

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

Approved by the Regents
June 21, 2007

ACTION REQUEST

Subject: Authorization for Expenditures in Fiscal Year 2007-2008 for the University Health System

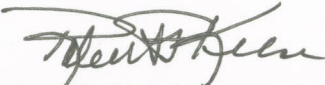
Action Requested: To Provide Temporary Expenditure Authorization for Fiscal Year 2007-2008

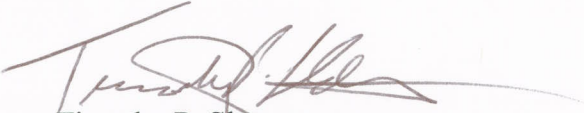
Background:

In July, the budget for the University of Michigan Health System will be presented for Regental approval. Until the 2007-2008 budgets are prepared and approved, the following recommendations are made for continuing Health System operations in the 2007-2008 fiscal year beginning July 1, 2007:

1. Payments for non-salary expenditures in 2007-2008 will be made at a rate not to exceed the monthly budget levels for 2006-2007.
2. Salary expenditures in 2007-2008 will be made on the basis of salary budgets in effect for 2006-2007.

Respectfully submitted,


Robert P. Kelch
Executive Vice President
for Medical Affairs


Timothy P. Slottow
Executive Vice President &
Chief Financial Officer

June 2007