Budget Model Development

- Report of the Budget Model Development Committee.
  - http://www.iastate.edu/~budgetmodel/

- Proposal: Create a new budget model
  - July 1 2006, new model to be created
  - July 1 2007 new model to be implemented
Budget Model Development

• Synopsis new model:
  • Major academic and administrative units would have control over income and responsibility for expenses.

• Philosophical basis: RCM
  • Responsibility Centered management
  • Introduction of business principles into higher education
  • “each tub on its own bottom”
Budget Model Development

Questions:

- Should the university be run according to the principles of a corporate profit center?
- What changes will this make to ISU?
- Has this approach worked at institutions similar to ISU?
  - USC: Serious problems with RCM.
  - David Kirp, UCLA
- What would implementing this mean in terms of how faculty work, how the faculty Senate works?
Faculty Role

- Faculty need to become involved in this process.
- Faculty Senators need to become involved in this process.
- Read and discuss the report
- Attend forums
- Ask questions
RCM Readings

- Managing Universities: University of Massachusetts
  - http://Courses.umass.edu/lombardi/edu03/contents.html

- David L. Kirp:
    http://www.gseis.ucla.edu/gseisd/doc/change.html