UT Southwestern Medical Center

June 10, 2026 - Campus Briefing Transcript

Dr. Podolsky:

Good morning. I'm Dr. Daniel Podolsky, President of UT Southwestern Medical Center, and I'm pleased to welcome all of you who joined me this morning for this final campus briefing of the academic and the fiscal year as we look forward to the summer. If you missed it, I would ask that you take maybe more than a moment, because it's a lengthy email, to review the message sent out just at the end of May that provides an overview on all that this campus, which is to say, you have accomplished over the course of this past year. Rather than revisit that message, which was just sent two weeks ago, I'll focus this morning on more recent developments and leave as much time as possible for your questions.

It's really a special week on campus as we have launched our Employee Recognition Program that will continue through the end of this week and to the end of next week. And I want to thank each of you for the role you play day in and day out in advancing the mission of UT Southwestern. Your commitment, expertise, and just determination are essential to the excellence that, really, is what defines UT Southwestern.

I'd like to offer a special thanks and congratulations to the 185 staff and faculty members who have reached a significant milestone in their years of service here at UT Southwestern. Between breakfast yesterday and lunch today, 108 employees will be inducted into our Quarter Century Club for 25 years of service within the UT System, and 77 additional current members are celebrating their 30th, 35th, 40th, 45th, and even 50th year anniversaries.

On the latter, I would congratulate Dr. Dwight German, Professor in the Department of Psychiatry, and Dr. Jerry Shay, Professor in the Department of Cell Biology, who have spent the past five decades here. You can read more about their really impactful discoveries in our special edition of *Center Times*, which you'll find on newsstands across the campus. In that same edition, you can also learn more about Betty Laury, who works in Nutrition Services as a Gift Shop Clerk, and Pamela Hewitt, Senior Administrative Assistant in Patient Care Services Administration, who are each celebrating 45 years of service. And I think it's a hallmark of a great institution that so many colleagues have chosen to really commit their working careers here at UT Southwestern.

This year's Employee Recognition Program will also include the second annual Pinnacle Awards, which will be presented next week, June 17. In making these awards,

we recognize outstanding staff members who exemplify our values and who strengthen the sense of community that helps us all do our best work. Last year's inaugural event was truly inspirational. I have every reason to believe that the same will be true next Wednesday. And I do hope, if at all possible, you'll join us and if not in-person in Gooch Auditorium, then online.

Over the next two weeks, we will be reaching out in other ways, and I want to offer a special thanks for the role that the members of our Employee Advisory Committee play in really making these weeks in June a special time at UT Southwestern. I hope everyone here really does understand that whatever they do, it's important for UT Southwestern.

In that same spirit of dedication and community, I note that last week we had another campus milestone: the dedication of the Joseph L. Goldstein Sculpture Garden at Seldin Plaza here on the South Campus. No doubt just about everybody hearing my voice will be aware, Dr. Goldstein's connection to UT Southwestern spans more than five decades and with his scientific partner, Dr. Mike Brown, has defined the standard of excellence at UT Southwestern and how discovery here impacts the world. But Dr. Goldstein also is a passionate lover of the arts and has impacted the campus in a whole different way by the gift of what are now 12 outdoor sculptures that you will find at the Goldstein Sculpture Garden at Seldin Plaza.

I note that the most recent and final installation, *Overgrown Neuron*, is a truly striking example of the connection between art and science, and creates, along with the other sculptures there, a very special environment that I think anybody who steps onto it will find thought-provoking and inspiring. You can read more about the Sculpture Garden in *Center Times*.

Continuing on the theme of culture and community, I want to briefly touch on this year's Values in Practice employee engagement survey and follow up on the comments made in a message from me at the end of last week about that survey. By now, team leaders have received their results and more detailed information, including debrief sessions, which will follow in the coming weeks. With more than 70% of you responding, including the sharing of more than 18,000 comments, that in itself speaks to a strong commitment to UT Southwestern and your partnership in working with administration to improve UT Southwestern as a place for everyone to do their best work.

The results, as mentioned in my message last week, really affirm some key strengths in our culture. I was especially gratified that so many of you spoke to the strong sense of purpose that you gain from work here, your confidence in the future of our institution, and pride in working here at UT Southwestern. At the same time, and not surprisingly, the survey makes clear that there are areas where we need to do better. In particular, employees are asking for more timely communication about decisions that affect their work, greater consistencies across teams, and continued transparency from leadership here at the institution. We've also heard that work-life balance, professional growth,

flexibility where possible, and awareness of available resources are important areas for us to focus on.

I want to assure you that having taken your time to complete those surveys and share your comments, we will certainly incorporate them as we look ahead to the next year and where we will focus our attention and our resources. Once again, I thank you for your participation.

In recent weeks, we've also had a number of important leadership appointments. I'd like to start by making note of the recent announcement that Dr. Samir Parikh will serve as the next Chair of the Department of Internal Medicine, and that's effective June 15. This is the culmination of a national search launched under the aegis of our Executive Vice President for Academic Affairs, Provost, and Dean, Dr. Andy Lee.

Dr. Parikh has been a member of the UT Southwestern community since 2021, serving as Professor of Internal Medicine and Chief of the Division of Nephrology. As a nephrologist and physician-scientist, he brings deep expertise in acute kidney injury, chronic kidney disease, and the biology of the aging, but more broadly in the challenges to academic medicine and the critical role that internal medicine plays in an academic medical center such as UT Southwestern. As he takes up that gauntlet, I want to extend special thanks to Dr. Ezra Burstein, who has served wonderfully as Interim Chair since last fall.

I'm also grateful that Dr. Parsia Vagefi, Professor of Surgery, Chief of the Division of Surgical Transplantation, and Executive Clinical Director of the Solid Organ Transplant Service Line, has agreed to serve as Interim Chair of the Department of Surgery while a national search is conducted to identify the Department's next leader, with the recent departure of the now former Chair, Dr. Herbert Zeh.

Turning to other important leadership positions in our institution, I note that in just a few weeks we will welcome Dr. Warren D'Souza to UT Southwestern as our inaugural Chief Artificial Intelligence Officer. He brings deep expertise as we are committed to leveraging AI, data science, and digital health innovation to promote health and expand services across the communities of North Texas.

Also, soon to follow in joining us here at UT Southwestern is Mr. Wayne Young, who will join us as Vice President for Behavioral Health Integration and Partnerships but also CEO for the Texas Behavioral Health Center, and I'll come back to comment about the Texas Behavioral Health Center in just a few moments.

Finally, I would mention my appreciation to Dr. Marc Nivet for agreeing to serve as Interim Executive Vice President for Business Affairs following the retirement at the end of May of Holly Crawford, who had served in that role for nearly five years. In the course of the next months, we will be pursuing a search for a permanent successor to Holly, but in the meantime, Dr. Nivet will see that we don't lose any of the momentum

across the many important functions under the aegis of the Executive Vice President for Business Affairs.

And finally, finally, I note that also, again under the supervision of Dr. Andy Lee, searches are currently underway for the academic departments of Biophysics, the Lyda Hill Department of Bioinformatics, and Neuroscience.

I'd like to now turn to some important developments in the external environment that are especially relevant to our institution, including, I will note in particular, our research enterprise and our ability to serve patients across North Texas. First, I want to assure all of those of you who I know are concerned that we are closely monitoring developments affecting international faculty, trainees, and staff, including recent changes in the H-1B landscape and a new U.S. Citizenship and Immigration Services, or USCIS, policy memorandum, which is emphasizing that adjustment of status for green card applicants is discretionary and may be granted only in extraordinary circumstances. USCIS has not yet released final guidance, but it appears people applying for permanent residency through employment will still be able to file for adjustment of status without needing to prove extraordinary circumstances. Given how important talent is coming from all parts of the globe to contribute to academic medicine, research, and patient care here in the U.S. broadly, and specifically at UT Southwestern, these issues remain a priority for our Government Affairs and institutional leadership teams.

We are, of course, also following federal budget and policy discussions involving the National Institutes of Health (NIH). While the President's proposed FY2027 NIH budget includes a substantial reduction from the current funding level, I am glad to be able to note that congressional support remains with the U.S. House, which just last week proposed $48.8 billion for NIH, that is to say, not concurring with the proposed reductions put forward by the administration and also at the same time are advancing conversations around the FAIR model as a possible new approach to research cost reimbursement. Although these discussions are still evolving, they have significant implications for institutions like ours, and we will continue to advocate for a stable, sustainable framework that supports biomedical discovery and the full cost of research.

And it occurs to me, just to come back to that FAIR model, for those who are not familiar with it, it is short for Financial Accountability in Research, and it is a proposed alternative to the traditional facilities and administrative – often referred to as indirect – costs as a framework. Its goal is to make research support costs more transparent and easier to track by assigning more of those costs to clearly defined categories tied to the work being performed.

A topic that's hard to escape really in any context, artificial intelligence continues to gain momentum at UT Southwestern. I want to call your attention to an event that will take place next Tuesday, June 16, which is a focused discussion on how this work is taking shape across the institution. This will be in the form of a town hall that features

Dr. Heidi Jacobe, Associate Dean for Clinical Research Development and Professor of Dermatology, along with members of the current AI leadership team, Natalie Romello, Vice President, Chief Compliance and Audit Officer, and Brian Evans, Associate Vice President and Chief Enterprise Architect and also currently Interim Chief Data Officer. The session will cover AI strategy, governance, approved tools, security, training, and support. More information is available on the Events Calendar and has also been shared in our *UTSW Insider*.

Beyond the town hall, AI adoption is steadily increasing across campus as more teams integrate approved tools into daily workflows and move from, really, exploration to regular use. We have built a strong foundation for responsible adoption, including a campuswide network of more than 300 volunteer staff ambassadors who will help share best practices and support change across departments, backed by coordinated technical delivery, change management, and end user support. The new AI Enablement Program adds live office hours and real-time training to help employees use these tools effectively and responsibly. I have complete confidence that all of this momentum will be further galvanized by the arrival of our Chief AI Officer, Dr. Warren D'Souza, as I've touched on earlier in my comments.

Turning to the financial landscape and, more specifically, the budget for the next fiscal year, which will begin on Sept. 1, that process, the budget process that is, is moving forward in a very consistent fashion. We expect the overall margin to remain generally consistent with what we incorporated into the current year's budget at about 2%. The financial framework for getting to that 2% budget does include a 3% merit program as well as a placeholder for funds to [make], we hope once again, in midyear, and in the context of our financial performance in the early months of the fiscal year '27, market adjustments as warranted by analysis across all of our job categories. Our budget will be submitted to the UT System in early July and departments are expected to receive spending authority in August.

The main things shaping the budget, the main factors, that is, include continued strong patient volume in the Health System and, of course, the uncertainty I've already touched upon with respect to the federal research funding landscape and ongoing cost pressures for supplies and other expenses.

In the upcoming academic year, we will be approaching our budgeting of benefits in a somewhat different framework at a uniform rate of 27% as overall sufficient to cover the employee benefits across departments. After the budget process is complete in understanding this new approach of using a single benefit rate, we will review how these changes affect department budgets and work to ensure that no department is unfairly advantaged or disadvantaged. In the long term, this will allow us a much more rational approach and also one that will allow us to be fairly reimbursed for work carried out by staff and faculty on behalf of some of our partners.

The FY27 capital budget will continue to support investments across our missions. Major priorities include the continuing construction of the New Pediatric Campus in

partnership with Children's Health, completion of the Radiation Oncology campus in Fort Worth, and design work for a new academic building on the South Campus to be the home of the growing School of Public Health and a replacement home for our School of Health Professions.

Now, before we move on to a few reminders and coming attractions, I wanted to highlight an important milestone that is fast approaching: the opening of the Texas Behavioral Health Center. The phased ramp-up begins at the end of this month with the opening of the first adult forensic bed unit. Ahead of the facility opening to patients later this month, UT Southwestern will join state leaders and the Department of Health and Human Services to celebrate a ribbon cutting and a dedication.

With that, I'll turn to reminders. First, we are currently in the midst of FY26 performance evaluations. This is an important opportunity for employees and leaders to reflect together on accomplishments and progress, align goals and expectations, and identify areas for future development. All employees should have already completed self-evaluations and managers should have completed performance assessments in iPerform. Over the summer, managers will meet with employees to discuss their performance and goals, with the process wrapping up by the end of August. All this is important because it helps continue to really focus us on the work that needs to be done to deliver on our mission, and, I would also add for those not aware, is actually an obligation that we have as an institution under state law. So I hope you'll take the opportunity during your annual evaluation to really have a meaningful discussion about what you can achieve, what the challenges are, and how the institution really can support those sets of goals.

I also want to note that June is Pride Month and UT Southwestern's annual Pride celebration took place over the past weekend and I understand, once again, was full of the energy UT Southwestern communities bring to all of their endeavors.

I want to note that nominations are also now open for the Leaders in Clinical Excellence Awards for 2026. These awards recognize faculty and their teams across all sites where we provide care, whether it's in our own University facilities or in our partners', for the exceptional contributions they are making to the care of patients, to the education and training of our students, and to advancing UT Southwestern overall. I hope you will each take some time to consider nominating an individual or team whose work exemplifies the commitment to excellence these awards recognize.

And as a final coming attraction, next Friday, we will observe Juneteenth with academic offices, clinics, and central administrations closed. This Saturday, June 13, also marks the annual Juneteenth 4K Freedom Walk and Festival hosted by the Martin Luther King, Jr. Community Center. UT Southwestern will be there with the event's Healthy Living Zone, which features free health screenings and interactive booths staffed by departments across campus. Departments interested in participating may contact the Office for Institutional Opportunity.

And with that, I'll conclude my update with one final reminder. The summer is upon us and I want to encourage everyone in our community to take time off, especially those who have gotten to the maximum allowable amount of paid time off, PTO, accruals, which I know is the case for many here on the campus. Really take the time to reenergize, to rest, to connect with friends and family, and all that will bring new energy to the work you do here at UT Southwestern.

And with that, I'm going to turn to your questions, and as in the past, I'm fortunate to have Jenny Doren here with me to pose the questions that you have forwarded.

Jenny Doren:

Well, good morning, Dr. Podolsky. Always a pleasure to be here. This first question is a topic of continuing focus, and that is: How is UT Southwestern navigating uncertainty in the national research funding environment?

Dr. Podolsky:

Well, first to note, research funding environments have always evolved, and periods of uncertainty are not new. They have occurred in the past, although I would acknowledge that some of the ones that we see in the current day, and particularly with the current administration, are distinctive. The current funding environment presents real challenges, to acknowledge that, and we are approaching them with the same discipline and focus that have guided UT Southwestern through previous periods of uncertainty. We are actively evaluating potential impacts, engaging with policymakers and peer institutions, and providing guidance and support to our investigators as conditions evolve.

Jenny Doren:

And I know we often discuss parking. I don't think any briefing is complete without some questions regarding parking. Can you provide an update on the new parking lot on North Campus and when it's expected to open?

Dr. Podolsky:

Well, I don't know if it's the first, but I am glad that somebody asked about parking in this briefing because I'm very pleased to be able to say that the new parking lot on North Campus has just come online and is available for use. The lot adds 700 new parking spaces and is located on the corner of Forest Park Road and Bomar Avenue directly adjacent to the University Police Station. While this lot provides critical overflow parking for North Campus, it also serves as a less expensive parking option for those in the area.

There are still some construction items to finish in the facility, most notably the addition of canopies that will provide 140 covered parking spaces, but the lot is available for

use now. For any questions about this facility, please contact Parking Services. Additionally, Lot E at Clements University Hospital opened in March of this year, adding 335 spaces to the campus and serving as an overflow option for CUH. Together, these lots add more than 1,000 spaces to our campus inventory.

Jenny Doren:

So another few questions that we received were related to some fuel supply concerns and whether or not those have prompted UT Southwestern to consider added flexibility for employees in roles that can be performed remotely.

Dr. Podolsky:

Well, I certainly do understand the challenges many employees are currently facing as fuel costs rise, affecting daily commutes and household budgets. We do strive to support our employees as they navigate these real-world circumstances while ensuring we continue to serve our patients, learners, and colleagues in our UT Southwestern community.

We have a designated UTSW Carpooling Program to help facilitate shared/reduced cost travel to campus. And so I certainly encourage you to explore that as one option to manage the budget challenges currently of commuting in a car individually. We also have a DART pass subsidy for employees and students based on employment status and the type of pass purchased. The option of employees to work remotely is determined by the specific position and the relevant job type designation.

Earlier this year, we shared important news about Texas Senate Bill 2615 and House Bill 5196, along with the subsequent updates for our employees who work remotely. These bills passed by the Texas Legislature in the last session frame the boundaries of remote work for state employees. To align with the changes in those bills, employees who work at least 50% of the time remotely are now classified as telecommuting, formerly called majority remote.

UTSW work arrangements now fall into three categories: on campus, which is of course fully on-site; flex work, which is partly remote and partly on-site – we formerly referred to that as hybrid; and telecommuting, primarily remote and, as noted, formerly referred to as majority remote.

As a reminder, with the additional update to policy EMP-162, all UTSW employees must work in Texas and have a Texas address unless approved by Human Resources and their department VP. Again, we appreciate you sharing these concerns, and we'll continue looking for ways to support our employees as we work together to advance the health of our community.

Jenny Doren:

So a final HR-related question for this briefing: Can leadership provide perspective on how compensation decisions are made to ensure support for employees across the institution, particularly amid some of those rising living costs that you've described?

Dr. Podolsky:

We recognize that this is a challenging time, again, with rising costs, even if we can hope some of those may moderate over the months ahead, but still a challenging time for all household budgets. Our two-part compensation program is intentionally designed to ensure our compensation remains competitive in the external market, including the impact of rising costs and everyday items. Both elements of this program offer opportunities for compensation adjustment. The first of these are our merit-based adjustments determined by job performance and the others are market-based adjustments determined by job function to ensure our compensation packages remain competitive. The latter accounts for factors such as cost-of-living increases and market wage growth.

As a vital component of our annual compensation process, UT Southwestern will continue to review the market data regularly. And as I touched on in my initial briefing remarks, having set the pool for merit at 3%, we will also be looking across all job categories as we get into the middle part of the next fiscal year to see where we may need to adjust compensation upward to remain, as I've now referred to, competitive in the market.

Jenny Doren:

That's helpful perspective. And I do want to return to the topic of transportation. Do we have any guidance for employees who may be concerned about increased traffic or other disruptions as World Cup activity ramps up in our area?

Dr. Podolsky:

Well, because UT Southwestern serves patients across North Texas, employees should be mindful that increased regional traffic may affect both staff commutes and patient travel times. Teams are encouraged to plan accordingly and help ensure continuity of patient care and operations.

As an Official World Cup 2026 Dallas Host City Supporter itself, UT Southwestern is proud to help welcome the world to North Texas and support our region's role as a host community. While the World Cup will bring excitement and visitors to the area, our mission continues uninterrupted. As an academic medical center, our responsibilities to patients, students, research participants, and one another continue regardless of major events happening in the region.

All employees are encouraged to plan ahead for potential traffic impacts, allow extra travel time when needed, monitor local traffic conditions, and work with their supervisor to address any unusual commuting challenges. Similar to my response to a previous question, I really ask that you work closely with your supervisor to determine whether your responsibilities can be carried out remotely and to make appropriate arrangements based on the needs of your role and your team.

Jenny Doren:

OK, thank you for that. We have time for two quick Health System specific questions beginning with the use of pagers and whether we could transition to cell phones instead.

Dr. Podolsky:

Well, we continue to use pagers for a couple of reasons. The first being security and data protection and the second being cost. In most cases, UT Southwestern does not provide cell phones to employees. And for our clinical providers, we don't recommend using your personal device for communication and instead require secure message application.

Text messages do not provide the same level of protection and proper safeguards. For instance, messages can be stored outside of a secure managed system or can be accessed if the device is lost, both putting patient information at risk and in violation of our obligation, legal obligation to protect the patient health-related information privacy. As technology continues to evolve, we will keep evaluating tools that meet our operational and privacy standards.

Jenny Doren:

We also received a question about whether there are or were any plans to establish a licensed vocational nurse program for certified medical assistants.

Dr. Podolsky:

While there is currently no program in place, our nursing leadership is continually reviewing career advancement pathways for our employees. The nursing executive team has a strategic retreat planned for later this year and topics like this will be discussed. Hopefully we'll have more to report in a future briefing.

Jenny Doren:

Thank you very much, Dr. Podolsky, as always for your time and perspective.

Dr. Podolsky:

Thank you, Jenny.