

Budget Council Meeting
Minutes
January 31, 2011
1 – 3 p.m.
Tigert 202

Attendance:

Cheri Brodeur
Regina Bussing
Marc Heft
James Klausner
Pradeep Kumar
Matt Fajack, CFO

Meeting was called to order at 3:05 p.m.

Minutes from the December 13, 2010 joint meeting with the Research and Scholarship Council were approved.

Matt Fajack reported on the state budget and the start of the legislative session. Medicaid keeps increasing cutting into state funding and the federal stimulus package will end soon. The legislature is looking at cuts in state employee benefits. Committees started meeting last week. The administration will have a better idea of the preliminary state budget when it comes out next week.

As for RCM, there are eight big issues:

1. Should we tax endowments and gifts?
2. Tax research expenditures 8.5% (same as before)
 - a. Percentage will be recalculated each year based on the previous year's expenditures
3. Pass Throughs
 - a. Example: If one event is greater than \$50,000 and written in less than 10 checks, will most likely not tax.
 - b. All this is still open to interpretation.
4. Interdisciplinary Teaching
5. Look back period
 - a. Currently we use 18 months for look back period. Thought is to reduce to 12 months.
6. Tuition increases
 - a. Asking the legislature to take tuition out of appropriations.

Matt will get back to the committee on the other two issues.

Council members had a long discussion on how to write and present the report to the senate on April 14, 2011. It was noted that the CFO's website has a great deal of information that will help in the understanding of RCM. It was decided Marc Heft's distributed notes will be circulated electronically to members of the committee. Each member will review (with track changes) and send feedback to Marc. Marc will draft the "definition of RCM/charge process" section and Regina Bussing will start on the "positive/negative/unintended consequences" portion of the report.

The committee adjourned at 2:55 p.m.