change in numbers employed between now and then**
About LONI

MISSION
At LONI, we strive to improve our understanding of the brain in health and disease. LONI is a leader in the development of advanced computational algorithms and scientific approaches for the comprehensive and quantitative mapping of brain structure and function.

ORGANIZATION
Begun as a research Laboratory in 1983 at the Washington University School of Medicine at St. Louis, the Laboratory of Neuro Imaging moved to the University of California at Los Angeles in 1987. Today it is one of the country’s foremost neurological research centers.

LONI works towards uncovering new knowledge that will lead to better health for everyone by:

- conducting research and building population-based and disease-specific digital brain atlases;
- helping in the training of research investigators; and
- fostering communication of medical information.

Laboratory Director Dr. Arthur W. Toga and his large multi-disciplinary staff have over 15 years of experience in neuroimaging and analyses of brain mapping data. The Laboratory is continually developing, refining and validating neuroimaging strategies that accommodate different data acquisition methods, populations, laboratories and species.

Investigations into brain structure and function require a diverse array of tools to create, analyze, visualize, and interact with models of the brain. The laboratory houses a large super computer, over 50 workstations and a data archival system of over 100 terabytes. The LONI Scientific Visualization Group has a cutting-edge production studio capable of outputting the highest quality video and audio. The wet labs are equipped with state of the art processing equipment for computational neuroanatomy and a suite of optical cameras for functional imaging.

RESEARCH FOCUS
LONI was originally established to study cerebral metabolism with the goal of understanding the relationship between brain structure and function using image data. Work progressed into three-dimensional reconstruction and visualization. This enabled the study of functional anatomy in the same geometric configuration as that found in the living animal. As these reconstructions became more sophisticated, their application to computational atlases became possible.
The construction of brain atlases based on detailed representations of anatomy in a standardized 3D coordinate system is the major focus. The Laboratory addresses the problem of comparing data across individuals as well as across modalities and increased work in humans began. Work is focused on statistical manipulation of the geometry that makes up the anatomic and functional data sets as well as sophisticated visualizations permitting the communication of the results.

**OTHER PARTNERS IN RESEARCH**

LONI is a key partner in many national and international collaborations, that include universities and academic health centers, and independent research institutions.

LONI acts as the hub of a national neuroimaging resource, directed by Dr. Arthur Toga in the Department of Neurology, which supports over 60 national and international brain imaging collaborations. These collaborations apply novel image analysis approaches to investigate brain structure and function in health and disease.