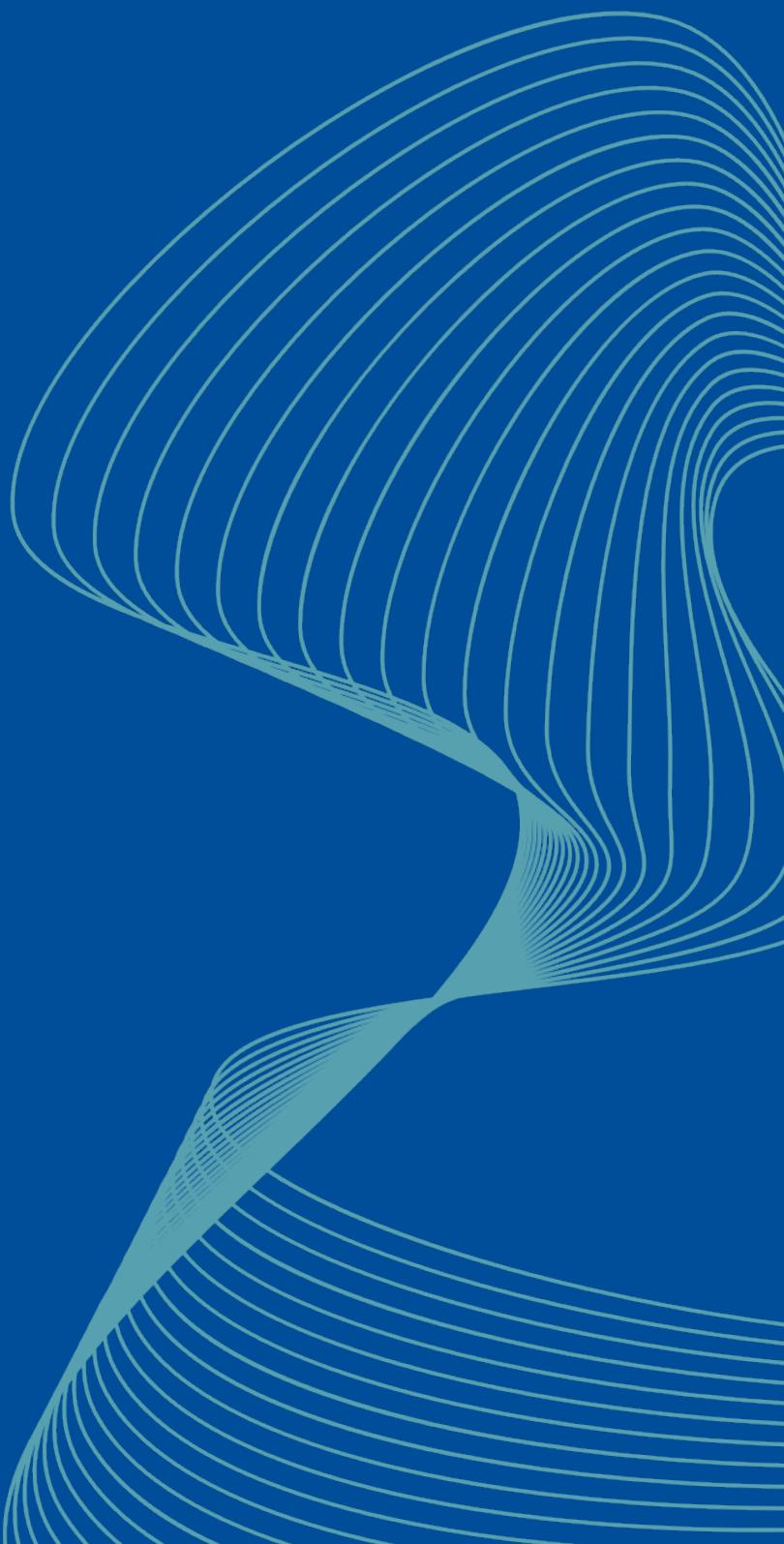




UC Riverside School
of Medicine

December 2023

Strategic Plan 2024- 2027



DECEMBER 2023

Dear colleagues,

I am incredibly excited to announce the launch of our updated UC Riverside School of Medicine Strategic Plan 2024-2027. This strategic plan, along with our mission areas and our values, are the foundation of the School of Medicine. They provide the vision and foundation that drive our activities in pursuit of fulfilling our mission to train a diverse physician and biomedical scientist workforce and develop research and clinical care to serve the population of the Inland Southern California region. As the School of Medicine begins this next step, I would like to highlight some key strategic milestones:

- The State Budget Act of 2021 included one-time appropriations of \$25 million to support and expand the UC Riverside School of Medicine (SB 170 (Skinner)), and \$10 million for the exploration of Acute Care Teaching Hospital partnerships or a hospital acquisition (SB 129 (Skinner)). Both one-time appropriations are based on an implementation plan of 3-5 years. These funds will be spent in support of academic and clinical training expansion through FY2025/26.
- In April 2023, we hired Timothy Collins, EdD as our new CEO of UCR Health. Dr. Collins has been instrumental in developing the vision for UCR Health to serve the region.
- In August 2023, Dr. Denise Martinez was hired as the new Associate Dean for Diversity, Equity, and Inclusion. She has developed plans to build on the School of Medicine's strong diversity work that has been recognized nationally.
- In September 2023, we officially opened our Medical Education Building II. Our new home provides state-of-the-art classrooms and facilities for our growing number of students, staff, and faculty. This new learning facility was supported by \$100M in state funds secured in the State Budget Act of 2019.
- We opened our new UCR Health Community Clinic at Hulen Place to serve the unhoused population in the Riverside community. Funded in part by grants from the UniHealth Foundation, San Manuel Band of Mission Indians, and The Rauch Family Foundation, this represents the power of partnership in serving our local community.
- We will continue to build on these accomplishments and look forward to working closely with all of you as we strive to successfully execute the initiatives outlined in this plan.

Sincerely,



Deborah Deas, M.D., M.P.H.
Vice Chancellor of Health Sciences Mark and Pam Rubin Dean

TABLE OF CONTENTS

MISSION, VISION AND VALUES.....	5
Mission.....	5
Vision.....	5
Values.....	5
IMPERATIVE #1.....	7
STRATEGY #1.....	7
STRATEGY #2.....	8
STRATEGY #3.....	8
STRATEGY #4.....	8
IMPERATIVE #2.....	10
STRATEGY #1.....	10
STRATEGY #2.....	11
STRATEGY #3.....	11
STRATEGY #4.....	11
STRATEGY #5.....	12
IMPERATIVE #3.....	13
STRATEGY #1.....	14
STRATEGY #2.....	14
STRATEGY #3.....	14
IMPERATIVE #4.....	17
STRATEGY #1.....	18
STRATEGY #2.....	18
STRATEGY #3.....	19
IMPERATIVE #5.....	20
STRATEGY #1.....	20
STRATEGY #2.....	21
STRATEGY #3.....	21
IMPERATIVE #6.....	22
STRATEGY #1.....	23
STRATEGY #2.....	23
STRATEGY #3.....	23
Financial Overview and Plan.....	24

UCR SOM Strategic Plan Update

INTRODUCTION

The UC Riverside School of Medicine (UCR SOM) strategic plan was first published in the fall of 2019, six years after the establishment of the medical school. The plan set forth a set of imperatives, goals, and strategies intended to secure and sustain the growth and excellence of the school and its clinical enterprise, UCR Health, through 2025. In FY23, we took the opportunity to assess progress, and undertake a limited update of the strategic plan goals and strategies to better align with our current state.

During the last four years, the SOM has accomplished or made substantial progress toward many of the goals outlined in the 2019 plan:

1. In FY21, secured increased annual state operating funding of \$25M per year to enhance the academic program. This increase in operating support allowed the SOM to solidify its operations and make incremental increases in medical student enrollment.
2. Opened the Medical Education Building II in fall of 2023, providing a new, spacious home for the SOM students with substantial education, study and lounge spaces for medical students and state-of-the-art technology designed to provide the most cutting-edge training. The opening of this building signals the future direction of the SOM.
3. The UCR School of Medicine was recently ranked #5 for diversity in U.S. News & World Report's 2023-2024 Best Grad School rankings.
4. The UCR SOM recruited 40% of students from groups underrepresented in medicine. More than 50% of medical students have ties to the Inland Southern California region.
5. The UCR School of Medicine is committed to serving the Inland Southern California region. Since 2019, 36% of MD students have stayed in the region for residency and 38% of UCR residents have stayed in the region to practice.
6. Led by its cutting-edge research centers, the School of Medicine achieved \$18M in research funding in 2023.
7. In the last five years, the SOM MD enrollment grew more than 20%, while the faculty and staff have grown at comparable rates. The number of residents in UCR-sponsored programs has increased by 15% over the same period.

At the same time, some initiatives were slowed or redirected in the last few years as the SOM and the region responded to the COVID-19 pandemic. Substantial opportunity still exists to improve alignment with clinical partners in the region, to further strengthen and expand UCR Health, and to explore relationships with UC Health partners and mission aligned partners operating in the Inland Empire.

As the SOM embarks on its next 3 years, it remains committed to serving this medically underserved region. The SOM will continue to prepare its students to serve the Inland Empire, including providing translational research opportunities for students to engage with the community. The many Centers of the SOM will continue to seek increased funding and pursue research focused on the Inland Empire community.

This 3-year strategic plan update provides the blueprint for how the SOM will accomplish these stated goals.

MISSION, VISION, AND VALUES

The strategic plan was updated within the context of our mission, vision, and values.

Mission

To improve the health of the people of California and, especially, to serve Inland Southern California by training a diverse workforce of physicians and by developing innovative research and healthcare delivery programs that will improve the health of the medically underserved in the region and become models to be emulated throughout the state and nation.

Vision

EDUCATION – Educate and retain a diverse physician and research workforce needed to address the underserved patient care needs of the region.

RESEARCH – Develop a platform for expanded biomedical, translational, clinical and population-based research programs to advance knowledge in the medical sciences.

CLINICAL (UCR HEALTH) – Improve the health of the people of Inland Southern California by developing innovative healthcare programs that will deliver quality healthcare within our communities.
“Bringing Health Home”

Values

INCLUSION – Embracing diversity in the broadest sense and appreciating all points of view

INTEGRITY – Exhibiting honesty and the highest ethical standards in all matters

INNOVATION – Pursuing organizational goals with creativity and novelty

EXCELLENCE – Demonstrating extraordinary dedication to the highest quality outcomes

ACCOUNTABILITY – Taking responsibility and ownership

RESPECT – Showing consideration and appreciation for others

THE SCHOOL OF MEDICINE STRATEGIC PLAN UPDATE — IMPERATIVES AND STRATEGIES

IMPERATIVE #1 Standardize and modestly grow education programs.	IMPERATIVE #2 Strengthen UCR Health and position it for long term system development.	IMPERATIVE #3 Deepen commitment to clinical and population health research and integration within SOM and with other schools and colleges at UCR.	IMPERATIVE #4 Build and strengthen strategic philanthropy that supports all aspects of the UCR SOM mission.	IMPERATIVE #5 Improve UCR SOM processes, operations, and employee engagement.
Strategy #1 Recruit mission-aligned students through pathway programs and open recruitment to serve Inland Southern California.*	Strategy #1 Improve baseline operational performance and support structures aligned with industry standards.***	Strategy #1 Build the UCR SOM clinical departments and divisions capacity to conduct clinical research.*	Strategy #1 Build capacity and expertise of the Development Office to pursue greater funding opportunities reaching \$7M per year.***	Strategy #1 Provide responsive work environments that maximize employee productivity and engagement.*
Strategy #2 Strengthen and grow GME programs with existing partner hospitals and establish new programs. Expand focus on recruiting mission-fit trainees.**	Strategy #2 Increase UCR Health revenue stream from new programs and services.*	Strategy #2 Leverage the Centers of the UCR SOM to develop translational and clinical research opportunities.***	Strategy #2 Collaborate with Central Advancement, SOM Student Affairs and Strategic Initiatives Offices to develop a comprehensive alumni engagement plan.*	Strategy #2 Institutionalize the evaluation process for employees of the SOM.*
Strategy #3 Continue to implement program evaluation and continuous improvement processes to improve and integrate learning strategies/technologies into the student and trainee experience.*	Strategy #3 Develop infrastructure for improved operations.***	Strategy #3 Increase and better assess the impact of UCR SOM research activities within its extensive network of like-minded organizations.*	Strategy #3 Align Development activities to specifically fund mission-focused programming of the UCR SOM***	Strategy #3 Establish and promote community building within the School of Medicine.*
	Strategy #4 Build on current patient safety and clinical quality programs.*			
Strategy #4 Develop and integrate new degree programs.***	Strategy #5 Develop the long-term strategy and plan for UCR Health.			
IMPERATIVE #6 — Develop a strategic plan to advance diversity, equity, and inclusion.				

*Indicates a new strategy; **Indicates Combined strategies; ***Indicates Edited Strategy

IMPERATIVE #1

Standardize and modestly grow education programs

Accomplishments: The UCR SOM MD program has grown since 2019, reaching an enrollment of 364 in FY 24. Of the FY 24 entering class, 44% were underrepresented in medicine, 40% were first generation college students, 55% spoke English as a second language, and 73% had ties to the IE, demonstrating the school's success in pursuing its mission. With the opening of the SOM Education Building II in 2023, the SOM now enjoys modern, state-of-the-art educational and support space for the MD, PhD, master's and Pathway programs, as well as for faculty and student support services. This space will allow for future growth of the education programs in alignment with available resources and regional needs. Over the next three years of the plan, it will be critical to maintain and improve the quality of our programs, and to add new GME and degree programs that are aligned with the SOM mission to serve Inland Southern California.

GOALS

1. Increase the enrollment of mission-fit students and trainees in undergraduate and graduate medical education programs.
2. Improve the educational experience for medical students, residents, fellows, PhD and master's students.
3. Introduce new master's and joint-degree programs that complement the MD program.

METRICS

1. MD, master's, PhD enrollment including students who come from pathway programs and mission scholars
2. Residency and fellowship enrollment for UCR-sponsored programs, and percent staying in the region to practice
3. Total number of degree programs and enrollment in newly established degree programs
4. Student satisfaction surveys including AAMC graduation questionnaire

STRATEGY #1

Recruit mission-aligned students through pathway programs and open recruitment to serve Inland Southern California.

TACTICS

- Identify possible mission-fit scholars early in the education pipeline (in pathway programs).
- Continue to pursue opportunities to grow pathway programs through grants and collaborative efforts.
- Explore summer college programs at UCR specifically for underrepresented and mission-aligned students.

STRATEGY #2

Strengthen and grow GME programs with existing partner hospitals and establish new programs as possible with GME-naïve hospitals focusing on rural partners. Expand focus on recruiting mission-fit trainees.

TACTICS

- Expand outreach and recruitment for residency programs.
- Seek exclusivity as it relates to GME programs with long-term strategic health system partners.
- Seek alternative federal and state funding to grow GME programs.
- Pursue organic growth of GME programs with existing hospital partners that are in their five-year GME cap build or that are interested in adding positions “above the cap.”
- Provide assistance to existing hospital partners in applying for and securing Medicare Rural Training Track programs.
- Explore leveraging future MPH students to serve in diverse regions and with diverse populations.

STRATEGY #3

Continue to implement program evaluation and continuous improvement processes to improve and integrate learning strategies/technologies into the student and trainee experience.

TACTICS

- Develop a cohesive plan for students to train in remote areas of the region with support throughout their training.
- Leverage available learning technologies to improve training with a focus on students working in rural areas.
- Integrate available medical technologies into the UCR sponsored GME programs with partner hospitals.
- Expand student use of UCR resources on campus and in the community.

STRATEGY #4

Develop and integrate new degree programs.

TACTICS

- Develop and launch the MPH program.
- Develop integrated MD with other degree programs.

IMPERATIVE #2

Strengthen UCR Health clinical enterprise and position it for long-term health system development

Accomplishments: Since 2019, the UCR Health enterprise has continued to grow in scope and volume. Visit volume has grown by 8% to a total of 46,000 ambulatory visits each year. The clinical enterprise expanded to the Coachella Valley with a pediatrics clinic in La Quinta, and added specialties that are in short supply in the region. In September of 2023, UCR Health opened the mission-aligned UCR Health Community Clinic at Hulen Place serving low income populations and the unhoused population in Riverside.

GOALS

1. Improve access to health resources for the Inland Southern California community inclusive of marginalized groups and victims of disparate healthcare access and outcomes.
2. Expand and grow the structure and operations of the clinical enterprise to serve the Inland Southern California community.
3. Assess viability of partnership options to best deliver services to the Inland Southern California community.

METRICS

1. UCR Health clinical volume
2. Clinical authorizations and referrals
3. UCR Health revenue—including revenue from MRI, imaging, or other clinical services
4. UCR Health clinical locations, including those established with partners

STRATEGY #1

Improve baseline operational performance of ambulatory clinics and support structures aligned with industry standards.

TACTICS

- Develop the clinical infrastructure and environment to increase visit volume.
- Improve clinic efficiency and utilization of assets.

-
- Improve call center operations and efficiency.
 - Develop and implement standardized workflows in EPIC, including for authorizations, in-basket management and patient referrals.

STRATEGY #2

Increase UCR Health revenue streams from new programs and services.

TACTICS

- Explore the development of new services, including ancillary services such as MRI, imaging, and lab services.
- Develop UCR Health Community Clinic at Hulen Place and establish a sustainable model of operations.
- Explore partnerships with schools and primary care programs.
- Explore collaborative care models, consultations, and direct care through CA grants.

STRATEGY #3

Develop infrastructure for improved operations.

TACTICS

- Establish payor contracting infrastructure.
- Create credentialing infrastructure that can accommodate long-term growth of the clinical enterprise.
- Evaluate and improve overall information systems in support of operations.
- Evaluate and establish a medical group structure that will support the long-term growth of the clinical enterprise.

STRATEGY #4

Build on current patient safety and clinical quality programs to strengthen patient care delivery.

TACTICS

- Strengthen patient safety culture informed by patient feedback, including the AHRQ Medical Office survey.
- Continue to develop the current Clinical Quality Oversight Committee through formulary oversight, clinical service line development, and decreasing organization risk.

STRATEGY #5

Develop the long-term strategy and plan for UCR Health.

TACTICS

- Evaluate clinical opportunities in the region in collaboration with UCOP and UC Partners.
- Develop a resilient clinical network that advances clinical delivery, research, and education missions.
- Evaluate clinical locations, personnel, and required investments.

IMPERATIVE #3

Deepen commitment to clinical, biomedical, and population health research and integration within SOM and with other schools and colleges at UCR.

Accomplishments: The UCR SOM has made great strides in its population and community-based research efforts since the strategic plan was established in 2019. Notably, the Center for Health Disparities Research (HDR@UCR) was established with the help of a \$16M NIH grant, and it has successfully partnered with 36 different community organizations to build capacity in community-based research. HDR@UCR and the Center for Healthy Communities have served as community liaisons, helping to understand and contend with the challenges of the region. Additionally, UCR SOM has established or continued to support six research centers: the Center for Health Disparities, Center for Healthy Communities, Center for RNA Biology, Center for Glial Neuronal Interactions, Center for Molecular & Translational Medicine, and Center for Bridging Regional Ecology, Aerosolized Toxins, and Health Effects, which serve as a focus for scientific collaboration within the SOM and across the university. In addition, UCR SOM has expanded faculty in the Department of Social Medicine, Population and Public Health.

Opportunities: Significant opportunity exists to build clinical research within the UCR SOM, and to create a model that leverages the existing strengths and relationships of the medical school. This research will complement the basic and translational research performed by faculty in the Division of Biomedical Sciences, the Department of Social Medicine, Population and Public Health, and the Center for Healthy Communities, in partnership with the Division of Clinical Sciences.

GOALS

1. Provide students, residents, and trainees in the SOM with translational and clinical research opportunities.
2. Align select clinical and research activities into integrated centers of excellence.
3. Continue to develop an extensive network of like-minded organizations committed to

METRICS

1. Clinical research revenue and expenditures
2. Center-led research revenue and expenditure

educating and promoting health in the Inland Empire.

STRATEGY #1

Build UCR SOM clinical departments' and divisions' capacity to conduct clinical research.

TACTICS

- Hire an Associate Dean for Clinical Research to lead holistic clinical research efforts.
- Pursue joint hires and appointments across the divisions of clinical and biomedical sciences, focusing on those with research experience.
- Develop capacity for faculty, including dedicated time and resources to participate in research.

STRATEGY #2

Leverage the Centers of the UCR SOM to develop translational and clinical research opportunities.

TACTICS

- Develop the infrastructure of Centers to lead multi-discipline research efforts including a trial management system, budgeting tools, and research management processes.
- Establish an annual research symposium inclusive of PhD, MD, GME, and MPH students, residents, and faculty and community doctors.
- Continue to develop community-based research opportunities through the Centers for Health Disparities and Healthy Communities.
- Develop a case for support for the research and clinical activities established out of the integrated centers of excellence.
- More explicitly build connections between integrated centers of excellence and clinical care
- Explore mentored research faculty programs.

STRATEGY #3

Increase and better assess the impact of UCR SOM research activities within its extensive network of like-minded organizations.

TACTICS

- Facilitate the development of partnerships between organizations in UCR SOM's network.

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- Leverage community leaders and workers and invest in their training and capacity to better serve the Inland Empire community through workshops, community-based participatory research, and field work.
 - Leverage the UCR brand name to lead research in the region as measured by the CHC impact report.
 - Use the Individual H Index to determine the impact and citation numbers of UCR SOM faculty publications.
 - Develop greater capacity to measure the impact of UCR SOM efforts including research profiles, basic health impacts, outcomes, disparities, and the creation of a collaborative approach to address issues with the community.
 - Promote the UC Anchor Initiative to determine the impact of the UCR SOM in the community and develop accountability measures for the UCR SOM through mutually agreed upon metrics.

IMPERATIVE #4

Build and strengthen strategic philanthropy that supports all aspects of the UCR mission.

Accomplishments: Since the publication of the 2019 strategic plan, philanthropy at the UCR SOM has developed significantly. Initial annual funding goals of \$2M have now grown to \$5M. Individual, corporate, health plans, and foundation prospect acquisition has advanced significantly. Below is a snapshot of funding activities over the past 5 years.

Fiscal Year	Goal	Funds Raised	Notes
FY 18/19	\$750,000	\$4,073,000	
FY 19/20	\$1,000,000	\$4,020,000	
FY 20/21	\$4,000,000	\$3,097,000	One development officer due to staff transitions
FY 21/22	\$4,000,000	\$5,098,000	
FY 22/23	\$4,300,000	\$5,002,000	
FY 23/24	\$5,000,000		

The Development Office is focusing its efforts on six- and seven-figure dollar gifts through proposal development, cross-unit collaborations, and high-level corporation/foundation engagement. Future success will depend on tangible support and collaboration from central Alumni Relations, Corporate & Foundation Relations, Prospect Development, Stewardship, and Communications/Events offices in the qualification and cultivation of prospects.

Development activities are aligned with the mission of the UCR SOM, focusing on serving underserved students and patients as well as working with the surrounding community. Developing philanthropic funding for the main mission areas of the SOM is the main driver of the below goals and strategies designed to carry philanthropic efforts into the next five years.

GOALS

1. Increase philanthropic funding for the UCR SOM.
2. Develop holistic alumni engagement strategy.
3. Develop philanthropic funding specific to UCR SOM mission areas.

METRICS

1. Achieve \$5M in philanthropic funding per year.
2. Develop a robust and active alumni engagement function
3. Achieve \$5M Mission Award Endowment

STRATEGY #1

Build capacity and expertise of the Development Office to pursue greater funding opportunities reaching \$7M per year.

TACTICS

- Hire two Directors of Development focused on UCR Health, health plans, corporations, foundations, alumni, and community faculty engagement.
- Collaborate with faculty to develop at least 10 cases for support documents/proposals across the SOM per year.
- Identify and submit 20 foundation proposals per year.
- Develop comprehensive proposals for 10 corporations per year.
- Redesign the giving website for ease for donors.
- Collaborate with University Communications to develop a brochure with naming opportunities and rendering for the new Medical Education Building II as well as SOM Programs.

STRATEGY #2

Development will collaborate with Central Advancement, SOM Student Affairs, and Strategic Initiatives Offices to develop a comprehensive alumni engagement plan.

TACTICS

- Refine data collection by establishing mechanisms to track graduates of the UCR SOM, including their career positions.
- Develop prospect pipeline for UCR SOM alumni.

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- Assess needs and interests of recent UCR SOM graduates and determine a schedule of events, communications, and the potential for an Alumni Association interest group led by SOM alumni.

STRATEGY #3

Align Development activities to specifically fund mission-focused programming at the UCR SOM.

TACTICS

- Develop an endowment of \$5M to ensure 5 students per year are funded by mission awards.
- Develop a case for support for the UCR Health Community Clinic at Hulen Place and secure operating support funds.
- Develop a library of mission-focused cases for support documents.
- Continue developing philanthropic events focused on the SOM mission.

IMPERATIVE #5

Improve UCR SOM processes, operations, and employee engagement.

Accomplishments: Since the publication of the previous strategic plan, the UCR SOM has grown significantly in size and scope, and has established many standardized processes and workflows to improve operations. In updating the strategic plan, the school maintains this focus while evolving it to include employee engagement and community building goals.

GOALS

1. Continue to develop standardized operations and workflows.
2. Provide responsive and interactive work environments that support employee engagement and productivity.
3. Promote a strong campus community for staff, faculty, and students.

METRICS

1. Retention rates of UCR SOM employees
2. Number of SOM community engagement activities

STRATEGY #1

Provide responsive work environments that maximize employee productivity and engagement.

TACTICS

- Continue to enhance professional development programs for employees.
- Establish training for managers in relevant areas such as hybrid work environments.
- Build on SOM-wide staff engagement opportunities such as the staff retreat. Explore similar initiatives that include multiple offices, departments, or divisions.
- Evaluate beginning an employee engagement survey to establish baseline metrics and measure success of new initiatives.

STRATEGY #2

Institutionalize the evaluation and recognition process for employees.

TACTICS

- Provide consistent, timely evaluation and feedback to School of Medicine employees.
- Continue to showcase and promote the e-performance system of evaluation, and integrate feedback into improvement of evaluation process.
- Build on new recognition initiatives such as staff Mission Awards.

STRATEGY #3

Establish and promote community building within the School of Medicine.

TACTICS

- Establish ongoing in-person engagement opportunities at a department and SOM-wide level including town halls, lunches with leadership, and informal meetings.
- Create a shared calendar of community-based events including 5k, trash pick-ups, or community-based health services.

IMPERATIVE #6

Develop a strategic plan to further advance diversity, equity and inclusion at the UCR SOM.

Accomplishments: The UC Riverside School of Medicine, which has been recognized by US News and World Report as the 5th most diverse medical school in the United States, was established with a primary mission: to recruit and prepare students from the Inland Southern California community in order to serve this richly diverse region. The Inland Southern California community itself embodies remarkable diversity, and, in turn, the School of Medicine remains committed to actively recruiting and training a diverse body of students as we look to address health equity in the region.

In the most recent class (2024), a notable 51.2% of students come from disadvantaged backgrounds, 55.8% speak English as a second language, 73.3% have ties to the Inland Empire region, 39.5% are pioneering first-generation college attendees, and 44.2% come from race/ethnicities that are underrepresented in medicine. This diverse and dynamic student body reflects the School of Medicine's ongoing dedication to inclusivity and its mission to address the healthcare needs of the Inland Southern California community.

While UC Riverside School of Medicine has laid a strong foundation for diversity, equity, and inclusion, it is imperative to further invest in this critical area as we seek to address health disparities in our community. Our commitment to fostering an inclusive culture, enhancing diversity among both trainees and faculty, and implementing measurable metrics underscores the continued emphasis on this vital work.

GOALS

1. Establish a comprehensive UCR SOM diversity, equity, and inclusion strategic plan, complete with well-defined objectives and measurable metrics.

STRATEGY #1

Institute a dedicated office to provide robust support for DEI initiatives.

TACTICS

- Build the capacity of the DEI office through the addition of a DEI coordinator and other roles.

STRATEGY #2

Collaborate with UC Riverside School of Medicine stakeholders and leadership to collectively shape DEI priorities.

TACTICS

- Create robust listening opportunities to gather input from students, faculty, staff, leaders, and community members.
- Create regular channels to communicate DEI priorities.

STRATEGY #3

Establish clear and precise metrics to monitor our progress in achieving our DEI goals.

TACTICS

- Develop measurable indicators for diversity, equity, and inclusion.
- Implement regular assessments and surveys to track progress.
- Make adjustments to strategies based on data-driven insights.

Financial Overview and Plan

Financial strength and stability represent the anchor upon which any successful strategic plan rests, and thus, the financial overview and plan are key components of the overarching strategic plan and goals of the organization. This section establishes key priorities over the next three years and provides an overview of the operating financial budget alignment and planning. In addition, this section illustrates the financial performance over the last four fiscal years, FY20 - FY23, to help establish a benchmark for future strategies and goals.

Past Performance Overview

The School of Medicine (SOM)'s financial platform has changed drastically over the last 4 years, partly due to the growth and stabilization of the mission areas. Specifically, over the last 4 years, annual revenues increased from \$70M in FY20 to \$109.3M in FY23, an increase of 54.4%. This represents an average annual revenue growth of \$12.8M per fiscal year. Similarly, SOM's expenditures increased from \$83.6M in FY20 to \$113.3M in FY23, an increase of \$29.7M, or 35.6%. At the end of FY23, the SOM revenue mix (sources of financing) consisted of 41% state funds, 25% clinical, and 34.3% all other, while expenditures consisted of 73% faculty and staff salaries and benefits, 21% supplies and expenses, and approximately 6% other, which included equipment, facility costs, and financial aid.

Some of the major factors driving the changes during the last four years consist of 1) the change in SOM's State (19900) permanent budget, where in FY21, the State increased the permanent allocation from \$15M per year to \$40M per year; 2) a one-time State funding allocation of \$35M received in FY22 with a projected spend-down budget period of 4-5 years, and to be used exclusively to help stabilize the clinical enterprise (\$25M) and to explore hospital opportunities (\$10M); and 3) a \$100M capital allocation also approved in FY21 by the State to build a brand new medical school building for SOM, which was inaugurated in fall 2023.

Future Outlook - Financial Goals and Priorities FY24 – FY26

Given the SOM's trajectory, the strategic objectives, and the vision, the SOM's financial plan for the next three years can be summarized with the following key objectives:

- 1) **Revenue mix diversification** – Further diversify the sources of financing where the State funds portion is represented by no more than 25% of overall sources, clinical revenues by 30%, contracts and grants by 20%, and the remaining 25% by all other (including but not limited to student fees, gifts and endowments, GME, sales and service, etc.).
- 2) **Improve operating margin** - Achieve and sustain an aggregate annual positive or break-even operating margin.
- 3) **Expand research infrastructure** - Increase overall research infrastructure, including growth and increased integration of clinical trials, with a target increase in revenues of at least 7%. This will provide the ability to enhance resources and programs resourced through various federal and state agencies supporting our mission.
- 4) **Clinical platform growth and sustainability** – Continue to leverage existing clinical operations to further integrate and expand within the Inland Empire community and affiliated

partners, where results can aim to achieve annual clinical revenues represented by 30% of SOM's net sources of financing. This can be supported by continuing to build and expand a broader network of community advocates and partners.

