

COUNCIL ON THE ARTS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	55,066,000	55,142,000	76,000	0.1%
Special Revenue-Other	6,461,000	4,122,300	(2,338,700)	-36.2%
Special Revenue-Federal	1,513,000	1,513,000	0	0.0%
Total for AGENCY SUMMARY:	63,040,000	60,777,300	(2,262,700)	-3.6%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	55	55	0
TOTAL:	55	55	0

Agency Mission

(Executive Budget: pp. 3-5)

The New York State Council on the Arts (NYSCA) is responsible for the oversight and administration of the cultural and artistic resources of the Council on the Arts, the Empire State Plaza Performing Arts Center Corporation and the New York State Theatre Institute. NYSCA is also responsible for administering grants to local non-for-profit arts organizations.

The Department is included in the Education, Labor, and Family Assistance appropriation bill.

Budget Detail

The Executive Budget Proposal includes an All Funds appropriation of \$60,777,300, a decrease of \$2,262,700 or 3.6 percent, below the SFY 2007-08 levels. The Executive recommends funding support of 55 full time equivalent (FTE) positions which is consistent with SFY 2007-08 levels.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$10,064,300, a decrease of \$1,262,700 or 11.15 percent from the SFY 2007-08 level.

Proposed Increases

The Executive recommends the following increases:

- The Executive proposes \$76,000 reflecting increased inflationary cost.
- The Executive proposes a \$16,000 increase to the Performing Arts Center Corporation (the Egg).

Proposed Decreases

- The Executive proposes a \$1,354,700 decrease to the New York State Theatre Institute (NYSTI) due to SFY 2007-08 adjusted appropriation resulting from the payment of retroactive fringe benefit costs to employees being proposed as a deficiency appropriation.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$50,713,000, a decrease of \$1,000,000 or 1.93 percent from the SFY 2007-08 levels.

Proposed Decreases

- The Executive eliminates the \$1,000,000 funding of the Arts Institutions Revolving Loan Fund.

Deficiency Request

The adjusted appropriation includes a recommended deficiency appropriation of \$2,600,000 to the New York State Theatre Institute (NYSTI) for SFY 2007-08. The appropriation is necessary to charge retroactive fringe benefit and indirect costs for employees of NYSTI for SFY 2005-06, SFY 2006-07, and SFY 2007-08.

CITY UNIVERSITY OF NEW YORK

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	1,136,570,745	1,210,227,600	73,656,855	6.5%
Special Revenue-Other	145,000,000	145,000,000	0	0.0%
Capital Projects Fund	0	25,982,000	25,982,000	-
Cap Proj Fund - CUNY - Direct Auth Bonds	265,800,000	1,673,620,000	1,407,820,000	529.7%
Total for Agency:	1,547,370,745	3,054,829,600	1,507,458,855	97.4%
Total Contingency:	1,627,937,607	1,700,568,800	72,631,193	4.5%
Total for AGENCY SUMMARY:	3,175,308,352	4,755,398,400	1,580,090,048	49.8%

Agency Mission

(Executive Budget: pp. 23-27)

The City University of New York (CUNY) is the third largest public university system in the nation, comprised of 19 campuses, including nine senior campuses, seven community colleges, one technical college, a graduate school and an affiliated medical school. CUNY's mission is to provide affordable higher education with a focus on the urban community of New York City.

This agency is included in the Education, Labor and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- a \$35,890,000 increase in State Support for CUNY Senior Colleges to \$1,042,435,800;
- maintenance of tuition at CUNY Senior Colleges at \$4,000, with no increase planned for SFY 2008-09; and

- a \$50 per full time equivalent (FTE) student decrease in CUNY Community College Base Aid, decreasing support from \$2,675 per FTE in SFY 2007-08 to \$2,625 per FTE in SFY 2008-09.

Budget Detail

The Executive proposes an All Funds appropriation of \$4,755,398,400, an increase of \$1,580,090,048 or 49.76 percent from the SFY 2007-08 level.

State Operations

The Executive proposes a total Senior College Academic Year operating budget of \$1,700,568,800, a \$55,890,000 increase over adjusted SFY 2007-08 levels. State Support totals \$1,042,435,800, a net increase of \$35,890,000 over adjusted SFY 2007-08 levels.

Proposed Increases

The Executive requests \$1,042,435,800 in State support for CUNY Senior Colleges that includes a \$53,884,000 increase over adjusted SFY 2007-08 funding levels comprised of the following:

- \$35,910,000 for fringe benefit costs at Senior Colleges;
- \$12,337,000 for personal and non personal service inflationary increases;
- \$2,828,000 for inflationary costs on pre-existing leases;
- \$1,809,000 for collective bargaining increases for SFY 2008-09; and
- \$1,000,000 for expanding nursing programs throughout the CUNY system.

Proposed Decreases

The Executive proposes decreases of:

- \$16,741,000 in General Fund support resulting from savings due to efficiency gains at CUNY;
- \$500,000 from the elimination of the SFY 2007-08 legislative addition of funding for the Joseph Murphy Institute; and
- \$652,040 from the elimination of the SFY 2007-08 legislative addition to the SEEK Program.

Aid to Localities

The Executive proposes a total Aid to Localities appropriation of \$1,210,227,600 for SFY 2008-09 representing a \$65,574,855 increase over adjusted SFY 2007-08 levels. Of this appropriation,

\$1,013,463,000 would support the SFY 2008-09 costs for operating CUNY Senior Colleges and \$174,764,600 would support CUNY Community Colleges. Within this appropriation, funding is maintained for CUNY childcare (\$865,000) and Contract Courses for workforce development (\$2,000,000).

Proposed Increases

The Executive Proposal would provide CUNY Community Colleges \$174,764,600 for SFY 2008-09, representing a \$4,262,585 net increase over SFY 2007-08 levels comprised of the following:

- a \$2,140,000 increase in Base Aid per FTE due to enrollment increases; and
- a \$2,740,000 increase in Rental Aid due to increased Rental Aid costs for Fitterman Hall at the Borough of Manhattan Community College.

Proposed Decreases

The Executive proposes the following decreases:

- \$2,336,250 in Base Aid from a \$50 per FTE reduction from \$2,675 in SFY 2007-08 to \$2,625 in SFY 2008-09; and
- \$41,965 in the College Discovery program resulting in a reduction of the SFY 2007 08 legislative add.

Capital Projects

The Executive proposes a capital projects appropriation of \$1,699,602,000, an increase of \$1,433,802,000 over SFY 2007-08 levels. This appropriation commences a new five-year CUNY capital plan in SFY 2008-09. The new capital plan appropriates \$1,415,920,000 of which \$960,000,000 is dedicated to Senior Colleges and \$284,220,000 is for critical maintenance projects at Senior Colleges. The critical maintenance appropriation is the first of a total \$1,420,000,000 that is to be spread out over five years. An additional \$257,700,000 is appropriated for community college projects that will also be expended over five years.

Article VII

The Executive recommends Article VII legislation that would:

- provide enhanced flexibility for CUNY in areas of procurement and property management. CUNY would only be subject to post-audit review by the State Comptroller in the purchasing of goods;

- establish the University Capital Projects Review Board comprised of three voting members. The board will approve non-critical maintenance capital projects at CUNY Senior Colleges. The Board has 45 days to approve or deny projects submitted to the Board, and after 45 days projects in which no action has been taken are assumed to be approved; and
- authorize the monetization of the Lottery to support primary, secondary and higher education institutions in New York State pursuant to a chapter of the Laws of 2008. However, the proposal specifically excludes monetization of VLTs. The bill also amends State Finance Law to establish a new Higher Education Endowment of which the Comptroller is the sole trustee. Annual disbursements will be made in the future to support higher education purposes.

EDUCATION DEPARTMENT

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	17,955,753,279	19,146,888,500	1,191,135,221	6.6%
Special Revenue-Other	7,866,819,020	8,131,141,400	264,322,380	3.4%
Special Revenue-Federal	4,086,749,480	4,169,073,100	82,323,620	2.0%
Capital Projects Fund	78,900,000	56,640,000	(22,260,000)	-28.2%
Internal Service Fund	27,181,000	30,068,000	2,887,000	10.6%
Total for AGENCY SUMMARY:	30,015,402,779	31,533,811,000	1,518,408,221	5.1%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	453	439	(14)
All Other Funds:	2,721	2,848	127
TOTAL:	3,174	3,287	113

Agency Mission

(Executive Budget: pp. 29-46)

The State Education Department (SED) is the administrative agency of the Board of Regents. The Department oversees public elementary and secondary education programs throughout New York and promotes educational excellence, equity and cost effectiveness. The mission of the State Education Department is to raise the knowledge, skill level and opportunity of all the people in New York.

The State Education Department is included in the Education, Labor and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- total General Support for Public Schools (GSPS) funding of \$21,014,560,000 for School Year (SY) 2008-09, an increase of \$1,456,850,000 over SY 2007-08;

- Foundation Aid funding of \$14,542,890,000, an increase of \$898,560,000 over SY 2007-08;
- an increase in Universal Prekindergarten (UPK) funding of \$88,960,000 over last year's expenditures for total funding of \$452,249,497, along with a plan to implement full universality by SY 2010-11;
- changes to the calculation of BOCES Aid that would result in a decrease of \$31,440,000 from SY 2007-08 and a loss of \$66,920,000 from present law levels for total funding of \$593,990,000;
- enhancements to Special Services aid for occupational education programs in large city school districts that would result in an increase of \$40,876,000 over present law levels for total funding of \$171,330,000;
- a shift of evaluation and administrative costs of the preschool special education program from the State to school districts, for an estimated cost of \$46,000,000, as well as a shift of any growth of county costs above 4 percent from the county to the State at an estimated cost of \$20,00,000 in SY 2008-09; and
- the elimination of Supplemental Public Excess Cost Aid, which was funded at \$19,620,000 in SY 2007-08.

Budget Detail

For SY 2008-09, the Executive provides an increase of \$1,456,850,000 in GSPS over SY 2007-08 levels, for total funding of \$21,014,560,000, a 7.45 percent increase over the prior year. The Executive appropriates \$31,533,811,000 on an All Funds basis to the Education Department in SFY 2008-09. The Executive proposes an increase of 113 full-time equivalent (FTE) positions.

State Operations

Proposed Increases

The Executive proposes:

- \$1,200,000 for implementation of the Student Lending, Accountability, Transparency, and Enforcement Act ;
- a shift in funding of \$866,100 for preservation of materials and the Talking Book and Braille Library from Aid to Localities to State Operations; and
- \$100,000 for the National Cooperative Education Statistics Program.

Aid to Localities

FORMULA BASED AIDS

Proposed Increases

The Executive proposes:

- funding Foundation Aid at \$14,542,890,000, which is \$898,560,000 above SY 2007-08 and \$94,000,000 below present law funding levels. Foundation Aid would be modified in the following ways:
 - enhancing the formula for high needs districts;
 - conforming the State Sharing Ratio used in Foundation Aid to that used in other School Aid formulas;
 - lowering the minimum increase for school districts from 3 percent to 2 percent and the maximum increase from 25 percent to 15 percent;
 - decreasing the 2008-09 phase in from 42.5 percent to 37.5 percent; and
 - averaging certain wealth factors over two years.
- funding Universal Prekindergarten (UPK) at \$452,250,000 which is an increase of \$88,960,000 over SY 2007-08 spending levels. The Executive would:
 - expand the program to full universality by SY 2010-11;
 - maintain present law per-pupil funding levels, with a minimum grant of \$2,700 per student;
 - ensure that districts receive funding for at least as many pupils as in SY 2007-08; and
 - institute a targeted phase-in methodology based on district need and program utilization rates.
- funding Building Aid at its present law level of \$2,002,450,000, which is an increase of \$174,060,000 over SY 2007-08 levels. The Executive also proposes changes to Building Aid that would modify the choice of Select Building Aid Ratio beginning in SY 2009-10, and that would institute a 18 month lag in Building Aid payments to New York City;
- continuing Transportation Aid at its present law level of \$1,521,030,000, which is an increase of \$108,130,000 over SY 2007-08 levels;
- enhancing Special Services Aid and funding this program at \$171,330,000, which is an increase of \$40,876,000 over present law levels;

- funding an Academic Achievement Grant for New York City at \$179,000,000, which is an increase of \$90,100,000 over SY 2007-08 levels. This funding would be offset by any increases in reimbursement for Building Aid or Transportation Aid in SY 2008-09;
- modifying High Tax Aid to look at district by district wealth and tax factors and funding this program at \$100,220,000, which is an increase of \$230,000 over SY 2007-08 levels
- continuing High Cost Excess Cost Aid at its present law level of \$437,460,000, which is an increase of \$25,150,000 over SY 2007-8 levels;
- continuing Private Excess Cost Aid at its present law level of \$234,370,000, which is an increase of \$11,970,000 over SY 2007-08 levels;
- funding Reorganization Operating Aid at its present law level of \$2,860,000;
- continuing Computer Hardware Aid at its present law level of \$37,110,000, which is an increase of \$160,000 over SY 2007-08 levels;
- continuing Computer Software Aid at its present law level of \$46,480,000, which is an increase of \$550,000 over SY 2007-08 levels;
- continuing Charter School Transition Aid at its present law level of \$21,170,000 which is an increase of \$870,000 over SY 2007-08 levels;
- funding a Supplemental Educational Improvement Plan Grant for Yonkers at \$17,500,000 which is an increase of \$9,000,000 over SY 2007-08 levels;
- continuing Full-Day Kindergarten Conversion Aid at its present law level of \$3,190,000, which is an increase of \$1,550,000 over SY 2007-08 levels;
- funding payments for EXCEL at \$135,000,000, which is an increase of \$65,000,000 over SY 2007-08. Of this amount, New York City receives \$109,000,000;
- authorizing the SED to retain the administrative costs associated with the processing of online biennial physician license renewals; and
- authorizing SED to enter into a memorandum of understanding with the State Attorney General for support of costs and expenses resulting from implementation of the Student Lending Accountability, Transparency, and Enforcement Act.

Proposed Decreases

The Executive proposes:

- modifying BOCES Aid by modifying the ratio used to calculate aid and funding this program at \$593,990,000, which is a decrease of \$31,440,000 from SY 2007-08 levels and a present law decrease of \$66,920,000. Additionally, the 1967 save harmless provision would be eliminated;
- eliminating Supplemental Public Excess Cost Aid, which was funded at \$19,620,000 in SY 2007-08;
- continuing Textbook Aid at its present law level of \$184,930,000, which is a decrease of \$260,000 from SY 2007-08 levels; and
- continuing Library Materials Aid at its present law level of \$19,630,000, which is a decrease of \$10,000 from SY 2007-08 levels.

GRANT PROGRAMS AND ADDITIONAL AID CATEGORIES

The Executive proposes:

- maintaining funding for Full Day Kindergarten Planning Grants at \$2,000,000, while allowing the funding to also be used for UPK planning;
- funding Math and Science Initiatives at last year's level of \$10,000,000, while expanding the program to include pre-engineering and advanced hands-on technical learning opportunities;
- continuing Rochester Community Schools, School Health Services, Roosevelt, and Employment Preparation Education (EPE) at their SY 2007-08 levels of \$4,000,000, \$13,840,000, \$6,000,000 and \$96,000,000, respectively; and
- maintaining funding for Urban Suburban Transfer, Homeless Pupils, Incarcerated Youth, Education of OMH/OMR Pupils, Special School Districts, BOCES Aid for Special Act Districts, Learning Technology Grants, Native American Building, Native American Education, and Bus Driver Safety at SY 2007-08 levels.

Proposed Increases

The Executive proposes:

- increasing funding for the Bilingual Education program by \$2,000,000, for a total of \$13,500,000; and

- setting aside \$10,000,000 for the midyear expansion of SY 2007-08 Universal Prekindergarten programs.

OTHER ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

The Executive proposes:

- \$750,000 for the Health Education Program, which is the same level of funding as SY 2007-08;
- maintaining Adult Basic Education funding at \$2,000,000;
- continuing Apprenticeship Training, Consortium for Worker Education (CWE), and Workplace Literacy at their SY 2007-08 levels of \$1,830,000, \$11,500,000, and \$1,376,100, respectively;
- maintaining Academic Intervention Services for Non-Public Schools at \$1,000,000;
- continuing Extended Day/School Violence Prevention at \$30,200,000; and
- funding Migrant Workers, School Lunch/Breakfast, Statewide School Safety Centers, SURR Schools, Primary Mental Health Project, Summer Food Program, Charter School Start Up Grants, Math and Science High Schools, and Prior Year Claims at SY 2007-08 levels.

Proposed Increases

The Executive proposes:

- additional funding for after-school programs of \$10,000,000 to supplement Federal funding for the 21st Century Learning Centers Program;
- \$20,000,000 in State funding to cover costs above the cap on county growth in the preschool special education program;
- new funding of \$9,400,000 for the Healthy Schools initiative in SY 2008-09;
- increasing funding for Nonpublic School Aid, including the Comprehensive Attendance Program, by \$15,000,000, for a total of \$142,400,000;
- \$1,000,000 for a new Student Mentoring and Tutoring Initiative; and
- increasing funding for County Vocational Education and Extension Boards (CVEEB) to \$1,000,000, an increase of \$300,000 over SY 2007-08.

Proposed Decreases

The Executive proposes:

- funding the Adult Literacy Education program at \$5,324,700, which is a decrease of \$1,000,000 from SY 2007-08;
- funding Fiscal Stabilization Grants at \$28,583,000, which is \$16,511,000 below SFY 2007-08 levels;
- eliminating funding for the Transferring Success program, which was funded at \$629,800 in SY 2007-08;
- eliminating funding for the Civility, Citizenship and Character Education Curriculum, which was funded at \$475,000 in SY 2007-08;
- eliminating funding for the New York State Historical Association which was funded at \$180,000 in SY 2007-08;
- eliminating funding for the Rural Education Advisory Council which was funded at \$175,000 in SY 2007-08;
- eliminating funding for the Missing Children program which was funded at \$1,000,000 in SY 2007-08;
- reducing funding for the Center for Autism and Related Disabilities at SUNY Albany to \$500,000, which is \$500,000 below SY 2007-08. This program would continue to receive an additional \$500,000 out of Federal IDEA funds.
- cutting funds for a Poughkeepsie Magnet School, Prostart, Ulster County BOCES, Tech Valley High School, Tech Valley Love SAM, and Tech Valley Teacher Externships; and
- eliminating grants-in-aid for certain school districts which were funded at \$25,395,000 in SY 2007-08;

TEACHER PROGRAMS

The Executive proposes:

- maintaining Teacher Resource and Computer Training Centers at \$40,000,000, which is a continuation of SY 2007-08 funding levels;

- maintaining Teachers of Tomorrow at last year's level of \$25,000,000, while building upon the program to encourage professionals in technical fields to become certified classroom teachers; and
- funding the Teacher Mentor Internship Program and the National Board for Professional Teaching Standards Certification at last year's levels of \$10,000,000 and \$500,000, respectively.

VESID

The Executive proposes:

- funding Case Services at \$54,600,000 which is the same level of funding as in SY 2007-08;
- funding Early Childhood Directions Centers at \$656,000 which is the same level of funding as in SY 2007-08;
- funding Supported Employment at \$16,402,000 which is the same level of funding as in SY 2007-08; and
- shifting \$4,000,000 for salary enhancements for teachers in schools for students with special needs from the General Fund to Federal Individuals with Disabilities in Education Act (IDEA) funds.

Proposed Decreases

- The Executive proposes funding Independent Living Centers at \$11,730,000 which is a cut of \$1,500,000 from SY 2007-08.

CULTURAL EDUCATION

The Executive proposes:

- continuing Educational Television and Radio at \$18,830,000; and
- maintaining capital funding of \$14,000,000 for library construction and renovation.

Proposed Decreases

The Executive proposes:

- funding Library Aid at \$96,333,900, which is \$5,866,100 less than in SY 2007-08. Of this reduction, \$866,100 is a shift of funds for preservation of materials and the Talking Book and Braille Library to a State Operations account.

HIGHER EDUCATION AND THE PROFESSIONS

The Executive proposes that the Office of Higher Education and the Professions receive an All Funds appropriation of \$170,616,400, representing a \$4,260,600 decrease from 2007-08 levels. Funding levels are maintained at 2007-08 levels for the Science and Technology Entry Program and the Collegiate Science and Technology Program at \$19,000,000, Postsecondary Aid to Native Americans at \$635,000, and the Teacher Opportunity Corps Programs at \$713,000.

Proposed Increases

- A \$2,200,000 increase in the Student Lending Education Account for services and expenses of administering the Student Lending Accountability, Transparency, and Enforcement Act.

Proposed Decreases

The Executive proposal eliminates the 2007-08 Legislative additions, resulting in cuts made to the following higher education programs:

- A \$538,000 cut to the Liberty Partnerships Program from \$12,556,000 in 2007-08 to \$12,018,000 in 2008-09.
- A \$1,037,000 cut to the Higher Education Opportunity Program (HEOP) from \$25,237,000 in 2007-08 to \$24,200,000 in 2008-09.
- A \$3,676,000 cut in unrestricted aid to independent colleges and universities from \$46,238,000 in 2007-08 to \$42,562,000 in 2008-09.
- Elimination of aid for nursing degree programs at private colleges and universities, which was appropriated at \$1,027,000 in 2007-08.
- Elimination of additional funding for Educational Opportunity Centers, which was appropriated at \$200,000 in 2007-08.

- Elimination of funding for the Renaissance Internship program, which was appropriated at \$100,000 in 2007-08.

Capital Projects

The Executive proposes:

- funding improvements to the Cultural Education Center at \$36,660,000 which would include:
 - \$2,250,000 for the construction of an alternative emergency exit;
 - \$2,500,000 for fire safety system upgrades, environmental controls, and rest room renovations;
 - \$15,000,000 to enhance public display of the collections at the Museum;
 - \$4,325,000 for stewardship and preservation projects; and
 - \$12,585,000 for a new records center storage facility.
- funding health and safety projects at the State Education building at \$2,000,000;
- funding Library Construction at \$14,000,000, which was the same level as in SY 2007-08;
- funding improvements at the School for the Blind at Batavia at \$2,330,000; and
- funding improvements at the School for the Deaf in Rome at \$650,000.

Article VII

The Executive recommends Article VII legislation that would:

- require districts identified as being in need of improvement to submit a district improvement plan that directs resources to certain programs and actions regardless of the district's level of Foundation Aid increase;
- require districts submitting initial Contracts for Excellence to annually update the plans for two years;
- modify the criteria used to identify districts that would have to submit a Contract for Excellence;
- direct that updated Contracts for Excellence must maintain spending amounts equivalent to what was spent in the prior year;

- add Charter School Transition Aid and the Academic Achievement Grant as part of the calculation of determining the amount of funds that must be used toward the Contract for Excellence;
- clarify that Contract funds should not be used for construction costs;
- expand the options that Contract funds can be used to include programs for students with limited English proficiency;
- expands a Contract's allowable activities to include experimental programs that address social and emotional health needs as well as improving diagnostic, prevention, and intervention services;
- continue 25% flexibility of Contract funds for existing programs;
- require the Commissioner of Education to conduct an annual assessment of performance outcomes that resulted from Contract expenditures;
- direct the Commissioner of Education to develop leadership standards for excellence;
- include county sales tax revenues within the current maintenance of effort provisions and provide for a mechanism for proportional reductions in cases where a county reduces the amount of sales tax being directed toward a city;
- direct the Commissioner of Education to develop guidelines to enhance services for English language learners and establish eligibility standards for incentive grants to improve services for these students;
- establish a demonstration project which allows qualified students that graduate from the Syracuse City School District during the 2008-09 school year to attend SUNY or CUNY for no cost;
- make New York City Building Aid payable 18 months after SED approves their building aid projects;
- allow for a prioritized selection to increase the participation of English language learners and children with special needs in Universal Prekindergarten;
- allow for the continuation of Targeted Prekindergarten programs;
- expand current Universal Prekindergarten (UPK) reporting requirements to also include an expenditure report that outlines State, local and federal funds that were used in the UPK program;

- increase the school district's involvement in the evaluation of preschool special education students;
- shift some of the evaluation and administrative costs of preschool special education programs from the State to school districts. This is estimated to save the State \$46,000,000 in SY 2008-09;
- limit the growth in costs for preschool special education, for counties other than the city of New York, to four percent for SFY 2008-09 and phasing it down to three percent beginning in SFY 2010-11, and shift any additional costs to the State at an estimated cost of \$20,000,000 in SFY 2008-09, growing to approximately \$96,000,000 in SFY 2010-11;
- allow for regional rate setting for preschool special education;
- allow the Buffalo City School district expanded use of certain restricted funds;
- continue the provisions for a lottery accrual due to a change made by the Government Accounting Standards Board regarding the Teacher Retirement System pension contributions;
- allow the Rochester City School district to continue to contract with BOCES for certain health services;
- continue the Magnet School set aside within Foundation Aid;
- continue the Attendance Improvement and Dropout Prevention set aside within Foundation Aid;
- continue the Teacher Support Aid set aside within Foundation Aid;
- implement the Healthy Schools Act to establish recommendations for dietary and nutritional standards for school meals, expand the school breakfast program and increase State reimbursement to provide greater access to free school meals and to assist in the purchase of healthy foods in all school meals;
- provide for technical implementation of various school aid formulas including Foundation Aid, Universal Prekindergarten, BOCES, Special Services Aid, and High Tax Aid.

Deficiency Request

The Executive requests a deficiency appropriation of \$50,150,000 for the Federal Medicaid revenue offset due to projected shortfalls in school district claiming for School Supportive Health Services. The Executive also requests \$8,000,000 for the Roosevelt School District in order to eliminate the District's accumulated budget deficit.

OFFICE OF CHILDREN AND FAMILY SERVICES

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	1,898,872,460	2,085,124,000	186,251,540	9.8%
Special Revenue-Other	133,262,000	124,431,000	(8,831,000)	-6.6%
Special Revenue-Federal	1,482,264,000	1,483,184,000	920,000	0.1%
Enterprise	475,000	475,000	0	0.0%
Capital Projects Fund	1,825,000	1,825,000	0	0.0%
Youth Facilities Improvement Fund	36,635,000	36,663,000	28,000	0.1%
Internal Service Fund	100,000	100,000	0	0.0%
Total for AGENCY SUMMARY:	3,553,433,460	3,731,802,000	178,368,540	5.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	3,479	3,245	(234)
All Other Funds:	626	617	(9)
TOTAL:	4,105	3,862	(243)

Agency Mission

(Executive Budget: pp. 47-55)

The Office of Children and Family Services (OCFS) is responsible for coordinating a system of support to help families to achieve and to maintain self-sufficiency and to provide for the well-being of their children. The Office administers a broad range of child welfare, child care, adult protective and delinquency prevention programs, as well as residential and community-based services for New York State's juvenile justice system. The Office also supervises services to the blind and visually handicapped.

The Office is included in the Education, Labor, and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- combined Federal, State and local funding of \$540,000,000 for the Child Care Block Grant, which includes a net increase of \$7,000,000 in federal funding from the current fiscal year. Local districts may request additional support for child care from the Flexible Fund for Family Services (Flex Fund), which the Executive proposes to increase to \$1,010,300,000 from the current \$654,000,000;
- closure of seven (7) OCFS-operated facilities, which is expected to generate \$2,600,000 in savings in SFY 2008-09, that will be partially re-invested in educational and community-based services for high-risk youth; and
- Third-year funding of a cost-of-living adjustment (COLA) for foster care and adoptive parents, as well as a proposal to extend the current COLA for another three years.

Budget Detail

The Executive proposes All Funds appropriations totaling \$3,731,802,000, a net increase of \$178,368,540 or 5 percent over SFY 2007-08. Agency appropriations will support a workforce of 3,862 full-time equivalent (FTE) positions, a decrease of 243 FTEs, due primarily to the redeployment of staff and natural attrition.

State Operations

For SFY 2008-09, the Executive recommends All Funds State Operations appropriations totaling \$511,648,000, a net increase of \$5,610,000 above the SFY 2007-08 appropriation level.

Proposed Increases

The Executive proposes the following increases:

- \$5,130,000 net General Fund increase for higher personal service costs, and nonpersonal service and fixed rate cost increases related to inflation that are offset by an efficiency reduction; and
- \$3,000,000 net General Fund increase for modernization of the automated child welfare information system (CONNECTIONS).

Proposed Decreases

The Executive proposes the following decreases:

- a \$2,740,000 reduction in the State's grant from the federal Child Care Development Fund for program administration; and
- \$2,600,000 in first-year General Fund savings as a result of the closure of seven OCFS-operated youth facilities, and the restructuring of an additional facility. This action will reduce OCFS facility jobs by 254 full-time equivalent (FTE) positions, of which 16 were already vacant as of December 2007. The Executive plans to offer all annual salaried staff comparable jobs at another OCFS facility or State agency.

Aid to Localities

The Executive recommends an All Funds appropriation of \$3,181,666,000 in Aid to Localities for SFY 2008-09, a net increase of \$172,730,540 above the current fiscal year.

For SFY 2008-09 the Executive proposes combined Federal, State and local funding of \$539,066,000 for the Child Care Block Grant, a decrease of \$366,000,000 from SFY 2007-08. The proposed grant level consists of State Funds totaling \$140,066,000; \$68,000,000 in local government funding; \$5,000,000 in TANF funding; a \$312,000,000 grant from the Federal Child Care Development Fund; and \$14,000,000 in one time unexpended prior year federal funding. The Executive does not provide for a direct transfer of TANF funds for child care subsidies as was provided in the SFY 2007-08 enacted budget. Instead, the Executive recommends increasing the Flexible Fund for Family Services to \$1,010,300,000 from the current \$654,000,000, from which local districts may request additional support for child care.

Several cost-saving initiatives are proposed in the Temporary Assistance to Needy Families (TANF) block grant in order to make more funding available for the Earned Income Tax Credit (EITC). The proposal shifts programs currently funded from TANF to the General Fund of the appropriate administering agency; eliminates funding for commitments made in SFY 2004-05 that have not been initiated; and eliminates several initiatives considered nonessential to the agencies' missions.

Proposed Increases

The Executive proposes the following General Fund increases:

- \$153,700,000 to support the growth in local district claims for reimbursement for expenses related to child protective, preventive and independent living services in the child welfare appropriation which reimburses local districts at the rate of 65 percent;

- \$70,900,000 to support the shift of four OCFS-administered TANF initiatives to the agency. They include:
 - Advantage Schools after school program -- \$27,750,000;
 - Home Visiting Program -- \$21,600,000;
 - Preventive Services initiative -- \$20,400,000; and
 - Caretaker Relative Support -- \$1,150,000.
- The Executive also proposes to transfer the Adolescent Pregnancy and Prevention Services (APPS) program, which is currently administered by OCFS and funded from TANF, to the Department of Health at the current level of \$7,320,000.
- \$26,100,000 to support the cost-of-living adjustment (COLA) for foster care workers and parents, and the maximum state aid rate (MSAR);
- \$17,200,000 to support 48,000 adoption subsidies and to support the cost-of-living adjustment (COLA) for adoptive parents;
- \$8,710,000 increase for the Bridge to Health program, a Medicaid waiver to allow community-based treatment of at-risk children with mental health treatment needs; and
- \$863,000 in General Fund savings from the youth facility closures would be reinvested in alternative community-based programs that divert youth from facility placement and shorten the length of time a youth spends at a facility.

Proposed Decreases

The Executive proposes the following decreases:

- a \$356,300,000 reduction in child care subsidies related to rolling child care into the Flex Fund;
- a reduction of \$61,000,000 in legislative program adds and initiatives; and
- \$35,400,000 in General Fund savings from a new proposal to require local social services districts to assume the full cost of locally administered and operated secure and non-secure youth detention facilities. Currently the cost is shared equally by the State and local districts.

Article VII

The Executive recommends Article VII legislation that would:

- eliminate State reimbursement to local districts for locally administered and operated secure and non-secure detention facilities for youth; and
- authorize the Office of Temporary and Disability Assistance to obtain information from the Department of Taxation and Finance's wage reporting system in order to, in part, determine the eligibility for Federal funding of children receiving foster care or adoption assistance.

The Executive also recommends Article VII legislation in the Health and Mental Hygiene budget that would:

- extend for three years the human services cost of living adjustment (COLA) that includes foster care workers and parents, and adoptive parents;
- reform and restructure the Medicaid program to enhance access to health insurance coverage, and include provisions to ensure that all foster children have access to Medicaid until 21 years of age; and
- improve public health services by implementing cost savings measures, advancing programmatic initiatives, and consolidating the State's pregnancy prevention programs.

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	1,490,939,000	1,307,698,000	(183,241,000)	-12.3%
Special Revenue-Other	185,579,000	185,370,000	(209,000)	0.1%
Special Revenue-Federal	3,495,730,000	3,445,378,000	(50,352,000)	-1.4%
Housing Program Fund	30,000,000	30,000,000	0	0.0%
Internal Service Fund	1,200,000	1,200,000	0	0.0%
Fiduciary	20,000,000	10,000,000	(10,000,000)	-50.0%
Total for AGENCY SUMMARY:	5,223,448,000	4,979,646,000	(243,802,000)	-4.7%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	660	660	0
All Other Funds:	1,645	1,645	0
TOTAL:	2,305	2,305	0

Agency Mission

(Executive Budget: pp. 57-66)

The Office of Temporary and Disability Assistance (OTDA), working with the Office of Children and Family Services (OCFS) and other agencies, helps children and families in need to achieve economic self-sufficiency. The Office administers public assistance programs including Family Assistance (FA), Safety Net Assistance (SNA), Supplemental Security Income (SSI), the Federal Food Stamp (FFS) Program, the Home Energy Assistance Program (HEAP); child support enforcement and services; refugee assistance programs; and homeless shelter and service programs. The Office also serves as the host agency for the administration of the federal Temporary Assistance to Needy

Families (TANF) block grant which provides funding for public assistance benefits, as well as for programs and services designed to assist needy children and families as they transition to self-support.

The agency is included in the Education, Labor, and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive proposal includes the following:

- \$1,010,300,000 in federal TANF funding to be allocated to local social services districts in the Flexible Fund for Family Services (FFFS) block grant program which permits local districts to use their block grant allocation to provide support for any federally allowable TANF purpose, including child care;
- General Fund support to continue funding at the SFY 2007-08 level for most legislative initiatives and programs that are currently funded from the TANF Block Grant, except the following which are eliminated:
 - ATTAIN/Technology Training;
 - AFL/CIO Workforce Development Institute;
 - Build NY;
 - Child Care Facilitated Enrollment Demonstration Projects;
 - Child Care Subsidies; and
 - Rochester/Genesee Regional Transportation Authority.
- continued TANF funding of \$35,000,000 for the Summer Youth Employment Program and \$3 million for non-residential services to victims of domestic violence;
- a proposal to increase the local district share of public assistance costs by two percent; and
- language to increase the maximum amount of monthly child support that a family on public assistance can keep from \$50 to \$100.

Budget Detail

For SFY 2008-09, the Executive recommends an All Funds appropriation totaling \$4,979,646,000, which represents a net decrease of \$243,802,000 or 4.7 percent from SFY 2007-08. The number of full-time equivalent (FTE) positions of 2,305 is projected to remain constant.

State Operations

For SFY 2008-09, the Executive recommends All Funds State Operations appropriations totaling \$477,097,000, a net increase of \$20,750,000 or 4.55 percent above the SFY 2007-08 level.

Proposed Increases

The Executive proposes \$2,500,000 to support administration of the new Child Well Being program.

Aid to Localities

The Executive recommends All Funds appropriations totaling \$4,472,549,000 in Aid to Localities for SFY 2008-09, a net decrease of \$264,552,000 or 5.58 percent from the SFY 2007-08 level.

The largest appropriation within Aid to Localities at \$2,324,732,000 is the Temporary Assistance to Needy Families (TANF) block grant which will support an anticipated 235,747 recipients of public assistance. In addition to the economic support of needy families, the TANF block grant allows expenditures for programs and services that aid in the transition to self-sufficiency, as well as supportive services to low-income families to help them avoid the need for public assistance. Several cost-saving initiatives are proposed in the SFY 2008-09 Temporary Assistance to Needy Families (TANF) block grant, in order to make more funding available for the Earned Income Tax Credit (EITC). In addition to the \$21,100,000 savings generated by the elimination of six programs previously funded in TANF, several TANF initiatives totaling \$112,370,000 would be shifted to the General Fund of the appropriate administering agency, including: \$28,200,000 to OCFS for Advantage Schools; \$21,600,000 to OCFS for Home Visiting; \$12,500,000 to the Department of Health (DOH) for Hunger Prevention and Nutrition Assistance Program; \$12,100,000 to DOH for pregnancy prevention; \$7,320,000 to DOH for the Adolescent Pregnancy Prevention Services program (APPS); \$5,000,000 to DOH for the Women, Infant and Children (WIC) program; \$4,000,000 to the Department of Parole and Correctional Alternatives (DPCA) for the alternatives to incarceration initiative; \$20,500,000 to OCFS for preventive services; and, \$1,150,000 to OCFS for caretaker relative support.

Proposed Increases

The Executive proposes the following increases:

- \$1,010,300,000 in TANF funding to support the FFFS block grant, an increase of \$356,300,000 above the SFY 2007-08 level;
- \$718,415,000 in TANF funding for the EITC, an increase of \$115,363,000;
- \$5,600,000 in General Fund to increase shelter payments made to the New York City Public Housing Authority;

- \$5,200,000 in General Fund to support a new spending initiative that would provide for increased benefit payments associated with the removal of the requirement to reduce shelter payments of households with a recipient diagnosed with HIV or AIDS, and a child in receipt of Supplemental Security Income (SSI). This initiative is in response to the settlement of recent litigation commonly referred to as “the Melendez case”;
- \$4,460,000 in Special Revenue Funds resulting from the implementation of a new federal mandate under the Deficit Reduction Act, to collect a \$25 service fee for “never assistance” cases in which there is an annual collection of \$500 or more of child support;
- \$1,000,000 in General Fund to support a new spending initiative to increase from \$50 to \$100 the maximum amount of monthly child support that a family on public assistance can retain; and,
- \$450,000 in General Fund to support health and legal services required by the newly enacted human trafficking legislation.

Proposed Decreases

The Executive recommends the following decreases:

- \$40,500,000 in State savings as a result of an Executive proposal to require local social services districts to pay an additional 2 percent of all public assistance costs. This means that for families, who have received assistance less than five years, the local share will increase to 27 percent; for single adults and families in the safety net, the local share will be 52 percent;
- \$7,500,000 in State savings associated with moving two-parent households from TANF to Safety Net;
- \$6,500,000 in State savings as a result of a shift in General Fund software development costs for the Statewide Welfare Management System and the Child Support Management System to Capital Bond proceeds; and
- \$1,000,000 to the Housing Intervention Program as a result of a new program initiated by the New York City Department of Homeless Services.

Article VII

The Executive recommends Article VII legislation that would:

- increase Office of Temporary and Disability Assistance access to Department of Taxation and Finance Wage Reporting System records;
- implement the Supplemental Security Income Federal cost-of-living adjustment (COLA);
- modify the public assistance cost shares between the State and local districts;
- implement a \$25 service fee for “never assistance” cases in which there is an annual collection of \$500 or more of child support; increase the child support pass through and disregard from up to \$50 to a maximum of \$100; and limit prospective assignments to support rights accruing during the period of time a family receives public assistance; and
- establish performance reporting requirements for certain programs in the Office of Children and Family Services (OCFS), and the Office of Temporary and Disability Assistance (OTDA).

NEW YORK STATE HIGHER EDUCATION SERVICES CORPORATION

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	924,869,000	821,796,000	(103,073,000)	-11.1%
Special Revenue-Other	120,216,200	148,852,000	28,635,800	23.8%
Special Revenue-Federal	12,000,000	17,900,000	5,900,000	49.2%
Total for AGENCY SUMMARY:	1,057,085,200	988,548,000	(68,537,200)	-6.5%

Agency Mission

(Executive Budget: pp. 67-71)

The Higher Education Services Corporation (HESC) was established in 1974 and administers the State's Tuition Assistance Program (TAP), the Federal Family Education Loan Program, and other State and federal aid programs.

HESC is included in the Education, Labor, and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- funding for the Tuition Assistance Program in the amount of \$796,353,000, which represents a net decrease of \$77,918,000 from a SFY 2007-08 adjusted funding level of \$874,271,000;
- \$2,000,000 for the new Veterans' Tuition Coverage Program provided to all returning combat veterans who served in Vietnam, Afghanistan, or Persian Gulf conflicts; and
- \$37,413,000 for various scholarships administered by HESC, which represents a \$6,445,000 increase.

Budget Detail

The Executive recommends an All Funds appropriation of \$988,548,000 to support the operations and programs of HESC. These operations maintain an unchanged agency workforce of 700 positions in SFY 2008-09.

State Operations

The Executive recommends a total State Operations appropriation of \$118,252,000 for HESC which is a decrease of \$2,965,000 from SFY 2007-08 levels. All State Operations are funded through federal funds and costs recovered by the Corporation in administering student loan programs.

Proposed Decreases

- A \$2,965,00 decrease in State Operations, which is due to elimination of a one-time SFY 2007-08 \$5,000,000 appropriation for moving expenses offset by an increase of \$2,036,000 from salary increases, program administration increases, and other fixed cost increases.

Aid to Localities

The SFY 2008-09 Executive Proposal maintains SFY 2007-08 funding levels for the Aid to Part-Time Study Program at \$14,630,000, the Nursing Faculty Scholarship Program at \$4,000,000, and the Licensed Social Worker Loan Forgiveness Program at \$1,000,000.

Proposed Increases

- The Executive proposes \$37,413,000 for 15 scholarship programs administered by HESC serving over 26,000 recipients. This funding level represents an increase of \$6,445,000 due to new tuition benefits for combat veterans (\$2,000,000) and enrollment increases to the remaining scholarship programs (\$4,445,000).
- The Executive creates the new Veteran's Tuition Coverage Program providing \$2,000,000 in awards for all returning combat veterans who served in Vietnam, Afghanistan, or the Persian Gulf. Awards equal the full cost of SUNY tuition (\$4,350) and can be used at any college within New York State.

Proposed Decreases

- The Executive proposes a \$796,353,000 appropriation for the TAP program, reflecting a net decrease of \$77,918,000 from the SFY 2007-08 level. The reduction is due to denying TAP awards to students in default on their federal student loans (\$2,590,000), program enrollment decreases, and continuing reductions based on

previously enacted reforms. Additionally, the Executive proposed a \$31,600,000 offset to the TAP program from HESC's Insurance Premium Account based on savings from passing on a 1 percent federal fee on student loans to borrowers (\$26,600,000), and from increased revenue through information sharing with the federal Department of Education and the Department of Taxation and Finance to locate borrowers in default on federal student loans (\$5,000,000).

Article VII

The Executive recommends Article VII legislation that would:

- extend the Regents Professional Opportunity and Regents Health Care Professional Opportunity Scholarship programs for one year. Both programs were set to expire in SFY 2008-09;
- deny TAP awards to any student who is in default on their federal student loans and loans that were made or guaranteed by the Corporation;
- allow the Department of Taxation and Finance to supply HESC with personal data on students in default on their federal student loans to assist in default collection activities. This provision also allows the Department of Taxation and Finance to credit tax overpayments by borrowers in default to HESC to pay past due student loan obligations. It is estimated that this procedure will generate an additional \$5,000,000 in SFY 2008-09, growing to an estimated \$18,000,000 by SFY 2011-12; and
- establish the Veterans' Tuition Coverage Program to provide tuition awards to veterans of hostilities in Vietnam, Afghanistan, and the Persian Gulf who are discharged under honorable conditions.

DIVISION OF HUMAN RIGHTS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	14,476,000	14,697,000	221,000	1.5%
Special Revenue-Other	50,000	0	(50,000)	-100.0%
Special Revenue-Federal	4,904,000	6,904,000	2,000,000	40.8%
Total for AGENCY SUMMARY:	19,430,000	21,601,000	2,171,000	11.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	166	168	2
All Other Funds:	40	40	0
TOTAL:	206	208	2

Agency Mission

(Executive Budget: pp. 73-75)

The primary mission of the Division of Human Rights (Division) is to enforce the New York State Human Rights Law and to protect the civil rights of New Yorkers. The Human Rights Law affords protection from discrimination, based on race, sex, age, military status, disability, sexual orientation, or membership in other specified classes in the law. The Division prosecutes unlawful discriminatory practices; investigates and resolves individual complaints of illegal discrimination; advances policies and legislation to expand and to protect civil rights; and promotes education and outreach to raise human rights awareness. The agency operates from its main office in New York City, as well as nine regional offices and two satellite offices across the State.

The Division is included in the Education, Labor, and Family Assistance appropriation bill.

Budget Detail

The Executive proposes total All Funds appropriations for the Division of \$21,601,000, an increase of \$2,171,000 or 11.2 percent over SFY 2007-08 funding levels. The Executive recommends funding to support a workforce of 208 full-time equivalent (FTE) positions, an increase of two positions.

State Operations

The Executive proposes a General Fund State Operations appropriation of \$14,697,000, an increase of \$221,000 or 1.5 percent over the SFY 2007-08 levels.

Proposed Increases

The Executive proposes the following increases:

- \$2,000,000 in increased federal appropriation authority which will allow the Division to increase its staff by an additional twenty full-time equivalent (FTE) positions, if such staff is needed, to address a growing caseload which has recently increased from 10,000 to 12,000 cases. Such additional staff would enable the Division to receive and to investigate complaints and to hear cases in a timely manner; however, the Division must first demonstrate the need for such staffing before it will be allowed to fill such positions.
- \$221,000 to support an increase of two positions from the current fiscal year, bringing the SFY 2008-09 recommended staffing level to 208 full-time equivalent positions (FTEs). These positions would handle increased workload expected from aggressive enforcement of recently enacted legislation which prohibits discrimination in public accommodations for persons with disabilities.

DEPARTMENT OF LABOR

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	22,190,750	1,495,000	(20,695,750)	-93.3%
Special Revenue-Other	75,651,000	78,048,000	2,397,000	3.2%
Special Revenue-Federal	765,044,000	734,325,000	(30,719,000)	-4.0%
Enterprise	3,250,000,000	3,000,000,000	(250,000,000)	-7.7%
Total for AGENCY SUMMARY:	4,112,885,750	3,813,868,000	(299,017,750)	-7.3%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	16	12	(4)
All Other Funds:	3,631	3,631	0
TOTAL:	3,647	3,643	(4)

Agency Mission

(Executive Budget: pp. 77-82)

The Department of Labor (DOL) administers New York's Unemployment Insurance (UI) system, labor exchange system and State worker protection programs, including enforcement of safety and health regulations in the public sector, State labor laws and Federal statutes related to working conditions, wages and hours, and laws related to public work.

The Department is a primary advocate for job creation and economic growth through workforce development, and serves as the States' principal source for labor market information, offering a variety of services designed to help businesses find workers and people find jobs.

The Department is included in the Education, Labor, and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- The elimination of all the Legislative additions from the SFY 2007-08 Enacted Budget, including the Displaced Homemaker Program.
- Language and \$17,200,000 in appropriation authority to support continuation of the Unemployment Insurance Systems Modernization project.

Budget Detail

The Executive recommends a SFY 2008-09 All Funds appropriation of \$3,813,868,000, a decrease of \$299,017,750 or 7.3 percent from SFY 2007-08. The Executive proposes a net decrease of four positions from the SFY 2007-08 level, yielding a departmental workforce of 3,643 full-time equivalents (FTEs).

State Operations

Proposed Increases

The Executive provides increases for the following:

- \$6,367,000 in Federal funding for Unemployment Insurance Administration and the Workforce Investment Act; and
- \$2,684,000 in inflationary costs in the Labor Standards and Occupational Safety and Health programs.

Proposed Decreases

The Executive recommends decreases for the following:

- \$250,000,000 in Fiduciary Funds to reflect more accurately the level of anticipated UI claims during the upcoming State fiscal year; and

- \$50,000,000 in Enterprise Funds related to the proposed transfer of administration of Federal disaster relief grant programs from DOL to the Federal Emergency Management Agency (FEMA).

Aid to Localities

Proposed Increases

- The Executive provides an increase of \$13,378,000 in Federal Workforce Investment Act (WIA) funding.

Proposed Decreases

- The Executive proposes a decrease of \$18,649,500 related to the elimination of all the Legislative additions from the SFY 2007-08 Enacted Budget. This reduction includes a \$5,300,000 decrease associated with the elimination of the Displaced Homemaker Program, which the Executive finds duplicative of other services.

Article VII

The Executive recommends Article VII legislation that would:

- extend the statutory authorization to assess a surcharge on employers for payment of interest due on UI benefit loans from the Federal government;
- establish a \$750 fee to be charged to each party, both labor and management, for arbitration services performed by a State Employment Relations Board (SERB) staff person; and
- compensate SERB Board members at a per diem rate of \$350 rather than a full annual salary.

STATE UNIVERSITY OF NEW YORK

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	2,771,619,253	2,819,546,000	47,926,747	1.7%
Special Revenue-Other	4,052,362,600	4,269,803,000	217,440,400	5.4%
Special Revenue-Federal	250,500,000	250,500,000	0	0.0%
Capital Projects Fund	0	20,000,000	20,000,000	--
Capital Projects Fund - Advances	379,700,000	2,687,000,000	2,307,300,000	607.7%
State University Capital Projects Fund	0	500,000,000	500,000,000	--
Internal Service Fund	12,000,000	12,410,000	410,000	3.4%
Cap Proj Fund - SUNY CC - Direct Auth Bonds	0	505,595,000	505,595,000	--
State University Residence Hall Rehabilitation Fund	0	123,000,000	123,000,000	--
SUNY Dorms - Direct Auth Bonds	0	450,000,000	450,000,000	--
Total for AGENCY SUMMARY:	7,466,181,853	11,637,854,000	4,171,672,147	55.9%

Agency Mission

(Executive Budget: pp. 83-90)

The State University of New York (SUNY) is the largest public university system in the nation. It consists of 64 campuses including four university centers, thirteen university colleges, two independent health centers, four specialized colleges of technology, five statutory colleges, six colleges of technology and thirty community colleges. The State University of New York is included in the Education, Labor, and Family Assistance appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- a \$38,211,540 decrease in State support for operating expenses from an adjusted \$1,341,397,540 in SFY 2007-08 to \$1,302,185,540 in SFY 2008-09;
- maintenance of tuition at \$4,350 per year with no increase planned for SFY 2007-08; and
- a \$50 decrease in SUNY Community College Base Aid for each full time equivalent (FTE) student, decreasing support from \$2,675 per FTE to \$2,625 per FTE.

Budget Detail

State Operations

For SFY 2008-09 the Executive proposes a total General Fund operating budget of \$1,302,185,540 for State Operated campuses. This represents a \$39,211,540 decrease below an adjusted SFY 2007-08 level of \$1,341,397,540.

Proposed Increases

The Executive proposes the following General Fund State Operations appropriation increases:

- \$1,000,000 in aid to expand capacity in nursing programs across SUNY; and
- a \$200,000 increase to a \$500,000 appropriation for the Office of Diversity and Educational Equity.

The Executive proposes the following Special Revenue Fund – Other appropriation increases:

- a \$13,796,000 increase to the Dormitory Income Reimbursable Account for inflationary costs;
- a \$31,962,000 increase to the General Income Reimbursable Account to provide additional appropriation authority for spending by State Operated Colleges, built out of their reserve funds;
- a \$61,130,000 increase to the Hospital Income Reimbursable Account due to collective bargaining initiatives and support for initiatives;
- a \$2,200,000 increase to the Long Island Veteran's Home Reimbursable Account due to inflationary adjustments;
- a \$26,367,400 increase to the State University Tuition Reimbursable Account to accommodate revenue from potential enrollment growth; and
- a \$85,000,000 increase to the SUNY Stabilization Account. This account is appropriated on a two year basis and was last appropriated in SFY 2006-07.

Proposed Decreases

- a \$26,564,000 decrease resulting from the elimination of excess funding to cover increasing energy costs. A contingency appropriation of \$45,000,000 is in place

outside of SUNY's budget to cover both SUNY's and CUNY's emergency energy increases;

- a \$34,230,000 cut in SUNY operating aid. The Executive plans savings from increased efficiencies and productivity enhancements;
- a \$6,095,329 reduction to Educational Opportunity Centers resulting from the elimination of a 2007-08 Legislative addition;
- a \$500,000 reduction to Small Business Development Centers resulting from the elimination of a 2007-08 Legislative addition; and
- a \$839,511 reduction to the Educational Opportunity Program resulting from the elimination of a 2007-08 Legislative addition.

Aid to Localities

The Executive proposes a total Aid to Localities appropriation of \$455,813,000 for SFY 2008-09, representing a \$7,744,000 decrease from adjusted SFY 2007-08 levels. Within this appropriation, funding in the amount of \$2,000,000 is maintained for contract courses for workforce development, \$1,065,000 for child care, and \$1,800,000 in funding for high priority academic programs.

Proposed Decreases

- a \$6,244,000 decrease in Base Aid resulting from a \$50 per FTE student reduction, from \$2,675 in 2007-08 to \$2,625 in 2008-09;
- a \$1,000,000 decrease in additional aid for Low Enrollment Community Colleges resulting from the elimination of the 2007-08 legislative add; and
- a \$500,000 decrease in the Cornell Cooperative Extension Program resulting from the elimination of the 2007-08 legislative add.

Capital Projects

The Executive proposes a capital projects appropriation of \$4,285,595,000 an increase of 3,905,895,000 over 2007-08 levels. This appropriation commences a new 5-year SUNY capital plan in SFY 2008-09. The new 5-year capital plan includes:

- a \$1,612,000,000 appropriation for capital projects at SUNY State Operated campuses that will be administered according to the new University Capital Projects Review Board;

- a \$550,000,000 appropriation for critical maintenance projects at SUNY State Operated Colleges, the first appropriation of a total \$2,750,000,000 to be phased in over the course of the five-year capital plan;
- a \$525,595,000 appropriation for SUNY Community Colleges;
- a \$450,000,000 self-funded appropriation for SUNY hospitals;
- a \$75,000,000 appropriation for Energy Conservation and Environmental Protection projects that will generate cost savings over time;
- a \$573,000,000 appropriation for SUNY Residence Hall facilities; and
- a \$500,000,000 appropriation for capital projects funded through privately raised revenue sources.

Article VII

The Executive recommends Article VII legislation that would:

- authorize the monetization of the Lottery to support primary, secondary and higher education institutions in New York State pursuant to a chapter of the Laws of 2008. However, the proposal specifically excludes monetization of VLTs. The bill also amends State Finance Law to establish a new Higher Education Endowment of which the Comptroller is the sole trustee. Annual disbursements will be made in the future to support higher education purposes.
- Provide SUNY with enhanced flexibility in the areas of procurement and property management. The legislation allows SUNY to purchase goods and services without prior approval relying only on post-audit review by the State Comptroller. The Legislation also allows the SUNY Board of Trustees to sell or exchange real property without prior approval, and increases the appropriation amounts that can be interchanged by the Board. SUNY would also be able to lease lands to outside entities for construction and rehabilitation purposes. The legislation also makes SUNY affiliated organizations eligible for financing under the Dormitory Authority. The bill allows non-profit organizations associated with SUNY to participate in centralized contracts maintained by the Office of General Services. Also, the legislation broadens SUNY's authority as a healthcare provider, provides contracting flexibility, and allows them to participate in joint ventures. Finally, the bill allows the State University Construction Fund to utilize alternative construction delivery methods and to establish guidelines for procurements consistent with those of public authorities.
- Establishes the University Capital Projects Review Board comprised of three voting members. The board will approve non-critical maintenance capital projects at CUNY Senior Colleges. The Board has 45 days to approve or deny projects submitted to the Board, and after 45 days projects in which no action has been taken are assumed to be approved.

STATE UNIVERSITY CONSTRUCTION FUND

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	17,340,000	18,805,000	1,465,000	8.4%
Total for AGENCY SUMMARY:	17,340,000	18,805,000	1,465,000	8.4%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
All Other Funds:	125	135	10
TOTAL:	125	135	10

Agency Mission

(Executive Budget: pp. 91-93)

The State University Construction Fund is a public benefit corporation established in 1962 to serve as the construction agent for academic buildings, dormitories and other facilities at State-operated institutions and statutory colleges under the jurisdiction of the State University of New York. The State University Construction Fund is included in the Education, Labor and Family Assistance appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$18,805,000. This provides an agency workforce of 135 full time equivalent (FTE) positions for State Fiscal Year (SFY) 2008-09, reflecting an increase of 10 FTE's from SFY 2007-08 levels.

State Operations

Proposed Increases

- The Executive proposes an increase of \$1,465,000 due primarily to an increase in staff from 125 to 135 to address the design, planning, and construction management workload of the Construction Fund.

OFFICE OF WELFARE INSPECTOR GENERAL

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	408,000	420,000	12,000	2.9%
Special Revenue-Other	929,000	1,177,000	248,000	26.7%
Total for AGENCY SUMMARY:	1,337,000	1,597,000	260,000	19.4%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	4	4	0
All Other Funds:	6	6	0
TOTAL:	10	10	0

Agency Mission

(Executive Budget: pp. 95-97)

The Office of Welfare Inspector General (Office) is responsible for preventing, investigating, and prosecuting public assistance fraud and abuse, and illegal acts involving social services programs at both the State and local levels. The Office responds to allegations that welfare recipients are receiving benefits for which they are not eligible, and where appropriate prosecutes such behavior. The Office also investigates instances in which Medicaid, day care or other social services providers or administrators of services are alleged to be fraudulently receiving payments from government. The Office is also charged with responsibility for investigating failures by State and local officials to investigate and to prosecute such fraud and abuse within their jurisdiction.

The Welfare Inspector General's statewide operations are directed from its main office in New York City, and a field office in Albany. The Office works closely with the Office of Temporary and Disability Assistance and is assisted by the Attorney General in the prosecution of those alleged to be involved in fraudulent activity. The Office also works with the Office of Children and Family Services on cases involving community programs, as well as the Department of Health and the Office of the Medicaid Inspector General on cases related to alleged Medicaid fraud.

The Office is included in the Education, Labor, and Family Assistance appropriation bill.

Budget Detail

State Operations

The Executive recommends All Funds appropriations totaling \$1,597,000, an increase of \$260,000, or 19.4 percent above State Fiscal Year (SFY) 2007-08 funding levels. The Executive continues funding to support a workforce of ten full-time equivalent positions, consistent with the SFY 2007-08 level.

Proposed Increases

- The Executive proposes to increase General Fund spending by a total of \$12,000 and Special Revenue-other spending by a total of \$248,000 to support negotiated salary, fuel and rent increases.

MISCELLANEOUS: EDUCATION, LABOR & FAMILY ASSISTANCE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	357,000	367,000	10,000	2.8%
Special Revenue-Other	795,500	829,800	34,300	4.3%
Special Revenue-Federal	30,000,000	30,000,000	0	0.0%
Total for AGENCY SUMMARY:	31,152,500	31,196,800	44,300	0.1%
