



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

TO: The Honorable the Members of the Board of Regents
FROM: Donald Juron *Donald E Juron*
SUBJECT: State Education Department June 2013 Fiscal Report
DATE: July 15, 2013

AUTHORIZATION(S):

J. B. J. Jr.

Issues for Approval

The June Fiscal Report is presented for your review, discussion and acceptance.

Reason(s) for Consideration

Update.

Proposed Handling

Review, discussion and acceptance.

Procedural History

The June Fiscal Report reflects actual expenditures through June 30, 2013 and projected expenditures through the lapse period ending June 30, 2014.

Background Information

- All Funds – Extensive spending controls continue.
- General Fund – Overall spending plans reflect the amounts appropriated in the 2013-2014 enacted budget. General Fund accounts are in structural balance with the exception of the Tenured Teacher Hearings (TTH) account. The 2013-14 budget includes a \$6 million appropriation for TTH claims, an increase of \$2.2 million from the prior year. With these additional funds, the deficit at the end of 2013-14 is projected to be \$2.03 million.

- Special Revenue – Our revenue accounts are all in structural balance on a current year basis and the accumulated negative balance in the Cultural Education Account is being reduced by approximately \$700,000.
- Federal – This report reflects current year plans for two year grant awards.

Recommendation

I recommend that the Board of Regents accept the June 2013 State Education Department Fiscal Report as presented.

Timetable for Implementation

N/A

STATE EDUCATION DEPARTMENT GRAND TOTALS
FINANCIAL STATUS AS OF JUNE 30, 2013
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End	
GENERAL FUND										
Personal Service	0	25,671,801	25,671,801	4,637,508	21,034,293	25,671,801	0	0	0	
Nonpersonal Service	0	22,040,199	22,040,199	928,275	23,141,924	24,070,199	(2,030,000) (a)	(2,030,000) (a)	(2,030,000) (a)	
Subtotal	0	47,712,000	47,712,000	5,565,782	44,176,218	49,742,000	(2,030,000) (a)	(2,030,000) (a)	(2,030,000) (a)	
SPECIAL REVENUE										
All Accounts	Subtotal	27,292,250	156,109,205	183,401,455	34,136,569	123,658,130	157,794,699	(1,685,494) (b)	5,732,652	25,606,756
FEDERAL FUNDS										
<i>October-September Programs</i>										
Personal Service	N/A	N/A	51,597,920	6,346,656	45,251,264	51,597,920	N/A	N/A	N/A	
Fringe/Indirect Costs	N/A	N/A	40,664,101	751,114	39,912,987	40,664,101	N/A	N/A	N/A	
Nonpersonal Service	N/A	N/A	20,399,056	1,671,986	18,727,070	20,399,056	N/A	N/A	N/A	
Subtotal	N/A	N/A	112,661,077	8,769,757	103,891,320	112,661,077	N/A	N/A	N/A	
<i>July-June Programs</i>										
Personal Service	N/A	N/A	35,165,277	20,629,123	14,536,154	35,165,277	N/A	N/A	N/A	
Fringe/Indirect Costs	N/A	N/A	27,153,280	7,972,132	19,181,148	27,153,280	N/A	N/A	N/A	
Nonpersonal Service	N/A	N/A	130,149,600	16,358,708	113,790,892	130,149,600	N/A	N/A	N/A	
Subtotal	N/A	N/A	192,468,157	44,959,963	147,508,194	192,468,157	N/A	N/A	N/A	
GRAND TOTALS	N/A	N/A	536,242,689	93,432,071	419,233,862	512,665,933	N/A	N/A	N/A	

(a) This structural imbalance is the result of continued underfunding for the Tenured Teacher Hearing program.

(b) This imbalance is the result of normal cash flow and the use of prior year funds to meet current year one-time obligations.

ADULT CAREER AND CONTINUING EDUCATION SERVICES
FINANCIAL STATUS AS OF JUNE 30, 2013
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	667,000	667,000	157,033	509,967	667,000	0	0	0
Nonpersonal Service	0	3,539,000	3,539,000	162,478	3,376,522	3,539,000	0	0	0
Subtotal	0	4,206,000	4,206,000	319,511	3,886,489	4,206,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	45,884,936	3,124,654	42,760,282	45,884,936	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	36,506,056	0	36,506,056	36,506,056	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	13,997,777	446,868	13,550,909	13,997,777	N/A	N/A	N/A
Subtotal	N/A	N/A	96,388,769	3,571,521	92,817,248	96,388,769	N/A	N/A	N/A
<i>July-June Programs</i>									
Personal Service	N/A	N/A	1,360,500	933,361	427,139	1,360,500	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	939,562	13,943	925,619	939,562	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	1,761,425	4,233	1,757,192	1,761,425	N/A	N/A	N/A
Subtotal	N/A	N/A	4,061,487	951,537	3,109,950	4,061,487	N/A	N/A	N/A
SPECIAL REVENUE									
Workers' Compensation	146,779	100,000 (b)	246,779	1,117	98,883	100,000	0	0	146,779
Social Security	0 (a)	175,640	175,640	154,400	21,240	175,640	0	0	0
Proprietary - Supervision	3,307,787	3,816,088 (c)	7,123,875	825,508	3,502,308	4,327,816	(511,728) (e)	238,272	2,796,059 (g)
Proprietary - Tuition Reimbursement	2,708,783	330,000 (d)	3,038,783	5,439	694,561	700,000	(370,000) (e)	130,000	2,338,783 (h)
High School Equivalency (GED)	778,359	225,000	1,003,359	494,454	428,916	923,370	(698,370) (f)	(698,370) (f)	79,989

(a) This is a reimbursable account. Carry-in balances are not reported for reimbursable accounts since these balances will ultimately be zero (allowing for processing time).

(b) A sweep of \$32,000 is anticipated against this account pursuant to the enacted State budget.

(c) A sweep of \$297,000 is anticipated against this account pursuant to the enacted State budget.

(d) A sweep of \$23,000 is anticipated against this account pursuant to the enacted State budget.

(e) This imbalance is the result of normal cash flow and the use of prior year funds to meet current year one-time obligations.

(f) This imbalance is the result of normal cash flow and the use of prior year funds to meet current year obligations.

(g) Some funds are earmarked for future technology enhancements.

(h) Funds are earmarked to provide financial protection for students who attend licensed proprietary schools in the event of a school closing.

PROFESSIONS
FINANCIAL STATUS AS OF JUNE 30, 2013
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End
<i>SPECIAL REVENUE</i>									
Office of the Professions	12,390,393	44,508,836 (a)	56,899,229	8,387,556	34,348,437	42,735,993	1,772,843	3,996,891	14,163,236
E-Licensing Project	8,400,000	0	8,400,000	0	2,400,000	2,400,000	(2,400,000)	0	6,000,000

(a) A sweep of \$2,777,000 is anticipated against this account pursuant to the enacted State budget.

**HIGHER EDUCATION
FINANCIAL STATUS AS OF JUNE 30, 2013**
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	2,226,801	2,226,801	563,007	1,663,794	2,226,801	0	0	0
Nonpersonal Service	0	161,873	161,873	0	161,873	161,873	0	0	0
Tenured Teacher Hearings NPS	0	5,772,326	5,772,326	0	7,802,326	7,802,326	(2,030,000)	(2,030,000) (a)	(2,030,000)
Subtotal	0	8,161,000	8,161,000	563,007	9,627,993	10,191,000	(2,030,000)	(2,030,000)	(2,030,000)
FEDERAL FUNDS									
<i>July-June Programs</i>									
Personal Service	N/A	N/A	919,993	826,965	93,028	919,993	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	270,503	0	270,503	270,503	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	264,005	71	263,934	264,005	N/A	N/A	N/A
Subtotal	N/A	N/A	1,454,501	827,036	627,465	1,454,501	N/A	N/A	N/A
SPECIAL REVENUE									
Office of Teacher Certification	2,871,192	6,900,000 (b)	9,771,192	1,742,867	5,352,088	7,094,955	(194,955) (d)	58,045	2,676,237
Regents Accreditation of Teacher Education	41,382	31,000 (c)	72,382	27,185	43,167	70,352	(39,352) (d)	31,000	2,030

(a) This structural imbalance is the result of continued underfunding for the Tenured Teacher Hearing program which is beyond the Department's control.

(b) A sweep of \$861,000 is anticipated against this account pursuant to the enacted State budget.

(c) A sweep of \$21,000 is anticipated against this account pursuant to the enacted State budget.

(d) This imbalance is the result of the use of prior year funds to meet current year one-time obligations.

OFFICE OF P-12
FINANCIAL STATUS AS OF JUNE 30, 2013
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	16,001,000	16,001,000	2,771,321	13,229,679	16,001,000	0	0	0
Nonpersonal Service	0	10,010,000	10,010,000	452,524	9,557,476	10,010,000	0	0	0
Subtotal	0	26,011,000	26,011,000	3,223,845	22,787,155	26,011,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,962,984	1,722,296	1,240,688	2,962,984	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	2,258,895	440,794	1,818,101	2,258,895	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	5,501,279	1,219,229	4,282,050	5,501,279	N/A	N/A	N/A
Subtotal	N/A	N/A	10,723,158	3,382,319	7,340,839	10,723,158	N/A	N/A	N/A
<i>July-June Programs (a)</i>									
Personal Service	N/A	N/A	27,827,955	15,645,024	12,182,931	27,827,955	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	25,943,215	7,958,189	17,985,026	25,943,215	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	127,776,670	16,071,062	111,705,608	127,776,670	N/A	N/A	N/A
Subtotal	N/A	N/A	181,547,840	39,674,274	141,873,566	181,547,840	N/A	N/A	N/A
SPECIAL REVENUE									
State School for the Blind at Batavia	0 (b)	10,020,000	10,020,000	2,498,525	7,521,475	10,020,000	0	0	0
State School for the Deaf at Rome	0 (b)	9,445,727	9,445,727	1,966,802	7,478,925	9,445,727	0	0	0

(a) Includes Race to the Top funding.

(b) This is a reimbursable account. Carry-in balances are not reported for reimbursable accounts since these balances will ultimately be zero (allowing for processing time).

CULTURAL EDUCATION
FINANCIAL STATUS AS OF JUNE 30, 2013
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	388,000	388,000	68,829	319,171	388,000	0	0	0
Nonpersonal Service	0	305,000	305,000	552	304,448	305,000	0	0	0
Subtotal	0	693,000	693,000	69,381	623,619	693,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,750,000	1,499,707	1,250,293	2,750,000	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	1,899,150	310,320	1,588,830	1,899,150	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	900,000	5,889	894,111	900,000	N/A	N/A	N/A
Subtotal	N/A	N/A	5,549,150	1,815,916	3,733,234	5,549,150	N/A	N/A	N/A
SPECIAL REVENUE									
Cultural Education Account									
Office of Cultural Education-Operations	(8,497,206)	29,700,000	21,202,794	4,896,217	24,103,783	29,000,000	700,000	700,000	(7,797,206)
Local Government Records									
Management Improvement Fund	0 (a)	3,462,476 (b)	3,462,476	1,401,648	2,060,828	3,462,476	0	0	0
Records Management Program	790,961	2,883,156	3,674,117	772,330	1,410,958	2,183,288	699,868	699,868	1,490,829
Cultural Resource Survey Account	0 (c)	6,270,432	6,270,432	877,673	5,392,759	6,270,432	0	0	0
Education Museum Account	7,116	2,234,975	2,242,091	184,640	1,653,888	1,838,528	396,447	396,447	403,563
Education Archives Account	90,821	17,000	107,821	9,976	46,924	56,900	(39,900) (d)	17,000	50,921
Education Library Account	81,054	65,000	146,054	0	132,000	132,000	(67,000) (d)	65,000	14,054
Grants and Bequests	242,208	8,000	250,208	39,644	84,702	124,346	(116,346) (d)	8,000	125,862
Archives Partnership Trust	116,130 (e)	559,538	675,668	87,892	458,435	546,327	13,211	13,211	129,341
Summer School for the Arts	35,736	856,337	892,073	17,709	803,396	821,105	35,232	35,232	70,968

(a) The Local Government Records Management account carry-in is not reported because the revenue in this account supports both the administrative costs reported here and a larger Aid to Localities grant program, not reflected in this report.

(b) A sweep of \$782,000 is anticipated against this account pursuant to the enacted State budget.

(c) This is a reimbursable account. Carry-in balances are not reported for reimbursable accounts since these balances will ultimately be zero (allowing for processing time).

(d) This imbalance is the result of the use of prior year funds to meet current year one-time obligations.

(e) Excludes endowment funds.

OPERATIONS AND MANAGEMENT SERVICES
FINANCIAL STATUS AS OF JUNE 30, 2013
For State Fiscal Year 2013-14

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/13	2013-2014 Projected Revenue	Cumulative Projected Revenue 2013-2014	Actual Expenditures Through 6/30/13	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2013-2014 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/14	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	6,389,000	6,389,000	1,077,318	5,311,682	6,389,000	0	0	0
Nonpersonal Service	0	2,252,000	2,252,000	312,721	1,939,279	2,252,000	0	0	0
Subtotal	0	8,641,000	8,641,000	1,390,039	7,250,961	8,641,000	0	0	0
SPECIAL REVENUE									
Cost Recovery Account	1,020,635	17,500,000	18,520,635	5,153,259	12,328,056	17,481,315	18,685	18,685	1,039,320
Automation and Printing (IT)	2,760,121	17,000,000	19,760,121	4,591,728	13,292,401	17,884,129	(884,129) (a)	23,371	1,875,992 (b)
Subtotal	3,780,756	34,500,000	38,280,756	9,744,987	25,620,457	35,365,444	(865,444)	42,056	2,915,312
State Operations Total:	3,780,756	43,141,000	46,921,756	11,135,026	32,871,418	44,006,444	(865,444)	42,056	2,915,312
FEDERAL FUNDS									
<i>July-June Programs</i>									
Personal Service	N/A	N/A	5,056,829	3,223,774	1,833,055	5,056,829	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	347,500	283,342	64,158	347,500	N/A	N/A	N/A
Subtotal	N/A	N/A	5,404,329	3,507,116	1,897,213	5,404,329	N/A	N/A	N/A

(a) This imbalance is the result of the use of prior year funds to meet current year one-time obligations.

(b) Funds earmarked for future critical IT projects. (State Aid Management System and the Statewide Financial System)

SED PLAN ADJUSTMENT REPORT
June 30, 2013

	Initial Projection	Revised Projection	Difference	Explanation
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GENERAL FUND

Office of Higher Education

Office of Higher Education General Fund - Total Expenditures Actual and Projected	\$11,975,171	\$7,802,326	(\$4,172,845)	The Total Projected Expenditures for Tenured Teacher Hearing (TTH) NPS were reduced as a result of a negotiated settlement, reached jointly between the petitioning TTH Hearing Officers, the Executive, the Attorney General and NYSED Counsel. The remaining deficit is attributable to the non-petitioner claims, for services prior to 4/1/12.
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