

**Communication from the Clinical Affairs Committee**  
**Katherine Yang, PharmD, MPH, Chair**

April 3, 2017

TO: Ruth Greenblatt, Chair of the UCSF Academic Senate

FROM: Katherine Yang, Chair of the Clinical Affairs Committee

Cc: Todd Giedt, Executive Director, UCSF Academic Senate

RE: Review of recommendations: Academic Planning & Budget Task Force on the Helen Diller Fund Philanthropic Gift

Dear Chair Greenblatt:

Thank you for facilitating CAC's review of the Task Force's guidance on utilization of the philanthropic gift from the Helen Diller Fund to recruit and retain of UCSF faculty. CAC commends the Task Force's thoughtful deliberation used to inform its recommendations.

Overall, CAC agrees with the concepts of the Distinguished Professorship or Faculty Scholar awards as a faculty recruitment and retention tool. Members sought to understand the origin of the Task Force's recommendation, and offered to the Executive Council, the following comments on the Distinguished Professorship and Faculty Scholars program design:

- Support greater emphasis on retaining and recruiting junior faculty, including an increase to the funding levels proposed in the program's design
- Reduce the number of years awarded under the Distinguished Professorship from 10 to 5 years.
- Support greater recruitment efforts at Schools of Nursing, Pharmacy and Dentistry
- Focus both categories of awards on start-up or retention packages for faculty moving from Assistant to Associate level.
- Consider a carve-out for very meritorious research in need of gap funding.
- Utilize some of the funds to hire more administrative support for faculty

Because the cost of housing remains almost an existential challenge to UCSF and a major limiting factor in retaining and recruiting faculty, CAC wishes to communicate its idea of creating a Diller Faculty Mortgage Loan Program that would offer a 0% mortgage loan utilizing some of the funds currently recommended for the Distinguished Professorship award program.

In concept, offering a zero interest loan to support promising young faculty who are trying to buy a home could achieve the following:

- Loan recipients would not pay tax, whereas recipients of the Distinguished Professors and Faculty Scholars Program will be taxed at an effective rate of ~50% (federal + state + misc. taxes), so half of the Distinguished Professorship and Faculty Scholars Diller fund's payouts are lost to taxes.
- All the loan program money would be returned to the UCSF endowment, so all that is lost is investment growth from the base money.
- As interest rates rise, as they are starting to do, the impact of a zero interest loan program will increase.

Not every young faculty member will want to buy a home. Some may rent. But for those who want to buy, a loan program will be psychologically and practically appealing. Kaiser and Stanford offer versions of such a benefit to its recruits.

We thank you for the opportunity to help guide this historic investment in our current and future faculty.

Sincerely,

A handwritten signature in purple ink, appearing to read "Katherine Yang".

Katherine Yang, PharmD, MPH