

Dean's Newsletter

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Happy Holidays!

I want to wish you and your family a very Happy Holiday Season. I know this has been a challenging year for everyone – both personally and professionally. I am deeply grateful and indebted to our students, staff and faculty for their incredible work and many accomplishments during 2009. I recognize that the life of a medical center never really stops but I do hope that each of you can find some restful time during the University's Winter Closure. It is perhaps the only time of the year when campus activity – and notably email traffic – really does slow down. I hope you each have time with family and friends (or whatever you choose to do) but would encourage each of you to use discretion in sending email communications – limiting them will be a good way of giving the gift of “peace and goodwill” to your Stanford friends and colleagues. Best wishes for 2010!

2009: A Notable and Memorable Year

There can be no denying that 2009 has been a remarkable year, with major ups and downs in the economy, our national agenda, our image on the world stage and, closer to home, our very sense of personal and institutional security and well-being. I'm sure I don't need to remind you that the economic meltdown that became so apparent in September 2008 has dominated much of our attention and agenda this year. As 2009, the 50th Anniversary of the school's move to the Stanford campus, draws to a close, I am reminded of the many successes of our students, staff and faculty despite the enormous challenges each has faced personally and professionally. That said, there is no denying that each of us has faced significant losses in personal savings and financial security. Nonetheless, for the most part, we have much to be thankful for.

I don't deny that we anticipate a number of major challenges in the years ahead. However, as a school, we have weathered the storm as well or better than nearly all other medical schools and, at least for 2010 we don't anticipate any major changes in our overall portfolio. Our success to date is a tribute to the diligent work of many leaders throughout the school – at the individual, division, department, center, and institute level. Many hard decisions and choices were made, not always with popularity or even

appreciation, but in the aggregate they have provided stability at a time of major loss and uncertainty. I am grateful to everyone but want to thank in particular the work of Marcia Cohen, Senior Associate Dean for Finance and Administration, for her diligence and leadership during a most challenging year. Despite a major downturn in our endowment, gifts and support from foundations, the School's consolidated financial statement at the end of the fiscal year ending August 31, 2009 showed a surplus of \$34 million. While there was a loss in our central administrative units, nearly all of our clinical departments posted a positive margin – which, given the incredible events of 2009, is quite remarkable.

How did this happen? There is no denying that everyone sacrificed in some manner over this past year. Except for equity purposes or promotions, compensation for faculty and staff was held flat and, in some cases, voluntarily reduced. The school's central administrative units reduced expenditure by nearly 15% and, unfortunately, had to layoff or reduce effort levels for 40 staff members due to programmatic changes or closures. While such cutbacks were proportionally lower in our departments, especially the clinical departments, they experienced a number of cost shifts and expenditures that required considerable sacrifice as well.

More specifically, the consolidated FY09 (September 1, 2008 – August 31, 2009) year revenues for the school totaled \$1.115 billion. The major sources of revenues were: sponsored research (direct costs of \$280 million and indirect cost recovery of \$108 million), which were up 1 and 3% respectively compared to FY08; clinical income, \$356 million (up 14% from FY08); and designated funds of \$105 million (up 15%). We are distinctive even among research-intensive peers in having slightly more income from sponsored research (34% of total revenues) than clinical income (32% of total revenues). I should hasten to add that while the faculty did extremely well in competing for ARRA (American Recovery and Reinvestment Act) funding (aka “stimulus funding”), the impact on the FY09 budget is minimal given the timing in the fiscal year of receipt of the funding from the NIH. Not surprisingly, expendable gifts were down 9% in FY09 compared to FY08 (\$67 vs. \$74 million).

Viewed from the perspective of financial stability, it should be noted that because of the work of our faculty, each of the clinical departments had a year-end clinical surplus – some of which will be used to pay incentive bonuses that are part of faculty compensation. Another measure of our financial integrity is the strength of our endowment and reserve balances (or expendable fund balances). As I have reported in past newsletters, the Stanford University endowment was significantly impacted by the 2009 fiscal crisis. The School of Medicine endowment, which is invested with the University Merged Endowment Pool, experienced a loss of 26.4% or \$601 million, resulting in an August 31, 2009 market value of \$1.676 billion – which is still the second highest among US medical schools. Coupled with this are expendable reserves of \$473.6 million (\$318.2 of which is in departments and, to significant extent, in restricted faculty accounts). It should not be missed that this level of fiscal stability is superior to most any medical school and greater than many universities in the aggregate.

Based on these financial results, we believe that our FY10 budget gaps have been largely addressed, and we don't anticipate (at this time) any new major expenses or revenue losses. That said, an important lesson of 2009 is how volatile the financial marketplace can be, underscoring the importance of fiscal prudence and financial cushions to weather stormy times (and we have had quite a tsunami this past year). Looking forward, we will benefit over the next year from our ARRA research awards of \$87 million to date but, at the same time, we need to get ready for a likely downturn in NIH funding in FY11. Despite the President's clear commitment to science and technology, early forecasts is that the base NIH budget (that is, without the ARRA stimulus of \$10.4 billion) will rise at 2% -- less than inflation. This will almost surely mean a return to the constrained research funding we all experienced in the post-NIH doubling era from 2003-2009. Anticipating and preparing for this will be an enormous challenge -- although, given the overall excellence of our faculty and the fact that we are not carrying significant debt or underutilized research space, we are as well positioned as any school to meet it..

As I write this newsletter (while returning from Washington DC and meetings with the Association of American Medical Colleges), the impact of healthcare reform stands as the big unknown. Needless to say, the scope of the proposed reform is a slim shadow of what might have been, and its overall impact is uncertain. Given the continued rise in healthcare costs it is inevitable that downward pressures on costs and expenditures are inevitable, and the only thing that seems certain at this time is that revenues for healthcare will decline. While this will surely be a challenge, it is also a necessity -- but the size, scope and nature of the changing healthcare economy could have major impacts on academic medical centers.

Regardless of the external economic pressures, it is incumbent on Stanford to strive for excellence in the delivery of innovative, highest quality patient care with the lowest possible costs and excellent patient service. It is also imperative that we plan carefully for the further development and maturation of the shared integrated clinical services of the School of Medicine, Stanford Hospital & Clinics and the Lucile Packard Children's Hospital. These services need to embrace not only the Medical Center but our community regionally and more broadly.

Given the obvious challenges of supporting our missions in education, research and patient care, I would be remiss in not highlighting at least a few of the accomplishments of our students, faculty and staff during this past year. We have continued to admit amazingly talented medical and graduate students and to be able to educate them in highly successful programs and with among the lowest overall debt burdens in the nation. And in just a handful of months we will begin educating our students in the new Li Ka Shing Center for Learning and Knowledge (LKSC), which will offer unparalleled opportunities for innovative approaches for knowledge and skill acquisition. Not only will the LKSC be central to student education, it will also become the locus for pioneering continuing and life-long education for faculty and the community and for a paradigm shift in how medical education is conducted.

Also in 2009 we reached out to the community in a number of novel education and learning programs, most notably our Mini-Medical School, the first quarter of which (The Dynamics of Human Health) enrolled more students than any other course in the history of the Stanford's Continuing Studies Program. I want to thank Kathy Gillam for her incredible help with this course and Dr. Sherry Wren for serving as the course co-director – along with the amazing faculty who taught these sessions. In case you are interested, they will be available on Stanford iTunes in early 2010.

In addition to the big boost from ARRA funding, among the most notable events of 2009 was President Obama's affirmation of the importance of science and innovation – a statement that began the reversal of the anti-science sentiments that dominated the prior eight years. An enormous amount of advocacy work remains to be done in order for research funding to break away from the past decade's peaks and valleys and arrive at a more predictable level of support that keeps pace with inflation. Still, we must be thankful for the ARRA boost, which came at a critical juncture for Stanford's and our nation's biomedical research enterprise.

Even more important from my perspective than the purely quantitative success of research awards is the nature of the awards our faculty continue to receive. Stanford boasts the highest number of NIH Pioneer awards of any university in the nation (four new ones were added in 2009) along with an amazing number of Innovation Awards, Challenge and Grand Opportunity Awards. In addition, Stanford has the largest number of awards and amount funding of any school in California from the California Institute for Regenerative Medicine (CIRM), including, most recently, three of the 14 major CIRM translational disease awards. The number of distinguished research awards from foundations is equally remarkable, as is an incredible number of faculty awards and honors. What makes a university great is the quality of its faculty and here Stanford is exceptional. At the same time, we have been limited by economics in the recruitment of new basic science faculty – which has been a real source of disappointment and is something I hope we can begin reversing in 2010 and beyond.

One of my major goals over the past years has been to foster the development of our clinical programs to be as excellent as our efforts in research. Thanks to the recruitment of a number of excellent chairs, the combined efforts of faculty leaders across the school and important partnerships with SHC and LPCH, we have witnessed important successes – especially in national rankings on quality metrics – and some improvements in overall service (although much work remains in this arena). The new programs sponsored by SHC at the North Campus in Redwood City along with the Sherman Avenue Imaging Center have been notable additions. So too is our increasing presence as an NCI Cancer Center – the three-year review for which occurred in mid-October. And our increasing success in clinical and translational research is being fostered by the CTSA, the SPARK program and important collaborations including the one with the Northern California Cancer Center. Further, the number of community-based programs is growing, and opportunities in global health are becoming more robust with the creation of the Office of Global Health this past year.

Despite the pressures of the past year, faculty support and development have been a focus of departments and the school, and progress is being demonstrated in enhancing diversity and leadership as well as the retention of women faculty. It is notable that in the most recent COACHE survey, Stanford faculty are clear (compared to peers) in their overall satisfaction at the School of Medicine. That said, there are many aspects of faculty development and support that need improvement at the departmental as well as school-wide levels, and this must be a continuing emphasis for the future.

So, as we reach the end of 2009 it seems clear that despite the many challenges, we have done well as a community and as a school and medical center. This is directly proportional to the efforts of our staff, faculty and students, and it is important to pause and both celebrate and thank each of them. But we can't pause too long since the next wave of opportunities and challenges loom before us. I am confident that we will find ways to succeed despite constraint and adversity as long as we function as a community that supports each other and our important missions. That is always a challenge in a time of constraint – but, in the end, it is what distinguishes leaders and institutions.

Laurel Price Jones Named AVP and Director of the Office of Medical Development

I am very pleased to announce that Laurel Price Jones will become our Associate Vice President and Director of the Office of Medical Development on January 1, 2010. She succeeds Doug Stewart, who left this position in February 2010.

Ms. Price Jones has most recently served as the Vice President for Development and Alumni Affairs at George Washington University, where she doubled the fundraising success, secured two of the university's largest gifts in its history and supervised a staff of 224 individuals. Prior to her position at GW, Ms Price Jones served as the Vice President for Development and Alumni Affairs at the Rochester Institute of Technology. In addition to her university-wide experience, Ms Price Jones has had notable medical center experience, having previously served as the Managing Director of the Development Department at University Hospitals of Cleveland and the Director of Corporate and Foundation Relations at the Cleveland Clinic. She began her career in development at Oberlin College, where she also graduated with a Bachelor's degree in Physics and a Master's degree in Biology.

Ms. Price Jones brings an outstanding record of experience and accomplishment to her new role at Stanford. Importantly, she has won respect and praise from trustees, faculty and university leaders in all facets of her career. She was selected through a national search, and I am extremely pleased she has accepted this incredibly important leadership position in the School of Medicine. Please join me in welcoming Ms. Price Jones to Stanford.

Department Success in Faculty Counseling

One of the most important activities of departments is their essential role in mentoring, counseling and guiding the career development of junior faculty. Giving feedback to faculty is a critical part of this process and is something that is taken seriously at the departmental and school level. Each year the Office of Academic Affairs tracks the success of departments in documenting compliance in annual faculty counseling. For the past three years twelve (12) departments have had 100% success in faculty counseling, and I would like to single them out for special thanks and appreciation. They are:

Departments with 100% Success in Faculty Counseling for the Past 3 Years	Department Chair
Anesthesia	Dr. Ron Pearl
Comparative Medicine	Dr. Sherril Green (and previously Dr. Linda Cork)
Dermatology	Dr. Al Lane
Developmental Biology	Dr. Roel Nusse
Health Research and Policy	Dr. Phil Lavori
Medicine	Dr. Ralph Horwitz
Neurobiology	Dr. Ben Barres
Neurology and Neurological Sciences	Dr. Frank Longo
Ophthalmology	Dr. Mark Blumenkranz
Orthopaedic Surgery	Dr. Bill Maloney
Otolaryngology: Head and Neck Surgery	Dr. Rob Jackler
Pathology	Dr. Steve Galli

I offer my appreciation and commendations to each of these departments and to their Chairs. I hope that in the future all of our departments will have a 100% success rate.

The 2010 & 2011 School of Medicine Faculty Fellows

The Office of Diversity and Leadership received a wealth of nominations for outstanding candidates for the 2010 Faculty Fellows program. Owing to the broad range of seniority within the pool of nominated candidates, the review committee selected one cohort of Faculty Fellows for 2010, and a class of more senior Fellows who will participate in this year long program beginning in 2011.

We are delighted to announce the selection of the 2010 Faculty Fellows: Amin Al-Ahmad, MD (Medicine), Eliza Chakravarty, MD (Medicine, Immunology/Rheumatology), Alan Cheng, MD (Pediatric Otolaryngology), Emilie Cheung, MD (Orthopaedic Surgery), Robert Dodd, MD (Neurosurgery), Hayley Gans, MD (Pediatrics), Neeraja Kambham, MD (Pathology), Jonathan Kim, MD (Ophthalmology), Maarten Lansberg, MD, PhD (Neurology), Jason Lee, MD (Surgery), Chris Longhurst,

MD (Pediatrics), Merritt Maduke, PhD (Molecular & Cellular Physiology), Karen Parker, PhD (Psychiatry), Anna Penn, MD, PhD (Pediatrics/Neonatology), Matthew Strehlow, MD (Surgery/ Emergency Medicine), and Lu Tian, ScD (Health Research & Policy).

The candidates chosen for the 2011 class are: Annelise Baron, PhD (Bioengineering), Matthew Bogyo, PhD (Pathology), James Brooks, MD (Urology), A. Diminrios Colevas, MD (Medicine/ Oncology), Tina Cowan, MD (Pathology), David Firoentino, MD, PhD (Dermatology), Miriam Goodman, PhD (Molecular & Cellular Physiology), Steven Lindley, MD, PhD (Psychiatry), Sean Mackey, MD, PhD (Anesthesia), Nancy Ewen Wang, MD (Surgery/ Emergency Medicine), David Weill, MD (Medicine), and Wei Zhou, MD (Surgery).

The Faculty Fellows program brings these faculty members together for monthly meetings featuring invited leaders who serve as role models by sharing their own leadership journeys, describing their own leadership styles and addressing specific challenges they have faced in their own careers. In addition, small mentoring groups led by senior faculty mentors meet once between each of the dinner meetings to discuss leadership challenges specifically and in general. Other topics, such as work/life balance issues, are also open for discussion.

Fellows also engage in a structured development planning process aimed at identifying opportunities for growth and development. The result is a personalized career development plan that they implement with their chair or division chief.

Candidates are nominated by their department chairs and other supervisors and are ranked on the basis of leadership potential and demonstrated commitment to building diversity. A review committee consisting of Drs. Hannah Valantine, Julie Moseley, Richard Shaw, Juliana Barr and Sanjeev Dutta, actively participated in selecting these two groups.

School of Medicine Staff Recognition Program

The School of Medicine's Annual Staff Recognition Program has been a long-standing great tradition to honor staff contributing many years of service to the school. This year, a new program is planned. It will include a multimedia event/reception to be held on Thursday, April 22, 2010 at the new Li Ka Shing Center for Learning and Knowledge (LKSC), from 4:00 to 6:00 PM. This recognition event will honor staff who celebrated anniversary dates in calendar year 2009 for 5, 10, 15, 20, 25, 30, 35, and 40 years of service. SPIRIT Award winners will also be honored at this event.

Staff members who reached a service date mentioned above in the calendar year 2009, will receive their invitation for the April event this month. The invitation will include additional information about the Recognition Program. In March, a brand new employee recognition web site will be launched with videos, photos, and comments from awardees and supervisors.

Stay tuned for more communications and information as we plan this new program. We look forward to honoring many employees who have contributed so many years to the success of the School of Medicine!

Awards and Honors

- *Fellowship and Faculty Awards benefiting the Lucile Packard Children's Hospital and the pediatric programs at Stanford University School of Medicine* were acknowledged and celebrated at an event on November 30th. Thanks to the generous support from individuals committed to advancing the health of children, 72 fellows and faculty – along with a number of the individuals who made these awards – were honored for their important contributions.
- *The Radiological Society of North America (RSNA)* made major awards to two Stanford faculty members. **Dr. Gary Glazer**, Professor and Chair of the Department of Radiology, was awarded the Gold Medal, the Society's highest honor, in Chicago at the RSNA's annual meeting in December (<http://med.stanford.edu/mcr/2009/glazer-0626.html> for the earlier announcement of this honor). Dr. Glazer joins other Stanford luminaries in receiving this honor – notably Malcolm Bradshaw (1999), Herbert Abrams (1995) and Robert Newell (1958).

In addition, **Dr. Sam Gambhir** is the 2009 RSNA Outstanding Researcher Award winner. This award is given “to recognize and honor one senior individual who has made original and significant contributions to the field of radiology or radiologic sciences throughout a career of research.”

Please join me in congratulating Drs. Glazer and Ghambir.

Appointments and Promotions

Denis P. Bouvier has been appointed to Clinical Associate Professor of Medicine (General Internal Medicine), effective 12/01/09.

Jauhtai Joseph Cheng has been appointed to Clinical Assistant Professor (Affiliated) of Psychiatry and Behavioral Sciences (Geriatric Medicine), effective 11/01/09.

Melissa M. Chin has been promoted to Clinical Assistant Professor (Affiliated) of Medicine (General Internal Medicine), effective 10/01/09.

Jenifer L. Culver has been promoted to Clinical Associate Professor of Psychiatry and Behavioral Sciences, effective 12/01/09.

Jeffrey L. Fraser has been reappointed to Clinical Associate Professor (Affiliated) of Neurology, effective 11/01/09.

Julieta M. Gabiola has been promoted to Clinical Associate Professor of Medicine (General Internal Medicine), effective 11/01/09.

Phillip M. Harter has been appointed to Associate Professor (Teaching) of Surgery, effective 12/01/09.

Gary E. Hartman has been reappointed to Clinical Professor of Surgery (Pediatric Surgery), effective 10/01/09.

Frank T. Kagawa has been reappointed to Clinical Professor (Affiliated) of Medicine (Respiratory and Critical Care Medicine), effective 9/01/09.

David M. Kahn has been promoted to Clinical Associate Professor of Surgery (Plastic and Reconstructive Surgery), effective 11/16/09.

Cynthia J. Kapphahn has been reappointed to Clinical Associate Professor of Pediatrics (Adolescent Medicine), effective 9/01/09.

Albert C. Koong has been promoted to Associate Professor of Radiation Oncology, effective 12/01/09.

Vladimir Nekhendzy has been reappointed to Clinical Associate Professor of Anesthesia and of Otolaryngology – Head and Neck Surgery, effective 12/01/09.

Harman Singh Paintal has been appointed to Clinical Assistant Professor (Affiliated) of Medicine (Pulmonary and Critical Care Medicine), effective 10/01/09.

Kimberly G. Shepard has been promoted to Clinical Associate Professor (Affiliated) of Otolaryngology – Head and Neck Surgery, effective 10/01/09.

John Stevenson has been reappointed to Clinical Assistant Professor (Affiliated) of Surgery (General Surgery), effective 9/01/09.

John M. Sum has been reappointed to Clinical Associate Professor (Affiliated) of Pediatrics (Neurology), effective August 1, 2009.

Gloria W. Wang has been appointed to Clinical Assistant Professor (Affiliated) of Ophthalmology, effective 10/31/07.

Lauren J. Witcoff has been reappointed to Clinical Associate Professor of Pediatrics (Pediatric Pulmonary Medicine), effective 9/01/09.