



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: Phyllis D. Morris
Chief Financial Officer *Phyllis D. Morris*

SUBJECT: State Education Department December 2019 Fiscal Report

DATE: January 2, 2020

AUTHORIZATION(S): *Sharon L. Takoe*

SUMMARY

Issues for Approval

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

Reason(s) for Consideration

Update.

Proposed Handling

Review, discussion and acceptance.

Procedural History

The December Fiscal Report reflects actual expenditures through December 31, 2019 and projected expenditures through the lapse period ending June 30, 2020.

Background Information

- All Funds – Extensive spending controls continue.
- General Fund – Overall spending plans reflect the amounts appropriated in the 2019-2020 enacted budget. General Fund accounts are in structural balance.

- Special Revenue – All revenue accounts are in structural balance on a current year basis and the accumulated negative balance in the Cultural Education Account is projected to end the fiscal year at a negative \$2.2 million.
- Federal – This report reflects current year plans for two-year grant awards.

Recommendation

I recommend that the Board of Regents accept the December 2019 State Education Department Fiscal Report as presented.

STATE EDUCATION DEPARTMENT GRAND TOTALS
FINANCIAL STATUS AS OF December 31, 2019
For State Fiscal Year 2019-20

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|----------------------------|---------------------------|-----------------------------|----------------------------------------|--------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------------|
| | Available Funds on 4/1/19 | 2019-2020 Projected Revenue | Cumulative Projected Revenue 2019-2020 | Actual Expenditures Through 12/31/19 | Projected Expenditures to Program Period End | Total Expenditures Actual and Projected | 2019-2020 Projected Revenue vs. Expenditures | Projected Structural Balance at 3/31/20 | Cumulative Projected Balance at Program Period End |
| GENERAL FUND | | | | | | | | | |
| Personal Service | 0 | 31,471,146 | 31,471,146 | 22,798,169 | 8,672,977 | 31,471,146 | 0 | 0 | 0 |
| Nonpersonal Service | 0 | 28,265,854 | 28,265,854 | 12,450,562 | 15,815,292 | 28,265,854 | 0 | 0 | 0 |
| Subtotal | 0 | 59,737,000 | 59,737,000 | 35,248,731 | 24,488,269 | 59,737,000 | 0 | 0 | 0 |
| SPECIAL REVENUE | | | | | | | | | |
| All Accounts | | | | | | | | | |
| Subtotal | 65,219,873 | 168,005,364 | 233,225,237 | 118,634,540 | 58,131,792 | 176,766,332 | (6,760,968) (a) | 4,459,056 | 56,458,905 |
| FEDERAL FUNDS | | | | | | | | | |
| October-September Programs | | | | | | | | | |
| Personal Service | N/A | N/A | 52,576,292 | 7,517,044 | 45,059,248 | 52,576,292 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 46,406,473 | 4,402,561 | 42,003,912 | 46,406,473 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 25,037,615 | 453,007 | 24,584,608 | 25,037,615 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 124,020,380 | 12,372,611 | 111,647,769 | 124,020,380 | N/A | N/A | N/A |
| July-June Programs | | | | | | | | | |
| Personal Service | N/A | N/A | 36,819,211 | 14,234,052 | 22,585,159 | 36,819,211 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 29,573,080 | 8,789,104 | 20,783,976 | 29,573,080 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 38,387,005 | 4,578,187 | 33,808,818 | 38,387,005 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 104,779,296 | 27,601,342 | 77,177,954 | 104,779,296 | N/A | N/A | N/A |
| GRAND TOTALS | | | | | | | | | |
| | N/A | N/A | 521,761,913 | 193,857,224 | 271,445,784 | 465,303,008 | 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.

**ADULT CAREER AND CONTINUING EDUCATION SERVICES
FINANCIAL STATUS AS OF December 31, 2019**
For State Fiscal Year 2019-20

| | (1) Available Funds on 4/1/19 | (2) 2019-2020 Projected Revenue | (3) Cumulative Projected Revenue 2019-2020 | (4) Actual Expenditures Through 12/31/19 | (5) Projected Expenditures to Program Period End | (6) Total Expenditures Actual and Projected | (7) 2019-2020 Projected Revenue vs. Expenditures | (8) Projected Structural Balance at 3/31/20 | (9) Cumulative Projected Balance at Program Period End |
|-------------------------------------|----------------------------------------|------------------------------------------|--------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------|
| GENERAL FUND | | | | | | | | | |
| Personal Service | 0 | 790,257 | 790,257 | 470,800 | 319,457 | 790,257 | 0 | 0 | 0 |
| Nonpersonal Service | 0 | 3,415,743 | 3,415,743 | 2,308,218 | 1,107,525 | 3,415,743 | 0 | 0 | 0 |
| Subtotal | 0 | 4,206,000 | 4,206,000 | 2,779,018 | 1,426,982 | 4,206,000 | 0 | 0 | 0 |
| FEDERAL FUNDS | | | | | | | | | |
| <i>October-September Programs</i> | | | | | | | | | |
| Personal Service | N/A | N/A | 45,884,936 | 6,843,197 | 39,041,739 | 45,884,936 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 42,081,292 | 3,998,541 | 38,082,751 | 42,081,292 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 19,500,000 | 453,007 | 19,046,993 | 19,500,000 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 107,466,228 | 11,294,745 | 96,171,483 | 107,466,228 | N/A | N/A | N/A |
| <i>July-June Programs</i> | | | | | | | | | |
| Personal Service | N/A | N/A | 1,150,000 | 0 | 1,150,000 | 1,150,000 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 925,520 | 0 | 925,520 | 925,520 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 4,607,257 | 357,008 | 4,250,249 | 4,607,257 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 6,682,777 | 357,008 | 6,325,769 | 6,682,777 | N/A | N/A | N/A |
| SPECIAL REVENUE | | | | | | | | | |
| Workers' Compensation | 31,184 | 69,852 (b) | 101,036 | 25,023 | 32,977 | 58,000 | 11,852 | 11,852 | 43,036 |
| Social Security | 0 (a) | 209,379 | 209,379 | 163,293 | 46,086 | 209,379 | 0 | 0 | 0 |
| Proprietary - Supervision | 3,087,137 | 4,284,470 | 7,371,607 | 2,385,330 | 1,781,480 | 4,166,810 (e) | 117,660 | 189,660 | 3,204,797 |
| Proprietary - Tuition Reimbursement | 4,978,681 | 384,967 (c) | 5,363,648 | 252,729 | 197,271 | 450,000 | (65,033) (g) | 134,967 | 4,913,648 (d) |
| High School Equivalency (SED) | 1,352,024 | 155,000 | 1,507,024 | 0 | 169,000 | 169,000 (f) | (14,000) (g) | 0 | 1,338,024 |

(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 \$23,000 is anticipated against this account pursuant to the enacted State budget.
(d) Funds are earmarked to provide financial protection for students who attend licensed proprietary schools in the event of a school closing.
(e) Includes a one-time technology purchase of \$32,000.
(f) Includes a one-time technology purchase of \$14,000.
(g) This imbalance is the result of the use of prior year funds to meet current year one-time obligations.

PROFESSIONS
FINANCIAL STATUS AS OF December 31, 2019
For State Fiscal Year 2019-20

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------------------------|-----------------------------|----------------------------------------|--------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------------|
| Available Funds on 4/1/19 | 2019-2020 Projected Revenue | Cumulative Projected Revenue 2019-2020 | Actual Expenditures Through 12/31/19 | Projected Expenditures to Program Period End | Total Expenditures Actual and Projected | 2019-2020 Projected Revenue vs. Expenditures | Projected Structural Balance at 3/31/20 | Cumulative Projected Balance at Program Period End |
| 34,605,621 | 54,700,000 | 89,305,621 | 36,126,231 | 16,856,860 | 52,983,091 | 1,716,909 | 2,537,857 | 36,322,530 |
| 9,012,441 | 0 | 9,012,441 | 1,640,205 | 7,372,236 | 9,012,441 | (9,012,441) | 0 | 0 |
| SPECIAL REVENUE | | | | | | | | |
| Office of the Professions | | | | | | | | |
| E-Licensing Project | | | | | | | | |

(a) A sweep of \$2,777,000 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.
(c) Includes a one-time technology purchase of \$88,000.

HIGHER EDUCATION
FINANCIAL STATUS AS OF December 31, 2019
 For State Fiscal Year 2019-20

| | (1) Available Funds on 4/1/19 | (2) 2019-2020 Projected Revenue | (3) Cumulative Projected Revenue 2019-2020 | (4) Actual Expenditures Through 12/31/19 | (5) Projected Expenditures to Program Period End | (6) Total Expenditures Actual and Projected | (7) 2019-2020 Projected Revenue vs. Expenditures | (8) Projected Structural Balance at 3/31/20 | (9) Cumulative Projected Balance at Program Period End |
|------------------------------------------------------|----------------------------------------|------------------------------------------|--------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------|
| GENERAL FUND | | | | | | | | | |
| Personal Service | 0 | 2,715,800 | 2,715,800 | 2,014,477 | 701,323 | 2,715,800 | 0 | 0 | 0 |
| Nonpersonal Service | 0 | 5,445,200 | 5,445,200 | 1,141,284 | 4,303,916 | 5,445,200 | 0 | 0 | 0 |
| | 0 | 8,161,000 | 8,161,000 | 3,155,762 | 5,005,238 | 8,161,000 | 0 | 0 | 0 |
| FEDERAL FUNDS | | | | | | | | | |
| July-June Programs | | | | | | | | | |
| Personal Service | N/A | N/A | 731,876 | 164,024 | 567,852 | 731,876 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 194,734 | 53,902 | 140,832 | 194,734 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 277,939 | 136,916 | 141,023 | 277,939 | N/A | N/A | N/A |
| | N/A | N/A | 1,204,549 | 354,842 | 849,707 | 1,204,549 | N/A | N/A | N/A |
| SPECIAL REVENUE | | | | | | | | | |
| Office of Teacher Certification | 7,231,395 | 6,300,000 | 13,531,395 | 4,530,795 | 1,853,578 | 6,384,373 | (84,373) | 146,731 | 7,147,022 |
| Interstate Reciprocity for Postsecondary Distance Ed | 1,283,729 | 1,332,000 | 2,615,729 | 439,478 | 778,320 | 1,217,798 | 114,202 | 118,202 | 1,397,931 |
| Institutional Accreditation | 421,082 | 420,000 | 841,082 | 302,190 | 111,819 | 414,009 | 5,991 | 5,991 | 427,073 |

(a) Includes a one-time technology purchase of \$127,000.

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

(c) Includes a one-time technology purchase of \$4,000.

OFFICE OF P-12
FINANCIAL STATUS AS OF December 31, 2019
For State Fiscal Year 2019-20

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------------------------------------|---------------------------|-----------------------------|----------------------------------------|--------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------------|
| | Available Funds on 4/1/19 | 2019-2020 Projected Revenue | Cumulative Projected Revenue 2019-2020 | Actual Expenditures Through 12/31/19 | Projected Expenditures to Program Period End | Total Expenditures Actual and Projected | 2019-2020 Projected Revenue vs. Expenditures | Projected Structural Balance at 3/31/20 | Cumulative Projected Balance at Program Period End |
| GENERAL FUND | | | | | | | | | |
| Personal Service | 0 | 21,188,089 | 21,188,089 | 16,273,020 | 4,915,069 | 21,188,089 | 0 | 0 | 0 |
| Nonpersonal Service | 0 | 16,847,911 | 16,847,911 | 7,982,713 | 8,865,198 | 16,847,911 | 0 | 0 | 0 |
| Subtotal | 0 | 38,036,000 | 38,036,000 | 24,255,733 | 13,780,267 | 38,036,000 | 0 | 0 | 0 |
| FEDERAL FUNDS | | | | | | | | | |
| <i>October-September Programs</i> | | | | | | | | | |
| Personal Service | N/A | N/A | 3,866,138 | 673,847 | 3,192,291 | 3,866,138 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 3,265,613 | 404,019 | 2,861,594 | 3,265,613 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 3,425,710 | 0 | 3,425,710 | 3,425,710 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 10,557,461 | 1,077,866 | 9,479,595 | 10,557,461 | N/A | N/A | N/A |
| <i>July-June Programs</i> | | | | | | | | | |
| Personal Service | N/A | N/A | 29,756,547 | 12,424,236 | 17,332,311 | 29,756,547 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 28,452,826 | 8,735,202 | 19,717,624 | 28,452,826 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 33,154,309 | 3,876,560 | 29,277,749 | 33,154,309 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 91,363,682 | 25,035,998 | 66,327,694 | 91,363,682 | N/A | N/A | N/A |
| SPECIAL REVENUE | | | | | | | | | |
| State School for the Blind at Batavia | 0 (a) | 10,020,000 | 10,020,000 | 7,767,035 | 2,252,965 | 10,020,000 | 0 | 0 | 0 |
| State School for the Deaf at Rome | 0 (a) | 9,641,000 | 9,641,000 | 5,834,662 | 3,806,338 | 9,641,000 | 0 | 0 | 0 |

(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).

CULTURAL EDUCATION
FINANCIAL STATUS AS OF December 31, 2019
 For State Fiscal Year 2019-20

| | (1) Available Funds on 4/1/19 | (2) 2019-2020 Projected Revenue | (3) Cumulative Projected Revenue 2019-2020 | (4) Actual Expenditures Through 12/31/19 | (5) Projected Expenditures to Program Period End | (6) Total Expenditures Actual and Projected | (7) 2019-2020 Projected Revenue vs. Expenditures | (8) Projected Structural Balance at 3/31/20 | (9) Cumulative Projected Balance at Program Period End |
|-----------------------------------------|----------------------------------------|------------------------------------------|--------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------|
| GENERAL FUND | | | | | | | | | |
| Personal Service | 0 | 388,000 | 388,000 | 194,316 | 193,684 | 388,000 | 0 | 0 | 0 |
| Nonpersonal Service | 0 | 305,000 | 305,000 | 99,312 | 205,688 | 305,000 | 0 | 0 | 0 |
| Subtotal | 0 | 693,000 | 693,000 | 293,628 | 399,372 | 693,000 | 0 | 0 | 0 |
| FEDERAL FUNDS | | | | | | | | | |
| October-September Programs | | | | | | | | | |
| Personal Service | N/A | N/A | 2,825,218 | 0 | 2,825,218 | 2,825,218 | N/A | N/A | N/A |
| Fringe/Indirect Costs | N/A | N/A | 1,059,568 | 0 | 1,059,568 | 1,059,568 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 2,111,905 | 0 | 2,111,905 | 2,111,905 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 5,996,691 | 0 | 5,996,691 | 5,996,691 | N/A | N/A | N/A |
| SPECIAL REVENUE | | | | | | | | | |
| Cultural Education Account | | | | | | | | | |
| Office of Cultural Education-Operations | (2,171,544) (a) | 27,500,000 | 25,328,456 | 22,199,089 | 5,263,297 | 27,482,386 | 17,614 | 189,385 | (2,153,930) |
| Local Government Records | 0 (b) | 3,380,972 (c) | 3,380,972 | 2,242,134 | 1,138,838 | 3,380,972 | 0 | 0 | 0 |
| Management Improvement Fund | 340,176 | 1,800,000 | 2,140,176 | 1,174,569 | 520,518 | 1,695,087 | 104,913 | 189,513 | 445,089 |
| Records Management Program | 0 (d) | 9,179,934 | 9,179,934 | 2,367,247 | 6,812,687 | 9,179,934 | 0 | 0 | 0 |
| Cultural Resource Survey Account | 288,899 | 280,000 | 568,899 | 157,354 | 147,059 | 304,413 | (24,413) (e) | 587 | 264,486 |
| Education Museum Account | 32,025 | 11,790 | 43,815 | 8,000 | 3,790 | 11,790 | 0 | 0 | 32,025 |
| Education Archives Account | 160,651 | 40,000 | 200,651 | 18,426 | 18,658 | 37,084 | 2,916 | 12,916 | 163,567 |
| Education Library Account | 103,997 | 50,000 | 153,997 | 0 | 97,160 | 97,160 | (47,160) (e) | 50,000 | 56,837 |
| Grants and Bequests | 85,754 (f) | 554,000 | 639,754 | 332,853 | 180,945 | 513,798 | 40,202 | 40,202 | 125,956 |
| Archives Partnership Trust | 72,162 | 692,000 | 764,162 | 589,255 | 102,510 | 691,765 | 235 | 27,235 | 72,397 |
| Summer School for the Arts | | | | | | | | | |

(a) Adjusted to reflect the one-time cost of accelerated Fringe Benefit payments.
 (b) 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.
 (c) A sweep of \$782,000 is anticipated against this account pursuant to the enacted State budget.
 (d) 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).
 (e) This imbalance is the result of the use of prior year funds to meet current year one-time obligations.
 (f) Excludes endowment funds.

**OPERATIONS AND MANAGEMENT SERVICES
FINANCIAL STATUS AS OF DECEMBER 31, 2019**
For State Fiscal Year 2019-20

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|------------------------------|---------------------------|-----------------------------|----------------------------------------|--------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------------|
| | Available Funds on 4/1/19 | 2019-2020 Projected Revenue | Cumulative Projected Revenue 2019-2020 | Actual Expenditures Through 12/31/19 | Projected Expenditures to Program Period End | Total Expenditures Actual and Projected | 2019-2020 Projected Revenue vs. Expenditures | Projected Structural Balance at 3/31/20 | Cumulative Projected Balance at Program Period End |
| GENERAL FUND | | | | | | | | | |
| Personal Service | 0 | 6,389,000 | 6,389,000 | 3,845,555 | 2,543,445 | 6,389,000 | 0 | 0 | 0 |
| Nonpersonal Service | 0 | 2,252,000 | 2,252,000 | 919,035 | 1,332,965 | 2,252,000 | 0 | 0 | 0 |
| Subtotal | 0 | 8,641,000 | 8,641,000 | 4,764,590 | 3,876,410 | 8,641,000 | 0 | 0 | 0 |
| SPECIAL REVENUE | | | | | | | | | |
| Cost Recovery Account | 3,693,353 | 19,000,000 | 22,693,353 | 17,021,882 | 3,799,339 | 20,821,221 | (1,821,221) | 311,779 | 1,872,132 |
| Automation and Printing (IT) | 611,106 | 18,000,000 | 18,611,106 | 13,056,760 | 4,768,061 | 17,824,821 | 175,179 | 492,179 | 766,285 |
| Subtotal | 4,304,459 | 37,000,000 | 41,304,459 | 30,078,642 | 8,567,400 | 38,646,042 | (1,646,042) | 803,958 | 2,638,417 |
| State Operations Total: | 4,304,459 | 45,641,000 | 49,945,459 | 34,843,232 | 12,443,810 | 47,287,042 | (1,646,042) | 803,958 | 2,658,417 |
| FEDERAL FUNDS | | | | | | | | | |
| July-June Programs | | | | | | | | | |
| Personal Service | N/A | N/A | 5,180,788 | 1,645,792 | 3,534,996 | 5,180,788 | N/A | N/A | N/A |
| Nonpersonal Service | N/A | N/A | 347,500 | 207,702 | 139,798 | 347,500 | N/A | N/A | N/A |
| Subtotal | N/A | N/A | 5,528,288 | 1,853,494 | 3,674,794 | 5,528,288 | N/A | N/A | N/A |

(a) Includes a one-time technology purchase of \$358,000.
(b) This imbalance is the result of the use of prior year funds to meet current year one-time obligations.
(c) Includes a one-time technology purchase of \$317,000.