I. CALL TO ORDER
   a) Approve Agenda
   Cutrer welcomed everyone and called the meeting to order at 9:03 a.m. The primary topic of discussion today will be the budget and most of the meeting time will be devoted to that conversation. The agenda was accepted as presented.

   Members were asked to forward to Boyle via email any suggested edits to the Minutes that were distributed with the agenda.

II. ANNOUNCEMENTS
   None.

III. PROCESS FOR ISSUING DIVISION COMMUNICATIONS
   Cutrer distributed copies of the draft Fall 2009 Town Hall schedule. There was discussion about how messages and announcements are distributed to division employees. Boyle and Veres will discuss the creation of a listserv system that will allow staff in the Provost’s Office to issue a single message to all employees in the division rather than enlisting the assistance of staff in each unit to forwarded messages. This new system will ensure that employees across all units in the division receive messages and announcements simultaneously and in a common format. A staff member in each unit will be responsible for ensuring employees’ email addresses are current for the respective unit listserv.

IV. AUGUST RETREAT DEBRIEF
   Tabled to a future meeting due to lack of time.

V. ENROLLMENT UPDATES
   Cutrer is convening a meeting of the Provost’s Enrollment Group (PEG) next Monday, September 15th. PEG is an advisory body to the Provost comprised of the College Deans, Director of School of Nursing, Dean of Extended Learning, AVP for Enrollment Management Services, AVP for Academic Programs, Chair of the Academic Senate, and Director of Institutional Planning and Analysis. Cutrer distributed a handout entitled “Goals and Tools of CSU Enrollment Management” received in August from a system wide meeting and reported:
   - San Marcos’s enrollment target reduced by 6% for AY 2010/11.
   - Other CSU campuses reduced up to 12% (e.g., SDSU, Long Beach, Fullerton).
   - Cutrer and the Academic Senate are working on a policy regarding “super seniors”.
   - President Haynes and other campus leadership have advocated strongly that San Marcos be allowed to maintain a flat enrollment due to demand and capacity, but the Chancellor’s Office is unable to grant an exception due to the severity of the State and CSU budget situation.

VI. BUDGET UPDATE
   Cutrer distributed a packet of documents, most of which were handouts distributed at the September 11th University Budget Committee (UBC) meeting. [Note: UBC handouts are posted to the UBC website following the meeting.] Cutrer reviewed the information and her comments included, among others:
- Governor’s Line Item Veto in the CSU General Fund Adjustments of $255,000,000 was not restored in FY 09/10 as originally expected.
- In order to remain eligible for Federal Stimulus Funds, the CSU budget cannot be reduced below the FY 2005/06 level of funding.
- The campus experienced an increase in FTES of approximately 16% between FY 2005/06 and FY 2009/10, accompanied, ironically, by an almost identical percentage decrease in State funding during that same period.
- Costs for salary increases associated with promotion of faculty undergoing review this year in accordance with the Unit 3 collective bargaining agreement will be borne by the faculty member’s unit. Deans should plan accordingly.
- Costs of salary increases associated with reclassification of staff position will be borne by the employee’s unit. Managers should plan accordingly.
- President Haynes charged UBC to develop a prioritized budget reduction recommendation of 10% permanent funds and 5% fiscal funds for FY 2010/11 using the consultative process developed by UBC last year and that was accepted and approved by President Haynes. The 10% and 5% reduction scenarios are projected to exceed the actual reductions the campus must implement, allowing UBC to offer a meaningful recommendation rather than endorsing division plans that equal the necessary reduction.
- All projections regarding the FY 10/11 budget are based on information received by the campus to date and subject to change.
- A document with a draft process and timeline for developing the division budget recommendation was distributed. The draft reflects the consultative process developed by the division last year, but with an adjusted timeline due to the complexity of planning required for next year’s budget. The process and timeline have not been finalized or approved and were distributed for information purposes. Due to the magnitude of the reductions, the campus is seeking guidance from the Chancellor’s Office about engaging in a consultative process.
- AALC managers were asked to begin planning for scenarios for a 10% permanent and 5% fiscal budget reduction in their units for FY 2010/11. A template will be distributed for preparing the plans.

VII. AGENDA ITEMS FOR NEXT MEETING (Tuesday, October 6th, 9:00 a.m. – 11:00 a.m., KEL 3010)

- Joint Senate Executive Committee, Senate Budget and Long-range Planning Committee, and Academic Affairs Leadership Council meeting to receive the report of the Academic Affairs Ad Hoc Faculty-Administration Budget Committee.

VIII. ACTION ITEMS

All: Forward to Boyle via email any suggested edits to the Minutes distributed electronically with the agenda.

IX. ADJOURNMENT

There being no further business, Cutrer thanked members and adjourned the meeting at 11:02 a.m.

Submitted by
Marcy Boyle, Assistant to the Provost and Vice President for Academic Affairs
Staff to the Academic Affairs Leadership Council