Building Trust

- Managing expectations
- Collaborative negotiations
- Shared values
Reality testing trust is an evolving relationship of tested expectations.
To Develop Trust Work at the Individual Level

- **Step One:** Know the purpose of the relationship
- **Step Two:** Know the kind of trust possible in that context
- **Step Three:** Develop trust building skills
Three Trust Building Skills

- Long term Partnership
  - Process Critical incidents
  - Make invisible expectations visible
  - Discussion rather than avoidance

- Joint Venture
  - Establish win/win atmosphere

- Negotiating Teams
  - Manage first impressions
  - Recognize implementation “traps”
The Bargaining "Iceberg" -

Look Beneath the Surface!

Positions
Issues
Interests
Presentation Outline

1) **Clinical Services**
   A) General Agreements
      I) Finance
      II) Faculty Affairs
      III) Culture & Communications
      IV) Education
      V) Governance
   B) Clinical Governance Structure
   C) Academic Governance Structure

2) **Research Really Matters**
   A) Grant Credit Cost Group Taskforce
   B) Cost of Research Services Taskforce
   C) Communications & Education Taskforce
   D) Stabile Research Building Vivarium
      1) Contribution to Facility Construction
      2) Operating Service Agreement
      3) Other Considerations
      4) Next Steps

3) **Building, Land & Other Issues**
   a) Other Important Concepts
   b) MCC 2010 Project
CLINICAL SERVICES

General Agreements
Finance

- The premise is that the DIO is assuming more responsibility, more autonomy and more risk for their clinical practice than other USF departments.

- DIO required to achieve 2 months reserves by 6/30/05. If DIO reserves < 98% of required level, If the DIO falls below the two months reserves, DIO can defer payment of principal and interest on the PN until the reserve is restored. Interest will continue to be charged on the outstanding loan principal.

- DIO will purchase core services from UMSA if UMSA’s performance meets agreed benchmarks, and will pay agreed compensation amounts for such services. DIO will not purchase or pay for services not used by DIO. DIO may require outsourcing to other service vendors if UMSA does not cure any non-performance issues.
Finance (cont’d)

- DIO will pay same assessment rate to COM Dean’s Academic Enrichment Fund as other COM departments, with a portion of such funds earmarked for Cancer-related programs as determined jointly by Dean/DIO Chair/Moffitt CEO.

- Current state/COM funding allocated to DIO will be maintained as commensurate with DIO support of COM educational mission, and subject to Legislative actions.

- Prior agreement regarding Annual Educational Grants by DIO to Dean’s Fund is terminated.
No UMSA overhead or tax on Moffitt funding for DIO faculty services and salary/benefit support.

No USF overhead or tax on Moffitt funding for DIO faculty services and salary/benefits support, subject to Principles of Agreement regarding research funding/services.
USF/COM processes for DIO faculty requirements, appointment and pay are re-engineered, streamlined and expedited.

DIO Chair has delegated authority to initiate DIO faculty recruitments if funded by DIO and/or Moffitt.

One letter of offer jointly signed by VP/Dean and DIO Chair will be given to DIO faculty candidates.

COM will promptly process DIO faculty salary/bonus payments approved per DIO Compensation Plan if sufficient DIO funds are available.

New recruits will fall under USF COM restrictive covenant policy, however the policy will not cover mutually agreeable transfers between the two entities.
Improvement of Inter – Intra-Institutional Culture and communication processes.

VP/Dean and MCC CEO are joint advocates for DIO faculty.

Annual joint leadership retreats for information sharing and strategic planning.

Regular meetings of high-level staff for management of administrative/financial issues.

Cooperation in promotion, branding, public affairs, event planning, outreach, etc.
Education

- DIO faculty effort in support of USF undergraduate, graduate and continuing education will be maximized and measured.

- DIO Compensation Plan will provide incentives for faculty educational activities.

- Year 4 Clerkship in Oncology based at Moffitt.
CLINICAL SERVICES
Clinical Structure Governance
Managing DIO Board

- Composition
  - Moffitt Lifetime Screening Center Subcommittee (MSC)
  - One member appointed by USF HSC VP

- Functions
  - Practice operations
  - Physician compensation and incentives
  - Business development
  - Front end revenue cycle
  - Manpower issues
  - Creation of DIO Budget
USF PG Board

- **Composition**
  - Current composition
  - One additional member appointed by MCC CEO (requires bylaws change)

- **Functions**
  - Back end revenue cycle
  - Compliance
  - Managed care
  - Clinical education and ACGME issues
  - Professional faculty credentialing
  - MSO information services
Routine communication and cooperation

Annually review services of MSO and report to JAC

Annually review and evaluate DIO faculty with Chair and report to JAC

Annually review educational services of DIO faculty and report to JAC

Responsible for solving issues unable to be resolved through DIO managing board

Required approval of DIO budget
USF/MCC Joint Affiliation Committee

- Serves as both a watchdog protecting the affiliation as well as the ultimate governance committee for the DIO, answerable to both entities’ boards
- High level review of relationship
- Resolves issues brought by HSC VP and CEO
- As conflict issues decrease, serves as sounding board for strategic initiatives as vetted by Chair DIO, CEO MCC and USF HSC VP
Academic/Educational Mission

*Academic Structure Governance*
Joint Affiliation Committee

- USF Board
- Moffitt Board
- VP HSC
- CEO Moffitt
- Dean
- Chair DIO
- DIO
Research Mission

Research Structure Governance
Managing Research DIO Board

- Composition
  - MCC Research Institute
  - One member appointed by USF HSC VP

- Functions
  - Research operations
  - Scientist compensation and incentives
  - Faculty Development
  - Research Strategy
  - Manpower issues
  - Creation of DIO Research Budget
USF VD Research

- Functions
  - Compliance
  - Graduate Programs
  - University Infrastructure
  - Clinical research issues affecting University
  - Faculty credentialing
  - Non DIO researchers at MCC
USF VP HSC and Moffitt CEO

- Routine communication and cooperation
- Annually review research activities and report to JAC
- Annually review and evaluate DIO research faculty with Dr Pledger, Dr Schold and VD Research and report to JAC
- Annually review educational services of DIO faculty and report to JAC
- Responsible for solving issues unable to be resolved through DIO managing board
- Required approval of DIO research budget
USF/MCC Joint Affiliation Committee

- Serves as both a watchdog protecting the affiliation as well as the ultimate governance committee for the DIO, answerable to both entities’ boards

- High level review of relationship

- Resolves issues brought by HSC VP and CEO

- As conflict issues decrease, serves as sounding board for strategic initiatives as vetted by Chair DIO, CEO MCC and USF HSC VP
RESEARCH SERVICES

General Agreements
Engagement extended by USF & MCC to develop financial analysis of specific research support services for FY 04-05 and beyond.

Agreement between parties that service costs would be inflated with a 26% indirect cost rate for FY 04-05 to recognize facilities and administrative costs related to these services.

Moffitt will be able to recover its costs from its sponsored agreements when they are contracted through Moffitt.

No specialized accounting system to calculate cost will be necessary for USF.
Mid-year interim payment with year-end reconciliations.

- Transaction fees for research convenience accounts was agreed to for non-salary items.

- USF will agree to close and transfer to Moffitt convenience account balance established with Moffitt funds by July 1, 2005.

- A weighted average based on total cost recoveries from research grants and clinical trials was determined and applied to the Moffitt costs until such time as 100% of the grants are transferred to Moffitt.
Introduction

- The interim cost calculation from Moffitt to USF is $491,062 (for six months 04-05). The net effect after deducting the 25% rebate of indirect costs from USF to MCC is a net payment to USF of $213,560 (for six months 04-05).
- See handout with PWC Calculation Summary
### Basis for Determination

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(IRB):</td>
<td>Institutional Review Board – Number of new protocols reviewed.</td>
</tr>
<tr>
<td>(IBC):</td>
<td>Institutional Biosafety – Number of new studies</td>
</tr>
<tr>
<td>(IACUC):</td>
<td>Institutional Animal Care &amp; Use Committee – Number of application submissions</td>
</tr>
<tr>
<td>HIPAA Privacy Board:</td>
<td>Number of Moffitt waivers as compared with all waivers and authorizations</td>
</tr>
<tr>
<td>Radiation Safety:</td>
<td>Number of principal investigators with active permits</td>
</tr>
<tr>
<td>Vivarium</td>
<td>USF Vivarium is subsidized by USF by 50% operating costs. Therefore Moffitt has agreed to pay USF $1 for each $1 charged through per diem rates to Moffitt grants. USF has agreed to pay 20% of the operating costs of the Stabile Research Building Vivarium.</td>
</tr>
</tbody>
</table>
Basis for Determination (cont’d)

H/R & Payroll Costs: Determined by using employee head-count to apportion HR costs. PWC calculated the proportionate number DIO faculty.

Visa Costs: Based on Moffitt count and total counts of J and #1 Visas.

Environment Safety Costs: Based on actual costs incurred as accumulated by USF.

A return of 25% of indirect cost revenues from Moffitt grants to Moffitt has been returned by USF until FY 02. This was waived in FY 03 & 04. This agreement returns to this practice if USF does not reduce its rate to the off-campus rate.
Grant Credit Group Taskforce

Report from meeting of February 18, 2005

(Present: Phil Marty, Priscilla Pope, Anne Goff, Barbara Walsh, PWC)
(Absent: Nick Porter)

- PWC & the Grant Credit Committee reported that USF-COM would be able to include the Moffitt Grant Expenses that are above the USF/Moffitt DIO faculty salary grant component on the AAMC Annual Financial Questionnaire. This would help the USF/COM rankings in the AAMC file.

- There was no known model for increasing or combining the USF/MCC NIH Federal awards and therefore, USF rankings would NOT increase in federal rankings or federal awards.

- Universities across the country are pursuing joint NIH credit opportunities.
Cost of Research Services Taskforce

1) Research Costing Methodologies

Participants
USF – Controller’s Office
USF – Research
USF – HSC
MCC – Administration
MCC – Research
MCC – DIO
PWC – Engaged by USF/MCC
2) Introduction: To determine MCC/USF costing methodologies for research activity for FY 2005 and beyond.

Starting Point: Refinement of the PWC Financial Analysis and base conclusions for FY 03&04 years.

USF & MCC Agreed to:

Acceptable practices to the HHS Division of Cost Allocations (DCA) in F&A rate calculation a must.

• Mid-year transfers agreed to by USF/MCC for cash flow purposes and direct costs will be reconciled at year end.

• In addition to the previous eight service areas; HR/Payroll, IRB, IBC, Radiation Safety, Hazardous Waste, IACUC, Vivarium, and HIPAA, the additional service areas included; Visa processing, environmental safety, HSC-HR, and transaction fees for USF convenience accounts.
3) Cost Allocation Methodologies

- Ratio of direct cost split between proportion of grants between both institutions, i.e., (60/40) as calculated on an annual basis between grants remaining at USF and those transferred to MCC.
- 25% of IDC rebate to be returned to MCC on remaining grants for Facility component beginning in FY05, as retained by USF beyond the Off-Campus Rate discussion.
- Semi-annual reviews of documentation and payment between USF & MCC.
- Any new services can be added by written agreement of USF & MCC.
4) Dueling Consultants  (only an issue until 2007)

USF presently administers the remaining DIO faculty grants through USF Research Office and charges the full USF F&A rate.

Under advisement from Huron, Inc., USF has been advised to charge an off-campus rate for these grants as there is no basis to charge the full rate. Huron advised if USF continues to charge the full rate and use full direct and indirect costs, the base year for the new F&A USF study will be negatively impacted.

PWC reviewed the current written opinion and advises that USF may continue to charge the Full Indirect rate on the grants that USF still administers, and adjust the base rate for the F&A filing accordingly. They advise this will not impact USF’s F&A rate.

Burgess and Strobbe to discuss matter with a third agent for clarification.
Primary conclusion: USF and Moffitt have a tremendous opportunity to build a common culture centered around the education of students earning a PhD. This includes traditional COM and HLM graduate students as well as residents and medical students who wish to take advantage of a joint degree program to earn a PhD.
Secondary conclusion: It’s not just about the PhD. The innovative educational models being developed by different groups (for residents, for the oncology rotation, for doctoral students) all form the basis for critical relationship-building between the institutions. An easy first step includes joint master’s degrees.
Communication: A re-energized teaching relationship between Moffitt and USF will break down cultural barriers between faculty of the two institutions. That relationship can be supported by communication vehicles including the proposed DIO newsletter, but also by working relationships surrounding joint grants, seminars, teaching committees and student groups.
Stabile Research Building
Vivarium
Contribution to Facility Construction

- Term will be 20 years. This is based on estimated life of the facility and grant requirement to keep functionality for 20 years.
- University shall pay $2m over five years to MCC - $400k/year MCC will guarantee 20% of the mouse barrier vivarium space for USF based faculty use.
- USF will be responsible for 20% of the P,O & M plus appropriate overhead of the SRB vivarium
Operating Service Agreement

- Covers MRC and Mouse Barrier Facility
- Extends USF accreditation and management to new vivarium
- Moffitt pays USF amount equivalent to the per diem billings charged to Moffitt grants (based on the 50% of operational costs not covered by per diems that USF funds from F&A).
- USF pays Moffitt facility charges for services to USF based investigators or Moffitt investigators with USF grants on a cost per sq. foot basis.
  - Approximately $20/sq ft for MRC vivarium
  - Cost of SRB space to be determined
  - Current year (FY 05) billings in MRC vivarium running 57% Moffitt grants; 43% USF grants
Other Considerations

- USF considering relinquishing all grants (if need to move to off campus rate) — if we need to, by mid FY06, MCC would be paying USF with no return payments from USF other than the $400,000 over five years.
- By FY 2007 it might be cost effective for MCC to manage the vivarium independently.
BUILDINGS, LAND, & OTHER ISSUES
Other Important Concepts

- USF’s cancer strategy at MCC is linked to the DIO.
- MCC Research cores will be available to USF faculty within NCI guidelines & payment of fair-market lease costs. USF will administer research grants for non-DIO faculty, eg. DR Cheng’s “signaling” grant.
- All transactions will be “net 30” with immediate arbitration of disagreements
- Where USF & MCC missions are parallel; both will work collaboratively to develop facilities.
- In areas, where USF and MCC agree that MCC needs are outside USF/HSC missions & scope, USF will treat MCC as a USF entity such as USFPG and
  - Build-to-suit on USF land and lease to MCC
  - Lease land to MCC for MCC to construct.
- MCC agrees to invest in the HSC through a 17.5% return on IP developed by DIO/USF faculty at MCC
Other Important Concepts

- USF recognizes MCC’s right and mission to have electives for non-USF students. Any changes in core clerkships require approval by the dean as mandated by the LCME.
- Information Technologies affecting both institutions should be jointly negotiated.
- A joint Executive Committee retreat of both Board’s to re-affirm the collaboration between USF & MCC within 3-6 months.
- GCRC collaboration: DIO faculty through MCC and non-DIO faculty through USF.
- Non-DIO faculty to have ability to negotiate space at MCC for lease dollars.
2010 PLAN (Additional land needed +/- 3 acres)

1) Faculty Office/ Admin. Bldg
   200,000 SF

2) Parking Garage
   1,500 spaces

3) New Research
   200,000 SF
   Radiation Oncology/ Pathology Expansion
   40,000 SF
   Bed & Support Expansion
   100,000 SF
   CDC Expansion
   7,000 SF
   Realign Service Road

Clinic Expansion
90,000 SF

Clinic Expansion
90,000 SF
MCC 2010 PLAN

- Faculty Office/Admin Bldg (200,000 SF)* ~ 2 acres
  - Develop collaboratively
  - USF build and negotiate lease.
- Parking Garage (1,500 spaces)* ~ 1 acre
  - USF build and lease spaces.
- New Research (200,000 SF) ~ 2 acres
  - USF build-to-suit and lease to MCC
  - Lease land to MCC for MCC to construct.

*Size reflects MCC only, may be expanded for USF/HSC use.
MCC 2010 Building Principles

- USF, USF HSC and MCC will set a deadline for negotiations around garage, faculty building and research space
- MCC will be treated as a USF entity in rate calculations, land leases, etc.
- USF and MCC will continue to discuss buildings of mutual interest as well as promotion of MCC expansion on the USF campus
“Well, lemme think... You’ve stumped me, son. Most folks only wanna know how to go the other way.”