Why We’re So Deeply Concerned About Our Future
An Explanatory Statement from the Faculty of the University of Colorado School of Pharmacy
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The University of Colorado School of Pharmacy is at a crossroads, not of its own making, that has its faculty extraordinarily concerned about its future. The faculty's primary concerns are the severe cuts to the school's general fund allocation over the past two years and the lack of a plan to move the School of Pharmacy as an intact unit to the Fitzsimons campus. To address the current situation most effectively, both the faculty and administration have met to evaluate the school's past programmatic and fiscal growth and to plan for its future needs for continued success. An account of the school’s recent accomplishments and its uncertain future are provided here to bring insight and perspective to this unfortunate dilemma.

Prior to 1992, the School of Pharmacy was located on the Boulder campus of the University of Colorado where it was confined to 25,000 gsf of space in the Ekeley Chemistry Building with no room to grow its research and education programs. The school’s clinical faculty members were housed in a trailer adjacent to the VA Hospital in Denver with virtually no access to research space. The school languished near the bottom of national pharmacy school rankings.

In September 1992, the School of Pharmacy consolidated and expanded its operations in a new $16M, 100,000 gsf building on the Health Sciences Center campus. The new building was funded with approximately $8M cash generated by the school itself, $4M from the state and $4M from various university sources. In the ensuing 12 years the school rose dramatically in national prominence. There is no question that this was, in large measure, related to opportunities created when all of the school’s faculty, administration and research programs were centralized in a single, larger stand-alone building.

Today, the School of Pharmacy is the most diverse school in the entire CU system. It is a HRSA-funded Diversity Center of Excellence. Out of nearly 100 accredited U.S. pharmacy schools, the CU school ranks number one in NIH grant dollars generated per faculty FTE; it also ranks number one in federal grant expenditures when compared to the eight basic science departments in the School of Medicine. Although there is no NIH Institute devoted solely to pharmaceutical research (as is the case for dental and nursing research), the School of Pharmacy has more NIH funding than the CU schools of dentistry and nursing combined. The school’s innovative curriculum has been emulated throughout the country and around the world. It is fair to say that the School of Pharmacy represents one of the most successful programs on the Health Sciences Center campus. Again, much of this success is directly attributable to the school having its entire faculty, administration and research programs together in one building.

During the 1980s and 90s, pharmaceutical education in the United States transitioned from an entry-level baccalaureate degree to an entry-level doctorate degree, the Pharm.D.. After several years of intense effort, in 1997 the School of Pharmacy succeeded in obtaining approval from the Colorado Commission on Higher Education to phase out its baccalaureate program and replace it with a Pharm.D. program. Subsequently, and each year for five consecutive years, the school successfully lobbied the Joint Budget Committee as well as the entire Colorado Legislature, obtaining a total of $3.3M in line item funding for the new Pharm.D. program. The full accreditation the school received in 2002 was greatly influenced by the financial support and available facilities it had in place to deliver a high quality Pharm.D. curriculum.
Having its own physical facility was such a crucial factor in the success of the School of Pharmacy during the 1990s and beyond that not long after the Fitzsimons opportunity first appeared on the horizon the school made a very momentous decision. In order to secure its future, it was decided to temporarily forego hiring the full complement of faculty needed to deliver the new Pharm.D. curriculum. By so doing, the school reasoned it could accumulate sufficient money in its plant fund to again establish its own building on the new Fitzsimons campus. This step was taken with the advice and encouragement of the chief Fitzsimons planning officer in the chancellor’s office. As will be explained below, the school subsequently suffered severely for its prudence and foresight. It also should be noted that throughout this period the school contributed, and continues to contribute, its fair share of indirect cost recovery (F&A) funds to help pay for current and planned research facilities at Fitzsimons.

Early in 2003, the school was asked to develop a financial plan for a separate School of Pharmacy building at Fitzsimons that excluded its on-going F&A contributions. The school responded as follows: The school asked the chancellor’s office to calculate the cost of providing it with research space in the planned Research Complex 2 (RC2) building at Fitzsimons, using the same formula that was being used for allocating research space in RC2 to the School of Medicine. The school then proposed to have these dollars redirected to a separate pharmacy building. In accordance with this plan, the school would supplement campus funds (that would be used to construct research space) with its own cash (that would be used to construct non-research space) in order to complete its building. This approach seemed reasonable and economical in that the school had an acknowledged means for accumulating its share of the funds (the acknowledgement was provided by Vice Chancellor for Administration and Finance, Ms. Teresa Berryman) and had been informed earlier by the Vice Chancellor for Planning and Development, Mr. Tim Romani, and others that research space in a separate pharmacy building could be built for about $300 per gsf versus a cost of $385 per gsf for research space in RC2.

At an April 28, 2004 meeting with Chancellors Shore, Romani and Berryman, the school (Dean Louis Diamond and four members of his Executive Committee were in attendance) was informed, without an explanation, that its financial plan for a separate pharmacy building was unacceptable. Further, the school was told its building, along with the rest of the 9th and Colorado campus, had been sold and that it would be economically unfeasible to lease space back for School of Pharmacy use after 2008. Most distressing of all, the school was told that under the best of circumstances there would be only enough money (about $5M) to shell (not finish) 25,000 gsf of research space in RC2 for occupancy by the school’s faculty. Such a drastic reduction in research space inevitably will lead to the departure of highly productive School of Pharmacy faculty members and thereby detract significantly from the mission and goals of the Health Sciences Center.

The chancellor’s Research Oversight Committee had previously recommended that 70,000 gsf of research space be assigned to the School of Pharmacy in a stand-alone building at Fitzsimons. In its present building, the school has 60,000 gsf of research space. The chancellor stated that he had the authority to reassign planned School of Medicine research growth space in RC2 to the School of Pharmacy. But Vice-Chancellor Berryman stated the campus was still at least $20M short of having sufficient funds just to build the 400,000 gsf of research space needed by the School of Medicine in RC2. It was not clear whether the $5M for School of Pharmacy shelled space in RC2 would be dependent on the $20M shortfall being made up or where the money would come from to finish the space. Chancellor Shore ended the meeting when Dean Diamond expressed disappointment with how the School of Pharmacy was being treated in the Fitzsimons relocation process.

Two weeks later, the School of Pharmacy was informed by the chancellor that its general fund budget was being reduced by $1.44M (a 47 percent cut). This was on top of a 42 percent cut the previous year for a total cut of 69 percent in 24 months. Neither the School of Dentistry nor the School of Medicine received a decrease in their general fund budgets for 2004-2005; and the schools of dentistry, medicine and nursing each realized an increase in their 2004-2005 unrestricted fund budgets (general fund plus tuition). This appears to be the first time in the modern history of the Health Sciences Center when one school’s budget has been reallocated to the other schools in order to deal with an overall campus budget shortfall. The rationale for this unprecedented action was that the School of Pharmacy had a “surplus of general funds” when, in reality, the school had been excruciatingly frugal in order to accumulate cash funds for a new building at Fitzsimons. Coincidently, since 1999 the University of Colorado Hospital has decreased its support of School of Pharmacy clinical faculty positions by more than 50 percent, placing additional stress on the school’s budget.
The School of Pharmacy has now lost more than 100 percent (110 percent to be precise) of the $3.3M of Pharm.D. program funds specifically allocated to it by the Colorado Legislature. Its general fund budget is among the lowest of all publicly supported pharmacy schools in the United States. Its tuition as a percent of unrestricted fund is by far the highest (80 percent) among the four schools of the Health Sciences Center. Furthermore, its general fund allocation per Pharm.D. student ($3,546) is now lower than it was for the former baccalaureate program and roughly 20 percent that of the School of Dentistry ($18,194) and 25 percent that of the School of Medicine ($15,534). [The latter figures were calculated by dividing each school’s 2004-2005 general fund allocation by its professional student head count. Graduate students and special, non-degree students were not included in the head counts.]

Thus, the School of Pharmacy is left in the untenable position of having to provide a doctoral level curriculum with far less general funds than it had to run its former baccalaureate curriculum seven years ago. Further, the school’s capacity to generate plant funds has been nullified while at the same time it stands to lose most of what it has achieved over the past 12 years, viz. the $8M investment it has in its present building, its institutional identity, its national stature and, most importantly, its ability to control its future growth and development once it is dispersed across several buildings on the Fitzsimons campus. These are the specific reasons why faculty members of the School of Pharmacy are so profoundly concerned about its future welfare.

Despite the gravity of the present situation, the faculty of the School of Pharmacy remains hopeful that a collaborative effort can be launched with the administration of the Health Sciences Center to address the current budgetary inequities and to find a means to construct a separate pharmacy building on the Fitzsimons campus. The faculty seeks UCHSC Faculty Assembly support for its efforts to reach an equitable resolution of these critical issues and that these be included as an agenda item in an up-coming Faculty Assembly meeting.

Submitted on behalf and with full knowledge of the School of Pharmacy Faculty Senate,

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