



TO: The Honorable the Members of the Board of Regents
FROM: Valerie Grey *Valerie Grey*
SUBJECT: State Education Department March 2011 Fiscal Report
DATE: April 1, 2011
AUTHORIZATION(S):

Executive Summary

Issues for Approval

The March Fiscal Report is presented for your review, discussion and acceptance. As stated in the October and November Fiscal Reports, the Department was assigned a General and Special Revenue Fund reduction of \$4.9 million, which it is achieving through workforce reductions, the withholding of the April 1, 2010 M/C general salary increase and fund sweeps.

Also attached is a plan adjustment report which shows:

- An increase of \$1.2 million in the year-end cumulative deficit of the Tenured Teacher Hearing account from the projection of \$5.3 million to the actual deficit of \$6.5 million, and
- A net increase of \$181,000 in fund sweeps taken pursuant to Chapter 56 of the Laws of 2010.

Reason(s) for Consideration

Update on Department State Operations expenditure and revenue projections.

Proposed Handling

Review, discussion and acceptance.

Procedural History

The March report reflects actual expenditures through March 31, 2011 and projected expenditures through the lapse period ending June 30, 2011.

Background Information

- All Funds – Extensive spending controls continue.

- General Fund – Our General Fund accounts are in structural balance with the exception of the Tenured Teacher Hearing account. The actual year-end cumulative deficit in the Tenured Teacher Hearing account is \$6.5 million, or \$1.2 million higher than the projection of \$5.3 million. The increase in the cumulative deficit is most likely due to an increase in the number of New York City cases being resolved.
- Special Revenue – Our revenue accounts are in structural balance, allowing for normal reimbursement delays and the planned use of prior year balances, with the following exceptions:
 - The CE account is not in structural balance due to insufficient revenues to cover its expenses and the expenses of the other agencies and programs it supports including the Summer Schools for the Arts program.
 - The Summer Schools for the Arts account is not in structural balance because tuition revenue and the transfer of \$500,000 from the CE account are not sufficient to cover the entire cost of the program. The General Fund appropriation will pay the remaining cost of \$118,270.
 - After expending prior year funds, the Archives Partnership Trust (APT) will use sufficient revenue from the APT endowment, pursuant to Chapter 399 of the Laws of 1998, to maintain structural balance.
- Federal Accounts – This report reflects current year activity for two year grant awards.

Our Budget Coordination staff and I will continue to closely monitor each of these accounts and the Assessment account and work with program office fiscal staff and the Deputies to achieve structural balance.

The 2011-12 Regents Budget Priorities include General Fund support to resolve the structural imbalances in the Assessment (\$15.0 million), Tenured Teacher Hearing (\$7.5 million), Summer School for the Arts (\$0.8 million) and GED (\$0.7 million) accounts and revenue enhancements to resolve the structural imbalance in the CE Account. The 2011-12 Enacted Budget includes a portion of the funding requested for Assessments (\$7.0 million) and all of the funding requested for GED (\$0.7 million). We will recommend options to the Board of Regents for closing shortfalls in programs that received partial or no Regents Budget Priority funding. In addition, Department staff are continuing to advocate for the Tenured Teacher Hearing reform bill and OCE, which is now administering the Summer School for the Arts Program, is seeking cost efficiencies and private funding.

Recommendation

I recommend that the Board of Regents accept the March 2011 State Education Department Fiscal Report as presented.

Timetable for Implementation

N/A

**STATE EDUCATION DEPARTMENT GRAND TOTALS
FINANCIAL STATUS AS OF MARCH 31, 2011**

For State Fiscal Year 2010-11

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	23,541,735 (a)	23,541,735	23,469,358	72,377	23,541,735 (a)	0	0	0
Nonpersonal Service	0	15,607,265	15,607,265	11,578,129	10,549,836	22,127,965	(6,520,700) (b)	(6,520,700)	(6,520,700)
Other Retirement Systems	0	1,631,000	1,631,000	1,528,652	102,348	1,631,000	0	0	0
Subtotal	0	40,780,000	40,780,000	36,576,139	10,724,561	47,300,700	(6,520,700) (b)	(6,520,700)	(6,520,700)
SPECIAL REVENUE									
All Accounts	Subtotal 13,372,155	164,960,410	178,332,565	147,213,934	26,545,343	173,759,277 (a)	(8,798,867) (c)	(23,859)	4,573,288
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	50,686,432	13,216,593	37,469,839	50,686,432	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	19,159,746	1,833,577	17,326,169	19,159,746	N/A	N/A	N/A
Mandated Costs	N/A	N/A	40,882,750	148,541	40,734,209	40,882,750	N/A	N/A	N/A
Subtotal	N/A	N/A	110,728,928	15,198,710	95,530,218	110,728,928	N/A	N/A	N/A
<i>July-June Programs</i>									
Personal Service	N/A	N/A	31,353,424	17,696,498	13,656,926	31,353,424	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	58,176,083	6,193,522	51,982,561	58,176,083	N/A	N/A	N/A
Mandated Costs	N/A	N/A	22,742,675	7,622,086	15,120,589	22,742,675	N/A	N/A	N/A
Subtotal	N/A	N/A	112,272,182	31,512,105	80,760,077	112,272,182	N/A	N/A	N/A
GRAND TOTALS	N/A	N/A	442,113,675	230,500,889	213,560,198	444,061,087	N/A	N/A	N/A

(a) Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.

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

(c) 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 MARCH 31, 2011**

For State Fiscal Year 2010-11

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	850,000	850,000	850,000	0	850,000	0	0	0
Nonpersonal Service	0	1,550,000	1,550,000	1,155,154	394,846	1,550,000	0	0	0
Subtotal	0	2,400,000	2,400,000	2,005,154	394,846	2,400,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs (b)</i>									
Personal Service	N/A	N/A	45,000,000	11,913,216	33,086,784	45,000,000	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	14,000,000	1,650,875	12,349,125	14,000,000	N/A	N/A	N/A
Mandated Costs	N/A	N/A	37,100,000	0	37,100,000	37,100,000	N/A	N/A	N/A
Subtotal	N/A	N/A	96,100,000	13,564,091	82,535,909	96,100,000	N/A	N/A	N/A
<i>July-June Programs</i>									
Personal Service	N/A	N/A	1,233,193	787,408	445,785	1,233,193	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	2,493,812	203,384	2,290,428	2,493,812	N/A	N/A	N/A
Mandated Costs	N/A	N/A	755,823	755,823	0	755,823	N/A	N/A	N/A
Subtotal	N/A	N/A	4,482,828	1,746,615	2,736,213	4,482,828	N/A	N/A	N/A
SPECIAL REVENUE									
Workers' Compensation	143,677	36,000 (g)	179,677	7,719	62,281	70,000	(34,000)	30,000	109,677
Social Security	0 (a)	340,000	340,000	329,260	10,740	340,000	0	0	0
Proprietary - Supervision	2,209,683	2,703,000 (h)	4,912,683	2,620,133	1,304,064	3,924,197	(1,221,197) (c)	75,803	988,486 (d)
Proprietary - Tuition Reimbursement	2,007,361	352,000 (i)	2,359,361	70,016	179,984	250,000	102,000	125,000	2,109,361 (e)
High School Equivalency (GED)	839,553	225,000	1,064,553	112,503	0	112,503	112,497	112,497	952,050 (f)
Education Assessment	0	1,000,000 (j)	1,000,000	449,998	450,002	900,000	100,000 (k)	100,000	100,000

(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) The Vocational Rehabilitation Program has received an additional \$22 million in allotment funds that will assist the program in maintaining operations and filling critical vacancies.

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

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

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

(f) The balance at the end of the program period and requested funding of \$700,000 will be used in 2011-12 to compensate for the loss of one-time 2010-11 Education Assessment Account funding of \$1.0 million.

(g) Includes a sweep of \$64,000.

(h) Includes a sweep of \$297,000.

(i) Includes a sweep of \$23,000.

(j) Funds transferred from the Office of Professions Account.

(k) The \$100,000, which is for the statewide implementation of GED Compass, will be spent in the 2011-12 SFY rather than the 2010-11 SFY.

PROFESSIONS
FINANCIAL STATUS AS OF MARCH 31, 2011
For State Fiscal Year 2010-11

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End	
SPECIAL REVENUE									
Office of the Professions (a)	4,346,926	42,675,322 (b)	47,022,248	39,355,311	5,731,437	45,086,748	(2,411,426)	2,805,574	1,935,500

(a) Includes the foreign and out-of-state medical school evaluation program.

(b) Reflects transfer of \$3.5 million to the Education Assessment Account. Also, includes a sweep of \$2,777,000.

HIGHER EDUCATION
FINANCIAL STATUS AS OF MARCH 31, 2011
For State Fiscal Year 2010-11

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	3,016,100 (a)	3,016,100	2,969,208	46,892	3,016,100 (a)	0	0	0
Nonpersonal Service	0	517,800	517,800	517,800	0	517,800	0	0	0
Tenured Teacher Hearings NPS	0	3,653,100	3,653,100	3,180,741	6,993,059	10,173,800	(6,520,700)	(6,520,700) (b)	(6,520,700)
Subtotal	0	7,187,000	7,187,000	6,667,749	7,039,951	13,707,700	(6,520,700)	(6,520,700)	(6,520,700)
FEDERAL FUNDS									
<i>July-June Programs</i>									
Personal Service	N/A	N/A	1,147,304	671,847	475,457	1,147,304	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	358,414	3,412	355,002	358,414	N/A	N/A	N/A
Mandated Costs	N/A	N/A	398,044	72,900	325,144	398,044	N/A	N/A	N/A
Subtotal	N/A	N/A	1,903,762	748,159	1,155,603	1,903,762	N/A	N/A	N/A
SPECIAL REVENUE									
Office of Teacher Certification	2,845,903	5,471,000 (c)	8,316,903	5,964,147	291,168	6,255,315	(784,315)	244,685	2,061,588
Regents Accreditation of Teacher Education	70,017	57,735 (d)	127,752	3,896	47,494	51,390	6,345	34,345	76,362

(a) Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.

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

(c) Includes a sweep of \$1,029,000.

(d) Includes a sweep of \$28,000.

OFFICE OF P-12
FINANCIAL STATUS AS OF MARCH 31, 2011
For State Fiscal Year 2010-11

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	12,545,635 (a)	12,545,635	12,545,635	0	12,545,635 (a)	0	0	0
Nonpersonal Service	0	7,005,365	7,005,365	4,244,800	2,760,565	7,005,365	0	0	0
Subtotal	0	19,551,000	19,551,000	16,790,435	2,760,565	19,551,000	0	0	0
FEDERAL FUNDS									
<i>October-September Programs</i>									
Personal Service	N/A	N/A	2,349,094	907,485	1,441,609	2,349,094	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	4,018,506	159,508	3,858,998	4,018,506	N/A	N/A	N/A
Mandated Costs	N/A	N/A	1,627,780	147,439	1,480,341	1,627,780	N/A	N/A	N/A
Subtotal	N/A	N/A	7,995,380	1,214,431	6,780,949	7,995,380	N/A	N/A	N/A
<i>July-June Programs</i>									
Personal Service	N/A	N/A	24,374,696	13,683,883	10,690,813	24,374,696	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	54,991,357	5,893,096	49,098,261	54,991,357	N/A	N/A	N/A
Mandated Costs	N/A	N/A	21,588,808	6,793,363	14,795,445	21,588,808	N/A	N/A	N/A
Subtotal	N/A	N/A	100,954,861	26,370,342	74,584,519	100,954,861	N/A	N/A	N/A
SPECIAL REVENUE									
Summer School for the Arts	355,422	1,116,035 (b)	1,471,457	1,269,827	319,900	1,589,727	(473,692) (c)	(334,031) (d)	(118,270) (e)
Education Assessment	0	2,500,000 (f)	2,500,000	477,869	2,022,131	2,500,000	0	0	0
State School for the Blind at Batavia	0 (g)	10,020,000	10,020,000	8,225,124	1,794,876	10,020,000	0	0	0
State School for the Deaf at Rome	0 (g)	9,641,000	9,641,000	7,209,599	2,431,401	9,641,000	0	0	0

(a) Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.

(b) Includes a \$500,000 transfer from the Cultural Education Account.

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

(d) The structural imbalance is the result of the use of carryover funds to meet current year operating costs for the program.

(e) General Funds will be redirected to cover this shortfall.

(f) Funds transferred from the Office of Professions Account.

(g) 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 MARCH 31, 2011
For State Fiscal Year 2010-11

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	407,000 (a)	407,000	401,254	5,746	407,000 (a)	0	0	0
Nonpersonal Service	0	160,000	160,000	45,332	114,668	160,000	0	0	0
Subtotal	0	567,000	567,000	446,586	120,414	567,000	0	0	0
FEDERAL FUNDS									
October-September Programs									
Personal Service	N/A	N/A	3,337,338	395,892	2,941,446	3,337,338	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	1,141,240	23,194	1,118,046	1,141,240	N/A	N/A	N/A
Mandated Costs	N/A	N/A	2,154,970	1,102	2,153,868	2,154,970	N/A	N/A	N/A
Subtotal	N/A	N/A	6,633,548	420,188	6,213,360	6,633,548	N/A	N/A	N/A
SPECIAL REVENUE									
Cultural Education Account									
Office of Cultural Education-Operations	(8,117,218)	28,750,000	20,632,782	30,794,920	83,862	30,878,782 (a)	(2,128,782)	(2,128,782)	(10,246,000)
Transfers and Other Agency Support (b)	0	0	0	1,787,439	1,302,561	3,090,000	(3,090,000)	(3,090,000)	(3,090,000)
Total - Cultural Education Account	(8,117,218)	28,750,000	20,632,782	32,582,359	1,386,423	33,968,782	(5,218,782)	(5,218,782) (c)	(13,336,000)
Local Government Records									
Management Improvement Fund	0 (d)	4,152,296	4,152,296	3,580,761	529,535	4,110,296 (a)	42,000	42,000	42,000
Records Management Program	936,396	1,716,759	2,653,155	1,159,609	343,075	1,502,684	214,075	214,075	1,150,471
Cultural Resource Survey Account	0 (e)	10,115,654	10,115,654	4,883,201	5,232,453	10,115,654	0	0	0
Education Museum Account	100,173	3,322,000	3,422,173	943,317	2,378,683	3,322,000	0	0	100,173
Education Archives Account	217,710	15,000	232,710	46,509	24,864	71,373	(56,373) (f)	15,000	161,337
Education Library Account	139,782	65,000	204,782	62,358	2,642	65,000	0	0	139,782
Grants and Bequests	763,184	496,609	1,259,793	333,800	172,174	505,974	(9,365)	496,609	753,819
Archives Partnership Trust	143,893 (g)	690,000 (h)	833,893	475,034	128,103	603,137	86,863	86,863	230,756

(a) Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.

(b) Reflects \$500,000 for the Summer School for the Arts Program and \$2,590,000 for the Empire State Performing Arts Center program and the New York State Theater Institute program.

(c) This structural imbalance is the result of decreased revenue in the Cultural Education Account due to the economic downturn.

(d) 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.

(e) 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).

(f) This imbalance is the result of the use of prior year funds to meet current year one-time obligations and decreased revenue in the Cultural Education Account due to the economic downturn.

(g) Excludes endowment funds.

(h) The Archives Partnership Trust may use sufficient revenue from the APT endowment if there is insufficient current year revenue to support planned programs, pursuant to Chapter 399 of the laws of 1998 to maintain structural balance.

**OPERATIONS AND MANAGEMENT SERVICES
FINANCIAL STATUS AS OF MARCH 31, 2011**

For State Fiscal Year 2010-11

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Available Funds on 4/1/10	2010-2011 Projected Revenue	Cumulative Projected Revenue 2010-2011	Actual Expenditures Through 3/31/11	Projected Expenditures to Program Period End	Total Expenditures Actual and Projected	2010-2011 Projected Revenue vs. Expenditures	Projected Structural Balance at 3/31/11	Cumulative Projected Balance at Program Period End
GENERAL FUND									
Personal Service	0	6,723,000 (a)	6,723,000	6,703,261	19,739	6,723,000 (a)	0	0	0
Nonpersonal Service	0	2,721,000	2,721,000	2,434,302	286,698	2,721,000	0	0	0
Subtotal	0	9,444,000	9,444,000	9,137,563	306,437	9,444,000	0	0	0
SPECIAL REVENUE									
Cost Recovery Account	950,839	20,000,000	20,950,839	19,161,555	706,096	19,867,651	132,349	532,349	1,083,188
Automation and Printing (IT)	5,418,854	19,500,000	24,918,854	17,890,029	995,817	18,885,846	614,154	614,154	6,033,008 (b)
Subtotal	6,369,693	39,500,000	45,869,693	37,051,584	1,701,913	38,753,497	746,503	1,146,503	7,116,196
State Operations Total:	6,369,693	48,944,000	55,313,693	46,189,147	2,008,350	48,197,497	746,503	1,146,503	7,116,196
OTHER RETIREMENT SYSTEMS	0	1,631,000	1,631,000	1,528,652	102,348	1,631,000	0	0	0
FEDERAL FUNDS									
<i>July-June Programs</i>									
Personal Service	N/A	N/A	4,598,231	2,553,359	2,044,872	4,598,231	N/A	N/A	N/A
Nonpersonal Service	N/A	N/A	332,500	93,630	238,870	332,500	N/A	N/A	N/A
Subtotal	N/A	N/A	4,930,731	2,646,989	2,283,742	4,930,731	N/A	N/A	N/A

(a) Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.

(b) Funds earmarked for future critical IT projects.

SED PLAN ADJUSTMENT REPORT
March 31, 2011

	Initial Projection	Revised Projection	Difference	Explanation
GENERAL FUND				
<u>Tenured Teacher Hearings</u>				
Expenditures	\$8,950,654	\$10,173,800	\$1,223,146	Expenditures were adjusted to reflect the actual dollar value of hearing officer bills on hold as of March 31, 2011.
SPECIAL REVENUE				
<u>Office of the Professions</u>				
Revenue	\$45,452,322	\$42,675,322	(\$2,777,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Office of Teacher Certification</u>				
Revenue	\$6,500,000	\$5,471,000	(\$1,029,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Proprietary School Supervision</u>				
Revenue	\$3,000,000	\$2,703,000	(\$297,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Proprietary Tuition Reimbursement</u>				
Revenue	\$375,000	\$352,000	(\$23,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Regents Accrediation of Teacher Education</u>				
Revenue	\$85,735	\$57,735	(\$28,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Workers Compensation</u>				
Revenue	\$100,000	\$36,000	(\$64,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
		Total Changes	(\$2,994,854)	

SED CUMULATIVE PLAN ADJUSTMENT REPORT

	Initial Projection	Revised Projection	Difference	Explanation
GENERAL FUND				
<u>Office of Higher Education</u>				
Revenue and Expenditures	\$7,376,000	\$7,187,000	(\$189,000)	Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.
<u>Office of P-12 Education</u>				
Expenditures	\$27,553,000	\$20,553,000	(\$7,000,000)	The current year Assessment deficit has been resolved by eliminating several exams and using one-time Education Assessment Account revenue of \$2.5 million to fund some exams.
Revenue and Expenditures	\$20,553,000	\$19,551,000	(\$1,002,000)	Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.
<u>Office of Cultural Education</u>				
Revenue and Expenditures	\$602,000	\$567,000	(\$35,000)	Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.
<u>Office of Management Services</u>				
Revenue and Expenditures	\$10,002,000	\$9,444,000	(\$558,000)	Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.
<u>Tenured Teacher Hearings</u>				
Expenditures	\$8,950,654	\$10,173,800	\$1,223,146	Expenditures were adjusted to reflect the actual dollar value of hearing officer bills on hold as of March 31, 2011.
SPECIAL REVENUE				
<u>Office of the Professions</u>				
Cumulative Revenue	\$53,299,248	\$49,799,248	(\$3,500,000)	Reflects a transfer to the Education Assessment Account
<u>Summer School of the Arts</u>				
Revenue	\$567,535	\$1,067,535	\$500,000	Reflects a transfer from the Cultural Education Account
<u>Education Assessment Account</u>				
Revenue and Expenditures	\$0	\$3,500,000	\$3,500,000	Reflects a transfer from the Professions Account.
Expenditures	\$3,500,000	\$3,400,000	(\$100,000)	The \$100,000, which is for the statewide implementation of GED Compass, will be spent in the 2011-12 SFY rather than the 2010-11 SFY.

SED CUMULATIVE PLAN ADJUSTMENT REPORT

	Initial Projection	Revised Projection	Difference	Explanation
<u>Local Government Records Management Improvement Fund</u>				
Expenditures	\$4,152,296	\$4,110,296	(\$42,000)	Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.
<u>Cultural Education Account</u>				
Revenue	\$32,728,782	\$28,750,000	(\$3,978,782)	Reflects a revision to the revenue projection for the Cultural Education Account.
Expenditures	\$32,728,782	\$30,878,782	(\$1,850,000)	Reflects reductions for the Early Retirement Incentive, Management/Confidential salary withholding, and workforce reduction.
Transfer and Other Agency Support	\$2,590,000	\$3,090,000	\$500,000	Reflects a transfer to the Summer School for the Arts Program
<u>High School Equivalency</u>				
Expenditures	\$655,000	\$112,503	(\$542,497)	Reflects a decrease in spending from fewer than projected GED test takers. ACE delayed the implementation date of the new GED exam and, therefore, there was not a spike in GED test takers who wanted to take the current exam rather than the new one.
<u>Office of the Professions</u>				
Revenue	\$45,452,322	\$42,675,322	(\$2,777,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Office of Teacher Certification</u>				
Revenue	\$6,500,000	\$5,471,000	(\$1,029,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Proprietary School Supervision</u>				
Revenue	\$3,000,000	\$2,703,000	(\$297,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Proprietary Tuition Reimbursement</u>				
Revenue	\$375,000	\$352,000	(\$23,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Regents Accrediation of Teacher Education</u>				
Revenue	\$85,735	\$57,735	(\$28,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
<u>Workers Compensation</u>				
Revenue	\$100,000	\$36,000	(\$64,000)	Reflects a sweep of funds to meet the 2009-2010 and 2010-2011 mid year reductions.
		Total Changes	(\$17,292,133)	