



# BOARD OF DIRECTORS MEETING

December 5, 2005  
Minutes

The meeting called to order at 8:30 am. By unanimous vote the committee entered into Executive Session at 8:31 am.

## Executive Session

Item A            Clinical Facilities Planning – Preliminary Notes and Draft

Attendees:        J. Abromaitis, L. Aronson, P. Austin, J. Bigos, G. Burrow, B. Carlson, S. Cloud, J. Comerford, P. Deckers, R. Galvin, J. Goldberg, B. Hehir, R. Hennessey, I. Mauriello, L. Jacobs, W. Kleinman, C. Leonardi, D. Marks, P. McManus, R. Samuels, S. Strongwater, D. Upton, M. Walker, S. Wetstone, S. Whetstone, A. Slaughter, J. Walter, N. Adams, T. Trutter

Executive session concluded at 9:53 a.m.

The public session resumed at 9:55 a.m.

Chair's Remarks—None

1        Public Comment—None

2        Approval of Minutes

The minutes of the September 19, 2005 meeting were unanimously approved.  
The minutes of the November 10, 2005 meeting were unanimously approved.

3        Consents—None

4        Main Business

4.2     Capital Planning Process—L. Flaherty-Goldsmith (This item was moved earlier in the agenda)

The chairman of the BoT has taken responsibility for developing a plan to implement the recommendations of the Governor's Commission on UConn Review and Accountability. The commission recommended that UConn retain control over UConn 2000 with the formation of a Building committee that would monitor the day to day management of construction projects. This committee would consist of three BoT members, three appointed by the Governor and one a joint appointment. Its charge would be to ensure that building projects are safe, code-compliant, and cost-effective. The commission also recommended hiring a director of capital projects; strengthening audit and inspections of each project; having independent inspections of all UConn 2000 buildings not previously so inspected and establishing a separate BoT Building and Grounds subcommittee on construction. In addition, the Commission report recommends term limits on BoT members.

Within these recommendations, the University has:

- Been working with the Department of Public Safety to facilitate their audits of all UConn 2000 buildings.
- Established the Office of Fire Marshall and Building Inspector, which will report to the State Department of Public Safety, but be housed at UConn;
- Hired Jim Bradley, an experienced and seasoned construction management executive and project management consultant, to lead the Architectural and Engineering Services Department for the next year; Mr. Bradley was a principal for the Pinnacle One report and has the responsibility of bringing Univeristy process up to industry standards.
- Established a Buildings and Grounds Committee of the BoT; which reviews planning, design and construction of all projects (threshold and non-threshold);
- Provided a construction and status report outlining projects' (above \$500,000) under construction at all UConn campuses; construction phases, architect, Board approvals (note that amounts can be modified with a category but cannot be deleted or added);
- Put in place those pieces of our construction process that currently does not meet State guidelines.
- Been pursuing outstanding costs incurred as part of the construction process through claims and litigation.

A Construction Status Report was handed out.

Discussion ensued concerning how the Board of Directors will be kept up to date regarding the status of construction projects. This will be done through Construction Status Reports as was distributed at the meeting. A request was made to modify the report to indicate specifically when and what changes are made to schedules and project budgets. The report covers projects of \$500,000 or greater and a second report might be developed for lower cost projects. The BoT still retains flexibility to reallocate funds within projects but not to add or to delete projects.

#### 4.1 Audit and Compliance Program—M. Walker

Mr. Walker noted that he has been with the University of Connecticut for almost one year. He and his staff administer audits, compliance and ethics for both the Health Center and Storrs.

Both campuses are feeling the impact of the Pastin Report as well as recommendations from Sarbannes-Oxley.

Mr. Walker discussed the current Audit plan which continues to evolve. It calls for 61 audits with an expectation of completing 40-50 in the next year. These audits have prioritized as to risk with consideration of impact and probability of occurrence.

The staff of the Office of Audit, Compliance and Ethics has been expanded in order have the capacity to address the Audit plan and compliance needs. As internal staff has been hired, there has been less need to utilize the services of PriceWaterhouseCoopers for such functions. The budget for the Office is \$2.6 million in FY 06. The organizational chart for the Office was discussed. There are currently nine auditors; 4 on each campus plus 1 from IT.

I. Mauriello and N. Adams reported on the status of the UCHC Compliance Office. The Mark Pastin report evaluated the effectiveness of the Health Center's compliance programs and made recommendations for improvement. The UCHC response to this report was discussed which includes strengthening the organizational structure and staffing of the Compliance Office, writing a code of conduct, refining internal reporting mechanisms, improving training efforts, and refining investigation and monitoring protocols. An Executive Compliance Committee has been formed and will report to the Board of Trustee's Joint Audit and Compliance Committee. UCHC was not "out of compliance" prior to these changes, but now is more capable of monitoring and being proactive in preventing risk.

J. Carroll, the State auditor assigned to review the Health Center, presented the Auditor's of Public Accounts Report for fiscal years ended June 30, 2001, 2002, 2003 and 2004. He outlined nine recommendations in priority order. The Health Center is addressing the first 8 recommendations, but continues to believe it is not necessary and it is not in the Health Center's best interests to have faculty fill out biweekly timesheets. A presentation will be made at the next BoD meeting as to the value of the School of Dental Medicine to the State even though the proportion of the incoming class that is State residents is low.

#### 4.3 Center for Implant & Reconstructive Dentistry—A. Horbatuck

Ms. Horbatuck provided an overview of the Strategic/business plan for a Center for Implant and Reconstructive Dentistry. This would be a component of the Musculoskeletal Program that ties the Health Centers basic science expertise in bone biology and biomaterials with a growing nationally need for dental implants.

Concerns were raised about the financial model and given the high proposed start-up costs whether it would less risky to roll out the program more gradually and expand the program as successes are

documented. Confidence in the ability to manage this type of practice would also be built. There were also concerns about how the local dentist community might view the School of Dental Medicine as a competitor.

**A motion was made and unanimously approved to table this item until revisions could be made to the financials models and management structure.**

## 5. Chief Executive Officer's Report—P. Deckers

Dr. Deckers highlighted the following:

- C4I (Center for Collaborative Clinical Care Improvement) is operating and dedicated to making JDH the safest hospital in the state by improving patient safety and outcomes in all settings.
- Dr. Les Loew was recently awarded a \$12.3 million NIH grant to help build the tools and technologies needed to understand the networking of molecules that make up living cells and tissues.
- Significant progress has been achieved in meeting the mandates for research process and administrative improvement defined by the Research Services Enhancement Working Group (RSEWG). These successes will be reported to the BoD soon.
- A successful negotiation of a new Facilities and Administration (F+A) rate for federal grants resulted in a rate increase to 48% up from 45% in FY04.
- The School of Medicine, Class of 2005, was the first cohort required to take the new clinical skills component of the United States Medical Licensing Examination; a 100% pass rate was achieved (nationally, there was a 4-6% failure rate).
- The Center for Public Health and Health Policy continues to have success in planning for the future public health activities of the University. Dr. Austin has praised Drs. Storey and Ferris for their work and charged the Center to serve as the voice of the University on public health matters.
- The Academic Merit portion of the School of Medicine Compensation Plan for FY05 is structured such that "Acceptable Performance" adds 2.5% and "Superior Performance" adds 5% to the base academic salary.
- The David and Rhoda Chase Family Foundation donated \$1 million to endow skeletal biology research investigation and core laboratories in the MARB.

Dr. Burrow noted that the School of Dental Medicine has the highest rate of underrepresented minorities enrolled. Dr. Jacobs praised the Health Center for its ability to address minority student enrollment. Drs. Robinson and Deckers were asked to present the results of the recently completed employee cultural audit at the next BoD meeting.

The status of the Stem Cell initiative was discussed. The integrated work group is issuing a call for proposals. Commissioner Galvin noted that at a recent DPH meeting, both UConn and Yale appeared to have a good spirit of collaboration.

## 6. Academic Affairs Subcommittee Report—R. Galvin

Commissioner Galvin presented a report on the last meeting of the subcommittee on November 7, 2005.

The subcommittee spent considerable time reviewing the recommendation for promotion for Dr. Dorsky. It remanded review of the case back to the Senior Appointments and Promotions Committee with the instructions to review additional information including what had been recently provided to the Academic Affairs subcommittee (letters from Dr. Garibaldi, Dr. Shanley and Dr. Dorsky.) The subcommittee also noted we may need to clarify the alternate pathway to SAPC review including a requirement that the information be solicited from the chair of the department when such chair has not sponsored the faculty member's candidacy for promotion. Also discussed was the need to consider professionalism in the promotions decision and for enhancing the feedback a faculty member might receive from a supervisor, especially when complaints are being investigated.

## 7. Clinical Affairs Subcommittee Report—Dr. Strongwater

The annual agenda of the subcommittee is being aligned to be consistent with the Baldrige Process. To this end, the main topic of the last meeting was "customers" including patient satisfaction, the use of hospitalists, infection control and surveillance, and clinician recruitment and retention.

The memorandum of understanding with the Department of Corrections regarding the Corrections Managed Health Care services is still under negotiation.

**The Medical Staff and Medical Board have approved recommendations to modify the Bylaws of the John Dempsey Hospital Medical Staff Bylaws as described in the Board's book of materials. The BoD unanimously approved the following resolution: "That the UCHC Board of Directors approve the attached revisions to the John Dempsey Hospital Medical Staff Bylaws."**

## 8. Finance Subcommittee Report—C. Leonardi

8.1.1 Corrections Managed Health Care MoU – removed from the agenda

8.1.2 October Financials

UCHC continues to experience a \$2.6 million loss against a budgeted excess of about \$.1 million due to less than expected clinical volume and less than expected revenues from research grants. A corrective action plan has been developed and elements are under implementation. Several one-time benefits are expected as well as ongoing cost reductions.

8.1.3 Farmington Surgery Center

Additional capital is needed for this project due to the delay in start of operations last spring and because not all the expected cases have been transferred to the Center yet. In addition, management of the Center have identified a specialist in pain management who will have a high volume of business if we can provide a very basic operating room. Therefore, we intend to open

the 5<sup>th</sup> operating room that is currently not operational and already covered until the existing CON. Other equipment is being purchased to make the existing 4 rooms more functional to regional surgeons.

**The following resolution was unanimously approved “ That the Board of Directors authorize the University of Connecticut Health Center Finance Corporation on behalf of the John Dempsey Hospital to add capital to the Farmington Surgery Center, LLC in an amount of three hundred eighty four thousand six hundred thirteen dollars and forty center (\$384,613.40) on or before December 21, 2005 and in February 2006 an amount of three hundred seven thousand six hundred and ninety dollars and seventy two cents (\$307,690.72).**

8.1.4 Siemens Clinical Manager Contract Revisions – removed from the agenda.

8.1.5 Use and occupancy agreements – **The leases with the City of Hartford (\$3,500/year) and United Community and Family Services (\$1,200/year) were unanimously approve and will be sent to the Board of Trustees for their final approval.**

The meeting was adjourned at 11:27 p.m.

Respectfully submitted,

Peter J. Deckers, M.D.

## Attendees

J. Abromaitis, J. Bigos, S. Cloud, R. Hennessey, C. Leonardi, D. Marks, A. Slaughter, P. Austin, G. Burrow, P. Deckers, R. Galvin, J. Goldberg, B. Hehir, L. Jacobs, R. Samuels, S. Strongwater, P. Robinson

## Materials Distributed at the Meeting

Construction Status Report  
Farmington Surgery Center resolution