Dear colleagues,

I am incredibly excited to announce the launch of our updated UC Riverside School of Medicine Strategic Plan 2024-2030. 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 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.

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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 and carry us into 2030.

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 #7 for diversity in U.S. News & World Report's 2024 Best Grad School rankings.
4. The UCR SOM recruited 53% of students from groups underrepresented in medicine. More than 80% 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. In 2024, 26% of MD students have stayed in the region for residency and 39% 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 2024.
7. Since 2019, the SOM MD enrollment grew more than 30%, 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 5 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 five-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, biomedical scientists, and public health professionals and by developing innovative research and health care 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

* Indicates Edited Strategy

IMPERATIVE #1

Standardize and modestly grow education programs.

- **Strategy #1** - Recruit mission-aligned students to serve Inland Southern California.
- **Strategy #2** - Strengthen and grow GME programs with existing partner hospitals and establish new programs. Expand focus on recruiting mission-fit trainees.
- **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 #4** - Develop and integrate new degree programs.

IMPERATIVE #2

Strengthen UCR Health and position it for long term system development.

- **Strategy #1** - Improve baseline operational performance and support structures aligned with industry standards.
- **Strategy #2** - Increase UCR Health revenue stream from new programs and services.*
- **Strategy #3** - Develop infrastructure for improved operations.
- **Strategy #4** - Build on current patient safety and clinical quality programs.*
- **Strategy #5** - Develop the long-term strategy and plan for UCR Health.

IMPERATIVE #3

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

- **Strategy #1** - Build the UCR SOM clinical departments and divisions capacity to conduct clinical research.
- **Strategy #2** - Leverage the centers of the UCR SOM to develop translational and clinical research opportunities.
- **Strategy #3** - Increase and better assess the impact of UCR SOM research activities within its extensive network of organizations.

IMPERATIVE #4

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

- **Strategy #1** - Build capacity and expertise of the Development Office to pursue greater funding opportunities reaching $7M per year.
- **Strategy #2** - Modestly work toward implementation of alumni engagement plan and evaluation opportunities for business development and industry collaborations.*

- **Strategy #3** - Align Development activities to specifically fund mission-focused programming of the UCR SOM.

IMPERATIVE #5

Improve UCR SOM processes, operations, and employee engagement.

- **Strategy #1** - Provide responsive work environments that maximize employee productivity and engagement.
- **Strategy #2** - Institutionalize the evaluation process for employees of the SOM.
- **Strategy #3** - Establish and promote community building within the School of Medicine.

IMPERATIVE #6

Develop a strategic plan to advance diversity, equity, and inclusion.

IMPERATIVE #1

Standardize and modestly grow education programs.

Accomplishments: The UCR SOM MD program has grown since 2019, reaching an enrollment of 377 in FY25. Of the FY25 entering class, 53% were underrepresented in medicine, 41% were first generation college students, 32% spoke English as a second language, and 80% had ties to the IE, demonstrating the school's success in pursuing its mission. The UCR SOM GME program reached 118 students with 13% identifying as underrepresented in medicine. The Biomed program also enrolled 40 Masters students and 32 Phd students. The inaugural cohort of the MPH program also enrolled 15 students. 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 five 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.

METRICS

1. MD, master's, PhD enrollment (400 MD enrollment, 40 Masters Biomed enrollment, 40 PhD Biomed student enrollment, 30 MPH student enrollment)
2. Residency and fellowship enrollment for UCR-sponsored programs, and percent staying in the region to practice (GME enrollment 140 students)
3. Proposals put forward for new joint MD programs
4. Student satisfaction surveys including AAMC graduation questionnaire

GOALS

1. Increase the enrollment of mission-fit students and trainees in undergraduate to 100 per year, up to 400 total enrollment.
2. Grow graduate medical education programs enrollment to an average of 140 residents and fellows per year.
3. Sustain PhD and MS student enrollments.
4. Implement MPH degree program growth.
5. Develop a proposal for a joint-degree program that complements the MD program.

Strategy # 1 Recruit mission-aligned students to serve Inland Southern California

Tactics

- Identify mission-fit scholars early in the education pipeline and recruit them to the School of Medicine
- Pursue opportunities to grow pathway programs through grants and collaborative efforts.

Strategy # 2 Strengthen and grow GME programs with existing partner hospitals and establish new programs with GME-naïve hospitals focusing on rural partners. Expand focus on recruiting mission-fit trainees

Tactics

- Expand outreach and recruitment for residency programs focusing on the Inland Southern California region.
- 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.”
- Aid existing hospital partners in applying for and securing Medicare Rural Training Track programs.

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 a proposal to integrate MD with other degree programs including the Masters of Public Health.

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 2% to a total of 46,900 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.

METRICS

1. UCR Health clinical volume (50,000 patients annually by 2030)
2. Clinical authorizations and referrals (17,000 clinical authorizations by 2030)
3. UCR Health revenue–including revenue from MRI, imaging, or other clinical services
4. UCR Health clinical locations, including those established with partners (5 locations by 2030)

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.

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 to 50,000 patients annually.
- 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.
- 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 the following research centers: Community Responsive and Engaged Equity Research (CREER) center, 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 (BREATHE), 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.

METRICS

1. SOM research revenue and expenditure ($20M in research expenditures) will continue to grow by 5-7% per year.
2. Develop a relationship with a key industry and business partners and establish $1M of sponsored research funding.UCR Health clinical locations, including those established with partners (5 locations by 2030)

GOALS

1. 100% of students, residents, and trainees in the SOM have translational and clinical research opportunities.
2. Launch 2 new clinical and research multidisciplinary centers of excellence.
3. Develop 2 new coalition or network of multidisciplinary researchers with a focus on improving health equity that is integrated with clinical care.

4. Develop a plan for sustainability of research cores by leveraging business partnerships and other development opportunities

Strategy # 1 Build UCR SOM clinical departments' and divisions' capacity to conduct clinical research.

Tactics

- 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.
- 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 organizations

Tactics

- Facilitate the development of partnerships between organizations in UCR SOM's network.
- Leverage community and business 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 $7M. Individual, corporate, health plans, and foundation prospect acquisition have advanced significantly. Below is a snapshot of funding activities over the past 5 years.

Fiscal Year	Goal	Funds Raised
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 **Note:** 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	$5,021,000
FY 24/25	$5,000,000	$5,308,000

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.

METRICS

1. Achieve $7M in philanthropic funding per year.
2. Develop a robust and active alumni engagement function
3. Achieve $1M Mission Award Endowment

GOALS

1. Increase philanthropic funding for the UCR SOM by developing a menu of areas of support for units to build collaborative projects aligned with UCR SOM mission areas.
2. Increase the number of engagement community and business organizations by 10%.
3. Develop a pipeline of philanthropic funding opportunities specific to UCR SOM mission areas.

Strategy # 1 Build the capacity and expertise of the Development Office to pursue greater funding opportunities reaching $7M per year

Tactics

- Director of Development focuses 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 10 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 Implement the comprehensive alumni engagement plan

Tactics

- Develop prospect pipeline for UCR SOM alumni.
- 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 $1M to ensure 2 students per year are funded by mission awards.
- 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.

METRICS

1. Completion of employee engagement survey.
2. Test at least one new improvement measure for each of the top 3 opportunities to improve engagement.
3. Number of employee training and hands on learning sessions.
4. Number of SOM community engagement activities (3 annual SOM wide events)

GOALS

1. Provide 3 opportunities each year for employees to learn process improvement, problem solving, project management or change management skills.
2. Complete a refreshed employee engagement survey. Identify top 3 leading indications of engagement and collaboratively identify and test improvement measures.
3. Continue to develop partnerships on campus with 3 collaborative events per year.

Strategy # 1 Provide hands-on training and problem solving opportunities for employees and teams across the SOM

Tactics

- Continue to enhance professional development programs for employees.
- Establish training module for staff around the following areas process improvement, problem solving, project management or change management skills.

Strategy # 2 Measure and test new initiatives to improve employee engagement

Tactics

- Complete an employee engagement survey to establish baseline metrics and measure success of new initiatives
- Build on SOM-wide staff engagement opportunities such as the staff retreat.

- Identify and try new initiatives around the top 3 opportunities for improvement.

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.

IMPERATIVE #6

Implement 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 7th 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 to serve this richly diverse region. The Inland Southern California community itself embodies remarkable diversity, and, in turn, the SOM 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 (2025), a notable 43% of students come from disadvantaged backgrounds, 32% speak English as a second language, 80% have ties to the Inland Empire region, 41% are pioneering first-generation college attendees, and53% 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. Implement a UCR SOM diversity, equity, and inclusion strategic plan, complete with well-defined objectives and measurable metrics.

Strategy # 1 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.
- Adjust 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 through 2030 and provides an overview of the operating financial budget alignment and planning. In addition, this section illustrates the financial history, which in part defined how baseline and benchmarks were set for future strategies and goals.

A Brief History Financial History of the UCR SOM

The University of California, Riverside School of Medicine (UCR SOM) began educating medical students in the early 1970's in response to the shortage of physicians in the Inland Empire. The School originated as a two-year biomedical sciences program and trained students through a branch campus arrangement with the University of California, Los Angeles (UCLA).

In 1997[i], the Biomedical Sciences program was renamed the UCR/UCLA Thomas Haider Program in Biomedical Sciences. Between its inception and the opening of the UCR School of Medicine in 2013, approximately 850 students went through the program, making a significant impact on the region. In 2003, a panel of renowned academic and educational leaders were appointed by the UCR Chancellor to advise the campus on expanding medical education and health science research. In response to forecasts of a severe physician shortage in the rapidly growing and ethnically diverse Inland Southern California region, the advisory group was also tasked with planning for a four-year medical school.

In 2006, the UC Regents approve the proposal for the creation of a school of medicine at UC Riverside, authorizing UCR to proceed with final planning for the school, including drafting of a proposed curriculum.

In 2011,[ii] the initial accreditation is denied because of concerns about the State of California's ability to provide funding for the new school. UCR officials pledge to resubmit for accreditation after securing additional funding.

After successfully securing additional funding, in 2013, UCR SOM transitioned from a two-year program to become the University of California's (UC) sixth four-year medical school and its only community-based school of medicine. The existing biomedical sciences faculty, who supported the 2-year medical program, rolled into the UCR SOM creating the Division of Biomedical Sciences.

At the time:

- The state core funding of about $1.5M for the Biomedical Sciences ladder rank faculty were transferred to UCR SOM operating budget
- Received a $15M allocation from the state, and continued to receive fixed costs increases from UCR

- Received an additional $2M per year for 10 years from University of California Office of the President (UCOP) as one-time funding.
- Other local partners made commitments to support the SOM, although not all materialized. These include:
    - Riverside University Hospital System (RUHS), with a commitment of $20M, terminated the agreement after providing a total of $11.1M over 5 years through FY15
    - Desert Regional Medical Center (DRMC) who gave the SOM one-time funding totaling $1M with payments from FY12-FY15, although original pledge was for $650K
    - Parkview Community Hospital made a commitment of $2M but only pledged $16.7K in FY13
- UCR SOM enrolls first 50 student cohort

In 2015, UCR SOM received provisional accreditation. [iv] LCME noted that additional monitoring was required to: ensure sufficiency of administrative staff, provide comparable and equivalency across all educational experiences in affiliate sites, ensure a process was in place for comprehensive review of preclinical curriculum, ensure sufficient space and storages for students, and ensure sufficient building and equipment for educational activities. Additional changes to admissions and student support were also required.

In 2016, recognizing that there was an urgent need for additional resources to be able to support, sustain, and grow the student population, Dean Deas engaged community leaders, local and state legislators, and UCR leadership to develop a case for support.

In 2016-2017 UCR SOM engaged Tripp Umbbach consulting firm to complete an external review to determine what resources were required to support the mission and implementation of strategic imperatives. [vi]

- This proposal included a specific budget request to bring the annual operating budget for UCR SOM up to $45M per year. This budget was reviewed and approved through UCR Chancellors office, prior to being moved forward to UCOP and other external legislators.

As a result of these and other efforts in 2017, UCR SOM received full accreditation. In 2020, Governor Gavin Newsom signs the Budget Act of 2020, providing the UCR SOM with a budget augmentation of $25 million per year effective FY21, bringing the permanent base budget to $40M per year. The funding was intended to support the medical school's educational platform, and aid in increasing the class size to 125, or 500 total students.

In 2021, UCR SOM leadership outlined potential risks and areas in need of additional resource. Part of the concern was the main campus's proposal to execute an MOU that would provide the campus with an annual, ongoing funds flow from UCR SOM's new budget augmentation of $25M which was intended to support SOM's medical educational platform. [ix] The originally proposed MOU was for $16M. Through a process of deliberations, UCR SOM was able to negotiate an agreement that would bring the MOU value to $8.5M by year three, FY23 ($5.6M in Year 1 - FY21, $7.3M in Y2 - FY22 and $8.5M in Y3 - F23)[x]. However, this targeted $8.5M value was not capped. Rather, the MOU subsidy total continues to increase year-over-year, based on cost adjustments, where in FY25, the

projected value is $11M, although partly due to some prior year accounting delays. Nonetheless, in FY26, we project MOU obligation will be $9.8M

Given that most of the MOU expenses were not on the original budget presented to the State, this new obligation has now impacted the SOM's ability to increase the class to 125 as originally planned, and thus, requires the SOM to consider alternate strategies before the School can continue its path toward arriving to a class size of 125. Overall, these new funds flow requirements are not sustainable and limits SOM's ability to continue to advance its mission-based strategies.

Past Performance Overview

The School of Medicine (SOM)'s financial platform has changed drastically from FY20 to date, partly due to the growth and stabilization of the mission areas. Specifically, over the since FY20, annual revenues increased from $70M in FY20 to $107.5M in FY25, an increase of 3.6%. Similarly, SOM's expenditures increased from $83.6M in FY20 to $129M in FY24, an increase of $45.4M, or 54.3%. At the end of FY25, the SOM revenue mix (sources of financing) consisted of 47% state funds, 51% clinical other external funding, while expenditures consisted of 71% faculty and staff salaries and benefits, 29% non salary expenses which included equipment, facility costs, and financial aid.

Some of the major factors driving the changes during this time period include 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 4) changes to funds flow via internal MOU.

Future Outlook - Financial Goals and Priorities FY26 – FY30

Given the SOM's trajectory, the strategic objectives, and the vision, the SOM's financial plan for through 2030can 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 for both UCR SOM and UCR Health that are separate and sustainable
3) **Expand research infrastructure** - Increase overall research infrastructure, including growth of industry sponsored research, 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. Prepare for new opportunities of ambulatory care facility or other acquisitions.