

# 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**

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- **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”**

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- **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:**
  - **The Corporation of Learning: Nonprofit Higher Education takes lessons from business.**  
<http://www.gseis.ucla.edu/gseisdoc/change.html>