



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 August 2014 Fiscal Report
DATE: September 16, 2014

AUTHORIZATION(S):

J. B. JS Jr.

Issues for Approval

The August Fiscal Report is presented for your review, discussion and acceptance. Also attached is a plan adjustment report to reflect the receipt, allocation and projected spending of the July to June 2014-15 federal grant awards.

Reason(s) for Consideration

Update.

Proposed Handling

Review, discussion and acceptance.

Procedural History

The August Fiscal Report reflects actual expenditures through August 31, 2014 and projected expenditures through the lapse period ending June 30, 2015.

Background Information

- All Funds – Extensive spending controls continue.
- General Fund – Overall spending plans reflect the amounts appropriated in the 2014-2015 enacted budget. General Fund accounts are in structural balance.

- 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 \$800,000.
- Federal – This report reflects current year plans for two year grant awards.

Recommendation

I recommend that the Board of Regents accept the August 2014 State Education Department Fiscal Report as presented.

Timetable for Implementation

N/A

**STATE EDUCATION DEPARTMENT GRAND TOTALS
FINANCIAL STATUS AS OF AUGUST 31, 2014**

For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End	
GENERAL FUND										
Personal Service	0	25,770,256	25,770,256	7,957,864	17,812,392	25,770,256	0	0	0	
Nonpersonal Service	900,000	21,941,744	22,841,744	6,196,306	16,645,439	22,841,744	(900,000)	0	0	
Subtotal	900,000	47,712,000	48,612,000	14,154,170	34,457,830	48,612,000	(900,000)	0	0	
SPECIAL REVENUE										
All Accounts	Subtotal	27,939,796	161,992,052	189,931,848	54,830,488	111,310,491	166,140,979	(4,148,927) (a)	5,387,963	23,790,869
FEDERAL FUNDS										
<i>October-September Programs</i>										
Personal Service	N/A	N/A	51,597,920	29,075,970	22,521,950	51,597,920	N/A	N/A	N/A	
Fringe/Indirect Costs	N/A	N/A	40,664,101	1,556,877	39,107,224	40,664,101	N/A	N/A	N/A	
Nonpersonal Service	N/A	N/A	20,399,056	3,255,976	17,143,080	20,399,056	N/A	N/A	N/A	
Subtotal	N/A	N/A	112,661,077	33,888,824	78,772,253	112,661,077	N/A	N/A	N/A	
<i>July-June Programs</i>										
Personal Service	N/A	N/A	37,809,485	1,708,616	36,100,869	37,809,485	N/A	N/A	N/A	
Fringe/Indirect Costs	N/A	N/A	28,212,848	489,441	27,723,407	28,212,848	N/A	N/A	N/A	
Nonpersonal Service	N/A	N/A	198,658,746	7,313,808	191,344,938	198,658,746	N/A	N/A	N/A	
Subtotal	N/A	N/A	264,681,079	9,511,865	255,169,214	264,681,079	N/A	N/A	N/A	
GRAND TOTALS	N/A	N/A	615,886,004	112,385,347	479,709,788	592,095,135	N/A	N/A	N/A	

(a) 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 AUGUST 31, 2014**

For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	667,000	667,000	279,743	387,257	667,000	0	0	0
Nonpersonal Service	900,000	3,539,000	4,439,000	1,644,364	2,794,636	4,439,000	(900,000) (e)	0	0
Subtotal	900,000	4,206,000	5,106,000	1,924,107	3,181,893	5,106,000	(900,000)	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	45,884,936	25,423,189	20,461,747	45,884,936	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	36,506,056	4,727	36,501,329	36,506,056	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	13,997,777	1,717,061	12,280,716	13,997,777	N/A	N/A	N/A
Subtotal	N/A	N/A	96,388,769	27,144,977	69,243,792	96,388,769	N/A	N/A	N/A
<i>July-June Programs</i>									
Personal Service	N/A	N/A	1,706,700	0	1,706,700	1,706,700	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	1,255,278	0	1,255,278	1,255,278	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	626,260	0	626,260	626,260	N/A	N/A	N/A
Subtotal	N/A	N/A	3,588,238	0	3,588,238	3,588,238	N/A	N/A	N/A
SPECIAL REVENUE									
Workers' Compensation	155,001	100,000 (b)	255,001	15,147	84,854	100,000	0	0	155,001
Social Security	0 (a)	422,454	422,454	88,807	333,647	422,454	0	0	0
Proprietary - Supervision	2,637,496	3,500,000 (c)	6,137,496	1,272,318	2,504,704	3,777,022	(277,022) (e)	159,768	2,360,474 (f)
Proprietary - Tuition Reimbursement	3,139,152	432,310 (d)	3,571,462	137,656	312,344	450,000	(17,690) (e)	182,310	3,121,462 (g)
High School Equivalency (GED)	525,594	200,000	725,594	35,637	617,938	653,575	(453,575) (e)	(453,575) (e)	72,019

(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) Some funds are earmarked for future technology enhancements.

(g) 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 AUGUST 31, 2014
For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End
SPECIAL REVENUE									
Office of the Professions	10,521,693	49,000,000 (a)	59,521,693	14,534,495	32,429,121	46,963,616	2,036,384	3,864,634	12,558,077
E-Licensing Project	8,400,000	0	8,400,000	240,005	3,819,995	4,060,000	(4,060,000)	0	4,340,000

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

**HIGHER EDUCATION
FINANCIAL STATUS AS OF AUGUST 31, 2014**

For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	2,325,256	2,325,256	1,050,309	1,274,947	2,325,256	0	0	0
Nonpersonal Service	0	335,355	335,355	110,553	224,802	335,355	0	0	0
Tenured Teacher Hearings NPS	0	5,500,389	5,500,389	2,392,351	3,108,038	5,500,389	0	0	0
Subtotal	0	8,161,000	8,161,000	3,553,213	4,607,787	8,161,000	0	0	0
FEDERAL FUNDS									
<i>July-June Programs</i>									
Personal Service	N/A	N/A	910,326	0	910,326	910,326	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	273,388	0	273,388	273,388	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	338,385	0	338,385	338,385	N/A	N/A	N/A
Subtotal	N/A	N/A	1,522,099	0	1,522,099	1,522,099	N/A	N/A	N/A
SPECIAL REVENUE									
Office of Teacher Certification	1,226,896	7,200,000 (a)	8,426,896	1,706,590	5,401,221	7,107,811	92,189	370,464	1,319,085
Regents Accreditation of Teacher Education	9,583	0	9,583	0	9,583	9,583	(9,583) (b)	(9,583) (b)	(0)

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

(b) 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 AUGUST 31, 2014
For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	16,001,000	16,001,000	4,809,255	11,191,745	16,001,000	0	0	0
Nonpersonal Service	0	10,010,000	10,010,000	1,183,166	8,826,834	10,010,000	0	0	0
Subtotal	0	26,011,000	26,011,000	5,992,421	20,018,579	26,011,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,962,984	1,620,164	1,342,820	2,962,984	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	2,258,895	733,573	1,525,322	2,258,895	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	5,501,279	1,523,491	3,977,788	5,501,279	N/A	N/A	N/A
Subtotal	N/A	N/A	10,723,158	3,877,228	6,845,930	10,723,158	N/A	N/A	N/A
<i>July-June Programs (a)</i>									
Personal Service	N/A	N/A	30,011,671	1,708,616	28,303,055	30,011,671	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	26,684,182	489,441	26,194,741	26,684,182	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	197,346,601	7,313,808	190,032,793	197,346,601	N/A	N/A	N/A
Subtotal	N/A	N/A	254,042,454	9,511,865	244,530,589	254,042,454	N/A	N/A	N/A
SPECIAL REVENUE									
State School for the Blind at Batavia	0 (b)	9,667,422	9,667,422	3,696,647	5,970,775	9,667,422	0	0	0
State School for the Deaf at Rome	0 (b)	9,323,738	9,323,738	3,116,022	6,207,716	9,323,738	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 AUGUST 31, 2014
For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	388,000	388,000	148,432	239,568	388,000	0	0	0
Nonpersonal Service	0	305,000	305,000	25,006	279,994	305,000	0	0	0
Subtotal	0	693,000	693,000	173,438	519,562	693,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,750,000	2,032,617	717,383	2,750,000	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	1,899,150	818,577	1,080,573	1,899,150	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	900,000	15,425	884,575	900,000	N/A	N/A	N/A
Subtotal	N/A	N/A	5,549,150	2,866,619	2,682,531	5,549,150	N/A	N/A	N/A
SPECIAL REVENUE									
Cultural Education Account									
Office of Cultural Education-Operations	(3,854,222)	31,500,000	27,645,778	8,788,765	21,984,276	30,773,041	726,959	806,937	(3,127,263)
Local Government Records									
Management Improvement Fund	0 (a)	3,548,363 (b)	3,548,363	1,254,627	2,293,736	3,548,363	0	0	0
Records Management Program	219,936	2,041,214	2,261,150	583,983	1,590,928	2,174,911	(133,697) (d)	0	86,239
Cultural Resource Survey Account	0 (c)	8,149,641	8,149,641	1,876,824	6,272,817	8,149,641	0	0	0
Education Museum Account	115,009	842,051	957,060	336,322	586,650	922,972	(80,921) (d)	7,074	34,088
Education Archives Account	55,324	19,000	74,324	2,186	33,314	35,500	(16,500) (d)	3,500	38,824
Education Library Account	91,207	50,000	141,207	4,151	55,788	59,939	(9,939) (d)	2,001	81,268
Grants and Bequests	135,941	0	135,941	21,852	59,113	80,965	(80,965) (d)	0	54,976
Archives Partnership Trust	108,033 (e)	620,526	728,559	171,125	449,401	620,526	0	0	108,033
Summer School for the Arts	318,277	675,333	993,610	356,164	585,070	941,234	(265,901) (d)	13,099	52,376

(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 AUGUST 31, 2014**

For State Fiscal Year 2014-15

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/14	2014-2015 Projected Revenue	Cumulative Projected Revenue 2014-2015	Actual Expenditures Through 8/31/14	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2014-2015 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/15	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	6,389,000	6,389,000	1,670,125	4,718,875	6,389,000	0	0	0
Nonpersonal Service	0	2,252,000	2,252,000	840,865	1,411,135	2,252,000	0	0	0
Subtotal	0	8,641,000	8,641,000	2,510,990	6,130,010	8,641,000	0	0	0
SPECIAL REVENUE									
Cost Recovery Account	2,480,544	18,200,000	20,680,544	8,898,502	9,860,908	18,759,409	(559,409) (a)	440,591	1,921,135
Automation and Printing (IT)	1,654,332	16,500,000	18,154,332	7,692,665	9,846,592	17,539,257	(1,039,257) (a)	743	615,075
Subtotal	4,134,876	34,700,000	38,834,876	16,591,167	19,707,499	36,298,666	(1,598,666)	441,334	2,536,210
State Operations Total:	4,134,876	43,341,000	47,475,876	19,102,157	25,837,509	44,939,666	(1,598,666)	441,334	2,536,210
FEDERAL FUNDS									
<i>July-June Programs</i>									
Personal Service	N/A	N/A	5,180,788	0	5,180,788	5,180,788	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	347,500	0	347,500	347,500	N/A	N/A	N/A
Subtotal	N/A	N/A	5,528,288	0	5,528,288	5,528,288	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.

SED PLAN ADJUSTMENT REPORT
August 31, 2014

	<u>Initial Projection</u>	<u>Revised Projection</u>	<u>Difference</u>	<u>Explanation</u>
FEDERAL FUNDS				
<u>Office of Higher Education</u>				
Federal July-June Programs - Projected Revenue & Total Expenditures Actual and Projected	\$1,454,501	\$1,522,099	\$67,598	Revenue and Expenditures were increased to reflect the receipt and allocation of the 2014-2015 Federal grant awards
<u>Office of P-12 Education</u>				
Federal July-June Programs - Projected Revenue & Total Expenditures Actual and Projected	\$86,153,888	\$83,432,042	(\$2,721,846)	Revenue and Expenditures were decreased to reflect the receipt and allocation of the 2014-2015 Federal grant awards, and to reflect the end of the non-ARRA State Longitudinal Data System Federal grant award.
Federal July-June Programs - Projected Revenue & Total Expenditures Actual and Projected	\$148,193,951	\$170,610,412	\$22,416,461	Revenue and Expenditures were increased to reflect the revised Race to the Top Year 5 projection.
<u>Office of Operations and Management Services</u>				
Federal July-June Programs - Projected Revenue & Total Expenditures Actual and Projected	\$5,404,329	\$5,528,288	\$123,959	Revenue and Expenditures were increased to reflect the receipt and allocation of the 2014-2015 Federal grant awards
		Total Changes	\$19,886,172	