

# **CCGB Presentation to the CCRHB**

April 28, 2017

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Chair, CCGB

# Clinical Center Governing Board (CCGB)- Background

- Prior to the establishment of the CCGB, the Clinical Center budget was reviewed as part of the Central Services Budget Process.
- The CCGB was established in FY 2011, pursuant to the recommendations of the Scientific Management Review Board (SMRB) in their December, 2010, *Report on the NIH Clinical Center*.
- The SMRB recommended that “in order to demonstrate a clear commitment to clinical research at the agency and establish the Clinical Center as a valued national resource, it is critical that it be supported by a stable funding source and have the benefit of an efficient, effective governance structure.”
- In addition, the SMRB recommended that “the NIH Clinical Center budget should be linked to a strong planning process, remain stable (in source) and equitable (in distribution), be effective in attracting and supporting a high quality workforce, and assure efficient use.”

# Clinical Center Governing Board – Background (cont.)

As a result of the SMRB recommendations, the CCGB was established in FY 2011 to:

- Provide strategic and operational policy direction and oversight of the Clinical Center
- Provide recommendations on the optimal size and scope of the Clinical Center, and how best to maximize the quality of research conducted given available resources
- Provide strategic and operational oversight over changes to the mission of the Clinical Center, including its proposed expansion as a national resource available to both intramural and extramural investigators
- Provide policy and operational recommendations on cross-cutting scientific and administrative issues that impact both the NIH's Institutes and Centers and the Clinical Center
- Provide recommendations on the Clinical Center's annual budget request after considering the overall NIH budgetary environment

# CCGB Membership

## Members

- Dr. Stephen Katz, Director, NIAMS, Chair
- Dr. Douglas Lowy, Acting Director, NCI
- Dr. Anthony Fauci, Director, NIAID
- Dr. Gary Gibbons, Director, NHLBI
- Dr. Nora Volkow, Director, NIDA
- Dr. Griffin Rodgers, Director, NIDDK
- Dr. Walter Koroshetz, Director, NINDS
- Dr. Joshua Gordon, Director, NIMH
- Dr. Josephine Briggs, Director, NCCIH

## Ex Officio:

- Dr. Michael Gottesman, DDIR, NIH
- Dr. James Gilman, Director, CC

## Staff:

- Ms. Anita Linde
- Ms. Shalini Kapur

# CC Budget Process

- **Prepare budget formulation guidance for CC:**
  - What are the increases/decreases in IR and RMS in the President's Budget for the upcoming year?
  - What budget levels are other Central Services being asked to model?
- **Provide budget formulation guidance to CC:**
  - Requested budget levels generally include:
    - Commitment Base – includes mandatories such as salaries and benefits, supplies, pharmaceuticals, and non-pay inflation
    - Flat Budget
    - Percent increase (rarely decrease) depending on the expected overall NIH budget
    - Professional Judgment Budget Request
  - CC is asked to provide risk statements for any requested increases or proposed decreases
  - CC also provides the Average Daily Census over the last few years

# CC Budget Process (cont.)

- CC Director presents budget request to CCGB
- CCGB members discuss the request. Considerations include:
  - Mandatory budget needs
  - Significant increases in pharmaceutical costs
  - Equipment replacement costs
  - Other critical needs
  - Current Budget Climate
  - CC Average Daily Census
  - Professional judgment budget request
- CCGB agrees on a budget recommendation that is then presented to the Steering Committee and IC Directors

# Summary of CCGB FY 2017 Recommendations for CC

Dollars in Millions

<u>FY 2017 CC Budget</u>	<u>Am't</u>
<b>FY 2016 Revised Budget</b>	<b>424.0</b>
Mandatory increases less non-recurring costs	10.7
Equipment/Building Life Cycle Increases	6.3
Implement Red Team Report	11.7
Professional Judgment Items	<u>11.6</u>
<b>FY 2017 CCGB Recommendation w/o B2B</b>	<b>464.3</b>
Add Bench to Bedside Program to CC Budget	<u>2.5</u>
<b>Total, FY 2017 CCGB Recommendation</b>	<b>466.8</b>
<b>Amount Increase</b>	<b>42.8</b>
<b>% Increase</b>	<b>10.1%</b>

- CCGB recommends a total of \$466.8M including \$2.5M to incorporate the Bench to Bedside program into the CC Budget
- Represents an increase of 10.1% above FY 2016

# Summary of CCGB FY 2017 Recommendations for RTR

Dollars in Millions

<u>Organization</u>	<u>Amount</u>
ORF	\$17.9
OD	12.0
Reserve	<u>10.0</u>
<b>Subtotal, w/o CC</b>	<b>39.9</b>
CC	<u>11.7</u>
<b>Total</b>	<b>\$51.6</b>

- CCGB recommends a total of \$51.6M, of which \$11.7M is within the CC Budget
- Of the remaining \$39.9M, the projects are as follows:
  - ORF - \$2.0M to renovate Building 3T; \$10.0M for permanent renovation of current IVAU; \$2.1M to prepare and qualify new laboratory space for sterility testing; \$3.5M for sustainment of facilities at appropriate levels of quality; and \$0.3M for pre- and post-award acquisition support for RSCO
  - OD - \$12.0M for RSCO and contractor provided support
  - Reserve - \$10.0 M reserve for unanticipated needs



# CC & Other Central Service Budget Changes; IR/RMS Changes, FY 2012 – FY 2017

	FY12	FY13	FY14	FY15	FY16	FY17	Avg.
<b>CC % Increase/Decrease from PY comparable</b>	3.2%	0.1%	1.3%	1.5%	2.5%	10.1%	<b>3.1%</b>
<b>Other Central Services % Increase/Decrease from PY comparable*</b>	-0.8%	-1.6%	-1.3%	0.7%	1.8%	3.0%	<b>0.3%</b>
<b>RMS/IR % Change</b>	1.7%	-4.1%	3.5%	2.6%	5.7%	1.3%	<b>1.8%</b>
<i>* Includes OD, Ent Syst, CSR/SREA, CIT, ORS, ORF. Excludes Leases, Utilities, Reserves (if any)</i>							

# FY 2018 Outlook

- Uncertain FY 2018 budget climate
- Other Central Services are preparing budget models assuming significant budget cuts next year
- The CCGB will review how best to approach the uncertain climate with regards to the Clinical Center

# CCGB Program and Policy Oversight

- Clinical Center Organization
- Cell Processing Facilities
- Role and support of the Assistant Clinical Investigators
- Concept for CC Center for Cellular Engineering