



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 2013 Fiscal Report
DATE: September 9, 2013

AUTHORIZATION(S):

J. B. J. S. G.

Issues for Approval

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

Reason(s) for Consideration

Update.

Proposed Handling

Review, discussion and acceptance.

Procedural History

The August Fiscal Report reflects actual expenditures through August 31, 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 August 2013 State Education Department Fiscal Report as presented.

Timetable for Implementation

N/A

STATE EDUCATION DEPARTMENT GRAND TOTALS
FINANCIAL STATUS AS OF AUGUST 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 8/31/13	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	9,806,994	15,864,807	25,671,801	0	0	0	
Nonpersonal Service	0	22,040,199	22,040,199	2,811,162	21,259,037	24,070,199	(2,030,000) (a)	(2,030,000) (a)	(2,030,000) (a)	
Subtotal	0	47,712,000	47,712,000	12,618,156	37,123,844	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	53,768,616	104,026,083	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	14,896,940	36,700,980	51,597,920	N/A	N/A	N/A	
Fringe/Indirect Costs	N/A	N/A	40,664,101	1,367,510	39,296,591	40,664,101	N/A	N/A	N/A	
Nonpersonal Service	N/A	N/A	20,399,056	2,640,076	17,758,980	20,399,056	N/A	N/A	N/A	
Subtotal	N/A	N/A	112,661,077	18,904,525	93,756,552	112,661,077	N/A	N/A	N/A	
<i>July-June Programs</i>										
Personal Service	N/A	N/A	35,165,277	728,024	34,437,253	35,165,277	N/A	N/A	N/A	
Fringe/Indirect Costs	N/A	N/A	27,153,280	920,587	26,232,693	27,153,280	N/A	N/A	N/A	
Nonpersonal Service	N/A	N/A	130,149,600	15,206,121	114,943,479	130,149,600	N/A	N/A	N/A	
Subtotal	N/A	N/A	192,468,157	16,854,732	175,613,425	192,468,157	N/A	N/A	N/A	
GRAND TOTALS	N/A	N/A	536,242,689	102,146,030	410,519,903	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 AUGUST 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 8/31/13	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	285,536	381,464	667,000	0	0	0
Nonpersonal Service	0	3,539,000	3,539,000	282,915	3,256,085	3,539,000	0	0	0
Subtotal	0	4,206,000	4,206,000	568,451	3,637,549	4,206,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	45,884,936	10,828,232	35,056,704	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	1,229,641	12,768,136	13,997,777	N/A	N/A	N/A
Subtotal	N/A	N/A	96,388,769	12,057,873	84,330,896	96,388,769	N/A	N/A	N/A
<i>July-June Programs</i>									
Personal Service	N/A	N/A	1,360,500	0	1,360,500	1,360,500	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	939,562	0	939,562	939,562	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	1,761,425	0	1,761,425	1,761,425	N/A	N/A	N/A
Subtotal	N/A	N/A	4,061,487	0	4,061,487	4,061,487	N/A	N/A	N/A
SPECIAL REVENUE									
Workers' Compensation	146,779	100,000 (b)	246,779	13,507	86,493	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	1,194,298	3,133,518	4,327,816	(511,728) (e)	238,272	2,796,059 (g)
Proprietary - Tuition Reimbursement	2,708,783	330,000 (d)	3,038,783	54,017	645,983	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 AUGUST 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 8/31/13	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	13,067,488	29,668,505	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 AUGUST 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 8/31/13	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	1,027,258	1,199,543	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	777,611	7,024,715	7,802,326	(2,030,000)	(2,030,000) (a)	(2,030,000)
Subtotal	0	8,161,000	8,161,000	1,804,869	8,386,131	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	3,791	916,202	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	0	264,005	264,005	N/A	N/A	N/A
Subtotal	N/A	N/A	1,454,501	3,791	1,450,710	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	2,732,928	4,362,027	7,094,955	(194,955) (d)	58,045	2,676,237
Regents Accreditation of Teacher Education	41,382	31,000 (c)	72,382	35,830	34,522	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 AUGUST 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 8/31/13	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	6,444,672	9,556,328	16,001,000	0	0	0
Nonpersonal Service	0	10,010,000	10,010,000	891,950	9,118,050	10,010,000	0	0	0
Subtotal	0	26,011,000	26,011,000	7,336,622	18,674,378	26,011,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,962,984	2,032,600	930,384	2,962,984	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	2,258,895	667,950	1,590,945	2,258,895	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	5,501,279	1,396,711	4,104,568	5,501,279	N/A	N/A	N/A
Subtotal	N/A	N/A	10,723,158	4,097,260	6,625,898	10,723,158	N/A	N/A	N/A
<i>July-June Programs (a)</i>									
Personal Service	N/A	N/A	27,827,955	724,233	27,103,722	27,827,955	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	25,943,215	920,587	25,022,628	25,943,215	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	127,776,670	15,206,121	112,570,549	127,776,670	N/A	N/A	N/A
Subtotal	N/A	N/A	181,547,840	16,850,941	164,696,899	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	3,776,181	6,243,819	10,020,000	0	0	0
State School for the Deaf at Rome	0 (b)	9,445,727	9,445,727	2,823,461	6,622,266	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 AUGUST 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 8/31/13	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	125,946	262,054	388,000	0	0	0
Nonpersonal Service	0	305,000	305,000	14,903	290,097	305,000	0	0	0
Subtotal	0	693,000	693,000	140,849	552,151	693,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,750,000	2,036,108	713,892	2,750,000	N/A	N/A	N/A
Fringe/Indirect Costs	N/A	N/A	1,899,150	699,560	1,199,590	1,899,150	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	900,000	13,724	886,276	900,000	N/A	N/A	N/A
Subtotal	N/A	N/A	5,549,150	2,749,392	2,799,758	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	9,745,432	19,254,568	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	1,846,600	1,615,876	3,462,476	0	0	0
Records Management Program	790,961	2,883,156	3,674,117	1,014,574	1,168,714	2,183,288	699,868	699,868	1,490,829
Cultural Resource Survey Account	0 (c)	6,270,432	6,270,432	1,776,284	4,494,148	6,270,432	0	0	0
Education Museum Account	7,116	2,234,975	2,242,091	275,618	1,562,910	1,838,528	396,447	396,447	403,563
Education Archives Account	90,821	17,000	107,821	12,181	44,719	56,900	(39,900) (d)	17,000	50,921
Education Library Account	81,054	65,000	146,054	19,193	112,807	132,000	(67,000) (d)	65,000	14,054
Grants and Bequests	242,208	8,000	250,208	63,815	60,531	124,346	(116,346) (d)	8,000	125,862
Archives Partnership Trust	116,130 (e)	559,538	675,668	146,098	400,229	546,327	13,211	13,211	129,341
Summer School for the Arts	35,736	856,337	892,073	125,774	695,331	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 AUGUST 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 8/31/13	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	1,923,582	4,465,418	6,389,000	0	0	0
Nonpersonal Service	0	2,252,000	2,252,000	843,783	1,408,217	2,252,000	0	0	0
Subtotal	0	8,641,000	8,641,000	2,767,365	5,873,635	8,641,000	0	0	0
SPECIAL REVENUE									
Cost Recovery Account	1,020,635	17,500,000	18,520,635	8,052,375	9,428,940	17,481,315	18,685	18,685	1,039,320
Automation and Printing (IT)	2,760,121	17,000,000	19,760,121	6,344,108	11,540,021	17,884,129	(884,129) (a)	23,371	1,875,992 (b)
Subtotal	3,780,756	34,500,000	38,280,756	14,396,483	20,968,961	35,365,444	(865,444)	42,056	2,915,312
State Operations Total:	3,780,756	43,141,000	46,921,756	17,163,848	26,842,596	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	0	5,056,829	5,056,829	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	5,404,329	0	5,404,329	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)