



UNIVERSITY BUDGET COMMITTEE

Meeting #1
MINUTES

Friday, September 11, 2009

9:00 a.m. – 12:00 p.m.

Provost's Conference Room, KEL 5207

MEMBERS PRESENT: T. Bell, B. Blanshan, E. Cutrer, L. Hawk, A. Hoang, J. Mattingly, J. McDaniel, K Rees, K. Watson
MEMBERS ABSENT: AA Rep (vacant)
OBSERVER PRESENT: D. Ricardo, R. Yoshii
STAFF PRESENT: M. Boyle, M. Ceppi, A. Glasgow, M. Hinchman, L. Rojas, B. Ward

I. WELCOME AND INTRODUCTIONS

a) Approve Agenda and 4/17/09 Minutes

Cutrer welcomed everyone and called the meeting to order at 9:05 a.m. Introductions were made around the table. The agenda was approved as presented. The Minutes of the 4/17/09 meeting were accepted.

b) Review President's Charge

Cutrer distributed copies of President Haynes's memo dated 9/9/2009 with the subject line "Appointment of the 2009 /10 University Budget Committee" and copies of the approved "University Strategic Budget Development Process" that was drafted and recommended by the University Budget Committee (UBC) last year. According to the memo, UBC is an advisory body to the President comprised of members who represent various campus constituencies and is charged with developing a FY 2010/11 budget recommendation for the President using the new process. A PDF version of the new process will be posted on Budget Central. The University Budget Committee website will be expanded to include documents distributed at meetings, as appropriate, and links to the website will be added at Budget Central and the University Budget Office web pages.

II. BUDGET UPDATE

Hawk distributed a number of handouts, listed below, and provided a budget update. Please refer to handouts for budget update details.

- University Budget Committee Budget Update September 11, 2009 (copies of PowerPoint slides)
- Cal State San Marcos FY 2009/10 Final Budget Allocations, Summary B09-02, MYBM FIRMS Final_September 2009.xls
- California State University San Marcos Historical Operating Fund Budget
- Cal State San Marcos FY 2009/10 Final Budget Allocations, MYBM Summary, MYBM FIRMS Final_September 2009.xls
- CSUSM Multi-Year Budget Model, Allocation of Operating Fund Incremental Budget, MYBM FIRMS Final_September 2009.xls, MYBM0910
- CSUSM Budget Reduction Plan, Fiscal Year 20010/11, % Reductions 10%
- Cal State San Marcos Fiscal Year 2009-10 Operating Fund Budget Allocations, Distribution by Division, MYBM FIRMS Final_September 2009.xls

The question of a FY 2009/10 mid-year budget cut was raised. To date, no official notice has been received from the Chancellor's Office. The State's budget situation is best described as a "house of cards" – fragile and uncertain. State revenue is a critical component. If actual revenue receipts fall short of the State's projections, there could be mid-year consequences for State agencies. Plus, the outcome of State budget items currently under dispute could impact the State's budget situation. The State Legislative Analyst's Office is a nonpartisan advisory body and the office's website is a good source for emerging information about the State budget (<http://www.lao.ca.gov/laoapp/main.aspx>).

The Multi-Year Budget Model (MYBM) referenced in the above list of handouts is a campus budget planning and management tool developed and maintained by the University Budget Office that has been used over the last five years by the President, President's Executive Council, and the University Budget Committee. The projections for sources of funds and uses of funds included on the MYBM are calculated based on available information and are subject to change. The MYBM is revised frequently as information is received from the Chancellor's Office and as changes occur on

campus. Data is shown for the prior fiscal year, current fiscal year and the next fiscal year. Projections beyond the next year, particularly in the current fiscal environment, are not very reliable and therefore not useful.

In response to a question about the decision-making process for distribution of FY 2009/10 budget allocations to each division and subdivision, Cutrer reported that the decision was made at the president and vice-president levels. On July 23rd the campus received a memo from the Chancellor's Office requesting a response by July 30th explaining how reductions would be implemented. At that point in time, the CSU and the California Faculty Association were engaged in furlough negotiations which precluded the ability to engage in a shared governance process to develop the preliminary reduction plans.

III. AY 2010/11 BUDGET DEVELOPMENT PROCESS

The recently approved *University Strategic Budget Development Process* will be followed for preparing a recommendation to President Haynes regarding the FY 2010/11 budget. President Haynes has requested a prioritized list of 10% permanent reductions and 5% fiscal reductions to the University's budget. The 15% sum of reductions exceeds the total expected reduction and is being requested in order to allow the UBC flexibility in prioritizing proposals.

Cutrer reported that the vice presidents recommend that the timeline in the *University Strategic Budget Development Process* be modified so that divisions might engage in the discussions necessary to develop budget reduction plans at the earliest point in time possible due to the magnitude of the budget reductions. (Cutrer distributed a draft proposal of the revised budget development timeline to members as they left the meeting.)

Members recommended that an explanation about the impacts of the FY 09/10 budget reductions by division as well as the FY 2010/11 budget development process be communicated to the University community – perhaps by posting a message on Budget Central.

The CSU Board of Trustees FY 2010/11 budget proposal will be sent to the State shortly. Ceppi asked members to be mindful that it is a proposal that is being submitted at the beginning stages of budget discussions at the CSU and State level. It should not be interpreted as representing the final FY 2010/11 allocation to the CSU.

IV. PROPOSED AY 2009/2010 UBC MEETING SCHEDULE

It was decided to schedule an ad hoc UBC meeting in either October or November and the primary agenda item will be division budget presentations. Boyle will send an email message soliciting members' availability for a meeting. Blanshan, Cutrer, Hawk, Hinchman, McDaniel, and Yoshii will meet to prior to the ad hoc UBC meeting to identify the information to be shared at the meeting by each division.

Due to lack of time, there was no discussion about the balance of the proposed AY 2009/10 meeting schedule.

V. NEXT STEPS

Schedule an ad hoc UBC meeting in October or November for division presentations.

VI. ADJOURNMENT

Hawk adjourned the meeting at 11:56 a.m.

Submitted by
Marcy Boyle
Assistant to the Provost and Vice President for Academic Affairs
Staff to UBC