

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

Approved by the Regents
June 16, 2006

Request for Action

Subject: Authorization for Expenditures in Fiscal Year 2006-2007 for the University Health System

Action

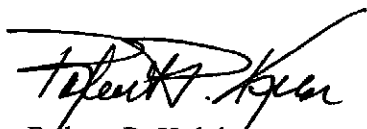
Requested: To Provide Temporary Expenditure Authorization for Fiscal Year 2006-2007

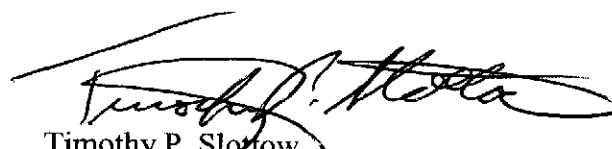
Background:

In July, the budget for the University of Michigan Health System will be presented for regental approval. Until the 2006-2007 budgets are prepared and approved, the following recommendations are made for continuing Health System operations in the 2006-2007 fiscal year beginning July 1, 2006:

1. Payments for non-salary expenditures in 2006-2007 will be made at a rate not to exceed the monthly budget levels for 2005-2006.
2. Salary expenditures in 2006-2007 will be made on the basis of salary budgets in effect for 2005-2006.

Respectfully submitted,


Robert P. Kelch
Executive Vice President
for Medical Affairs


Timothy P. Slottow
Executive Vice President &
Chief Financial Officer

June 2006