

HEALTH FOR THE 21st CENTURY

BUILDING AND ENDOWMENT NEEDS

at

THE JOHNS HOPKINS SCHOOL OF HYGIENE AND PUBLIC HEALTH

presented to

The Johns Hopkins Health Advisory Council

October 17, 1988



THE JOHNS HOPKINS UNIVERSITY SCHOOL OF HYGIENE AND PUBLIC HEALTH

Office of the Dean

HEALTH FOR THE 21st CENTURY

BUILDING PRIORITIES

at

THE JOHNS HOPKINS SCHOOL OF HYGIENE AND PUBLIC HEALTH

Background

The School of Hygiene and Public Health was established over 70 years ago through generous support from the Rockefeller Foundation. In the newly identified field of public health, it was the world's first such academic institution, combining the research mission of the great European institutes of hygiene with an educational program for health professionals. Over subsequent decades, the field grew and matured and other schools were founded in this country and around the world. Johns Hopkins was and is the model. Given the necessary resources, the School will sustain its role as the preeminent academic institution of its kind.

The Current Need

The field of public health has changed dramatically since 1916. The past decade alone has seen an exponential increase in the complexity and breadth of the challenges of public health. These challenges have been called the Second Public Health Revolution. For the School to respond appropriately to this new environment requires a faculty of broader expertise than was required only a decade ago and this implicitly means larger numbers and more space. Thus far, growth in programs has been accommodated through the building of four new floors of laboratories on the current building and through increased crowding in existing space and use of space in other quarters -- Hampton House, Wyman Park and row houses on Monument and Washington Streets. As the School moves into the Second Public Health Revolution, a major priority, therefore, remains space.

With the approval of the Board of Trustees, a major effort is underway in collaboration with an architectural firm to plan for a building which would alleviate existing crowding, consolidate activities now housed in Hampton House, Wyman Park and miscellaneous row houses and provide for expansion of programs over the next five years. In addition to the pressures for more office and laboratory space, a student study-library area is urgently needed, as well as classrooms, common space, and a cafeteria. Foreseen is a building of approximately 225,000 square feet on the School of Public Health parking lot. It is anticipated that the cost of construction will approximate \$35 million. Fiscal analysis indicates that over time, a major portion of this cost can be met through indirect cost recoveries. However, it is estimated that \$15 million will be necessary to proceed with this development, \$5 million from government and \$10 million from private sources.



THE JOHNS HOPKINS UNIVERSITY SCHOOL OF HYGIENE AND PUBLIC HEALTH

Office of the Dean

HEALTH FOR THE 21ST CENTURY

The Johns Hopkins School of Hygiene and Public Health

Endowment: The Cornerstone

Health for the 21st Century is a three year program to develop \$10 million in new endowment at the Johns Hopkins School of Hygiene and Public Health. The most important components of this program are increased support for students, for faculty and for monies to allow the School to remain on the cutting edge of public health research, education and practice.

Why Endowment?

Endowment is the cornerstone on which the School's long-term stability depends. A strong endowment allows the School the flexibility to pursue vital priorities and to independently pursue annual grants from government and private sources. Endowment provides the key to the School in its leading role as the cutting edge public health research and teaching institution in the world.

The School's Current Endowment

The School's current endowment is \$35,000,000, placing the School 3rd among the other Hopkins divisions in size of endowment and 4th in percentage of annual budget represented by endowment revenue. The School's endowment generates approximately \$2,000,000 per year, only 2.3% of the School's 1989 budget of \$88,000,000. The result is that the School is heavily funded with program monies and woefully underfunded in faculty support, fellowship support, laboratory re-equipping and renovation funds and monies to allow creativity, flexibility and the ability to remain on the cutting edge.

For the School to remain the premier school of public health working to solve the health problems of the 21st century, a total endowment of \$60 million is needed by the year 2000. To accomplish this, \$25 million in new endowment must be added to the School's current endowment of \$35 million to provide the larger, stable endowment so essential to the financial stability of the School and the future of public health. As a first step in achieving this endowment growth, a goal of \$10 million in new endowment has been established as a Phase I effort, to be completed by 1991.

HEALTH FOR THE 21ST CENTURY
THE JOHNS HOPKINS SCHOOL OF HYGIENE AND PUBLIC HEALTH
Phase I: 1989 - 1991

By 1991, the School needs to develop \$10 million in new endowment in three areas:

I. Faculty: Three additional endowed professorships - \$4.5 million

The School currently has two fully endowed professorships: The Anna M. Baetjer Professorship in Environmental Health Sciences, established through the generosity of Dr. Anna Baetjer and personal friends, and The Elmer V. McCollum Professorship in Biochemistry established by Dr. McCollum's brother. By 1991, the School wants to develop three additional endowed professorships.

II. Students: An additional \$3.5 million in student funding

The School currently has \$700,000 in endowed funds specifically earmarked to support graduate students at the School - at the master's or doctoral level. This level of endowment is inadequate to provide the support needed to compete with public institutions and bring the finest students to Johns Hopkins to work and study. With tuition costs increasing each year and with almost 1000 students studying annually at the School, there is a need to greatly increase the number of students funded and to decrease the numbers who leave the School with considerable debt. Many graduates hope to dedicate their professional lives to careers where repayment of loans can bring considerable hardship. An additional \$3.5 million in endowed fellowships funds will greatly increase the number of students who can be assisted in their studies.

III. The Dean's Fund: \$1 million in unrestricted endowment funding for the Dean

In most institutions, the President or Dean has some flexibility to support the beginnings of exciting and innovative new programs, to support faculty who may be doing unusual work not yet recognized by funding sources, and to support a special student or to bring a visiting professor to the School. At the Johns Hopkins School of Public Health, the Dean has virtually no monies with which to build new directions for the School. Under Health for the 21st Century, the ultimate goal for the Dean's Fund is \$1 million.

IV. International House: \$1 million to support the program at International House.

International House is the School's new residence for students from all nations who have come to Hopkins to study public health. A \$1 million endowment will provide an annual income to support student life at International House, including the ability to maintain rents at a reasonable level for students, to provide for excellence in student programs and services, and to assure that the building and its facilities are properly maintained.

GOAL: Health for the 21st Century - Phase I (1989-1991) \$10 million

THE JOHNS HOPKINS UNIVERSITY
School of Hygiene and Public Health

ENDOWMENT

(Market value in thousands)

FISCAL YEAR -----	SCHOOL ACCOUNTS -----	DESIGNATED ACCOUNTS -----	TOTAL -----
1973	\$14,673	\$4,432	\$19,105
1978	\$14,782	\$4,979	\$19,761
1982	\$19,640	\$7,013	\$26,653
1988	\$25,971	\$9,982	\$35,953 —

ENDOWMENT REVENUE

(in thousands)

FISCAL YEAR -----	SCHOOL ACCOUNTS -----	DESIGNATED ACCOUNTS -----	TOTAL -----
1973	\$548	\$166	\$714
1978	\$794	\$267	\$1,061
1982	\$1,009	\$360	\$1,369
1988	\$1,439	\$553	\$1,992

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Rev 9/27/88

	Actual FY1987	% Change 88/87	Actual FY1988	% Change 89/88	Budget FY1989	% Change 90/89	Projected FY1990	% Change 91/90	Projected FY1991	% Change 92/91	Projected FY1992	% Change 93/92	Projected FY1993
REVENUES													
University-Wide Revenues													
Tuition and Fees	\$9,262	-2.8%	\$9,001	8.2%	\$9,739	7.0%	\$10,421	7.0%	\$11,150	7.0%	\$11,931	7.0%	\$12,766
Maryland State Aid	610	8.9%	664	3.9%	690	7.0%	738	7.0%	790	7.0%	845	7.0%	904
Indirect Cost Recoveries	10,132	20.7%	12,234	-0.7%	12,152	14.3%	13,888	8.0%	14,999	8.0%	16,199	7.5%	17,414
Temp. Investment Income	5	20.0%	6	316.7%	25	-74.8%	6	5.0%	7	5.0%	7	5.0%	7
Subtotal	\$20,009	9.5%	\$21,905	3.2%	\$22,606	10.8%	\$25,053	7.6%	\$26,945	7.6%	\$28,982	7.3%	\$31,091
Interdivisional Allocations - Net	(3,606)	18.4%	(4,268)	7.9%	(4,604)	-0.6%	(4,575)	7.5%	(4,919)	7.6%	(5,292)	7.6%	(5,693)
Net Available for Divisional Support	\$16,403	7.5%	\$17,637	2.1%	\$18,002	13.8%	\$20,478	7.6%	\$22,026	7.6%	\$23,690	7.2%	\$25,398
Dedicated Revenues													
Discretionary Funds	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Endowment Income													
General	1,441	2.7%	1,480	7.0%	1,583	1.5%	1,607	1.5%	1,631	2.3%	1,668	7.4%	1,792
Restricted	179	411.7%	916	-38.9%	560	5.0%	588	4.9%	617	5.0%	648	5.1%	681
Funds Functioning as													
Endowment - Programmed	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Restricted Gifts and Grants													
Government	425	0.2%	426	-7.5%	394	-1.0%	390	0.0%	390	0.0%	390	0.0%	390
Private	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Private Affiliated	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Other Sources	9	55.6%	14	-64.3%	5	0.0%	5	0.0%	5	0.0%	5	0.0%	5
Auxiliary Enterprises	53	-1.9%	52	-3.8%	50	10.0%	55	10.9%	61	9.8%	67	9.0%	73
Clinical Services	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Total Revenues	\$18,510	10.9%	\$20,525	0.3%	\$20,594	12.3%	\$23,123	7.0%	\$24,730	7.0%	\$26,468	7.1%	\$28,339

Continued
Public Health

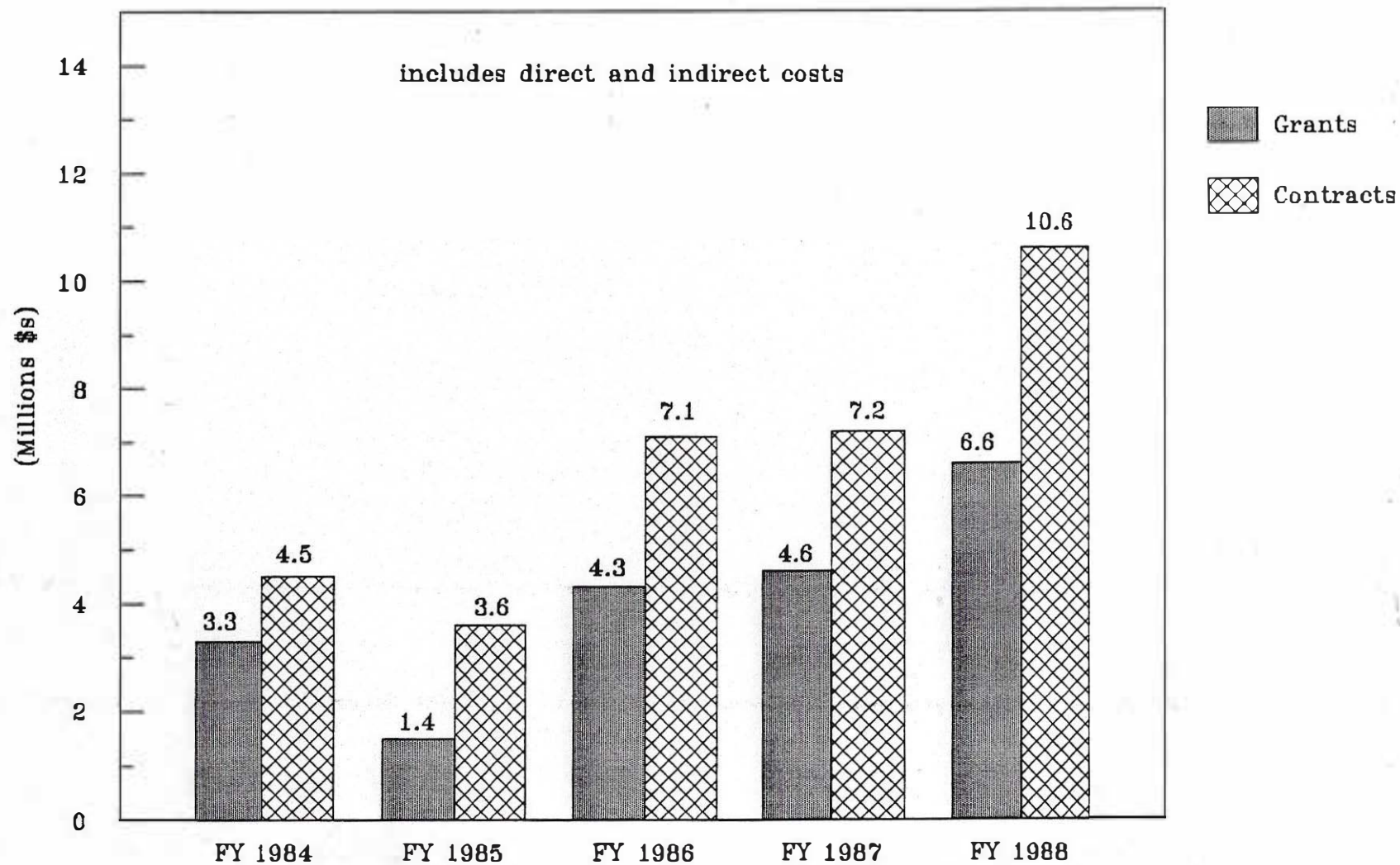
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Actual FY1987	% Change 88/87	Actual FY1988	% Change 89/88	Budget FY1989	% Change 90/89	Projected FY1990	% Change 91/90	Projected FY1991	% Change 92/91	Projected FY1992	% Change 93/92	Projected FY1993
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EXPENDITURE S

Instruction and Research	\$8,584	6.8%	\$9,170	5.0%	\$9,630	7.0%	\$10,304	7.0%	\$11,025	7.0%	\$11,797	7.0%	\$12,623
Libraries	179	17.9%	211	3.3%	218	7.0%	233	7.0%	250	7.0%	267	7.0%	286
Operation and Maintenance of Plant	2,658	52.0%	4,041	-8.8%	3,685	5.4%	3,885	3.5%	4,020	0.2%	4,028	6.0%	4,270
General Services and Administration	2,227	3.2%	2,298	-2.1%	2,250	37.7%	3,098	6.0%	3,284	6.0%	3,481	6.0%	3,690
Student Services	879	9.2%	960	10.9%	1,065	6.0%	1,129	6.0%	1,197	6.0%	1,268	6.0%	1,345
Student Aid	3,823	-17.0%	3,172	7.9%	3,424	7.0%	3,664	7.0%	3,920	7.0%	4,195	7.0%	4,488
Auxiliary Enterprises	124	-17.7%	102	12.7%	115	6.1%	122	5.7%	129	6.2%	137	5.8%	145
Clinical Services	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Debt Service / Rental	36	1486.1%	571	38.7%	792	49.6%	1,185	1.9%	1,208	2.1%	1,233	-3.2%	1,194
Total Expenditures	\$18,510	10.9%	\$20,525	3.2%	\$21,179	11.5%	\$23,620	6.0%	\$25,032	5.5%	\$26,406	6.2%	\$28,040
Excess (Deficiency) of Revenues over Expenditures	\$0	0.0%	\$0	0.0%	(\$585)	-15.0%	(\$497)	-39.3%	(\$302)	-120.2%	\$61	389.9%	\$299

SCHOOL OF HYGIENE AND PUBLIC HEALTH PRIVATE GRANTS AND CONTRACTS AWARDED



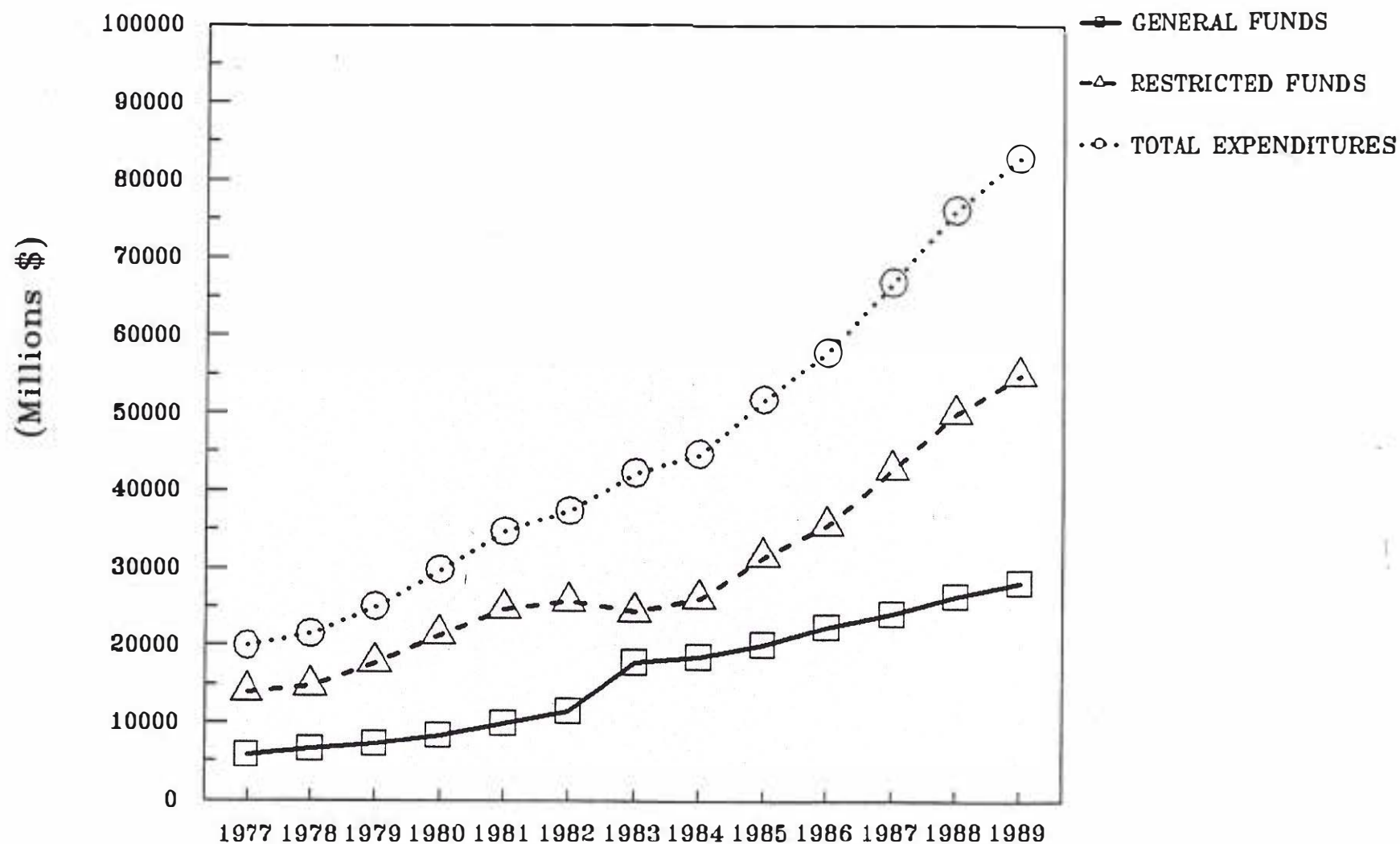
THOUGHTS ABOUT THE FUTURE
OF THE
SCHOOL OF HYGIENE AND PUBLIC HEALTH

D.A. Henderson, M.D., M.P.H.
Dean

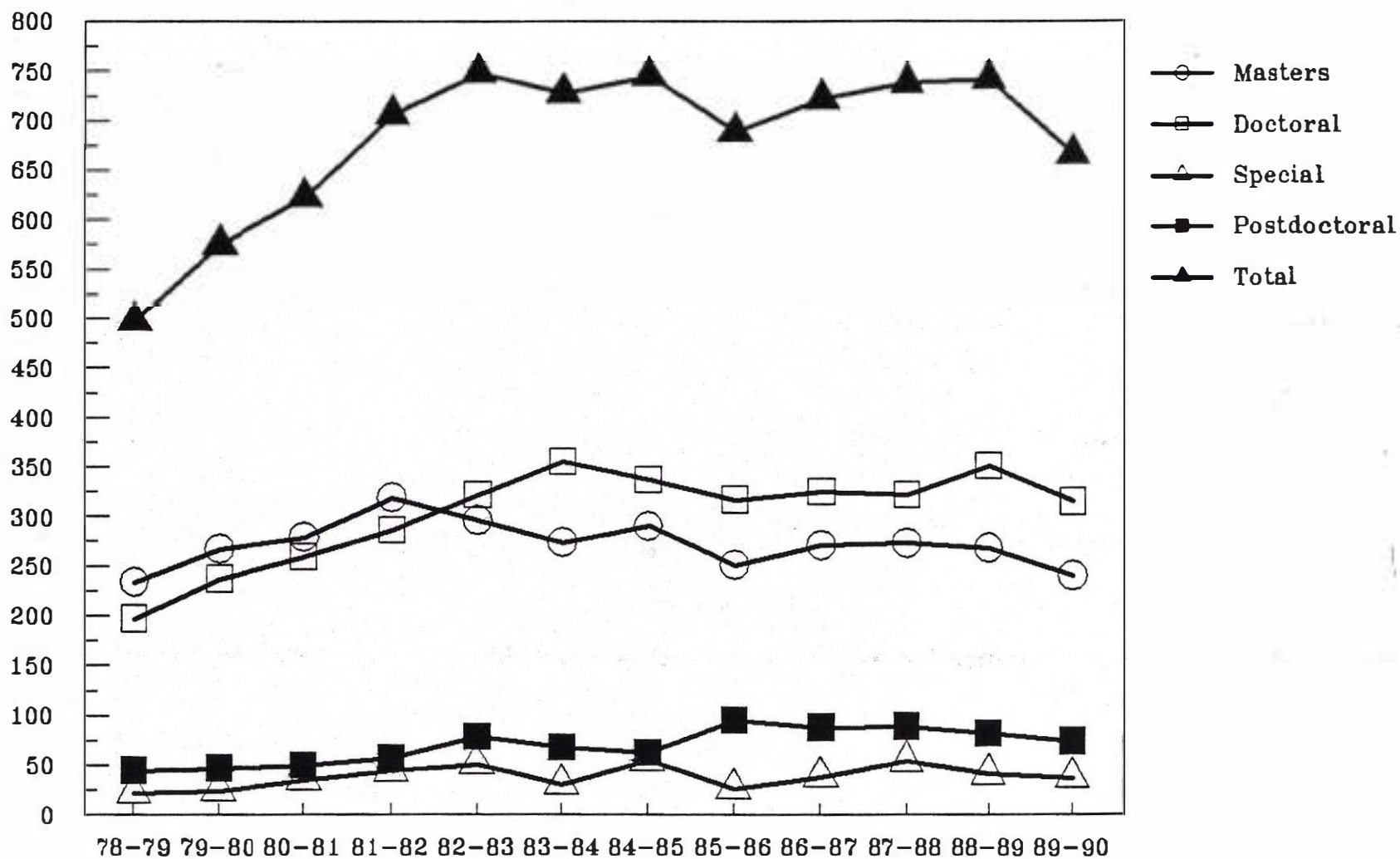
Advisory Council Meeting

18 October 1988

THE JOHNS HOPKINS UNIVERSITY
SCHOOL OF HYGIENE AND PUBLIC HEALTH
Total Expenditures by Year



THE JOHNS HOPKINS UNIVERSITY
SCHOOL OF HYGIENE AND PUBLIC HEALTH
Full-time Student Enrollment



THE JOHNS HOPKINS UNIVERSITY
School of Hygiene and Public Health

GROWTH IN EXPENDITURES BY YEAR AND SPACE OCCUPIED

FISCAL YEAR -----	ANNUAL GROWTH IN EXPENDITURES -----	SPACE OCCUPIED -----
1977		249,000
1978	7.6%	249,000
1979	16.5%	249,000
1980	19.1%	258,000
1981	16.4%	266,000
1982	7.7%	266,000
1983	13.2%	266,000
1984	5.6%	266,000
1985	15.8%	281,000
1986	12.0%	284,000
1987	15.6%	300,000
1988	14.0%	333,000
1989	8.8%	352,000

TOTAL INCREASE IN EXPENDITURES IS 316 %

TOTAL INCREASE IN SQUARE FEET OCCUPIED IS 41 %

THE JOHNS HOPKINS UNIVERSITY
School of Hygiene and Public Health

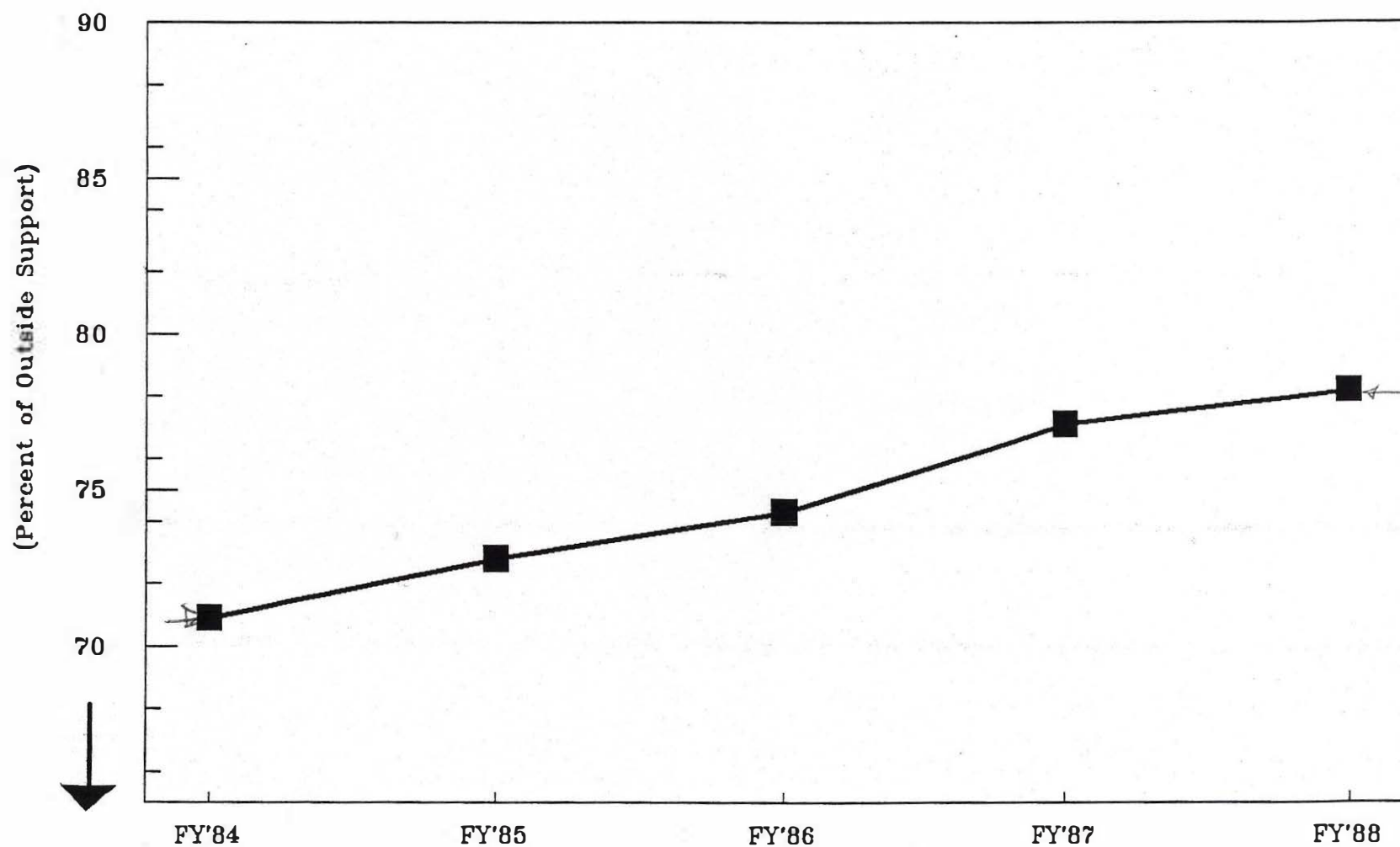
COMPARISON WITH OTHER MAJOR SCHOOLS OF PUBLIC HEALTH

(in thousands)

SCHOOL	EXPENDITURES 1979-80	EXPENDITURES 1986-87	PERCENT INCREASE
HOPKINS	\$29,834	\$76,846	157.6%
SCHOOL A	\$26,085	\$45,240	73.4%
SCHOOL B	\$15,808	\$22,874	44.7%
SCHOOL C	\$18,044	\$31,592	75.1%
SCHOOL D	\$9,015	\$12,835	42.4%

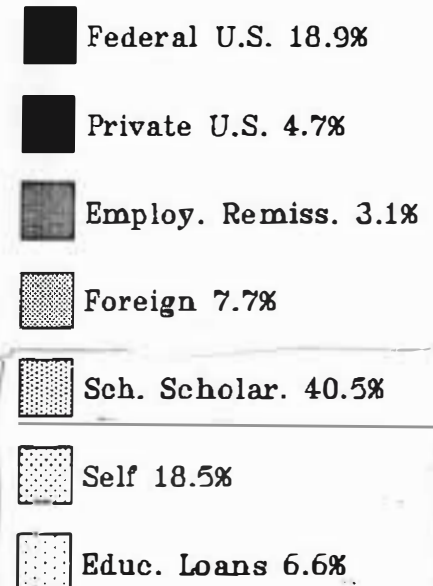
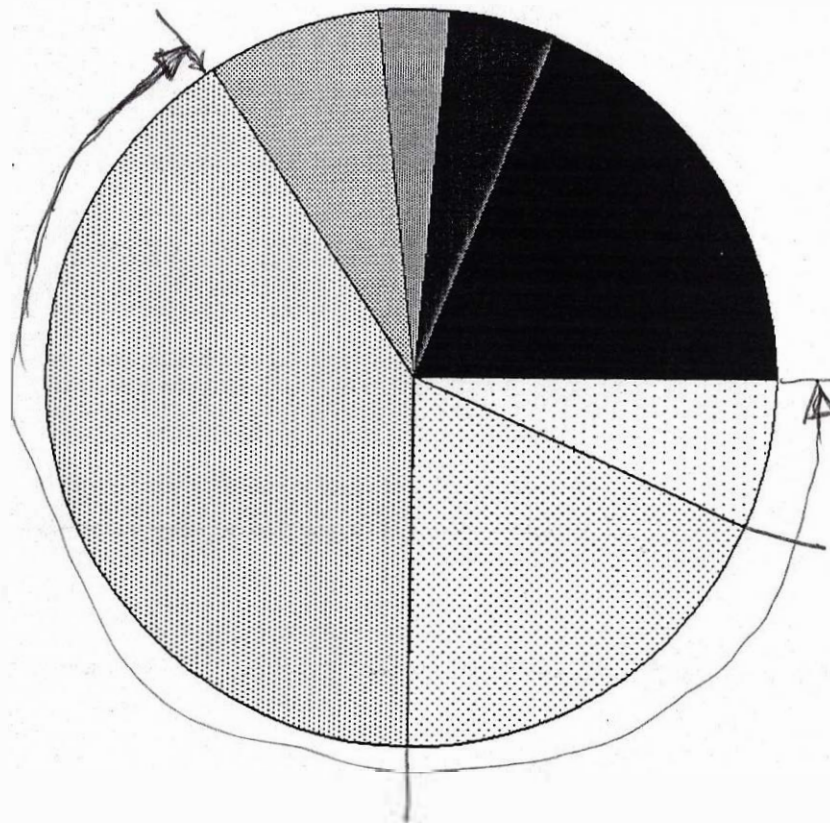
UCWA
Harvard
UNC
Mich.

THE JOHNS HOPKINS UNIVERSITY
SCHOOL OF HYGIENE AND PUBLIC HEALTH
Proportion of Faculty Salaries Generated
from Outside Sources



SCHOOL OF HYGIENE AND PUBLIC HEALTH

STUDENT TUITION SUPPORT 1986-87



Source: Financial Aid Office

Total \$9,205.957

DEPARTMENT OF INTERNATIONAL HEALTH

ANNUAL EXPENDITURES 1981-1988

<u>YEAR</u>	<u>ANNUAL EXPENDITURES</u>
1981-1982	1,046,784
1982-1983	1,167,353
1983-1984	1,199,469
1984-1985	1,374,520
1985-1986	3,358,930
1986-1987	5,194,912
1987-1988	6,812,413

DISTRIBUTION OF DEPARTMENT OF INTERNATIONAL HEALTH

EXPENDITURES BY FUNDING SOURCE 1984-1988

<u>Funding Source</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
General Funds	491,154	686,969	731,011	724,841
NIH	31,971	1,293,716	1,973,458	2,616,605
AID	620,007	751,963	1,341,162	1,810,949
Corporate	0	242,976	448,660	873,760
Int. org.	42,805	193,375	462,843	446,324
Miscellaneous	188,583	189,931	237,778	174,875
Foundations	0	0	0	165,059

DA10

CORPORATE AND FOUNDATION SUPPORT FY 85-88

CORPORATE SUPPORT

	FY	85	86	87	88
CONNAUGHT LABORATORIES. LTD					X
E.I. DUPONT DE NEMOURS CORPORATION			X	X	X
HOFFMAN LAROCHE, INC					X
INSTITUT MERIEUX				X	X
MEAD JOHNSON NUTRITIONAL GROUP					X
MERCK, SHARPE & DOHME RESEARCH LABORATORIES				X	X
NESTEC			X	X	
NORWICH EATON PHARMACEUTICALS			X	X	X
PRAXIS BIOLOGIES			X	X	X
PROCTER & GAMBLE			X	X	
SMITH KLINE			X	X	X
WYETH LABORATORIES					X
TOTAL #		0	6	8	10

FOUNDATION SUPPORT

CLARK FOUNDATION				1	X
FORD FOUNDATION					X
ROCKEFELLER FOUNDATION					X
THRASHER FOUNDATION			X	X	X
TOTAL #		0	1	2	4

Oct 88

- Discussed with you at former mtgs., as well as this, the many new and expanding progs. of the school.

Int'l. health - the most rapidly growing (HANOI)

In this and other countries, a growing interest in p.h.

- How to structure a health service which is affordable, accessible & assures quality prob. to U.S. and to all other countries (incl. USSR and Hungary!)

~~with Kerner Davis~~

with Kerner Davis (ind. inst) and ~~Black/Mosley~~ (int'l) - prominent expertise

- How to deal with the ~~large~~ ^{of} proliferating array of environ. issues in which the base of science is small, understanding is limited and expertise in very short supply

Green & Co. prominent - ~~at the~~

- Int'l. health issues where com. based progr. progs. just beginning. Promise of new tech. (vaccines + Vit A + oral rehydrat + fam. plan)

Here again, Hygiene is prominent.

Even so - demands/opportunities are expanding logarithmically and other centers are small, many still living in past decades.

Our granddaddy: how to respond. No answers today but need to be in discussions with you.

Basic data

- Expenditures. - ~~the~~
- Student body - steady state since 1982 - note 88/89 abnormal.
- Growth in expenditures / space occupied.
- Relationship to 4 other principal schools.

Harvard, UNC, UCLA, Michigan.

So much for the good news - now the problems

- Faculty salaries
- Student support
- ← Space
- Endowment

Perhaps a recognition
Foundation #1
Research #2
Int'l. Ctr.

⑧ Budget - next 5 yrs.

Problem
Solutions: Lack of space & funds for students + funds for fac. support
(esp. junior faculty)

Solution

Sylvia ~~Walter~~ Fund raising - 2 foundations.

More ^{inst. type} research - No!

~~Solution~~ Endowment - Only partial

+ Part-time degree program.

⑨ Private sector.

Expand on medical school model.

Problem:

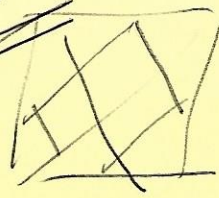
Prospects for success

? ~~Start-up funds~~

? How to organize - more is needed

? Where are funds.

* April 10-11



Al Ritardi

Not that innovative a scheme.

Can we bring enough to the table.

Should we put reputation on line — YES.

Can't do on ad hoc basis. — need professional management.

Need for an economic analysis is

Worsfold

Requires time.

Stu

Can the school market itself?

Risk of mistakes are made.

Worsfold

Question of pilot zone dept.

Al. Ritardi

What does the real world need and what will it spend for?

eg. Most of the \$ to be spent in ground H₂O cleanup.

? Good marketing study

Jack S. —

Target area: p definition of problem → resolution

Better for "resolution of problem" that assessing whether there is a problem.

Gray

Experts sometimes brought in for expertise / sometimes for credibility Do you want to play that role?

Prob W.

Biggest opportunity may also be biggest risk.

Match expertise to industries most in need.