

STATE OF
NEW YORK

2011-12 Executive Budget

Agency Presentations

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2011-12 EXECUTIVE BUDGET

AGENCY PRESENTATIONS

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ADIRONDACK PARK AGENCY

MISSION

The Adirondack Park Agency was established in 1971 to “ensure the optimum overall conservation, protection, development and use of the unique scenic, aesthetic, wildlife, recreational, open space, ecological and natural resources of the Adirondack Park.” The Park itself was created in 1892 and contains six million acres of publicly and privately owned lands.

ORGANIZATION AND STAFFING

The Adirondack Park Agency is governed by an 11-member board, including the Commissioners of Environmental Conservation, Economic Development and the Secretary of State. The other members, five of whom must be Park residents, are nominated by the Governor and confirmed by the Senate. The principal functions of the Agency are:

- Reviewing and ensuring adherence to the State Land Master Plan through collaborative working relationships with the Department of Environmental Conservation and the Office of Parks, Recreation and Historic Preservation, and development of Unit Management and recreational use plans;
- Reviewing and issuing permits for private and State land-use projects, consistent with the Adirondack Park Private Land Use and Development Plan, and for certain activities on or near fresh water wetlands, pursuant to the 1975 Freshwater Wetlands Act;
- Helping local governments develop land use plans and providing technical expertise; and
- Administering the State’s Wild, Scenic and Recreational River Act.

The Adirondack Park Agency’s responsibilities are carried out by the following divisions: Planning, which handles local, regional and State land use policy issues; Counsel’s Office, which provides legal advice to all Agency functions and oversees jurisdictional determinations and enforcement functions; Regulatory, which performs the Agency’s permitting function; Resource Analysis, which conducts scientific research and makes ecological and adverse impact assessments of land use proposals; Economic Services, which assists project sponsors in the review process; and Local Government Services, which provides technical expertise and assistance to communities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$5.8 million** All Funds (\$4.6 million General Fund; \$700,000 Federal funds; \$500,000 Capital Funds) for the Adirondack Park Agency. This reflects a **\$512,000 decrease (-10 percent)** from 2010-11 levels. Spending reductions are achieved as the result of reflecting the full-year value of the conveyance of two Agency Visitor Interpretative Centers: one in Newcomb, Essex County, which was successfully transferred to the State University of New York’s College of Environmental Science and Forestry on July 1, 2010; and one in Paul Smiths, Franklin County, which was successfully transferred to Paul Smith’s College of Arts and Sciences on December 31, 2010. The Executive Budget reduces each agency’s General Fund State Operations

ADIRONDACK PARK

budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

The budget will support the Agency's core regulatory functions and continue to fund the Adirondack Park Local Government Review Board (LGRB). The LGRB serves as a liaison between the APA and the counties and communities within the Adirondack Park, and monitors the administration and enforcement of the Adirondack Park Land Use and Development Plan.

PROGRAM HIGHLIGHTS

Since its inception, the Agency has worked to achieve a balance between strong environmental protection and sustainable economic development opportunities for the residents of the Adirondack Park. The Agency's priorities for the future include continued updating of the Agency's rules and regulations, facilitating the development of land use plans by local governments, providing local governments with technical expertise and training, working toward completing Unit Management Plans for the State lands of the Adirondack Park and improving private and State land resource data base information to better protect the resources of the Adirondack Park.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	5,819,000	5,307,000	(512,000)	1,005,000
Aid To Localities	0	0	0	0
Capital Projects	500,000	500,000	0	500,000
Total	<u>6,319,000</u>	<u>5,807,000</u>	<u>(512,000)</u>	<u>1,505,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration		
General Fund	56	56	0
Total	<u>56</u>	<u>56</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	5,119,000	4,607,000	(512,000)
Special Revenue Funds - Federal	700,000	700,000	0
Total	<u>5,819,000</u>	<u>5,307,000</u>	<u>(512,000)</u>

ADIRONDACK PARK

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	5,119,000	4,607,000	(512,000)
Special Revenue Funds - Federal	700,000	700,000	0
Total	<u>5,819,000</u>	<u>5,307,000</u>	<u>(512,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,224,000	(512,000)	4,133,000	(487,000)
Total	<u>4,224,000</u>	<u>(512,000)</u>	<u>4,133,000</u>	<u>(487,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	90,000	(20,000)	1,000	(5,000)
Total	<u>90,000</u>	<u>(20,000)</u>	<u>1,000</u>	<u>(5,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	383,000	0	88,000	0
Total	<u>383,000</u>	<u>0</u>	<u>88,000</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	37,000	0	220,000	0
Total	<u>37,000</u>	<u>0</u>	<u>220,000</u>	<u>0</u>

Program	Equipment	
	Amount	Change
Administration	38,000	0
Total	<u>38,000</u>	<u>0</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Administration	700,000	0	700,000	0
Total	<u>700,000</u>	<u>0</u>	<u>700,000</u>	<u>0</u>

ADIRONDACK PARK

CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Maintenance & Improvement of Existing Facilities				
Fiduciary Funds - Miscellaneous Gifts Account	500,000	500,000	0	500,000
Total	500,000	500,000	0	500,000

STATE OFFICE FOR THE AGING

MISSION

The New York State Office for the Aging (SOFA) is responsible for promoting, coordinating and administering State, Federal and local programs and services for 3.7 million New Yorkers aged 60 or older. The Office provides leadership and direction to 59 Area Agencies on Aging, as well as to numerous other local programs and providers that comprise the network of services to the aged.

ORGANIZATION AND STAFFING

The State Office for the Aging is headed by a Director, appointed by the Governor and subject to Senate confirmation, and is composed of four divisions: Executive, Finance and Administration, Policy, Management and Public Information and Community Service. Approximately 18 percent of Office operations are funded by the General Fund and 82 percent are financed by Federal grants and other revenue sources.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$238.2 million** All Funds (\$111.9 million General Fund, \$126.3 million Other Funds) for the State Office for the Aging. This is an overall decrease of **\$5.2 million** All Funds (-2.2 percent) (\$1.9 million General Fund decrease, \$3.3 million Special Revenue Funds decrease) from the 2010-11 budget. This change reflects the elimination of certain lower priority programs, administrative reductions, and the end of Federal funds associated with the American Reinvestment and Recovery Act of 2009. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major Executive Budget actions include the elimination of discrete funding for the Community Empowerment Initiative, Congregate Services Initiative, EAC/Nassau Respite Program, Elderly Abuse Education and Outreach Program, Enriched Social Adult Day Centers Program, Foster Grandparent Program, Long Term Care Senior Respite, NY Foundation Home Sharing, Patients' Rights Hotline and Advocacy, Regional Caregivers Centers for Excellence, and the Retired and Senior Volunteer Program. However, these purposes would be eligible for funding through a new local competitive performance grant program established in the Executive Budget, which is intended to support priority initiatives that address emerging or ongoing matters affecting older adults and pursuing innovations in assisting older adults.

PROGRAM HIGHLIGHTS

The full array of programs offered through the Office for the Aging is aimed at keeping seniors independent as long as possible with the assistance of family and other informal caregivers, as well as through the limited use of formal support services. These community-based services help keep people healthy, in their homes and out of hospitals and nursing homes.

AGING

COMMUNITY BASED LONG TERM CARE SERVICES

The 2011-12 Executive Budget continues funding for the Office's community-based service programs, including Community Services for the Elderly (CSE), Naturally Occurring Retirement Communities (NORCs), Neighborhood NORCs, Respite services and operational funding for transportation providers. The Executive Budget also preserves core funding for the Expanded In-home Services for the Elderly Program (EISEP). EISEP provides non-medical in-home services, case management, respite and ancillary services to the frail elderly, most of whom are low-income but not eligible for Medicaid. Recipients are required to cost-share, based on their annual income level, for received EISEP program services. EISEP is expected to serve nearly 50,000 persons in 2011-12.

NUTRITION SERVICES

Through a combination of State tax dollars and Federal grants, the State annually provides over 25 million congregate and home-delivered meals, as well as other nutritional services primarily to non-institutionalized, frail, older adults. These older adults are at risk of malnutrition because they are no longer able to obtain an adequate diet without assistance. The Office receives \$41 million from Federal grants in support of congregate and home-delivered meals and another \$17 million to support the purchase of food. The 2011-12 Executive Budget continues funding for the Supplemental Nutrition Assistance Program (SNAP), the State counterpoint to the Federal programs, at \$21.4 million.

ASSISTANCE TO CAREGIVERS

Family members and other informal caregivers provide an estimated 80 percent of long-term care for older New Yorkers; sustaining this cost-effective, individualized support system for seniors is a key objective of the aging service system. The State Office for the Aging's 17 Caregiver Resource Centers assist caregivers through training programs, support groups, counseling and linkages to other community services. The \$13.5 million Federal Caregivers Program provides respite, training and counseling for caregivers, as well as other services that support an elderly person's ability to maximize their independence.

VOLUNTEER ADVOCACY

The Long-Term Care Ombudsman Program (LTCOP) supports the statewide advocacy of more than 1,000 trained volunteers on behalf of the approximately 162,000 residents of New York State's nursing homes, adult care facilities and assisted living residences. Under the LTCOP, volunteers, working in collaboration with community agencies, receive, investigate and resolve a wide range of concerns and complaints regarding conditions and treatment in long-term care facilities, with the goal of ensuring the quality of life for residents.

AGING

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	14,350,400	13,810,600	(539,800)	15,537,000
Aid To Localities	229,128,000	224,419,000	(4,709,000)	138,522,000
Capital Projects	0	0	0	0
Total	<u>243,478,400</u>	<u>238,229,600</u>	<u>(5,248,800)</u>	<u>154,059,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration and Grants Management		
General Fund	23	23	0
Special Revenue Funds - Federal	97	97	0
Special Revenue Funds - Other	1	1	0
Total	<u>121</u>	<u>121</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	2,748,400	2,473,600	(274,800)
Special Revenue Funds - Federal	11,252,000	10,987,000	(265,000)
Special Revenue Funds - Other	250,000	250,000	0
Enterprise Funds	100,000	100,000	0
Total	<u>14,350,400</u>	<u>13,810,600</u>	<u>(539,800)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration and Grants Management			
General Fund	2,748,400	2,473,600	(274,800)
Special Revenue Funds - Federal	11,252,000	10,987,000	(265,000)
Special Revenue Funds - Other	250,000	250,000	0
Enterprise Funds	100,000	100,000	0
Total	<u>14,350,400</u>	<u>13,810,600</u>	<u>(539,800)</u>

AGING

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Grants Management	2,120,000	(235,500)	2,113,400	(234,800)
Total	<u>2,120,000</u>	<u>(235,500)</u>	<u>2,113,400</u>	<u>(234,800)</u>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration and Grants Management	6,600	(700)
Total	<u>6,600</u>	<u>(700)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Grants Management	353,600	(39,300)	43,500	(4,800)
Total	<u>353,600</u>	<u>(39,300)</u>	<u>43,500</u>	<u>(4,800)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Grants Management	82,900	(9,200)	205,100	(22,800)
Total	<u>82,900</u>	<u>(9,200)</u>	<u>205,100</u>	<u>(22,800)</u>

Program	Equipment	
	Amount	Change
Administration and Grants Management	22,100	(2,500)
Total	<u>22,100</u>	<u>(2,500)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Grants Management	11,337,000	(265,000)	8,497,000	160,000
Total	<u>11,337,000</u>	<u>(265,000)</u>	<u>8,497,000</u>	<u>160,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Grants Management	2,840,000	190,000	0	(615,000)
Total	<u>2,840,000</u>	<u>190,000</u>	<u>0</u>	<u>(615,000)</u>

AGING

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
General Fund	111,163,000	109,454,000	(1,709,000)
Special Revenue Funds - Federal	116,985,000	113,985,000	(3,000,000)
Special Revenue Funds - Other	980,000	980,000	0
Total	<u>229,128,000</u>	<u>224,419,000</u>	<u>(4,709,000)</u>
Adjustments:			
Recommended Deficiency			
Aging, Office for the			
Special Revenue Funds - Federal	<u>(3,000,000)</u>		
Appropriated 2010-11	<u>226,128,000</u>		

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Community Services			
General Fund	111,163,000	109,454,000	(1,709,000)
Special Revenue Funds - Federal	116,985,000	113,985,000	(3,000,000)
Special Revenue Funds - Other	980,000	980,000	0
Total	<u>229,128,000</u>	<u>224,419,000</u>	<u>(4,709,000)</u>

DEPARTMENT OF AGRICULTURE AND MARKETS

MISSION

The Department of Agriculture and Markets is charged with fostering a competitive and safe New York food and agricultural industry for the benefit of producers and consumers. The Department encourages the growth and economic health of the State's agricultural and food industry and conducts various inspections and testing programs to enforce laws on food safety, animal and plant health, and accuracy of labeling. The Department also acts to preserve agricultural resources and improve soil and water quality, and operates the annual State Fair near Syracuse.

ORGANIZATION AND STAFFING

The agency is run by a Commissioner, who is appointed by the Governor subject to confirmation by the Senate. The Department is headquartered in Albany and maintains four regional offices in Buffalo, Syracuse, Rochester and Brooklyn. The Department of Agriculture and Markets' operating programs are funded by tax dollars from the General Fund, fees, Federal grants and other funds.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$162.6 million** All Funds (\$40.2 million General Fund; \$46.6 million Special Revenue Fund; \$75.8 Other Funds) for the Department of Agriculture and Markets. This is a decrease of **\$9.3 million** All Funds (**-5.7 percent**) from the 2010-11 budget. The change reflects a 10 percent year-to-year reduction in General Fund spending for State operations, as well as reductions to local initiatives and capital projects. The State operations reduction will be achieved by realizing the full year value of personnel reductions completed in 2010-11, and savings through agency redesign and increased efficiencies.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

The Executive Budget recommends \$1 million, a reduction of \$750,000 from 2010-11 levels, for capital projects to maintain, repair, and rehabilitate the State Fair's 19 major buildings and other structures, and \$2 million for a capital special revenue fund to continue support for development of private partnerships at the State Fair, unchanged from 2010-11.

The Executive Budget recommends \$13.8 million from the General Fund for local assistance programs that provide services to the State's agricultural community. Funding for the Agribusiness Child Development program (Migrant Childcare) and the New York State Veterinary Diagnostic Laboratory will remain at 2010-11 levels. Funding for various entities that provide research, education and promotional support for agricultural activities would be reduced by \$2 million and restructured into a \$1.2 million competitive program that will award grants to projects that produce the best outcomes for the agricultural industry. Continued Federal appropriation authority will allow the

AGRICULTURE AND MARKETS

Department to apply for Federal grants to fund Federal nutrition programs for senior citizens, animal health initiatives and food safety programs, including essential funding for the State Food Laboratory.

PROGRAM HIGHLIGHTS

The Agricultural Business Services program promotes the agricultural economy of the State and fosters the responsible use of resources to preserve agricultural land and the environment. These purposes are carried out through six divisions which:

- Inspect and test livestock, poultry, and plants to control and eradicate diseases that can both cause severe economic losses for farmers and present a public health hazard;
- Oversee the activities of county soil and water conservation districts, direct the agricultural non-point source pollution control and farmland preservation grant programs, establish agricultural districts, administer agricultural product market orders and the Federal Farmers Market Nutrition Program for low-income families, and collect and disseminate statistical agricultural information; and
- Exercise a variety of statutorily required activities involving the pricing and marketing of milk and milk products, and the licensing and bonding of milk and farm products dealers.

The Consumer Food Services program ensures that wholesome food products are sold to the consumer and that the industry and the public are protected from fraud, adulteration, or malpractice in the production, processing, transportation, and retailing of food and gasoline, and in the use of measuring devices. In carrying out these purposes, the program:

- Licenses and inspects more than 28,000 businesses that produce, process, manufacture, or distribute food products, registers food represented as kosher, and grades farm products;
- Inspects and tests dairy products to enforce laws pertaining to milk and milk product sanitation, and guards against harmful or misrepresented food; and
- Certifies and calibrates weighing and measuring devices and oversees the testing of motor fuels under the Motor Fuel Quality and Clean Air programs.

STATE FAIR

The Department directs the New York State Fair and Fairgrounds, located near Syracuse. The Fairgrounds, a 365-acre complex, has 19 major exhibit buildings and 107 other structures. It is used for the annual 12-day State Fair, and its facilities are rented year-round for various shows and activities. The operating costs of the Fair and Fairgrounds are fully funded from admission, rental and concession fees.

AGRICULTURE AND MARKETS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	129,384,000	125,798,000	(3,586,000)	137,827,000
Aid To Localities	38,808,000	33,809,000	(4,999,000)	52,009,000
Capital Projects	3,750,000	3,000,000	(750,000)	37,771,000
Total	<u>171,942,000</u>	<u>162,607,000</u>	<u>(9,335,000)</u>	<u>227,607,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	60	60	0
Agricultural Business Services			
General Fund	135	135	0
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	36	36	0
Fiduciary Funds	3	3	0
Consumer Food Services			
General Fund	69	69	0
Special Revenue Funds - Federal	14	14	0
Special Revenue Funds - Other	129	129	0
State Fair			
Enterprise Funds	54	54	0
Total	<u>511</u>	<u>511</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	29,286,000	26,357,000	(2,929,000)
Special Revenue Funds - Federal	29,644,000	29,644,000	0
Special Revenue Funds - Other	47,257,000	46,600,000	(657,000)
Enterprise Funds	21,361,000	21,361,000	0
Fiduciary Funds	1,836,000	1,836,000	0
Total	<u>129,384,000</u>	<u>125,798,000</u>	<u>(3,586,000)</u>

AGRICULTURE AND MARKETS

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	7,534,000	6,781,000	(753,000)
Agricultural Business Services			
General Fund	15,071,000	13,563,000	(1,508,000)
Special Revenue Funds - Federal	21,919,000	21,919,000	0
Special Revenue Funds - Other	26,417,000	25,760,000	(657,000)
Fiduciary Funds	1,836,000	1,836,000	0
Consumer Food Services			
General Fund	6,681,000	6,013,000	(668,000)
Special Revenue Funds - Federal	7,725,000	7,725,000	0
Special Revenue Funds - Other	20,840,000	20,840,000	0
State Fair			
Enterprise Funds	21,361,000	21,361,000	0
Total	<u>129,384,000</u>	<u>125,798,000</u>	<u>(3,586,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,697,000	(522,000)	4,623,000	(514,000)
Agricultural Business Services	9,626,000	(1,070,000)	9,239,000	(1,027,000)
Consumer Food Services	5,679,000	(631,000)	5,269,000	(585,000)
Total	<u>20,002,000</u>	<u>(2,223,000)</u>	<u>19,131,000</u>	<u>(2,126,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	57,000	(6,000)	17,000	(2,000)
Agricultural Business Services	198,000	(22,000)	189,000	(21,000)
Consumer Food Services	81,000	(9,000)	329,000	(37,000)
Total	<u>336,000</u>	<u>(37,000)</u>	<u>535,000</u>	<u>(60,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,084,000	(231,000)	119,000	(13,000)
Agricultural Business Services	3,937,000	(438,000)	205,000	(23,000)
Consumer Food Services	334,000	(37,000)	104,000	(12,000)
Total	<u>6,355,000</u>	<u>(706,000)</u>	<u>428,000</u>	<u>(48,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	99,000	(11,000)	1,827,000	(203,000)
Agricultural Business Services	189,000	(21,000)	3,421,000	(380,000)
Consumer Food Services	82,000	(9,000)	71,000	(8,000)
Total	<u>370,000</u>	<u>(41,000)</u>	<u>5,319,000</u>	<u>(591,000)</u>

Program	Equipment	
	Amount	Change
Administration	39,000	(4,000)
Agricultural Business Services	122,000	(14,000)
Consumer Food Services	77,000	(8,000)
Total	<u>238,000</u>	<u>(26,000)</u>

AGRICULTURE AND MARKETS

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Agricultural Business Services	49,515,000	(657,000)	4,992,000	1,766,000
Consumer Food Services	28,565,000	0	13,532,000	3,665,000
State Fair	21,361,000	0	6,831,000	0
Total	<u>99,441,000</u>	<u>(657,000)</u>	<u>25,355,000</u>	<u>5,431,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Agricultural Business Services	44,523,000	19,496,000	0	(21,919,000)
Consumer Food Services	15,033,000	4,060,000	0	(7,725,000)
State Fair	14,530,000	0	0	0
Total	<u>74,086,000</u>	<u>23,556,000</u>	<u>0</u>	<u>(29,644,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available	Recommended	Change
	2010-11	2011-12	
General Fund	18,808,000	13,809,000	(4,999,000)
Special Revenue Funds - Federal	20,000,000	20,000,000	0
Total	<u>38,808,000</u>	<u>33,809,000</u>	<u>(4,999,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available	Recommended	Change
	2010-11	2011-12	
Agricultural Business Services			
General Fund	18,808,000	13,809,000	(4,999,000)
Special Revenue Funds - Federal	20,000,000	20,000,000	0
Total	<u>38,808,000</u>	<u>33,809,000</u>	<u>(4,999,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available	Recommended	Change	Reappropriations 2011-12
	2010-11	2011-12		
New Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	36,358,000
State Fair				
Capital Projects Fund	1,750,000	1,000,000	(750,000)	1,413,000
Misc. Capital Projects	2,000,000	2,000,000	0	0
Total	<u>3,750,000</u>	<u>3,000,000</u>	<u>(750,000)</u>	<u>37,771,000</u>

DIVISION OF ALCOHOLIC BEVERAGE CONTROL

MISSION

The Division of Alcoholic Beverage Control operates under the direction of the State Liquor Authority, a three-member board consisting of a Chairperson, who acts as the agency administrator, and two Commissioners, appointed by the Governor with the advice and consent of the Senate. The Division regulates and controls the manufacture, sale and distribution of alcoholic beverages within the State; issues licenses and permits to manufacturers, distributors, wholesalers and retailers; works with local law enforcement agencies and localities across the State to ensure compliance with the Alcoholic Beverage Control Law; and regulates trade and credit practices for the sale and distribution of alcoholic beverages.

ORGANIZATION AND STAFFING

The Division's organization includes three functional areas: Administration, Licensing and Compliance. Administration includes the Offices of the Chairman of the Authority, the Chief Operating Officer, Government Affairs, Communications and other traditional administrative functions. Licensing includes the Licensing Bureau, which is responsible for processing new and renewal license applications, in addition to the Wholesale Bureau, which administers price schedules and trade practices. Compliance includes the Office of Counsel, as well as the Enforcement and Hearing Bureaus.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$16.9 million** in funding for the Division. This is a decrease of **\$5.5 million (-25 percent)** from the 2010-11 budget. However, the majority of this decrease is attributable to the inclusion in the 2010-11 total of \$3.6 million in special appropriations related to investments in improving the Division's licensing function. After adjusting for this non-recurring action, the Division's funding decreases \$1.9 million, or 10 percent. The Division is entirely self-funded by revenue generated from fees and fines it imposes.

The Executive Budget advances a proposal to change the compensation of the board members, other than the Chairperson, from annual salaried to per diem.

PROGRAM HIGHLIGHTS

The agency is participating in a number of statewide initiatives that will modernize and upgrade its technology and business processes. These upgrades will increase operational efficiency and cost effectiveness throughout the agency, including the processing of license applications. They will also provide a more user-friendly interface for licensees, while supporting the Division's efforts in enforcing the Alcoholic Beverage Control Law, Rules and Regulations. Interim investments in technology and changes made to the procedures used by agency staff when processing license applications have significantly reduced the licensing backlog. Additionally, the agency is currently engaged in a number of ongoing short-range technology projects that will continue to build upon the changes already made and bridge the gap until the final statewide solutions are implemented. The State Liquor Authority and Division of Alcoholic Beverage Control are also enhancing compliance activities through the Rapid

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Enforcement Unit (REU) program while developing partnerships with community boards and local law enforcement agencies, particularly in the downstate area. The Division has also taken steps to increase the investigation of complaints as well as expedite hearings and license suspensions to protect public health, safety and welfare.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	22,335,000	16,860,000	(5,475,000)	2,400,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>22,335,000</u>	<u>16,860,000</u>	<u>(5,475,000)</u>	<u>2,400,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs	2011-12 Estimated FTEs	FTE Change
	03/31/11	03/31/12	
Administration			
Special Revenue Funds - Other	17	17	0
Compliance			
Special Revenue Funds - Other	64	64	0
Licensing and Wholesaler Services			
Special Revenue Funds - Other	59	59	0
Total	<u>140</u>	<u>140</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	22,335,000	16,860,000	(5,475,000)
Total	<u>22,335,000</u>	<u>16,860,000</u>	<u>(5,475,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	4,911,000	4,420,000	(491,000)
Compliance			
Special Revenue Funds - Other	8,151,000	7,335,000	(816,000)
Licensing and Wholesaler Services			
Special Revenue Funds - Other	9,273,000	5,105,000	(4,168,000)
Total	<u>22,335,000</u>	<u>16,860,000</u>	<u>(5,475,000)</u>

ALCOHOLIC BEVERAGE CONTROL

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	4,420,000	(491,000)	1,210,000	(135,000)
Compliance	7,335,000	(816,000)	4,255,000	(473,000)
Licensing and Wholesaler Services	5,105,000	(4,168,000)	2,918,000	(325,000)
Total	<u>16,860,000</u>	<u>(5,475,000)</u>	<u>8,383,000</u>	<u>(933,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	3,210,000	(356,000)	0	0
Compliance	3,080,000	(343,000)	0	0
Licensing and Wholesaler Services	2,187,000	(243,000)	0	(3,600,000)
Total	<u>8,477,000</u>	<u>(942,000)</u>	<u>0</u>	<u>(3,600,000)</u>

COUNCIL ON THE ARTS

MISSION

The New York State Council on the Arts (NYSCA) is an Executive Agency dedicated to preserving and expanding New York's rich and diverse cultural resources and expanding access to arts and cultural institutions statewide. NYSCA plays a prominent role in increasing access to the performing and fine arts, preserving the State's cultural resources and promoting greater public awareness of New York's rich cultural heritage.

The Nelson A. Rockefeller Empire State Plaza Performing Arts Center Corporation (The Egg) is a public benefit corporation located in Albany, New York that presents performing arts. The Egg offers a diverse array of cultural and artistic programming. The Egg also spotlights emerging artists, fosters relationships with resident companies, and enhances activities in cultural and arts education.

ORGANIZATION AND STAFFING

The Council on the Arts is headed by a Chair and a Vice Chair and consists of 21 members nominated to 5-year terms by the Governor with confirmation by the Senate. The Council's staff, located in New York City, has expertise in the major artistic disciplines (including dance, theater and music) and provides advisory services and financial assistance to New York's arts community. The Egg was established in 1979 as a public benefit corporation. Its Board of Directors is comprised of members appointed by the Governor, President of the Senate, Speaker of the Assembly, Minority Leaders of both houses, the Albany County Executive, the Albany Mayor, and the Commissioner of the Office of General Services (OGS).

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$38.9 million All Funds** (\$36.2 million General Fund; \$2.7 million Other Funds) for NYSCA and the Egg, a net decrease of \$5.6 million from the funding provided to arts agencies in the 2010-11 Enacted Budget. Major budget actions include:

- **Reduce Funding for NYSCA Grants:** The 2011-12 Executive Budget provides \$31.6 million in General Fund support for arts grants. This represents a decrease of \$3.5 million (10 percent) from the 2010-11 Enacted Budget.
- **Reinvent NYSCA operations:** The 2011-12 Executive Budget provides \$4.4 million in General Fund support for NYSCA's operations, which represents a year-to-year decrease of \$0.5 million, or 10 percent. In order to accommodate the decreased funding level, NYSCA will need to pursue additional operational efficiencies.
- **Reduce Funding for The Egg:** The 2011-12 Executive Budget provides The Egg with a State appropriation of \$220,000, which reflects a 10 percent decrease from the funding provided in the 2010-11 Enacted Budget. In addition to the State subsidy, The Egg traditionally supports its operations with revenue from ticket sales, private donations, and proceeds from the sale and lease of its products and facilities.
- **New York State Theatre Institute:** The New York State Theatre Institute Corporation (NYSTI) is a small public benefit corporation located in Troy, New York. NYSTI's Board of Directors suspended its operations effective December

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31, 2010 and transferred NYSTI's assets and property because NYSTI was unable to generate sufficient revenue to cover its operating expenses and become self-supporting. The Executive Budget recommends removing the statutory authorization for the organization. Absent legislation to remove NYSTI's statutory authorization, the State would continue to incur costs related to ongoing upkeep and maintenance of NYSTI's real property.

PROGRAM HIGHLIGHTS

Council on the Arts: Approximately 93 percent of the funding for the Council on the Arts is provided by the State's General Fund. Federal grants from the National Endowment for the Arts and dedicated revenue appropriations are projected to represent approximately 7 percent of 2011-12 funding. Grants to not-for-profit arts organizations represent approximately 88 percent of the projected expenditures of NYSCA. The remainder is used for the administration of grant programs and the statewide promotion and development of artistic and cultural programs.

Grant awards to not-for-profit arts organizations are approved through a multi-step review process, which ensures fair and equitable treatment of all applicants. Program audits are also conducted to promote accountability by monitoring program quality and contractual compliance.

The Council receives approximately 3,000 requests for funding each year from organizations throughout the State including symphony orchestras, museums, dance companies, theaters and libraries.

Empire State Plaza Performing Arts Center Corporation (The Egg): The Egg hosts approximately 300 events annually featuring dance, music, and theatre companies; these events were attended by nearly 70,000 individuals last year. Highlights included the enhancement of the American Roots & Branches and Rhythm International concert series, Dance New York and Dance The World, and Arts-in-Education performances.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	6,715,000	4,674,000	(2,041,000)	700,000
Aid To Localities	37,759,000	34,244,000	(3,515,000)	25,504,000
Capital Projects	0	0	0	0
Total	<u>44,474,000</u>	<u>38,918,000</u>	<u>(5,556,000)</u>	<u>26,204,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration		
General Fund	29	29	0
Total	<u>29</u>	<u>29</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

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**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
General Fund	4,838,000	4,574,000	(264,000)
Special Revenue Funds - Federal	100,000	100,000	0
Special Revenue Funds - Other	1,777,000	0	(1,777,000)
Total	<u>6,715,000</u>	<u>4,674,000</u>	<u>(2,041,000)</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Administration			
General Fund	4,838,000	4,354,000	(484,000)
Special Revenue Funds - Federal	100,000	100,000	0
Empire State Performing Arts Center Corporation			
General Fund	0	220,000	220,000
Special Revenue Funds - Other	245,000	0	(245,000)
New York State Theatre Institute			
Special Revenue Funds - Other	1,532,000	0	(1,532,000)
Total	<u>6,715,000</u>	<u>4,674,000</u>	<u>(2,041,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	2,879,000	(319,000)	2,878,000	(319,000)
Empire State Performing Arts Center Corporation	69,000	69,000	48,000	48,000
Total	<u>2,948,000</u>	<u>(250,000)</u>	<u>2,926,000</u>	<u>(271,000)</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	0	0	1,000	0
Empire State Performing Arts Center Corporation	19,000	19,000	2,000	2,000
Total	<u>19,000</u>	<u>19,000</u>	<u>3,000</u>	<u>2,000</u>

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**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,475,000	(165,000)	29,000	(3,000)
Empire State Performing Arts Center Corporation	151,000	151,000	31,000	31,000
Total	<u>1,626,000</u>	<u>(14,000)</u>	<u>60,000</u>	<u>28,000</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	57,000	(7,000)	1,332,000	(148,000)
Empire State Performing Arts Center Corporation	2,000	2,000	118,000	118,000
Total	<u>59,000</u>	<u>(5,000)</u>	<u>1,450,000</u>	<u>(30,000)</u>

Program	Equipment	
	Amount	Change
Administration	57,000	(7,000)
Empire State Performing Arts Center Corporation	0	0
Total	<u>57,000</u>	<u>(7,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	100,000	0	0	0
Empire State Performing Arts Center Corporation	0	(245,000)	0	(76,000)
New York State Theatre Institute	0	(1,532,000)	0	(1,054,000)
Total	<u>100,000</u>	<u>(1,777,000)</u>	<u>0</u>	<u>(1,130,000)</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	100,000	0
Empire State Performing Arts Center Corporation	0	(169,000)
New York State Theatre Institute	0	(478,000)
Total	<u>100,000</u>	<u>(647,000)</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	35,150,000	31,635,000	(3,515,000)
Special Revenue Funds - Federal	2,413,000	2,413,000	0
Special Revenue Funds - Other	196,000	196,000	0
Total	<u>37,759,000</u>	<u>34,244,000</u>	<u>(3,515,000)</u>

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**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	35,150,000	31,635,000	(3,515,000)
Special Revenue Funds - Federal	2,413,000	2,413,000	0
Special Revenue Funds - Other	196,000	196,000	0
Total	<u>37,759,000</u>	<u>34,244,000</u>	<u>(3,515,000)</u>

DEPARTMENT OF AUDIT AND CONTROL

MISSION

The Department of Audit and Control was created in 1926 and is headed by the State Comptroller, who is elected by the people. The Department is responsible for paying the State's bills and payrolls; verifying all financial transactions of the State; reviewing the financial and management practices of State agencies; supervising the fiscal affairs of local governments; investing State funds and issuing bonds and notes; and administering the retirement program for State and most local government employees.

ORGANIZATION AND STAFFING

The operations of the Department of Audit and Control are organized into eleven programs, with its main office in Albany and regional offices in New York City, Buffalo, Rochester, Syracuse, Binghamton, Glens Falls, Newburgh and Hauppauge. These regional offices function primarily as decentralized audit centers, providing financial review of the accounting of revenues collected and expenses incurred by counties, cities, towns and villages, school and fire districts and quasi-governmental entities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **284.3 million** All Funds (\$157.8 million General Fund; \$101.4 million Fiduciary Fund; \$6.6 million Internal Service Fund; \$18.5 million Other Funds) for the Department of Audit and Control, a decrease of **\$4.1 million (-1.4 percent)** from 2010-11. This decrease is the net result of a \$13.9 million, or 10 percent, decrease in the General Fund; and an increase of \$9.8 million in Other Funds. Executive Budget appropriations support a workforce of up to **2,529 FTEs**, which reflects the transfer of 23 positions to the Statewide Financial System Project.

PROGRAM HIGHLIGHTS.

- The Executive Direction, Legal Services, Administration and the Chief Information Office programs are responsible for the public information, internal audit, fiscal research, IT operations, financial administration, legal, office services, management analysis and human resource functions of the Department.
- The Office of Operations provides accounting and financial reporting services, audits State contracts, expenditures and payrolls prior to payment, carries out the mandates of the Abandoned Property Law by safeguarding lost assets belonging to residents, maintains the State's current Central Accounting System, and has worked with the Executive to consolidate the FOCAS and NYFMS projects into a single statewide financial system. The Office is also responsible for the VendRep system, which was established to promote State agency and Office of the State Comptroller due diligence in assessing the responsibility of vendors with whom the State contracts.
- The State and Local Government Accountability program provides oversight through audits of all State and local government agencies, authorities and special purpose entities. The program conducts about 200 independent audits of New York State agencies, public authorities, and New York City agencies. These audits are intended to enhance public accountability and improve the efficiency

AUDIT AND CONTROL

and effectiveness of State and city government operations. It collects and reviews local government financial data, provides training programs and support services for local financial officials, and publishes research and analysis on a variety of local government policy issues. The Office is comprised of the Divisions of State Government Accountability and Local Government and School Accountability.

- The Office of the State Deputy Comptroller for the City of New York assists the New York State Financial Control Board in carrying out and exercising the responsibilities assigned, and powers granted, to the Board by the Financial Emergency Act for the City of New York. The Retirement Services program administers the State Retirement Systems, consisting of the Employees' Retirement System, the Police and Fire Retirement System and the Public Employees' Group Life Insurance Plan. Currently, there are about 3,000 participating government employers, approximately 679,200 active and vested members and approximately 375,800 pensioners and their beneficiaries.
- The Pension Investment and Public Finance program, in addition to overseeing the assets of the Retirement Systems, issues general obligation debt, invests short-term moneys for the State and local governments and selects financial institutions to provide banking services to the State.
- Under Chapter 845 of the Laws of 1977, the Comptroller administers the New York State Environmental Protection and Oil Spill Compensation Fund. Costs associated with cleaning up oil spills are paid from the fund upon certification of the Commissioner of Environmental Conservation. Moneys in this fund consist of receipts from a fee levied on each barrel of petroleum shipped into the State.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	256,429,000	252,308,000	(4,121,000)	0
Aid To Localities	32,025,000	32,025,000	0	0
Capital Projects	0	0	0	0
Total	<u>288,454,000</u>	<u>284,333,000</u>	<u>(4,121,000)</u>	<u>0</u>

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ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration Program			
General Fund	115	115	0
Chief Information Office			
General Fund	168	168	0
Environmental Protection and Spill			
Compensation			
Special Revenue Funds - Other	6	6	0
Executive Direction			
General Fund	98	98	0
Internal Service Funds	13	13	0
Pension Investment and Public Finance			
Program			
General Fund	5	5	0
Fiduciary Funds	54	54	0
Legal Services			
General Fund	58	58	0
State Services Program			
Special Revenue Funds - Federal	8	8	0
Internal Service Funds	11	11	0
Retirement Services Program			
Fiduciary Funds	850	850	0
Office of the Special Deputy Comptroller for			
New York City			
Special Revenue Funds - Other	28	28	0
State and Local Accountability			
General Fund	538	538	0
State Operations			
General Fund	600	577	(23)
Total	<u>2,552</u>	<u>2,529</u>	<u>(23)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	139,773,000	125,801,000	(13,972,000)
Special Revenue Funds - Other	11,008,000	18,508,000	7,500,000
Internal Service Funds	4,258,000	6,609,000	2,351,000
Fiduciary Funds	101,390,000	101,390,000	0
Total	<u>256,429,000</u>	<u>252,308,000</u>	<u>(4,121,000)</u>
Adjustments:			
Transfer(s) To			
Statewide Financial System			
Special Revenue Funds - Other	1,684,000		
Appropriated 2010-11	<u>258,113,000</u>		

AUDIT AND CONTROL

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration Program			
General Fund	12,572,000	11,315,000	(1,257,000)
Chief Information Office			
General Fund	19,453,000	17,509,000	(1,944,000)
Internal Service Funds	0	2,351,000	2,351,000
Environmental Protection and Spill Compensation			
Special Revenue Funds - Other	1,018,000	1,018,000	0
Executive Direction			
General Fund	8,759,000	7,885,000	(874,000)
Internal Service Funds	1,868,000	1,868,000	0
Pension Investment and Public Finance Program			
General Fund	756,000	681,000	(75,000)
Internal Service Funds	2,240,000	2,240,000	0
Fiduciary Funds	11,288,000	11,288,000	0
Legal Services			
General Fund	6,308,000	5,677,000	(631,000)
Retirement Services Program			
Fiduciary Funds	90,102,000	90,102,000	0
Office of the Special Deputy Comptroller for New York City			
Special Revenue Funds - Other	4,397,000	4,397,000	0
State and Local Accountability			
General Fund	43,993,000	39,594,000	(4,399,000)
Special Revenue Funds - Other	491,000	491,000	0
State Operations			
General Fund	47,932,000	43,140,000	(4,792,000)
Special Revenue Funds - Other	5,102,000	12,602,000	7,500,000
Internal Service Funds	150,000	150,000	0
Total	<u>256,429,000</u>	<u>252,308,000</u>	<u>(4,121,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration Program	6,547,000	(727,000)	6,412,000	(712,000)
Chief Information Office	12,891,000	(1,432,000)	12,441,000	(1,382,000)
Executive Direction	7,095,000	(787,000)	7,013,000	(779,000)
Pension Investment and Public Finance Program	505,000	(56,000)	502,000	(56,000)
Legal Services	5,339,000	(593,000)	5,276,000	(586,000)
State and Local Accountability	35,169,000	(3,907,000)	34,741,000	(3,860,000)
State Operations	33,339,000	(3,703,000)	32,063,000	(3,562,000)
Total	<u>100,885,000</u>	<u>(11,205,000)</u>	<u>98,448,000</u>	<u>(10,937,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration Program	45,000	(5,000)	90,000	(10,000)
Chief Information Office	270,000	(30,000)	180,000	(20,000)
Executive Direction	68,000	(7,000)	14,000	(1,000)
Pension Investment and Public Finance Program	3,000	0	0	0
Legal Services	45,000	(5,000)	18,000	(2,000)
State and Local Accountability	248,000	(27,000)	180,000	(20,000)
State Operations	428,000	(47,000)	848,000	(94,000)
Total	<u>1,107,000</u>	<u>(121,000)</u>	<u>1,330,000</u>	<u>(147,000)</u>

AUDIT AND CONTROL

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration Program	4,768,000	(530,000)	311,000	(35,000)
Chief Information Office	4,618,000	(512,000)	495,000	(55,000)
Executive Direction	790,000	(87,000)	67,000	(7,000)
Pension Investment and Public Finance Program	176,000	(19,000)	11,000	(1,000)
Legal Services	338,000	(38,000)	60,000	(7,000)
State and Local Accountability	4,425,000	(492,000)	185,000	(21,000)
State Operations	9,801,000	(1,089,000)	412,000	(46,000)
Total	<u>24,916,000</u>	<u>(2,767,000)</u>	<u>1,541,000</u>	<u>(172,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration Program	181,000	(20,000)	4,143,000	(460,000)
Chief Information Office	113,000	(12,000)	2,759,000	(306,000)
Executive Direction	82,000	(9,000)	614,000	(68,000)
Pension Investment and Public Finance Program	19,000	(2,000)	116,000	(13,000)
Legal Services	66,000	(7,000)	194,000	(22,000)
State and Local Accountability	2,665,000	(296,000)	1,297,000	(144,000)
State Operations	360,000	(40,000)	5,995,000	(666,000)
Total	<u>3,486,000</u>	<u>(386,000)</u>	<u>15,118,000</u>	<u>(1,679,000)</u>

Program	Equipment	
	Amount	Change
Administration Program	133,000	(15,000)
Chief Information Office	1,251,000	(139,000)
Executive Direction	27,000	(3,000)
Pension Investment and Public Finance Program	30,000	(3,000)
Legal Services	18,000	(2,000)
State and Local Accountability	278,000	(31,000)
State Operations	3,034,000	(337,000)
Total	<u>4,771,000</u>	<u>(530,000)</u>

AUDIT AND CONTROL

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Chief Information Office	2,351,000	2,351,000	946,000	946,000
Environmental Protection and Spill				
Compensation	1,018,000	0	523,000	0
Executive Direction	1,868,000	0	1,201,000	0
Pension Investment and Public Finance				
Program	13,528,000	0	6,696,000	0
Retirement Services Program	90,102,000	0	44,449,000	0
Office of the Special Deputy Comptroller for				
New York City	4,397,000	0	2,759,000	0
State and Local Accountability	491,000	0	270,000	0
State Operations	12,752,000	7,500,000	4,568,000	4,500,000
Total	<u>126,507,000</u>	<u>9,851,000</u>	<u>61,412,000</u>	<u>5,446,000</u>

Program	Nonpersonal Service	
	Amount	Change
Chief Information Office	1,405,000	1,405,000
Environmental Protection and Spill		
Compensation	495,000	0
Executive Direction	667,000	0
Pension Investment and Public Finance		
Program	6,832,000	0
Retirement Services Program	45,653,000	0
Office of the Special Deputy Comptroller for		
New York City	1,638,000	0
State and Local Accountability	221,000	0
State Operations	8,184,000	3,000,000
Total	<u>65,095,000</u>	<u>4,405,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	32,025,000	32,025,000	0
Total	<u>32,025,000</u>	<u>32,025,000</u>	<u>0</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
State Operations			
General Fund	32,025,000	32,025,000	0
Total	<u>32,025,000</u>	<u>32,025,000</u>	<u>0</u>

DIVISION OF THE BUDGET

MISSION

The Division of the Budget is responsible for assisting the Governor in the development of the Executive Budget and executes the budget as adopted by the Legislature. The Division also serves as the Governor’s primary advisor on such fiscal matters as local government and public authority finances.

ORGANIZATION AND STAFFING

Located in Albany, the Division of the Budget operates under the direction of the Budget Director, who is appointed by the Governor.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$53.6 million** All Funds (\$29 million General Fund; \$24.6 million Other Funds) for the Division of the Budget. Appropriations in 2011-12 have decreased by almost **\$6 million (-10 percent)** from 2010-11, with reductions in both personal and non-personal service. The Executive Budget reduces each agency’s General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Division’s activities include:

- Establishing budget policy and agency direction;
- Providing fiscal policy advice in revenue and expenditure forecasting, budget process management and intergovernmental relations; and
- Coordinating the development and execution of State agency programs and budgets.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	59,558,000	53,610,000	(5,948,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	59,558,000	53,610,000	(5,948,000)	0

BUDGET

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Budget Division			
General Fund	255	258	3
Special Revenue Funds - Other	49	49	0
Total	304	307	3

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	34,477,000	29,029,000	(5,448,000)
Special Revenue Funds - Other	23,431,000	22,931,000	(500,000)
Internal Service Funds	1,650,000	1,650,000	0
Total	59,558,000	53,610,000	(5,948,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Budget Division			
General Fund	30,477,000	27,529,000	(2,948,000)
Special Revenue Funds - Other	21,431,000	21,431,000	0
Internal Service Funds	1,650,000	1,650,000	0
Cash Management Improvement Act			
General Fund	4,000,000	1,500,000	(2,500,000)
Special Revenue Funds - Other	2,000,000	1,500,000	(500,000)
Total	59,558,000	53,610,000	(5,948,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Budget Division	22,332,000	(2,370,000)	21,702,000	(2,300,000)
Total	22,332,000	(2,370,000)	21,702,000	(2,300,000)
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Budget Division	450,000	(50,000)	180,000	(20,000)
Total	450,000	(50,000)	180,000	(20,000)

BUDGET

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Budget Division	5,197,000	(578,000)	180,000	(20,000)
Cash Management Improvement Act	1,500,000	(2,500,000)	0	0
Total	<u>6,697,000</u>	<u>(3,078,000)</u>	<u>180,000</u>	<u>(20,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Budget Division	167,000	(19,000)	4,580,000	(509,000)
Cash Management Improvement Act	0	0	1,500,000	(2,500,000)
Total	<u>167,000</u>	<u>(19,000)</u>	<u>6,080,000</u>	<u>(3,009,000)</u>

Program	Equipment	
	Amount	Change
Budget Division	270,000	(30,000)
Cash Management Improvement Act	0	0
Total	<u>270,000</u>	<u>(30,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Budget Division	23,081,000	0	6,710,000	0
Cash Management Improvement Act	1,500,000	(500,000)	0	0
Total	<u>24,581,000</u>	<u>(500,000)</u>	<u>6,710,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Budget Division	16,371,000	0
Cash Management Improvement Act	1,500,000	(500,000)
Total	<u>17,871,000</u>	<u>(500,000)</u>

CITY UNIVERSITY OF NEW YORK

MISSION

The City University of New York (CUNY) has its origins in the Free Academy, established in 1847 under the auspices of the New York City Board of Education, and today is the nation's largest urban public university system. The University's mission is to provide affordable higher education with a focus on the urban community of New York City.

ORGANIZATION AND STAFFING

The City University of New York has 11 senior colleges, a Graduate School and University Center, a Graduate School of Journalism, a Law School and six community colleges. The University is governed by a 17-member Board of Trustees comprised of: 10 members appointed by the Governor, five members appointed by the Mayor and two ex-officio members – the chairs of the Student Senate and the Faculty Senate.

The Board of Trustees appoints the Chancellor, the chief executive officer of the University and individual college presidents. The City University's operating budget supports an estimated **12,933 full time equivalent positions** consisting of 12,641 positions supported through a combination of State tax dollars and tuition revenues and 292 positions supported through other funds. Community college staff are not included in these totals as they are not employees of the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.6 billion** All Funds (\$1.9 billion in Fiduciary Funds that represent the City of New York paying Senior College costs in the first instance, \$1.2 billion in General Fund support that represents both the State's contribution to these costs and the operations of the CUNY community colleges, \$175.4 million in authority to disburse self-generated revenue, and \$336.4 million in capital funding). The budget includes General Fund growth in personal service costs (as a result of collective bargaining contracts), nonpersonal services, fringe benefits and community college enrollment growth, offset by General Fund decreases associated with reductions to senior college campuses and community colleges necessary to close State budget gaps.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major 2011-12 budget actions:

- **Reduce General Fund Support for Senior Colleges:** The Executive Budget recommends an \$83.2 million decrease in direct General Fund support (approximately -10 percent from 2010-11 appropriation levels for the operations of CUNY Senior Colleges and University-wide programs. This reduction will be allocated by the Board of Trustees.
- **Reduce Community College Base Operating Aid:** The Executive Budget recommends reducing base operating aid support for CUNY's 6 community colleges by 10 percent per full-time equivalent (FTE) student. As a result, the rate would decline by \$226, from \$2,260 to \$2,034. This action generates General Fund savings of \$13.1 million in state fiscal year 2011-12.

SENIOR COLLEGES

The Executive Budget includes General Fund appropriations of \$1.05 billion (including \$538.1 million in fringe benefits). Recommended levels of General Fund support (not including fringe benefits) represent a \$67.2 million decrease from 2010-11 final enacted budget levels, consisting of a \$27.9 million increase from collective bargaining and non-personal services inflationary costs, offset by an \$11.9 million reduction that represents savings assumed in the 2010-11 Enacted Budget that could not be realized in the 2010-11, and further reduced by recommended reductions of \$83.2 million. In addition, the Executive Budget assumes that the University will collect and spend approximately \$801.1 million of revenue from tuition, reflecting a tuition rate increase of approximately 5 percent that was initiated and approved by the CUNY Board of Trustees in November 2010. As a result, combined General Fund and tuition revenue (plus \$32.3 million from New York City) will provide for core instructional budget of \$1.9 billion to support senior college campuses, central administration and University-wide programs.

COMMUNITY COLLEGES

CUNY's community colleges have three basic funding sources: State support, local sponsor support, and student tuition revenue. The Executive Budget recommends \$172.5 million in State support, a \$13.5 million decrease in total available funding from 2010-11 final enacted budget levels. This change is attributable to increases of \$5.7 million for enrollment growth and \$1.2 million related to the one-time actions resulting from the 2010-11 FMAP contingency reduction, offset by \$5.5 million due to the annualization of the 2010-11 enacted budget reduction of \$285 per FTE student, the elimination of \$1.8 million in one-time funding for prior year enrollment growth, and a \$13.1 million decrease resulting from the recommended \$226 per student FTE reduction in base operating aid (from \$2,260 to \$2,034).

CAPITAL PROJECTS

The 2008-09 enacted budget provided CUNY with \$1.8 billion in new capital appropriations, a major step in the implementation of a \$3 billion multi-year capital plan, which provides for facility and infrastructure improvements at senior and community colleges, consistent with University needs and priorities. The 2011-12 Executive Budget continues a commitment to preserve and rehabilitate CUNY's educational facilities infrastructure by providing the fourth of five annual \$284 million appropriations to address the accumulated backlog of critical maintenance projects throughout the University system. The Executive Budget also includes \$31.2 million for the State's 50 percent share of capital projects for community college campuses that have secured a match from the City of New York.

PROGRAM HIGHLIGHTS

The City University of New York offers a wide variety of educational avenues ranging from vocational courses to doctoral degree programs. Approximately 263,000 full-time and part-time students – 171,800 at the senior colleges and 91,200 at the

CITY UNIVERSITY

community colleges – were enrolled in programs for the fall 2010 semester. CUNY’s academic offerings include the following important programs:

- The Language Immersion Program is designed to strengthen the language skills of first year students prior to their entry into collegiate coursework. This intensive, full-time program has successfully taken a holistic approach to language development in the context of academic preparation. The program operates on nine campuses and, since its inception in 1995, has helped thousands of students prepare for full collegiate matriculation;
- The College Now Program is a joint project of the City University of New York (CUNY)/Office of Academic Affairs and the New York City Department of Education designed to improve the academic preparation of high school students and implement tougher graduation standards. College Now serves nearly 25,000 students at 17 college campuses annually and partners with over 350 New York City public high schools;
- The New York City Alliance for Minority Participation is a consortium of 17 CUNY campuses that have joined with the National Science Foundation in a cooperative venture to increase the number of under-represented students successfully completing science, mathematics, engineering and technology baccalaureate programs; and
- Approximately 120 research institutes and centers are located throughout the University. Notable examples include the Structural Biology Center — a consortium of public and private research institutions located on the City College campus, the Levich Institute for Physico-Chemical Hydrodynamics at City College and the Institute for Biomolecular Structure and Function at Hunter College.

In recent years, the CUNY Board of Trustees has advanced a series of significant actions to improve academic quality and strengthen the planning and management functions of the University. The Board of Trustees continues to encourage campuses to set higher standards, reduce time-to-program completion and allocate resources in a cost efficient yet academically effective manner.

The City University, through its master plan, will continue to advance the core values the University has established including: academic rigor, accountability, assessment, and a commitment to serving a diverse student population. These values have been expressed through a series of system-wide changes and initiatives, implemented over time, which include: the restructuring and integration of admission policies, recruitment and retention of talented full-time faculty, collaboration with the New York City Department of Education to enhance preparation for higher education and development of a performance management process to assess leadership and progress toward University-wide goals.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,005,258,000	2,056,290,000	51,032,000	0
Aid To Localities	1,223,916,110	1,202,703,000	(21,213,110)	0
Capital Projects	318,785,000	336,461,000	17,676,000	3,579,831,000
Total	<u>3,547,959,110</u>	<u>3,595,454,000</u>	<u>47,494,890</u>	<u>3,579,831,000</u>

CITY UNIVERSITY

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Institutional Support Services			
Special Revenue Funds - Other	292	292	0
Fiduciary Funds	12,641	12,641	0
Total	12,933	12,933	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	145,000,000	175,400,000	30,400,000
Fiduciary Funds	1,860,258,000	1,880,890,000	20,632,000
Total	2,005,258,000	2,056,290,000	51,032,000

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Institutional Support Services			
Special Revenue Funds - Other	145,000,000	175,400,000	30,400,000
Fiduciary Funds	1,860,258,000	1,880,890,000	20,632,000
Total	2,005,258,000	2,056,290,000	51,032,000

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	1,216,362,110	1,202,703,000	(13,659,110)
Special Revenue Funds - Federal	7,554,000	0	(7,554,000)
Total	1,223,916,110	1,202,703,000	(21,213,110)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
American Recovery and Reinvestment Act of 2009 State Stabilization Fund			
Special Revenue Funds - Federal	7,554,000	0	(7,554,000)
Community College Programs			
General Fund	154,397,110	172,497,765	18,100,655
Institutional Support Services			
General Fund	1,059,965,000	1,028,205,235	(31,759,765)
Senior College Pension Payments			
General Fund	2,000,000	2,000,000	0
Total	1,223,916,110	1,202,703,000	(21,213,110)

CITY UNIVERSITY

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Senior Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	45,521,000
Cap Proj Fund - CUNY (Direct Auth Bonds)	284,222,000	284,222,000	0	2,979,615,000
Program Changes - Expansion and Improvements				
Capital Projects Fund	0	0	0	697,000
New Facilities				
Cap Proj Fund - CUNY (Direct Auth Bonds)	0	0	0	108,840,000
Project Administration				
Capital Projects Fund	0	21,000,000	21,000,000	0
Subtotal	<u>284,222,000</u>	<u>305,222,000</u>	<u>21,000,000</u>	<u>3,134,673,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	13,330,000
Cap Proj Fund - CUNY (Direct Auth Bonds)	34,563,000	31,239,000	(3,324,000)	431,828,000
Subtotal	<u>34,563,000</u>	<u>31,239,000</u>	<u>(3,324,000)</u>	<u>445,158,000</u>
Total	<u>318,785,000</u>	<u>336,461,000</u>	<u>17,676,000</u>	<u>3,579,831,000</u>

DEPARTMENT OF CIVIL SERVICE

MISSION

In accordance with the Civil Service Law, the Department of Civil Service is charged with providing human resource management services to State and local governments. The Department assists State agencies with personnel recruitment and placement services, administers tests, oversees job classifications, and administers benefits.

ORGANIZATION AND STAFFING

Based in Albany, the Department of Civil Service operates under the direction of a Commissioner who is appointed by the Governor, subject to Senate confirmation. The Commissioner of Civil Service also serves as the President of the Civil Service Commission, along with two additional Commissioners appointed by the Governor. The Commission acts as an appellate body responsible for reviewing determinations of the Department and the Director of Classification and Compensation.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$59.7 million** All Funds (\$16.7 million General Fund; \$40.7 million Internal Service Fund; \$2.3 million Other Funds) for the Department of Civil Service. This is a decrease in the General Fund of **\$1.9 million (-10 percent)** from the 2010-11 budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

In 2010-11, the Department worked with agencies involved in recent consolidations and transfers of function, including the Division of Homeland Security and Emergency Services, the Statewide Financial System, and the Department of Transportation's takeover of I-84 maintenance from the Thruway Authority. In addition, the Department played a key role in implementation of Chapter 500 of the Laws of 2009, which created a pilot program designed to reduce the State's reliance on private information technology consulting services. The law authorized up to 500 term appointments to information technology positions requiring special skills or expertise for a maximum of five years.

The implementation of Federal health reform will continue to be an integral part of the Department's operations in the coming years, as part of its responsibility to administer employee health benefits. The 2010 enactment of the Federal Patient Protection and Affordable Care Act (ACA) and the Health Care and Education Reconciliation Act will require significant reforms to the State health plans. It is anticipated that these changes will be implemented by the Department in phases over the next several years.

In 2010, the U.S. Department of Health and Human Services approved NYSHIP's application to participate in the Early Retirement Reinsurance Program (ERRP). This new program provides financial assistance to public and private employers by offsetting the cost of health insurance claims incurred by retirees age 55 to 64 that are not old enough to be eligible for Medicare. The funding is intended to encourage employers to

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maintain insurance coverage for those retirees and must be used to offset future premium increases for NYSHIP employers and enrollees. The Department estimates NYSHIP may receive more than \$100 million over two years of the program.

As part of the premium-setting process each year, the Department, assisted by its actuarial consultant, reviews carrier premium demands and negotiates reductions in premium to more accurately reflect expected claim costs and allowable administrative expenses in the coming plan year. For 2011, carriers requested premium increases of approximately 20 percent. After negotiations, the insurers agreed to 2011 premiums which on average increased 12.7 percent.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	61,554,000	59,695,000	(1,859,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>61,554,000</u>	<u>59,695,000</u>	<u>(1,859,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration and Information			
Management			
General Fund	30	30	0
Internal Service Funds	21	21	0
Commission Operations and Municipal			
Assistance			
General Fund	15	15	0
Labor Management Programs			
General Fund	13	13	0
Personnel Benefit Services			
General Fund	25	25	0
Internal Service Funds	152	152	0
Personnel Management Services			
General Fund	134	134	0
Special Revenue Funds - Other	5	5	0
Internal Service Funds	49	49	0
Total	<u>444</u>	<u>444</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	18,593,000	16,734,000	(1,859,000)
Special Revenue Funds - Other	2,257,000	2,257,000	0
Internal Service Funds	40,704,000	40,704,000	0
Total	<u>61,554,000</u>	<u>59,695,000</u>	<u>(1,859,000)</u>

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration and Information			
Management			
General Fund	4,073,000	3,666,000	(407,000)
Internal Service Funds	3,549,000	3,549,000	0
Commission Operations and Municipal			
Assistance			
General Fund	887,000	798,000	(89,000)
Personnel Benefit Services			
General Fund	1,850,000	1,665,000	(185,000)
Special Revenue Funds - Other	300,000	300,000	0
Internal Service Funds	29,799,000	29,799,000	0
Personnel Management Services			
General Fund	11,783,000	10,605,000	(1,178,000)
Special Revenue Funds - Other	1,957,000	1,957,000	0
Internal Service Funds	7,356,000	7,356,000	0
Total	<u>61,554,000</u>	<u>59,695,000</u>	<u>(1,859,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Information				
Management	3,518,000	(391,000)	3,517,000	(391,000)
Commission Operations and Municipal				
Assistance	753,000	(84,000)	752,000	(84,000)
Personnel Benefit Services	1,546,000	(171,000)	1,507,000	(171,000)
Personnel Management Services	10,301,000	(1,145,000)	9,450,000	(1,145,000)
Total	<u>16,118,000</u>	<u>(1,791,000)</u>	<u>15,226,000</u>	<u>(1,791,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration and Information				
Management	0	0	1,000	0
Commission Operations and Municipal				
Assistance	0	0	1,000	0
Personnel Benefit Services	28,000	0	11,000	0
Personnel Management Services	750,000	0	101,000	0
Total	<u>778,000</u>	<u>0</u>	<u>114,000</u>	<u>0</u>

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**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Information Management	148,000	(16,000)	9,000	0
Commission Operations and Municipal Assistance	45,000	(5,000)	3,000	0
Personnel Benefit Services	119,000	(14,000)	41,000	0
Personnel Management Services	304,000	(33,000)	50,000	0
Total	616,000	(68,000)	103,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Information Management	35,000	0	94,000	(16,000)
Commission Operations and Municipal Assistance	17,000	0	25,000	(5,000)
Personnel Benefit Services	0	0	73,000	(14,000)
Personnel Management Services	46,000	0	199,000	(33,000)
Total	98,000	0	391,000	(68,000)

Program	Equipment	
	Amount	Change
Administration and Information Management	10,000	0
Commission Operations and Municipal Assistance	0	0
Personnel Benefit Services	5,000	0
Personnel Management Services	9,000	0
Total	24,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Information Management	3,549,000	0	1,883,000	0
Personnel Benefit Services	30,099,000	0	12,397,000	0
Personnel Management Services	9,313,000	0	3,922,000	0
Total	42,961,000	0	18,202,000	0

Program	Nonpersonal Service	
	Amount	Change
Administration and Information Management	1,666,000	0
Personnel Benefit Services	17,702,000	0
Personnel Management Services	5,391,000	0
Total	24,759,000	0

DEPARTMENT OF CORRECTIONS AND COMMUNITY SUPERVISION

MISSION

The Department of Corrections and Community Supervision – the combined entity which will result from the proposed merger of the Department of Correctional Services and the Division of Parole – will be responsible for the safe and secure confinement of convicted felons, preparing these individuals for successful reintegration into the community upon release, setting the conditions of release, supervising offenders in the community, and assisting parolees toward successful completion of their sentence.

ORGANIZATION AND STAFFING

The 2011-12 Executive Budget redesigns the provision of State services and recalibrates State spending by merging the Department of Correctional Services and the Division of Parole into the new Department of Corrections and Community Supervision. The agency will have a new unified mission – to provide offenders support throughout the period of incarceration and reintegration into the community, thereby increasing their ability to successfully return to the community. By blending the operations of the formerly separate agencies, the focus on re-entry is strengthened, and the integration of programming both inside and outside the prisons is improved. By enhancing the prospects of offenders successfully returning to life in their home communities, the agency lowers the risk of new crimes, makes the community safer, and reduces the costs of returning offenders to prison.

The Department oversees the nation's fourth largest state prison system, currently operating 67 institutions, grouped within nine regional hubs. Each of the 65 correctional facilities, as well as the Willard Drug Treatment Campus in Seneca County and including Edgecombe Residential Treatment Facility in Manhattan – both of which are operated by the Department in cooperation with the Office of Alcoholism and Substance Abuse Services, is managed by a Superintendent, who reports to the Commissioner. More than 19,800 – or 64 percent – of the new combined Department's staff are security personnel, with remaining staff primarily dedicated to the delivery of inmate programs, health services, community supervision and facility operations. Community supervision staff is located across the State in 38 community-based field supervision offices.

The Parole Board will continue as an independent body, housed within and receiving administrative support from the new agency. The members of the Board are appointed by the Governor, and confirmed by the Senate. One member is designated by the Governor to serve as the Board's Chair. Board members review the cases of offenders eligible for parole release and determine if the offender should be released to parole supervision.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$2.9 billion** All Funds (\$2.4 billion General Fund; \$39 million Federal Funds; \$30 million Other Funds; \$74 million Internal Service Funds; \$43 million Enterprise Funds; \$320 million in Capital Projects Funds) for the Department of Corrections and Community Supervision. There is a decrease of \$271 million in General Fund State Operations appropriations (**-10 percent**) from the combined 2010-11 totals of the Department of Correctional Services and the Division of

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Parole. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. Generally these savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible. In this Department, savings are also anticipated from the closure of prison facilities, reduced central office management staff, and the merger.

Despite the efforts of the Department of Correctional Services to consolidate and achieve savings, the system continues to maintain more facilities than are necessary to house the State's prison population safely. With the closure of only five small facilities during the past several years, excess capacity remains. Total capacity in medium and minimum general confinement facilities is approximately 36,400 beds, of which at least 3,500 are not needed. The transfer of inmates into facilities that operate the most efficiently and offer more rehabilitative services is expected to yield significant recurring savings and eliminate most of the excess capacity. The Governor will create a task force by Executive Order that will recommend the specific facilities to be closed. If the task force does not recommend rightsizing, the Commissioner would be empowered to implement facility closures. Communities impacted by the closures would receive assistance from the Governor's new regional economic development councils, with up to \$100 million available to help communities end their reliance on incarceration as a major source of employment and economic sustainability.

PROGRAM HIGHLIGHTS

CORRECTIONS

Since peaking at nearly 71,600 in 1999, the under-custody prison population is projected to have declined by approximately 15,000 inmates by the end of the current fiscal year. This decline can be largely attributed to the dramatic drop in the State's crime rate over the last decade, and the success of legislatively enacted programs that allow certain non-violent offenders to earn time off their sentences for good behavior and program achievements.

As soon as an inmate enters prison, an assessment is conducted to determine the need for rehabilitative programs. The Department offers a variety of programs designed to improve the prospects of an offender's successful re-entry into the community. These include educational programming, with the minimum goal of assisting inmates who do not have high school diplomas to receive General Equivalency Diplomas; apprenticeships; substance abuse treatment services; anger management therapy; and a sex offender treatment program which was expanded under the Sex Offender Management and Treatment Act of 2007.

Meeting the critical need of providing appropriate levels of medical services is important to the safety of the prison system and to the general public when an inmate is released. The Department acts quickly to diagnose and begin treatment, if necessary, when an inmate enters prison and provides the greatest degree of services possible to seek a cure.

The Department continues to expand and enhance its services for inmates with mental illness. The Department of Correctional Services opened a state-of-the-art Residential Mental Health Unit (RMHU) at Marcy Correctional Facility in Oneida County in

CORRECTIONS AND COMMUNITY SUPERVISION

December 2009 for up to 100 inmates with serious mental illness and disciplinary sanctions. The Department also plans to open a second, 60-bed RMHU at Five Points Correctional Facility in Seneca County in 2011-12.

COMMUNITY SUPERVISION

The Community Supervision program retains responsibility for activities conducted by the former Division of Parole. The focus of this program is to prepare inmates for re-entry into the community; assist the Board in making release determinations; and supervise parolees released from prison while supporting their successful reintegration into the community.

Immediately upon being released from prison, parolees are assigned to a Field Parole Officer. Field Parole Officers supervise parolees by monitoring behavior, reviewing employment, evaluating treatment progress, and administering drug tests. In addition to closely monitoring offenders in the community, the Division helps parolees avoid reverting to a life of crime by contracting for various services to support their return to society, such as supportive housing and employment training. Through the merger, the Department will create a more seamless system for assessing the needs of offenders, ensuring access to services both inside and outside the confines of the prison walls, and addressing factors essential to successful community re-entry.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,875,707,000	2,605,074,000	(270,633,000)	39,422,000
Aid To Localities	22,171,000	17,171,000	(5,000,000)	15,153,000
Capital Projects	320,000,000	320,000,000	0	655,345,000
Total	<u>3,217,878,000</u>	<u>2,942,245,000</u>	<u>(275,633,000)</u>	<u>709,920,000</u>

CORRECTIONS AND COMMUNITY SUPERVISION

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11	2011-12	FTE Change
	Estimated FTEs 03/31/11	Estimated FTEs 03/31/12	
Administration			
General Fund	214	214	0
Special Revenue Funds - Federal	653	653	0
Enterprise Funds	11	11	0
Community Supervision			
General Fund	0	1,893	1,893
Correctional Industries			
Internal Service Funds	291	291	0
Facilities Planning and Development			
Capital Projects Funds - Other	30	30	0
Health Services			
General Fund	1,953	2,003	50
Program Services			
General Fund	3,132	3,132	0
Supervision of Inmates			
General Fund	20,494	19,844	(650)
Support Services			
General Fund	3,100	3,105	5
Total	29,878	31,176	1,298

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	2,689,347,000	2,418,614,000	(270,733,000)
Special Revenue Funds - Federal	38,900,000	39,400,000	500,000
Special Revenue Funds - Other	30,755,000	30,355,000	(400,000)
Enterprise Funds	43,013,000	43,013,000	0
Internal Service Funds	73,692,000	73,692,000	0
Total	2,875,707,000	2,605,074,000	(270,633,000)
Adjustments:			
Transfer(s) From			
Parole, Division of			
General Fund	(166,362,000)		
Special Revenue Funds - Federal	(600,000)		
Special Revenue Funds - Other	(1,275,000)		
Special Pay Bill			
General Fund	(10,279,000)		
Appropriated 2010-11	2,697,191,000		

CORRECTIONS AND COMMUNITY SUPERVISION

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	26,646,000	22,182,000	(4,464,000)
Special Revenue Funds - Federal	38,300,000	38,800,000	500,000
Special Revenue Funds - Other	25,250,000	25,250,000	0
Enterprise Funds	2,701,000	2,701,000	0
Community Supervision			
General Fund	166,362,000	149,726,000	(16,636,000)
Special Revenue Funds - Federal	600,000	600,000	0
Special Revenue Funds - Other	1,275,000	1,275,000	0
Correctional Industries			
Enterprise Funds	0	412,000	412,000
Internal Service Funds	73,692,000	73,692,000	0
Health Services			
General Fund	360,523,000	324,471,000	(36,052,000)
Program Services			
General Fund	234,257,000	210,832,000	(23,425,000)
Special Revenue Funds - Other	100,000	100,000	0
Enterprise Funds	39,900,000	39,900,000	0
Supervision of Inmates			
General Fund	1,455,368,000	1,309,831,000	(145,537,000)
Support Services			
General Fund	446,191,000	401,572,000	(44,619,000)
Special Revenue Funds - Other	4,130,000	3,730,000	(400,000)
Enterprise Funds	412,000	0	(412,000)
Total	<u>2,875,707,000</u>	<u>2,605,074,000</u>	<u>(270,633,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	15,571,000	(1,730,000)	15,467,000	(1,718,000)
Community Supervision	118,534,000	(13,170,000)	114,862,000	(12,762,000)
Health Services	123,998,000	(13,778,000)	112,119,000	(12,458,000)
Program Services	174,429,000	(19,381,000)	168,713,000	(18,746,000)
Supervision of Inmates	1,288,290,000	(143,144,000)	1,218,294,000	(135,366,000)
Support Services	160,200,000	(17,800,000)	150,467,000	(16,719,000)
Total	<u>1,881,022,000</u>	<u>(209,003,000)</u>	<u>1,779,922,000</u>	<u>(197,769,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	0	104,000	(12,000)
Community Supervision	63,000	(7,000)	3,609,000	(401,000)
Health Services	5,282,000	(587,000)	6,597,000	(733,000)
Program Services	5,014,000	(557,000)	702,000	(78,000)
Supervision of Inmates	11,428,000	(1,270,000)	58,568,000	(6,508,000)
Support Services	197,000	(22,000)	9,536,000	(1,059,000)
Total	<u>21,984,000</u>	<u>(2,443,000)</u>	<u>79,116,000</u>	<u>(8,791,000)</u>

CORRECTIONS AND COMMUNITY SUPERVISION

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	6,611,000	(2,734,000)	345,000	(38,000)
Community Supervision	31,192,000	(3,466,000)	960,000	(107,000)
Health Services	200,473,000	(22,274,000)	78,345,000	(8,705,000)
Program Services	36,403,000	(4,044,000)	7,018,000	(780,000)
Supervision of Inmates	21,541,000	(2,393,000)	10,134,000	(1,126,000)
Support Services	241,372,000	(26,819,000)	118,649,000	(13,183,000)
Total	<u>537,592,000</u>	<u>(61,730,000)</u>	<u>215,451,000</u>	<u>(23,939,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	306,000	(34,000)	5,372,000	(597,000)
Community Supervision	3,404,000	(378,000)	25,471,000	(2,830,000)
Health Services	381,000	(42,000)	120,965,000	(13,440,000)
Program Services	415,000	(46,000)	26,967,000	(2,996,000)
Supervision of Inmates	2,718,000	(302,000)	5,925,000	(658,000)
Support Services	294,000	(33,000)	112,983,000	(12,554,000)
Total	<u>7,518,000</u>	<u>(835,000)</u>	<u>297,683,000</u>	<u>(33,075,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	588,000	(65,000)	0	(2,000,000)
Community Supervision	1,357,000	(151,000)	0	0
Health Services	782,000	(87,000)	0	0
Program Services	2,003,000	(222,000)	0	0
Supervision of Inmates	2,764,000	(307,000)	0	0
Support Services	9,446,000	(1,049,000)	0	0
Total	<u>16,940,000</u>	<u>(1,881,000)</u>	<u>0</u>	<u>(2,000,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	66,751,000	500,000	51,323,000	0
Community Supervision	1,875,000	0	100,000	0
Correctional Industries	74,104,000	412,000	20,239,000	0
Program Services	40,000,000	0	0	0
Support Services	3,730,000	(812,000)	0	0
Total	<u>186,460,000</u>	<u>100,000</u>	<u>71,662,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	15,428,000	500,000
Community Supervision	1,775,000	0
Correctional Industries	53,865,000	412,000
Program Services	40,000,000	0
Support Services	3,730,000	(812,000)
Total	<u>114,798,000</u>	<u>100,000</u>

CORRECTIONS AND COMMUNITY SUPERVISION

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	11,171,000	6,171,000	(5,000,000)
Internal Service Funds	11,000,000	11,000,000	0
Total	<u>22,171,000</u>	<u>17,171,000</u>	<u>(5,000,000)</u>

Adjustments:

Transfer(s) From			
Parole, Division of			
General Fund	(10,971,000)		
Internal Service Funds	(11,000,000)		
Appropriated 2010-11	<u>200,000</u>		

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Community Supervision			
General Fund	10,971,000	5,971,000	(5,000,000)
Internal Service Funds	11,000,000	11,000,000	0
Support Services			
General Fund	200,000	200,000	0
Total	<u>22,171,000</u>	<u>17,171,000</u>	<u>(5,000,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Maintenance and Improvement of Existing Facilities				
Correctional Facilities Capital Improvement Fund	320,000,000	320,000,000	0	655,345,000
Total	<u>320,000,000</u>	<u>320,000,000</u>	<u>0</u>	<u>655,345,000</u>

DIVISION OF CRIMINAL JUSTICE SERVICES

MISSION

The mission of the Division of Criminal Justice Services (DCJS) is to enhance public safety and improve criminal justice. DCJS is a multi-functional criminal justice agency with a variety of responsibilities including collection and analysis of statewide crime data; operation of the DNA Databank and criminal fingerprint files; administration of Federal and State funds that support local criminal justice programs; and administration of the State's Sex Offender Registry. The Division also measures progress toward the overall goal of reducing crime, and tracks the effectiveness of both agency and system-wide criminal justice strategies designed to increase public safety.

ORGANIZATION AND STAFFING

The Division of Criminal Justice Services is located in Albany and is headed by a Commissioner who is appointed by the Governor subject to Senate confirmation. As part of the 2010-11 enacted budget, the former Division of Probation and Correctional Alternatives was merged into the Division of Criminal Justice Services and was reconstituted as the Office of Probation and Correctional Alternatives.

BUDGET HIGHLIGHTS

The Executive Budget recommends that the Office for the Prevention of Domestic Violence, the Office of Victim Services, and the State Commission of Correction merge into the Division of Criminal Justice Services. These agencies will be established as specialized offices within the Division to continue their important missions. The Division already provides administrative support to three of these smaller agencies, and a full merger offers a more efficient and cost-effective environment for the delivery of programs and services for which these agencies are responsible. The merger will also foster improved coordination of policies and programs.

The Executive Budget recommends **\$347 million** in All Funds support for the Division. This reflects a **\$6.4 million decrease (-10 percent)** in the General Fund from 2010-11. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible. All Funds/ local assistance funding is reduced by \$46 million in the 2011-12 Executive Budget, primarily reflecting the discontinuation of new appropriations for Federal American Recovery and Reinvestment Act (ARRA) funding. Local programs in the General Fund are reduced by \$9.7 million, or an 8 percent decrease from the enacted 2010-11 Budget. Local assistance funding allocations for these programs will be made pursuant to a plan developed by the Commissioner, taking into consideration performance measures and program outcomes.

PROGRAM HIGHLIGHTS

The Division of Criminal Justice Services' mission is to make New York the safest state in the nation. Through strategic planning, the Division is meeting the objective to continue lowering the crime rate in New York by: improving coordination among

CRIMINAL JUSTICE SERVICES

Federal, State, and local law enforcement agencies; making vital information more readily available to help fight crime; expanding the use of technology to combat crime; and, fostering inter-agency initiatives concerning sex offender management.

The Division directly supports inter-agency law enforcement, in part through programs such as Operation IMPACT and the Promoting Safe Communities initiative. Operation IMPACT targets 17 counties that account for 80 percent of crime outside New York City. The focus of IMPACT is to bring together the resources and strategies of Federal, State and local law enforcement in order to fight crime more effectively. The Promoting Safe Communities initiative is intended to encourage the IMPACT jurisdictions to more intensely address spikes in discrete categories of violent crime with strategies designed to combat burglaries, persistent offenders, violent gangs and domestic violence. Additionally, the Division provides local assistance funding to support an array of criminal justice functions such as: law enforcement operations, prosecution, defense, crime laboratories, probation and alternatives to incarceration programs.

The Division also supports four Crime Analysis Centers located in Albany, Buffalo, Rochester and Syracuse. Each of these Centers is governed by a board composed of key local law enforcement officials, and supervised by a Director employed by DCJS. The Centers are multi-jurisdictional units responsible for in-depth analysis of crime incidents, offender data and police calls that provide a comprehensive picture of the criminal environment within the Center's geographical area of responsibility.

As the central repository for criminal history records, the Division identifies individuals through fingerprint comparison and provides criminal history records to law enforcement through the Statewide Automated Fingerprint Identification System (SAFIS). A comparable service is offered for civil fingerprints to check the backgrounds of prospective employees for sensitive positions in government and the private sector. A new state-of-the-art fingerprint identification system will be fully implemented by October 2011.

The Division also maintains a DNA Identification Index, conducts extensive criminal justice statistical research and policy analysis, and supports New York's Uniform Crime Reporting program. Further, the Division coordinates and provides information technology services for the criminal justice community. A statewide criminal justice information system, eJusticeNY, is utilized by nearly 2,600 organizations, and provides users with the ability to: obtain rap-sheets; perform name searches; and access NYS criminal history data, wanted/missing person data and the complete NYS Sex Offender Registry.

In addition, the Division acts as the State planning agency for the receipt and processing of Federal Juvenile Justice and Delinquency Prevention funding. These funds support programs addressing youth who are at risk of criminal and/or delinquent behavior. The Division also administers other Federal programs, including funds which support a statewide anti-drug strategy of prosecution and preventive enforcement efforts, and which focus on prosecution, law enforcement and victim services related to domestic violence.

A key new activity was added following enactment of the 2009 Drug Law Reform. In conjunction with the Office of Alcoholism and Substance Abuse Services and the Office of Court Administration, the Division is undertaking a comprehensive analysis of the impacts of this major legislation, and will provide ongoing data on the implementation and effectiveness of the reforms. The Division is overseeing the allocation of \$67 million in Federal funds through the American Reinvestment and

CRIMINAL JUSTICE SERVICES

Recovery Act to support drug law reform through investments in drug treatment, drug courts, alternatives to incarceration, probation, probation violation centers, and computer training and transitional employment for former offenders.

The Office of Probation and Correctional Alternatives will continue to oversee county probation departments and community correction programs. It establishes standards, provides training and technical assistance, and monitors outcomes related to the supervision and treatment of offenders. The Office also will continue to focus on evidence-based practices, performance measurement, enhanced training and education for local providers, and improved technology.

Within the newly merged agency, each of the three existing agencies will maintain their distinct mission, as described below.

OFFICE FOR THE PREVENTION OF DOMESTIC VIOLENCE

The Office for the Prevention of Domestic Violence (OPDV) will continue to: lead New York State's efforts to respond to and prevent domestic violence; advise the Governor and Legislature; develop statewide policies; conduct domestic violence training for judges, prosecutors, police, attorneys, probation and parole personnel, social services and health care providers; and serve as a clearinghouse of information and guidance on domestic violence for the entire State.

In conjunction with other agencies, the Office develops domestic violence policies and provides training and information about domestic violence. These programs clarify professional and legal responsibility to promote the safety of victims of domestic violence and to hold offenders accountable for their actions.

OFFICE OF VICTIM SERVICES

The Office of Victim Services (OVS) is the lead State source of assistance to persons who have been the victims of crime, particularly crimes of a violent nature. Its mission will continue to be: providing financial assistance to victims for losses they suffer as a result of crime; making grants to local agencies, which assist witnesses and victims; and, serving as the State's advocate for crime victims' rights, needs and interests.

STATE COMMISSION OF CORRECTION

The State Commission of Correction, comprised of 3 members appointed by the Governor, one of whom is the chair, will continue to regulate and oversee the operation and management of State and local correctional facilities, and secure youth facilities operated by the Office of Children and Family Services. The Commission's primary role is to promote a safe, secure and stable correctional system and to provide for the accountability of corrections officials.

CRIMINAL JUSTICE SERVICES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	136,878,000	114,350,000	(22,528,000)	139,400,000
Aid To Localities	278,547,000	232,565,000	(45,982,000)	309,047,986
Capital Projects	0	0	0	0
Total	<u>415,425,000</u>	<u>346,915,000</u>	<u>(68,510,000)</u>	<u>448,447,986</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	100	100	0
Crime Prevention and Reduction Strategies			
General Fund	0	450	450
Funding and Program Assistance			
General Fund	58	0	(58)
Special Revenue Funds - Federal	77	77	0
Special Revenue Funds - Other	4	4	0
Operation and Systems			
General Fund	311	0	(311)
Special Revenue Funds - Federal	23	23	0
Oversight of Correctional Facilities			
General Fund	0	29	29
Prevention of Domestic Violence			
General Fund	0	14	14
Special Revenue Funds - Federal	0	2	2
Internal Service Funds	0	10	10
Probation and Correctional Alternatives			
General Fund	30	0	(30)
Public Safety			
General Fund	51	0	(51)
Special Revenue Funds - Other	3	3	0
Victim Services Program			
Special Revenue Funds - Federal	0	24	24
Special Revenue Funds - Other	0	51	51
Total	<u>657</u>	<u>787</u>	<u>130</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

CRIMINAL JUSTICE SERVICES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	64,185,000	57,787,000	(6,398,000)
Special Revenue Funds - Federal	40,886,000	30,361,000	(10,525,000)
Special Revenue Funds - Other	30,917,000	25,312,000	(5,605,000)
Internal Service Funds	890,000	890,000	0
Total	<u>136,878,000</u>	<u>114,350,000</u>	<u>(22,528,000)</u>

Adjustments:

Transfer(s) From

Correction, Commission of General Fund	(2,975,000)		
Prevention of Domestic Violence, Office for General Fund	(1,365,000)		
Special Revenue Funds - Federal	(1,100,000)		
Special Revenue Funds - Other	(70,000)		
Internal Service Funds	(890,000)		
Victim Services, Office of Special Revenue Funds - Federal	(3,061,000)		
Special Revenue Funds - Other	(7,268,000)		
Appropriated 2010-11	<u>120,149,000</u>		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration General Fund	13,974,000	12,577,000	(1,397,000)
Crime Prevention and Reduction Strategies General Fund	45,871,000	40,870,000	(5,001,000)
Special Revenue Funds - Federal	22,725,000	24,700,000	1,975,000
Special Revenue Funds - Other	23,579,000	18,079,000	(5,500,000)
Funding and Program Assistance Special Revenue Funds - Federal	12,500,000	0	(12,500,000)
Oversight of Correctional Facilities General Fund	2,975,000	2,975,000	0
Prevention of Domestic Violence General Fund	1,365,000	1,365,000	0
Special Revenue Funds - Federal	2,600,000	2,600,000	0
Special Revenue Funds - Other	70,000	70,000	0
Internal Service Funds	890,000	890,000	0
Victim Services Program Special Revenue Funds - Federal	3,061,000	3,061,000	0
Special Revenue Funds - Other	7,268,000	7,163,000	(105,000)
Total	<u>136,878,000</u>	<u>114,350,000</u>	<u>(22,528,000)</u>

CRIMINAL JUSTICE SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	6,074,000	(675,000)	6,070,000	(674,000)
Crime Prevention and Reduction Strategies	26,615,000	(3,256,000)	26,531,000	(3,246,000)
Oversight of Correctional Facilities	2,453,000	0	2,433,000	0
Prevention of Domestic Violence	1,213,000	0	1,213,000	0
Total	<u>36,355,000</u>	<u>(3,931,000)</u>	<u>36,247,000</u>	<u>(3,920,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	0	4,000	(1,000)
Crime Prevention and Reduction Strategies	15,000	(2,000)	69,000	(8,000)
Oversight of Correctional Facilities	0	0	20,000	0
Prevention of Domestic Violence	0	0	0	0
Total	<u>15,000</u>	<u>(2,000)</u>	<u>93,000</u>	<u>(9,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	6,503,000	(722,000)	880,000	(98,000)
Crime Prevention and Reduction Strategies	14,255,000	(1,745,000)	597,000	(74,000)
Oversight of Correctional Facilities	522,000	0	15,000	0
Prevention of Domestic Violence	152,000	0	50,000	0
Total	<u>21,432,000</u>	<u>(2,467,000)</u>	<u>1,542,000</u>	<u>(172,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	31,000	(3,000)	4,961,000	(551,000)
Crime Prevention and Reduction Strategies	437,000	(53,000)	11,312,000	(1,384,000)
Oversight of Correctional Facilities	176,000	0	323,000	0
Prevention of Domestic Violence	42,000	0	42,000	0
Total	<u>686,000</u>	<u>(56,000)</u>	<u>16,638,000</u>	<u>(1,935,000)</u>

Program	Equipment	
	Amount	Change
Administration	631,000	(70,000)
Crime Prevention and Reduction Strategies	1,909,000	(234,000)
Oversight of Correctional Facilities	8,000	0
Prevention of Domestic Violence	18,000	0
Total	<u>2,566,000</u>	<u>(304,000)</u>

CRIMINAL JUSTICE SERVICES

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Crime Prevention and Reduction Strategies	42,779,000	(3,525,000)	11,900,000	475,000
Funding and Program Assistance	0	(12,500,000)	0	0
Prevention of Domestic Violence	3,560,000	0	2,370,000	0
Victim Services Program	10,224,000	(105,000)	6,089,000	0
Total	56,563,000	(16,130,000)	20,359,000	475,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Crime Prevention and Reduction Strategies	30,879,000	(3,500,000)	0	(500,000)
Funding and Program Assistance	0	0	0	(12,500,000)
Prevention of Domestic Violence	1,190,000	0	0	0
Victim Services Program	4,135,000	(105,000)	0	0
Total	36,204,000	(3,605,000)	0	(13,000,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available	Recommended	Change
	2010-11	2011-12	
General Fund	116,475,000	106,807,000	(9,668,000)
Special Revenue Funds - Federal	96,818,000	67,768,000	(29,050,000)
Special Revenue Funds - Other	65,254,000	57,990,000	(7,264,000)
Total	278,547,000	232,565,000	(45,982,000)

Adjustments:

Transfer(s) From

Prevention of Domestic Violence, Office
for

General Fund (685,000)
Special Revenue Funds - Federal (500,000)

Victim Services, Office of

Special Revenue Funds - Federal (37,843,000)
Special Revenue Funds - Other (30,627,000)

Transfer(s) To

Victim Services, Office of

Special Revenue Funds - Federal 1,450,000

Appropriated 2010-11

210,342,000

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available	Recommended	Change
	2010-11	2011-12	
Crime Prevention and Reduction Strategies			
General Fund	115,790,000	106,122,000	(9,668,000)
Special Revenue Funds - Federal	24,175,000	24,375,000	200,000
Special Revenue Funds - Other	34,627,000	27,363,000	(7,264,000)
Funding and Program Assistance			
Special Revenue Funds - Federal	28,750,000	0	(28,750,000)
Prevention of Domestic Violence			
General Fund	685,000	685,000	0
Special Revenue Funds - Federal	7,500,000	7,000,000	(500,000)
Victim Services Program			
Special Revenue Funds - Federal	36,393,000	36,393,000	0
Special Revenue Funds - Other	30,627,000	30,627,000	0
Total	278,547,000	232,565,000	(45,982,000)

DEVELOPMENTAL DISABILITIES PLANNING COUNCIL

MISSION

The New York State Developmental Disabilities Planning Council is fully funded under the Federal Developmental Disabilities Assistance and Bill of Rights Act. The Act, originally signed into law in 1975, authorizes the Council to prepare, implement and monitor a plan for improving the quality of life for people with developmental disabilities.

ORGANIZATION AND STAFFING

Located in Albany, the Council comprises 26 current members who have been appointed by the Governor to three-year staggered terms. Federal law requires that at least 60 percent of the Council's membership be persons with developmental disabilities, parents or guardians of children with developmental disabilities and immediate relatives or guardians of adults with mentally impairing developmental disabilities who cannot advocate for themselves. Other required members represent State agencies, educational and training providers and local, public and private service agencies.

The Governor appoints the Chairperson of the Council from among the Council's members. In addition, a full-time staff of 18, under the leadership of an Executive Director, assists the Council in carrying out its mission.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$4.8 million** All Funds (all Federal funds) for the Council. This represents the same level of funding as in 2010-11 and is based on the level of anticipated Federal funding. This funding is sufficient to support the Council's role in coordinating information about persons with developmental disabilities and the services available to them, and in overseeing grant funds.

Federal funds fully support all Council operations and contracts with non-profit agencies to develop new services and service delivery methods. The contracts are monitored by the Council to ensure that Federal funds provided to the State are used to augment – rather than duplicate or replace – existing services for people with developmental disabilities.

PROGRAM HIGHLIGHTS

Through its Council membership of State agency heads, including the Commissioner of the Office for People with Developmental Disabilities, the Council employs an interagency approach to advocate improved and enhanced services, supports and assistance for persons with developmental disabilities. Its activities include conducting quarterly meetings, preparing policy papers on issues affecting people with developmental disabilities and their families, providing training and technical assistance and implementing its current five-year State Plan (FFY 2007 – FFY 2011). For 2011-12, the Council will continue to identify and fund new and innovative demonstration programs in support of its multi-year State Plan, including those aimed at increasing the number of available employment opportunities, enhancing programmatic responsiveness

DEVELOPMENTAL DISABILITIES PLANNING

to maximize the inclusion of children with developmental disabilities in education and early intervention, ensuring access to and expanding health and wellness programs, promoting choice in housing, and reducing obstacles in transportation to facilitate community integration. In support of these and other strategic objectives, the Council works with persons with developmental disabilities, parents, service providers, advocacy groups and local and State government agencies to advocate for an enhanced system of community services, individualized supports and assistance that facilitates self-determination, independence, community inclusion and productivity.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	4,760,000	4,760,000	0	4,400,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>4,760,000</u>	<u>4,760,000</u>	<u>0</u>	<u>4,400,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Developmental Disabilities Planning	18	18
Special Revenue Funds - Federal	18	18	0
Total	<u>18</u>	<u>18</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	4,750,000	4,750,000	0
Enterprise Funds	10,000	10,000	0
Total	<u>4,760,000</u>	<u>4,760,000</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Developmental Disabilities Planning	4,750,000	4,750,000	0
Special Revenue Funds - Federal	10,000	10,000	0
Enterprise Funds	4,760,000	4,760,000	0
Total	<u>4,760,000</u>	<u>4,760,000</u>	<u>0</u>

DEVELOPMENTAL DISABILITIES PLANNING

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Developmental Disabilities Planning	4,760,000	0	1,165,000	0
Total	4,760,000	0	1,165,000	0
Nonpersonal Service				
Program	Amount		Change	
Developmental Disabilities Planning	3,595,000	0		
Total	3,595,000	0		

DEPARTMENT OF ECONOMIC DEVELOPMENT

MISSION

Together with the Empire State Development Corporation, the New York State Department of Economic Development:

- Advises the Governor and Legislature on all major economic development issues and decisions;
- Develops State economic development strategies;
- Provides technical and financial assistance to businesses through a network of regional offices; and
- Coordinates the efforts of other State agencies, authorities and organizations, as well as local governments, on actions that affect the State's economy.

ORGANIZATION AND STAFFING

State economic development programs are administered by the Department of Economic Development working in conjunction with the Empire State Development Corporation. The Department is headed by a Commissioner, who also serves as President and CEO of the Empire State Development Corporation and is appointed by the Governor subject to Senate confirmation.

The Department's central office is in Albany, with ten regional offices located in Troy, Buffalo, Rochester, Syracuse, Utica, Binghamton, New Windsor, Plattsburgh, Hauppauge and New York City, and satellite offices in Watertown and Elmira.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$28.3 million** All Funds (\$23.5 million General Fund; \$4.8 million other funds) for the Department of Economic Development. This reflects a **\$2.3 million decrease (-7.5 percent)** from 2010-11, all associated with a 10 percent year-to-year reduction in General Fund spending on State operations.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

State tax dollars from the General Fund will finance 83 percent, or \$23.5 million, of the Department of Economic Development's budget in 2011-12. The balance of the Department's Executive Budget will be supported by revenues raised through licensing of the "I ♥ NY" logo, and through seminars and programs run by the Department that directly offset the costs of these programs. Also included are Federal dollars used to help defense-dependent industries diversify into new markets, support recycling market development and help small businesses comply with Clean Air Act mandates.

The 2011-12 Budget provides:

- **"I ♥ NY" Program:** \$3.6 million for "I ♥ NY" tourism advertising;
- **Tourism Matching Grants:** \$3.8 million to assist local tourism promotion agencies;
- **International Trade:** \$1.1 million to attract international investment to New York State and increase export sales to foreign countries;

ECONOMIC DEVELOPMENT

PROGRAM HIGHLIGHTS

EXCELSIOR JOBS PROGRAM

The Excelsior Jobs Program, created as part of the 2010-11 Budget, acts as the State's premier job creating tax incentive program. The Department of Economic Development administers the program and offers a package of tax credits for selected firms in targeted industries that create and maintain new jobs in New York for five years. The tax credits, each of which is fully refundable, include the following: Excelsior Jobs Tax Credit, Excelsior Investment Tax Credit (ITC), Excelsior Research and Development (R&D) Tax Credit, and the Excelsior Real Property Tax Credit (RPTC). The 2011-12 Executive Budget includes legislation that would strengthen the effectiveness of the program by extending the benefit period from five to ten years and offering an enriched package of tax credits designed to further incentivize the creation of new jobs and investments in New York.

MARKETING AND ADVERTISING

This program promotes New York State as a premier tourist destination and business location. Major activities include the "I ♥ NY" advertising campaign and local tourism matching grants administered through locally based tourism promotion agencies representing the State's 62 counties. The Department of Economic Development also develops the State's tourism master plan, targets information to consumers and the travel trade, participates in national and international trade shows, provides technical assistance to tour directors and creates publications for use by the Department and the other economic development agencies.

INTERNATIONAL TRADE

The International Trade program promotes exports from, and attracts foreign investment to, New York State. The program coordinates State participation in trade shows and missions, compiles and disseminates trade leads, and administers grants and seminars designed to encourage increased exporting.

EMPIRE ZONES

The Empire Zones Program expired on June 30, 2010 and all existing certified firms – over 7,500 businesses – remain eligible to receive Empire Zone benefits through the remainder of their certification. The Department remains responsible for monitoring performance and compliance, and for obtaining and processing annual reports from these businesses.

BUSINESS ASSISTANCE PROGRAMS

To improve the competitiveness of New York State companies, the Department of Economic Development provides assistance to businesses for productivity assessments, business-specific skills training for new and existing workers, and third-party technical assistance to develop strategies for expanding export markets.

ECONOMIC DEVELOPMENT

SMALL BUSINESS ASSISTANCE

The Division for Small Business serves as an ombudsman for small businesses and also offers these enterprises training and technical assistance. In addition, the Department provides State and Federal procurement assistance to small businesses. The Division also operates the Clean Air Act Ombudsman Unit, which helps small businesses comply with these environmental regulations.

LINKED DEPOSIT PROGRAM

This joint public-private program enables small businesses and companies in targeted investment areas to obtain loans from commercial banks at an interest rate that is 2 percent to 3 percent lower than the prevailing rate. The banks are compensated by deposits of State funds earning interest at comparably reduced rates. There is currently \$560 million in State funding authorized for deposits at a lower interest rate. The 2011-12 Executive Budget will enhance the Linked Deposit program by increasing the maximum linked deposit loan from \$1 million to \$2 million and allowing for a four-year renewal of loans. This enhancement will expand utilization of the program by making more dollars available to help New York's small businesses grow and create new jobs.

RECYCLING MARKET DEVELOPMENT PROGRAM

The Department of Economic Development is the lead agency in developing New York's recycling industries and creating programs to help municipalities and businesses develop uses for secondary materials.

MINORITY AND WOMEN'S BUSINESS DEVELOPMENT

The Division of Minority and Women's Business Development was established to increase the participation of minority- and women-owned businesses in State procurement opportunities. The Division identifies and certifies minority- and women-owned business enterprises; publishes a directory of certified firms to market small businesses to public and private sector organizations; and provides technical assistance to minority- and women-owned businesses. The 2011-12 Executive Budget will provide the necessary resources to increase minority- and women-owned business participation in State contracts and enhance business development opportunities, consistent with reforms enacted in 2010-11.

POLICY AND RESEARCH DIVISION

This Division develops the annual State strategic plan for economic development; collects and disseminates economic and demographic information; performs policy analysis and economic research; monitors and intervenes in State regulatory activities affecting energy supply, telecommunications, transportation, environmental facilities and commercial/industrial site and facility development; and coordinates the development and review of State economic development programs.

ECONOMIC DEVELOPMENT

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	26,706,000	24,512,000	(2,194,000)	17,051,000
Aid To Localities	3,962,000	3,815,000	(147,000)	8,833,000
Capital Projects	0	0	0	0
Total	<u>30,668,000</u>	<u>28,327,000</u>	<u>(2,341,000)</u>	<u>25,884,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	25	25	0
Economic Development			
General Fund	75	75	0
Special Revenue Funds - Other	4	4	0
Marketing and Advertising Program			
General Fund	30	30	0
Total	<u>134</u>	<u>134</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	21,941,000	19,747,000	(2,194,000)
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Special Revenue Funds - Other	3,765,000	3,765,000	0
Total	<u>26,706,000</u>	<u>24,512,000</u>	<u>(2,194,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	4,118,000	3,706,000	(412,000)
Special Revenue Funds - Other	1,078,000	1,078,000	0
Economic Development			
General Fund	11,334,000	10,201,000	(1,133,000)
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Special Revenue Funds - Other	933,000	933,000	0
Marketing and Advertising Program			
General Fund	6,489,000	5,840,000	(649,000)
Special Revenue Funds - Other	1,754,000	1,754,000	0
Total	<u>26,706,000</u>	<u>24,512,000</u>	<u>(2,194,000)</u>

ECONOMIC DEVELOPMENT

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,956,000	289,000	1,917,000	292,000
Economic Development	7,548,000	(838,000)	7,542,000	(838,000)
Marketing and Advertising Program	1,904,000	(212,000)	1,845,000	(205,000)
Total	11,408,000	(761,000)	11,304,000	(751,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	0	39,000	(3,000)
Economic Development	0	0	6,000	0
Marketing and Advertising Program	7,000	(1,000)	52,000	(6,000)
Total	7,000	(1,000)	97,000	(9,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,750,000	(701,000)	39,000	1,000
Economic Development	2,653,000	(295,000)	51,000	(5,000)
Marketing and Advertising Program	3,936,000	(437,000)	10,000	(1,000)
Total	8,339,000	(1,433,000)	100,000	(5,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	66,000	(2,000)	1,345,000	(72,000)
Economic Development	86,000	(10,000)	1,312,000	(146,000)
Marketing and Advertising Program	15,000	(2,000)	305,000	(34,000)
Total	167,000	(14,000)	2,962,000	(252,000)

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Administration	70,000	(6,000)	214,000	214,000
Economic Development	124,000	(14,000)	0	0
Marketing and Advertising Program	6,000	0	0	0
Total	200,000	(20,000)	214,000	214,000

Program	Special Departmental Charges		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	16,000	16,000	0	(852,000)
Economic Development	0	0	0	(120,000)
Marketing and Advertising Program	0	0	0	(400,000)
Total	16,000	16,000	0	(1,372,000)

ECONOMIC DEVELOPMENT

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,078,000	0	195,000	0
Economic Development	1,933,000	0	0	0
Marketing and Advertising Program	1,754,000	0	84,000	0
Total	4,765,000	0	279,000	0

Program	Nonpersonal Service	
	Amount	Change
Administration	883,000	0
Economic Development	1,933,000	0
Marketing and Advertising Program	1,670,000	0
Total	4,486,000	0

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available	Recommended	Change
	2010-11	2011-12	
General Fund	3,962,000	3,815,000	(147,000)
Total	3,962,000	3,815,000	(147,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available	Recommended	Change
	2010-11	2011-12	
Marketing and Advertising Program			
General Fund	3,962,000	3,815,000	(147,000)
Total	3,962,000	3,815,000	(147,000)

STATE EDUCATION DEPARTMENT

MISSION

The State Education Department (SED) is the administrative agency of the Board of Regents. The Department's primary mission is to oversee public elementary and secondary education programs throughout New York and promote educational excellence, equity and cost-effectiveness.

ORGANIZATION

The Board of Regents oversees the State Education Department, which was originally established by the Legislature in 1784 and subsequently continued in the State Constitution. The Board of Regents is comprised of 17 members – one for each of the State's 13 judicial districts, plus four statewide members – who are elected by a joint session of the Legislature for staggered 5-year terms. The Board elects its chair, who holds the title Chancellor, and appoints the Commissioner of Education as the chief administrative officer of the Department.

The Department's central operations are located in the Education Building in Albany. The Department also has regional service facilities at various locations throughout the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$29.63 billion** in All Funds support (\$18.76 billion General Fund; \$10.87 billion Other Funds). This is a decrease of **\$3.2 billion (-9.7 percent)** from the 2010-11 budget. This net change primarily reflects the loss of Federal American Recovery and Reinvestment Act of 2009 (ARRA) funds, a reduction to School Aid and other educational programs, and the addition of \$500 million for two new performance programs for school districts.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in nonpersonal service and negotiated workforce savings that minimize layoffs to the extent possible.

SCHOOL AID

The 2011-12 Executive Budget proposes \$19.39 billion in School Aid for the 2011-12 school year. While the State remains committed to improving educational outcomes, the high cost of education is unsustainable. In order to achieve necessary savings, the Executive Budget maintains formula aid categories that provide operating support at current levels and recommends a \$2.79 billion Gap Elimination Adjustment (GEA) for the 2011-12 school year. The GEA, combined with the loss of \$1.34 billion in one-time Federal funding, and growth in expense-based aids of \$305 million results in an overall School Aid year-to-year reduction of \$1.54 billion (-7.3 percent). This proposed reduction represents 2.9 percent of school district budgets statewide. Even with this reduction, School Aid will continue to represent the largest State-supported program. On a State fiscal year basis, School Aid will comprise approximately 23 percent of State

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operating funds spending in 2011-12 and 29 percent of General Fund spending. The Executive Budget also recommends initiatives to help schools improve student performance and operate more efficiently.

Major budget actions for the 2011-12 school year include:

- **School Year Support:** The Executive Budget provides \$19.39 billion in State support for public schools for the 2011-12 school year, a year-to-year decrease of \$1.54 billion (-7.3 percent). Even with this reduction, School Aid will have increased by \$5.70 billion, or 41.6 percent, since the 2000-01 school year.
- **Fiscal Year Support:** The Executive Budget provides \$18.74 billion in total appropriation support for public schools in 2011-12, a reduction of \$1.29 billion from 2010-11 fiscal year appropriation support. In 2010-11, Federal funding provided under ARRA and the Federal Education Jobs Fund provided \$1.45 billion in one-time revenue. The year-to-year reduction is primarily attributable to the loss of this one-time Federal funding.
- **Gap Elimination Adjustment:** The Executive Budget recommends a Gap Elimination Adjustment (GEA) of \$2.79 billion for the 2011-12 school year. This approach reduces School Aid progressively, accounting for each school district's wealth, student need, administrative efficiency, and residential property tax burden. The GEA would be applied against formula-based School Aid, excluding Building Aid and Universal Prekindergarten Aid. In future years, as we redesign our approach to funding schools, the GEA would be continued and scaled to limit growth in School Aid to sustainable levels.
- **Foundation Aid:** The Foundation Aid formula calculates funding based on the cost of an education in a successful school, student need, and local ability to pay. The Executive Budget recommends limiting Foundation Aid for the 2011-12 school year to the amount provided for the 2010-11 school year, \$14.89 billion. The Executive Budget recommends extending the full phase-in of Foundation Aid to 2016-17.
- **Early Childhood Education:** The Executive Budget recommends maintaining funding for Universal Prekindergarten for the 2011-12 school year at the 2010-11 level of \$393 million. The planned full phase-in will be extended from the 2013-14 school year to the 2016-17 school year, consistent with the proposed phase-in of Foundation Aid. Maintaining funding at the 2010-11 level ensures continued school district participation, stability of funding for those school districts that are currently participating, and preserves the current commitment for this high priority program. Existing statutory provisions for school districts to receive Full-Day Kindergarten Conversion Aid are continued.
- **Support for School Construction:** The Executive Budget recommends \$2.66 billion in 2011-12 State support for the construction of school facilities. This reflects an increase of \$171 million from the 2010-11 school year. In order to better target limited State resources for school construction, the Executive Budget recommends aligning reimbursement rates more closely with the current fiscal capacity of school districts and creating a new funding structure for school construction. Under this new approach, funding would be awarded based on a competitive application process that considers the need for the project, the age of the building to be renovated or replaced, and the fiscal capacity of the school district.

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- **Boards of Cooperative Educational Services (BOCES):** The Executive Budget recommends \$720 million in BOCES Aid for 2011-12, an increase of more than \$18 million from the 2010-11 school year. Beginning with aid payable in 2012-13, the Executive Budget would distribute BOCES Aid based on the same State aid ratio as Foundation Aid. In addition, in order to encourage system-wide cost effectiveness, beginning with costs reimbursed in 2012-13 certain non-instructional services provided by BOCES would no longer be aidable.
- **Special Services Aid:** The Executive Budget recommends total funding of \$214 million, an increase of \$2.8 million (1.3 percent) from the 2010-11 funding level. This amount is calculated under existing statutory provisions. This aid category funds career education programs and computer services for school districts that are not component districts of BOCES.
- **Transportation Aid:** The Executive Budget recommends \$1.65 billion for reimbursement for the costs of transporting students. This represents an increase of \$71 million (4.5 percent) from the 2010-11 funding level. In addition, the Executive Budget would encourage districts to engage in shared services or other efficiency measures.
- **Private Special Education Aid:** The Executive Budget recommends \$343 million – the amount that is calculated under existing statutory provisions. This represents a \$12.3 million (3.7 percent) increase from the 2010-11 funding level.
- **High Cost Special Education Aid:** The Executive Budget recommends \$483 million – the amount that is calculated under existing statutory provisions. This represents a \$28.5 million (6.3 percent) increase from the 2010-11 funding level.
- **Miscellaneous Operating Support Programs:** The Executive Budget maintains funding at 2010-11 levels for various programs that can be used by school districts for operating support. These programs include the following: High Tax Aid, Supplemental Public Special Education Aid, the New York City Academic Achievement Grant, Academic Enhancement Aid, and the Supplemental Educational Improvement Plan Grant. These actions are consistent with the existing statutory provisions included in the 2010-11 Enacted Budget and the approach taken to maintain Foundation Aid and other aids that provide operating support at 2010-11 levels.
- **Charter Schools:** The Executive Budget provides \$25.1 million in Transitional Aid for school districts impacted by a concentration of charter schools, as well as \$4.8 million for technical assistance and start-up grants for charter schools.
- **Roosevelt Union Free School District:** The Executive Budget recommends a \$6 million Academic Improvement Grant for the Roosevelt Union Free School District. This is the same amount provided to Roosevelt in the 2010-11 school year.
- **Teachers of Tomorrow:** The Executive Budget continues this \$25 million incentive program, which provides awards and stipends to retain and attract teachers into New York State classrooms in areas where teacher shortages exist.
- **Teacher Mentor Intern Program:** The \$2 million Teacher-Mentor Intern program is continued at the 2010-11 funding level.
- **Bilingual Education/English Language Learners:** The Executive Budget maintains \$12.5 million in funding for Bilingual Education grants. These funds support programs which include technical assistance centers, two-way bilingual classrooms, intensive bilingual teacher training and leadership programs.

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- **Other Programs:** The Executive Budget recommends funding based on existing statutory formulas for several programs including the following: Textbook Aid, Library Materials Aid, Computer Software Aid, Computer Hardware Aid, Full Day Kindergarten Conversion Aid and Reorganization Operating Aid. In addition, funding levels based on existing reimbursement methodologies are recommended for certain other categorical programs, including Urban-Suburban Transfer, Education of Homeless Pupils, Education of Incarcerated Youth, Education of Office of Mental Health/Office for People with Developmental Disabilities students, and Native American Building Aid.
- **Federal Race to the Top:** The Executive Budget would continue the Federal Race to the Top program. In August 2010, New York State was awarded \$696.6 million in Race to the Top funding. Over the next four years, this funding will support major reforms in standards and assessments, data systems, teacher and principal preparation and evaluation, with the goal of turning around the lowest-achieving schools. Race to the Top funding will be spent consistent with a plan submitted by the State Education Department and approved by the U.S. Department of Education that includes providing at least 50 percent of the funds to schools to be used for implementing the new reforms. The balance of funds will be used for statewide capacity building and supplemental grants to schools related to the reform initiatives.
- **Reimbursement for the Metropolitan Commuter Transportation Mobility Tax:** The Executive Budget includes \$70 million for full reimbursement of school district expenses for the mobility tax.

Other proposals in the Executive Budget relating to school districts include:

- **Mandate Relief:** The Governor has created the Mandate Relief Redesign Team by Executive Order. This team – made up of representatives of the Legislature, local government, education and private industry – will conduct a rigorous and comprehensive review of mandates imposed on school districts and other local taxing districts in order to look for the best and most cost-effective ways to deliver mandated programs and services and identify mandates that are ineffective, unnecessary, outdated and duplicative. The Team will report to the Governor on March 1, 2011.
- **Maintain the Contract for Excellence Program:** School districts recently participating in the Contracts for Excellence program would continue operating approved academic intervention programs consistent with Contract for Excellence requirements. However, the required investment in these programs will be permitted to decline by the same percentage as the district's formula-based aid will be reduced under the Gap Elimination Adjustment. This approach will ensure the continued participation of 23 school districts, including all "Big Five" city school districts (New York City, Buffalo, Rochester, Syracuse and Yonkers).
- **Allow Access to Employee Benefit Accrued Liability Reserve Funds:** In order to maintain educational programming during the 2011-12 school year, a school district's governing board would be permitted to authorize a withdrawal of excess funds in an employee benefits accrued liability reserve fund. The amount withdrawn could not exceed the Gap Elimination Adjustment for a school district. The State Comptroller would first certify that the amount remaining in the Fund is sufficient to meet employee benefit requirements after the withdrawal.

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PERFORMANCE INCENTIVES

The 2011-12 Executive Budget includes a competitive program to reward efficient and improving schools, modeled on the Federal Race to the Top program. A total of \$500 million will be awarded via two \$250 million competitive grants:

- **School District Performance Improvement Awards:** Grants totaling \$250 million will be awarded to school districts that demonstrate significant improvements in their student performance outcomes. This program would build upon the objectives of the Race to the Top program by providing additional State funding to those school districts with most improved academic achievement gains and student outcomes.
- **School District Management Efficiency Awards:** Competitive grants totaling \$250 million will be awarded to school districts that undertake long-term structural changes which will reduce costs and improve efficiency.

STATE OPERATIONS

The taxpayer-supported General Fund accounts for seven percent of the State Education Department's overall operating budget. Federal grants, including programs for disadvantaged pupils, account for 61 percent of the agency's resources. The remaining 32 percent is derived from fees, chargebacks and other miscellaneous receipts. For 2011-12, SED's General Fund State Operations budget totals \$38 million, a decrease of \$4 million from the 2010-11 Enacted Budget.

SPECIAL EDUCATION

School-Age Special Education

School districts receive funding for special education services provided to school-age children through the Foundation Aid formula. In addition, Public High Cost Special Education Aid and Private Special Education Aid supplement Foundation Aid for students with severe needs. The Executive Budget recommends continuing existing statutory provisions for these two aid categories with total funding of \$825 million for the 2011-12 school year, an increase of \$41 million (5 percent).

Preschool Special Education

Approximately 500 providers (school districts, BOCES, and private entities) operate preschool special education programs that provide educational and therapeutic services to approximately 100,000 children aged 3 to 5 during any given school year. The General Fund recommendation of \$868 million will support a 59.5 percent State share of preschool special education program costs in the 2011-12 fiscal year.

Summer School Special Education

The summer school special education program supports educational services provided during July and August for approximately 43,000 disabled students aged 5 to 21. The State has historically supported 70 percent of the total education, transportation and maintenance costs of these programs regardless of a school district's relative wealth. The

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2011-12 Executive Budget proposes to more closely align State reimbursement to school districts for summer school special education costs with wealth-based aid ratios used during the regular school year. Additionally, the priority of payment will be for claims for services provided during the 2011-12 school year, with State reimbursement for costs incurred for prior school years limited to \$100 million during the upcoming fiscal year.

Private Schools for the Blind and Deaf

Currently, nearly 1,500 students attend 11 State-supported private schools for the blind and deaf. Unlike other private special education schools, these schools have historically been funded through a discrete State appropriation. The Executive Budget would consolidate these 11 private schools into the broader classification of private special education schools to realign them with the needs of the State's current special education population. As such, State support for the costs of students attending these schools would be provided through Private Excess Cost Aid, as is the case for students attending other private special education schools at the direction of school districts.

EDUCATION-RELATED PROGRAMS

The Executive Budget recommends a net year-to-year reduction of approximately \$23.5 million in funding for education-related programs. Major actions include:

- **Aid for Nonpublic Schools:** The Executive Budget provides nonpublic schools \$74.2 million in aid for mandated services and \$26.2 million for the comprehensive attendance-taking program. This represents a decrease of \$8.7 million (-8 percent) from the 2010-11 Enacted Budget.
- **Library Aid:** The Executive Budget provides \$76 million in funding for Library Aid; this represents a decrease of \$8.4 million (-10 percent) from the 2010-11 Enacted Budget. In addition, \$14 million in capital funding is included for public library construction projects.
- **Public Broadcasting Aid:** The Executive Budget provides \$13.5 million in State support for New York's public broadcasting stations, which includes support for eight public radio stations, three public television stations, and five stations that broadcast both radio and television. This represents a decrease of \$1.5 million (-10 percent) from the 2010-11 Enacted Budget.
- **Bundy Aid:** The Executive Budget recommends \$35.1 million for Unrestricted Aid for Independent Colleges and Universities, also known as Bundy Aid. This represents a \$3.9 million (-10 percent) decrease from the 2010-11 Enacted Budget.
- **Education Improvement Performance Grants:** The Executive Budget includes new funding of \$1.7 million for competitive grants for programs with demonstrated success in improving achievement outcomes.
- **Capital Projects:** The Executive Budget includes \$3.4 million in new capital support for various minor rehabilitation projects to maintain SED's facilities in safe operating condition. This represents a decrease of 50 percent from 2010-11 funding level of \$6.8 million and is consistent with the Department's priorities. SED will use these funds for various health and safety and critical infrastructure projects at its 24 State-owned buildings.

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EDUCATION-RELATED PROGRAMS

Program	(\$000)		
	2010-11 School Year	2011-12 School Year	Change
Academic Intervention Services for Nonpublic Schools	922	922	0
Adult Basic Education	1,843	1,843	0
Adult Literacy Education	4,293	4,293	0
Charter School Start-Up and Technical Assistance	4,837	4,837	0
County Vocational Education and Extension Boards	932	932	0
Education of Children of Migrant Workers	89	89	0
Education Improvement Performance Grants	0	1,730	1,730
Extended Day/School Safety Program	24,343	24,343	0
Fiscal Stabilization Grants	30,022	30,022	0
Health Education Program	691	691	0
Math and Science High Schools*	1,382	1,382	0
National Board for Professional Teaching Standards	490	0	(490)
Nonpublic School Aid	109,105	100,377	(8,728)
Postsecondary Aid to Native Americans	598	598	0
Primary Mental Health	894	0	(894)
Prior Year Claims	15,046	15,046	0
School Lunch and Breakfast Program	32,300	33,100	800
Statewide Center for School Safety	466	466	0
Student Mentoring and Tutoring Initiative	490	0	(490)
Summer Food Program	3,049	3,049	0
SUNY Center for Autism and Related Disabilities	490	490	0
Syracuse City School District/Say Yes to Education*	350	350	0
Targeted Prekindergarten	1,303	1,303	0
Subtotal P-12 Education programs	233,935	225,863	(8,072)
Bundy Aid	39,032	35,129	(3,903)
Collegiate Science and Technology Entry Program	7,406	7,406	0
High Needs Nursing	941	0	(941)
Higher Education Opportunity Program	20,783	20,783	0
Liberty Partnerships	10,842	10,842	0
Science and Technology Entry Program	9,774	9,774	0
Teacher Opportunity Corps	671	0	(671)
Subtotal Higher Education Programs	89,449	83,934	(5,515)
Library Aid	84,458	76,012	(8,446)
Public Broadcasting Aid*	15,002	13,502	(1,500)
Subtotal Cultural Education Programs	99,460	89,514	(9,946)
College Readers Program	294	294	0
Independent Living Centers	12,361	12,361	0
Supported Employment	15,160	15,160	0
VESID Case Services	54,000	54,000	0
Subtotal Vocational Rehab Programs	81,815	81,815	0
Total Education-Related Programs	504,659	481,126	(23,533)

*Includes Federal ARRA funding in 2010-11.

SCHOOL TAX RELIEF (STAR)

The School Tax Relief (STAR) program was enacted in 1997 to provide needed tax relief for homeowners across the State. The Executive Budget provides \$3.3 billion for the STAR program comprised of the Enhanced STAR exemption for eligible senior citizens, the Basic STAR exemption for other qualified homeowners, and the New York City Personal Income tax rate reduction and refundable tax credit.

Major budget actions include:

- **Adjust STAR Exemption Benefit:** When the STAR program was created, it included a mechanism to prevent large drops in benefits resulting from rising property values. However, no similar mechanism was created to prevent significant benefit increases driven by declines in property values. As a result, STAR spending increased significantly in areas where property values declined

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dramatically, but the increases were unrelated to property tax burdens. To control spending growth, the Executive Budget limits growth in exemption benefits to two percent annually. This change is worth \$125 million in 2011-12.

- **Audit STAR Recipients to Discover and Eliminate Fraud:** The Tax Department will use its in-house database management systems to identify those homeowners who do not qualify for the benefit, then send a list to local assessors to verify. This is expected to produce annual savings of \$50 million starting in 2012-13.
- **Create a Mechanism for STAR Recipients to Repay Improper Exemption:** The Executive Budget creates a mechanism for STAR recipients to repay (with interest and a \$500 processing fee) STAR exemptions received that they acknowledge they were not entitled to. This will generate \$100,000 in 2011-12.

PROGRAM HIGHLIGHTS

Under the policy direction of the Board of Regents, operational responsibilities of the State Education Department include administration, regulation and review of numerous education programs. The following provides a description of the major program areas administered by the Department:

SCHOOL AID

The Executive Budget provides \$19.4 billion in School Aid for the 2011-12 school year. State support for public schools, including lottery payments, accounts for approximately 23 percent of State operating funds and 29 percent of the General Fund.

School Aid is distributed to school districts through formula-based aids and categorical grants including the following:

- **Foundation Aid** is based on the cost of a successful education adjusted by regional cost variations and pupil needs. The 2011-12 Executive Budget would maintain Foundation Aid at its current level of \$14.9 billion.
- **Transportation Aid and Building Aid** provide support to school districts for student transportation and the construction/preservation of school facilities. These two aid categories will total \$4.3 billion. They account for 22 percent of overall School Aid.
- **Universal Prekindergarten** provides grants to school districts ranging from \$2,700 to \$6,500 per child reflective of varying district wealth and educational needs. For the 2011-12 school year, funding will be available for approximately 108,400 students to attend Universal Prekindergarten programs throughout the State.
- **Specialized Aid and Grant Programs** address specific educational needs, ranging from textbooks to adult education programs.

PROGRAMS FOR STUDENTS WITH SPECIAL NEEDS

New York provides a full spectrum of special education services for students aged 3 to 21. These services range from speech therapy to placement in full-time residential schools for school-age children with the most severely disabling conditions. Statewide,

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over 400,000 children with special needs receive special education services. Students who require particularly intensive programs are served by approximately 150 private schools, including 13 Special Act School Districts.

Two State-operated schools provide specialized services for blind and deaf students with multiple disabilities. The Batavia School for the Blind serves 54 blind and multiply-disabled students. The Rome School for the Deaf serves 70 deaf and multiply-disabled school-age students.

EDUCATION-RELATED PROGRAMS

The State Education Department also administers various programs that address specialized student needs or reimburse school districts for education-related services.

Major programs include:

- **School Nutrition Programs:** The Executive Budget recommends \$36 million in State funds to supplement Federal support for the School Lunch and Breakfast program and the Summer Food service program. Approximately 400 million school meals are served annually to nearly three million students participating in the school lunch and breakfast program. In addition, more than 280 sponsors of summer food programs serve free meals to approximately 325,000 low-income students participating in summer recreation programs.
- **Aid for Nonpublic Schools:** The Executive Budget recommends a total of \$100.4 million to reimburse nonpublic schools for the cost of mandated services and comprehensive attendance-taking.

CULTURAL EDUCATION

Cultural Education programs administered by the State Education Department include support for public broadcasting stations and aid to public libraries and library systems. The State Library, the State Museum and the State Archives are located in the Cultural Education Center in Albany and are also administered by SED staff.

The State Library is the largest of its kind in the nation, providing reference information and other coordinated library services to State agencies, businesses and the public. The State Library also charters all libraries in the State and distributes State and Federal aid to local libraries.

The State Museum is the largest state-operated museum in the nation and contains exhibits on New York's cultural and natural history. The Museum is also a major research center and the home of the Geological Survey, Biological Survey, Anthropological Survey and the Historical Survey. Each of these surveys is involved with developing and maintaining the collections and exhibits of the State Museum. The State Museum also administers the Cultural Resource Survey Program, which oversees the handling and preservation of artifacts found at construction sites.

The State Archives is responsible for the maintenance and preservation of important State and local government records. In addition to its operations in the Cultural Education Center, the State Archives also operates the State Records Center at the Harriman State Office Campus in Albany. The operations of the State Museum, State Library and State Archives are largely supported by a surcharge on certain documents filed in county clerk offices.

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HIGHER EDUCATION AND REGULATION OF THE PROFESSIONS

The Office of Higher Education and the Professions is responsible for ensuring the quality and availability of postsecondary education programs and regulating professionals in order to protect the public by ensuring the quality and integrity of services provided to consumers in the State. This Office conducts the following activities:

- Assists the Regents in making higher education policies and plans; administers aid programs for colleges, universities and students; and reviews and registers academic programs of degree-granting institutions. This Office also oversees teacher certification and discipline and background checks for prospective school personnel.
- Licenses and provides oversight for members of the 48 professions regulated pursuant to Title VIII of the Education Law, including the following: Nursing, Optometry, Dentistry, Pharmacy, Veterinary Medicine, Social Work, Architecture, Engineering and Public Accountancy. The Office is also responsible for enforcing standards of practice, codes of conduct and professional discipline for the licensees, except members of the medical professions (Physicians, Physician Assistants and Special Assistants) whose professional conduct is within the purview of the Department of Health. Professional licensure, oversight and enforcement functions are self-supporting through the collection of professional licensing fees and fines.

ADULT CAREER AND CONTINUING EDUCATION SERVICES

The former Vocational and Educational Services for Individuals with Disabilities (VESID) program is now called Adult Career and Continuing Education Services (ACCES). Special education, formerly part of VESID, is now under the auspices of the new Office of Prekindergarten through Grade Twelve Education. ACCES supports, promotes and develops the State's adult education programs; provides a full range of services that may be needed by people with disabilities, including vocational rehabilitation services; regulates the State's proprietary schools; and oversees the General Education Development (GED) testing office within the State Education Department.

Using its network of 15 district offices across the State, ACCES provides vocational rehabilitation services to clients with disabilities tailored to their individual goals, capabilities and needs. In 2009-10, this program arranged job placements for nearly 12,000 individuals from an active caseload of 58,000.

SCHOOL TAX RELIEF (STAR)

For 2011-12, STAR will provide New York's taxpayers with savings of \$3.3 billion in school tax relief.

School Property Tax Relief

- In 2011-12, approximately 630,000 senior homeowners will be eligible to receive an enhanced exemption. The statewide average STAR enhanced benefit for seniors is estimated at \$1,253. To be eligible for the enhanced benefit, residential property owners must be at least 65 years of age (if property is owned by husband and wife or by siblings, then one of them must be at least 65 years old. Eligibility

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was expanded in 2000 to surviving spouses who are at least 62 years of age, and certain nursing home residents). In addition to the age requirement, annual income cannot exceed \$79,050 to receive benefits in 2011.

- In 2011-12, the school property tax exemption will provide over 2.8 million qualified homeowners who are not eligible for the senior citizen enhanced exemption with a full value equivalent homestead exemption of at least \$30,000. Statewide tax savings relating to this basic STAR exemption will average \$681.
- The exemptions provided to homeowners living in counties where median home sale prices exceed the statewide median are adjusted upward from the minimums stated above to account for regional variations in property values.
- Legislation accompanying the Executive Budget would correct STAR exemption benefit oversight and create a mechanism for STAR recipients to repay improper exemptions.

New York City Tax Reduction

- Under the current STAR program, New York City's more than 3 million resident personal income taxpayers receive a rate reduction benefit on the first \$500,000 of income.
- Those taxpayers whose income is below certain thresholds also receive a flat refundable credit.
- Total New York City taxpayer savings will be nearly \$580 million in 2011-12, or about 7 percent of tax liability.

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Program	School Aid			
	School Year Payments (Millions)			
	Estimated 2010-11	Recommended 2011-12	Change Amount	Change Percent
<u>I. Formula-Based Aids:</u>				
Foundation Aid	14,893.62	14,893.62	0.00	0.00
Excess Cost - High Cost	454.14	482.62	28.48	6.27
Excess Cost - Private	330.45	342.73	12.28	3.72
Reorganization Operating Aid	2.86	2.86	0.00	0.00
Textbooks (Incl. Lottery)	181.03	182.09	1.06	0.59
Computer Hardware	37.88	37.93	0.05	0.13
Computer Software	45.20	46.37	1.17	2.59
Library Materials	19.17	19.40	0.23	1.20
BOCES	701.69	720.08	18.39	2.62
Special Services	211.09	213.89	2.80	1.33
Transportation (Including Summer)	1,583.32	1,654.69	71.37	4.51
High Tax	204.77	204.77	0.00	0.00
Universal Prekindergarten	393.00	393.00	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Supplemental Educational Improvement Grant	17.50	17.50	0.00	0.00
Charter School Transitional Aid	23.22	25.11	1.89	8.14
Full-Day Kindergarten	1.36	4.67	3.31	243.38
Academic Enhancement Aid	8.32	8.32	0.00	0.00
Supplemental Public Excess Cost	4.31	4.31	0.00	0.00
Formula-Based Aids	19,114.13	19,255.17	141.04	0.74
Gap Elimination Adjustment	(2,138.07)	(2,785.79)	(647.72)	NA
Federal SFSF and Education Jobs Fund Restorations	1,333.51	0.00	1,333.51	NA
Net Gap Elimination Adjustment	(804.56)	(2,785.79)	(1,981.23)	NA
FMAP Reduction	(131.51)	0.00	131.51	NA
	(936.07)	(2,785.79)	(1,849.72)	NA
Formula-Based Aids w/ GEA, SFSF, Ed Jobs, and FMAP	18,178.06	16,469.38	(1,708.68)	(9.40)
Building Aid/Reorganization Building	2,488.58	2,659.91	171.33	6.88
Total Formula-Based and Other Aids	20,666.64	19,129.29	(1,537.35)	(7.44)
<u>II. Grant Programs and Additional Aid Categories:</u>				
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher-Mentor Intern	2.00 (a)	2.00	0.00	0.00
School Health Services	13.84	13.84	0.00	0.00
Roosevelt	6.00	6.00	0.00	0.00
Urban-Suburban Transfer	2.73	2.73	0.00	0.00
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	16.23	17.23	1.00	6.16
Incarcerated Youth	18.75	19.50	0.75	4.00
Bilingual Education	12.50	12.50	0.00	0.00
Education of OMH/OPWDD Pupils	72.00	76.00	4.00	5.56
Special Act School Districts	2.70	2.70	0.00	0.00
Chargebacks	(52.00)	(54.50)	(2.50)	0.00
BOCES Aid for Special Act Districts	0.70	0.70	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Native American Building Aid	3.50	5.00	1.50	42.86
Native American Education	35.00	32.00	(3.00)	(8.57)
Bus Driver Safety	0.40	0.40	0.00	0.00
Total Grant Programs and Additional Aid Categories	258.64	260.39	1.75	0.68
SCHOOL YEAR TOTAL	20,925.28	19,389.68	(1,535.60)	(7.34)

(a) Supported in full by American Recovery and Reinvestment (ARRA) Aid.

EDUCATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	596,334,000	566,868,000	(29,466,000)	459,423,000
Aid To Localities	32,193,128,000	29,046,154,000	(3,146,974,000)	9,330,784,000
Capital Projects	41,200,000	17,400,000	(23,800,000)	143,096,000
Total	<u>32,830,662,000</u>	<u>29,630,422,000</u>	<u>(3,200,240,000)</u>	<u>9,933,303,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Adult Career and Continuing Education Services			
Special Revenue Funds - Federal	957	957	0
Office of Management Services Program			
General Fund	55	55	0
Special Revenue Funds - Other	210	210	0
Internal Service Funds	135	135	0
Office of Pre-kindergarten Through Grade 12 Education			
General Fund	149	149	0
Special Revenue Funds - Federal	330	330	0
School for the Blind			
Special Revenue Funds - Other	121	121	0
School for the Deaf			
Special Revenue Funds - Other	96	96	0
Higher Education and the Professions, Office of			
General Fund	42	42	0
Special Revenue Funds - Federal	9	9	0
Special Revenue Funds - Other	404	404	0
Cultural Education			
General Fund	7	7	0
Special Revenue Funds - Federal	59	59	0
Special Revenue Funds - Other	209	209	0
Internal Service Funds	23	23	0
Total	<u>2,806</u>	<u>2,806</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	42,564,000	38,309,000	(4,255,000)
Special Revenue Funds - Federal	367,224,000	345,703,000	(21,521,000)
Special Revenue Funds - Other	154,983,000	149,293,000	(5,690,000)
Internal Service Funds	31,563,000	33,563,000	2,000,000
Total	<u>596,334,000</u>	<u>566,868,000</u>	<u>(29,466,000)</u>

Adjustments:			
Transfer(s) From			
Special Pay Bill			
Special Revenue Funds - Federal	(39,000)		
Special Revenue Funds - Other	(683,000)		
Appropriated 2010-11	<u>595,612,000</u>		

EDUCATION

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Adult Career and Continuing Education			
Services			
General Fund	2,400,000	2,160,000	(240,000)
Special Revenue Funds - Federal	122,393,000	122,393,000	0
Special Revenue Funds - Other	7,481,000	7,781,000	300,000
Office of Management Services Program			
General Fund	11,633,000	10,470,000	(1,163,000)
Special Revenue Funds - Other	27,504,577	25,505,000	(1,999,577)
Internal Service Funds	18,914,000	20,914,000	2,000,000
Office of Pre-kindergarten Through Grade 12 Education			
General Fund	20,553,000	18,498,000	(2,055,000)
Special Revenue Funds - Federal	222,514,000	204,980,000	(17,534,000)
Special Revenue Funds - Other	5,631,000	1,631,000	(4,000,000)
School for the Blind			
Special Revenue Funds - Other	10,060,000	10,070,000	10,000
School for the Deaf			
Special Revenue Funds - Other	9,661,000	9,661,000	0
Higher Education and the Professions, Office of			
General Fund	7,376,000	6,639,000	(737,000)
Special Revenue Funds - Federal	2,952,000	2,952,000	0
Special Revenue Funds - Other	52,624,000	52,624,000	0
Cultural Education			
General Fund	602,000	542,000	(60,000)
Special Revenue Funds - Federal	19,365,000	15,378,000	(3,987,000)
Special Revenue Funds - Other	42,021,423	42,021,000	(423)
Internal Service Funds	12,649,000	12,649,000	0
Total	<u>596,334,000</u>	<u>566,868,000</u>	<u>(29,466,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Adult Career and Continuing Education				
Services	684,000	(76,000)	630,000	(70,000)
Office of Management Services Program	6,553,000	(728,000)	6,319,000	(702,000)
Office of Pre-kindergarten Through Grade 12 Education	12,193,000	(1,354,000)	11,597,000	(1,288,000)
Higher Education and the Professions, Office of	2,834,000	(315,000)	2,815,000	(313,000)
Cultural Education	398,000	(44,000)	398,000	(44,000)
Total	<u>22,662,000</u>	<u>(2,517,000)</u>	<u>21,759,000</u>	<u>(2,417,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Adult Career and Continuing Education				
Services	54,000	(6,000)	0	0
Office of Management Services Program	117,000	(13,000)	117,000	(13,000)
Office of Pre-kindergarten Through Grade 12 Education	466,000	(52,000)	130,000	(14,000)
Higher Education and the Professions, Office of	18,000	(2,000)	1,000	0
Cultural Education	0	0	0	0
Total	<u>655,000</u>	<u>(73,000)</u>	<u>248,000</u>	<u>(27,000)</u>

EDUCATION

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Adult Career and Continuing Education				
Services	1,476,000	(164,000)	36,000	(4,000)
Office of Management Services Program	3,917,000	(435,000)	203,000	(23,000)
Office of Pre-kindergarten Through Grade 12 Education	6,305,000	(701,000)	90,000	(10,000)
Higher Education and the Professions, Office of	3,805,000	(422,000)	57,000	(6,000)
Cultural Education	144,000	(16,000)	23,000	(3,000)
Total	15,647,000	(1,738,000)	409,000	(46,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Adult Career and Continuing Education				
Services	5,000	(1,000)	1,435,000	(159,000)
Office of Management Services Program	103,000	(11,000)	1,429,000	(159,000)
Office of Pre-kindergarten Through Grade 12 Education	112,000	(12,000)	5,891,000	(655,000)
Higher Education and the Professions, Office of	57,000	(6,000)	3,634,000	(404,000)
Cultural Education	2,000	0	115,000	(13,000)
Total	279,000	(30,000)	12,504,000	(1,390,000)

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Adult Career and Continuing Education				
Services	0	0	0	0
Office of Management Services Program	714,000	(79,000)	1,468,000	(163,000)
Office of Pre-kindergarten Through Grade 12 Education	212,000	(24,000)	0	0
Higher Education and the Professions, Office of	57,000	(6,000)	0	0
Cultural Education	4,000	0	0	0
Total	987,000	(109,000)	1,468,000	(163,000)

EDUCATION

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Adult Career and Continuing Education Services	130,174,000	300,000	58,052,000	14,000
Office of Management Services Program	46,419,000	423	24,651,000	275
Office of Pre-kindergarten Through Grade 12 Education	206,611,000	(21,534,000)	82,358,000	0
School for the Blind	10,070,000	10,000	5,956,000	(105,000)
School for the Deaf	9,661,000	0	5,574,000	(186,000)
Higher Education and the Professions, Office of	55,576,000	0	25,241,000	0
Cultural Education	70,048,000	(3,987,423)	29,677,000	(275)
Total	528,559,000	(25,211,000)	231,509,000	(277,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Adult Career and Continuing Education Services	72,122,000	15,173,824	0	(14,887,824)
Office of Management Services Program	21,768,000	148	0	0
Office of Pre-kindergarten Through Grade 12 Education	114,053,000	8,978,176	10,200,000	(30,512,176)
School for the Blind	4,114,000	115,000	0	0
School for the Deaf	4,087,000	186,000	0	0
Higher Education and the Professions, Office of	30,335,000	721,000	0	(721,000)
Cultural Education	40,371,000	1,135,852	0	(5,123,000)
Total	286,850,000	26,310,000	10,200,000	(51,244,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	18,245,852,000	18,721,587,000	475,735,000
Special Revenue Funds - Federal	7,484,797,000	4,084,088,000	(3,400,709,000)
Special Revenue Funds - Other	6,462,479,000	6,240,479,000	(222,000,000)
Total	32,193,128,000	29,046,154,000	(3,146,974,000)

EDUCATION

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Adult Career and Continuing Education			
Services			
General Fund	81,815,000	81,815,000	0
Special Revenue Funds - Federal	521,776,000	118,776,000	(403,000,000)
Special Revenue Funds - Other	12,458,000	12,458,000	0
Office of Management Services Program			
Special Revenue Funds - Other	5,214,000	5,214,000	0
Office of Pre-kindergarten Through Grade 12 Education			
General Fund	17,980,715,000	18,466,324,000	485,609,000
Special Revenue Funds - Federal	6,936,627,000	3,959,912,000	(2,976,715,000)
Special Revenue Funds - Other	3,163,000,000	2,912,000,000	(251,000,000)
School Tax Relief			
Special Revenue Funds - Other	3,273,000,000	3,302,000,000	29,000,000
Higher Education and the Professions, Office of			
General Fund	89,449,000	83,934,000	(5,515,000)
Cultural Education			
General Fund	93,873,000	89,514,000	(4,359,000)
Special Revenue Funds - Federal	26,394,000	5,400,000	(20,994,000)
Special Revenue Funds - Other	8,807,000	8,807,000	0
Total	<u>32,193,128,000</u>	<u>29,046,154,000</u>	<u>(3,146,974,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Education Building				
Capital Projects Fund	0	0	0	2,026,000
Capital Projects Fund - Advances	0	0	0	20,000
School for the Blind				
Capital Projects Fund	0	0	0	2,095,000
Capital Projects Fund - Advances	0	0	0	200,000
School for the Deaf				
Capital Projects Fund	0	0	0	676,000
Schools For Native American Reservations				
Capital Projects Fund	0	0	0	120,000
Capital Projects Fund - Authority Bonds	0	0	0	3,398,000
Cultural Education Center				
Capital Projects Fund	0	0	0	12,403,000
Capital Projects Fund - Advances	0	0	0	1,280,000
Capital Projects Fund - Authority Bonds	0	0	0	13,797,000
Administration				
Capital Projects Fund	6,800,000	3,400,000	(3,400,000)	10,458,000
Capital Projects Fund - Authority Bonds	20,400,000	0	(20,400,000)	20,400,000
Library Construction				
Library Aid (Auth Bonds)	14,000,000	14,000,000	0	16,222,000
Public Broadcasting Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	1,000
Cultural Education Storage Facility				
Cap Proj Fund - Cultrual Education Storage Facility	0	0	0	60,000,000
Total	<u>41,200,000</u>	<u>17,400,000</u>	<u>(23,800,000)</u>	<u>143,096,000</u>

STATE BOARD OF ELECTIONS

MISSION

The New York State Board of Elections executes and enforces all laws relating to the elective franchise and oversees the disclosure of campaign financing and practices.

ORGANIZATION AND STAFFING

The State Board of Elections is comprised of four commissioners, two chosen by each major political party. The Board administers provisions of the Election Law regarding campaign financial disclosure, including civil judgments levied for failure to file disclosure documents; oversees the petitioning process and certification of ballots; investigates allegations of criminal violations of the Election Law and recommends prosecution where warranted; and certifies electronic voting machines purchased by local Boards of Elections. The Board also assists County Boards of Elections by completing administrative reviews, assisting in resolving complaints and monitoring statewide compliance with the Help America Vote Act (HAVA), the National Voter Registration Act (NVRA) and the Military and Overseas Voter Empowerment Act (MOVE).

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$13.5 million** All Funds (\$5.5 million General Fund; \$8.0 million Other Funds) for the State Board of Elections. This is a General Fund decrease of **\$614,000 (-10 percent)** from the 2010-11 budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

Over the past 30 years, the scope of the Board's services has grown to include providing legal counsel to the 62 County Boards of Election, administering registration efforts, providing technical assistance to administrators of elections, investigating violations of the Election Law and coordinating the State's responses to new Federal election requirements.

New York continues to work towards full compliance with federal election mandates and achieved a major milestone with the successful deployment in 2010 of new voting systems.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	13,135,000	12,521,000	(614,000)	25,000,000
Aid To Localities	1,000,000	1,000,000	0	76,100,000
Capital Projects	0	0	0	0
Total	14,135,000	13,521,000	(614,000)	101,100,000

ELECTIONS

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Regulation of Elections			
General Fund	60	60	0
Total	60	60	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	6,135,000	5,521,000	(614,000)
Special Revenue Funds - Federal	6,500,000	6,500,000	0
Special Revenue Funds - Other	500,000	500,000	0
Total	13,135,000	12,521,000	(614,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Regulation of Elections			
General Fund	6,135,000	5,521,000	(614,000)
Special Revenue Funds - Federal	6,500,000	6,500,000	0
Special Revenue Funds - Other	500,000	500,000	0
Total	13,135,000	12,521,000	(614,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Regulation of Elections	3,746,000	(416,000)	3,727,000	(366,000)
Total	3,746,000	(416,000)	3,727,000	(366,000)
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Regulation of Elections	15,000	(46,000)	4,000	(4,000)
Total	15,000	(46,000)	4,000	(4,000)

ELECTIONS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Regulation of Elections	1,775,000	(198,000)	65,000	(15,000)
Total	<u>1,775,000</u>	<u>(198,000)</u>	<u>65,000</u>	<u>(15,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Regulation of Elections	25,000	(5,000)	1,610,000	(153,000)
Total	<u>25,000</u>	<u>(5,000)</u>	<u>1,610,000</u>	<u>(153,000)</u>

Program	Equipment	
	Amount	Change
Regulation of Elections	75,000	(25,000)
Total	<u>75,000</u>	<u>(25,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Regulation of Elections	7,000,000	0	500,000	0
Total	<u>7,000,000</u>	<u>0</u>	<u>500,000</u>	<u>0</u>

Program	Maintenance Undistributed	
	Amount	Change
Regulation of Elections	6,500,000	0
Total	<u>6,500,000</u>	<u>0</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Total	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2010-11	Recommended 2011-12	Change
Regulation of Elections			
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Total	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>

EMPIRE STATE DEVELOPMENT CORPORATION

MISSION

Doing business as Empire State Development Corporation (ESDC), the Urban Development Corporation (UDC) is a New York State public benefit corporation. Its overall objective is to stimulate economic growth through the creation of jobs by fostering business development, enhancing industrial competitiveness, revitalizing downtown areas, advancing high technology and promoting tourism. It engages in three principal activities: economic and real estate development; State facility financing; and housing portfolio maintenance.

ECONOMIC AND REAL ESTATE DEVELOPMENT

The Corporation provides financial and technical assistance to businesses, local governments, and community-based not-for-profit corporations for economic development and large-scale real estate projects that create and/or retain jobs in New York and reinvigorate distressed areas.

STATE FACILITY FINANCING

The Empire State Development Corporation issues bonds to finance the construction and modernization of correctional facilities and other special projects for the State. Debt service on these bonds is paid from State appropriations.

HOUSING PORTFOLIO MAINTENANCE

In the early 1970s, the Urban Development Corporation built 113 large-scale housing developments for low- to middle-income persons. The Corporation also built non-residential civic and industrial properties, including the Niagara Falls Convention Center, the Wards Island Fire Training Center, the Monroe County Fairgrounds, the Ten Eyck Plaza in Albany, and public school facilities in Buffalo, Manhattan, the Bronx, and Brooklyn. Since the mid-1970s, activity in this area has been limited to the monitoring and loan servicing of projects.

ORGANIZATION AND STAFFING

Historically, State economic development programs have been administered by the Empire State Development Corporation working in conjunction with the Department of Economic Development. In addition, the Corporation and Department have worked closely with the Foundation for Science, Technology, and Innovation to foster technology-related job creation. The 2011-12 Executive Budget would reform and reinvent New York's high technology academic research and economic development efforts by fully merging the Foundation into the Corporation. This recommendation will streamline and improve the delivery of economic development services, eliminate duplicative administrative support and save \$1.9 million in State taxpayer dollars.

For 2011-12, ESDC will be overseen by a chairman who will coordinate statewide operations of the newly consolidated entity and collaborate with stakeholders on establishing 10 Regional Economic Development Councils to create a more regionally-based approach to allocating economic development resources.

EMPIRE STATE DEVELOPMENT

OVERSIGHT

The Corporation is governed by a nine-member Board of Directors comprising two ex-officio members and seven members appointed by the Governor with the consent of the Senate. The chairman of the Empire State Development Corporation Board is selected by the Governor. Board members serve without compensation.

SUBSIDIARIES

The Corporation's Board of Directors is authorized to create subsidiaries to manage specific projects or economic development activities. Subsidiaries have been established to: (1) oversee revitalization of Lower Manhattan in the wake of the September 11, 2001 terrorist attacks; (2) formulate policies and initiatives to promote economic growth in Harlem; (3) redevelop Times Square; (4) plan and oversee a mixed-use development on 74.5 acres on the East River in Queens County; (5) redevelop the U.S. Postal Service facility, known as the Farley Building, in connection with the New York City Amtrak Train Station Redevelopment project; (6) promote economic development and tourism, and leverage private investment in Niagara Falls; (7) oversee conversion of the 300-acre Harriman State Office Building Campus in Albany into a world-class research and development park; and (8) coordinate the development of the former Buffalo Memorial Auditorium and additional projects along the waterfront and inner harbor in downtown Buffalo.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$310.8 million** for the Empire State Development Corporation in 2011-12, an increase of **\$239.9 million (338.4 percent)** from 2010-11. However, this increase for ESDC will not increase overall State spending, since ESDC will assume administration of funding formerly provided through the Foundation and through other existing economic development programs to support the newly created Regional Economic Development Councils and Economic Transformation Program Grants, as well as the continued support of projects in the New York City Empowerment Zone.

In 2011-12, Empire State Development Corporation's activities will be funded through a combination of State General Fund appropriations and corporate revenues generated by corporation-owned residential and non-residential properties and by its financing programs.

Major budget actions include:

- **Regional Economic Development Councils:** \$200 million in existing State resources will be provided to support new and competitively selected regional economic development projects and initiatives. Nearly \$130.6 million will be provided by reprioritizing and redirecting existing economic development funds for competitively determined project grants, and \$70 million will be provided in tax credits through the enhanced Excelsior Jobs Program. Ten newly created Regional Economic Development Councils, which will be chaired by the Lieutenant Governor, will compete for these funds based on the best economic development plans; coordinate all economic development resources from State agencies and authorities; and review all previous economic development commitments to ensure projects demonstrating maximum benefits to the State

EMPIRE STATE DEVELOPMENT

- receive the limited State resources available. These Regional Economic Development Councils will consist of local business, community, academic, municipal, State government, labor and other key regional stakeholders;
- **Economic Transformation Program:** The Budget includes \$100 million for new Economic Transformation Program grants for communities adversely impacted by correctional and youth facility closures. In consultation with the new Regional Councils, those affected communities will be able to fund new economic development projects that create jobs and spur new investments, fostering a re-invention of local economies. This spending will be supported by reprioritizing and redirecting existing economic development funds;
 - **Ongoing Economic Development Programs:** \$43.4 million is provided to support ongoing economic development programs, including: the Empire State Economic Development Fund; Minority - and Women-Owned Business Development and Lending programs; the Urban and Community Development Program; the Entrepreneurial Assistance Program; the retention of professional football in Western New York; and other high technology research centers;
 - **Ongoing High Technology Programs:** \$35.9 million is made available to support ongoing university-based matching grant programs, and other high technology and research and development programs previously administered by the Foundation;
 - **Continued support of specific existing capital projects:** Nearly \$2.4 billion is recommended in reappropriations for continued support of various economic development and regional initiatives including statewide competitive grant programs administered by the Corporation, specific downstate regional initiatives, upstate city-by-city projects, and other economic development projects administered by the Corporation and Dormitory Authority of the State of New York. Any new commitments from these resources will be reviewed by the Regional Councils; and
 - **Operations:** The Budget includes \$1 million to support the Empire State Development Corporation's administration and continued development of New York's efforts to support high technology academic research and economic growth.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	45,896,000	55,239,000	9,343,000	380,798,000
Capital Projects	25,000,000	255,550,000	230,550,000	2,449,675,000
Total	<u>70,896,000</u>	<u>310,789,000</u>	<u>239,893,000</u>	<u>2,830,473,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	45,896,000	55,239,000	9,343,000
Total	<u>45,896,000</u>	<u>55,239,000</u>	<u>9,343,000</u>

EMPIRE STATE DEVELOPMENT

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Economic Development			
General Fund	45,896,000	19,378,000	(26,518,000)
High Technology Program			
General Fund	0	34,048,000	34,048,000
Research Development Program			
General Fund	0	343,000	343,000
Training and Business Assistance Program			
General Fund	0	1,470,000	1,470,000
Total	<u>45,896,000</u>	<u>55,239,000</u>	<u>9,343,000</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Regional Development				
Capital Projects Fund - Authority Bonds	0	0	0	666,861,000
Cap Proj Fund - CEFAP (Direct Auth Bonds)	0	0	0	59,898,000
Economic Development				
Capital Projects Fund - Authority Bonds	25,000,000	255,550,000	230,550,000	1,449,927,000
Cap Proj Fund - Downtown Buffalo (Auth Bonds)	0	0	0	22,989,000
Misc. Capital Projects	0	0	0	250,000,000
Total	<u>25,000,000</u>	<u>255,550,000</u>	<u>230,550,000</u>	<u>2,449,675,000</u>

OFFICE OF EMPLOYEE RELATIONS

MISSION

Under the Public Employees' Fair Employment Act (the Taylor Law), the Office of Employee Relations (OER) assists the Governor in relations between the State and its employees, including representing the Executive Branch in collective bargaining negotiations with nine public employee unions. OER's mission is to advance the performance of State government through collaborative labor relations, workforce training, education and benefits.

ORGANIZATION AND STAFFING

OER is organized into five divisions: Executive; Contract Negotiations and Administration; Counsel's Office; Information Technology; and Administration. OER is located in Albany and administered by a Director appointed by the Governor.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$6.8 million** All Funds (\$3.0 million General Fund; \$3.7 million Internal Service Funds; \$121,000 Other Funds) for the Office of Employee Relations. This is a decrease in the General Fund of **\$329,000 (-10 percent)** from the 2010-11 budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Office of Employee Relations' focus in 2011-12 will be negotiating new union contracts to succeed those that expire in 2011, continuing negotiations or interest arbitrations for those bargaining units without contracts that extend into 2011, and administering the terms of current contracts and arbitration awards.

In 2011-12, the agency will continue to develop and implement a statewide Learning Management System. This initiative will enable employees to register for and receive training, and allow State agencies to track employees' progress – seamlessly across the State's entire enterprise.

The joint labor-management committees, with OER as the State's representative, will continue to provide skills training for represented and Management/Confidential employees to increase the efficiency and quality of State operations. Joint committee activities, such as the Employee Assistance Program and NYS-Balance, a resource and referral service, as well as pre-tax health care and dependent care savings plans and the NYS-Ride transportation benefit, all help to improve the quality of State employees' lives on the job and at home.

EMPLOYEE RELATIONS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	7,121,000	6,792,000	(329,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>7,121,000</u>	<u>6,792,000</u>	<u>(329,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Contract Negotiation and Administration		
General Fund	27	27	0
Internal Service Funds	12	12	0
Management Confidential Affairs			
General Fund	4	4	0
Total	<u>43</u>	<u>43</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	3,290,000	2,961,000	(329,000)
Special Revenue Funds - Other	121,000	121,000	0
Internal Service Funds	3,710,000	3,710,000	0
Total	<u>7,121,000</u>	<u>6,792,000</u>	<u>(329,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Contract Negotiation and Administration			
General Fund	2,948,000	2,653,000	(295,000)
Special Revenue Funds - Other	121,000	121,000	0
Internal Service Funds	3,710,000	3,710,000	0
Management Confidential Affairs			
General Fund	342,000	308,000	(34,000)
Total	<u>7,121,000</u>	<u>6,792,000</u>	<u>(329,000)</u>

EMPLOYEE RELATIONS

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	2,551,000	(295,000)	2,541,000	(295,000)
Management Confidential Affairs	281,000	(34,000)	280,000	(34,000)
Total	<u>2,832,000</u>	<u>(329,000)</u>	<u>2,821,000</u>	<u>(329,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	10,000	0	0	0
Management Confidential Affairs	0	0	1,000	0
Total	<u>10,000</u>	<u>0</u>	<u>1,000</u>	<u>0</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	102,000	0	20,000	0
Management Confidential Affairs	27,000	0	1,000	0
Total	<u>129,000</u>	<u>0</u>	<u>21,000</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	10,000	0	72,000	0
Management Confidential Affairs	1,000	0	25,000	0
Total	<u>11,000</u>	<u>0</u>	<u>97,000</u>	<u>0</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	3,831,000	0	986,000	0
Total	<u>3,831,000</u>	<u>0</u>	<u>986,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Contract Negotiation and Administration	2,845,000	0
Total	<u>2,845,000</u>	<u>0</u>

NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

MISSION

The New York State Energy Research and Development Authority (NYSERDA) was established in 1975 to develop and implement new energy technologies, focusing on renewable energy sources and energy conservation.

As part of its central mission, the Authority manages energy research, development and demonstration programs, which are funded by assessments on gas and electric utilities. Projects are selected on a competitive basis to promote applied research on State energy problems.

The Authority administers Federal grant programs which help businesses, schools and hospitals implement energy efficiency measures, and issues tax-exempt bonds on behalf of investor-owned utilities for capital improvements. The Authority also administers the System Benefits Charge, which supports energy programs for low-income consumers, energy efficiency, energy research and development, and environmental protection. In addition, the Authority administers the Renewable Portfolio Standard program, designed to increase the percentage of electricity used by retail customers in the State derived from renewable resources.

The Authority manages the former nuclear fuel reprocessing plant at West Valley in Cattaraugus County and the Saratoga Technology and Energy Park (STEP) in Saratoga County. Currently, NYSERDA has several clean-energy technology companies located at STEP, and is continuing to work toward bringing in other clean-energy technology companies.

ORGANIZATION AND STAFFING

The Energy Research and Development Authority is headed by a 13-member board, consisting of nine members nominated by the Governor with the consent of the Senate and four ex-officio members, who include the commissioners of the departments of Transportation and Environmental Conservation, and the chairs of the Public Service Commission and the Power Authority of the State of New York. All board members serve without compensation.

BUDGET HIGHLIGHTS

The Authority is partially funded by assessments on electric and gas utility gross intrastate operating receipts. The Executive Budget recommends **\$31.5 million** All Funds (\$16.2 million Special Revenue Funds for energy, research and development programs; \$15.3 million Capital Funds for ongoing work at West Valley) for the Energy Research and Development Authority. This is a decrease of **\$3.9 million** (\$3.9 million Capital Funds) **(-11 percent)** from the 2010-11 budget. This change reflects a decrease in capital funding for nuclear waste cleanup activities at West Valley. The Authority's costs at West Valley are largely dictated by a Federal match requirement, and are expected to decrease in 2011-12 as a result of decreased spending by the Federal government.

ENERGY RESEARCH AND DEVELOPMENT

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	6,996,000	8,090,000	1,094,000	0
Aid To Localities	9,234,000	8,140,000	(1,094,000)	0
Capital Projects	19,247,000	15,310,000	(3,937,000)	0
Total	<u>35,477,000</u>	<u>31,540,000</u>	<u>(3,937,000)</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	6,996,000	8,090,000	1,094,000
Total	<u>6,996,000</u>	<u>8,090,000</u>	<u>1,094,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Research, Development and Demonstration			
Special Revenue Funds - Other	6,996,000	8,090,000	1,094,000
Total	<u>6,996,000</u>	<u>8,090,000</u>	<u>1,094,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Research, Development and Demonstration	8,090,000	1,094,000	3,565,000	266,000
Total	<u>8,090,000</u>	<u>1,094,000</u>	<u>3,565,000</u>	<u>266,000</u>

Program	Nonpersonal Service	
	Amount	Change
Research, Development and Demonstration	4,525,000	828,000
Total	<u>4,525,000</u>	<u>828,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	9,234,000	8,140,000	(1,094,000)
Total	<u>9,234,000</u>	<u>8,140,000</u>	<u>(1,094,000)</u>

ENERGY RESEARCH AND DEVELOPMENT

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Research, Development and Demonstration			
Special Revenue Funds - Other	9,234,000	8,140,000	(1,094,000)
Total	<u>9,234,000</u>	<u>8,140,000</u>	<u>(1,094,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Comprehensive Construction Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>	<u>Reappropriations 2011-12</u>
Western New York Nuclear Service Center Program				
Capital Projects Fund	0	15,310,000	15,310,000	0
Capital Projects Fund - Authority Bonds	19,247,000	0	(19,247,000)	0
Total	<u>19,247,000</u>	<u>15,310,000</u>	<u>(3,937,000)</u>	<u>0</u>

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

MISSION

The Department of Environmental Conservation is responsible for conserving, improving and protecting the State's natural resources and environment. The Department also works to control water, land and air pollution in order to enhance the health, safety and welfare of all New Yorkers. In addition, the Department plays a major role in implementing the Environmental Protection Fund, the State's dedicated environmental fund.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner appointed by the Governor subject to Senate confirmation. The Department's Central Office is in Albany, with regional offices in Avon, Buffalo, Long Island City, New Paltz, Ray Brook, Schenectady, Stony Brook, Syracuse and Watertown. These regional offices are the operational arms of the Department. Staff in the regional offices review and issue environmental permits for activities regulated by the Department such as the operation of landfills and sewage treatment plants. In addition, these offices ensure compliance with State and Federal environmental statutes, consistent with policy and management direction from program divisions in the Central Office.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$950 million** All Funds (\$110 million General Fund; \$76 million Federal funds and \$764 million for all other funds) for the Department of Environmental Conservation. This is a decrease of **\$53 million (-5 percent)** from the 2010-11 budget, primarily as the result of the loss of one-time Federal Great Lakes Restoration Initiative funding and reductions in State operations and capital projects.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

General Fund appropriations will finance 24.6 percent of the Department of Environmental Conservation's operations in 2011-12. Fees and license revenues will support 58.2 percent, including the major permitting functions, the hazardous substances bulk storage and oil spill programs and the hazardous waste remedial and enforcement programs. Federal funds will support the remaining 17.2 percent of the Department's budget.

The Environmental Protection Fund (EPF) will continue to receive \$134 million, the same level as in 2010-11, to support environmental programs, including land acquisition, farmland preservation, recycling programs, non-point source pollution control projects, and municipal park and waterfront revitalization projects. The EPF is supported primarily by revenues from the real estate transfer tax as well as by the sale or lease of State property, Fund interest earnings and receipts from water withdrawal fees, wetland application permits and pesticide applicator fees.

ENVIRONMENTAL CONSERVATION

The voter-approved Clean Water/Clean Air Bond Act authorizes \$1.75 billion for critical environmental programs in the following categories: Safe Drinking Water Program (\$355 million); Clean Water Program (\$790 million); Solid Waste Projects (\$175 million); Air Quality Projects (\$230 million); and Environmental Restoration Projects (\$200 million). Unspent portions of these authorizations are reappropriated in the Executive Budget.

The Clean Air Fund will continue to provide the resources needed to meet the State's obligations under the Federal Clean Air Act to control stationary and mobile sources of air pollution. The Fund is supported by vehicle emission inspection fees and fees on regulated pollutants emitted by factories, power plants and other stationary source facilities.

General Fund appropriations will support the preservation and maintenance of the State's trails, regional facilities, campgrounds and the 20 percent match required for Federal grants provided through the Clean Water State Revolving Fund. Since 1992-93, the cost of the State match has been reimbursed by proceeds from the sale of bonds issued by the Environmental Facilities Corporation. Principal and interest on the bonds are paid from State taxes.

The 2011-12 Executive Budget provides approximately \$950 million to support the Department's critical environmental, resource management and recreation programs, including:

- \$120 million to support the refinanced Superfund program to continue the cleanup of inactive hazardous waste sites and to address hazardous substance sites. Recommendations also include \$81.7 million in reappropriated funds from the 1986 Environmental Quality Bond Act to continue work already underway for existing Superfund sites;
- \$134 million in funding from the Environmental Protection Fund to provide resources to address a variety of priority programs including the continued implementation of the Hudson River Estuary Management Plan, the Hudson River Park, stewardship projects, the Pollution Prevention Institute; local solid waste reduction/recycling and marketing of recycled materials; landfill closure/gas management projects; natural resource damage projects; local parks and historic preservation grants; local waterfront revitalization projects; non-point source water pollution control projects; land acquisition; farmland protection; funding for soil and water conservation districts; support for Land Trust Alliance; urban forestry projects; and invasive species grants.
- The total 1996 Clean Water/Clean Air Bond Act authorization of \$1.75 billion has been appropriated. However, the Executive Budget includes \$50 million in continued Bond Act disbursements in 2011-12 for critical Water Quality, Air, Solid Waste, Brownfield and Safe Drinking Water Projects;
- \$17 million in appropriations to support the abatement of illegal waste tire piles and the development of new markets for waste tires under the Waste Tire Management and Recycling Act of 2003.
- \$5.8 million to implement the New York City Watershed Agreement. These funds will support State enforcement and monitoring efforts in the Watershed and the provision of technical assistance to participating Watershed communities;
- \$210 million in new State and Federal funds for the Clean Water State Revolving Fund low-interest loan program to build and rehabilitate municipal sewage treatment facilities;

ENVIRONMENTAL CONSERVATION

- \$51 million to support the programs of the Conservation Fund;
- \$16.8 million in new funding for basic capital infrastructure projects to ensure health, safety and compliance with State and Federal laws and environmental requirements;
- \$23.7 million in non-General Fund support for the State's Clean Air programs. New programs began in 1997-98 to control pollution from automobiles and to establish new consolidated permits for major stationary sources of air pollution, and in 1999-2000 to control air pollution from heavy-duty vehicles; and
- \$366.1 million to support the operations of the Department.

PROGRAM HIGHLIGHTS

Under both State and Federal law, the Department carries out a wide range of environmental, regulatory, remedial, resource management, outdoor recreation and education programs. These include the protection and management of the State's air, water, mineral and energy resources, as well as the management of both solid and hazardous waste. In this regard, the Department has undertaken expanded responsibilities as part of the State's Homeland Security effort including air and water toxic assessments, hazardous materials monitoring, water infrastructure monitoring and security and other activities to protect public health and safety.

The Department has restructured its operations to eliminate redundant management layers and refocused its attention on the core mission of the Department. Additionally, the regulatory process for issuing environmental permits has been streamlined to simplify requirements while still ensuring that environmental standards are maintained and the State's natural resources are protected.

The Department's functions are divided into the following categories: Natural Resources, Environmental Quality/Remediation and Environmental Enforcement and Regulation.

NATURAL RESOURCES

In addition to its responsibility to protect the State's fish, wildlife and marine resources and habitats, the Fish, Wildlife and Marine program also manages 200,000 acres of Wildlife Management Area Lands, operates 12 fish hatcheries, and maintains more than 300 boat launching and fishing access sites. The primary source of funding for this program is sporting license fees (over \$50 million annually) deposited to the Conservation Fund.

The Lands and Forests program manages more than 4.5 million acres of State land under the Department's jurisdiction, including nearly three million acres of State-Forest Preserve within the Adirondack and Catskill parks, and manages over 786,000 acres of State Forest land and 825,000 acres of State-owned Conservation Easements. The Lands and Forests program also supports statewide urban and community forestry, forest health and other programs to encourage the long-term sustainable management of private forest lands. Revenues from the sale of forest products from State lands help offset program costs. The Mineral Resources program regulates more than 13,000 active oil and gas wells and oversees the mined land reclamation program. This program is focused on returning land previously used for mining to a productive use and also performs technical and environmental review of new and approximately 2,100 existing active mines.

ENVIRONMENTAL CONSERVATION

The Water program protects and conserves the State's water resources, which include 87,124 miles of rivers, 7,849 waterbodies covering 687,672 acres and 979,200 acres of bays, estuaries and harbors, 577 miles of Great Lakes shoreline and 120 miles of ocean coastline, 2.4 million acres of fresh water wetlands, and 25,000 acres of tidal wetlands.

The Department also operates 52 campgrounds and six day-use areas within the Adirondack and Catskill parks, as well as the Belleayre Mountain Ski Center. These recreational facilities serve approximately 1.8 million visits annually, generating over \$14 million in revenue and greatly increasing tourist trade to their host communities. Camping and skiing user fees are intended to fully support facility operations.

ENVIRONMENTAL QUALITY/REMEDATION

The 1988 Solid Waste Management Act established the State's policies for the management of solid waste, identifying reduction and recycling as the preferred options. The Act required municipalities to implement source separation programs and to prepare Local Solid Waste Management Plans. Also in 1988, the Department of Environmental Conservation established requirements for the construction and operation of solid waste management facilities, such as landfills. Local governments must meet those requirements before the Department will grant an operating permit.

The 1990 amendments to the Federal Clean Air Act imposed new mandates on the State designed to improve air quality. While the cost of complying with the Act is significant, the cost of non-compliance would be more severe. If the Federal Environmental Protection Agency determines that there is a deficiency in New York's clean air programs, then it must apply sanctions if the deficiency is not corrected within 18 months. Sanctions include the withholding of Federal highway funds and the requirement of a two-for-one air pollution emissions offset for new or modified sources of emissions in areas that do not meet Federal air quality standards. The sanction would result in a virtual ban on industrial expansion and would place New York at a severe economic disadvantage with other states.

New York has taken steps to implement a comprehensive stationary source air permit program, a small business assistance program and programs to reduce vehicular emissions from all vehicle types through the establishment of strict emission standards, fuel specification and in-use testing requirements. Air quality programs are supported by Federal Air Pollution Control Grants that must be matched by State funds as well as fees charged to stationary sources and for motor vehicle inspections. The Department has also established regulations implementing the most aggressive Acid Rain controls on emissions of sulfur dioxide and nitrogen oxide in the country.

The 1986 Environmental Quality Bond Act – commonly known as the State Superfund – made \$1.1 billion available for inactive hazardous waste cleanups, allowing the Department to embark on one of the most ambitious remedial programs in the nation.

The Department implements the State's Superfund Program and the Brownfield Cleanup Program to encourage private investment and job creation through liability reform, tax incentives, and a predictable process for cleaning up and redeveloping brownfields. A total of 347 sites have been approved for the Brownfield Cleanup Program, and 92 have been completely cleaned as of December 2010.

The Department has also undertaken significant new initiatives including the most aggressive program in the nation to address the emerging problem of soil vapor intrusion from contaminated sites.

ENVIRONMENTAL CONSERVATION

ENVIRONMENTAL ENFORCEMENT AND REGULATION

The Department of Environmental Conservation also enforces and regulates a myriad of activities carried out by businesses, local governments and individuals that can have an impact on the environment and the State's natural resources.

The Department carries out this responsibility through a variety of regulatory and permitting processes and through ongoing communication with those subject to environmental laws and regulations to ensure that such requirements are understood. The Department uses its Environmental Conservation Officers and Forest Rangers as its front line to interact directly with the public and the regulated community to ensure compliance with all Department regulations and the initiatives described above.

The Department has enhanced and improved its overall regulatory and enforcement capabilities, including the coordination of enforcement and inspection programs at each of its regional offices. The Department will continue to review its regulatory practices to streamline procedures and eliminate unnecessary requirements, while still ensuring that strict environmental standards are maintained.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	514,486,400	440,476,000	(74,010,400)	437,601,300
Aid To Localities	1,867,900	1,675,000	(192,900)	3,231,900
Capital Projects	486,726,000	511,834,000	25,108,000	3,556,326,000
Total	<u>1,003,080,300</u>	<u>953,985,000</u>	<u>(49,095,300)</u>	<u>3,997,159,200</u>

ENVIRONMENTAL CONSERVATION

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11	2011-12	FTE Change
	Estimated FTEs 03/31/11	Estimated FTEs 03/31/12	
Administration			
General Fund	125	125	0
Special Revenue Funds - Other	137	137	0
Air and Water Quality Management			
General Fund	136	136	0
Special Revenue Funds - Federal	142	142	0
Special Revenue Funds - Other	327	327	0
Environmental Enforcement			
General Fund	312	312	0
Special Revenue Funds - Other	120	120	0
Fish, Wildlife and Marine Resources			
General Fund	10	10	0
Special Revenue Funds - Federal	67	67	0
Special Revenue Funds - Other	282	282	0
Forest and Land Resources			
General Fund	226	226	0
Special Revenue Funds - Federal	10	10	0
Special Revenue Funds - Other	133	133	0
Operations			
General Fund	248	248	0
Special Revenue Funds - Other	39	39	0
Rehabilitation and Improvement			
Capital Projects Funds - Other	120	120	0
Solid and Hazardous Waste Management			
General Fund	39	39	0
Special Revenue Funds - Federal	37	37	0
Special Revenue Funds - Other	212	212	0
Capital Projects Funds - Federal	7	7	0
Capital Projects Funds - Other	274	274	0
Total	3,003	3,003	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	120,373,100	108,327,000	(12,046,100)
Special Revenue Funds - Federal	127,419,000	76,012,000	(51,407,000)
Special Revenue Funds - Other	266,634,300	256,077,000	(10,557,300)
Internal Service Funds	60,000	60,000	0
Total	514,486,400	440,476,000	(74,010,400)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(58,000)		
Special Revenue Funds - Other	(284,000)		
Appropriated 2010-11	514,144,400		

ENVIRONMENTAL CONSERVATION

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	12,200,000	10,472,000	(1,728,000)
Special Revenue Funds - Other	15,504,000	15,226,000	(278,000)
Internal Service Funds	60,000	60,000	0
Air and Water Quality Management			
General Fund	12,645,000	12,444,000	(201,000)
Special Revenue Funds - Federal	90,019,000	38,612,000	(51,407,000)
Special Revenue Funds - Other	80,841,000	74,742,000	(6,099,000)
Environmental Enforcement			
General Fund	36,266,000	32,303,000	(3,963,000)
Special Revenue Funds - Other	23,631,000	23,332,000	(299,000)
Fish, Wildlife and Marine Resources			
General Fund	4,629,100	3,860,000	(769,100)
Special Revenue Funds - Federal	26,000,000	26,000,000	0
Special Revenue Funds - Other	42,168,300	44,153,000	1,984,700
Forest and Land Resources			
General Fund	21,121,000	18,384,000	(2,737,000)
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	30,707,000	26,300,000	(4,407,000)
Operations			
General Fund	28,622,000	27,012,000	(1,610,000)
Special Revenue Funds - Other	12,342,000	12,342,000	0
Solid and Hazardous Waste Management			
General Fund	4,890,000	3,852,000	(1,038,000)
Special Revenue Funds - Federal	6,400,000	6,400,000	0
Special Revenue Funds - Other	61,441,000	59,982,000	(1,459,000)
Total	<u>514,486,400</u>	<u>440,476,000</u>	<u>(74,010,400)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	9,338,000	(1,728,000)	8,788,000	(1,729,000)
Air and Water Quality Management	10,700,000	(201,000)	10,585,000	(202,000)
Environmental Enforcement	28,106,000	(773,000)	25,510,000	(861,000)
Fish, Wildlife and Marine Resources	2,372,000	(420,000)	2,240,000	(424,000)
Forest and Land Resources	16,192,000	(2,737,000)	14,955,000	(2,747,000)
Operations	14,120,000	(1,881,000)	13,471,000	(1,883,000)
Solid and Hazardous Waste Management	3,275,000	(1,038,000)	3,157,000	(1,039,000)
Total	<u>84,103,000</u>	<u>(8,778,000)</u>	<u>78,706,000</u>	<u>(8,885,000)</u>
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	485,000	0	65,000	1,000
Air and Water Quality Management	59,000	0	56,000	1,000
Environmental Enforcement	78,000	63,000	2,518,000	25,000
Fish, Wildlife and Marine Resources	91,000	0	41,000	4,000
Forest and Land Resources	241,000	0	996,000	10,000
Operations	532,000	0	117,000	2,000
Solid and Hazardous Waste Management	114,000	0	4,000	1,000
Total	<u>1,600,000</u>	<u>63,000</u>	<u>3,797,000</u>	<u>44,000</u>

ENVIRONMENTAL CONSERVATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,134,000	0	238,000	0
Air and Water Quality Management	1,744,000	0	446,000	0
Environmental Enforcement	4,197,000	(3,190,000)	330,000	33,000
Fish, Wildlife and Marine Resources	1,488,000	(349,100)	676,000	0
Forest and Land Resources	2,192,000	0	1,672,000	0
Operations	12,892,000	271,000	2,012,000	171,000
Solid and Hazardous Waste Management	577,000	0	109,000	0
Total	24,224,000	(3,268,100)	5,483,000	204,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	91,000	0	712,000	0
Air and Water Quality Management	43,000	0	1,140,000	0
Environmental Enforcement	47,000	20,000	3,780,000	2,555,000
Fish, Wildlife and Marine Resources	57,000	7,000	698,000	2,000
Forest and Land Resources	40,000	0	411,000	0
Operations	256,000	0	8,688,000	100,000
Solid and Hazardous Waste Management	18,000	0	448,000	0
Total	552,000	27,000	15,877,000	2,657,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	93,000	0	0	0
Air and Water Quality Management	115,000	0	0	0
Environmental Enforcement	40,000	10,000	0	(5,808,000)
Fish, Wildlife and Marine Resources	57,000	0	0	(358,100)
Forest and Land Resources	69,000	0	0	0
Operations	1,936,000	0	0	0
Solid and Hazardous Waste Management	2,000	0	0	0
Total	2,312,000	10,000	0	(6,166,100)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	15,286,000	(278,000)	9,382,000	(190,000)
Air and Water Quality Management	113,354,000	(57,506,000)	45,454,000	(764,000)
Environmental Enforcement	23,332,000	(299,000)	11,242,000	(1,254,000)
Fish, Wildlife and Marine Resources	70,153,000	1,984,700	29,555,000	180,000
Forest and Land Resources	31,300,000	(4,407,000)	16,154,000	(2,599,000)
Operations	12,342,000	0	2,420,000	0
Solid and Hazardous Waste Management	66,382,000	(1,459,000)	25,046,000	(904,000)
Total	332,149,000	(61,964,300)	139,253,000	(5,531,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	5,904,000	(88,000)	0	0
Air and Water Quality Management	67,900,000	6,408,000	0	(63,150,000)
Environmental Enforcement	12,090,000	955,000	0	0
Fish, Wildlife and Marine Resources	40,598,000	6,484,700	0	(4,680,000)
Forest and Land Resources	15,146,000	(1,808,000)	0	0
Operations	9,922,000	0	0	0
Solid and Hazardous Waste Management	41,336,000	(555,000)	0	0
Total	192,896,000	11,396,700	0	(67,830,000)

ENVIRONMENTAL CONSERVATION

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	1,867,900	1,675,000	(192,900)
Total	<u>1,867,900</u>	<u>1,675,000</u>	<u>(192,900)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Air and Water Quality Management			
General Fund	936,900	744,000	(192,900)
Solid and Hazardous Waste Management			
General Fund	931,000	931,000	0
Total	<u>1,867,900</u>	<u>1,675,000</u>	<u>(192,900)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Marine Resources				
Federal Capital Projects Fund	5,700,000	5,000,000	(700,000)	14,242,000
Air Resources - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	6,346,000
Environmental Quality Bond Act Fund				
Environmental Quality Bond Act Fund - 1986	0	0	0	81,736,000
Water Resources - PWBA				
Capital Projects Fund - PWBA (Bondable)	0	0	0	8,469,000
Solid Waste Management				
Capital Projects Fund	50,000	0	(50,000)	2,460,000
Capital Projects Fund - Advances	0	0	0	1,240,000
Federal Capital Projects Fund	0	0	0	24,885,000
Environmental Protection and Enhancements				
Environmental Protection Fund	0	0	0	16,990,000
Environment and Recreation				
Environmental Protection Fund	134,000,000	134,000,000	0	803,135,000
Fish and Wildlife				
Capital Projects Fund	1,000,000	1,000,000	0	6,186,000
Federal Capital Projects Fund	3,000,000	0	(3,000,000)	5,278,000
Hudson River Habitat Restor. Fund	0	0	0	351,000
Lands and Forests				
Capital Projects Fund	1,300,000	1,000,000	(300,000)	31,330,000
Federal Capital Projects Fund	0	4,000,000	4,000,000	3,846,000
Forest Preserve Expansion Fund	0	0	0	110,000
Water Resources - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	4,593,000
Air Resources				
Clean Air Fund	0	0	0	3,951,000
Administration				
Capital Projects Fund	600,000	500,000	(100,000)	11,328,000
Environmental Quality Protection Bond Fund				
Environmental Quality Protection Bond Fund	0	0	0	29,913,000
Clean Water/Clean Air Bond Fund				
Clean Water - Clean Air Bond Fund	0	0	0	285,522,000
Pure Waters Bond Fund				
Pure Waters Bond Fund	0	0	0	24,557,000
Recreation				
Capital Projects Fund	500,000	0	(500,000)	2,954,000
Cap Proj Fund - DEC Regular (Auth Bonds)	0	0	0	3,594,000
Solid Waste Management - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	9,449,000

ENVIRONMENTAL CONSERVATION

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Operations				
Capital Projects Fund	11,050,000	11,000,000	(50,000)	45,980,000
Cap Proj Fund - DEC Regular (Auth Bonds)	12,000,000	12,000,000	0	36,000,000
Natural Resource Damages Fund	0	0	0	21,193,000
Financial Security Fund	0	0	0	1,134,000
Water Resources				
Capital Projects Fund	2,334,000	3,334,000	1,000,000	25,826,000
Capital Projects Fund - Advances	0	0	0	13,821,000
Cap Proj Fund - State Revolving Fund (Auth Bonds)	29,600,000	35,000,000	5,400,000	111,211,000
Cap Proj Fund - Onondaga Lake (Auth Bonds)	5,000,000	0	(5,000,000)	35,000,000
Federal Capital Projects Fund	148,000,000	175,000,000	27,000,000	556,055,000
Federal Stimulus	0	0	0	328,129,000
Air Quality - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	28,752,000
Clean Water - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	148,091,000
Solid Waste - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	8,172,000
Environmental Restoration - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	85,975,000
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	0	0	0	6,841,000
Solid and Hazardous Waste Management - EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	342,000	0	(342,000)	65,184,000
Solid and Hazardous Waste Management				
Capital Projects Fund - Advances	0	0	0	27,967,000
Cap Proj Fund - DEC Regular (Auth Bonds)	0	0	0	22,579,000
Hazardous Waste Remedial Fund - Oversight & Assessment	12,250,000	10,000,000	(2,250,000)	115,714,000
Hazardous Waste Remedial Fund - Cleanup	120,000,000	120,000,000	0	490,237,000
Total	<u>486,726,000</u>	<u>511,834,000</u>	<u>25,108,000</u>	<u>3,556,326,000</u>

ENVIRONMENTAL FACILITIES CORPORATION

MISSION

The Environmental Facilities Corporation (EFC) is a public benefit corporation that promotes environmental quality by providing low cost financing and technical assistance to municipalities, businesses and State agencies for environmental and public health projects in New York State.

EFC's largest program is the Clean Water State Revolving Fund (CWSRF). This program, administered jointly with the Department of Environmental Conservation (DEC), provides reduced interest rate financing to municipalities for infrastructure projects that control water pollution. EFC, in conjunction with the New York State Department of Health, also administers the Drinking Water State Revolving Fund (DWSRF), which provides reduced interest rate financing and grants to community and private water systems for safe drinking water projects. A Federal grant and corresponding State match provide funding for these programs. The Clean Water/Clean Air Bond Act provides a State match for the DWSRF. Administration of these programs is also supported with a portion of the Federal Capitalization Grant and fees charged on financings.

EFC also administers other funding programs including the Industrial Finance Program and the Clean Vessel Assistance Program (in conjunction with DEC). In addition, technical assistance is provided through its New York City Watershed Programs and Small Business Environmental Assistance Program.

ORGANIZATION AND STAFFING

A seven-member Board of Directors governs the Corporation. Ex-officio board members include the Commissioner of the Department of Environmental Conservation, who serves as the Board Chair, the Commissioner of the Department of Health, and the Secretary of State. The four remaining board members serve six-year terms and require nomination by the Governor and confirmation by the Senate. The Board of Directors appoints the Corporation President and Corporate Officers.

BUDGET HIGHLIGHTS

Corporate operations are funded by:

- Financing fees and annual fees charged to recipients that receive Revolving Fund loans and a portion of State and Federal grants made for the Clean Water and Drinking Water programs; and
- User fees paid by businesses, municipalities, and industrial clients for the Corporation's technical and financial services.

The Executive Budget recommends **\$12.7 million** for EFC, made up entirely of non-General Fund spending. This is a continuation of 2010-11 enacted budget levels. In addition, State funds are included in the DEC and Department of Health's capital budgets for the required match to Federal funding for the CWSRF and DWSRF programs.

EFC will continue to provide approximately \$3.5 million for DEC employees who are assigned administratively to the Corporation.

ENVIRONMENTAL FACILITIES

PROGRAM HIGHLIGHTS

EFC currently administers four major programs: the Clean Water State Revolving Fund (CWSRF), the Drinking Water State Revolving Fund (DWSRF), the Industrial Finance Program (IFP) and the Technical Advisory Services Program (TAS).

The American Recovery and Reinvestment Act of 2009 (ARRA) allocated \$433 million for the CWSRF and \$87 million for the DWSRF. The ARRA funding supported 45 CWSRF ARRA projects, 16 DWSRF ARRA projects and 49 Green Innovation ARRA grants, over and above EFC's conventional Federal funding. The ARRA projects will receive 50 percent of the project costs as a low-cost loan and the remaining 50 percent as principal forgiveness.

CLEAN WATER STATE REVOLVING FUND PROGRAM

This program was established in 1989 to help municipalities comply with the Federal Clean Water Act by providing low-interest rate financings to build or upgrade water pollution control facilities. Since 1989, the program has received Federal and State appropriations totaling \$3.2 billion and \$633 million, respectively. The State Revolving Fund has made financings totaling \$15.3 billion to 511 recipients across the State. Interest rates range from as low as zero percent to no more than two-thirds of the market rate. These low-interest rate financings substantially reduce the cost of water pollution control projects for borrowers, making environmental compliance and protection more attainable.

DRINKING WATER STATE REVOLVING FUND PROGRAM

In 1996, Congress enacted Federal legislation authorizing the Drinking Water State Revolving Fund program. This program, modeled after the Clean Water State Revolving Fund program, provides reduced interest rate financings to community and private water systems to finance safe drinking water projects. In cases of financial hardship, funds are also available from the Clean Water/Clean Air Bond Act to make grants for the construction of drinking water facilities. The Drinking Water Program has made loans and grants totaling \$2.7 billion to 342 recipients across the State. Federal funding provided for the Drinking Water State Revolving Fund requires a 20 percent State match. Since 1996, the program has received Federal and State appropriations totaling \$738 million and \$265 million, respectively. The State's share of the Drinking Water State Revolving Fund is provided from the Clean Water/Clean Air Bond Act.

INDUSTRIAL FINANCE PROGRAM

Since 1976, the Industrial Finance Program has provided more than \$2.7 billion in low-interest rate loans to businesses and State agencies for environmental improvement projects. Projects eligible for loans include solid waste management facilities, hazardous waste management facilities, and water supply and wastewater management facilities. Loans under the program are financed from the proceeds of special obligation revenue bonds issued by the Corporation.

ENVIRONMENTAL FACILITIES

TECHNICAL ADVISORY SERVICES PROGRAM

The Technical Advisory Services Program advises businesses, industrial clients, State agencies, and municipalities on pollution prevention, waste management, and compliance with environmental laws and regulations. The Corporation also provides fund management and loan and grant servicing to its clients. The Environmental Facilities Corporation addresses such issues as air pollution control and compliance, multi-media waste management, inactive hazardous waste site remediation, water and wastewater management, and solid waste management and landfill closure. This program is funded by fees paid by Corporation clients who contract for these services.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	12,310,000	12,310,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	343,000	343,000	0	1,991,000
Total	<u>12,653,000</u>	<u>12,653,000</u>	<u>0</u>	<u>1,991,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
Special Revenue Funds - Other	88	88	0
Total	<u>88</u>	<u>88</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	12,310,000	12,310,000	0
Total	<u>12,310,000</u>	<u>12,310,000</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	12,310,000	12,310,000	0
Total	<u>12,310,000</u>	<u>12,310,000</u>	<u>0</u>

ENVIRONMENTAL FACILITIES

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	12,310,000	0	7,429,000	0
Total	<u>12,310,000</u>	<u>0</u>	<u>7,429,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	4,881,000	0
Total	<u>4,881,000</u>	<u>0</u>

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Pipeline for Jobs Program				
Capital Projects Fund - Authority Bonds	0	0	0	1,305,000
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	343,000	343,000	0	686,000
Total	<u>343,000</u>	<u>343,000</u>	<u>0</u>	<u>1,991,000</u>

EXECUTIVE CHAMBER

MISSION

The Executive Chamber is the Office of the Governor and includes the immediate staff that assists the Governor in managing State government.

ORGANIZATION AND STAFFING

The Office of the Governor is located in the State Capitol in Albany and also has offices in New York City and Washington, D.C. This budget represents programs directly related to the Governor's Office and is supported by General Fund revenues.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$17.9 million** All Funds (\$17.8 million General Fund; \$90,000 Other Funds) for the Executive Chamber. Appropriations in 2011-12 have decreased by almost **\$2 million (-10 percent)** from 2010-11, with reductions in both personal and non-personal service. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	19,938,000	17,944,000	(1,994,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	19,938,000	17,944,000	(1,994,000)	0

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS			
Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Executive Chamber			
General Fund	136	136	0
Total	136	136	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)			
Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	19,838,000	17,854,000	(1,984,000)
Special Revenue Funds - Other	100,000	90,000	(10,000)
Total	19,938,000	17,944,000	(1,994,000)

EXECUTIVE CHAMBER

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Executive Chamber			
General Fund	19,838,000	17,854,000	(1,984,000)
Special Revenue Funds - Other	100,000	90,000	(10,000)
Total	<u>19,938,000</u>	<u>17,944,000</u>	<u>(1,994,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Executive Chamber	13,371,000	(1,485,000)	13,011,000	(1,445,000)
Total	<u>13,371,000</u>	<u>(1,485,000)</u>	<u>13,011,000</u>	<u>(1,445,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Executive Chamber	180,000	(20,000)	180,000	(20,000)
Total	<u>180,000</u>	<u>(20,000)</u>	<u>180,000</u>	<u>(20,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Executive Chamber	4,483,000	(499,000)	180,000	(20,000)
Total	<u>4,483,000</u>	<u>(499,000)</u>	<u>180,000</u>	<u>(20,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Executive Chamber	450,000	(50,000)	3,673,000	(409,000)
Total	<u>450,000</u>	<u>(50,000)</u>	<u>3,673,000</u>	<u>(409,000)</u>

Program	Equipment	
	Amount	Change
Executive Chamber	180,000	(20,000)
Total	<u>180,000</u>	<u>(20,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Executive Chamber	90,000	(10,000)	90,000	(10,000)
Total	<u>90,000</u>	<u>(10,000)</u>	<u>90,000</u>	<u>(10,000)</u>

OFFICE OF THE LIEUTENANT GOVERNOR

The Office of the Lieutenant Governor, in addition to other projects, is responsible for assisting the Governor in leading the new regional economic development councils that will coordinate and integrate State agency responses with local government and business activities to create jobs.

The Executive Budget recommends **\$630,000** in General Funds for the Office of the Lieutenant Governor. Appropriations in 2011-12 have decreased by **\$70,000 (-10 percent)** from 2010-11, with reductions in both personal and non-personal service. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	700,000	630,000	(70,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>700,000</u>	<u>630,000</u>	<u>(70,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	7	7	0
Total	<u>7</u>	<u>7</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	700,000	630,000	(70,000)
Total	<u>700,000</u>	<u>630,000</u>	<u>(70,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	700,000	630,000	(70,000)
Total	<u>700,000</u>	<u>630,000</u>	<u>(70,000)</u>

LIEUTENANT GOVERNOR

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	495,000	(55,000)	488,000	(54,000)
Total	495,000	(55,000)	488,000	(54,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	4,000	(700)	3,000	(300)
Total	4,000	(700)	3,000	(300)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	135,000	(15,000)	9,000	(1,000)
Total	135,000	(15,000)	9,000	(1,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	27,000	(3,000)	81,000	(9,000)
Total	27,000	(3,000)	81,000	(9,000)

Program	Equipment	
	Amount	Change
Administration	18,000	(2,000)
Total	18,000	(2,000)

OFFICE OF CHILDREN AND FAMILY SERVICES

MISSION

The Office of Children and Family Services (OCFS) was established in 1998 to strengthen services for and promote the well-being and safety of children and families.

ORGANIZATION AND STAFFING

The Office is headquartered in Rensselaer with regional offices throughout the State. These offices provide operational support and policy direction to local social services districts and youth bureaus. OCFS operates residential facilities (including secure, limited secure, non secure and community residential home programs) and day placement programs statewide, with the capacity to serve 833 youth, projected, by the end of 2011-12.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.7 billion** All Funds (\$2 billion General Fund; \$1.7 billion Other Funds) for the Office of Children and Family Services. This is a net decrease of **\$167.6 million (-4.3 percent)** (\$173.2 million General Fund decrease; \$5.5 million Other Funds increase) from the 2010-11 budget. This net change primarily reflects reductions to non-core programs. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major budget actions include:

- **Preserve Open-ended Funding for Child Welfare Services:** The centerpiece of the child welfare financing system is the provision of 62 percent State reimbursement for preventive and child protective services. In order to preserve this funding source, the Executive Budget discontinues funding for the child welfare quality program, which supports services related to improving child welfare services. In addition, OCFS will expand the collection and distribution of information to local social services districts outside of New York City. This information will allow local districts to assess performance and make more informed decisions when contracting for preventive and foster care services.
- **Utilize Federal Title XX Funding to Support Child Welfare Services:** Currently, districts are allocated \$102 million annually in Federal Title XX funding, of which the State requires that \$66 million be used to offset the State and local cost of the Adult Protective and Domestic Violence Services program. The 2011-12 Executive Budget would shift the remaining \$36 million in Title XX funds from mainly discretionary services to reduce the 62 percent State and 38 percent local share of child welfare services. In doing this, the State generates \$22 million in savings and reduces by \$14 million the direct cost to districts for providing such services. Districts would lose \$36 million of discretionary Title XX funds.
- **Create the Primary Prevention Incentive Program:** This new \$35 million program (growing to \$42 million in 2012-13) would support Statewide front-end prevention services. Primary Prevention Incentive Program funding would be allocated to local social services districts on a competitive basis, and would

CHILDREN AND FAMILY SERVICES

support locally administered strategies that improve performance in youth services. This proposal would provide \$35 million in net savings in 2011-12 by partially replacing funding for a number of existing OCFS programs.

➤ **Juvenile Justice Reform:**

- **Right-Size Youth Facility Capacity:** The 2011-12 Executive Budget reflects \$22 million in net savings from the closure and downsizing of OCFS facilities. These actions are consistent with declining population trends in OCFS facilities, which has led to system-wide utilization rates of only 50 percent. These actions will reduce OCFS facility jobs by a net 371 annual salaried positions and youth facility capacity by 376 beds.
 - **Improve OCFS Facility Operations:** In 2010-11, OCFS began implementing improved medical, mental health and direct care services and increased staff to youth ratios in four youth facilities. The Executive Budget includes \$13.5 million for improvements in the remaining facilities in 2011-12. This investment will improve services in all OCFS facilities and outcomes for youth as they return to their home communities. This action will increase staff in the youth facility program by 414.
 - **Establish the Supervision and Treatment Services for Juveniles Program:** This program will provide funding (\$31.4 million in 2011-12 growing to \$48.3 million in 2012-13) to local governments to support performance focused, community based alternatives to placing youth in costly State youth facilities and local detention centers.
 - **Eliminate the Alternatives to Detention/Residential Placement Program:** The Executive Budget eliminates \$2.2 million in funding for programs that offer community based services to youth as an alternative to institutional placement. Enhanced funding levels will be supported through the new Supervision and Treatment Services for Juveniles Program.
 - **Establish a Capped Detention Program.** The Executive Budget provides \$15 million to support 50 percent of local detention costs for high-risk youth who pose a risk to public safety. Low risk youth will be served in programs supported with funding from the new Supervision and Treatment Services for Juveniles Program.
 - **Eliminate Open Ended Funding for Local Secure and Non Secure Detention:** The Executive Budget eliminates 49 percent state reimbursement for local secure and non secure detention effective July 1, 2011. Local detention costs for high risk youth will be supported through the new capped Detention Program that will provide stronger incentives for local governments to implement effective community-based programs that will generate long-term state and local savings, and better serve youth.
- **Maintain the Foster Care Block Grant:** The 2011-12 Executive Budget maintains funding for the Foster Care Block grant at \$436 million. Under the block grant, savings that result from reduced use of foster care can be reinvested in locally-designed child welfare initiatives that strengthen preventive services or better serve high-needs children.
- **Maintain the Bridges to Health Program:** The Bridges to Health Home and Community-Based Medicaid Waiver Program, designed to enhance services to foster care children with multiple needs and prevent them from entering institutional care, was reauthorized by the Federal government for five years starting in 2011. The State will continue to support 3,305 slots for this program.

CHILDREN AND FAMILY SERVICES

- **Implement Child Care Unionization Agreements:** In October 2009, the State reached agreements with the Civil Service Employees Association and the United Federation of Teachers, the unions that represent home based child care providers. The 2011-12 Executive Budget includes \$5 million in appropriations pursuant to the agreements for quality improvement grants for home-based child care providers.
- **Align Adoption Subsidy Reimbursement Percentage with Preventive Services:** The Adoption Subsidy Program is designed to maintain permanent homes for youth in foster care that cannot return to the care of their biological parents. Monthly subsidies are paid to adoptive parents to support the special needs of handicapped and hard-to-place children in foster care. The current State share, net of available Federal funding, is 73.5 percent. This proposal would reduce the State share to 62 percent, in order to align cost shares with preventive services, which are designed to prevent foster care placements.
- **Better Align Committee on Special Education (CSE) Funding Responsibility:** OCFS oversees the maintenance (room and board) costs of students who are placed in residential schools by a CSE when the child's needs cannot be met in the school district. Educational determinations that result in residential placements are made by a school district's CSE. Currently, the maintenance cost shares are split between the State (36.8 percent), the local social services districts (43.2 percent) and the school districts (20 percent). This proposal would better align costs with the entity that makes determinations of placement for children by shifting the State share of costs to the school district. This would result in State savings of \$69.3 million. This action should also incentivize school districts to find more effective and less costly ways to better serve these children in their schools and community.
- **Eliminate the Human Services COLA:** This action would eliminate the projected 1.2 percent cost of living adjustment scheduled to take effect in 2011-12 for savings of \$13 million. This recommendation would impact the following human services programs: Adoption, Foster Care, Committee on Special Education, Office of Mental Health Home and Community Based Services Waiver, Bridges to Health Medicaid Waiver and New York/New York III.
- **Eliminate Child Welfare Quality Funding:** This action would eliminate supplemental programs and initiatives designed to improve the quality of child welfare services including demonstration projects, training and program evaluations.
- **Require a \$60 Fee for Child Abuse and Maltreatment Background Checks through the Statewide Central Registrar (SCR):** The Executive Budget proposes to increase the fee for child abuse and maltreatment clearance checks from \$5 to \$60 for individuals who currently pay for clearances and impose a \$60 fee on individuals who are currently exempt from the fee. Fees will be applied to those obtaining a clearance check for employment purposes. The proposed fee modifications would generate \$12 million in revenue.
- **Additional Agency Reductions:** The Executive Budget recommends an additional reduction to OCFS State operations of \$21.4 million. The agency will achieve these savings through reductions to personal service and non-personal service costs.

CHILDREN AND FAMILY SERVICES

PROGRAM HIGHLIGHTS

The Office of Children and Family Services supervises the State's system of family support and child welfare services to help families live independently. County departments of social services and, in many cases, community-based local organizations, administer programs that identify and protect abused and neglected children; provide counseling and other services to strengthen families and avoid foster care; place children in foster care as needed; reunite children and families; find permanent adoptive parents for children who cannot be reunited with birth families; and prepare teens for independent living.

OCFS also oversees a variety of programs serving the State's most needy and vulnerable adult residents. Programs include oversight of locally administered adult protective services and programs providing services to victims of domestic violence, including emergency shelters and community-based crisis intervention.

CHILD CARE

The Office's Child Care Block Grant supports child care subsidies for public assistance and low-income families. Subsidized child care is guaranteed for public assistance recipients with children up to age 13 when such care is required for the parent/guardian to engage in work activities. Families transitioning from welfare to work are guaranteed subsidized child care for up to 12 months after leaving public assistance. The State also provides subsidized child care to families at risk of becoming dependent on public assistance.

YOUTH FACILITIES

The Office operates a Youth Facilities Program which-, includes residential facilities and day placement programs serving youth placed by the Family Courts or directed by the Criminal Courts. Through a broad array of programs, the Office provides rehabilitative services that include counseling, mental health, substance abuse, sex offender and education and vocational training designed to promote positive youth development and foster a youth's return to the community as a law-abiding, productive citizen.

CHILD ABUSE HOTLINE

The Office operates the State Central Register Child Abuse Hotline, which is expected to receive over 370,000 calls reporting alleged child maltreatment or abuse in 2011-12. The State initiates investigations of these allegations, which are conducted by county protective services staff and/or local law enforcement agencies. The Register maintains a master database of those found culpable of child abuse so that employers, such as day care centers, can screen out potential employees with a history of child abuse.

CHILDREN AND FAMILY SERVICES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	534,363,700	529,200,000	(5,163,700)	394,358,500
Aid To Localities	3,301,424,700	3,138,976,300	(162,448,400)	3,146,117,624
Capital Projects	37,675,000	37,675,000	0	155,454,000
Total	<u>3,873,463,400</u>	<u>3,705,851,300</u>	<u>(167,612,100)</u>	<u>3,695,930,124</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Central Administration		
General Fund	274	274	0
Special Revenue Funds - Federal	2	8	6
Child Care			
Special Revenue Funds - Federal	232	232	0
Commission for the Blind and Visually Handicapped			
General Fund	10	10	0
Special Revenue Funds - Federal	139	139	0
Special Revenue Funds - Other	1	1	0
Family and Children Services			
General Fund	475	475	0
Special Revenue Funds - Federal	57	57	0
Special Revenue Funds - Other	2	2	0
Maintenance & Improvement of Youth Facilities			
Capital Projects Funds - Other	7	7	0
Systems Support			
General Fund	137	137	0
Training and Development			
Special Revenue Funds - Other	56	56	0
Youth Facilities			
General Fund	1,959	2,373	414
Total	<u>3,351</u>	<u>3,771</u>	<u>420</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	287,088,000	283,251,000	(3,837,000)
Special Revenue Funds - Federal	142,165,700	140,836,000	(1,329,700)
Special Revenue Funds - Other	104,535,000	104,538,000	3,000
Enterprise Funds	475,000	475,000	0
Internal Service Funds	100,000	100,000	0
Total	<u>534,363,700</u>	<u>529,200,000</u>	<u>(5,163,700)</u>

CHILDREN AND FAMILY SERVICES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Central Administration			
General Fund	30,308,000	27,277,000	(3,031,000)
Special Revenue Funds - Federal	6,528,000	528,000	(6,000,000)
Special Revenue Funds - Other	3,534,000	3,534,000	0
Internal Service Funds	100,000	100,000	0
Child Care			
Special Revenue Funds - Federal	49,583,700	51,254,000	1,670,300
Commission for the Blind and Visually Handicapped			
General Fund	9,098,000	8,188,000	(910,000)
Special Revenue Funds - Federal	32,503,000	32,503,000	0
Special Revenue Funds - Other	1,919,000	1,920,000	1,000
Departmental Administrative Reimbursement			
General Fund	(27,990,000)	(27,992,000)	(2,000)
Special Revenue Funds - Other	34,490,000	34,492,000	2,000
Family and Children Services			
General Fund	43,884,000	39,497,000	(4,387,000)
Special Revenue Funds - Federal	22,958,000	25,958,000	3,000,000
Special Revenue Funds - Other	1,343,000	1,343,000	0
Systems Support			
General Fund	56,968,000	57,697,000	729,000
Special Revenue Funds - Federal	30,593,000	30,593,000	0
Special Revenue Funds - Other	10,000,000	10,000,000	0
Training and Development			
General Fund	5,887,000	5,299,000	(588,000)
Special Revenue Funds - Other	53,249,000	53,249,000	0
Enterprise Funds	200,000	200,000	0
Youth Facilities			
General Fund	168,933,000	173,285,000	4,352,000
Enterprise Funds	275,000	275,000	0
Total	<u>534,363,700</u>	<u>529,200,000</u>	<u>(5,163,700)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	21,217,000	(2,357,000)	20,832,000	(2,314,000)
Commission for the Blind and Visually Handicapped	1,673,000	(186,000)	1,661,000	(185,000)
Departmental Administrative Reimbursement	(27,992,000)	(2,000)	(27,992,000)	(2,000)
Family and Children Services	27,883,000	(3,097,000)	25,543,000	(2,837,000)
Systems Support	9,855,000	(1,095,000)	9,701,000	(1,079,000)
Youth Facilities	102,887,000	(18,915,000)	91,563,000	(16,897,000)
Total	<u>135,523,000</u>	<u>(25,652,000)</u>	<u>121,308,000</u>	<u>(23,314,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Central Administration	311,000	(35,000)	74,000	(8,000)
Commission for the Blind and Visually Handicapped	0	0	12,000	(1,000)
Departmental Administrative Reimbursement	0	0	0	0
Family and Children Services	0	0	2,340,000	(260,000)
Systems Support	0	0	154,000	(16,000)
Youth Facilities	3,051,000	(491,000)	8,273,000	(1,527,000)
Total	<u>3,362,000</u>	<u>(526,000)</u>	<u>10,853,000</u>	<u>(1,812,000)</u>

CHILDREN AND FAMILY SERVICES

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Central Administration	6,060,000	(674,000)	468,000	(52,000)
Commission for the Blind and Visually Handicapped	6,515,000	(724,000)	8,000	(1,000)
Family and Children Services	11,614,000	(1,290,000)	323,000	(36,000)
Systems Support	47,842,000	1,824,000	336,000	(37,000)
Training and Development	5,299,000	(588,000)	0	0
Youth Facilities	70,398,000	23,267,000	9,439,000	(1,030,000)
Total	<u>147,728,000</u>	<u>21,815,000</u>	<u>10,574,000</u>	<u>(1,156,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Central Administration	185,000	(21,000)	4,577,000	(509,000)
Commission for the Blind and Visually Handicapped	0	0	6,507,000	(723,000)
Family and Children Services	304,000	(34,000)	10,928,000	(1,214,000)
Systems Support	177,000	(19,000)	45,971,000	2,031,000
Training and Development	0	0	5,299,000	(588,000)
Youth Facilities	408,000	(45,000)	15,808,000	(1,725,000)
Total	<u>1,074,000</u>	<u>(119,000)</u>	<u>89,090,000</u>	<u>(2,728,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	830,000	(92,000)	0	0
Commission for the Blind and Visually Handicapped	0	0	0	0
Family and Children Services	59,000	(6,000)	0	0
Systems Support	1,358,000	(151,000)	0	0
Training and Development	0	0	0	0
Youth Facilities	435,000	(47,000)	44,308,000	26,114,000
Total	<u>2,682,000</u>	<u>(296,000)</u>	<u>44,308,000</u>	<u>26,114,000</u>

CHILDREN AND FAMILY SERVICES

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Administration	4,162,000	(6,000,000)	251,000	215,000
Child Care	51,254,000	1,670,300	16,780,000	16,780,000
Commission for the Blind and Visually Handicapped	34,423,000	1,000	8,849,000	8,799,000
Departmental Administrative Reimbursement	34,492,000	2,000	27,992,000	2,000
Family and Children Services	27,301,000	3,000,000	8,167,000	8,056,000
Systems Support	40,593,000	0	0	0
Training and Development	53,449,000	0	5,557,000	0
Youth Facilities	275,000	0	0	0
Total	245,949,000	(1,326,700)	67,596,000	33,852,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	3,911,000	313,000	0	(6,528,000)
Child Care	34,474,000	34,474,000	0	(49,583,700)
Commission for the Blind and Visually Handicapped	25,574,000	23,705,000	0	(32,503,000)
Departmental Administrative Reimbursement	6,500,000	0	0	0
Family and Children Services	19,134,000	8,491,000	0	(13,547,000)
Systems Support	10,000,000	10,000,000	30,593,000	(10,000,000)
Training and Development	47,692,000	0	200,000	0
Youth Facilities	275,000	0	0	0
Total	147,560,000	76,983,000	30,793,000	(112,161,700)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	1,886,087,400	1,716,768,300	(169,319,100)
Special Revenue Funds - Federal	1,396,535,300	1,406,865,000	10,329,700
Special Revenue Funds - Other	18,802,000	15,343,000	(3,459,000)
Total	3,301,424,700	3,138,976,300	(162,448,400)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Child Care			
General Fund	142,351,700	144,351,700	2,000,000
Special Revenue Funds - Federal	310,416,300	308,746,000	(1,670,300)
Special Revenue Funds - Other	343,000	343,000	0
Family and Children Services			
General Fund	1,738,919,900	1,567,600,800	(171,319,100)
Special Revenue Funds - Federal	1,066,900,000	1,078,900,000	12,000,000
Special Revenue Funds - Other	18,459,000	15,000,000	(3,459,000)
Training and Development			
General Fund	4,815,800	4,815,800	0
Special Revenue Funds - Federal	19,219,000	19,219,000	0
Total	3,301,424,700	3,138,976,300	(162,448,400)

CHILDREN AND FAMILY SERVICES

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Youth Facilities Improvement Fund	7,000,000	7,000,000	0	15,139,000
Maintenance and Improvement of Facilities				
Capital Projects Fund	1,825,000	1,825,000	0	9,930,000
Youth Facilities Improvement Fund	18,850,000	18,850,000	0	81,331,000
Executive Direction and Administrative Services				
Misc. Capital Projects	0	0	0	2,120,000
Program Improvement or Program Change				
Youth Facilities Improvement Fund	10,000,000	10,000,000	0	41,621,000
Youth Center				
Capital Projects Fund	0	0	0	5,313,000
Total	37,675,000	37,675,000	0	155,454,000

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

MISSION

The Office of Temporary and Disability Assistance (OTDA), working in close collaboration with the Office of Children and Family Services and other agencies, helps low-income households achieve economic self-sufficiency through work, job training and the provision of supportive services that help avert welfare dependency. OTDA also provides economic assistance to aged and disabled persons who are unable to work.

ORGANIZATION AND STAFFING

The Office of Temporary and Disability Assistance is headed by a Commissioner, who is appointed by the Governor subject to confirmation by the Senate. OTDA has its central office in Albany and three major field offices throughout the State. These offices provide direct operational support, supervision and guidance to the State's 58 local social services districts, which include each county and New York City. Social services districts are responsible for directly administering most public assistance programs, including those that serve the homeless and refugees.

Agency staff also provide legal, audit and computer systems support. Through its Disability Determinations Program, the agency evaluates the medical eligibility of disability claimants for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI).

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$5.6 billion** All Funds (\$1.4 billion General Fund; \$4.2 billion Other Funds) for OTDA. This is a decrease of **\$367.8 million** (-6.2 percent) from the 2010-11 budget (\$48.5 million General Fund increase (3.7 percent); \$416.3 million Other Funds decrease (-9 percent)).

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major budget actions include:

- **Fully Finance Family Assistance with Federal Funding:** Under current practice, households on public assistance for fewer than five years are financed utilizing Federal, State and local dollars. The Executive Budget maximizes the usage of Federal funds by using Temporary Assistance for Needy Families (TANF) dollars to pay for the full benefit costs of such households, thereby reducing the State and local shares of public assistance benefit costs.
- **Delay the 2011 Public Assistance Grant Increase:** The 2009-10 Enacted Budget increased the basic allowance portion of the public assistance grant by 10 percent a year for three consecutive years, starting in July 2009. The 2011-12 Budget delays, until July 2012, the final grant increase which is scheduled for July 2011. The State will continue to assume the local share of the previously implemented grant increases through March 31, 2012.

TEMPORARY AND DISABILITY ASSISTANCE

- **Reduce Reimbursement for New York City Adult Homeless Shelters:** The Executive Budget caps reimbursement for the New York City adult homeless shelter system at \$69 million, a reduction of \$15.68 million from the 2010-11 level.
- **Eliminate State Funding for the New York City Work Advantage Program:** In addition to the public assistance grant, the State contributes to a shelter supplement program that allows local social services districts to provide an enhanced shelter allowance for those households either at-risk for eviction or already residing in homeless shelters. The 2011-12 Budget ceases funding for the New York City Work Advantage shelter supplement program.
- **Strengthen Compliance with Public Assistance Work Requirements:** Benefit payments to public assistance cases in which the head of the household is out of compliance with work requirements are reduced by the portion of the grant attributable to the head of the household. The 2011-12 Executive Budget withholds a family's entire benefit in the second and subsequent instances in which the head of the household does not comply with employment requirements.

PROGRAM HIGHLIGHTS

PUBLIC ASSISTANCE PROGRAM

The Federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 replaced the old welfare program, Aid to Families with Dependent Children, with the Temporary Assistance for Needy Families (TANF) program – a capped block grant program with both a mandatory recipient work requirement and a five-year time limit provision for cash assistance. The New York State public assistance program is comprised of two populations: *Family Assistance Households* – who are on assistance for under five years and are thus eligible for federal reimbursement; and *Safety Net Households* – who are ineligible for federal reimbursement either because they are families who have exhausted their five-year federal limit for cash assistance or because they are single adults or childless couples. By evolving from an entitlement program focused on determining eligibility to a work-focused program that seeks to develop individual responsibility while reducing dependence on public assistance, welfare reform efforts have decreased the public assistance caseload by over 1 million individuals since 1995.

STATE SUPPLEMENTAL SECURITY INCOME PROGRAM

The Federal SSI program, which is administered by the Social Security Administration (SSA), provides monthly cash benefits to people with limited income and resources who are elderly (age 65 or older), blind, or disabled. In New York State, most SSI recipients receive both a Federal benefit and an additional State supplement. The amount of State supplementation, like the Federal benefit, is established by law and varies by living arrangement, with most recipients residing in the “living alone” category.

TEMPORARY AND DISABILITY ASSISTANCE

FOOD STAMP PROGRAM

The Food Stamp program is a federally mandated program that seeks to improve the nutritional level of low-income households by supplementing their ability to purchase food items. Food stamp benefits are fully funded by the Federal government, which also shares in the administrative cost of implementing the program, including benefit issuance, fraud prevention, outreach, and employment and training activities. The Food Stamp program was initially authorized by the Food Stamp Act of 1977 but was reauthorized through the Food, Conservation and Energy Act of 2008 which also changed the name of the Federal program to the Supplemental Nutrition Assistance Program (SNAP). Legislation has not yet been enacted at the State level to change the name of the program to SNAP; as such its formal State title remains the Food Stamp program. In addition to outreach efforts, programmatic and administrative initiatives such as the *Working Families Food Stamp Initiative* (which mitigated some of the eligibility requirements for working families) and *myBenefits* (an online tool which helps in the enrollment process) have increased the number of food stamp recipients to approximately 3 million individuals.

HOME ENERGY ASSISTANCE PROGRAM

The Federal Low Income Home Energy Assistance Program (LIHEAP) helps eligible households meet the cost of home energy. Unlike the public assistance and food stamp programs, HEAP is not an entitlement program. Benefits are contingent upon the availability of Federal funding and are only authorized during the program period, which, in New York, typically runs from the beginning of November until mid-May. Households receiving public assistance, food stamp benefits, or SSI are categorically eligible for HEAP, whereas other households must apply and be deemed income eligible. In addition to benefit payments, the Federal HEAP grant also funds administrative activities associated with implementing the HEAP program, as well as weatherization activities which reduce energy usage in residential units occupied by low-income households.

CHILD SUPPORT ENFORCEMENT PROGRAM

The Child Support Enforcement Program, established in 1975 as Title IV-D of the Social Security Act, requires all states to enact laws and implement procedures for the establishment of paternity and the establishment, enforcement and collection of support. In an effort to reduce child poverty and maximize child well-being, activities undertaken since welfare reform have strengthened child support enforcement procedures to ensure that non-custodial parents provide for the economic well-being of their children. Recent improvements in the child support program include automated updating of child support awards to reflect inflation; improved customer services through website access of account information; interstate reciprocity in child support proceedings; and administrative authority for social services districts to order genetic tests, subpoena information and collect relevant data from Federal, State and local agencies.

TEMPORARY AND DISABILITY ASSISTANCE

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	471,292,000	472,292,000	1,000,000	278,625,000
Aid To Localities	5,433,457,700	5,064,674,000	(368,783,700)	3,597,097,900
Capital Projects	30,000,000	30,000,000	0	104,851,000
Total	<u>5,934,749,700</u>	<u>5,566,966,000</u>	<u>(367,783,700)</u>	<u>3,980,573,900</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	7	7	0
Special Revenue Funds - Federal	65	65	0
Special Revenue Funds - Other	268	268	0
Internal Service Funds	4	4	0
Child Well Being Program			
Special Revenue Funds - Federal	59	59	0
Special Revenue Funds - Other	25	25	0
Disability Determinations Program			
Special Revenue Funds - Federal	1,071	1,071	0
Employment and Economic Support Program			
General Fund	3	3	0
Special Revenue Funds - Federal	146	146	0
Special Revenue Funds - Other	79	79	0
Information Technology Program			
General Fund	11	11	0
Special Revenue Funds - Federal	40	40	0
Special Revenue Funds - Other	118	118	0
Legal Affairs			
General Fund	112	112	0
Special Revenue Funds - Other	175	175	0
Specialized Services Program			
General Fund	21	21	0
Special Revenue Funds - Federal	23	23	0
Special Revenue Funds - Other	21	21	0
Total	<u>2,248</u>	<u>2,248</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	63,116,000	56,804,000	(6,312,000)
Special Revenue Funds - Federal	250,359,000	275,086,000	24,727,000
Special Revenue Funds - Other	156,618,000	139,203,000	(17,415,000)
Internal Service Funds	1,199,000	1,199,000	0
Total	<u>471,292,000</u>	<u>472,292,000</u>	<u>1,000,000</u>

TEMPORARY AND DISABILITY ASSISTANCE

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	11,934,000	10,741,000	(1,193,000)
Special Revenue Funds - Federal	8,919,000	9,410,000	491,000
Special Revenue Funds - Other	37,519,000	35,908,000	(1,611,000)
Internal Service Funds	1,199,000	1,199,000	0
Child Well Being Program			
General Fund	2,400,000	2,160,000	(240,000)
Special Revenue Funds - Federal	17,375,000	39,900,000	22,525,000
Special Revenue Funds - Other	24,170,000	12,524,000	(11,646,000)
Disability Determinations Program			
Special Revenue Funds - Federal	170,544,000	169,631,000	(913,000)
Special Revenue Funds - Other	3,280,000	0	(3,280,000)
Employment and Economic Support Program			
General Fund	3,674,000	3,306,000	(368,000)
Special Revenue Funds - Federal	17,900,000	20,600,000	2,700,000
Special Revenue Funds - Other	10,479,000	5,785,000	(4,694,000)
Information Technology Program			
General Fund	29,913,000	26,920,000	(2,993,000)
Special Revenue Funds - Federal	31,500,000	31,500,000	0
Special Revenue Funds - Other	66,618,000	68,919,000	2,301,000
Legal Affairs			
General Fund	13,063,000	11,758,000	(1,305,000)
Special Revenue Funds - Other	12,520,000	14,034,000	1,514,000
Specialized Services Program			
General Fund	2,132,000	1,919,000	(213,000)
Special Revenue Funds - Federal	4,121,000	4,045,000	(76,000)
Special Revenue Funds - Other	2,032,000	2,033,000	1,000
Total	<u>471,292,000</u>	<u>472,292,000</u>	<u>1,000,000</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,835,000	(203,000)	1,508,000	(167,000)
Child Well Being Program	270,000	(30,000)	270,000	(30,000)
Employment and Economic Support Program	721,000	(80,000)	644,000	(72,000)
Information Technology Program	556,000	(62,000)	556,000	(62,000)
Legal Affairs	7,744,000	(860,000)	7,330,000	(814,000)
Specialized Services Program	1,592,000	(177,000)	1,557,000	(173,000)
Total	<u>12,718,000</u>	<u>(1,412,000)</u>	<u>11,865,000</u>	<u>(1,318,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	226,000	(25,000)	101,000	(11,000)
Child Well Being Program	0	0	0	0
Employment and Economic Support Program	0	0	77,000	(8,000)
Information Technology Program	0	0	0	0
Legal Affairs	0	0	414,000	(46,000)
Specialized Services Program	0	0	35,000	(4,000)
Total	<u>226,000</u>	<u>(25,000)</u>	<u>627,000</u>	<u>(69,000)</u>

TEMPORARY AND DISABILITY ASSISTANCE

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	8,906,000	(990,000)	99,000	(11,000)
Child Well Being Program	1,890,000	(210,000)	0	0
Employment and Economic Support Program	2,585,000	(288,000)	16,000	(2,000)
Information Technology Program	26,364,000	(2,931,000)	52,000	14,000
Legal Affairs	4,014,000	(445,000)	113,000	(12,000)
Specialized Services Program	327,000	(36,000)	11,000	(1,000)
Total	44,086,000	(4,900,000)	291,000	(12,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	261,000	(29,000)	8,231,000	(915,000)
Child Well Being Program	0	0	1,890,000	(210,000)
Employment and Economic Support Program	77,000	(9,000)	2,474,000	(275,000)
Information Technology Program	42,000	5,000	25,244,000	18,646,000
Legal Affairs	167,000	(18,000)	3,428,000	(381,000)
Specialized Services Program	95,000	(10,000)	213,000	(24,000)
Total	642,000	(61,000)	41,480,000	16,841,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	315,000	(35,000)	0	0
Child Well Being Program	0	0	0	0
Employment and Economic Support Program	18,000	(2,000)	0	0
Information Technology Program	1,026,000	956,000	0	(22,552,000)
Legal Affairs	306,000	(34,000)	0	0
Specialized Services Program	8,000	(1,000)	0	0
Total	1,673,000	884,000	0	(22,552,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	46,517,000	(1,120,000)	24,456,000	(611,000)
Child Well Being Program	52,424,000	10,879,000	9,599,000	1,011,000
Disability Determinations Program	169,631,000	(4,193,000)	83,000,000	282,000
Employment and Economic Support Program	26,385,000	(1,994,000)	15,517,000	(2,560,000)
Information Technology Program	100,419,000	2,301,000	16,445,000	2,301,000
Legal Affairs	14,034,000	1,514,000	13,534,000	1,014,000
Specialized Services Program	6,078,000	(75,000)	3,562,000	297,000
Total	415,488,000	7,312,000	166,113,000	1,734,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	22,061,000	(509,000)	0	0
Child Well Being Program	42,825,000	9,868,000	0	0
Disability Determinations Program	86,631,000	(4,475,000)	0	0
Employment and Economic Support Program	10,868,000	566,000	0	0
Information Technology Program	83,974,000	0	0	0
Legal Affairs	500,000	500,000	0	0
Specialized Services Program	2,516,000	278,000	0	(650,000)
Total	249,375,000	6,228,000	0	(650,000)

TEMPORARY AND DISABILITY ASSISTANCE

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	1,249,887,700	1,304,707,000	54,819,300
Special Revenue Funds - Federal	4,143,670,000	3,720,067,000	(423,603,000)
Special Revenue Funds - Other	29,900,000	29,900,000	0
Fiduciary Funds	10,000,000	10,000,000	0
Total	<u>5,433,457,700</u>	<u>5,064,674,000</u>	<u>(368,783,700)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Child Well Being Program			
General Fund	34,760,000	34,760,000	0
Special Revenue Funds - Federal	146,200,000	110,000,000	(36,200,000)
Employment and Economic Support Program			
General Fund	1,096,952,000	1,161,652,000	64,700,000
Special Revenue Funds - Federal	3,961,970,000	3,574,567,000	(387,403,000)
Special Revenue Funds - Other	20,000,000	20,000,000	0
Fiduciary Funds	10,000,000	10,000,000	0
Specialized Services Program			
General Fund	118,175,700	108,295,000	(9,880,700)
Special Revenue Funds - Federal	35,500,000	35,500,000	0
Special Revenue Funds - Other	9,900,000	9,900,000	0
Total	<u>5,433,457,700</u>	<u>5,064,674,000</u>	<u>(368,783,700)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Supported Housing Program				
Housing Program Fund	30,000,000	30,000,000	0	104,851,000
Total	<u>30,000,000</u>	<u>30,000,000</u>	<u>0</u>	<u>104,851,000</u>

DEPARTMENT OF FINANCIAL REGULATION

MISSION

The new Department of Financial Regulation (DFR) harnesses the regulatory powers and expertise of the Banking and Insurance Departments, as well as the Consumer Protection Board, to make the State's oversight of financial services responsive to the 21st century needs of the industry and its consumers. This new State agency, created pursuant to legislation submitted as part of the 2011-12 Executive Budget, consolidates the functions, operations and staff of the Banking and Insurance Departments, along with related segments of the Consumer Protection Board, into a single State agency.

Consolidation of these agencies and activities within a single agency platform will afford the State the ability to unify the State's regulation of financial services and to more rapidly and adroitly respond to changing market practices and consumer preferences, thereby ensuring the industry's continued integrity while shielding consumers from abuses. In addition to enhancing and refining the State's regulatory oversight of the industry, the consolidation will provide the State with the opportunity to reduce overall spending by rightsizing the new agency's administrative and overhead activities in order to ensure that available State moneys are more effectively focused upon DFR's core regulatory mission.

ORGANIZATION AND STAFFING

The Superintendent of the Department of Financial Regulation will be appointed by the Governor, with the consent of the Senate. The Department's main offices will be located in Albany and New York City with smaller offices located throughout the State. The Department's activities will be carried out through three programs: Administration, Regulation and Consumer Protection.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$564 million** in Special Revenue Funds for the Department of Financial Regulation, reflecting a net increase of approximately **\$6.4 million (1.1 percent)** over the combined 2010-11 budgets of Banking and Insurance (because of the manner in which the Consumer Protection Board will be merged into the new Department, there is no comparable 2010-11 budget figure). This increase reflects annualized adjustments related to personal service costs, accommodates expenditures necessary to effectuate full consolidation of the two departments, and provides additional resources that will allow the Department to perform more onsite examinations of insurance companies. Increasing onsite examinations will result in savings to the insurance industry by reducing costly direct-pay examinations for which insurers contract with outside vendors to fulfill regulatory requirements.

The Department of Financial Regulation's operations will be primarily funded through assessments charged to regulated insurance and banking institutions and organizations. The remainder of the Department's operating budget will be derived from various fees, such as those paid by entities applying for licensure or charter. Of the recommended \$564 million, the Department's operating budget totals \$550 million and the remaining \$14 million is an appropriation to support the State Transmitter of Money Insurance Fund, which protects moneys that New Yorkers electronically transfer via commercial third parties.

DEPARTMENT OF FINANCIAL REGULATION

PROGRAM HIGHLIGHTS

The Department's main responsibilities will be carried out through two major programs: regulation and consumer protection.

REGULATION

To ensure the safety and soundness of all regulated entities, the Department will monitor banks, insurance companies and other financial institutions to identify problems and will work with management to promptly solve them. The Department will carry out this responsibility through annual on-site examinations, regular review of institutional financial reports, and periodic site visits.

CONSUMER PROTECTION

To ensure that State-chartered banking institutions are complying with State laws and regulations and that no individuals are unfairly denied credit, Department employees will conduct consumer compliance examinations and resolve consumer complaints. Staff will monitor whether institutions are helping to meet the credit and banking needs of local communities as required by various State laws.

The Department will strive for the fair treatment of insurance policyholders, claimants and the public through the regulation of company claim payments and sales practices, responses to consumer complaints, and the timely review of insurance company denials of coverage. The Department will promote high standards of industry conduct and competence through testing, oversight, and pre-licensing and enforcing educational standards of licensees.

The Department will proactively educate consumers regarding unscrupulous financial industry practices and products and will advocate on behalf of consumers who have been defrauded or harmed by such abuses.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	331,968,555	338,430,823	6,462,268	2,523,000
Aid To Localities	225,566,000	225,566,000	0	4,200,000
Capital Projects	0	0	0	0
Total	<u>557,534,555</u>	<u>563,996,823</u>	<u>6,462,268</u>	<u>6,723,000</u>

DEPARTMENT OF FINANCIAL REGULATION

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
Special Revenue Funds - Other	0	186	186
Consumer Protection			
Special Revenue Funds - Other	0	198	198
Regulation			
Special Revenue Funds - Other	0	1,154	1,154
Total	0	1,538	1,538

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	150,000	0	(150,000)
Special Revenue Funds - Federal	1,000,000	0	(1,000,000)
Special Revenue Funds - Other	330,818,555	338,430,823	7,612,268
Total	331,968,555	338,430,823	6,462,268

Adjustments:

Transfer(s) From			
Banking Department			
Special Revenue Funds - Federal	(1,000,000)		
Special Revenue Funds - Other	(105,194,000)		
Insurance Department			
General Fund	(150,000)		
Special Revenue Funds - Other	(225,624,555)		
Appropriated 2010-11	0		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	41,329,176	42,063,146	733,970
Consumer Protection			
Special Revenue Funds - Other	19,059,984	20,840,607	1,780,623
Regulation			
General Fund	150,000	0	(150,000)
Special Revenue Funds - Federal	1,000,000	0	(1,000,000)
Special Revenue Funds - Other	270,429,395	275,527,070	5,097,675
Total	331,968,555	338,430,823	6,462,268

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Regulation	0	(120,000)	0	(120,000)
Total	0	(120,000)	0	(120,000)

DEPARTMENT OF FINANCIAL REGULATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Regulation	0	(30,000)	0	(30,000)
Total	0	(30,000)	0	(30,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	42,063,146	733,970	17,077,151	421,578
Consumer Protection	20,840,607	1,780,623	13,215,287	1,498,237
Regulation	275,527,070	4,097,675	132,177,590	35,020,342
Total	338,430,823	6,612,268	162,470,028	36,940,157

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	24,985,995	312,392	0	0
Consumer Protection	7,625,320	282,386	0	0
Regulation	143,349,480	50,261,375	0	(81,184,042)
Total	175,960,795	50,856,153	0	(81,184,042)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	225,566,000	225,566,000	0
Total	225,566,000	225,566,000	0

Adjustments:

Transfer(s) From	
Banking Department	
Special Revenue Funds - Other	(850,000)
Insurance Department	
Special Revenue Funds - Other	(224,716,000)
Appropriated 2010-11	0

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	850,000	850,000	0
Regulation			
Special Revenue Funds - Other	224,716,000	224,716,000	0
Total	225,566,000	225,566,000	0

OFFICE OF GENERAL SERVICES

MISSION

The mission of the Office of General Services (OGS) is to manage and lease real property, design and build facilities, contract for goods and services, and deliver a wide array of essential support services. In its effort to support cost-effective operations and responsible public stewardship, the Office seeks to provide State agencies, local governments and nonprofit organizations with innovative solutions, integrated service, and best values. As OGS influences the spending of approximately \$6 billion in public funds, the Office continually strives to increase efficiencies and improve service.

ORGANIZATION AND STAFFING

OGS is headed by a Commissioner, who is appointed by the Governor subject to Senate confirmation. The agency is organized into four major business units: Real Property Management and Development; Design and Construction; Procurement Services; and Administration. These units are under the direction of an Executive group which includes the Commissioner's Office, Public Information, Legal Services, Organizational Effectiveness, and Internal Audit.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$546.2 million** in All Funds spending (\$128.9 million General Fund; \$300.7 million Internal Service Fund; \$84 million Capital Projects; and \$32.6 million Other Funds) to support ongoing agency activities. This is a decrease of **\$31.4 million (-5.4 percent)** All Funds (\$14.3 million General Fund; \$14 million Capital Projects; and \$3.1 million Other Funds) from the 2010-11 Enacted Budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

EXECUTIVE DIRECTION

This program provides the day-to-day management of the Office, assists State agencies with acquisition of vehicle insurance, administers financing for the State equipment purchasing program, coordinates the centralized purchase of electricity from the Power Authority of the State of New York, manages a donated foods program for local school districts and food pantries, and provides administrative services to several other State agencies.

REAL PROPERTY MANAGEMENT AND DEVELOPMENT

This program is responsible for the safe and efficient operation of approximately 53 major and 79 ancillary State-owned and operated buildings. Services provided by this program include building management, operation, maintenance, cleaning, security, and renovation projects for facilities encompassing approximately 20.8 million interior gross

GENERAL SERVICES

square feet with a replacement value estimated at nearly \$ 7 billion. This program also manages food services, parking lots and garages, and cultural events at various State facilities.

Real Estate Planning and Development is responsible for negotiating leased space and determining space requirements for State agencies, the disposition of real property, and other real estate services and analysis.

PROCUREMENT SERVICES

The Procurement Services program maintains more than 2,500 centralized contracts available to State agencies as well as other public and nonprofit entities. Other programmatic responsibilities include administering New York State Preferred Source contracts, providing technical assistance in public procurement mechanisms and offering best values.

DESIGN AND CONSTRUCTION

The design and construction program provides architectural, engineering, planning, and design and construction management services to State agencies operating State-owned facilities. The program has turned its focus to enhancing green technology practices, including energy efficiency, the use of renewable energy sources wherever feasible, and the utilization of environmentally friendly material in all new construction and rehabilitation projects it undertakes for its State agency clients.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	479,582,000	462,212,000	(17,370,000)	16,967,000
Aid To Localities	0	0	0	0
Capital Projects	98,000,000	84,000,000	(14,000,000)	334,346,000
Total	<u>577,582,000</u>	<u>546,212,000</u>	<u>(31,370,000)</u>	<u>351,313,000</u>

GENERAL SERVICES

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Design and Construction			
Internal Service Funds	384	384	0
Executive Direction			
General Fund	89	89	0
Internal Service Funds	21	21	0
Procurement Program			
General Fund	128	128	0
Special Revenue Funds - Other	14	14	0
Internal Service Funds	42	45	3
Real Property Management and Development			
General Fund	604	604	0
Special Revenue Funds - Other	50	50	0
Enterprise Funds	10	10	0
Internal Service Funds	29	29	0
Total	1,371	1,374	3

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	143,172,000	128,912,000	(14,260,000)
Special Revenue Funds - Federal	11,340,000	8,230,000	(3,110,000)
Special Revenue Funds - Other	21,591,000	21,591,000	0
Enterprise Funds	2,009,000	2,009,000	0
Internal Service Funds	300,720,000	300,720,000	0
Fiduciary Funds	750,000	750,000	0
Total	479,582,000	462,212,000	(17,370,000)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(66,000)		
Appropriated 2010-11	479,516,000		

GENERAL SERVICES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Curatorial Services Program			
General Fund	66,000	0	(66,000)
Fiduciary Funds	750,000	750,000	0
Design and Construction			
Internal Service Funds	64,548,000	64,548,000	0
Executive Direction			
General Fund	13,065,000	11,876,000	(1,189,000)
Special Revenue Funds - Other	818,000	818,000	0
Enterprise Funds	89,000	89,000	0
Internal Service Funds	188,440,000	188,440,000	0
Procurement Program			
General Fund	11,447,000	10,302,000	(1,145,000)
Special Revenue Funds - Federal	11,340,000	8,230,000	(3,110,000)
Special Revenue Funds - Other	4,903,000	4,903,000	0
Internal Service Funds	24,669,000	24,669,000	0
Real Property Management and Development			
General Fund	118,594,000	106,734,000	(11,860,000)
Special Revenue Funds - Other	15,870,000	15,870,000	0
Enterprise Funds	1,920,000	1,920,000	0
Internal Service Funds	23,063,000	23,063,000	0
Total	<u>479,582,000</u>	<u>462,212,000</u>	<u>(17,370,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Curatorial Services Program	0	(66,000)	0	(66,000)
Executive Direction	5,636,000	(626,000)	5,608,000	(623,000)
Procurement Program	8,918,000	(991,000)	8,891,000	(988,000)
Real Property Management and Development	35,791,000	(3,977,000)	32,251,000	(3,583,000)
Total	<u>50,345,000</u>	<u>(5,660,000)</u>	<u>46,750,000</u>	<u>(5,260,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Curatorial Services Program	0	0	0	0
Executive Direction	0	0	28,000	(3,000)
Procurement Program	0	0	27,000	(3,000)
Real Property Management and Development	2,221,000	(247,000)	1,319,000	(147,000)
Total	<u>2,221,000</u>	<u>(247,000)</u>	<u>1,374,000</u>	<u>(153,000)</u>

GENERAL SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Executive Direction	6,240,000	(563,000)	85,000	(9,000)
Procurement Program	1,384,000	(154,000)	28,000	(4,000)
Real Property Management and Development	70,943,000	(7,883,000)	6,577,000	(730,000)
Total	<u>78,567,000</u>	<u>(8,600,000)</u>	<u>6,690,000</u>	<u>(743,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Executive Direction	39,000	(4,000)	6,057,000	632,000
Procurement Program	39,000	(4,000)	1,257,000	(140,000)
Real Property Management and Development	109,000	(13,000)	63,768,000	(7,085,000)
Total	<u>187,000</u>	<u>(21,000)</u>	<u>71,082,000</u>	<u>(6,593,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Executive Direction	59,000	(7,000)	0	(1,175,000)
Procurement Program	60,000	(6,000)	0	0
Real Property Management and Development	489,000	(55,000)	0	0
Total	<u>608,000</u>	<u>(68,000)</u>	<u>0</u>	<u>(1,175,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Curatorial Services Program	750,000	0	0	0
Design and Construction	64,548,000	0	28,628,000	0
Executive Direction	189,347,000	0	2,201,000	0
Procurement Program	37,802,000	(3,110,000)	4,499,000	0
Real Property Management and Development	40,853,000	0	6,596,000	0
Total	<u>333,300,000</u>	<u>(3,110,000)</u>	<u>41,924,000</u>	<u>0</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Curatorial Services Program	750,000	0	0	0
Design and Construction	35,920,000	0	0	0
Executive Direction	187,146,000	90,000,000	0	(90,000,000)
Procurement Program	33,303,000	0	0	(3,110,000)
Real Property Management and Development	34,257,000	0	0	0
Total	<u>291,376,000</u>	<u>90,000,000</u>	<u>0</u>	<u>(93,110,000)</u>

GENERAL SERVICES

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	12,766,000	13,166,000	400,000	34,003,000
Maintenance and Improvement of Real Property				
Facilities				
Capital Projects Fund	58,284,000	37,734,000	(20,550,000)	258,201,000
Capital Projects Fund - Advances	0	0	0	856,000
Capital Projects Fund - Authority Bonds	16,000,000	33,100,000	17,100,000	39,286,000
Sustainability				
Capital Projects Fund - Authority Bonds	10,950,000	0	(10,950,000)	2,000,000
Total	<u>98,000,000</u>	<u>84,000,000</u>	<u>(14,000,000)</u>	<u>334,346,000</u>

DEPARTMENT OF HEALTH

MISSION

The Department of Health ensures that high quality appropriate health services are available to all New York State residents at a reasonable cost. Department functions and responsibilities include:

- Promoting and supervising public health activities throughout the State;
- Ensuring high quality medical care in a sound and cost effective manner for all residents;
- Reducing infectious diseases such as food and waterborne illnesses, hepatitis, HIV, meningitis, sexually transmitted infections, tuberculosis, vaccine-preventable diseases and chronic disabling illnesses such as heart disease, cancer, stroke and respiratory diseases; and
- Directing a variety of emergency preparedness initiatives in response to statewide and local epidemic outbreaks. As part of this mission, the Department works with the State's health care community to ensure appropriate readiness and response to potential public health threats.

The Department of Health is also the principal State agency that interacts with the Federal and local governments, health care providers and program participants for the State's Medicaid program. In addition, the Office of Health Insurance Programs is responsible for developing and implementing strategies to improve access to health insurance coverage for the uninsured and providing for an integrated approach to oversight and administration of the Medicaid program to strengthen coordination within the Department and among State agencies.

ORGANIZATION AND STAFFING

Under the direction of the Commissioner, who is appointed by the Governor subject to Senate confirmation, the Department of Health meets its responsibilities through the Office of Health Insurance Programs, the Office of Long Term Care, the centers located in the Office of Public Health, and the Office of Health Systems Management. The Executive Budget centralizes all General Fund State Operations funding within the Administration Program in order to provide greater flexibility for the Commissioner to redesign agency operations. The Office of Health Insurance Programs administers the State's Medicaid program, which is the largest insurance program in the nation covering 4.8 million people and including the Family Health Plus, Child Health Plus and Elderly Pharmaceutical Insurance Coverage programs, as well as the Health Care Reform Act (HCRA). The Office of Long Term Care oversees the integration of planning and program development, inspection, and quality assurance for services related to long term care. The Office of Public Health, the Office of Health Systems Management, and the Office of Long Term Care are responsible for providing policy and management direction to the Department's system of regional offices. Department staff located in regional offices conduct health facility surveillance, monitor public health, provide direct services and oversee county health department activities.

Additionally, the Department is responsible for five health care facilities that are engaged in patient care: the Helen Hayes Hospital in West Haverstraw, which offers specialty rehabilitation services, and four nursing homes for the care of veterans and their dependents in Oxford, New York City, Batavia and Montrose. In early 1999, responsibility for the operations of the Roswell Park Cancer Institute was transferred to a

public benefit corporation, the Roswell Park Cancer Institute Corporation, pursuant to an operating agreement between the Corporation and the Department. This has provided Roswell with the flexibility needed to compete more effectively in a changing health care environment.

BUDGET HIGHLIGHTS

MEDICAID

Despite years of attempts at cost containment, Medicaid spending has continued to grow at an unsustainable rate, while failing to deliver the quality outcomes that New Yorkers deserve. Governor Cuomo is advancing a new and inclusive approach that will bring New Yorkers into the process of developing proposals to provide critical health care services at lower costs. The Executive Budget reflects savings anticipated from the proposals of the Medicaid Redesign Team, established pursuant to Executive Order Number Five. The team's 27 voting members bring vast experience as health care providers, consumers and industry experts to address the challenges of refocusing our health care system to provide quality care at lower costs. They will conduct a comprehensive review of New York's Medicaid Program and report their findings and recommendations for cost reductions to the Governor by March 1, 2011 for consideration in the budget negotiation process. The Executive Budget assumes that the Medicaid Redesign Team will identify initiatives to reduce State Funds Medicaid spending by \$2.85 billion in 2011-12 and limit Medicaid Program State Funds growth to the 10-year rolling average of the medical care component of the Consumer Price Index.

OTHER PUBLIC HEALTH PROGRAMS

In 2011-12, General Fund appropriations will finance 18 percent of the Department of Health's total budget of \$5.6 billion, after excluding Medicaid and HCRA program costs. Other revenue sources – including: reimbursement for patient care provided at the Department's health care facilities; regulatory fees and audit recoveries; management fees for hospital and nursing home construction projects financed through bond proceeds; and registration, testing and certification fees for various public health services – support 30 percent of the Department of Health's budget, including the Professional Medical Conduct Program, clinical and environmental laboratory certification activities, and health care facilities' operating costs. The remaining 52 percent is provided by Federal grants.

Capital Project appropriations promote the efficient operation of healthcare facilities statewide and preserve and maintain the Department's hospitals, nursing homes, and the three separate laboratory facilities in Albany County that constitute the Wadsworth Center for Laboratories and Research. The costs of projects at the health care facilities are funded from the General Fund, HCRA and/or facility revenues.

Major budget actions include:

- **Early Intervention:** The Executive Budget includes \$165 million for the State share of Early Intervention (EI), which provides services to infants and toddlers under the age of three who have developmental delays. Savings are derived from requiring large EI providers to directly bill Medicaid; increasing program reimbursement from commercial insurance; modifying service and service coordination rates; recovering overpayment for Medicaid transportation; revising

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- rates for updated regional cost variations; and applying a 10 percent across-the-board rate cut. These actions generate savings, including Medicaid, of \$20.5 million in 2011-12.
- **General Public Health Work:** The Executive Budget includes \$319 million for the General Public Health Work (GPHW) Program to reimburse counties for various services. Reimbursement for the General Public Health Work program will be limited to basic services and reimbursement for all optional services will be discontinued. Optional services currently funded include: Medical Examiners, Early Intervention Service Coordination, Dental Services, Home Health Services, Long Term Care, Emergency Medical Services, Other Environmental Services, Radioactive Materials Licensing, Radioactive Equipment Inspection, and Housing Hygiene.
 - **Elderly Pharmaceutical Insurance Coverage (EPIC) Program:** The Executive Budget includes \$230.5 million for EPIC to serve approximately 298,600 senior citizens. Effective January 1, 2012, EPIC will only provide payment for drugs when an enrollee has entered into the Medicare Part D coverage gap. Additionally, effective July 1, 2011, EPIC enrollees will be responsible for paying their Part D premiums or their full deductible.
 - **Local Competitive Performance Grant Program/Elimination of Dedicated Funding for Various Public Health Programs:** The Executive Budget creates a new local competitive performance grant program by reinvesting half of the savings associated with reducing support for various programs including: Audit of Resident Teaching Programs; Brain Trauma Foundation; Cardiac Services; Eating Disorders; Falls Prevention; Health Promotion Initiatives; Infertility Program; Interim Lead Safe Housing; Latino Outreach Program; Long Term Care Community Coalition; Maternal Mortality Review & Safe Motherhood Initiative; Maternity and Early Childhood Foundation; Medicaid Collaborative Studies; Minority Male Wellness; Office of Minority Health; Osteoporosis Prevention; Public Awareness Campaign for Donor Registry Letter; Public Health Genomics; Public Health Management Leaders of Tomorrow; Quality Improvement; Racial Disparities Study; Statewide Health Broadcasts; Sudden Infant Death Syndrome; Tick-Borne Disease; Minority Participation in Medical Education Program – CUNY Gateway Institute; Minority Participation in Medical Education Program – SUNY Upstate Medical; and the Workforce Studies Program as well as the prior year COLA associated with these programs.
 - **Cancer Services Reductions:** The Executive Budget reduces funding for non-direct care components of the cancer services program by \$0.65 million.
 - **Roswell Park Cancer Institute:** The Executive Budget recommends nearly \$70 million for the Roswell Park Cancer Institute from HCRA, including anti-tobacco funding of \$5.4 million. This represents a 10 percent decrease from the prior year value.
 - **State Operations:** The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

MEDICAID

Medicaid was established in 1965 by the Federal government as a health insurance program for the poor. In addition to the federally mandated services – inpatient and outpatient hospital care, nursing facility care, physician services, home health care, family planning, and laboratory and x-ray services – New York also provides almost all federally permissible optional services.

PUBLIC HEALTH

Efforts such as education, research and disease prevention are aimed at improving the health of all New Yorkers. Particular focus is placed on nutrition, prenatal and perinatal care, child health, treatment and control of sexually-transmitted diseases and tuberculosis, childhood immunization, the health risks of environmental contaminants, drinking water purity, cancer education and outreach and follow-up investigations of disease outbreak. In addition, the Department serves as primary liaison with local and county health departments to ensure the quality of public health services throughout New York State.

The Wadsworth Center for Laboratories and Research assists the Department in accomplishing its public health mission. Testing programs conducted by the Wadsworth Laboratories address public health concerns such as HIV, tuberculosis, drinking water, environmental contamination and genetic disorders in newborns. The newborn screening program tests for 45 disorders, making New York State a national leader in the area of newborn testing. Ongoing research, largely funded by external grants, is carried out for public health problems such as AIDS, West Nile virus, cancer and the toxic effects of chemical substances and radiation. The Wadsworth Center regulates nearly 700 environmental laboratories and more than 1,800 clinical laboratories and patient service centers to ensure testing quality, and the public's health and safety.

The Department develops and funds HIV prevention and health care programs, educates the public and health care providers, formulates policy and directs regional and statewide HIV/AIDS planning. New York remains a leader in combating this complex epidemic by responding to changes in incidence with even greater attention to population-based programming, long-term care and policies designed to reduce discrimination and guarantee basic medical care and treatment for the uninsured.

HEALTH SYSTEMS MANAGEMENT AND LONG TERM CARE

The Department ensures that quality health care is available to all New York residents by overseeing the services provided by hospitals, nursing homes, diagnostic and treatment centers and home care providers. The Department strives to ensure that limited health care dollars are prudently spent through its review and monitoring of health facility plans for construction and expansion. Federal reimbursement for surveillance and certification, and fees for overseeing facilities to ensure that bonded debt is repaid, help to offset program costs.

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HEALTH INSURANCE PROGRAMS

The Department is responsible for setting Medicaid reimbursement rates for hospitals, nursing homes, home health agencies and diagnostic and treatment centers, as well as oversight of the HCRA surcharges and assessments, is overseen by the Office of Health Insurance Programs.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,160,078,287	2,244,123,100	84,044,813	2,549,564,200
Aid To Localities	55,880,582,790	53,885,720,290	(1,994,862,500)	26,378,567,800
Capital Projects	497,783,000	90,433,000	(407,350,000)	1,357,171,000
Total	<u>58,538,444,077</u>	<u>56,220,276,390</u>	<u>(2,318,167,687)</u>	<u>30,285,303,000</u>

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ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration Program			
General Fund	99	1,914	1,815
Special Revenue Funds - Federal	46	46	0
Special Revenue Funds - Other	209	209	0
AIDS Institute			
General Fund	144	0	(144)
Child Health Insurance			
Special Revenue Funds - Other	38	38	0
Community Health			
General Fund	23	0	(23)
Special Revenue Funds - Federal	486	486	0
Special Revenue Funds - Other	108	108	0
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	26	26	0
Environmental Health			
General Fund	94	0	(94)
Special Revenue Funds - Federal	101	101	0
Special Revenue Funds - Other	66	66	0
Capital Projects Funds - Other	80	80	0
Health Care Financing			
General Fund	60	0	(60)
Special Revenue Funds - Other	61	61	0
Health Insurance Programs, Office of			
General Fund	346	0	(346)
Special Revenue Funds - Federal	56	56	0
Special Revenue Funds - Other	1	1	0
Health Systems Management, Office of			
General Fund	199	0	(199)
Special Revenue Funds - Other	238	238	0
Institution Management			
Special Revenue Funds - Other	1,510	1,510	0
Long Term Care, Office of			
General Fund	316	0	(316)
Laboratories and Research			
General Fund	368	0	(368)
Special Revenue Funds - Federal	59	59	0
Special Revenue Funds - Other	193	193	0
Managed Care and Program Evaluation, Division of			
General Fund	128	0	(128)
Total	5,055	5,192	137

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

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STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
General Fund	284,576,500	244,615,000	(39,961,500)
Special Revenue Funds - Federal	1,335,200,200	1,480,570,000	145,369,800
Special Revenue Funds - Other	540,291,587	518,938,100	(21,353,487)
Enterprise Funds	10,000	0	(10,000)
Total	<u>2,160,078,287</u>	<u>2,244,123,100</u>	<u>84,044,813</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(247,000)		
Special Revenue Funds - Other	(364,000)		
Appropriated 2010-11	<u>2,159,467,287</u>		

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration Program			
General Fund	32,400,200	244,615,000	212,214,800
Special Revenue Funds - Federal	10,338,200	10,670,000	331,800
Special Revenue Funds - Other	31,834,500	31,470,500	(364,000)
AIDS Institute			
General Fund	16,000,100	0	(16,000,100)
Child Health Insurance			
Special Revenue Funds - Federal	64,108,000	64,108,000	0
Special Revenue Funds - Other	15,333,400	15,333,400	0
Community Health			
General Fund	12,120,000	0	(12,120,000)
Special Revenue Funds - Federal	154,265,000	153,265,000	(1,000,000)
Special Revenue Funds - Other	4,760,000	4,760,000	0
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	20,378,000	20,378,000	0
Environmental Health			
General Fund	10,311,900	0	(10,311,900)
Special Revenue Funds - Federal	18,184,000	18,184,000	0
Special Revenue Funds - Other	30,783,200	25,574,500	(5,208,700)
Health Care Financing			
General Fund	8,843,000	0	(8,843,000)
Special Revenue Funds - Other	9,501,700	9,501,700	0
Health Insurance Programs, Office of			
General Fund	85,608,400	0	(85,608,400)
Special Revenue Funds - Federal	969,814,000	1,018,914,000	49,100,000
Special Revenue Funds - Other	15,505,400	15,505,400	0
Health Systems Management, Office of			
General Fund	29,538,700	0	(29,538,700)
Special Revenue Funds - Federal	343,000	500,000	157,000
Special Revenue Funds - Other	58,929,500	58,929,500	0
Institution Management			
Special Revenue Funds - Other	158,118,787	142,338,000	(15,780,787)
Enterprise Funds	10,000	0	(10,000)
Long Term Care, Office of			
General Fund	46,770,700	0	(46,770,700)
Special Revenue Funds - Other	9,909,100	9,909,100	0
Laboratories and Research			
General Fund	43,924,000	0	(43,924,000)
Special Revenue Funds - Federal	12,929,000	12,929,000	0
Special Revenue Funds - Other	72,416,000	72,416,000	0
Maintenance Undistributed			
General Fund	(112,822,000)	0	112,822,000
Special Revenue Funds - Other	112,822,000	112,822,000	0
Managed Care and Program Evaluation, Division of			
General Fund	17,376,500	0	(17,376,500)
Medicaid Management Information System			
General Fund	94,505,000	0	(94,505,000)
Special Revenue Funds - Federal	105,219,000	202,000,000	96,781,000
Total	<u>2,160,078,287</u>	<u>2,244,123,100</u>	<u>84,044,813</u>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration Program	136,466,000	127,050,000	133,608,000	124,252,000
AIDS Institute	0	(10,452,000)	0	(10,432,000)
Community Health	0	(2,763,000)	0	(2,743,000)
Environmental Health	0	(8,241,900)	0	(7,974,200)
Health Care Financing	0	(4,396,000)	0	(4,346,000)
Health Insurance Programs, Office of	0	(28,918,400)	0	(28,567,400)
Health Systems Management, Office of	0	(22,675,700)	0	(22,076,700)
Long Term Care, Office of	0	(25,095,700)	0	(24,159,700)
Laboratories and Research	0	(28,603,000)	0	(27,732,500)
Managed Care and Program Evaluation, Division of	0	(11,312,500)	0	(11,312,500)
Total	<u>136,466,000</u>	<u>(15,408,200)</u>	<u>133,608,000</u>	<u>(15,092,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration Program	423,000	413,000	2,435,000	2,385,000
AIDS Institute	0	0	0	(20,000)
Community Health	0	0	0	(20,000)
Environmental Health	0	(243,700)	0	(24,000)
Health Care Financing	0	(10,000)	0	(40,000)
Health Insurance Programs, Office of	0	(1,000)	0	(350,000)
Health Systems Management, Office of	0	(53,000)	0	(546,000)
Long Term Care, Office of	0	(82,000)	0	(854,000)
Laboratories and Research	0	(70,000)	0	(800,500)
Managed Care and Program Evaluation, Division of	0	0	0	0
Total	<u>423,000</u>	<u>(46,700)</u>	<u>2,435,000</u>	<u>(269,500)</u>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration Program	220,971,000	197,986,800	6,653,000	5,575,600
AIDS Institute	0	(5,548,100)	0	(1,333,881)
Community Health	0	(9,357,000)	0	(201,000)
Environmental Health	0	(2,070,000)	0	(101,000)
Health Care Financing	0	(4,447,000)	0	(99,000)
Health Insurance Programs, Office of	0	(56,690,000)	0	(536,000)
Health Systems Management, Office of	0	(6,863,000)	0	(186,000)
Long Term Care, Office of	0	(21,675,000)	0	(350,000)
Laboratories and Research	0	(15,321,000)	0	(3,352,000)
Managed Care and Program Evaluation, Division of	0	(6,064,000)	0	(156,000)
Medicaid Management Information System	0	(94,505,000)	0	0
Total	<u>220,971,000</u>	<u>(24,553,300)</u>	<u>6,653,000</u>	<u>(739,281)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration Program	3,222,000	2,815,500	176,175,000	156,053,000
AIDS Institute	0	(311,700)	0	(3,224,000)
Community Health	0	(117,000)	0	(8,730,000)
Environmental Health	0	(374,400)	0	(1,494,000)
Health Care Financing	0	(40,000)	0	(4,258,000)
Health Insurance Programs, Office of	0	(823,000)	0	(27,500,000)
Health Systems Management, Office of	0	(237,000)	0	(5,966,000)
Long Term Care, Office of	0	(1,065,000)	0	(17,845,000)
Laboratories and Research	0	(76,000)	0	(6,588,000)
Managed Care and Program Evaluation, Division of	0	(130,000)	0	(5,518,000)
Medicaid Management Information System	0	0	0	(94,505,000)
Total	<u>3,222,000</u>	<u>(358,600)</u>	<u>176,175,000</u>	<u>(19,575,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration Program	7,405,000	6,776,700	27,516,000	26,766,000
AIDS Institute	0	(228,519)	0	(450,000)
Community Health	0	(309,000)	0	0
Environmental Health	0	(100,600)	0	0
Health Care Financing	0	(50,000)	0	0
Health Insurance Programs, Office of	0	(831,000)	0	(27,000,000)
Health Systems Management, Office of	0	(201,000)	0	(273,000)
Long Term Care, Office of	0	(415,000)	0	(2,000,000)
Laboratories and Research	0	(5,305,000)	0	0
Managed Care and Program Evaluation, Division of	0	(160,000)	0	(100,000)
Medicaid Management Information System	0	0	0	0
Total	<u>7,405,000</u>	<u>(823,419)</u>	<u>27,516,000</u>	<u>(3,057,000)</u>

HEALTH

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration Program	42,140,500	(32,200)	21,235,000	4,907,000
Child Health Insurance	79,441,400	0	33,845,400	30,772,000
Community Health	158,025,000	(1,000,000)	73,333,000	71,168,000
Elderly Pharmaceutical Insurance Coverage	20,378,000	0	2,109,600	0
Environmental Health	43,758,500	(5,208,700)	17,190,600	8,728,000
Health Care Financing	9,501,700	0	4,900,200	0
Health Insurance Programs, Office of	1,034,419,400	49,100,000	408,530,100	406,279,000
Health Systems Management, Office of	59,429,500	157,000	18,436,300	240,000
Institution Management	142,338,000	(15,790,787)	85,810,000	(9,540,706)
Long Term Care, Office of	9,909,100	0	1,504,300	0
Laboratories and Research	85,345,000	0	16,325,000	6,206,000
Medicaid Management Information System	202,000,000	96,781,000	0	0
Total	<u>1,886,686,100</u>	<u>124,006,313</u>	<u>683,219,500</u>	<u>518,759,294</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration Program	20,905,500	5,399,000	0	(10,338,200)
Child Health Insurance	45,596,000	33,336,000	0	(64,108,000)
Community Health	79,692,000	77,097,000	5,000,000	(149,265,000)
Elderly Pharmaceutical Insurance Coverage	18,043,400	0	225,000	0
Environmental Health	26,417,900	9,456,000	150,000	(23,392,700)
Health Care Financing	4,601,500	0	0	0
Health Insurance Programs, Office of	453,389,300	440,135,000	172,500,000	(797,314,000)
Health Systems Management, Office of	40,003,200	260,000	990,000	(343,000)
Institution Management	56,528,000	(6,250,081)	0	0
Long Term Care, Office of	8,404,800	0	0	0
Laboratories and Research	24,220,000	6,723,000	44,800,000	(12,929,000)
Medicaid Management Information System	0	0	202,000,000	96,781,000
Total	<u>777,801,600</u>	<u>566,155,919</u>	<u>425,665,000</u>	<u>(960,908,900)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	12,555,033,940	15,156,957,290	2,601,923,350
Special Revenue Funds - Federal	36,703,876,000	32,185,270,000	(4,518,606,000)
Special Revenue Funds - Other	6,621,672,850	6,543,493,000	(78,179,850)
Total	<u>55,880,582,790</u>	<u>53,885,720,290</u>	<u>(1,994,862,500)</u>

Adjustments:

Recommended Deficiency	
Health, Department of	
General Fund	(6,250,000)
Special Revenue Funds - Other	(52,000,000)
Appropriated 2010-11	<u>55,822,332,790</u>

HEALTH

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration Program			
General Fund	561,000	0	(561,000)
AIDS Institute			
General Fund	23,651,850	23,651,850	0
Special Revenue Funds - Other	143,550,850	75,016,000	(68,534,850)*
Child Health Insurance			
Special Revenue Funds - Federal	514,600,000	514,600,000	0
Special Revenue Funds - Other	475,600,000	473,554,000	(2,046,000)
Community Health			
General Fund	671,434,490	690,819,840	19,385,350
Special Revenue Funds - Federal	900,856,000	893,417,000	(7,439,000)*
Special Revenue Funds - Other	129,707,600	71,719,600	(57,988,000)*
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	380,350,000	210,090,000	(170,260,000)
Environmental Health			
General Fund	12,296,600	12,296,600	0
Special Revenue Funds - Federal	3,687,000	3,687,000	0
Health Care Financing			
General Fund	951,000	300,000	(651,000)
Health Care Reform Act Program			
Special Revenue Funds - Other	836,672,000	466,776,000	(369,896,000)*
Health Insurance Programs, Office of			
General Fund	1,391,200	0	(1,391,200)
Special Revenue Funds - Other	300,000,000	300,000,000	0
Health Systems Management, Office of			
General Fund	14,458,500	11,973,700	(2,484,800)
Special Revenue Funds - Federal	400,000	400,000	0
Long Term Care, Office of			
General Fund	25,234,300	24,865,300	(369,000)
Special Revenue Funds - Other	8,623,400	8,623,400	0
Laboratories and Research			
General Fund	871,000	871,000	0
Special Revenue Funds - Federal	3,682,000	3,682,000	0
Maintenance Undistributed			
General Fund	(7,288,000)	(7,288,000)	0
Special Revenue Funds - Other	7,288,000	7,288,000	0
Medical Assistance			
General Fund	11,160,222,000	13,725,717,000	2,565,495,000
Special Revenue Funds - Federal	34,629,401,000	30,095,734,000	(4,533,667,000)
Special Revenue Funds - Other	4,339,881,000	4,930,426,000	590,545,000
Medical Assistance Administration			
General Fund	651,250,000	673,750,000	22,500,000
Special Revenue Funds - Federal	651,250,000	673,750,000	22,500,000
Total	<u>55,880,582,790</u>	<u>53,885,720,290</u>	<u>(1,994,862,500)</u>

*Includes additional appropriations authorized in the 2010-11 emergency bills and not rescinded in the enacted budget.

HEALTH

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Health Care Efficiency and Affordability Law for New Yorkers				
Capital Projects Fund	217,000,000	0	(217,000,000)	609,468,000
Capital Projects Fund - Advances	108,000,000	0	(108,000,000)	457,905,000
Laboratories and Research				
Capital Projects Fund	8,000,000	8,000,000	0	31,875,000
Capital Projects Fund - Authority Bonds	0	0	0	5,000,000
Maintenance and Improvements of Existing Institutions				
Capital Projects Fund	7,600,000	7,600,000	0	25,296,000
Water Resources				
Federal Capital Projects Fund	157,183,000	74,833,000	(82,350,000)	198,662,000
Federal Stimulus	0	0	0	28,965,000
Total	<u>497,783,000</u>	<u>90,433,000</u>	<u>(407,350,000)</u>	<u>1,357,171,000</u>

OFFICE OF THE MEDICAID INSPECTOR GENERAL

MISSION

The Office of the Medicaid Inspector General (OMIG) was statutorily established in 2006 as an independent entity within the Department of Health to improve and preserve the integrity of the Medicaid program by conducting and coordinating fraud, waste and abuse control activities for all State agencies responsible for services funded by Medicaid.

In carrying out its mission, the Office conducts and supervises all prevention, detection, audit and investigation efforts and coordinates such activities with the Department of Health, and the Office of Mental Health, Office of Mental Retardation and Developmental Disabilities and Office of Alcoholism and Substance Abuse Services. In addition, the Medicaid Inspector General works closely with the Attorney General's Medicaid Fraud and Control Unit (MFCU) and Federal and local law enforcement agencies.

ORGANIZATION AND STAFFING

The Office is headed by the Medicaid Inspector General who is appointed by the Governor with the advice and consent of the Senate. The Office of the Medicaid Inspector General is headquartered in Albany with six regional field offices located throughout the state – in Buffalo, Hauppauge (Long Island), Rochester, Syracuse, White Plains and New York City.

The Office is organized into six bureaus – Information Technology and Fraud Detection Systems, Investigations and Enforcement, Medicaid Audit, Revenue Initiatives, Administration, and Office of the Counsel.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$80.4 million** All Funds (\$29.6 million General Fund, \$50.8 million Other Funds) to support the operations of the Office of the Medicaid Inspector General. This is a decrease of **\$7.8 million**, or -8.9 percent, from the 2010-11 budget (\$3.7 million General Fund, \$4.1 million Other Funds). These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Medicaid program was established by the Federal government in 1965 as a health insurance program for the poor. Medicaid provides coverage to nearly 4.7 million New Yorkers. The Department of Health now processes more than 400 million Medicaid claims annually to approximately 60,000 active health care providers offering a wide range of services including nursing facility care, inpatient and outpatient hospital care, home health care, physician services, pharmaceuticals, and other services. OMIG pursues civil and administrative enforcement actions against individuals or entities that engage in fraud, abuse, illegal or inappropriate acts or unacceptable practices within the Medicaid program, including but not limited to: referral of information and evidence to

MEDICAID INSPECTOR GENERAL

regulatory agencies, withholding Medicaid payments, imposition of administrative sanctions and penalties, excluding providers and contractors from participation, initiating and maintaining actions for civil recovery, and recovery of Medicaid funds.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	88,161,000	80,353,000	(7,808,000)	47,846,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>88,161,000</u>	<u>80,353,000</u>	<u>(7,808,000)</u>	<u>47,846,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Medicaid Audit and Fraud Prevention			
General Fund	330	331	1
Special Revenue Funds - Federal	329	331	2
Special Revenue Funds - Other	3	0	(3)
Total	<u>662</u>	<u>662</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	33,274,000	29,577,000	(3,697,000)
Special Revenue Funds - Federal	50,804,000	47,076,000	(3,728,000)
Special Revenue Funds - Other	4,083,000	3,700,000	(383,000)
Total	<u>88,161,000</u>	<u>80,353,000</u>	<u>(7,808,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Medicaid Audit and Fraud Prevention			
General Fund	36,974,000	29,577,000	(7,397,000)
Special Revenue Funds - Federal	50,804,000	47,076,000	(3,728,000)
Special Revenue Funds - Other	383,000	0	(383,000)
Maintenance Undistributed			
General Fund	(3,700,000)	0	3,700,000
Special Revenue Funds - Other	3,700,000	3,700,000	0
Total	<u>88,161,000</u>	<u>80,353,000</u>	<u>(7,808,000)</u>

MEDICAID INSPECTOR GENERAL

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	21,136,000	(2,348,000)	21,007,000	(2,334,000)
Total	<u>21,136,000</u>	<u>(2,348,000)</u>	<u>21,007,000</u>	<u>(2,334,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	21,000	(2,000)	108,000	(12,000)
Total	<u>21,000</u>	<u>(2,000)</u>	<u>108,000</u>	<u>(12,000)</u>

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	12,141,000	(1,349,000)	783,000	(87,000)
Total	<u>12,141,000</u>	<u>(1,349,000)</u>	<u>783,000</u>	<u>(87,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	278,000	(31,000)	8,504,000	(445,000)
Total	<u>278,000</u>	<u>(31,000)</u>	<u>8,504,000</u>	<u>(445,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	2,576,000	(286,000)	0	(500,000)
Total	<u>2,576,000</u>	<u>(286,000)</u>	<u>0</u>	<u>(500,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	47,076,000	(4,111,000)	22,403,000	(1,599,000)
Maintenance Undistributed	3,700,000	0	0	0
Total	<u>50,776,000</u>	<u>(4,111,000)</u>	<u>22,403,000</u>	<u>(1,599,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	24,673,000	(2,012,000)	0	(500,000)
Maintenance Undistributed	0	0	3,700,000	0
Total	<u>24,673,000</u>	<u>(2,012,000)</u>	<u>3,700,000</u>	<u>(500,000)</u>

HIGHER EDUCATION SERVICES CORPORATION

MISSION

The Higher Education Services Corporation (HESC) was established in 1974 to provide centralized processing of student financial aid programs. The Corporation administers the State's Tuition Assistance Program, the Federal Family Education Loan Program, the New York Higher Education Loan Program (NYHELPS) and other State and Federal aid programs.

ORGANIZATION AND STAFFING

The Corporation is governed by a 15-member Board of Trustees, ten of whom are appointed by the Governor. The ten gubernatorial appointees include a student representative from an independent institution, a representative of the general public, a college financial aid administrator, a chief executive officer of a degree-granting proprietary institution, two presidents of independent institutions, one chief executive officer of a non-degree proprietary school, two banking representatives and a student in full time attendance at a State University Community College. The remaining five ex-officio members include the Commissioner of Education, the Chancellors of the State University of New York (SUNY) and the City University of New York (CUNY) and student government leaders representing the public university systems.

The Corporation's chief executive officer is the President, who is appointed by the Governor, subject to Senate confirmation. The President's responsibilities include administrative oversight of key program areas including legal counsel, data processing, operations, grants and scholarships, loans and research. Agency administrative operations are located in Albany.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.08 billion** All Funds (\$960 million General Fund; \$117 million Other Funds) in support of the Corporation. This is a net increase of **\$45.2 million (4.4 percent)** (a General Fund increase of \$116.4 million, or 13.8 percent, and an Other Funds decrease of \$71.2 million, or -37.8 percent) from 2010-11 funding levels. The budget reflects funding to continue the NYHELPS student loan program and increased General Fund spending for TAP resulting from increased enrollment and the discontinuation of Federal American Reinvestment and Recovery Act (ARRA) funding.

The Executive Budget includes the following actions:

- **Maintain Current Formulas for Allocating TAP Awards:** The Executive Budget essentially maintains current policies for TAP enacted in 2010-11 in order to reduce projected growth in the program. These policies include continuing the current maximum TAP award for student enrolled in certain two-year degree granting programs, requiring private pension and annuity income not subject to State taxes to be included determining TAP award eligibility, increasing the academic standards for continued TAP award eligibility and others. These measures represent gap closing actions of \$44 million in 2011-12.
- **Extend the McGee Nursing Faculty Scholarship Program and the Nursing Faculty Loan Forgiveness Program:** Statutory authorization for the McGee Nursing Faculty Scholarship program and the Nursing Faculty Loan Forgiveness Program expired June 30, 2010. The 2011-12 Executive Budget extends statutory

HIGHER EDUCATION SERVICES

authorization for these programs for a period of five years, and provides the funding necessary to pay for prior obligations to individuals who are fulfilling the service requirements associated with the programs. This measure is expected to cost \$3.8 million in 2011-12 and \$2.4 million annually thereafter.

- **Extend the Regents Licensed Social Worker Loan Forgiveness Program:** Statutory authorization for the Regents Licensed Social Worker Loan Forgiveness Program is set to expire June 30, 2011. The 2011-12 Executive Budget extends statutory authorization enabling this program to continue for a period of five years. This measure is already assumed in the State Financial Plan and has no net impact on planned spending.
- **Extend the Regents Physician Loan Forgiveness Program:** Statutory authorization for the Regents Physician Loan Forgiveness Program expired June 30, 2009. The 2011-12 Executive Budget extends authorization for this program through the 2015-16 school year, and provides necessary funding to pay prior year obligations for individuals who are fulfilling service requirements associated with the program. This measure is expected to cost \$3.9 million in 2011-12 and \$1.6 million annually thereafter.
- **Reduce Funding for NYHELPS:** The 2011-2012 Executive Budget reduces funding for NYHELPS by \$6.0 million.

PROGRAM HIGHLIGHTS

STATE OPERATIONS

HESC has made it easier for students to secure college loans by allowing them to apply on-line for loans and electronically sign promissory notes. The Corporation will continue to improve its operational efficiency in 2011-12 through increased reliance on technology and streamlined administrative practices. Colleges and lenders are now able to conduct all loan transactions on-line using the Corporation's "New York State Marketplace," an internet portal that facilitates choice, competition and transparency for all government and private student loan products by providing students and their families with access to a broad spectrum of lending and guarantee information.

In addition to a renewed emphasis on providing comprehensive services to its clientele, the Corporation continues to develop partnerships with other student loan guaranty agencies and the Federal government to reduce costs, improve services and increase responsiveness through shared development efforts.

The Corporation will also continue to coordinate the State's participation in the Federal GEAR-UP program in 2011-12, providing early college preparation and guidance services to low-income individuals.

NEW YORK HIGHER EDUCATION LOAN PROGRAM

The 2011-12 Executive Budget continues the NYHELPS student loan program, providing students and parents with access to low-cost loans that would otherwise not be available in the private loan market. The Program is a partnership between the State, private lenders and higher education institutions and makes student loans available with interest rates below those of conventional private bank offerings. Eligible students must be New York State residents attending degree-granting postsecondary education

HIGHER EDUCATION SERVICES

institutions in the State that are approved to participate in Federal HEA Title IV student aid programs. The Corporation finances and administers the program in tandem with the State of New York Mortgage Agency (SONYMA).

FEDERAL LOAN GUARANTEE PROGRAM

The traditional cornerstone of the Corporation's operations has been the administration of the Federal Family Education Loan program (FFEL). Effective July, 1, 2010, Congress eliminated the FFEL Program which will result in a shift of federally guaranteed student loans to the Federal Direct Loan Program. Although HESC will continue to service its existing portfolio of loans originated through FFEL (currently \$20 billion), this portfolio and its associated revenue stream will diminish over time as loans are repaid, rehabilitated, consolidated and sold or transferred back to the U.S. Department of Education. In response to this shift in federal policy, HESC is pursuing a partnership with the U.S. Department of Education whereby it would be designated as a servicer for the newly expanded Direct Loan Program. Under the proposed construct, HESC would use its existing resources and expertise in administering FFEL collections and financial literacy and apply it to the Direct Loan Program. If successful, declining revenues associated with administering FFEL loans will be offset with revenues earned from servicing loans through the expanding Federal Direct Loan Program. In addition to supporting HESC's general operating budget, these revenues also support what would otherwise be General Fund costs for administering the TAP program, as well as partially offset General Fund costs for TAP awards.

The Corporation also provides customer services for lenders, schools and students. This includes the distribution of loan information, as well as training and technical assistance related to loan applications and processing.

Federal loan activities administered by the Corporation include:

- \$3.4 billion in new guaranteed loans in 2009-10;
- Processing of student loans for more than 642,000 borrowers; and
- Defaulted loan collections of \$369 million and defaulted loan purchases of \$557 million in 2009-10.

FINANCIAL AID PROGRAMS

The Corporation's responsibilities related to the administration of State financial aid programs include processing student applications, determining award amounts, processing and auditing aid payments to students and colleges, conducting reviews of participating institutions, collecting disallowed amounts identified in audits of participating institutions and providing information services to the public, students and schools for the following programs:

- Tuition Assistance Program: New York leads the nation in funding for needs-based student financial aid, and \$893 million in General Fund support will be provided to both full- and part-time (TAP) recipients in all sectors of higher education, with an additional \$16 million from other funding sources in support of tuition assistance;
- Scholarships and Fellowships: \$48 million will be provided for various scholarships, fellowships, and loan forgiveness programs including the American Airlines Flight 587 Memorial Scholarships, the World Trade Center Memorial Scholarships, Senator Patricia K. McGee Nursing Faculty Scholarships/Nursing

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Faculty Loan Forgiveness Incentive Program and the Regents Licensed Social Worker Loan Forgiveness Program. More than 27,500 recipients are projected to receive aid under the sixteen State and Federal scholarship programs administered by the Corporation.

COLLEGE CHOICE TUITION SAVINGS PROGRAM

Enacted in 1997, the College Choice Tuition Savings Program represents a State initiative to encourage families throughout New York to save for the college education of their children or grandchildren. Under this program, families can save for their children's attendance at accredited public and private colleges in New York or in other states with accompanying tax benefits on contributions made to, and interest earned on, college savings accounts.

Jointly administered by the Corporation and the Office of the State Comptroller, the program has been well received by the general public. Since its inception in September 1998, over 652,414 accounts have been opened, with contributions totaling approximately \$9.7 billion. New York's program has received national recognition as one of the top college savings plans in the nation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	120,047,000	104,930,000	(15,117,000)	20,000,000
Aid To Localities	911,566,000	971,893,000	60,327,000	0
Capital Projects	0	0	0	0
Total	<u>1,031,613,000</u>	<u>1,076,823,000</u>	<u>45,210,000</u>	<u>20,000,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration		
Special Revenue Funds - Other	316	316	0
Guaranteed Loan Programs			
Special Revenue Funds - Other	200	200	0
Total	<u>516</u>	<u>516</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	10,000,000	4,037,000	(5,963,000)
Special Revenue Funds - Federal	10,000,000	12,601,000	2,601,000
Special Revenue Funds - Other	100,047,000	88,292,000	(11,755,000)
Total	<u>120,047,000</u>	<u>104,930,000</u>	<u>(15,117,000)</u>

HIGHER EDUCATION SERVICES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	48,998,000	54,033,000	5,035,000
Guaranteed Loan Programs			
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	45,799,000	34,259,000	(11,540,000)
State Grant Programs			
Special Revenue Funds - Federal	5,000,000	7,601,000	2,601,000
Education Loan Program, New York State			
General Fund	10,000,000	4,037,000	(5,963,000)
Special Revenue Funds - Other	5,000,000	0	(5,000,000)
Third Party Debt Collection Account			
Special Revenue Funds - Other	250,000	0	(250,000)
Total	<u>120,047,000</u>	<u>104,930,000</u>	<u>(15,117,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Education Loan Program, New York State	4,037,000	(5,963,000)	4,037,000	4,037,000
Total	<u>4,037,000</u>	<u>(5,963,000)</u>	<u>4,037,000</u>	<u>4,037,000</u>

Program	Maintenance Undistributed	
	Amount	Change
Education Loan Program, New York State	0	(10,000,000)
Total	<u>0</u>	<u>(10,000,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	54,033,000	5,035,000	21,862,000	6,019,000
Guaranteed Loan Programs	39,259,000	(11,540,000)	11,465,000	(10,413,000)
State Grant Programs	7,601,000	2,601,000	836,000	836,000
Education Loan Program, New York State	0	(5,000,000)	0	0
Third Party Debt Collection Account	0	(250,000)	0	0
Total	<u>100,893,000</u>	<u>(9,154,000)</u>	<u>34,163,000</u>	<u>(3,558,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	32,171,000	(984,000)	0	0
Guaranteed Loan Programs	27,794,000	3,873,000	0	(5,000,000)
State Grant Programs	6,765,000	6,765,000	0	(5,000,000)
Education Loan Program, New York State	0	0	0	(5,000,000)
Third Party Debt Collection Account	0	0	0	(250,000)
Total	<u>66,730,000</u>	<u>9,654,000</u>	<u>0</u>	<u>(15,250,000)</u>

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
General Fund	833,566,000	955,893,000	122,327,000
Special Revenue Funds - Federal	55,800,000	0	(55,800,000)
Special Revenue Funds - Other	22,200,000	16,000,000	(6,200,000)
Total	<u>911,566,000</u>	<u>971,893,000</u>	<u>60,327,000</u>

Adjustments:

Prior Year Deficiency Higher Education Services Corporation, New York State General Fund	<u>25,159,000</u>		
Appropriated 2010-11	<u>936,725,000</u>		

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
State Grant Programs			
General Fund	789,505,000	907,726,000	118,221,000
Special Revenue Funds - Federal	55,800,000	0	(55,800,000)
Special Revenue Funds - Other	22,200,000	16,000,000	(6,200,000)
Scholarships and Fellowships			
General Fund	44,061,000	48,167,000	4,106,000
Total	<u>911,566,000</u>	<u>971,893,000</u>	<u>60,327,000</u>

DIVISION OF HOMELAND SECURITY AND EMERGENCY SERVICES

MISSION

The Division of Homeland Security and Emergency Services (DHSES) was established in July 2010 through the merger of four existing entities: the Office of Homeland Security (now the Office of Counter Terrorism), the State Emergency Management Office (now the Office of Emergency Management), the Office of Fire Prevention and Control (OFPC), and the Office of Cyber Security and Critical Infrastructure Coordination (now the Office of Cyber Security). Additionally, as part of the merger, a new Office of Interoperable and Emergency Communications was established within DHSES.

The Division provides leadership, coordination and support for efforts to prevent, protect against, prepare for, respond to, and recover from terrorism and other man-made and natural disasters, threats, fires and other emergencies.

ORGANIZATION AND STAFFING

The establishment of the Division centralized the oversight of a broad range of related activities that were previously managed by several different State agencies, including: assessing the vulnerability of critical IT assets and systems; supporting the development of interoperable communications systems in New York State; providing training and support to State and local first responders related to disaster preparedness and mitigation; incident management and arson investigation; coordinating the collection and dissemination of counter-terrorism information among law enforcement agencies and other stakeholders; and administering a broad range of State and Federal grants to support various public safety initiatives.

The Division's central office is in Albany. It also has a satellite office in New York City and has regional emergency management and OFPC field offices throughout the State. In addition, the State Preparedness Training Center located outside Oriskany, Oneida County, and the Academy of Fire Science in Montour Falls, Schuyler County serve as key training facilities for first responders across the State.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$818.3 million** in All Funds spending (\$14.1 million General Fund; and \$804.2 million Other Funds) to support ongoing agency activities. This is a decrease of **\$18.2 million (-2.2 percent)** All Funds (a decrease of \$1.2 million General Fund and \$42 million Capital Projects; as offset by a \$25 million increase in Other Funds) from the 2010-11 Enacted Budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major budget actions include:

- **Local Interoperable Communications Grants Program:** The Executive Budget continues support for a new program that will award grants to county consortiums to assist them in the development of county-driven interoperable communications networks for use by both State and local first-responder agencies. These grants will be funded from a portion of the cellular surcharge revenues.

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- **Enhanced Training Facilities for First-Responders:** The Executive Budget includes re-appropriated funds to support the second year of a five-year, \$42 million capital plan to expand the existing State Preparedness Training Center (SPTC) in Oneida County, outside of Oriskany. This investment will advance the vision of a state-of-the-art training facility for State, local and Federal first-responders, and allow the SPTC to become the central location for preparedness training in the State of New York. By coordinating programs at the SPTC, the Academy of Fire Science in Montour Falls, and other applicable state agencies and training centers, the Division will offer high-quality, integrated multi-disciplinary training to first responders in a much more efficient and coordinated manner.
- **Communications Equipment for State Agencies:** Similar to last year, the Executive Budget includes \$30 million for the purchase of emergency communications equipment for State agencies.

PROGRAM HIGHLIGHTS

The merger of functions related to homeland security and emergency services that began in 2010-11 created a more effective partner for both local and Federal stakeholders, and one uniquely focused on the support of first responders. While the primary missions of the previously separate offices have been preserved as specialized offices within DHSES, the merger has allowed the State to leverage its existing resources as part of a more comprehensive strategy. Although the merger implementation process is still underway, the State expects to offer improved training for first-responders and a wide array of State and Federal grants programs, including new grants to support the development of regional interoperable communications networks in New York State. Other programs and functions which continue to represent State priorities within the new Division structure are highlighted below.

- **Federal Homeland Security Grant Programs:** Since 2001, over \$2 billion in Federal homeland security grants have been allocated, including over \$450 million in 2010. This requires the development and execution of over 1,300 contracts with State, local and other entities that comply with State and Federal contracting, reporting and oversight requirements. In addition, DHSES works with State agencies and the Urban Area Work Groups to submit a comprehensive application for Federal homeland security funds not later than 90 days after the release of federal guidance.
- **Intelligence Analysis and Dissemination:** Working in concert with the New York State Police and other stakeholders, DHSES will continue to sustain the analysis and dissemination of relevant terrorism information to law enforcement agencies and other stakeholders through the New York State Intelligence Center's Counter-Terrorism Center (CTC).
- **Fire Prevention and Control:** The Office of Fire Prevention and Control will continue to provide training and technical support for fire fighters, specialized arson investigation training, and fire safety inspections at colleges and State buildings. Further, low interest loans to fire and ambulance companies will continue through the Emergency Revolving Loan Program.
- **Enhancing First Responder Capabilities Through Training and Exercises:** In 2011, DHSES will sustain first responder capabilities by training or directly supporting the training of first responders across the State, including providing a

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variety of high-level courses at the SPTC. In 2008, the SPTC received accreditation from the Commission on Accreditation for Law Enforcement Agencies (CALEA), only the second training center in New York State to receive this prestigious recognition. Expansion plans for the SPTC include a Weapons Training Complex and a Simulations Complex to include a converted 200'x200' hanger complete with interior and exterior streets, business facades, apartments and offices. This simulated "Cityscape" will provide first responders with a state-of-the-art, real-life training environment. In addition to the SPTC, the State Fire Academy in Montour Falls will continue to be a key training resource for the fire community.

- **Cyber Security:** The Office of Cyber Security (OCS) provides statewide leadership and vision in the cyber security arena. OCS works to protect the State's cyber security infrastructure by identifying and mitigating vulnerabilities, deterring and responding to cyber events, developing statewide cyber security policies and standards, and promoting cyber security awareness within the State.
- **NY Alert Emergency Notification System.** Beginning in 2007-08, a statewide solution to emergency notifications benefiting schools, State University of New York campuses, and citizens across the State was established by the State Emergency Management Office. This function is preserved in DHSES, with enhancements allowing for increased enrollments, greater use of GIS, and expanded communications mediums that allow NY Alert to reach more citizens in times of emergency.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	136,733,000	135,530,000	(1,203,000)	105,685,000
Aid To Localities	657,717,700	682,751,000	25,033,300	2,905,738,400
Capital Projects	42,000,000	0	(42,000,000)	37,000,000
Total	<u>836,450,700</u>	<u>818,281,000</u>	<u>(18,169,700)</u>	<u>3,048,423,400</u>

HOMELAND SECURITY AND EMERGENCY SERVICES

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11	2011-12	FTE Change
	Estimated FTEs 03/31/11	Estimated FTEs 03/31/12	
Administration			
General Fund	56	56	0
Special Revenue Funds - Other	20	20	0
Cyber Security and Critical Infrastructure			
Coordination Program			
General Fund	44	44	0
Special Revenue Funds - Federal	4	5	1
Emergency Management			
General Fund	25	25	0
Special Revenue Funds - Federal	62	77	15
Special Revenue Funds - Other	12	15	3
Homeland Security Program			
Special Revenue Funds - Federal	40	50	10
Interop Program			
Special Revenue Funds - Other	8	8	0
Fire Prevention and Control			
Special Revenue Funds - Other	133	133	0
Total	404	433	29

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available	Recommended	Change
	2010-11	2011-12	
General Fund	11,957,000	10,754,000	(1,203,000)
Special Revenue Funds - Federal	9,111,000	9,111,000	0
Special Revenue Funds - Other	63,665,000	63,665,000	0
Enterprise Funds	50,000,000	50,000,000	0
Internal Service Funds	2,000,000	2,000,000	0
Total	136,733,000	135,530,000	(1,203,000)

Adjustments:

Transfer(s) From			
Special Pay Bill			
General Fund	(8,000)		
Appropriated 2010-11	136,725,000		

HOMELAND SECURITY AND EMERGENCY SERVICES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	6,415,000	5,766,000	(649,000)
Special Revenue Funds - Other	13,470,000	13,470,000	0
Cyber Security and Critical Infrastructure Coordination Program			
General Fund	3,421,000	3,079,000	(342,000)
Special Revenue Funds - Other	12,800,000	12,800,000	0
Internal Service Funds	2,000,000	2,000,000	0
Disaster Assistance			
Special Revenue Funds - Federal	4,786,000	4,786,000	0
Emergency Management			
General Fund	2,121,000	1,909,000	(212,000)
Special Revenue Funds - Federal	1,025,000	1,025,000	0
Special Revenue Funds - Other	3,703,000	3,703,000	0
Enterprise Funds	50,000,000	50,000,000	0
Interop Program			
Special Revenue Funds - Other	32,000,000	32,000,000	0
Fire Prevention and Control			
Special Revenue Funds - Federal	3,300,000	3,300,000	0
Special Revenue Funds - Other	1,692,000	1,692,000	0
Total	<u>136,733,000</u>	<u>135,530,000</u>	<u>(1,203,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	5,496,000	(619,000)	5,245,000	(591,000)
Cyber Security and Critical Infrastructure Coordination Program	2,179,000	(242,000)	2,171,000	(241,000)
Emergency Management	1,909,000	(212,000)	1,840,000	(204,000)
Total	<u>9,584,000</u>	<u>(1,073,000)</u>	<u>9,256,000</u>	<u>(1,036,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	236,000	(26,000)	15,000	(2,000)
Cyber Security and Critical Infrastructure Coordination Program	0	0	8,000	(1,000)
Emergency Management	36,000	(4,000)	33,000	(4,000)
Total	<u>272,000</u>	<u>(30,000)</u>	<u>56,000</u>	<u>(7,000)</u>

HOMELAND SECURITY AND EMERGENCY SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	270,000	(30,000)	18,000	(2,000)
Cyber Security and Critical Infrastructure Coordination Program	900,000	(100,000)	27,000	(3,000)
Total	1,170,000	(130,000)	45,000	(5,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	0	0	234,000	(26,000)
Cyber Security and Critical Infrastructure Coordination Program	13,000	(2,000)	765,000	(85,000)
Total	13,000	(2,000)	999,000	(111,000)

Program	Equipment	
	Amount	Change
Administration	18,000	(2,000)
Cyber Security and Critical Infrastructure Coordination Program	95,000	(10,000)
Total	113,000	(12,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,470,000	0	2,370,000	1,370,000
Cyber Security and Critical Infrastructure Coordination Program	14,800,000	0	1,321,000	0
Disaster Assistance	4,786,000	0	2,200,000	0
Emergency Management	54,728,000	0	1,139,000	0
Interop Program	32,000,000	0	1,000,000	0
Fire Prevention and Control	4,992,000	0	545,000	0
Total	124,776,000	0	8,575,000	1,370,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	11,100,000	6,600,000	0	(7,970,000)
Cyber Security and Critical Infrastructure Coordination Program	13,479,000	0	0	0
Disaster Assistance	2,586,000	0	0	0
Emergency Management	2,564,000	0	51,025,000	0
Interop Program	0	0	31,000,000	0
Fire Prevention and Control	4,447,000	0	0	0
Total	34,176,000	6,600,000	82,025,000	(7,970,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	3,300,000	3,300,000	0
Special Revenue Funds - Federal	618,363,000	618,363,000	0
Special Revenue Funds - Other	36,054,700	61,088,000	25,033,300
Total	657,717,700	682,751,000	25,033,300

HOMELAND SECURITY AND EMERGENCY SERVICES

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Emergency Management			
General Fund	3,300,000	3,300,000	0
Special Revenue Funds - Federal	18,363,000	18,363,000	0
Special Revenue Funds - Other	2,967,000	3,000,000	33,000
Homeland Security Program			
Special Revenue Funds - Federal	600,000,000	600,000,000	0
Interop Program			
Special Revenue Funds - Other	20,000,000	54,300,000	34,300,000
Fire Prevention and Control			
Special Revenue Funds - Other	13,087,700	3,788,000	(9,299,700)
Total	<u>657,717,700</u>	<u>682,751,000</u>	<u>25,033,300</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	42,000,000	0	(42,000,000)	37,000,000
Total	<u>42,000,000</u>	<u>0</u>	<u>(42,000,000)</u>	<u>37,000,000</u>

DIVISION OF HOUSING AND COMMUNITY RENEWAL

MISSION

The Division of Housing and Community Renewal (DHCR) is responsible for the supervision, maintenance and development of affordable low- and moderate-income housing in New York State. The Division currently performs a number of activities in fulfillment of this mission, including:

- Oversight and regulation of the State's public and publicly assisted rental housing;
- Administration of the State's rent regulations; and
- Administration of housing development and community preservation programs, including State and Federal grants and loans to housing developers to finance construction or renovation of affordable housing.

ORGANIZATION AND STAFFING

The Division is run by a Commissioner, who is appointed by the Governor. The 2010-11 Budget included the administrative consolidation of DHCR and the "nyhomes" public authorities to coordinate housing policy and administration. The new structure streamlined program areas and consolidated administrative functions to allow for more efficient delivery of services. The new organization brings complementary programs together under three main offices:

- The Office of Finance and Development includes all programs that fund the development of affordable housing, including Low Income Housing Tax Credit programs, tax exempt and taxable bond finance programs, and single-family loan and capital awards programs.
- The Office of Community Renewal includes all programs that target community and economic development, job creation and downtown revitalization, including the Community Development Block Grant Program, the NY Main Street program, the Affordable Homeownership Development Program, the Neighborhood Stabilization Program and the Neighborhood and Rural Preservation programs.
- The Office of Housing Preservation includes all the programs that maintain and enhance the State's portfolio of existing affordable housing, including rent administration, the Section 8 program, asset management and the Weatherization Assistance Program.

Additionally, all administrative and support services, including communications, legal affairs, administration, fair housing, policy development, and accounting/treasury fall within the Office of Professional Services.

The Division maintains three main offices and nine regional offices. Main offices in Albany and Manhattan are responsible for agency-wide administrative functions and the development and execution of the Division's policies. The Division's Rent Administration program is administered through the main office in Queens.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$307.82 million** All Funds (\$52.57 million General Fund; \$255.25 million Other Funds) for the Division of Housing and Community Renewal. This is a decrease of **\$156.92 million** (\$9.77 million decrease General Fund;

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\$147.15 million decrease Other Funds) (-34 percent) from the 2010-11 budget. This net change primarily reflects the elimination of one-time American Recovery and Reinvestment Act (ARRA) appropriations and various program reductions. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major budget actions include:

- **Consolidation and Reduction in Funding for the Neighborhood and Rural Preservation Programs:** The 2011-12 Executive Budget recommends consolidating the Neighborhood Preservation Program (NPP) and Rural Preservation Program (RPP) into a single competitive, performance-based program. Funding will be reduced by 50 percent, from \$12 million in 2010-11 to \$6 million in 2011-12. NPP and RPP provide such services as housing rehabilitation, home buyer counseling, landlord/tenant mediation, community renewal, and crime watch programs.
- **State Low Income Housing Tax Credit:** The 2011-12 budget recommends \$4 million, the same level as prior years, for the State Low-Income Housing Tax Credit Program, which will result in nearly \$40 million in new funding for affordable housing over the next ten years.

The Division's fee revenues come from the following sources: 1) mortgage servicing fees; 2) application and monitoring fees collected from developers of housing projects that are partially financed by Federal low-income tax credits; 3) payments by New York City to finance a portion of the Division's rent regulation activities; and 4) fees collected from the U.S. Department of Housing and Urban Development in connection with State administration of the Federal Section 8 rental subsidy program.

PROGRAM HIGHLIGHTS

OFFICE OF FINANCE AND DEVELOPMENT

Finance and Development staff provide support to the Housing Trust Fund Corporation, a public benefit corporation that provides State-funded loans and grants to for-profit and not-for-profit entities to develop housing for low-income families, tenants with special needs and the low-income elderly.

Finance and Development staff also administer the allocation of low-income housing tax credits across the State. These tax credits promote the production of low-income rental housing projects by reducing the tax liability of investors who finance the acquisition and construction of these projects.

OFFICE OF COMMUNITY RENEWAL

Community Renewal staff oversee programs that provide community and economic development, job creation and downtown revitalization, including the NY Main Street program; the Affordable Homeownership Development Program; the Neighborhood Stabilization Program; and the Neighborhood and Rural Preservation programs.

Community Renewal staff also administer approximately \$58 million in annual funding for the Community Development Block Grant Program (CDBG) from the U.S. Department of Housing and Urban Development (HUD). The CDBG program supports

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projects in communities with populations of less than 50,000 or non-urban counties with populations of less than 200,000 for housing rehabilitation, job creation or retention, infrastructure repair or replacement, micro-enterprise programs and homeownership assistance.

OFFICE OF HOUSING PRESERVATION

Housing Preservation staff oversee the management of State-assisted housing projects. On a project-by-project basis, staff periodically review the financial and physical condition of the following:

- 167 housing developments constructed between 1957 and 1974 under the State's Mitchell-Lama housing laws and financed with State-guaranteed debt. These projects provide more than 71,295 dwelling units to low- and moderate-income families;
- 21 public housing projects constructed between 1941 and 1973 and financed with State General Obligation bonds that provide more than 1,600 apartments for low-income families; and
- Approximately 1,175 low-income apartment projects partially financed by State or Federal capital funds.

In addition to these regulatory functions, staff are responsible for the administration of nearly 42,000 HUD Housing Choice vouchers, which provide rental assistance to low-income families in 50 local program areas in New York State. Staff also oversee the rent administration program. The Omnibus Housing Act of 1983 mandated the consolidation of all rent regulation under the DHCR in order to ensure that the State's rent laws are administered in a manner that recognizes the concerns of both landlords and tenants.

HOUSING CAPITAL PROGRAMS

The 2011-12 Executive Budget reflects the continuation of recurring capital funding levels. There are two primary low- and moderate-income housing construction programs supported by State appropriations: the Housing Trust Fund Program and the Affordable Homeownership Development Program. The Housing Trust Fund Program provides grants to finance construction or rehabilitation of low-income apartment buildings. The Affordable Homeownership Development Program stimulates local economic growth and stabilizes distressed communities across the State by providing grants of up to \$35,000 per unit or \$40,000 per unit in designated high cost areas.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	99,303,000	91,987,000	(7,316,000)	83,088,000
Aid To Localities	291,238,000	141,630,000	(149,608,000)	487,295,000
Capital Projects	74,200,000	74,200,000	0	646,109,000
Total	<u>464,741,000</u>	<u>307,817,000</u>	<u>(156,924,000)</u>	<u>1,216,492,000</u>

HOUSING AND COMMUNITY RENEWAL

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11	2011-12	FTE Change
	Estimated FTEs 03/31/11	Estimated FTEs 03/31/12	
Administration			
General Fund	27	27	0
Special Revenue Funds - Other	39	39	0
Community Development			
General Fund	21	21	0
Special Revenue Funds - Other	15	15	0
Capital Projects Funds - Federal	41	41	0
Housing			
General Fund	12	12	0
Special Revenue Funds - Federal	72	72	0
Special Revenue Funds - Other	69	69	0
Housing Information Systems			
General Fund	53	53	0
Low Income Weatherization			
Special Revenue Funds - Federal	54	54	0
Rent Administration			
General Fund	25	25	0
Special Revenue Funds - Other	329	329	0
Total	757	757	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	23,930,000	21,537,000	(2,393,000)
Special Revenue Funds - Federal	16,437,000	14,269,000	(2,168,000)
Special Revenue Funds - Other	58,936,000	56,181,000	(2,755,000)
Total	99,303,000	91,987,000	(7,316,000)

HOUSING AND COMMUNITY RENEWAL

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	11,116,000	10,004,000	(1,112,000)
Special Revenue Funds - Other	4,065,000	5,421,000	1,356,000
Community Development			
General Fund	1,613,000	1,452,000	(161,000)
Special Revenue Funds - Federal	5,358,000	0	(5,358,000)
Special Revenue Funds - Other	2,238,000	3,102,000	864,000
Housing			
General Fund	1,254,000	1,128,000	(126,000)
Special Revenue Funds - Federal	11,079,000	10,197,000	(882,000)
Special Revenue Funds - Other	8,565,000	9,884,000	1,319,000
Housing Development Fund Program			
Special Revenue Funds - Other	1,279,000	0	(1,279,000)
Housing Information Systems			
General Fund	7,580,000	6,823,000	(757,000)
Low Income Weatherization			
Special Revenue Funds - Federal	0	4,072,000	4,072,000
Rent Administration			
General Fund	2,367,000	2,130,000	(237,000)
Special Revenue Funds - Other	42,789,000	37,774,000	(5,015,000)
Total	<u>99,303,000</u>	<u>91,987,000</u>	<u>(7,316,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,389,000	(376,000)	3,366,000	(374,000)
Community Development	1,405,000	(156,000)	1,382,000	(154,000)
Housing	1,083,000	(121,000)	1,079,000	(120,000)
Housing Information Systems	3,542,000	(393,000)	3,524,000	(391,000)
Rent Administration	1,836,000	(204,000)	1,832,000	(204,000)
Total	<u>11,255,000</u>	<u>(1,250,000)</u>	<u>11,183,000</u>	<u>(1,243,000)</u>
			Holiday/Overtime Pay	
Program	Temporary Service (Nonannual Salaried)		Amount	Change
	Amount	Change		
Administration	0	(25,000)	23,000	23,000
Community Development	13,000	(12,000)	10,000	10,000
Housing	0	0	4,000	(1,000)
Housing Information Systems	0	0	18,000	(2,000)
Rent Administration	0	0	4,000	0
Total	<u>13,000</u>	<u>(37,000)</u>	<u>59,000</u>	<u>30,000</u>

HOUSING AND COMMUNITY RENEWAL

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	6,615,000	(736,000)	195,000	(22,000)
Community Development	47,000	(5,000)	5,000	0
Housing	45,000	(5,000)	1,000	0
Housing Information Systems	3,281,000	(364,000)	18,000	(2,000)
Rent Administration	294,000	(33,000)	28,000	(3,000)
Total	10,282,000	(1,143,000)	247,000	(27,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	167,000	(19,000)	5,875,000	(653,000)
Community Development	23,000	(3,000)	12,000	(1,000)
Housing	30,000	(4,000)	10,000	(1,000)
Housing Information Systems	30,000	(3,000)	2,503,000	(278,000)
Rent Administration	4,000	0	201,000	(23,000)
Total	254,000	(29,000)	8,601,000	(956,000)

Program	Equipment	
	Amount	Change
Administration	378,000	(42,000)
Community Development	7,000	(1,000)
Housing	4,000	0
Housing Information Systems	730,000	(81,000)
Rent Administration	61,000	(7,000)
Total	1,180,000	(131,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	5,421,000	1,356,000	2,600,000	664,000
Community Development	3,102,000	(4,494,000)	1,800,000	(2,038,000)
Housing	20,081,000	437,000	11,450,000	(348,000)
Housing Development Fund Program	0	(1,279,000)	0	(833,000)
Low Income Weatherization	4,072,000	4,072,000	2,500,000	2,500,000
Rent Administration	37,774,000	(5,015,000)	22,703,000	(3,532,000)
Total	70,450,000	(4,923,000)	41,053,000	(3,587,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	2,821,000	692,000
Community Development	1,302,000	(2,456,000)
Housing	8,631,000	785,000
Housing Development Fund Program	0	(446,000)
Low Income Weatherization	1,572,000	1,572,000
Rent Administration	15,071,000	(1,483,000)
Total	29,397,000	(1,336,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	38,411,000	31,031,000	(7,380,000)
Special Revenue Funds - Federal	244,600,000	102,372,000	(142,228,000)
Special Revenue Funds - Other	8,227,000	8,227,000	0
Total	291,238,000	141,630,000	(149,608,000)

HOUSING AND COMMUNITY RENEWAL

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Housing Development Fund Program			
Special Revenue Funds - Other	8,227,000	8,227,000	0
HUD Section 8 New Construction			
Special Revenue Funds - Federal	13,100,000	0	(13,100,000)
Low Income Weatherization			
Special Revenue Funds - Federal	173,500,000	44,372,000	(129,128,000)
Neighborhood Preservation			
General Fund	8,479,000	6,010,000	(2,469,000)
Periodic Subsidies - Local Areas			
General Fund	11,591,000	10,219,000	(1,372,000)
Rural Preservation			
General Fund	3,539,000	0	(3,539,000)
Rural Rental Assistance			
General Fund	14,802,000	14,802,000	0
Small Cities Community Development			
Block Grant			
Special Revenue Funds - Federal	58,000,000	58,000,000	0
Total	<u>291,238,000</u>	<u>141,630,000</u>	<u>(149,608,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Affordable Housing Corporation				
Housing Program Fund	25,000,000	25,000,000	0	81,787,000
Housing Assistance Fund				
Housing Assistance Fund	0	0	0	8,900,000
Low Income Housing Trust Fund				
Housing Program Fund	29,000,000	29,000,000	0	141,398,000
Maintenance and Improvements of Existing Facilities				
Federal Stimulus	0	0	0	253,000,000
Housing Program Fund	0	0	0	3,133,000
Housing Opportunity Program For Elderly				
Housing Program Fund	400,000	400,000	0	0
Housing Program Capital Improvement				
Capital Projects Fund	0	0	0	19,720,000
State Housing Bond Fund				
State Housing Bond Fund	0	0	0	7,344,000
Main Street Program				
Housing Program Fund	0	0	0	250,000
New Facilities				
Federal Capital Projects Fund	0	0	0	21,446,000
Housing Program Fund	0	0	0	2,000,000
Public Housing Modernization Program				
Housing Program Fund	12,800,000	12,800,000	0	65,905,000
Rural Revitalization Program				
Housing Program Fund	0	0	0	5,450,000
Urban Initiatives Program				
Housing Program Fund	0	0	0	3,351,000
Homes for Working Families Program				
Housing Program Fund	7,000,000	7,000,000	0	32,425,000
Total	<u>74,200,000</u>	<u>74,200,000</u>	<u>0</u>	<u>646,109,000</u>

HOUSING FINANCE AGENCY

MISSION

The New York State Housing Finance Agency is a public benefit corporation created in 1960 to finance low- and moderate-income rental housing. The Agency issues tax-exempt and taxable bonds to provide mortgage loans for the construction and rehabilitation of both low income and mixed income multi-family rental housing.

The Housing Finance Agency also plays a role in administering several housing programs supported by State and Federal appropriations. In 1990, the Agency's mission was expanded to include the issuance of bonds to reimburse the State for appropriated expenditures under the State's housing programs.

ORGANIZATION AND STAFFING

The Housing Finance Agency is governed by a Board consisting of seven members: the Commissioner of Housing and Community Renewal, the Director of the Budget, the Commissioner of Taxation and Finance and four members nominated by the Governor with the consent of the Senate. The Governor designates a Chairperson.

The Agency headquarters is located in New York City and is managed by a President/Chief Executive Officer, who is appointed by the Board. The Agency has regional offices in Albany and Buffalo. The Housing Finance Agency is operated and administered jointly with the State of New York Mortgage Agency, but the two agencies are governed by separate Boards. The New York State Affordable Housing Corporation is a subsidiary of the Agency.

BUDGET HIGHLIGHTS

The Agency receives no direct operating support from the State. Its operating budget is funded with fees and revenues the Agency generates through its financing activities. The 2010-11 Budget consolidated the administrative and program operations of HFA and the "nyhomes" family of public benefit corporations with the Division of Housing and Community Renewal.

PROGRAM HIGHLIGHTS

Since its inception in 1960, the Agency has provided financing of more than \$12.04 billion for more than 122,760 units of multi-family housing. During the Agency's fiscal year ending October 31, 2010, more than 3,200 units were financed with mortgage loans totaling more than \$392 million.

STATE OF NEW YORK MORTGAGE AGENCY

MISSION

The State of New York Mortgage Agency (SONYMA) is a public benefit corporation created in 1970 to increase the affordability of homeownership for low- to moderate-income residents of New York State. This is accomplished by the Agency's issuance of taxable and tax-exempt bonds and the use of proceeds to purchase low-interest rate mortgage loans. In 1978, the Agency's mission was expanded to include the issuance of mortgage insurance to promote the stabilization of neighborhoods throughout the State. In 2009, the Agency's existing authority to issue tax-exempt bonds to finance education loans was modernized and expanded to authorize the Agency to implement a program to finance education loans for higher education costs for students attending schools in New York State.

ORGANIZATION AND STAFFING

The Agency is overseen by a Board of Directors comprised of the State Comptroller or his appointee, the Director of the Budget, the Commissioner of Housing and Community Renewal, four appointees of the Governor, one appointee of the Temporary President of the Senate and one appointee of the Speaker of the Assembly. Responsibility for operation of the Agency rests with the President/Chief Executive Officer, who also serves in this capacity for the Housing Finance Agency – the State's other major housing finance entity. The Agency is operated jointly with the Housing Finance Agency out of its central headquarters in New York City and from regional offices in Albany and Buffalo.

The State of New York Mortgage Agency has two program divisions. The Single Family Programs and Financing Division provides low-interest rate mortgages to low- and moderate-income first-time homebuyers (and for other eligible homebuyers in designated target areas) through the issuance of mortgage revenue bonds. The Agency uses a network of lending institutions to originate mortgages on its behalf. The Mortgage Insurance Fund Division provides insurance on mortgage loans for residential, mixed residential, commercial and community service-related properties throughout the State. In addition, in December 2004, the Mortgage Insurance Fund was authorized to enter into agreements to provide credit support for bonds and ancillary bond facilities issued by the Convention Center Development Corporation, a subsidiary of the New York State Urban Development Corporation. This insurance is supported by the Mortgage Insurance Fund, which is funded by a surcharge on the Mortgage Recording Tax.

BUDGET HIGHLIGHTS

The Agency receives no direct operating support from the State. Statute requires the State to guarantee payments made by the Agency to the State in prior years. The Executive Budget recommends \$173.17 million in appropriations in 2011-12 to satisfy this requirement, although no cash disbursements are projected to be made from this appropriation. All State of New York Mortgage Agency programs and operations are supported by Agency funds, consisting of mortgage income, application fees, insurance premiums and investment proceeds.

MORTGAGE AGENCY

PROGRAM HIGHLIGHTS

Since its inception in 1970, the Agency's Single Family Division has provided more than \$11.1 billion of affordable financing for over 152,000 homes in New York. During the Agency's 2009-10 fiscal year, 2,100 loans were financed in the amount of \$347 million.

The Mortgage Insurance Fund's portfolio of insured mortgages exceeds \$5.4 billion. In 2009-10, mortgage insurance provided by the Agency totaled more than \$991 million.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	76,800,000	76,800,000	0	0
Aid To Localities	97,720,000	96,372,000	(1,348,000)	0
Capital Projects	0	0	0	0
Total	<u>174,520,000</u>	<u>173,172,000</u>	<u>(1,348,000)</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	76,800,000	76,800,000	0
Total	<u>76,800,000</u>	<u>76,800,000</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Infrastructure Trust Fund Guarantee - SONYMA Homeowners Mortgage Revenues General Fund	61,800,000	61,800,000	0
SONYMA Mortgage Insurance Fund Restoration General Fund	15,000,000	15,000,000	0
Total	<u>76,800,000</u>	<u>76,800,000</u>	<u>0</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total Amount	Change	Maintenance Undistributed Amount	Change
Infrastructure Trust Fund Guarantee - SONYMA Homeowners Mortgage Revenues	61,800,000	0	61,800,000	0
SONYMA Mortgage Insurance Fund Restoration	15,000,000	0	15,000,000	0
Total	<u>76,800,000</u>	<u>0</u>	<u>76,800,000</u>	<u>0</u>

MORTGAGE AGENCY

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	97,720,000	96,372,000	(1,348,000)
Total	97,720,000	96,372,000	(1,348,000)

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2010-11	Recommended 2011-12	Change
SONYMA Mortgage Insurance Fund			
Restoration			
General Fund	97,720,000	96,372,000	(1,348,000)
Total	97,720,000	96,372,000	(1,348,000)

HUDSON RIVER PARK TRUST

MISSION

The Hudson River Park Trust (the Trust) is a public benefit corporation established in 1998 to design, develop, and maintain the 550-acre Hudson River Park in Manhattan, which extends five miles along the Hudson River waterfront from Battery Park to 59th Street. The Trust is governed by a 13-member board: 5 members appointed by the Governor, 5 by the Mayor of New York City, and 3 by the Manhattan Borough President.

ORGANIZATION AND STAFFING

The Trust is headed by a President and Chief Executive Officer who is appointed by the Board.

BUDGET HIGHLIGHTS

The Executive Budget recommends funding of **\$3 million** for the Trust, unchanged from the 2010-11 level, to aid in the completion of the remaining segments of the Park. This funding will come from the State Environmental Protection Fund. All Trust administrative activities, including operating costs, are paid directly from a portion of the commercial lease payments and other revenues generated by businesses and activities conducted on the Park property. These receipts are deposited directly to the Trust. The Trust has a **workforce of 58** full time employees.

PROGRAM HIGHLIGHTS

During 2011-12, the Trust will continue the design and construction of the remaining segments of the Park, develop detailed cost estimates, explore alternative sources of funding and continue to oversee capital projects to build the Park.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	21,176,000
Total	0	0	0	21,176,000

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Regional Development				
Capital Projects Fund - Advances	0	0	0	21,176,000
Total	0	0	0	21,176,000

DIVISION OF HUMAN RIGHTS

MISSION

New York holds the proud distinction of being the first state in the nation to enact a civil rights law, affording every individual an equal opportunity to enjoy a full and productive life, including in the areas of employment, housing, public accommodations, education, and credit. Under the State's Human Rights Law, discriminating against others because of their race, sex, age, disability or membership in other specified classes is illegal in the State of New York. Protection under the Human Rights Law also includes prohibiting discrimination based on military status and sexual orientation.

The New York State Division of Human Rights is the State agency charged with enforcing the Human Rights Law and protecting the civil rights of New Yorkers. To fulfill these responsibilities, the Division:

- Prosecutes unlawful discriminatory practices;
- Investigates and resolves individual complaints of illegal discrimination;
- Advances policies and legislation that expand and/or better protect the civil rights of New Yorkers; and
- Promotes human rights awareness through education and outreach.

ORGANIZATION AND STAFFING

Under the direction of the Commissioner, who is appointed by the Governor subject to confirmation by the Senate, the Division operates from its main office in New York City and from nine regional and two satellite offices across the State.

The Division's workforce is primarily assigned to investigate complaints, to assist in the presentation of cases and to adjudicate individual cases of discrimination.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$21.3 million** All Funds (\$13.1 million General Fund, \$8.2 million Other Funds) for the Division of Human Rights. This is a decrease of \$1.5 million (-6.4 percent) from the 2010-11 budget.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

In 2010-11, the Division focused its activities on investigating systematic forms of discrimination, on improving the individual complaint process, and on investigating and adjudicating individual cases. It will continue this work in 2011-12, along with enforcing provisions of State law that enhance the rights of New Yorkers, particularly in the area of disabilities. The Division is also working with local communities to address issues of bias-related violence.

HUMAN RIGHTS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	22,745,000	21,293,000	(1,452,000)	13,933,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>22,745,000</u>	<u>21,293,000</u>	<u>(1,452,000)</u>	<u>13,933,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	141	141	0
Special Revenue Funds - Federal	54	54	0
Total	<u>195</u>	<u>195</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	14,522,000	13,070,000	(1,452,000)
Special Revenue Funds - Federal	8,223,000	8,223,000	0
Total	<u>22,745,000</u>	<u>21,293,000</u>	<u>(1,452,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	14,522,000	13,070,000	(1,452,000)
Special Revenue Funds - Federal	8,223,000	8,223,000	0
Total	<u>22,745,000</u>	<u>21,293,000</u>	<u>(1,452,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	10,463,000	(1,163,000)	10,154,000	(1,128,000)
Total	<u>10,463,000</u>	<u>(1,163,000)</u>	<u>10,154,000</u>	<u>(1,128,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	292,000	(33,000)	17,000	(2,000)
Total	<u>292,000</u>	<u>(33,000)</u>	<u>17,000</u>	<u>(2,000)</u>

HUMAN RIGHTS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,607,000	(289,000)	136,000	(15,000)
Total	<u>2,607,000</u>	<u>(289,000)</u>	<u>136,000</u>	<u>(15,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	173,000	(19,000)	2,118,000	(235,000)
Total	<u>173,000</u>	<u>(19,000)</u>	<u>2,118,000</u>	<u>(235,000)</u>

Program	Equipment	
	Amount	Change
Administration	180,000	(20,000)
Total	<u>180,000</u>	<u>(20,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	8,223,000	0	4,131,000	0
Total	<u>8,223,000</u>	<u>0</u>	<u>4,131,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	4,092,000	0
Total	<u>4,092,000</u>	<u>0</u>

OFFICE OF INDIGENT LEGAL SERVICES

MISSION

Created as part of the 2010-11 Enacted Budget, the Office of Indigent Legal Services and the associated Indigent Legal Services Board are responsible for studying, overseeing and improving the quality of legal representation provided to indigent defendants in New York State.

ORGANIZATION AND STAFFING

The Indigent Legal Services Board consists of nine members, with representation from both houses of the Legislature, counties, and attorneys with public defense backgrounds. The Board nominates an Executive Director of the Office of Indigent Legal Services, who is then approved by the Governor.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$80 million** All Funds for the full first-year operation of the Office, of which \$3 million will support agency operations. The other \$77 million will be available for distribution to the counties and New York City for the cost of indigent defense services. Executive Budget appropriations support up to **20 FTE**, including the Director.

PROGRAM HIGHLIGHTS

The Office has responsibility for developing policies regarding indigent defense services and working collaboratively with the counties to facilitate improvements in the public defense system. The Office will examine and monitor the services provided to indigent defendants in the counties; collect information from the counties in order to study and recommend measures to enhance the quality of representation provided; establish criteria to guide the provision of conflict defender services in the counties; and, target grants to counties in support of innovative and cost-effective proposals to enhance the quality of indigent legal services. The Office will also make recommendations on ways to improve the delivery of services statewide, for consideration by the Board.

The Board acts in an approval and advisory role to the Office. It will evaluate existing indigent defense programs and determine the types of services that should be provided; approve, modify, or reject the recommendations of the Office with regard to the distribution of grants; and report to the Governor, Legislature and Judiciary annually.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	1,500,000	3,000,000	1,500,000	0
Aid To Localities	77,000,000	77,000,000	0	77,000,000
Capital Projects	0	0	0	0
Total	<u>78,500,000</u>	<u>80,000,000</u>	<u>1,500,000</u>	<u>77,000,000</u>

INDIGENT LEGAL SERVICES

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Indigent Legal Services Program			
Special Revenue Funds - Other	20	20	0
Total	20	20	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	1,500,000	3,000,000	1,500,000
Total	1,500,000	3,000,000	1,500,000

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Indigent Legal Services Program			
Special Revenue Funds - Other	1,500,000	3,000,000	1,500,000
Total	1,500,000	3,000,000	1,500,000

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Indigent Legal Services Program	3,000,000	1,500,000	1,515,000	765,000
Total	3,000,000	1,500,000	1,515,000	765,000

Program	Nonpersonal Service	
	Amount	Change
Indigent Legal Services Program	1,485,000	735,000
Total	1,485,000	735,000

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	77,000,000	77,000,000	0
Total	77,000,000	77,000,000	0

INDIGENT LEGAL SERVICES

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Indigent Legal Services Program			
Special Revenue Funds - Other	77,000,000	77,000,000	0
Total	<u>77,000,000</u>	<u>77,000,000</u>	<u>0</u>

OFFICE OF THE STATE INSPECTOR GENERAL

MISSION

The Office of the State Inspector General is responsible for detecting, investigating, deterring and eliminating corruption, fraud, criminal activity, conflicts of interest, abuses, and waste in the State entities under its jurisdiction. The Office's jurisdiction includes Executive Branch agencies, departments, divisions, offices, boards, commissions, public authorities and public benefit corporations and any entity of State government headed by an appointee of the Governor that does not have its own statutory Inspector General. Its mission is designed to ensure that State government maintains the highest standards of integrity and accountability.

ORGANIZATION AND STAFFING

The Office of the State Inspector General consolidates most of the State's inspector general activities in a centralized office that replaced what were formerly separate, semi-independent deputy inspectors general located within the agencies they served. Led by the Inspector General, who is appointed by the Governor, the Office is headquartered in Albany and has offices in New York City and Buffalo.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommendations provide over **\$5.6 million** All Funds (\$5.5 million General Fund; \$100,000 All Other Funds). This is a decrease of **\$614,000 (-10 percent)** from the 2010-11 budget, which is entirely attributable to the General Fund. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

In the 2010-11 fiscal year, the Office of the State Inspector General anticipates receiving approximately 2,600 complaints of fraud, criminal activity, waste and abuse involving State employees and resources. This is an increase of over 400 complaints from the previous fiscal year. The Office focuses its investigative efforts on major cases involving theft, bribery, contract fraud, abuse of authority, and other serious allegations of corruption. The Office works jointly with local, State and Federal law enforcement personnel and prosecutors on significant matters of public concern. The Office's investigations have uncovered instances of theft, bid rigging, bribery, creation of fraudulent documents, misuse of computers, construction industry fraud, and systemic abuse and waste in various agencies that have resulted in arrests and/or referrals for discipline in many cases. In addition, numerous cases have also resulted in recommendations for administrative or policy changes.

INSPECTOR GENERAL

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	6,238,000	5,624,000	(614,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>6,238,000</u>	<u>5,624,000</u>	<u>(614,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Inspector General			
General Fund	58	58	0
Total	<u>58</u>	<u>58</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	6,138,000	5,524,000	(614,000)
Special Revenue Funds - Other	100,000	100,000	0
Total	<u>6,238,000</u>	<u>5,624,000</u>	<u>(614,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Inspector General			
General Fund	6,138,000	5,524,000	(614,000)
Special Revenue Funds - Other	100,000	100,000	0
Total	<u>6,238,000</u>	<u>5,624,000</u>	<u>(614,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Inspector General	5,131,000	(570,000)	5,124,000	(566,000)
Total	<u>5,131,000</u>	<u>(570,000)</u>	<u>5,124,000</u>	<u>(566,000)</u>
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Inspector General	4,000	(4,000)	3,000	0
Total	<u>4,000</u>	<u>(4,000)</u>	<u>3,000</u>	<u>0</u>

INSPECTOR GENERAL

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Inspector General	393,000	(44,000)	20,000	(20,000)
Total	393,000	(44,000)	20,000	(20,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Inspector General	25,000	(15,000)	314,000	(3,000)
Total	25,000	(15,000)	314,000	(3,000)

Program	Equipment	
	Amount	Change
Inspector General	34,000	(6,000)
Total	34,000	(6,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Inspector General	100,000	0	100,000	0
Total	100,000	0	100,000	0

INTEREST ON LAWYER ACCOUNT

MISSION

The Interest on Lawyer Account (IOLA) Fund was established in 1983 to finance civil legal services for the indigent. Revenues are derived from the interest earned on small trust accounts in which attorneys hold certain funds for their clients. Banks transfer the interest earned on these IOLA escrow accounts to the IOLA Fund to finance grants to not-for-profit, tax-exempt entities providing civil legal services to the indigent, elderly, disabled and others. Legislation enacted in 1988 made participation in IOLA mandatory for attorneys in private practice who hold nominal short term escrow accounts for clients, and new regulations initiated in 2007 ensure that banking institutions pay a fair interest rate on IOLA escrow accounts – one that is not less than that paid on similar types of bank accounts.

ORGANIZATION AND STAFFING

A 15-member board of trustees appointed by the Governor administers the Interest on Lawyer Account. Board members serve without compensation. Day-to-day operations are located in New York City. IOLA is completely supported by revenue generated by the interest earned on IOLA escrow accounts.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$46.9 million** in Special Revenue Funds. Executive Budget appropriations support staffing of up to **8 FTEs**.

PROGRAM HIGHLIGHTS

In 2010-11, the board administering the Interest on Lawyer Account is expected to award grants to approximately 71 organizations statewide. The number of grantees and the grant amounts in 2011-12 will be determined based on projected fund revenues.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	1,873,000	1,889,000	16,000	0
Aid To Localities	45,000,000	45,000,000	0	0
Capital Projects	0	0	0	0
Total	46,873,000	46,889,000	16,000	0

INTEREST ON LAWYER

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
New York Interest on Lawyer Account	8	8	0
Special Revenue Funds - Other	8	8	0
Total	8	8	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	1,873,000	1,889,000	16,000
Total	1,873,000	1,889,000	16,000

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
New York Interest on Lawyer Account	1,873,000	1,889,000	16,000
Special Revenue Funds - Other	1,873,000	1,889,000	16,000
Total	1,873,000	1,889,000	16,000

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
New York Interest on Lawyer Account	1,889,000	16,000	739,000	16,000
Total	1,889,000	16,000	739,000	16,000

Program	Nonpersonal Service	
	Amount	Change
New York Interest on Lawyer Account	1,150,000	0
Total	1,150,000	0

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	45,000,000	45,000,000	0
Total	45,000,000	45,000,000	0

INTEREST ON LAWYER

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
New York Interest on Lawyer Account			
Special Revenue Funds - Other	45,000,000	45,000,000	0
Total	<u>45,000,000</u>	<u>45,000,000</u>	<u>0</u>

JUDICIAL COMMISSIONS

MISSION

New York State's three Judicial Commissions play important roles in maintaining the integrity of the court system. The Commission on Judicial Nomination and the Judicial Screening Committees screen potential nominees for high-level judicial appointments by the Governor. The Commission on Judicial Conduct investigates and acts upon allegations of judicial misconduct.

COMMISSION ON JUDICIAL CONDUCT

The State Constitution established the Commission on Judicial Conduct, which is responsible for investigating complaints of misconduct against State judges and local justices. The Commission has disciplinary powers, which include the authority to remove judges and justices from office for serious misconduct, subject to review by the Court of Appeals.

The Commission on Judicial Conduct has 11 members, four of whom are appointed by the Governor, three by the Chief Judge of the Court of Appeals and the remaining four by the Legislature. Commission members serve without pay and meet periodically to consider complaints, hear testimony and determine the disposition of cases. Its main office is in New York City, with branches in Albany and Rochester.

The recommended 2011-12 Executive Budget of **\$5.4 million General Fund** is a decrease of **\$22,000**, from the 2010-11 budget.

COMMISSION ON JUDICIAL NOMINATION

The State Constitution established the Commission on Judicial Nomination to evaluate candidates and make recommendations to the Governor for appointment to the Court of Appeals, the State's highest court.

The Commission on Judicial Nomination has 12 members appointed by the Governor, the Chief Judge of the Court of Appeals and the Legislature. These members serve without pay and conduct the search for qualified candidates upon formal notification of a vacancy on the Court of Appeals. The recommended 2011-12 Executive Budget provides **\$30,000** General Fund.

GOVERNOR'S JUDICIAL SCREENING COMMITTEES

The Governor's Judicial Screening Committees are established by Executive Order to evaluate the qualifications of candidates and make recommendations to the Governor for appointment to judgeships other than those on the Court of Appeals. The Committees are located throughout the State. The recommended 2011-12 Executive Budget provides **\$38,000** in General Fund.

JUDICIAL

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	5,474,000	5,452,000	(22,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>5,474,000</u>	<u>5,452,000</u>	<u>(22,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Judicial Conduct			
General Fund	48	48	0
Total	<u>48</u>	<u>48</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	5,474,000	5,452,000	(22,000)
Total	<u>5,474,000</u>	<u>5,452,000</u>	<u>(22,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Judicial Conduct			
General Fund	5,406,000	5,384,000	(22,000)
Judicial Nomination, Commission on			
General Fund	30,000	30,000	0
Judicial Screening Committees			
General Fund	38,000	38,000	0
Total	<u>5,474,000</u>	<u>5,452,000</u>	<u>(22,000)</u>

JUDICIAL

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Judicial Conduct	4,093,000	0	4,073,000	0
Judicial Screening Committees	13,000	0	13,000	0
Total	<u>4,106,000</u>	<u>0</u>	<u>4,086,000</u>	<u>0</u>

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Judicial Conduct	20,000	0
Judicial Screening Committees	0	0
Total	<u>20,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Judicial Conduct	1,291,000	(22,000)	51,000	(4,000)
Judicial Nomination, Commission on	30,000	0	0	0
Judicial Screening Committees	25,000	0	0	0
Total	<u>1,346,000</u>	<u>(22,000)</u>	<u>51,000</u>	<u>(4,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Judicial Conduct	100,000	(3,000)	1,085,000	27,000
Judicial Nomination, Commission on	30,000	0	0	0
Judicial Screening Committees	10,000	0	15,000	0
Total	<u>140,000</u>	<u>(3,000)</u>	<u>1,100,000</u>	<u>27,000</u>

Program	Equipment	
	Amount	Change
Judicial Conduct	55,000	(42,000)
Judicial Nomination, Commission on	0	0
Judicial Screening Committees	0	0
Total	<u>55,000</u>	<u>(42,000)</u>

DEPARTMENT OF LABOR

MISSION

The Department of Labor (DOL) administers New York's Unemployment Insurance system, Workforce Development Employment and Training 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 State's principal source for labor market information, offering a variety of services designed to help businesses find workers and people find jobs.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner, appointed by the Governor and subject to confirmation by the Senate, with a central office located in Albany. This office is responsible for two Unemployment Insurance Telephone Claims Centers and 76 One-Stop Career Centers located throughout the State. In addition, through nine worker protection district offices, the Department enforces child labor laws, fosters workplace health and safety, and ensures that employees are paid in accordance with provisions of the Labor Law. Offices are staffed based upon the workload in each geographic area.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$9.2 billion** All Funds (\$9 billion Other Funds, including \$8.4 billion Enterprise Fund) for the Department of Labor. This is a decrease of **\$1.6 billion** All Funds (**-14.9 percent**) from the 2010-11 budget, reflecting the non-recurrence of one-time Federal American Recovery and Reinvestment Act (ARRA) appropriations.

Major budget actions include:

- **Continuation of ARRA Programs:** The budget recommends \$3.3 billion in new appropriations and \$158.8 million in reappropriation authority to allow the Department to fully disburse ARRA-related Workforce Investment Act and Unemployment Insurance program funding.
- **Unemployment Insurance Systems Modernization:** Federal grant funding received by DOL will support the Department's Unemployment Insurance computer systems modernization efforts. Appropriations totaling \$6.8 million are recommended for this project.

PROGRAM HIGHLIGHTS

JOB SERVICES

Consistent with the requirements of the Federal Workforce Investment Act, the Department of Labor and local governments work together at local One-Stop Centers and affiliated sites across the State that offer access to a variety of employment services including job referral and placement, education and training, resume preparation, employer services, human resources consultation, and support services such as child care

LABOR

and transportation. The Centers benefit employers by providing them with access to worker resumes and information about tax credits, workplace safety issues and apprenticeship services.

Through the use of job orders, online forms, electronic job banks and talent banks available through the Internet, the Department of Labor has made it easier for job seekers and employers to use and benefit from DOL services and to immediately access relevant information without direct assistance from Department staff.

In addition to partnering in One-Stop Centers across the State, the Department continues to work with other State and local agencies, community colleges and others to ensure that New York's workforce development system provides access to information and services across agency lines regardless of where a person may initially go for assistance.

WORKFORCE INVESTMENT ACT

Federally funded appropriation authority includes \$234 million for Workforce Investment Act (WIA) services, which provide job training to youth, adults and dislocated workers. WIA funding also supports programs to upgrade the skills of those currently working, thus helping employers meet the changing needs of their business operations. Eligible participants access WIA services through the network of local One-Stop Centers for the delivery of employment and training services. WIA also improves customer choice and program effectiveness, as participants can choose training providers based on past performance through the use of individual training accounts. Continuing trends that began in 2008 with the downturn in the economy, the number of WIA customers in the Department's workforce development system increased by 9 percent in 2009 to 800,374, with the dislocated workers component of the total increasing by 32 percent.

WORKER PROTECTION

Worker Protection functions are carried out by two Department of Labor programs: Occupational Safety and Health and Labor Standards/Public Work.

The Occupational Safety and Health program is responsible for health and safety inspections and granting licenses to qualified persons to operate or handle dangerous equipment or substances. Statistics for the last two completed State fiscal years show that the Division inspected 17,687 amusement park devices, 840 ski lifts, 4,730 places of public assembly (e.g., bleachers at concerts) and 32,964 commercial boilers. It also reviewed applications for 54,472 asbestos licenses and certificates.

The Labor Standards program enforces the Labor Law in such areas as minimum and prevailing wage, child labor and garment industry registration. During 2009, the Department's Labor Standards Division inspected 138 businesses for compliance with child labor laws and the Division, together with the Bureau of Public Work, and collected a record total of \$28.8 million in back wages, unpaid and underpaid prevailing wage monies, unpaid fringe benefits, and minimum wage underpayments for approximately 18,000 employees. In 2010, Labor Standards inspected 168 businesses for compliance with child labor laws and the two programs collected a total of \$25.7 million of underpaid wages from employers for 21,000 workers. The Bureau of Immigrant Workers' Rights, established within the Department in 2007-08, will continue to detect and address abuses against immigrant workers throughout New York State.

LABOR

Through coordinated audit and investigative activities, the Governor's Joint Enforcement Task Force on Employee Misclassification is aimed at employers who intentionally mislabel workers as independent contractors instead of employees, or pay them "off the books," to avoid employee-related costs. Misclassification puts law-abiding businesses at a competitive disadvantage, since they must bear the expense of providing these benefits, while those who skirt the law bear no such costs. Since its establishment in September 2007, the enforcement and data sharing activities of the Task Force have identified more than 44,600 instances of employee misclassification and over \$607 million in unreported wages, resulting in the assessment of over \$18 million in UI taxes due, over \$1.7 million in UI fraud penalties, and over \$15 million in unpaid wages. In addition, unreported wage information provided to the Department of Taxation and Finance is expected to result in increased State and Federal income tax payments.

UNEMPLOYMENT INSURANCE

The Unemployment Insurance program makes weekly payments to eligible unemployed workers who have lost a job through no fault of their own. These temporary payments, generally available for up to 26 weeks, help workers and their families pay bills and buy basic household items while looking for work. The Department also operates a re-employment services program to further strengthen efforts to move individuals back to work. In June 2008, the Federal Extended Unemployment Compensation Program (EUC08) was enacted. It provides an additional 13 weeks of benefits to eligible claimants who have exhausted their regular Unemployment Insurance benefits. Since the inception of EUC08, various Federal legislation has been enacted to add additional weeks of EUC08 benefits, to provide a weekly \$25 Federal Additional Compensation (FAC) benefit payment, to authorize Federal reimbursement for the Extended Benefits (EB) program, and to extend the eligibility date for EUC08, FAC, and EB. Based on current legislation, a maximum total of 93 weeks of regular, EUC08 and EB benefits are available to eligible claimants, with payments continuing into the first quarter of 2012-13. In calendar year 2009, 28 million weekly benefit payments totaling \$9.2 billion were made. During calendar year 2010, as of December 17, 2010, - the high workload experienced in calendar year 2009 continued with the Department making 30 million weekly benefit payments totaling \$9.0 billion in combined regular and extended UI benefit payments - compared to 11.7 million payments totaling \$3.4 billion paid in calendar year 2008. As of December 2009, there were 611,000 claimants receiving weekly UI benefit payments, and as of December 10, 2010, there were 546,000 claimants receiving weekly benefit payments, - compared to 140,000 in December 2007.

As part of a continuing effort to make government more efficient, the Department of Labor operates a telephone claims system that uses computer technology and information received to determine if applicants are eligible to receive Unemployment Insurance benefits and to handle all other processing issues related to an individual's benefits. The system, which operates through two Tele-Claims Centers located in Troy and Endicott, replaced a process which required DOL staff to determine eligibility from paper forms filled out by applicants at local Department of Labor offices. The Department currently accepts Unemployment Insurance claims and employer registration through the Internet, with recent statistics indicating 70 percent internet usage for original and continued claims, up from 65 percent in 2009. In addition, over 50 percent of current UI claims initiated on the Internet are completed without the assistance of a call center agent.

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The Department offers two secure and convenient options for receiving benefit payments: Unemployment Insurance benefit payment debit cards, known as Direct Payment Cards, and the Direct Deposit program. These modernization initiatives have resulted in improved customer access and cost efficiencies.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	10,638,548,000	9,048,595,000	(1,589,953,000)	2,284,869,456
Aid To Localities	227,565,000	192,869,000	(34,696,000)	417,123,000
Capital Projects	0	0	0	0
Total	<u>10,866,113,000</u>	<u>9,241,464,000</u>	<u>(1,624,649,000)</u>	<u>2,701,992,456</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs	2011-12 Estimated FTEs	FTE Change
	03/31/11	03/31/12	
Administration			
Special Revenue Funds - Federal	3,389	3,417	28
Employment and Training			
Special Revenue Funds - Other	54	54	0
Labor Standards			
Special Revenue Funds - Other	249	249	0
Occupational Safety and Health			
Special Revenue Funds - Other	257	257	0
Total	<u>3,949</u>	<u>3,977</u>	<u>28</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	543,968,000	574,015,000	30,047,000
Special Revenue Funds - Other	74,580,000	74,580,000	0
Enterprise Funds	10,020,000,000	8,400,000,000	(1,620,000,000)
Total	<u>10,638,548,000</u>	<u>9,048,595,000</u>	<u>(1,589,953,000)</u>

Adjustments:

Transfer(s) From	
Labor, Department of	
Special Revenue Funds - Other	(20,000,000)
Special Pay Bill	
Special Revenue Funds - Federal	(333,000)
Transfer(s) To	
Labor, Department of	
Special Revenue Funds - Federal (Aid To Localities)	1,948,000
Enterprise Funds	20,000,000
Appropriated 2010-11	<u>10,640,163,000</u>

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Federal	495,907,000	495,907,000	0
Employment and Training			
Special Revenue Funds - Federal	26,228,000	56,608,000	30,380,000
Special Revenue Funds - Other	4,644,000	4,644,000	0
Labor Standards			
Special Revenue Funds - Other	28,016,000	28,016,000	0
Occupational Safety and Health			
Special Revenue Funds - Other	41,920,000	41,920,000	0
Unemployment Insurance Benefit Fund			
Special Revenue Funds - Federal	21,833,000	21,500,000	(333,000)
Enterprise Funds	10,020,000,000	8,400,000,000	(1,620,000,000)
Total	<u>10,638,548,000</u>	<u>9,048,595,000</u>	<u>(1,589,953,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	495,907,000	0	235,281,000	0
Employment and Training	61,252,000	30,380,000	19,660,000	0
Labor Standards	28,016,000	0	16,104,000	(484,000)
Occupational Safety and Health	41,920,000	0	18,720,000	(620,000)
Unemployment Insurance Benefit Fund	8,421,500,000	(1,620,333,000)	0	(223,000)
Total	<u>9,048,595,000</u>	<u>(1,589,953,000)</u>	<u>289,765,000</u>	<u>(1,327,000)</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	260,626,000	0
Employment and Training	41,592,000	30,380,000
Labor Standards	11,912,000	484,000
Occupational Safety and Health	23,200,000	620,000
Unemployment Insurance Benefit Fund	8,421,500,000	(1,620,110,000)
Total	<u>8,758,830,000</u>	<u>(1,588,626,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	227,135,000	192,439,000	(34,696,000)
Special Revenue Funds - Other	430,000	430,000	0
Total	<u>227,565,000</u>	<u>192,869,000</u>	<u>(34,696,000)</u>

Adjustments:	
Transfer(s) From	
Labor, Department of	
Special Revenue Funds - Federal	
(State Operations)	(1,948,000)
Appropriated 2010-11	<u>225,617,000</u>

LABOR

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Administration			
Special Revenue Funds - Federal	11,608,000	15,000,000	3,392,000
Employment and Training			
Special Revenue Funds - Federal	215,527,000	177,439,000	(38,088,000)
Occupational Safety and Health			
Special Revenue Funds - Other	430,000	430,000	0
Total	<u>227,565,000</u>	<u>192,869,000</u>	<u>(34,696,000)</u>

DEPARTMENT OF LAW

MISSION

The Department of Law was created in 1926 and is headed by the State Attorney General, who is elected by the people. The Department is responsible for protecting the legal rights of New York State and its citizens by representing the State in litigation and in other legal affairs.

In implementing its constitutional responsibilities, the Department performs a wide range of functions. Major activities of the Department include prosecuting or defending actions and proceedings for or against the State and its departments; prosecuting certain criminal violations of the Labor, Workers' Compensation and Unemployment Insurance laws; investigating and prosecuting other criminal cases at the request of the Governor or the commissioners of State departments; investigating the activities of organized crime; bringing civil and/or criminal actions against polluters, violators of antitrust laws and those who defraud consumers or investors; mediating consumer complaints; and investigating and prosecuting cases of Medicaid fraud.

ORGANIZATION AND STAFFING

The legal functions and administrative functions of the Department of Law are divided into eight major divisions: Administration, Appeals and Opinions, Counsel for the State, Criminal Justice, Economic Justice, Investigations, Social Justice and Regional Offices. Each division consists of smaller bureaus or specialized units dealing with specific issues.

The Department's main offices are located in Albany and New York City, with regional offices in Binghamton, Poughkeepsie, Syracuse, Buffalo, Plattsburgh, Rochester, Watertown, Mineola, Hauppauge, Harlem, Utica, Brooklyn, and White Plains.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$209 million** All Funds (\$101.4 million General Fund; \$34.8 million Federal Funds; \$72.8 million Other Funds) for the Department of Law. This is a decrease of **\$1 million (-0.5 percent)** from 2010-11. This decrease is the net result of a 10 percent (\$11.3 million) decrease in the General Fund, a \$1 million decrease in Federal Funds, and an increase of \$11.3 million in Other Funds. Executive Budget appropriations support a workforce of up to **1,747 FTEs**.

PROGRAM HIGHLIGHTS

Agency divisions perform the following functions:

- The Administration Division provides budget, personnel, operations and technology services for the Department.
- The Division of Appeals and Opinions handles appellate litigation in both State and Federal courts. The Division also prepares opinions, both formal and informal, interpreting State laws for State agencies and municipalities.
- The Criminal Justice Division investigates and prosecutes criminal cases, including those involving Medicaid fraud, auto insurance fraud, white collar and organized crime cases involving multi-county, multi-state and even multi-national criminal activities occurring within New York State.

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- The Investigations Division provides investigative support for legal divisions throughout the Department, and works cooperatively with State, local and Federal law enforcement agencies on cases that cross jurisdictional lines.
- The Division of State Counsel provides State agencies, the Governor, other State officials and the Legislature with counsel and representation in legal proceedings. It recoups non tax revenue on behalf of State taxpayers and provides legal assistance to State agencies in connection with the acquisition and disposition of public land.
- The Division of Economic Justice defends and protects the public interest in the courts. It enforces laws to prevent restraint of trade, protects consumers from fraudulent and/or deceptive business practices, regulates the sale of securities, and addresses people's concerns about criminal online activities.
- The Division of Social Justice also defends and protects the public interest in the courts. It ensures compliance with the State's health care and environmental laws, enforces State Labor and Workers' Compensation Laws, protects charitable donors and beneficiaries, and enforces laws prohibiting discrimination.
- The Regional Offices' Division provides satellite offices across the State to ensure that all New York agencies have cost-effective representation in all local and Federal courts, and that citizens have full access to the programs and services of the Department.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	210,026,000	209,020,000	(1,006,000)	26,655,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>210,026,000</u>	<u>209,020,000</u>	<u>(1,006,000)</u>	<u>26,655,000</u>

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ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	170	170	0
Appeals and Opinions			
General Fund	56	56	0
Counsel for the State			
General Fund	355	355	0
Special Revenue Funds - Other	211	211	0
Criminal Investigations			
General Fund	95	95	0
Economic Justice			
General Fund	126	126	0
Special Revenue Funds - Other	14	14	0
Social Justice			
General Fund	136	136	0
Capital Projects Funds - Other	7	7	0
Criminal Justice			
General Fund	82	82	0
Special Revenue Funds - Other	68	68	0
Medicaid Fraud Control			
Special Revenue Funds - Federal	222	222	0
Special Revenue Funds - Other	74	74	0
Regional Offices			
General Fund	131	131	0
Total	1,747	1,747	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	112,641,000	101,381,000	(11,260,000)
Special Revenue Funds - Federal	35,820,000	34,820,000	(1,000,000)
Special Revenue Funds - Other	61,565,000	72,819,000	11,254,000
Total	210,026,000	209,020,000	(1,006,000)

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	15,036,000	13,533,000	(1,503,000)
Appeals and Opinions			
General Fund	5,786,000	5,207,000	(579,000)
Counsel for the State			
General Fund	35,810,000	32,229,000	(3,581,000)
Special Revenue Funds - Other	46,530,000	57,997,000	11,467,000
Criminal Investigations			
General Fund	9,743,000	8,769,000	(974,000)
Economic Justice			
General Fund	11,276,000	10,149,000	(1,127,000)
Special Revenue Funds - Other	977,000	977,000	0
Social Justice			
General Fund	13,075,000	11,768,000	(1,307,000)
Criminal Justice			
General Fund	7,324,000	6,594,000	(730,000)
Special Revenue Funds - Other	2,000,000	2,000,000	0
Medicaid Fraud Control			
Special Revenue Funds - Federal	35,820,000	34,820,000	(1,000,000)
Special Revenue Funds - Other	12,058,000	11,845,000	(213,000)
Regional Offices			
General Fund	14,591,000	13,132,000	(1,459,000)
Total	<u>210,026,000</u>	<u>209,020,000</u>	<u>(1,006,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	10,821,000	(1,203,000)	10,395,000	(1,155,000)
Appeals and Opinions	4,599,000	(511,000)	4,598,000	(511,000)
Counsel for the State	26,616,000	(2,957,000)	26,603,000	(2,956,000)
Criminal Investigations	8,393,000	(932,000)	8,192,000	(910,000)
Economic Justice	9,951,000	(1,105,000)	9,940,000	(1,104,000)
Social Justice	11,570,000	(1,285,000)	11,540,000	(1,282,000)
Criminal Justice	6,430,000	(713,000)	6,295,000	(699,000)
Regional Offices	10,146,000	(1,128,000)	10,132,000	(1,126,000)
Total	<u>88,526,000</u>	<u>(9,834,000)</u>	<u>87,695,000</u>	<u>(9,743,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	402,000	(45,000)	24,000	(3,000)
Appeals and Opinions	0	0	1,000	0
Counsel for the State	0	0	13,000	(1,000)
Criminal Investigations	0	0	201,000	(22,000)
Economic Justice	0	0	11,000	(1,000)
Social Justice	0	0	30,000	(3,000)
Criminal Justice	49,000	(5,000)	86,000	(9,000)
Regional Offices	0	0	14,000	(2,000)
Total	<u>451,000</u>	<u>(50,000)</u>	<u>380,000</u>	<u>(41,000)</u>

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STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,712,000	(300,000)	1,589,000	(176,000)
Appeals and Opinions	608,000	(68,000)	0	0
Counsel for the State	5,613,000	(624,000)	0	0
Criminal Investigations	376,000	(42,000)	0	0
Economic Justice	198,000	(22,000)	0	0
Social Justice	198,000	(22,000)	0	0
Criminal Justice	164,000	(17,000)	5,000	0
Regional Offices	2,986,000	(331,000)	0	0
Total	12,855,000	(1,426,000)	1,594,000	(176,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	102,000	(11,000)	876,000	(97,000)
Appeals and Opinions	0	0	608,000	(68,000)
Counsel for the State	133,000	(15,000)	5,480,000	(609,000)
Criminal Investigations	91,000	(10,000)	285,000	(32,000)
Economic Justice	0	0	198,000	(22,000)
Social Justice	0	0	198,000	(22,000)
Criminal Justice	77,000	(8,000)	82,000	(9,000)
Regional Offices	139,000	(15,000)	2,847,000	(316,000)
Total	542,000	(59,000)	10,574,000	(1,175,000)

Program	Equipment	
	Amount	Change
Administration	145,000	(16,000)
Appeals and Opinions	0	0
Counsel for the State	0	0
Criminal Investigations	0	0
Economic Justice	0	0
Social Justice	0	0
Criminal Justice	0	0
Regional Offices	0	0
Total	145,000	(16,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Counsel for the State	57,997,000	11,467,000	12,167,000	2,256,000
Economic Justice	977,000	0	589,000	0
Criminal Justice	2,000,000	0	0	0
Medicaid Fraud Control	46,665,000	(1,213,000)	25,632,000	0
Total	107,639,000	10,254,000	38,388,000	2,256,000

Program	Nonpersonal Service	
	Amount	Change
Counsel for the State	45,830,000	9,211,000
Economic Justice	388,000	0
Criminal Justice	2,000,000	0
Medicaid Fraud Control	21,033,000	(1,213,000)
Total	69,251,000	7,998,000

DIVISION OF THE LOTTERY

MISSION

In 1966, New Yorkers approved a constitutional amendment to authorize a State Lottery in support of education. The Division of the Lottery raises revenue through the sale and marketing of Lottery games.

ORGANIZATION AND STAFFING

The Division of the Lottery is an independent unit of the Department of Taxation and Finance, whose Commissioner appoints the Director of the Lottery. The Division maintains a central office in Schenectady, regional offices in Buffalo, Syracuse, New York City and Long Island, a satellite office in Fishkill to serve the Hudson Valley, and a customer service center in Rochester. Marketing sales representatives, assigned to the regional offices around the State, recruit and support point-of-sale retailers, which include convenience stores, newsstands, supermarkets, restaurants and bowling centers.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$89.7 million** All Funds for the Division of the Lottery. This is a decrease of **\$5.6 million (-5.9 percent)** in All Funds from the 2010-11 budget, primarily reflecting achieved savings in nonpersonal services expenditures. Lottery is continuing to achieve reductions through a successful contract negotiation with its full service contractor, who provides services for both draw and instant games.

The Executive Budget recommends a staffing level of **369 FTEs** for the Division of the Lottery. This level reflects an increase of 50 FTEs to enable Lottery to implement much needed revenue enhancements to help close the State budget gap. In addition, the Division will implement measures to improve efficiency of Lottery sales.

The Executive Budget proposes legislation that will remove location restrictions on the Quick Draw game, expand subsidized free play offerings at video gaming facilities, and allow for increased prize payouts on multi-jurisdictional and instant games.

PROGRAM HIGHLIGHTS

The Division of the Lottery sells games through approximately 17,000 licensed retailers and soon to be nine licensed video gaming facilities across New York State. The Lottery offers three distinct products: 1) Draw games, such as Numbers, Win 4, Pick 10, Take 5, Quick Draw, Lotto, Sweet Million, Mega Millions, and Powerball, 2) Instant scratch-off games, and 3) Video Lottery games.

Draw games are conducted multiple times per day, daily, or twice weekly, depending on the game. Players try to win prizes by matching their selected numbers to those drawn by the Lottery. Quick Draw, first introduced in 1995, draws random numbers electronically on a central computer system every four minutes. Quick Draw is displayed at approximately 3,600 licensed retailers statewide, such as restaurants, OTB's, and bowling centers. Pursuant to legislation enacted in 2001, the Lottery entered into an agreement with nine other states to create the multi-state Lottery game called Mega Millions. Mega Millions' first drawing in New York occurred on May 17, 2002. Currently, 12 states participate in Mega Millions including New York, California, Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey, Ohio, Texas,

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Virginia, and Washington. In 2009-10, the Mega Millions consortium reached an agreement with the Multi-State Lottery Association (MUSL) to cross-sell Mega Millions and Powerball, allowing New York to sell the Powerball game and expanding the number of jurisdictions offering each game to 44. Powerball was offered for the first time in New York in February 2010.

Instant scratch-off games are played by instantly revealing pre-selected characters and prizes on a game ticket. Instant games have contributed significantly to the growth of Lottery revenues. The Lottery will market approximately 30 to 40 new Instant games during 2011-12, with ticket prices ranging from \$1 to \$30.

Video Lottery games are played on video lottery terminals (VLTs) and electronic table games (ETG) which interact with a central gaming system. Video lottery gaming was authorized in 2001 by legislation enacted to broaden the Lottery gaming opportunities in New York State. This legislation permitted the installation of VLTs at horse racing facilities across the State. Eight racetracks currently offer video lottery gaming: Batavia Downs Casino, Hamburg Casino at the Fairgrounds, Finger Lakes Casino & Racetrack, Monticello Casino & Raceway, Saratoga Gaming & Raceway, Tioga Downs Casino, Vernon Downs Casino, and Empire City Casino at Yonkers Raceway, with a ninth location to be opened soon, Resorts World New York, located at Aqueduct Racetrack.

The 2011-12 Executive Budget provides funds necessary for the Lottery to administer, operate, and market traditional Lottery games for the coming fiscal year. The 2011-12 Executive Budget also provides the necessary funding for the video lottery program's continued operation and implementation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	95,310,700	89,704,000	(5,606,700)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>95,310,700</u>	<u>89,704,000</u>	<u>(5,606,700)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration of the Lottery Program			
Special Revenue Funds - Other	297	309	12
Administration of the VLT Program			
Special Revenue Funds - Other	22	60	38
Total	<u>319</u>	<u>369</u>	<u>50</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Special Revenue Funds - Other	95,310,700	89,704,000	(5,606,700)
Total	<u>95,310,700</u>	<u>89,704,000</u>	<u>(5,606,700)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Administration of the Lottery Program			
Special Revenue Funds - Other	84,476,800	80,052,000	(4,424,800)
Administration of the VLT Program			
Special Revenue Funds - Other	10,833,900	9,652,000	(1,181,900)
Total	<u>95,310,700</u>	<u>89,704,000</u>	<u>(5,606,700)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration of the Lottery Program	80,052,000	(4,424,800)	21,189,000	1,101,300
Administration of the VLT Program	9,652,000	(1,181,900)	3,313,000	649,000
Total	<u>89,704,000</u>	<u>(5,606,700)</u>	<u>24,502,000</u>	<u>1,750,300</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Administration of the Lottery Program	58,863,000	(5,526,100)
Administration of the VLT Program	6,339,000	(1,830,900)
Total	<u>65,202,000</u>	<u>(7,357,000)</u>

DEPARTMENT OF MENTAL HYGIENE

The Department of Mental Hygiene operates through three independent agencies – the Office of Mental Health, the Office for People With Developmental Disabilities, and the Office of Alcoholism and Substance Abuse Services. All three agencies provide services directly to their clients through State-operated facilities and receive reimbursement for these services, primarily with Medicaid funds.

Patient revenues in the Patient Income Account are pledged first to the payment of debt service on outstanding Mental Hygiene bonds. The recommended \$600 million in new appropriations from the Patient Income Account and the Mental Hygiene Program Fund may be distributed to any of the three agencies in order to access additional revenues made available or through a decreased set-aside for debt service resulting from planned debt management actions.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	600,000,000	600,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>600,000,000</u>	<u>600,000,000</u>	<u>0</u>	<u>0</u>

OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

MISSION

The mission of the Office of Alcoholism and Substance Abuse Services (OASAS) is to improve the lives of New Yorkers by leading a premier system of addiction services through prevention, treatment, and recovery.

ORGANIZATION AND STAFFING

Headed by a Commissioner appointed by the Governor, subject to Senate confirmation, OASAS is responsible for the development and management of the State's policy on chemical dependence and problem gambling. The Office exercises these responsibilities directly as a provider of treatment services through a statewide system of Addiction Treatment Centers (ATCs), through the regulation and oversight of over 1,550 chemical dependence and problem gambling prevention, treatment, and recovery service providers, and as a conduit for Federal and State financial assistance. The Office also furthers State policy goals in areas that include Public Safety, Public Health, Public Welfare, and Public Education by coordinating chemical dependence and problem gambling resources and strategies in collaboration with other State agencies through the Addictions Collaborative to Improve Outcomes for New Yorkers (ACTION).

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends nearly **\$671 million** All Funds (\$432 million State Operating Funds; \$239 million Other Funds) for OASAS, which represents a decrease of **\$46 million (-6.4 percent)**, which is largely attributable to the actions summarized below.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

In addition to 10 percent reductions in State operations, major new actions to promote cost efficiency include:

- **Deferring Cost-of-Living Adjustment (COLA).** Defer the planned 1.2 percent human services COLA for one year. However, to continue the State's long-term commitment, a three-year human services COLA is planned to commence April 1, 2012 and continue through the 2014-15 fiscal year.
- **Refocusing and Redesigning Programs and Services.** Reduce funding for OASAS programs that fail to meet established performance indicators; reduce and restructure 41 existing gambling education, assessment and referral programs; delay the development of five gambling prevention programs and three Recovery Community Centers; and eliminate planned new funding for additional re-entry services. The 1.1 percent reduction to local payments implemented in 2010-11 is also continued.

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- **Providing Services under Drug Law Reform.** Continue the current year levels of funding for OASAS costs related to recent drug law reforms, including maintaining 250 residential beds added in 2010-11. As a result, services for this population will be supported within existing OASAS capacity by enhanced performance and the prioritization of services.

PROGRAM HIGHLIGHTS

OASAS administers a comprehensive array of prevention, treatment, and recovery services for New Yorkers. This is accomplished through a highly qualified network of State, local government, voluntary agency, and school district providers with a paid and volunteer workforce of 35,000. In accordance with Federal and State statute, OASAS licenses and regulates program providers, ensures that fiscal resources are appropriately spent, and assists local programs in providing the highest quality services.

Approximately 260,000 individuals receive services annually in New York State's licensed chemical dependence treatment and problem gambling system, which is provided by approximately 1,100 community-based programs. About 107,000 individuals are enrolled in New York's chemical dependence treatment programs on any given day. OASAS also provides funding to approximately 300 prevention providers located in over 2,800 sites, combined with an additional 114 community coalitions across the State. They utilize evidence-based, outcome-oriented programs focusing on such risk factors as family conflict, permissive attitudes towards alcohol and substance abuse, and lack of commitment to school, which research shows are predictive of adolescent problem behaviors like alcohol and substance abuse, delinquency, teen pregnancy, school drop-out, and violence. While reducing these risk factors, prevention programs also focus on nurturing healthy beliefs and clear standards within community and family, since combining both activities is crucial to reducing the prevalence of problem behaviors like alcohol and substance abuse.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	130,710,000	119,013,400	(11,696,600)	4,288,000
Aid To Localities	477,234,000	454,121,000	(23,113,000)	191,600,000
Capital Projects	108,934,000	97,606,000	(11,328,000)	456,406,000
Total	<u>716,878,000</u>	<u>670,740,400</u>	<u>(46,137,600)</u>	<u>652,294,000</u>

ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Executive Direction		
Special Revenue Funds - Federal	74	74	0
Special Revenue Funds - Other	290	281	(9)
Institutional Services			
Special Revenue Funds - Federal	16	16	0
Special Revenue Funds - Other	462	446	(16)
Total	<u>842</u>	<u>817</u>	<u>(25)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	6,805,000	6,530,000	(275,000)
Special Revenue Funds - Other	123,905,000	112,483,400	(11,421,600)
Total	<u>130,710,000</u>	<u>119,013,400</u>	<u>(11,696,600)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Executive Direction			
Special Revenue Funds - Federal	5,605,000	5,320,000	(285,000)
Special Revenue Funds - Other	53,307,000	47,976,300	(5,330,700)
Institutional Services			
Special Revenue Funds - Federal	1,200,000	1,210,000	10,000
Special Revenue Funds - Other	70,598,000	64,507,100	(6,090,900)
Total	<u>130,710,000</u>	<u>119,013,400</u>	<u>(11,696,600)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Executive Direction	53,296,300	(5,615,700)	27,973,100	(2,806,900)
Institutional Services	65,717,100	(6,080,900)	33,802,700	(2,941,300)
Total	<u>119,013,400</u>	<u>(11,696,600)</u>	<u>61,775,800</u>	<u>(5,748,200)</u>

Program	Nonpersonal Service	
	Amount	Change
Executive Direction	25,323,200	(2,808,800)
Institutional Services	31,914,400	(3,139,600)
Total	<u>57,237,600</u>	<u>(5,948,400)</u>

ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	39,000,000	36,878,500	(2,121,500)
Special Revenue Funds - Federal	139,755,000	135,000,000	(4,755,000)
Special Revenue Funds - Other	298,479,000	282,242,500	(16,236,500)
Total	<u>477,234,000</u>	<u>454,121,000</u>	<u>(23,113,000)</u>

Adjustments:

Transfer(s) From			
Alcoholism and Substance Abuse Services, Office of General Fund	(110,400,000)		
Transfer(s) To			
Alcoholism and Substance Abuse Services, Office of Special Revenue Funds - Other	110,400,000		
Appropriated 2010-11	<u>477,234,000</u>		

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Community Treatment Services Program			
General Fund	39,000,000	36,878,500	(2,121,500)
Special Revenue Funds - Federal	106,000,000	106,000,000	0
Special Revenue Funds - Other	245,600,000	232,240,000	(13,360,000)
Prevention and Program Support			
Special Revenue Funds - Federal	33,755,000	29,000,000	(4,755,000)
Special Revenue Funds - Other	52,879,000	50,002,500	(2,876,500)
Total	<u>477,234,000</u>	<u>454,121,000</u>	<u>(23,113,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	3,000,000	3,000,000	0	5,731,000
MH Capital Improvements - Authority Bonds	500,000	500,000	0	1,000,000
Administration				
Capital Projects Fund	1,328,000	0	(1,328,000)	0
Community Alcoholism and Substance Abuse Facilities				
Capital Projects Fund	4,810,000	4,810,000	0	25,115,000
MH Capital Improvements - Authority Bonds	94,546,000	80,546,000	(14,000,000)	402,090,000
Institutional Services Program				
Capital Projects Fund	1,000,000	1,000,000	0	3,160,000
MH Capital Improvements - Authority Bonds	3,000,000	7,000,000	4,000,000	19,310,000
Non-Bondable				
Capital Projects Fund	750,000	750,000	0	0
Total	<u>108,934,000</u>	<u>97,606,000</u>	<u>(11,328,000)</u>	<u>456,406,000</u>

OFFICE OF MENTAL HEALTH

MISSION

The Office of Mental Health's (OMH) mission is to promote the mental health of all New Yorkers, with a particular focus on providing hope and recovery for adults and children with serious mental illness or emotional disturbances.

ORGANIZATION AND STAFFING

The Office of Mental Health is headed by a Commissioner who is appointed by the Governor subject to Senate confirmation. New York's public mental health system consists of programs that are operated by the Office of Mental Health, as well as community programs certified and funded by the State, but operated by local governments, not-for-profit, and proprietary providers.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.6 billion** in All Funds appropriations for the Office of Mental Health (OMH). This is a net decrease of **\$95 million (-2.6 percent)**. This reflects roughly \$40 million of additional spending to provide supported housing and services for certain adult home residents pursuant to a Federal court order, offset by a net reduction in all other services.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

OMH continues to improve the efficiency and cost-effectiveness of its operations and the network of non-profit providers it supports, and has ongoing efforts to reform or restructure activities based on a review of its core mission. In addition to savings initiatives undertaken in 2010-11 to control costs, including a significant slowdown in new residential bed development, major new budget actions to promote cost efficiency and rationalize reimbursement include:

- **Aid to Localities Residential Actions:** Freeze development of all new OMH community residential programs for one year. The savings from this delay in development will help provide resources for additional costs pursuant to a Federal court order for certain adult home residents in New York City. Eliminate funding over the next two years for family-based treatment beds, which have not been as effective as projected; reduce aid to providers that are funded above the regional per bed models for supported housing; convert residential pipeline units to lower-cost alternatives, and reprogram 250 planned supported housing beds for adult home litigation requirements.
- **Aid to Localities Non-Residential Efficiencies:** Restructure a variety of non-residential OMH programs, including Continuing Day Treatment to encourage use of the more effective Personalized Recovery Oriented Services program; targeted funding reductions to encourage efficiencies in certain community support programs, children's Clinic-Plus, non-direct services; and local administration. Continue the 1.1 percent cross-the-board reduction on existing local aid programs implemented in 2010-11.

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- **OMH COLA and Trend:** Defer the planned 1.2 percent Human Services COLA for one year, but extend the legislation for another year through 2014-15. Additionally, the rates for Residential Treatment Facilities and the Community Residence/Family Based Treatment programs will be maintained at existing levels.
- **Enhanced Auditing for Recovery of OMH Medicaid and State Aid Payments:** OMH will renew efforts to recover State funds with enhanced audit activities, including reconciliations, State aid letters and direct contract close-outs.
- **Reform/Efficiencies in State Operations:** As part of State Operations reductions of 10 percent, OMH will reduce State-operated inpatient capacity based on a review of current census patterns, and continue efforts to maximize community placement and consolidate capacity and administrative functions throughout the system.
- **Continuation of Restructuring Efforts:** OMH will continue implementing the Ambulatory Care restructuring started in 2008-09, which will rationalize the reimbursement of providers of mental health clinical services. Additionally, OMH will focus on best practices modalities, including the creation of a behavioral health care coordination effort to improve quality care for individuals with mental illness. Also, OMH was awarded a third Federal grant of nearly \$10 million (an increase of \$4 million over 2010-11 levels) to continue improving employment opportunities for individuals with mental illness.
- **Adult Home Litigation:** In response to a Federal court order, the Budget continues a multi-year plan to provide funding for additional supported housing and support services for 4,500 individuals leaving New York City adult homes. A total of \$41.3 million will fund 1,500 rental housing units and services for the first of these individuals beginning February 1, 2011. To address a portion of the funding needed for these individuals, resources will be reprogrammed for this purpose from 250 planned Supported Housing units.

PROGRAM HIGHLIGHTS

As the State's mental health authority, OMH gives priority to ensuring access to high quality services for adults and children with severe mental illness or serious emotional disturbances. In addition, OMH promotes overall public mental health through education and advocacy. The Agency has four lines of business underpinning these functions:

- **Regulating, Certifying, Financing and Overseeing New York's Public Mental Health System.** OMH oversees 58 local governmental units, one of which covers New York City in its entirety. The Agency also regulates and/or licenses more than 2,500 mental health programs operated by local governments and private agencies serving nearly 700,000 persons annually, including inpatient, outpatient, emergency, residential and family care, and community support services;
- **Providing State-operated Inpatient and Outpatient Mental Health Services.** OMH is a major provider of intermediate and long-term inpatient as well as outpatient treatment services through a network of psychiatric centers that includes Adult Psychiatric Centers, Children's Psychiatric Centers, and facilities serving forensic patients involved with the criminal justice system. Additionally, OMH provides mental health services around the State to inmates incarcerated in Department of Correctional Services' facilities;

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- **Conducting Basic and Applied Research to Advance Prevention, Treatment, and Recovery.** OMH conducts basic and applied research at the New York State Psychiatric Institute in Manhattan and the Nathan S. Kline Institute for Psychiatric Research in Rockland County, with a focus on identifying interventions that have been proven by scientific research to be effective and that can be incorporated into mainstream practice. New York State's investment in research is augmented by many grants from Federal and other sources through the Research Foundation for Mental Hygiene (RFMH), Inc. Additionally, OMH's Office of Performance Measurement and Evaluation conducts evaluation research and statistical analyses which are used to examine service outcomes, investigate pressing mental health issues, and develop sound approaches for improving service quality and access; and
- **Promoting Public Mental Health through Education and Outreach.** OMH supports a variety of educational activities focusing on the nature and impact of mental illness, effective treatments and services, useful preventive and coping strategies, and service accessibility. The Agency's information dissemination strategies are designed to reach as many New Yorkers as possible, with a particular focus on high-risk groups.

To live successfully, most individuals with serious mental illness need both treatments that manage or eliminate their psychiatric symptoms and support services that address the needs associated with the disabling effects of their illness. Public mental health services are grouped in four major categories across the health care continuum: community support, and outpatient, inpatient, and emergency services. In New York State, both State- and locally-operated programs provide services in each of these four categories:

- **Community Support** helps individuals diagnosed with serious mental illness live as independently as possible in the community, and helps children with serious emotional disturbance remain with their families. These programs provide case management, vocational, self-help, residential and other support services. Although the specific array of community support services differs for adults and children, the goal is always to support successful and full community living;
- **Outpatient Services** provide treatment and rehabilitation in an ambulatory setting, including clinics, partial hospitalization, day treatment for children, continuing day treatment for adults, Assertive Community Treatment (ACT), Prepaid Mental Health Plan (PMHP), and Personalized Recovery-Oriented Services (PROS);
- **Inpatient Services** provide acute stabilization and intensive treatment and rehabilitation with 24-hour care in a controlled environment when community services and supports do not meet the needs of adults and children; and
- **Emergency Services** provide rapid psychiatric and/or medical stabilization and ensure the safety of individuals who present a risk to themselves or others. These programs include a range of crisis counseling and residential services, as well as Comprehensive Psychiatric Emergency Programs.

In all mental health settings, the fundamental goal of OMH is to maximize access to quality mental health care for every single New Yorker. This includes bridging the gap between science and service; focusing on accountability for results, best practices, and coordination of care; and eliminating disparities and promoting culturally and linguistically competent services and supports.

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ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,156,245,000	2,051,226,000	(105,019,000)	2,639,000
Aid To Localities	1,275,183,000	1,298,434,000	23,251,000	40,108,000
Capital Projects	234,291,000	220,874,000	(13,417,000)	1,982,774,000
Total	<u>3,665,719,000</u>	<u>3,570,534,000</u>	<u>(95,185,000)</u>	<u>2,025,521,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration and Finance		
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	615	615	0
Enterprise Funds	10	10	0
Internal Service Funds	17	17	0
Adult Services			
Special Revenue Funds - Other	10,737	10,637	(100)
Capital Planning			
Capital Projects Funds - Other	41	41	0
Children and Youth Services			
Special Revenue Funds - Other	1,906	1,906	0
Forensic Services			
Special Revenue Funds - Other	1,949	1,949	0
Research			
Special Revenue Funds - Other	474	474	0
Total	<u>15,760</u>	<u>15,660</u>	<u>(100)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	800,000	800,000	0
Special Revenue Funds - Federal	2,038,000	2,038,000	0
Special Revenue Funds - Other	2,141,991,000	2,037,172,000	(104,819,000)
Enterprise Funds	8,606,000	8,606,000	0
Internal Service Funds	2,810,000	2,610,000	(200,000)
Total	<u>2,156,245,000</u>	<u>2,051,226,000</u>	<u>(105,019,000)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(24,951,000)
Appropriated 2010-11	<u>2,131,294,000</u>

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration and Finance			
Special Revenue Funds - Federal	2,038,000	2,038,000	0
Special Revenue Funds - Other	102,076,000	92,631,000	(9,445,000)
Enterprise Funds	8,606,000	8,606,000	0
Internal Service Funds	2,810,000	2,610,000	(200,000)
Adult Services			
General Fund	800,000	800,000	0
Special Revenue Funds - Other	1,455,756,000	1,395,285,000	(60,471,000)
Children and Youth Services			
Special Revenue Funds - Other	227,880,000	227,880,000	0
Forensic Services			
Special Revenue Funds - Other	267,926,000	241,134,000	(26,792,000)
Research			
Special Revenue Funds - Other	88,353,000	80,242,000	(8,111,000)
Total	<u>2,156,245,000</u>	<u>2,051,226,000</u>	<u>(105,019,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Travel	
	Amount	Change	Amount	Change
Adult Services	800,000	0	800,000	0
Total	<u>800,000</u>	<u>0</u>	<u>800,000</u>	<u>0</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Finance	105,885,000	(9,645,000)	43,114,000	(6,698,000)
Adult Services	1,395,285,000	(60,471,000)	760,615,000	(33,328,000)
Children and Youth Services	227,880,000	0	137,735,000	0
Forensic Services	241,134,000	(26,792,000)	146,029,000	(16,224,000)
Research	80,242,000	(8,111,000)	44,708,000	(4,755,000)
Total	<u>2,050,426,000</u>	<u>(105,019,000)</u>	<u>1,132,201,000</u>	<u>(61,005,000)</u>

Program	Nonpersonal Service	
	Amount	Change
Administration and Finance	62,771,000	(2,947,000)
Adult Services	634,670,000	(27,143,000)
Children and Youth Services	90,145,000	0
Forensic Services	95,105,000	(10,568,000)
Research	35,534,000	(3,356,000)
Total	<u>918,225,000</u>	<u>(44,014,000)</u>

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	420,982,000	420,982,000	0
Special Revenue Funds - Federal	46,807,000	51,414,000	4,607,000
Special Revenue Funds - Other	807,394,000	826,038,000	18,644,000
Total	<u>1,275,183,000</u>	<u>1,298,434,000</u>	<u>23,251,000</u>

Adjustments:

Prior Year Deficiency			
Mental Health, Office of			
General Fund	3,000,000		
Special Revenue Funds - Other	29,000,000		
Transfer(s) From			
Mental Health, Office of			
General Fund	(136,772,000)		
Transfer(s) To			
Mental Health, Office of			
Special Revenue Funds - Other	136,772,000		
Appropriated 2010-11	<u>1,307,183,000</u>		

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Adult Services			
General Fund	295,979,000	295,979,000	0
Special Revenue Funds - Federal	41,006,000	45,613,000	4,607,000
Special Revenue Funds - Other	687,586,000	706,230,000	18,644,000
Children and Youth Services			
General Fund	125,003,000	125,003,000	0
Special Revenue Funds - Federal	5,801,000	5,801,000	0
Special Revenue Funds - Other	119,808,000	119,808,000	0
Total	<u>1,275,183,000</u>	<u>1,298,434,000</u>	<u>23,251,000</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	2,000,000	2,000,000	0	3,492,000
MH Capital Improvements - Authority Bonds	12,000,000	12,000,000	0	22,153,000
Executive Direction				
Capital Projects Fund	0	0	0	2,445,000
MH Capital Improvements - Authority Bonds	3,717,000	3,717,000	0	5,799,000
Community Mental Health Facilities				
Capital Projects Fund	6,000,000	6,000,000	0	40,442,000
MH Capital Improvements - Authority Bonds	5,639,000	5,639,000	0	713,178,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	28,600,000	28,600,000	0	62,363,000
MH Capital Improvements - Authority Bonds	175,335,000	161,918,000	(13,417,000)	1,127,857,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	5,045,000
Total	<u>234,291,000</u>	<u>220,874,000</u>	<u>(13,417,000)</u>	<u>1,982,774,000</u>

OFFICE FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

MISSION

The mission of the Office for People with Developmental Disabilities (OPWDD) is to help people with developmental disabilities live richer lives. The agency's vision is to ensure that people with developmental disabilities enjoy meaningful relationships with family, friends, and others in their lives; experience personal health and growth; and live in homes and fully participate in the communities of their choice.

ORGANIZATION AND STAFFING

Under the direction of a Commissioner appointed by the Governor and subject to Senate confirmation, OPWDD currently operates through 13 district offices called Developmental Disabilities Services Offices (DDSO). Its Central Office oversees and supports operations of the district offices. OPWDD also operates the Institute for Basic Research in Developmental Disabilities (IBR) on Staten Island. By the end of 2011-12, there will be approximately 37,000 individuals with developmental disabilities residing in community settings funded by the State, with 300 individuals living in developmental centers and approximately 1,000 in special units. Over the past two decades, the developmental center population has declined by more than 9,000 and the current plan is to move all remaining 300 individuals in developmental centers to the community by 2014.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends almost **\$4.6 billion** All Funds appropriations (\$1.4 billion General Fund; \$3.2 billion Other Funds) for OPWDD to continue to support a comprehensive system of care serving the more than 126,000 persons with developmental disabilities and their families. This is a decrease of **\$167 million (-3.5 percent)** from 2010-11, which is largely attributable to the actions outlined below. The Executive Budget recommendations for 2011-12 require a number of savings actions in both State Operations and Local Assistance, while recognizing the need to maintain essential direct supports and services and maintain the high quality of care for individuals with developmental disabilities in both not-for-profit and OPWDD-operated programs.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

The overall recommendation maintains the State's commitment to support a wide range of New Yorkers with developmental disabilities, including those who are medically frail, behaviorally challenged - especially those with autism - those who have been placed out-of-State or who are "aging out" of education or other child care systems, as well as those living at home. However, OPWDD continues to improve the efficiency and cost-effectiveness of its operations and the network of not-for-profit providers it oversees and financially supports. In addition to a 10 percent reduction in State Operations costs, major new budget actions to promote cost efficiency, streamline operations, restructure programs and services, and rationalize reimbursement include:

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- **Deferring Cost-of-Living Adjustment (COLA).** Defer the planned 1.2 percent human services COLA for one year. However, to continue the State's long-term commitment, a three-year human services COLA is planned to commence April 1, 2012 and continue through the 2014-15 fiscal year.
- **Reforming of Various Programs.** Reform the financing of various OPWDD programs through rate, price and contract adjustments to both residential and non-residential services to reflect efficiencies, program restructurings and other cost savings. These reforms include more aggressive reviews of providers' overall surplus/loss analysis, as well as further constraints on administrative and non-personal service costs. Funding for workshop, day training and other day services will be reduced to encourage placements into other more effective community-based integrated day and employment programs. In addition, funding for transportation services and residential habilitation services delivered in supervised Individualized Residential Alternative programs will be reduced to encourage efficiencies.
- **Managing the Development of Community Residential Opportunities.** Delay the development of OPWDD community adult and children residential opportunities while investing funding to add 2,300 lower-cost residential and/or non-residential opportunities to support individuals and their families during this period. Continue the 1.1 percent local aid reduction begun in 2010-11.

PROGRAM HIGHLIGHTS

OPWDD serves more than 126,000 New Yorkers with developmental disabilities, which include primarily developmental disabilities, autism, epilepsy, cerebral palsy, and neurological impairments. In recent years, New York has made great strides in improving its methods of delivering services to this vulnerable population, moving more people from institutions to the community than any other state in the nation. In addition, OPWDD continues to place greater emphasis on individual choice, opportunities that support greater independence and integration into the community, improved sustainability, and satisfaction, and has instituted a recurring survey designed by individuals, families and other stakeholders, which is used to evaluate individuals' satisfaction and the success of residential opportunities under the NYS-CARES program.

Under a 1991 Federal Medicaid waiver, individuals with developmental disabilities have the opportunity to receive individualized services in less restrictive settings. With the aid of trained service coordinators, individuals choose the services they need and receive them in appropriate settings. The HCBS waiver promotes smaller, more natural home environments and people living with families or independently with appropriate supports. Home size has continued to decrease, thereby supporting individualized, quality services. Today, two-thirds of the homes in the community accommodate six people or less; of these, two-thirds accommodate four people or less.

Maintaining a statewide system of services, delivered through both the State and not-for-profit providers, OPWDD:

- Provides over 38,000 persons with certified community and institutional residential services. Since 1998, more than 18,000 people have left the residential registration list for homes in the community;
- Provides over 58,000 people with community day services; and
- Supports another 43,000 people who live with their families.

An overview of these services is provided below.

PEOPLE WITH DEVELOPMENTAL DISABILITIES

RESIDENTIAL SERVICES

Residential services are offered through a continuum of programs in both community and institutional settings. The alternative that provides the most intensive services in a community setting is the Intermediate Care Facility for the Developmentally Disabled (ICF/DD). These facilities – approximately 6,000 beds operated statewide by both State and not-for-profit providers – are appropriate for individuals requiring intensive 24-hour care.

The most common residential opportunity for persons under the waiver is in Individual Residential Alternatives (IRAs) – homes, typically for four to eight people, operated by either the State or not-for-profit providers in the community. This budget supports more than 28,000 individuals with developmental disabilities living in this setting with accompanying service coordination. Other community living arrangements include Community Residences and Family Care homes, which serve more than 2,800 people.

In addition to these community-based residential programs, OPWDD operates nine campuses across the State. Approximately 1,300 people will be served in these settings by the end of 2011-12, of which more than 75 percent will be receiving specialized services. OPWDD remains committed to providing community residential opportunities for all those in State institutions who can receive appropriate care in the community. Currently, New York serves more persons in community residential settings than any other state, with the exception of California.

DAY SERVICES

OPWDD supports an array of day services for persons with developmental disabilities, which also vary depending on the needs of the individuals. The major programs include:

- Day treatment, which provides diagnostic, treatment and rehabilitative services;
- Day habilitation, a smaller, more individualized service for persons under the Federal Medicaid waiver for home and community based services;
- Supported employment, which provides the opportunity for individuals to work in competitive positions, usually in integrated settings in the private sector;
- Sheltered workshops, which provide basic, non-competitive work opportunities; and,
- Day training, which develops the knowledge and skills that enable persons with developmental disabilities to improve their personal, social, and vocational skills and to function independently.

SUPPORT FOR INDIVIDUALS LIVING IN THEIR OWN HOMES

OPWDD services also support families and individuals with developmental disabilities in their own homes.

The Family Support Services program currently assists nearly 43,000 persons with developmental disabilities and their families, enabling these individuals to remain at home and receive over 73,000 individualized services. Services offered include respite, crisis intervention, case management, recreation, information and referral, and home care. Funding for services to individuals with developmental disabilities and families has also been expanded within Family Support Services.

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The Individualized Support Services program provides services to nearly 2,200 individuals with developmental disabilities who live independently. In addition, nearly 11,000 individuals living in their own homes receive residential habilitation under the Federal Medicaid waiver with funding to support an additional 1,500 individuals with developmental disabilities. The Care-at-Home program provides a third alternative, designed to preserve family settings for persons under 18 years of age with developmental disabilities who are medically frail. This program allows the parents of young persons with severe disabilities to maintain the child at home, regardless of family income level, thereby preventing more costly out-of-home placements.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,263,789,000	2,150,820,700	(112,968,300)	3,714,000
Aid To Localities	2,363,796,000	2,296,901,500	(66,894,500)	0
Capital Projects	139,560,000	151,995,000	12,435,000	380,330,000
Total	<u>4,767,145,000</u>	<u>4,599,717,200</u>	<u>(167,427,800)</u>	<u>384,044,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Central Coordination and Support			
Special Revenue Funds - Other	745	739	(6)
Community Services			
Special Revenue Funds - Other	14,721	14,600	(121)
Institutional Services			
Special Revenue Funds - Other	5,743	5,696	(47)
Research in Mental Retardation			
Special Revenue Funds - Other	140	139	(1)
Total	<u>21,349</u>	<u>21,174</u>	<u>(175)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	751,000	751,000	0
Special Revenue Funds - Other	2,260,020,000	2,147,051,700	(112,968,300)
Enterprise Funds	2,668,000	2,668,000	0
Internal Service Funds	350,000	350,000	0
Total	<u>2,263,789,000</u>	<u>2,150,820,700</u>	<u>(112,968,300)</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
Special Revenue Funds - Other	(4,328,000)		
Appropriated 2010-11	<u>2,259,461,000</u>		

PEOPLE WITH DEVELOPMENTAL DISABILITIES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Central Coordination and Support			
Special Revenue Funds - Federal	751,000	751,000	0
Special Revenue Funds - Other	120,390,000	114,370,500	(6,019,500)
Internal Service Funds	350,000	350,000	0
Community Services			
Special Revenue Funds - Other	1,372,491,000	1,303,866,450	(68,624,550)
Institutional Services			
Special Revenue Funds - Other	740,245,000	703,257,950	(36,987,050)
Enterprise Funds	2,668,000	2,668,000	0
Research in Mental Retardation			
Special Revenue Funds - Other	26,894,000	25,556,800	(1,337,200)
Total	<u>2,263,789,000</u>	<u>2,150,820,700</u>	<u>(112,968,300)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Coordination and Support	115,471,500	(6,019,500)	59,397,800	(3,126,200)
Community Services	1,303,866,450	(68,624,550)	771,132,100	(40,585,900)
Institutional Services	705,925,950	(36,987,050)	321,096,450	(16,884,550)
Research in Mental Retardation	25,556,800	(1,337,200)	15,677,850	(825,150)
Total	<u>2,150,820,700</u>	<u>(112,968,300)</u>	<u>1,167,304,200</u>	<u>(61,421,800)</u>

Program	Nonpersonal Service	
	Amount	Change
Central Coordination and Support	56,073,700	(2,893,300)
Community Services	532,734,350	(28,038,650)
Institutional Services	384,829,500	(20,102,500)
Research in Mental Retardation	9,878,950	(512,050)
Total	<u>983,516,500</u>	<u>(51,546,500)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	1,472,023,000	1,430,364,800	(41,658,200)
Special Revenue Funds - Other	891,773,000	866,536,700	(25,236,300)
Total	<u>2,363,796,000</u>	<u>2,296,901,500</u>	<u>(66,894,500)</u>

Adjustments:	
Transfer(s) From	
People with Developmental Disabilities, Office for General Fund	(129,799,000)
Transfer(s) To	
People with Developmental Disabilities, Office for Special Revenue Funds - Other	129,799,000
Appropriated 2010-11	<u>2,363,796,000</u>

PEOPLE WITH DEVELOPMENTAL DISABILITIES

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Community Services			
General Fund	1,472,023,000	1,430,364,800	(41,658,200)
Special Revenue Funds - Other	891,773,000	866,536,700	(25,236,300)
Total	<u>2,363,796,000</u>	<u>2,296,901,500</u>	<u>(66,894,500)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	5,000,000	5,000,000	0	0
MH Capital Improvements - Authority Bonds	6,000,000	6,000,000	0	3,724,000
Voluntary-Operated Community Facilities				
Capital Projects Fund	10,070,000	10,370,000	300,000	10,070,000
MH Capital Improvements - Authority Bonds	6,710,000	7,000,000	290,000	13,160,000
State-Operated Community Services Program				
Capital Projects Fund	24,255,000	28,235,000	3,980,000	33,063,000
MH Capital Improvements - Authority Bonds	29,325,000	32,000,000	2,675,000	86,570,000
Institutional Services Program				
Capital Projects Fund	16,700,000	17,535,000	835,000	62,003,000
MH Capital Improvements - Authority Bonds	40,500,000	44,855,000	4,355,000	171,740,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	0
Total	<u>139,560,000</u>	<u>151,995,000</u>	<u>12,435,000</u>	<u>380,330,000</u>

METROPOLITAN TRANSPORTATION AUTHORITY

MISSION

The Metropolitan Transportation Authority (MTA) is responsible for operating, maintaining and improving public transportation in the Metropolitan Commuter Transportation District consisting of New York City and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties. The Authority oversees the operations of the bus and subway systems in New York City, commuter railroads in the region, and seven bridges and two tunnels in New York City. This oversight includes general policy direction and development and financing of the operating and capital programs.

The Authority is comprised of three independent entities: The Metropolitan Transportation Authority, MTA New York City Transit and MTA Bridges and Tunnels. The Metropolitan Transportation Authority has six subsidiaries: MTA Staten Island Rapid Transit, MTA Long Island Rail Road, MTA Long Island Bus, MTA Metro North Railroad, MTA Bus and MTA Capital Construction. MTA New York City Transit, which operates the New York City subway and bus systems, has one subsidiary: MTA Manhattan and Bronx Surface Transit.

ORGANIZATION AND STAFFING

Each of the three independent entities mentioned above is governed by its own Board, although by law membership on each Board is identical. There are 17 voting board members, each nominated by the Governor and confirmed by the Senate. Four members are nominated from a list provided by the Mayor of the City of New York and one each from lists prepared by the seven county executives in the Metropolitan Commuter Transportation District. The remaining six members are appointed directly by the Governor, with one serving as Board Chair. There are also six non-voting members on the Board representing riders and labor unions, for a total of 23 members.

BUDGET HIGHLIGHTS

The Executive Budget recommends approximately **\$1 billion** for the MTA capital program from reappropriations of the Rebuild and Renew New York Bond Act of 2005. This funding was approved by voters in November 2005 and provided a total of \$1.45 billion of capital to the MTA. The Executive Budget also includes contingent appropriations worth **\$2.1 billion** for the MTA. These contingent appropriations are from the Dedicated Mass Transportation Trust Fund and the MTA Support Program Fund, and are used to ensure continuation of aid payments to the MTA in the event of temporary non-appropriation due to a late budget for the subsequent fiscal State year.

Within the Department of Transportation budget, the Executive Budget recommends \$3.8 billion in appropriations to the MTA, a decline of \$108 million (-3 percent) from last year. This decline is primarily the result of the 2011-12 Payroll Mobility Tax appropriation level becoming closer aligned with the expected tax receipts for the coming year. Despite this drop in appropriations, the MTA is anticipated to receive an increase of \$43 million on a year-to-year cash basis.

METROPOLITAN TRANSPORTATION

PROGRAM HIGHLIGHTS

MTA NEW YORK CITY TRANSIT AND MTA COMMUTER RAILROADS

The Metropolitan Transportation Authority provides 24-hour-a-day transit and commuter services in the New York City metropolitan region and carries 8.5 million riders per day in one of the largest transportation networks in the world. MTA New York City Transit operates 6,300 subway cars on 27 lines, the largest subway network in the world. NYC Transit, MTA Bus and MTA Long Island bus also operate 6,300 buses, serving nearly 4,000 miles of bus routes. MTA Long Island Rail Road and MTA Metro North Railroad, the two largest commuter rail systems in the nation, provide transportation for travelers entering New York City from outlying suburban areas in New York State and Connecticut. Over two and a half billion passengers ride the subways, buses and commuter rail systems each year.

MTA BRIDGES AND TUNNELS

MTA Bridges and Tunnels, the largest toll system in the nation serving 300 million vehicles annually, operates nine intra-city bridges and tunnels in New York City: Robert F. Kennedy Bridge (formerly known as the Triborough Bridge), Bronx-Whitestone Bridge, Henry Hudson Bridge, Marine Parkway-Gil Hodges Bridge, Cross Bay Veterans' Memorial Bridge, Throgs Neck Bridge, Verrazano-Narrows Bridge, Queens-Midtown Tunnel and Brooklyn Battery Tunnel. It also provides financing for MTA New York City Transit's and the commuter railroads' capital programs. In addition, MTA Bridges and Tunnels is required by law to transfer surplus revenues to MTA New York City Transit and the commuter railroads to support their operations.

OTHER SUBSIDIARIES

In July 2003, the MTA created the MTA Capital Construction Company, which has the ability to manage, design and effectuate the system expansion projects of all the MTA agencies. The other subsidiaries – MTA Staten Island Rapid Transit, MTA Long Island Bus, and MTA Manhattan and Bronx Surface Transit – provide regional transportation services. MTA Staten Island Rapid Transit operates transit services on Staten Island. MTA Manhattan and Bronx Surface Transit, in conjunction with MTA New York City Transit, provide bus service within New York City, primarily in Manhattan and the Bronx. In September 2004, the MTA Board created the MTA Bus Company. Pursuant to an agreement with the City of New York, the MTA has assumed operation of bus service in the areas previously serviced by the City-franchised private bus lines. The City of New York will pay to the MTA the difference between the actual cost of operations and all revenues. MTA Bus now operates the 11th largest bus fleet in North America.

MTA Long Island Bus provides bus service to Nassau County, western Suffolk County and eastern Queens County, connecting these areas to MTA Long Island Rail Road's stations and New York City Transit's subway stations. The Metropolitan Transportation Authority carries out the operation and provides general oversight of MTA Long Island Bus. Nassau County is financially responsible for the portion of MTA Long Island Bus' operating costs that are over and above those supported by fares and by Federal and State assistance.

METROPOLITAN TRANSPORTATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	2,253,300,000	2,151,000,000	(102,300,000)	0
Capital Projects	0	0	0	1,007,000,000
Total	<u>2,253,300,000</u>	<u>2,151,000,000</u>	<u>(102,300,000)</u>	<u>1,007,000,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	2,253,300,000	2,151,000,000	(102,300,000)
Total	<u>2,253,300,000</u>	<u>2,151,000,000</u>	<u>(102,300,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Dedicated Tax			
Special Revenue Funds - Other	621,300,000	630,000,000	8,700,000
Metropolitan Transportation Authority Support Program			
Special Revenue Funds - Other	1,632,000,000	1,521,000,000	(111,000,000)
Total	<u>2,253,300,000</u>	<u>2,151,000,000</u>	<u>(102,300,000)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Mass Transportation and Rail Freight Metropolitan Transportation Authority Capital Projects Fund - Advances	0	0	0	36,000,000
Urban and Commuter Mass Transportation Bondable Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	971,000,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,007,000,000</u>

DIVISION OF MILITARY AND NAVAL AFFAIRS

MISSION

The Division of Military and Naval Affairs' (DMNA) primary mission is to maintain a well-trained military force ready to respond to civil emergencies, natural disasters, and threats to the nation's security.

ORGANIZATION AND STAFFING

The Division of Military and Naval Affairs operates under the direction of the Adjutant General, who is appointed by the Governor. The Division consists of the New York Army National Guard, the New York Air National Guard, the Naval Militia, and the New York Guard all of which is overseen by State headquarters in Latham. DMNA operates 54 armories as well as 19 field and combined support maintenance facilities, 3 training sites, 6 Air National Guard facilities, 3 Aviation Support facilities and a Maneuver Area Training Equipment Site.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$106.8 million** in All Funds spending (\$16.1 million General Fund; \$39.2 million Capital Projects; and \$51.5 million Other Funds) to support ongoing agency activities. This reflects a net increase of **\$6.8 million (6.8 percent)** from the 2010-11 Budget, and is primarily due to an \$8.5 million increase in capital projects, offset by a 10 percent (\$1.7 million) decrease in the General Fund. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Military Readiness program is the core of the Division's operations. It includes the New York Army National Guard, the New York Air National Guard, the New York Naval Militia and the New York Guard. With a combined force of nearly 20,000 members, the Military Readiness program has mounted a sustained activation since the terrorist attacks of September 2001 to safeguard the State's citizenry from emerging security threats, while simultaneously meeting its obligations to support the Federal government. Other critical responses to civilian emergencies in recent years have included the abatement and mitigation of the effects of floods, blizzards, tornados, and forest fires.

Empire Shield, a New York City based homeland security mission, involves flexible threat-based, rapid response units that provide security and deterrence at major transportation hubs throughout the metropolitan area. Empire Shield has been headquartered at Fort Hamilton since 2008.

MILITARY AND NAVAL AFFAIRS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	68,626,000	66,915,000	(1,711,000)	42,780,000
Aid To Localities	650,000	650,000	0	290,000
Capital Projects	30,700,000	39,200,000	8,500,000	82,558,000
Total	<u>99,976,000</u>	<u>106,765,000</u>	<u>6,789,000</u>	<u>125,628,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration		
General Fund	53	53	0
Military Readiness			
General Fund	131	131	0
Special Revenue Funds - Federal	219	244	25
Special Service			
Special Revenue Funds - Other	14	14	0
Total	<u>417</u>	<u>442</u>	<u>25</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	17,105,000	15,394,000	(1,711,000)
Special Revenue Funds - Federal	42,780,000	42,780,000	0
Special Revenue Funds - Other	8,741,000	8,741,000	0
Total	<u>68,626,000</u>	<u>66,915,000</u>	<u>(1,711,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	3,764,000	3,387,000	(377,000)
Military Readiness			
General Fund	13,051,000	11,746,000	(1,305,000)
Special Revenue Funds - Federal	42,780,000	42,780,000	0
Special Service			
General Fund	290,000	261,000	(29,000)
Special Revenue Funds - Other	8,741,000	8,741,000	0
Total	<u>68,626,000</u>	<u>66,915,000</u>	<u>(1,711,000)</u>

MILITARY AND NAVAL AFFAIRS

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,074,000	(342,000)	3,061,000	(340,000)
Military Readiness	6,356,000	(706,000)	5,704,000	(634,000)
Total	<u>9,430,000</u>	<u>(1,048,000)</u>	<u>8,765,000</u>	<u>(974,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	0	13,000	(2,000)
Military Readiness	570,000	(63,000)	82,000	(9,000)
Total	<u>570,000</u>	<u>(63,000)</u>	<u>95,000</u>	<u>(11,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	313,000	(35,000)	48,000	(5,000)
Military Readiness	5,390,000	(599,000)	698,000	(58,000)
Special Service	261,000	(29,000)	59,000	(7,000)
Total	<u>5,964,000</u>	<u>(663,000)</u>	<u>805,000</u>	<u>(70,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	17,000	(2,000)	153,000	(17,000)
Military Readiness	63,000	(7,000)	4,496,000	(459,000)
Special Service	11,000	(1,000)	108,000	(12,000)
Total	<u>91,000</u>	<u>(10,000)</u>	<u>4,757,000</u>	<u>(488,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	95,000	(11,000)	0	0
Military Readiness	133,000	25,000	0	(100,000)
Special Service	83,000	(9,000)	0	0
Total	<u>311,000</u>	<u>5,000</u>	<u>0</u>	<u>(100,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Military Readiness	42,780,000	0	12,098,000	(2,062,000)
Special Service	8,741,000	0	1,191,000	0
Total	<u>51,521,000</u>	<u>0</u>	<u>13,289,000</u>	<u>(2,062,000)</u>

Program	Nonpersonal Service	
	Amount	Change
Military Readiness	30,682,000	2,062,000
Special Service	7,550,000	0
Total	<u>38,232,000</u>	<u>2,062,000</u>

MILITARY AND NAVAL AFFAIRS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	650,000	650,000	0
Total	<u>650,000</u>	<u>650,000</u>	<u>0</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Military Readiness			
General Fund	650,000	650,000	0
Total	<u>650,000</u>	<u>650,000</u>	<u>0</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	5,100,000	6,200,000	1,100,000	12,037,000
Federal Capital Projects Fund	5,000,000	9,600,000	4,600,000	12,466,000
Maintenance and Improvements				
Capital Projects Fund	8,000,000	8,000,000	0	22,635,000
Federal Capital Projects Fund	12,600,000	15,400,000	2,800,000	35,420,000
Total	<u>30,700,000</u>	<u>39,200,000</u>	<u>8,500,000</u>	<u>82,558,000</u>

DEPARTMENT OF MOTOR VEHICLES

MISSION

The Department of Motor Vehicles (DMV) administers the State's motor vehicle laws, provides quality customer service, promotes traffic safety, protects consumers, verifies identities, issues secure documents, provides information services, protects the privacy of personal information, and collects revenues for the benefit of the people of the State.

ORGANIZATION AND STAFFING

Under the direction of the Commissioner, who is appointed by the Governor subject to confirmation by the Senate, the Department operates from its main office in Albany (Empire State Plaza) and from three regional headquarters, in Albany, Long Island and New York City. The Department also operates 27 district and branch offices, which issue licenses and registrations. In addition, County Clerk offices act as DMV agents at 102 locations throughout the State.

Dedicated funds and fees, including a portion of traffic violation fines in certain localities, support approximately 99 percent of the Department's positions. The remaining 1 percent is funded with Federal grants.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$343 million** All Funds for the Department of Motor Vehicles, a decrease of **\$13 million (-3.7 percent)** All Funds from the 2010-11 budget. The Department will achieve this reduction by realizing the full-year value of personnel reductions completed in 2010-11 and by generating savings from agency redesign and efficiency improvements. The Executive Budget recommendations include an increase of \$1.2 million in Federal funds due to a projected increase in grants to the Governor's Traffic Safety Committee.

The Dedicated Highway and Bridge Trust Fund, supported primarily by revenues from motor vehicle fees and highway use and motor fuel taxes, will supply \$201 million, or 59 percent of DMV's budget. The balance is provided by Federal funds and special revenue funds supported by various fees and fines.

The Executive Budget reduces the agency's operations expenses in the Dedicated Highway and Bridge Trust Fund by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

CUSTOMER SERVICE

DMV issues drivers licenses and vehicle registrations, collects more than \$1.9 billion in revenue for the State and localities, monitors driver training and enforces the directives of local magistrates and departmental referees. State offices are also responsible for conducting road tests and maintaining enforcement sections that issue conditional and restricted use licenses and handle other suspension and revocation activities. The Department of Motor Vehicles served more than 20 million customers last year.

MOTOR VEHICLES

The Department also adjudicates traffic violations at 11 locations in New York City and several other jurisdictions across the State. This allows local judges and criminal courts to dedicate their activities to criminal matters. This program is funded entirely by fines collected from violators. After State operating expenses are deducted, remaining funds are returned to the jurisdictions where the violations occurred.

The Department continues to enhance its website to provide customers an alternative means for transacting Department business. Through the convenience of personal computers, 3.26 million transactions were processed via the DMV website in 2009-10, more than double the 1.24 million in 2004-05. Through the Internet, customers can renew registrations and drivers licenses, order personalized and custom plates, order duplicate titles, registrations and licenses, plead and pay Traffic Violations Bureau (TVB) tickets, obtain accident reports, and if requested, post insurance proof. Customers can also check the status of plate or title orders, schedule road tests, pay certain fines, and obtain information and instructions from DMV's Right Now Web knowledge base. Businesses with secure access can order supplies of inspection stickers and post lien information.

VEHICLE AND DRIVER SAFETY

Highway safety policies have resulted in reductions in fatalities and serious injuries on our roads. Contributing to this success have been new enforcement and educational efforts by State, local and non-profit agencies, including a statewide crackdown to stop those who drink and drive or engage in aggressive driving, initiatives to promote proper child safety seat usage and the statewide Click It or Ticket enforcement campaign, which has increased seatbelt usage to nearly 90 percent. These efforts have resulted in New York State's roadways being some of the safest in the nation.

DMV vehicle safety activities include: licensing and monitoring safety and emissions inspection stations; registering auto repair shops, dealers, transporters and dismantlers; and certifying vehicle inspectors, junk and salvage businesses and automotive body damage estimators.

Driver safety initiatives include implementation and oversight of educational or rehabilitative programs for motorists convicted of alcohol- or drug-related driving offenses, the point insurance reduction program and pre-licensing courses. DMV also licenses and monitors driving schools and instructors.

FIELD INVESTIGATION AND AUDIT

One of the Department's major functions is to issue credentials that establish the identity and license status of drivers, the ownership of vehicles and boats, and the authenticity of auto-related businesses. External investigation activities focus on stolen automobiles, odometer fraud, fraudulent identity and motor vehicle documents, and complaints regarding unlicensed and suspended drivers.

MOTOR VEHICLES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	118,368,000	121,312,000	2,944,000	54,450,000
Aid To Localities	20,410,000	20,620,000	210,000	46,510,000
Capital Projects	217,842,000	201,137,000	(16,705,000)	2,500,000
Total	<u>356,620,000</u>	<u>343,069,000</u>	<u>(13,551,000)</u>	<u>103,460,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administrative Adjudication	373	373
Special Revenue Funds - Other	373	373	0
Clean Air	231	231	0
Special Revenue Funds - Other	231	231	0
Compulsory Insurance	189	189	0
Special Revenue Funds - Other	189	189	0
Governor's Traffic Safety Committee	16	16	0
Special Revenue Funds - Federal	16	16	0
Transportation Safety	3	3	0
Special Revenue Funds - Other	3	3	0
Transportation Support	1,660	1,660	0
Capital Projects Funds - Other	1,660	1,660	0
Total	<u>2,472</u>	<u>2,472</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	16,390,000	17,381,000	991,000
Special Revenue Funds - Other	90,478,000	90,431,000	(47,000)
Internal Service Funds	11,500,000	13,500,000	2,000,000
Total	<u>118,368,000</u>	<u>121,312,000</u>	<u>2,944,000</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(47,000)
Appropriated 2010-11	<u>118,321,000</u>

MOTOR VEHICLES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	1,447,000	1,400,000	(47,000)
Internal Service Funds	11,500,000	13,500,000	2,000,000
Administrative Adjudication			
Special Revenue Funds - Other	45,272,000	45,272,000	0
Clean Air			
Special Revenue Funds - Other	25,595,000	25,595,000	0
Compulsory Insurance			
Special Revenue Funds - Other	16,167,000	16,167,000	0
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	16,390,000	17,381,000	991,000
Transportation Safety			
Special Revenue Funds - Other	1,997,000	1,997,000	0
Total	<u>118,368,000</u>	<u>121,312,000</u>	<u>2,944,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	14,900,000	1,953,000	0	(31,000)
Administrative Adjudication	45,272,000	0	23,056,000	0
Clean Air	25,595,000	0	14,645,000	0
Compulsory Insurance	16,167,000	0	9,380,000	0
Governor's Traffic Safety Committee	17,381,000	991,000	526,000	0
Transportation Safety	1,997,000	0	270,000	0
Total	<u>121,312,000</u>	<u>2,944,000</u>	<u>47,877,000</u>	<u>(31,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	14,900,000	1,984,000	0	0
Administrative Adjudication	22,216,000	0	0	0
Clean Air	10,950,000	0	0	0
Compulsory Insurance	6,787,000	0	0	0
Governor's Traffic Safety Committee	315,100	(7,370)	16,539,900	998,370
Transportation Safety	1,727,000	0	0	0
Total	<u>56,895,100</u>	<u>1,976,630</u>	<u>16,539,900</u>	<u>998,370</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	20,410,000	20,620,000	210,000
Total	<u>20,410,000</u>	<u>20,620,000</u>	<u>210,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	20,410,000	20,620,000	210,000
Total	<u>20,410,000</u>	<u>20,620,000</u>	<u>210,000</u>

MOTOR VEHICLES

CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Transportation Support				
Dedicated Highway and Bridge Trust Fund	217,842,000	201,137,000	(16,705,000)	2,500,000
Total	<u>217,842,000</u>	<u>201,137,000</u>	<u>(16,705,000)</u>	<u>2,500,000</u>

OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

MISSION

In 1980, Lake Placid and the surrounding areas hosted the Winter Olympic Games. The following year, the Olympic Regional Development Authority was established to create and administer a post-Olympic program for the Lake Placid facilities. These facilities include: the Olympic Ice Center; the Olympic Speedskating Oval; the Whiteface Mountain Ski Area and Veterans' Memorial Highway; the Mt. Van Hoevenberg Complex that includes bobsled and luge runs, cross-country ski trails and a biathlon range; the Olympic Ski Jumping Complex; and the U.S. Olympic Training Center. In 1984, the Olympic Regional Development Authority's responsibility expanded to include the management of the Gore Mountain Ski Center in North Creek, Warren County.

ORGANIZATION AND STAFFING

The Authority is governed by a ten-member Board of Directors, consisting of the commissioners of Economic Development, Environmental Conservation, Parks and seven other members appointed by the Governor and confirmed by the Senate. The Governor selects one member as Chair. Board members serve without compensation.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$5 million** for the Olympic Regional Development Authority, which is approximately 15 percent of its \$32.4 million operating budget. This is a decrease of **\$522,000 (-9.5 percent)** from the 2010-11 budget, reflecting a 10 percent year-to-year reduction in General Fund State operations support. In addition to \$4.7 million in State Operations funding and \$354,000 for the Winter Sports Education and Olympic Training Center Special Revenue Funds, the Authority receives \$26.6 million from marketing, ticket sales, fees and other revenues; and over \$900,000 from the Town of North Elba.

PROGRAM HIGHLIGHTS

OLYMPIC FACILITIES

The Olympic Regional Development Authority manages one of four primary sites (the others being in California, Colorado and Utah) for year-round training of America's Olympic athletes. The Authority hosts numerous national and international athletic and entertainment events. In 2010, major events included: North Atlantic Figure Skating Championship, Smucker's Stars on Ice, World Cup Bob/Skeleton FIBT Tour, America's Bobsled & Skeleton, Ice Skating Institute Figure Skating Competition, Nature Valley Freestyle Grand National, Intercontinental Cup Skeleton, Eastern Synchronized Skating Championship, Disney On Ice, America's Cup Bobsled and Skeleton, and several festivals and shows.

OLYMPIC REGIONAL DEVELOPMENT

SKI FACILITIES

The Authority also manages the Gore and Whiteface Mountain ski centers, two major downhill ski facilities, that hosted more than 482,000 visitors in 2010.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	5,576,000	5,054,000	(522,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>5,576,000</u>	<u>5,054,000</u>	<u>(522,000)</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	5,222,000	4,700,000	(522,000)
Special Revenue Funds - Other	354,000	354,000	0
Total	<u>5,576,000</u>	<u>5,054,000</u>	<u>(522,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations			
General Fund	5,222,000	4,700,000	(522,000)
Special Revenue Funds - Other	354,000	354,000	0
Total	<u>5,576,000</u>	<u>5,054,000</u>	<u>(522,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	2,849,000	(316,000)	2,849,000	(316,000)
Total	<u>2,849,000</u>	<u>(316,000)</u>	<u>2,849,000</u>	<u>(316,000)</u>

OLYMPIC REGIONAL DEVELOPMENT

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	1,851,000	(206,000)	694,000	(77,000)
Total	1,851,000	(206,000)	694,000	(77,000)

Program	General State Charges	
	Amount	Change
Operations	1,157,000	(129,000)
Total	1,157,000	(129,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	354,000	0	178,000	27,000
Total	354,000	0	178,000	27,000

Program	Nonpersonal Service	
	Amount	Change
Operations	176,000	(27,000)
Total	176,000	(27,000)

OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

MISSION

The Office of Parks, Recreation and Historic Preservation's (OPRHP) mission is to provide safe and enjoyable recreational and interpretive opportunities for all New York State residents and visitors, and to be responsible stewards of our valuable natural, historic, and cultural resources. The Office operates and maintains 178 parks and 35 historic sites, hosts a multitude of cultural and educational programs and offers diverse recreational opportunities, ranging from secluded campsites to the internationally renowned Niagara Falls State Park. The State's parks and historic sites host approximately 55 million visitors annually.

New York's park system and its unparalleled recreational opportunities are an important factor in the State's tourism industry and economy. Services open to the public at State parks include beaches, golf courses, performing arts centers, swimming pools, marinas, cabins, campgrounds and many significant historic properties, bird conservation, wildlife habitat and natural areas.

ORGANIZATION AND STAFFING

The Office is headed by a Commissioner appointed by the Governor. Operations are administered through a network of 11 regional offices: Allegany, Central, Finger Lakes, Genesee, Long Island, New York City, Niagara, Palisades, Saratoga/Capital District, Taconic and Thousand Islands. The central office, which includes executive staff and other administrative support functions, is located in Albany.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$270 million** in All Funds spending, including \$119 million from the General Fund; \$9.8 million in Federal funds and \$140.6 million from other funds. This is a cumulative decrease of **\$17.7 million (-6.2 percent)** from the prior year spending level.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Taxpayer dollars continue to be the primary source of support for State parks, providing nearly 56 percent of total funding. Patron user fees pay for approximately 41 percent of annual costs, while Federal grants comprise the remaining revenues.

The primary focus of the OPRHP capital program is the health and safety of park visitors and the maintenance and rehabilitation of existing facilities. Park facilities include more than 5,000 buildings, 29 golf courses, 53 water recreational facilities, 76 beaches, 27 marinas, 40 vacation rentals, 18 nature centers, 817 cabins and 8,355 campsites. The Office also maintains hundreds of miles of roads and over 1,350 miles of trails, expansive utility systems, 106 dams and 604 bridges.

For 2011-12, appropriations of \$29 million are recommended for capital projects from the State Park Infrastructure Fund, a dedicated fund consisting of revenues generated from day use and camping fees at the parks, as well as concession revenues and other miscellaneous revenues. Budget recommendations also include \$4 million in

PARKS, RECREATION AND HISTORIC PRESERVATION

Federal appropriations for Federal Land and Water Conservation funding, \$10 million in fiduciary appropriations for other potential gifts to improve various parks and \$3.8 million for miscellaneous capital projects.

Funding from the State Park Infrastructure Fund will be supplemented by the Federal Land and Water Conservation Fund and the Environmental Protection Fund (EPF). In 2011-12, the EPF will provide \$16.2 million for infrastructure and stewardship projects for both OPRHP and the Department of Environmental Conservation.

PROGRAM HIGHLIGHTS

The Office's mission is carried out through its operation of 213 parks and historic sites, providing safe and attractive facilities, accessible and affordable services and quality visitor experiences. In response to reduced funding levels, OPRHP has reorganized functions and consolidated management operations, and continues to achieve efficiencies by streamlining administrative oversight, redeploying staff and consolidating functions. To enhance park facilities and support events, OPRHP continues to foster public-private partnerships, including corporate sponsorships.

The responsibilities of the Office are carried out through four major programs:

- Administration provides executive direction, fiscal, personnel and public communication services, as well as management of the capital program;
- Park Operations operates the State's 178 parks in the 11 Park regions throughout the State. Staff includes a statewide police force, security, field operations, and maintenance personnel;
- Historic Preservation oversees preservation activities at 35 historic sites, develops a statewide Comprehensive Historic Preservation Plan and maintains the State Register of Historic Places; and
- The Natural Heritage Trust receives and administers funds, including private gifts and bequests, to advance conservation, outdoor recreation and historic preservation purposes. Created under the Public Authorities Law in 1968, the Natural Heritage Trust is a public benefit corporation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	228,089,400	214,266,000	(13,823,400)	17,869,800
Aid To Localities	12,675,000	8,805,000	(3,870,000)	17,127,600
Capital Projects	46,801,000	46,801,000	0	198,537,000
Total	<u>287,565,400</u>	<u>269,872,000</u>	<u>(17,693,400)</u>	<u>233,534,400</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	59	59	0
Historic Preservation			
General Fund	122	122	0
Special Revenue Funds - Federal	9	9	0
Park Operations			
General Fund	1,265	1,265	0
Special Revenue Funds - Federal	5	5	0
Special Revenue Funds - Other	210	210	0
Capital Projects Funds - Other	112	112	0
Recreation Services			
General Fund	3	3	0
Total	<u>1,785</u>	<u>1,785</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	132,734,600	119,461,200	(13,273,400)
Special Revenue Funds - Federal	5,700,900	6,650,900	950,000
Special Revenue Funds - Other	88,153,900	88,153,900	0
Enterprise Funds	1,500,000	0	(1,500,000)
Total	<u>228,089,400</u>	<u>214,266,000</u>	<u>(13,823,400)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(886,000)
Special Revenue Funds - Other	(122,000)
Appropriated 2010-11	<u>227,081,400</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	7,049,900	6,201,200	(848,700)
Special Revenue Funds - Federal	500,000	500,000	0
Special Revenue Funds - Other	500,000	500,000	0
Historic Preservation			
General Fund	10,918,800	8,880,700	(2,038,100)
Special Revenue Funds - Federal	1,200,900	1,350,900	150,000
Special Revenue Funds - Other	42,000	42,000	0
Park Operations			
General Fund	112,584,500	102,534,400	(10,050,100)
Special Revenue Funds - Federal	4,000,000	4,800,000	800,000
Special Revenue Funds - Other	87,611,900	87,611,900	0
Recreation Services			
General Fund	2,181,400	1,844,900	(336,500)
Enterprise Funds	1,500,000	0	(1,500,000)
Total	<u>228,089,400</u>	<u>214,266,000</u>	<u>(13,823,400)</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,682,400	(796,400)	4,512,700	(790,500)
Historic Preservation	8,233,500	(2,015,700)	6,310,100	(1,949,400)
Park Operations	86,038,500	(9,481,700)	54,893,500	(8,408,500)
Recreation Services	802,200	(300,700)	570,300	(292,700)
Total	<u>99,756,600</u>	<u>(12,594,500)</u>	<u>66,286,600</u>	<u>(11,441,100)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	126,700	(4,400)	43,000	(1,500)
Historic Preservation	1,875,400	(64,600)	48,000	(1,700)
Park Operations	26,582,000	(916,000)	4,563,000	(157,200)
Recreation Services	217,500	(7,500)	14,400	(500)
Total	<u>28,801,600</u>	<u>(992,500)</u>	<u>4,668,400</u>	<u>(160,900)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,518,800	(52,300)	36,000	(1,200)
Historic Preservation	647,200	(22,400)	198,000	(6,800)
Park Operations	16,495,900	(568,400)	5,725,700	(197,300)
Recreation Services	1,042,700	(35,800)	238,800	(8,200)
Total	<u>19,704,600</u>	<u>(678,900)</u>	<u>6,198,500</u>	<u>(213,500)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	33,300	(1,100)	1,385,700	(47,800)
Historic Preservation	10,300	(400)	385,200	(13,300)
Park Operations	61,900	(2,100)	10,360,300	(357,000)
Recreation Services	9,700	(300)	770,500	(26,500)
Total	<u>115,200</u>	<u>(3,900)</u>	<u>12,901,700</u>	<u>(444,600)</u>

Program	Equipment	
	Amount	Change
Administration	63,800	(2,200)
Historic Preservation	53,700	(1,900)
Park Operations	348,000	(12,000)
Recreation Services	23,700	(800)
Total	<u>489,200</u>	<u>(16,900)</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,000,000	0	175,000	0
Historic Preservation	1,392,900	150,000	500,000	0
Park Operations	92,411,900	800,000	32,265,100	83,000
Recreation Services	0	(1,500,000)	0	0
Total	94,804,800	(550,000)	32,940,100	83,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	825,000	0	0	0
Historic Preservation	892,900	150,000	0	0
Park Operations	60,146,800	2,379,000	0	(1,662,000)
Recreation Services	0	(1,500,000)	0	0
Total	61,864,700	1,029,000	0	(1,662,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available	Recommended	Change
	2010-11	2011-12	
General Fund	2,920,000	0	(2,920,000)
Special Revenue Funds - Federal	4,120,000	3,170,000	(950,000)
Special Revenue Funds - Other	5,635,000	5,635,000	0
Total	12,675,000	8,805,000	(3,870,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available	Recommended	Change
	2010-11	2011-12	
Administration			
General Fund	2,920,000	0	(2,920,000)
Historic Preservation			
Special Revenue Funds - Federal	120,000	170,000	50,000
Park Operations			
Special Revenue Funds - Federal	2,000,000	1,500,000	(500,000)
Special Revenue Funds - Other	5,635,000	5,635,000	0
Recreation Services			
Special Revenue Funds - Federal	2,000,000	1,500,000	(500,000)
Total	12,675,000	8,805,000	(3,870,000)

PARKS, RECREATION AND HISTORIC PRESERVATION

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Parks EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	2,754,000
Natural Heritage Trust				
Capital Projects Fund	0	0	0	300,000
Federal Capital Projects Fund				
Federal Capital Projects Fund	4,000,000	4,000,000	0	17,428,000
Maintenance and Improvements of Existing Facilities				
Fiduciary Funds - Misc. Combined Expendable Trust Fund	10,000,000	10,000,000	0	47,855,000
State Parks Infrastructure Fund	29,001,000	29,001,000	0	117,443,000
Misc. Capital Projects	3,800,000	3,800,000	0	11,744,000
Outdoor Recreation Development Bond Fund				
Outdoor Recreation Development Bond Fund	0	0	0	230,000
Parks and Recreation Land Acquisition Bond Fund				
Parks and Recreation Land Acquisition Bond Fund	0	0	0	783,000
Total	<u>46,801,000</u>	<u>46,801,000</u>	<u>0</u>	<u>198,537,000</u>

NEW YORK STATE PUBLIC AUTHORITIES

Public authorities are statutorily created agents of State and local government, established primarily to finance, build, manage or improve specific capital facilities that serve public purposes. Enacted into law as independent and autonomous public benefit corporations, public authorities are governed by boards of directors whose members serve by virtue of their public positions or their appointment by the Governor, the Legislature or local officials. With their statutorily granted management and operating flexibility, public authorities are an effective means to address public needs, which may not otherwise be met within the limitations imposed on traditional government agencies. Public authorities derive their powers and responsibilities from the legislation by which they are established.

The Public Authorities Accountability Act of 2005 opened the operations and financial dealings of public authorities to enhanced public scrutiny. State and local public authorities must now adhere to accepted corporate governance standards, disclose their budgets, indebtedness, independent audit reports, financial statements and activities, and follow prescribed procedures for the custody, control and disposition of real property. It had been the responsibility of the Authority Budget Office (ABO), created in 2006, to monitor and assess compliance with these governance and reporting requirements. Enactment of the Public Authorities Reform Act of 2009 (Chapter 506 of the Laws of 2009) restructured the ABO as the independent Authorities Budget Office with additional oversight, regulatory and enforcement responsibilities.

By law, the Authorities Budget Office examines and reports on the operations, practices and finances of public authorities; enforces compliance with State law and initiates actions against public authorities and their boards of directors for noncompliance; and provides guidance to public authorities on ways to adhere to the principles of accountability, transparency and effective corporate governance. The Authorities Budget Office is also authorized to make recommendations to the Governor and the Legislature concerning the performance, structure, formation and oversight of public authorities, public authority debt, procurement, and property transaction practices, and to ensure that directors receive training on the fiduciary, legal and ethical obligations of board members. These actions are intended to strengthen public confidence in the decisions and actions taken by public authorities, their boards of directors and executive management.

Detailed information on a number of public authorities reflected in Tables 1 through 4 can be found elsewhere in this Executive Budget. These authorities include:

BRIDGE, TUNNEL AND HIGHWAY

Thruway Authority

ECONOMIC DEVELOPMENT

Development Authority of the North Country
Empire State Development Corporation

ENERGY AND ENVIRONMENT

Energy Research and Development Authority
Environmental Facilities Corporation

PUBLIC AUTHORITIES

HOUSING AND FINANCE

Housing Finance Agency
Local Government Assistance Corporation
State of New York Mortgage Agency

REGIONAL TRANSPORTATION

Metropolitan Transportation Authority

Public authorities that are not included elsewhere in the Executive Budget are discussed below:

BRIDGE, TUNNEL AND HIGHWAY AUTHORITIES

Buffalo and Fort Erie Public Bridge Authority

The Buffalo and Fort Erie Public Bridge Authority is a bi-national entity that owns and operates the “Peace Bridge”, which crosses the Niagara River between Buffalo and Fort Erie, Ontario. The Authority is mainly financed through toll revenue and property lease revenue.

New York State Bridge Authority

The New York State Bridge Authority is responsible for the Bear Mountain, Kingston-Rhinecliff, Mid-Hudson, Newburgh-Beacon and Rip Van Winkle toll bridges that span the lower Hudson River. The Authority is mainly financed through toll revenue.

Thousand Islands Bridge Authority

The Thousand Islands Bridge Authority operates two bridges connecting U.S. Interstate 81 in Jefferson County with Highway 401 in Ontario, Canada. The Authority also operates a sewage treatment facility and recreational facilities. The Authority is mainly financed through toll revenue and service fees.

ECONOMIC DEVELOPMENT AUTHORITIES

Battery Park City Authority

The Battery Park City Authority (BPCA) is a public benefit corporation charged with the management and development of Battery Park City, a 92-acre mixed-use community located on the southwest tip of Manhattan. The Authority generates revenues by leasing individual plots of land to private developers through a public bid process. It collects rents and real estate tax equivalency payments to support its operations.

The Authority’s adoption of environmental building guidelines in early 2000 resulted in the construction of the nation’s first sustainable residential high-rise. When Battery Park City is completed, it will contain nearly five million square feet of sustainable construction – the largest concentration of “green” buildings in the world.

PUBLIC AUTHORITIES

New York City Off-Track Betting Corporation

New York City Off Track Betting Corporation (NYCOTB) was established forty years ago to take wagers on horse racing in order to generate governmental revenues, provide additional revenues for the horse racing industry and to eliminate illegal wagering on horse races. On December 8, 2010 NYCOTB ceased operations and began the orderly liquidation of the Corporation's remaining assets.

United Nations Development Corporation

The United Nations Development Corporation develops and manages commercial and residential facilities for United Nations-related activities in New York City, including One, Two and Three United Nations Plaza. The Corporation does not rely on any State support to pay debt service or for its own operations.

ENERGY AND ENVIRONMENTAL AUTHORITIES

New York Power Authority

The New York Power Authority finances, builds and operates electric generation and transmission facilities. It currently owns and operates five major generating facilities, five small hydroelectric facilities, 11 small natural gas powered generating plants and more than 1,400 circuit miles of transmission lines. The Authority supplies economical electric power to New York State's municipal electric systems and rural electric cooperatives, private sector businesses and not-for-profit institutions throughout the State, municipalities and public corporations in the New York City metropolitan area, and investor-owned utilities for resale to their customers. The Authority receives no State subsidy. It generally finances construction projects through sales of bonds and notes and pays the related debt service with revenues from the generation and transmission of electricity.

Long Island Power Authority

The Long Island Power Authority (LIPA) has the broad authority and responsibility to ensure adequate, dependable and affordable electric service within its service area, including Nassau and Suffolk counties and the Rockaway Peninsula in Queens. LIPA serves approximately 1.1 million residential and commercial electricity customers. No State tax dollars are used to fund the Authority.

HOUSING AND FINANCE AUTHORITIES

Dormitory Authority

The Dormitory Authority provides financing, construction management, planning and design, and purchasing services for higher and secondary education, not-for-profit health care, judicial and other not-for-profit institutions. The Authority funds its operations from its own client-generated revenues.

PUBLIC AUTHORITIES

Municipal Assistance Corporation for the City of Troy

The Municipal Assistance Corporation for the City of Troy was created in 1995 to provide the City with access to credit markets and to oversee Troy's fiscal affairs. The Authority is subject to a debt cap of \$75 million. The State is authorized, subject to legislative review and appropriation, to provide moneys as necessary to ensure a 1.5:1 debt service coverage ratio on Authority debt. No State moneys are used to finance the Corporation, and failure of the State to appropriate State aid to the City does not constitute an event of default for Corporation obligations.

Nassau County Interim Finance Authority

The Nassau County Interim Finance Authority was established in 2000 to restore fiscal stability to Nassau County by overseeing its finances and issuing debt on its behalf. Authority debt service and operating expenses are funded with County sales tax revenues, on which the Authority has first lien.

Buffalo Fiscal Stability Authority

The Buffalo Fiscal Stability Authority was established in 2003 to restore fiscal health to the City of Buffalo by overseeing its finances and issuing debt on its behalf. Authority debt service and operating expenses are funded with City sales tax revenues and aid to municipalities on which the Authority has first lien.

Municipal Bond Bank Agency

The Municipal Bond Bank Agency was established in 1972 to provide low-cost capital financing to towns, villages, cities and counties. In addition, the Agency is authorized to issue special program bonds and tax lien collateralized securities. The Agency is staffed by the Housing Finance Agency. No State tax dollars are used to fund the Agency.

Tobacco Settlement Financing Corporation

The Tobacco Settlement Financing Corporation (TSFC) is a subsidiary of the Municipal Bond Bank Agency, established by statute in June 2003 to securitize amounts to be received by the State of New York under the Master Settlement Agreement (MSA) entered into in 1998 by the State, the other "settling jurisdictions" and certain participating cigarette manufacturers. In June 2003, TSFC issued \$2.3 billion of bonds backed by 50 percent of the anticipated MSA funds. In December 2003, TSFC issued an additional \$2.2 billion of bonds backed by the remaining 50 percent of the anticipated MSA funds.

PUBLIC AUTHORITIES

PORT DEVELOPMENT AUTHORITIES

Albany Port District Commission

The Albany Port District Commission develops and operates port facilities in the cities of Albany and Rensselaer. Lease revenues account for the majority of the Port's annual revenue, with maritime traffic making up the remainder. No State tax dollars are used to fund the Commission.

Ogdensburg Bridge and Port Authority

The Ogdensburg Bridge and Port Authority (OBPA) operates a 1.5 mile international bridge crossing between Ogdensburg, New York and Prescott, Ontario, Canada, as well as the Port of Ogdensburg Marine Terminal, Ogdensburg International Airport, and two industrial parks, and owns a thirty-mile rail line connecting to the CSX rail system. No State tax dollars are used to fund the Authority.

Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey was created in 1921 to improve port and transportation facilities in the New York metropolitan area. The Port Authority operates many of the busiest and most important transportation links in the region, including the five major regional airports and the associated AirTrain network, all of the bridges and tunnels that connect New York and New Jersey, the Port of New York and New Jersey, the PATH transit system and the bus terminals at 42nd Street and the George Washington Bridge. The Port Authority also owns the World Trade Center site in Lower Manhattan and is engaged in rebuilding the public projects at the site.

The revenues of the Port Authority are completely independent from any Federal, State or local taxes and are derived principally from the tolls, fares, landing and dockage fees, rentals and other charges for the use of Port Authority facilities. In addition, the Port Authority has the power to issue bonds, notes and other obligations needed to raise the necessary funds for the improvement, construction or acquisition of its facilities generally. These instruments are sold on the basis of the Authority's own credit and are not obligations of New York State or New Jersey.

Port of Oswego Authority

The Port of Oswego Authority operates port facilities in the Oswego Port District, which includes the City of Oswego, the Town of Scriba, and all waters of the Oswego River and Lake Ontario within its boundaries. The Authority operates a commercial shipping terminal and storage facilities and supports recreational boating activities at three marinas. No State tax dollars are used to fund the Authority.

PUBLIC AUTHORITIES

REGIONAL TRANSPORTATION AUTHORITIES

Capital District Transportation Authority

The Capital District Transportation Authority (CDTA) provides public transportation service within Albany, Rensselaer, Saratoga and Schenectady counties. State funding for the CDTA is provided through appropriations to the New York State Department of Transportation.

Central New York Regional Transportation Authority

The Central New York Regional Transportation Authority (CNYRTA) provides public transportation service within Central New York through four subsidiary corporations: CNY Centro (Onondaga County); Centro of Oswego (Oswego County); Centro of Oneida (Oneida County); and Centro of Cayuga (Cayuga County). State funding for CNYRTA is provided through appropriations to the New York State Department of Transportation.

Niagara Frontier Transportation Authority

The Niagara Frontier Transportation Authority (NFTA) oversees the operations of a public transportation system providing bus, rail and paratransit services in Niagara and Erie counties. The Authority also operates the Buffalo Niagara International Airport, a primary commercial airport, and the Niagara Falls International Airport, a joint-use military/general aviation airport that serves as a reliever airport. Additionally, the NFTA operates a small boat harbor and two metro transit centers that serve as primary terminals for private inter-city bus service for Niagara and Erie counties. State funding for the NFTA is provided through appropriations to the New York State Department of Transportation.

Rochester-Genesee Regional Transportation Authority

The Rochester-Genesee Regional Transportation Authority (RGRTA) provides public transportation service in the counties of Genesee, Livingston, Monroe, Orleans, Seneca, Wayne and Wyoming. The Authority operates the Regional Transit Service (Rochester area), Wayne Area Transportation System, Livingston Area Transportation Service, Orleans Transit Service Inc., Seneca Transit Service Inc., Wyoming Transportation Service and Batavia Bus Service. State funding for RGRTA is provided through appropriations to the New York State Department of Transportation.

PUBLIC AUTHORITIES

TABLE 1
FINANCIAL OPERATIONS^{aj} OF NEW YORK STATE PUBLIC AUTHORITIES
2010 AND 2011
(thousands of dollars)

Authorities by Function	Fiscal Year Begins	2010				2011			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{aj}	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{aj}
BRIDGE, TUNNEL AND HIGHWAY									
Buffalo and Fort Erie Public Bridge Authority	Jan. 1	34,268	14,730	3,786	15,752	32,409	15,400	3,608	13,401
New York State Bridge Authority	Jan. 1	39,447	25,550	8,059	5,838	41,050	26,773	8,050	6,227
Thousand Islands Bridge Authority	Mar. 1	10,743	8,070	735	1,938	10,290	8,140	0	2,150
Thruway Authority ^{aj}	Jan. 1	695,507	431,705	191,469	72,333	688,980	449,838	185,270	53,872
ECONOMIC DEVELOPMENT									
Battery Park City Authority	Nov. 1	382,923	31,904	70,322	280,697	217,534	33,200	73,084	111,250
Development Authority of the North Country	April 1	21,800	11,415	4,642	5,743	22,056	11,526	4,981	5,549
Job Development Authority	April 1	9,297	428	5,909	2,960	8,366	439	5,452	2,475
Empire State Development Corporation	April 1	923,430	111,895	819,898	(8,363)	1,019,492	89,954	935,554	(6,016)
New York City OTB ^{aj}	July 1	179,970	211,117	0	(31,147)	-	-	-	-
United Nations Development Corporation	Jan. 1	40,166	29,454	10,712	0	40,286	30,580	9,706	0
ENERGY AND ENVIRONMENT									
Energy Research and Development Authority	April 1	737,509	737,509	0	0	743,975	743,975	0	0
Environmental Facilities Corporation	April 1	847,751	24,621	820,459	2,671	860,787	24,864	832,692	3,231
Long Island Power Authority	Jan. 1	3,729,913	3,223,012	550,131	(43,230)	3,657,595	2,998,583	584,012	75,000
Power Authority	Jan. 1	2,604,800	2,262,600	185,900	156,300	2,700,600	2,330,600	176,100	193,900
HOUSING, HEALTH AND FINANCE									
Dormitory Authority	April 1	3,928,924	105,614	3,823,310	0	4,239,602	108,862	4,130,740	0
Housing Finance Agency	Nov. 1	1,186,997	29,243	1,155,639	2,115	317,881	31,605	285,116	1,160
Local Government Assistance Corporation	April 1	377,048	13,429	347,311	16,308	383,327	5,909	378,354	(936)
Mortgage Agency	Nov. 1	480,077	34,670	445,731	(324)	502,260	39,716	461,759	785
Municipal Assistance Corporation for the City of Troy	Jan. 1	6,394	47	6,272	75	6,323	48	6,040	235
Nassau County Interim Finance Authority ^e	Jan. 1	179,258	1,181	178,077	0	190,398	1,475	188,923	0
Municipal Bond Bank Agency	Nov. 1	59,778	503	59,275	0	83,303	535	82,768	0
Tobacco Settlement Financing Corporation	Nov. 1	413,080	723	417,306	(4,949)	413,189	1,232	411,957	
Buffalo Fiscal Stability Authority ^f	July 1	275,537	998	19,405	255,134	274,977	1,027	19,851	254,099

PUBLIC AUTHORITIES

TABLE 1
FINANCIAL OPERATIONS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2010 AND 2011
(thousands of dollars)

Authorities by Function	Fiscal Year Begins	2010				2011			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}
PORT DEVELOPMENT									
Albany Port District Commission	Jan. 1	10,725	4,002	1,612	5,111	8,490	4,522	1,309	2,659
Ogdensburg Bridge and Port Authority	April 1	5,415	3,906	1,199	310	5,156	3,626	1,191	339
Port Authority of New York and New Jersey ^{a/}	Jan. 1	4,344,239	2,389,403	622,986	1,331,850	4,515,503	2,509,280	700,794	1,305,429
Port of Oswego Authority	April 1	3,223	2,547	382	294	3,320	2,624	247	449
REGIONAL TRANSPORTATION									
Capital District Transportation Authority	April 1	73,533	73,533	0	0	72,586	85,920	0	(13,334)
Central New York Regional Transportation Authority	April 1	59,163	59,866	13	(716)	55,202	62,065	13	(6,876)
Metropolitan Transportation Authority ^{b/}	Jan. 1	12,933,700	11,162,700	1,841,500	(70,500)	13,262,600	11,698,800	2,051,800	(488,000)
Niagara Frontier Transportation Authority	April 1	188,089	171,550	13,835	2,704	191,328	174,314	12,798	4,216
Rochester-Genesee Regional Transportation Authority	April 1	78,803	75,240	0	3,563	78,787	85,598	0	(6,811)
GRAND TOTAL		34,861,507	21,253,165	11,605,875	2,002,467	34,647,652	21,581,030	11,552,169	1,514,453

^{a/} This table is based on authority estimates and may not reflect approval by the Board of Directors. This table covers the Authority fiscal year which includes September 30. Data vary as to cash or accrual accounting.

^{b/} The operating surplus may be committed to reserve requirements, repayment of State advances or funding of capital programs or programs operated by other authorities. Deficits are to be financed from existing resources, by management actions, and/or by securing revenues from outside sources greater than anticipated by the Authority.

^{c/} Excludes debt service for bonds sold to finance State transportation programs.

^{d/} New York City Off Track Betting ceased operations on December 8, 2010.

^{e/} Excess sales tax funds of the Authority are remitted immediately to Nassau County as required under the NIFA Act.

^{f/} Surplus funds of the Authority are remitted immediately to the City of Buffalo and the Buffalo School District as required by the BFSA Act.

^{g/} 2010 information is a preliminary estimate of Authority Operating Budget and is subject to change.

^{h/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. These figures do not include debt service on State Service Contract bonds.

PUBLIC AUTHORITIES

TABLE 2
CAPITAL PROGRAMS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2010 AND 2011
(thousands of dollars)

Authorities by Function	2010			2011		
	Capital Program Disburse- ments	Available Resources	Sale of New Debt ^{b/}	Capital Program Disburse- ments	Available Resources	Sale of New Debt ^{b/}
BRIDGE, TUNNEL AND HIGHWAY						
Buffalo and Fort Erie Public Bridge Authority	4,221	67,558	0	1,866	76,738	0
New York State Bridge Authority	15,230	23,891	0	20,958	14,888	0
Thousand Islands Bridge Authority	2,411	2,411	0	2,935	2,935	0
Thruway Authority	361,438	361,438	0	463,620	463,620	0
ECONOMIC DEVELOPMENT						
Battery Park City Authority	15,836	0	85,000	48,070	67,787	0
Development Authority of the North Country	14,452	11,952	2,500	37,598	29,748	7,850
Job Development Authority	448	2,512	0	555	1,920	0
Empire State Development Corporation	983,945	0	1,109,420	733,205	0	1,124,446
New York City OTB ^{c/}	2,801	2,801	0	-	-	-
United Nations Development Corporation	2,599	8,250	0	3,318	7,850	0
ENERGY AND ENVIRONMENT						
Energy Research and Development Authority	19,247	19,247	0	15,310	15,310	0
Environmental Facilities Corporation	425,850	0	425,850	250,000	0	250,000
Long Island Power Authority	267,032	57,032	210,000	312,271	62,271	250,000
Power Authority	326,938	326,938	16,100	328,334	328,334	13,707
HOUSING, HEALTH AND FINANCE						
Dormitory Authority	3,038,644	3,306,416	4,856,898	4,663,420	5,124,670	4,952,175
Housing Finance Agency	1,038,261	787,124	1,075,029	851,738	823,927	491,100
Local Government Assistance Corporation	0	0	0	0	0	0
Mortgage Agency	355,147	0	302,885	399,000	0	398,517
Municipal Assistance Corporation for the City of Troy	0	0	0	0	0	0
Nassau County Interim Finance Authority ^{d/}	0	0	0	0	0	0
Municipal Bond Bank Agency	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	0	0	0	0	0	0

PUBLIC AUTHORITIES

TABLE 2
CAPITAL PROGRAMS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2010 AND 2011
(thousands of dollars)

Authorities by Function	2010			2011		
	Capital Program Disburse- ments	Available Resources	Sale of New Debt ^{b/}	Capital Program Disburse- ments	Available Resources	Sale of New Debt ^{b/}
PORT DEVELOPMENT						
Albany Port District Commis- sion	3,000	6,723	0	2,000	3,968	0
Ogdensburg Bridge and Port Authority	15,810	15,810	0	20,845	20,845	0
Port Authority of New York and New Jersey ^{c/}	3,090,438	2,680,497	1,206,098	3,310,443	2,573,254	1,385,438
Port of Oswego Authority	1,818	451	1,650	337	337	0
REGIONAL TRANSPORTA- TION						
Capital District Transportation Authority	4,071	2,030	0	61,554	2,200	0
Central New York Regional Transportation Authority	26,499	26,499	0	23,668	23,668	0
Metropolitan Transportation Authority ^{d/}	6,743,700	2,927,100	3,816,500	5,282,700	1,472,000	3,810,800
Niagara Frontier Transporta- tion Authority	79,425	79,425	0	71,545	71,545	0
Rochester-Genesee Regional Transportation Authority	<u>27,086</u>	<u>56,936</u>	<u>373</u>	<u>47,740</u>	<u>70,722</u>	<u>2,850</u>
GRAND TOTAL	<u><u>16,866,347</u></u>	<u><u>10,773,041</u></u>	<u><u>13,108,303</u></u>	<u><u>16,953,030</u></u>	<u><u>11,258,537</u></u>	<u><u>12,686,883</u></u>

^{a/} This table is based on authority estimates and may not reflect approval by the Board of Directors. The table covers the Authority fiscal year which includes September 30. "Available resources" may include anticipated and/or requested State and Federal funds.

^{b/} Includes proceeds available for capital program only.

^{c/} New York City Off Track Betting ceased operations on December 8, 2010.

^{d/} Includes proceeds available for capital program only. All capital borrowings are made by the Authority on behalf of Nassau County and all capital bond proceeds are disbursed to Nassau County. The Authority issues debt only at the request of Nassau County.

^{e/} All estimates are preliminary and are subject to change.

^{f/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority.

PUBLIC AUTHORITIES

TABLE 3
DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES
AS OF SEPTEMBER 30, 2010
 (thousands of dollars)

Authorities by Function	All Bonds and Notes				Moral Obligation Bonds		
	Statutory Authorization	Bonds Issued	Bonds Outstanding	Notes Outstanding	Authorized Limit	Bonds Issued	Bonds Outstanding
BRIDGE, TUNNEL AND HIGHWAY							
Buffalo and Fort Erie Public Bridge Authority	165,000	44,120	42,740	0	0	0	0
New York State Bridge Authority	153,255	83,522	53,255	0	0	0	0
Thousand Islands Bridge Authority	Unlimited	5,745	0	0	0	0	0
Thruway Authority	Unlimited	22,316,300	13,448,165	680,610	0	0	0
ECONOMIC DEVELOPMENT							
Battery Park City Authority ^{af}	1,060,000	1,155,581	1,110,880	0	0	0	0
Development Authority of the North Country	Unlimited	67,552	16,955	5,893	0	0	0
Job Development Authority	750,000	0	27,745	0	0	0	0
Empire State Development Corporation	17,352,204	12,140,418	8,726,717	0	0	0	0
New York City OTB ^{bl}	None	0	0	0	0	0	0
United Nations Development Corporation	Unlimited	260,728	106,823	0	75,000	31,000	0
ENERGY AND ENVIRONMENT							
Energy Research and Development Authority	Unlimited	8,094,695	3,626,740	0	0	0	0
Environmental Facilities Corporation	Unlimited	15,698,405	8,416,035	0	0	0	0
Long Island Power Authority	Unlimited	11,832,223	6,717,994	200,000	0	0	0
Power Authority	Unlimited	7,469,425	1,173,415	776,642	0	0	0
HOUSING, HEALTH AND FINANCE							
Dormitory Authority	Unlimited	99,417,060	42,537,344	30,730	699,785	698,660	2,880
Housing Finance Agency ^{cl}	24,517,299	19,697,716	9,722,370	0	7,112,115	6,524,379	27,410
Local Government Assistance Corporation	4,700,000	5,647,035	3,393,118	0	0	0	0
Mortgage Agency	8,720,000	14,302,083	3,416,964	0	0	0	0
Municipal Assistance Corporation for the City of Troy	75,000	69,583	52,573	0	0	0	0
Nassau County Interim Finance Authority	Unlimited	3,888,595	1,648,185	0	0	0	0
Municipal Bond Bank Agency	1,000,000	921,132	736,282	0	0	0	0
Tobacco Settlement Financing Corporation	4,200,000	4,552,495	3,011,900	0	0	0	0
Buffalo Fiscal Stability Authority	Unlimited	156,580	121,120	0	0	0	0

PUBLIC AUTHORITIES

TABLE 3
DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES
AS OF SEPTEMBER 30, 2010
 (thousands of dollars)

Authorities by Function	All Bonds and Notes				Moral Obligation Bonds		
	Statutory Authorization	Bonds Issued	Bonds Outstanding	Notes Outstanding	Authorized Limit	Bonds Issued	Bonds Outstanding
PORT DEVELOPMENT							
Albany Port District Commission	Unlimited	0	0	307	0	0	0
Ogdensburg Bridge and Port Authority	Unlimited	7,910	5,020	2,365	0	0	0
Port Authority of New York and New Jersey	Unlimited	21,132,319	14,523,675	431,760	0	0	0
Port of Oswego Authority	Unlimited	0	0	2,077	0	0	0
REGIONAL TRANSPORTATION							
Capital District Transportation Authority	Unlimited	0	0	0	0	0	0
Central New York Regional Transportation Authority	Unlimited	0	0	5,000	0	0	0
Metropolitan Transportation Authority ^{a/}	86,631,000	35,255,430	29,806,330	624,165	0	0	0
Niagara Frontier Transportation Authority	Unlimited	199,334	159,718	38,874	0	0	0
Rochester-Genesee Regional Transportation Authority	Unlimited	0	0	0	0	0	0
GRAND TOTAL		<u>284,415,986</u>	<u>152,602,063</u>	<u>2,798,423</u>	<u>7,886,900</u>	<u>7,254,039</u>	<u>30,290</u>

^{a/} \$400 million in bonding authority related to the Housing New York Program sunsetted on June 30, 1995.

^{b/} New York City Off Track Betting ceased operations on December 8, 2010.

^{c/} HFA moral obligation bond limit is reduced as bonds outstanding after April 1, 1976 are repaid.

^{d/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority and does include debt outstanding numbers for State Service Contract bonds and Convention Center bonds. Bond cap is applicable only to projects set forth in transit and commuter capital programs approved by the MTA Capital Program Review Board. Authorization for State Service Contract bonds is limited to \$165 million in annual debt service maturing no later than July 1, 2031.

PUBLIC AUTHORITIES

TABLE 4
STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS
OF NEW YORK STATE PUBLIC AUTHORITIES
2010 AND 2011-12
(thousands of dollars)

Authorities by Function	Authority Bonds Outstanding, 2010 ^{a/}			Outstanding Reimbursable State Appropriations, 2010	State Appropriations Recommended in Support of Authority Programs, 2011-12 ^{b/}		
	Revenue and Nonrecourse	State Guaranteed	Moral Obligation		New Appropriations	Reappropriations	Total
BRIDGE, TUNNEL AND HIGHWAY							
Buffalo and Fort Erie Public Bridge Authority	42,740	0	0	0	0	0	0
New York State Bridge Authority	53,255	0	0	0	0	0	0
Thousand Islands Bridge Authority	0	0	0	0	0	0	0
Thruway Authority	13,448,165	0	0	0	2,000	0	2,000
ECONOMIC DEVELOPMENT							
Battery Park City Authority	1,110,880	0	0	0	0	0	0
Development Authority of the North Country	16,955	0	0	0	0	0	0
Job Development Authority	0	27,745	0	0	0	0	0
Empire State Development Corporation	8,726,717	0	0	0	55,239	380,798	436,037
New York City OTB ^{a/}	0	0	0	0	0	0	0
United Nations Development Corporation	106,823	0	0	0	0	0	0
ENERGY AND ENVIRONMENT							
Energy Research and Development Authority	3,626,740	0	0	0	32,865	50,000	82,865
Environmental Facilities Corporation	8,416,035	0	0	570	12,653	1,991	14,644
Long Island Power Authority	6,717,994	0	0	0	0	0	0
Power Authority	1,173,415	0	0	0	0	0	0
HOUSING, HEALTH AND FINANCE							
Dormitory Authority	42,534,464	0	2,880	77,653	0	0	0
Housing Finance Agency	9,694,960	0	27,410	0	0	0	0
Local Government Assistance Corporation	3,393,118	0	0	0	392,000	0	392,000
Mortgage Agency	3,416,964	0	0	0	0	0	0
Municipal Assistance Corporation for the City of Troy	52,573	0	0	0	0	0	0
Nassau County Interim Finance Authority	1,648,185	0	0	0	0	0	0
Municipal Bond Bank Agency	736,282	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	3,011,900	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	121,120	0	0	0	0	0	0

PUBLIC AUTHORITIES

TABLE 4
STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS
OF NEW YORK STATE PUBLIC AUTHORITIES
2010 AND 2011-12
(thousands of dollars)

Authorities by Function	Authority Bonds Outstanding, 2010 ^{a/}			Outstanding Reimbursable State Appropriations, 2010	State Appropriations Recommended in Support of Authority Programs, 2011-12 ^{b/}		
	Revenue and Nonrecourse	State Guaranteed	Moral Obligation		New Appropriations	Reappropriations	Total
PORT DEVELOPMENT							
Albany Port District Commission	0	0	0	0	0	0	0
Ogdensburg Bridge and Port Authority	5,020	0	0	18,930	0	0	0
Port Authority of New York and New Jersey	14,523,675	0	0	0	0	0	0
Port of Oswego Authority	0	0	0	3,906	0	0	0
REGIONAL TRANSPORTATION							
Capital District Transportation Authority	0	0	0	0	29,176	0	29,176
Central New York Regional Transportation Authority	0	0	0	0	26,633	0	26,633
Metropolitan Transportation Authority ^{d/}	29,806,330	0	0	0	3,801,896	1,007,000	4,808,896
Niagara Frontier Transportation Authority	159,718	0	0	0	42,007	0	42,007
Rochester-Genesee Regional Transportation Authority	0	0	0	0	30,543	0	30,543
GRAND TOTAL	<u>152,544,028</u>	<u>27,745</u>	<u>30,290</u>	<u>101,059</u>	<u>4,425,012</u>	<u>1,439,789</u>	<u>5,864,801</u>

^{a/} This table covers bonds outstanding as of September 30.

^{b/} Appropriations are included in the Executive Budget for State Fiscal Year 2011-12 from the State's General Fund, dedicated tax funds, Capital Projects Fund or bond funds. Some of these funds may be appropriated to an intermediary which, in turn, makes payment to the named authority.

^{c/} New York City Off Track Betting ceased operations on December 8, 2010.

^{d/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. Outstanding bonds do not include Convention Center Project Bonds that are not covered by the Authority's bond cap, and are solely supported by rental income.

PUBLIC EMPLOYMENT RELATIONS BOARD

MISSION

The Public Employment Relations Board (PERB) was created by the Public Employees' Fair Employment Act of 1967 and resolves labor disputes between public employers and employees. PERB provides mediation, fact-finding and arbitration in contract disputes for approximately 4,800 public sector negotiating units in New York State.

The 2010-11 budget made PERB also responsible for administering the State Employment Relations Act, in addition to the Taylor Law, and expanded PERB's labor-management oversight activities to include private sector employers that are not provided services by the National Labor Relations Board, the Federal Mediation and Conciliation Service, or the National Mediation Board.

Annually, more than 4,000 notices of contract expiration are filed with the Board by private sector employers or the unions that represent their employees. In addition, the Board settles questions of union representation, conducts hearings on charges of improper and unfair labor practices, designates Management/Confidential positions, makes determinations regarding applications for injunctive relief and acts as a clearinghouse for information on wages, benefits and employment practices.

ORGANIZATION AND STAFFING

The Board consists of a full-time Chair and two part-time members nominated by the Governor for six-year terms. The Board's jurisdiction includes State, county and local governments, certain special service districts, school districts, public authorities, and since July 2010, private employers. Central offices are in Albany, with additional staff in Buffalo and Brooklyn.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$4.1 million** All Funds (\$3.6 million General Fund; \$575,000 Other Funds) for the Public Employment Relations Board. This is a decrease in the General Fund of **\$397,000 (-10 percent)** from the 2010-11 budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Board provides three principal services: conciliation, settlement of petitions involving representation, and rulings on charges of improper or unfair employment practices.

PUBLIC EMPLOYMENT RELATIONS

CONCILIATION

The Board provided assistance in 373 of the 2,386 State and local contract negotiations conducted in 2009-10, which represents a nearly 20 percent increase from two years ago. In addition, the Board is also performing these functions for private employers and their unions.

REPRESENTATION

Through its Office of Employment Practices and Representation, the Board reviews all petitions from public and private employee unions and employers requesting the creation of new negotiating units or the transfer of members between units. It also reviews requests to remove positions from negotiating units and, in the public sector may designate them management or confidential. In 2011-12, the Board expects to receive approximately 110 petitions raising questions about representation and to conduct 20 elections for representation.

The Board also addresses matters of bargaining unit changes through unit clarification/placement and Management/Confidential applications. In 2009-10, 83 such applications were received by the Board and 88 cases were resolved: 46 by settlement after a conference was conducted and 42 by issuing a decision. Approximately 100 applications of this type are expected in 2011-12.

EMPLOYMENT PRACTICES

The Board conducts hearings and renders decisions on improper and unfair labor practice charges. It received 893 charges of improper employment and negotiating practices in 2009-10 and expects 1,000 such charges in the coming year. In 2009-10, the Board wrote 139 decisions and closed, either by decision or settlement, more than 850 improper practice cases. In 2011-12, the Board will also resolve unfair labor practices involving the private sector employers that do not fall within the jurisdiction of the National Labor Relations Board.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	4,543,000	4,146,000	(397,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>4,543,000</u>	<u>4,146,000</u>	<u>(397,000)</u>	<u>0</u>

PUBLIC EMPLOYMENT RELATIONS

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	35	35	0
Total	35	35	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	3,968,000	3,571,000	(397,000)
Special Revenue Funds - Other	575,000	575,000	0
Total	4,543,000	4,146,000	(397,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	3,968,000	3,571,000	(397,000)
Special Revenue Funds - Other	575,000	575,000	0
Total	4,543,000	4,146,000	(397,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,295,000	(295,000)	3,020,000	(295,000)
Total	3,295,000	(295,000)	3,020,000	(295,000)

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	275,000	0
Total	275,000	0

PUBLIC EMPLOYMENT RELATIONS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	276,000	(102,000)	37,000	0
Total	<u>276,000</u>	<u>(102,000)</u>	<u>37,000</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	52,000	0	160,000	(102,000)
Total	<u>52,000</u>	<u>0</u>	<u>160,000</u>	<u>(102,000)</u>

Program	Equipment	
	Amount	Change
Administration	27,000	0
Total	<u>27,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	575,000	0	275,000	0
Total	<u>575,000</u>	<u>0</u>	<u>275,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	300,000	0
Total	<u>300,000</u>	<u>0</u>

COMMISSION ON PUBLIC INTEGRITY

MISSION

The mission of the Commission on Public Integrity is to ensure compliance with the ethical standards imposed to foster public trust and confidence in government. Established in 2007 by the merger of the State Ethics Commission and the Temporary State Commission on Lobbying, the Commission on Public Integrity is charged with the responsibility of administering and enforcing the State's ethics and lobbying statutes along with anti-nepotism laws and the New York State "little Hatch Act."

ORGANIZATION AND STAFFING

The Commission has 13 members, and operates through eight units: Executive, Public Information, Administration, Technology, Legal, Investigations, Programs, and Training and Educational Services. The Commission's office is in Albany.

BUDGET HIGHLIGHTS

The Executive Budget recommends more than **\$3.9 million** in General Fund spending for the Commission on Public Integrity. This is a General Fund decrease of **\$430,000 (-10 percent)** from the 2010-11 budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Commission has jurisdiction over 190,000 statewide officials, state officers and employees, and candidates for statewide elected office and political party chairs filing over 27,000 financial disclosure statements annually, as well as approximately 5,900 lobbyists representing 3,500 clients that reported spending \$198 million in 2009 on their lobbying efforts. The Commission is responsible for issuing formal and informal advisory opinions to those under its jurisdiction, providing comprehensive outreach and education programs, administering a website that offers online filing, and conducting investigations and holding hearings to enforce the laws under the Commission's mandate.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	4,308,000	3,878,000	(430,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	4,308,000	3,878,000	(430,000)	0

PUBLIC INTEGRITY

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Public Integrity, Commission on	46	46	0
General Fund	46	46	0
Total	46	46	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	4,308,000	3,878,000	(430,000)
Total	4,308,000	3,878,000	(430,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Public Integrity, Commission on	4,308,000	3,878,000	(430,000)
General Fund	4,308,000	3,878,000	(430,000)
Total	4,308,000	3,878,000	(430,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Public Integrity, Commission on	3,061,000	(340,000)	3,016,000	(335,000)
Total	3,061,000	(340,000)	3,016,000	(335,000)

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Public Integrity, Commission on	45,000	(5,000)
Total	45,000	(5,000)

PUBLIC INTEGRITY

STATE OPERATIONS - GENERAL FUND
 SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
 APPROPRIATIONS AND CHANGES
 2011-12 RECOMMENDED
 (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Public Integrity, Commission on	817,000	(90,000)	40,000	(4,000)
Total	817,000	(90,000)	40,000	(4,000)
Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Public Integrity, Commission on	20,000	0	717,000	(76,000)
Total	20,000	0	717,000	(76,000)
Program	Equipment			
	Amount	Change		
Public Integrity, Commission on	40,000	(10,000)		
Total	40,000	(10,000)		

DEPARTMENT OF PUBLIC SERVICE

MISSION

The Department of Public Service is the staff arm of the Public Service Commission, which regulates the rates and services of the State's public utilities, including electric, gas, steam, telephone and water. The Commission also oversees the siting of major electric and gas transmission lines and facilities. In addition, it ensures the safety of natural gas and liquid petroleum pipelines and is responsible for oversight and regulation of the cable television industry in New York State.

ORGANIZATION AND STAFFING

The Public Service Commission consists of five members who are nominated by the Governor and confirmed by the Senate. The Chairman serves as the chief executive officer of the Department, which operates offices in Albany, New York City, Buffalo and Syracuse.

The Department's budget has two programs: the Administration Program, which supports the Public Service Commission and Department activities; and the Regulation Program, which undertakes activities to ensure fair and reasonable rates, monitor service standards, address consumer complaints, promote efficient operation and ensure that industry construction programs meet safety and environmental requirements.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$80.4 million** All Funds (\$76.9 million Special Revenue Funds; \$3.5 million Federal funds) for the Department of Public Service. This is a net **increase of \$250,000** All Funds (increase of \$500,000 Special Revenue Funds; decrease of \$250,000 Federal funds) (**0.3 percent**) from the 2010-11 budget. This net increase primarily reflects an increase in local assistance appropriations, partially offset by decreased Federal stimulus funding.

The Department's 2011-12 operating budget includes funding of \$75.4 million from utility and cable assessments. Public utility assessments are based on a utility's gross intrastate operating revenues above \$500,000. Cable television assessments are based on revenues from those companies with 1,000 or more subscribers.

In addition, the local assistance budget provides a total of \$1.5 million from fees paid by entities proposing to site electric generation and transmission facilities. These funds can be accessed by local governments and community groups to fund intervention activities related to the siting review process.

The Department also receives Federal grants to perform pipeline safety activities.

PROGRAM HIGHLIGHTS

The Department will continue the following priorities for the coming year:

- Ensure just and reasonable utility rates, along with safe and adequate electric, gas, steam, and telecommunications service.
- Enhance energy efficiency through the existing Energy Efficiency Portfolio Standard initiative and through an extension or reformulation of programs under the System Benefits Charge.

PUBLIC SERVICE

- Promote clean and renewable electric generation, including through the Renewable Portfolio Standard Initiative, designed to increase the proportion of electricity in the State generated by renewable resources to 30 percent by 2015.
- Conduct complete electric transmission siting reviews, oversee the responsible development of a smart electric grid, and ensure the safety of the State's natural gas pipelines.
- Educate consumers and resolve consumer-utility disputes, to ensure fair and responsible utility service.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	79,142,000	78,892,000	(250,000)	4,550,000
Aid To Localities	1,000,000	1,500,000	500,000	3,186,000
Capital Projects	0	0	0	0
Total	<u>80,142,000</u>	<u>80,392,000</u>	<u>250,000</u>	<u>7,736,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration		
Special Revenue Funds - Other	98	98	0
Regulation of Utilities			
Special Revenue Funds - Federal	12	15	3
Special Revenue Funds - Other	421	421	0
Total	<u>531</u>	<u>534</u>	<u>3</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	3,750,000	3,500,000	(250,000)
Special Revenue Funds - Other	75,392,000	75,392,000	0
Total	<u>79,142,000</u>	<u>78,892,000</u>	<u>(250,000)</u>
Adjustments:			
Prior Year Deficiency			
Public Service Department			
Special Revenue Funds - Federal	1,250,000		
Appropriated 2010-11	<u>80,392,000</u>		

PUBLIC SERVICE

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	12,761,000	12,761,000	0
Regulation of Utilities			
Special Revenue Funds - Federal	3,750,000	3,500,000	(250,000)
Special Revenue Funds - Other	62,631,000	62,631,000	0
Total	<u>79,142,000</u>	<u>78,892,000</u>	<u>(250,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	12,761,000	0	7,475,000	496,000
Regulation of Utilities	66,131,000	(250,000)	38,097,000	2,053,000
Total	<u>78,892,000</u>	<u>(250,000)</u>	<u>45,572,000</u>	<u>2,549,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	5,286,000	(496,000)	0	0
Regulation of Utilities	28,034,000	(1,053,000)	0	(1,250,000)
Total	<u>33,320,000</u>	<u>(1,549,000)</u>	<u>0</u>	<u>(1,250,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	1,000,000	1,500,000	500,000
Total	<u>1,000,000</u>	<u>1,500,000</u>	<u>500,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Regulation of Utilities			
Special Revenue Funds - Other	1,000,000	1,500,000	500,000
Total	<u>1,000,000</u>	<u>1,500,000</u>	<u>500,000</u>

COMMISSION ON QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

MISSION

The mission of the Commission on Quality of Care and Advocacy for Persons with Disabilities (CQCAPD) is to improve the quality of life for individuals with disabilities in New York State and to protect their rights and advocate for needed change by:

- Ensuring programmatic and fiscal accountability, and monitoring care and treatment of people with disabilities within the State's mental hygiene system, and making recommendations for improvements, when warranted;
- Providing individual and systemic investigative and advocacy services;
- Advancing the availability and use of assistive technology for persons with disabilities;
- Offering impartial and informed advice, training, and recommendations on a broad range of disability issues; and
- Promoting the inclusion of persons with disabilities in all aspects of community life and ensuring that persons with disabilities are afforded the opportunity to exercise the full range of rights and responsibilities accorded to all New Yorkers.

The Commission's Advisory Council has expanded its membership to include individuals with a broader range of disabilities to better fulfill its mission in advising the Governor and Legislature regarding all New Yorkers with disabilities.

ORGANIZATION AND STAFFING

The Commission comprises a full-time chairperson and two unsalaried members, each appointed by the Governor and confirmed by the Senate to serve staggered five-year terms. The responsibilities of the Commission are carried out through five major programmatic divisions/bureaus:

- The Division of Adult Quality Assurance and Investigation;
- The Division of Children's Quality Assurance and Investigation;
- The Fiscal Investigations Bureau;
- The Division of Protection and Advocacy Program Administration; and
- The Division of Advocacy and Outreach for Persons with Physical Disabilities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$18.1 million** All Funds for the Commission on Quality of Care and Advocacy for Persons with Disabilities (CQCAPD). This is a decrease of **\$0.5 million (-10.0 percent)** General Fund from 2010-11. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

In addition to 10 percent reductions in the cost of State Operations, the budget recommends:

- **Surrogate Decision-Making Committee Reductions:** Program funding will be aligned with caseload expectations, and certain cases will be completed using State staff to reduce costs, as these cases are currently passed on to contractors for the administration of the hearings.

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

PROGRAM HIGHLIGHTS

OVERSIGHT OF SERVICE DELIVERY IN THE MENTAL HYGIENE AREA

The Commission provides independent oversight and review of State and voluntary programs serving individuals with mental illness, developmental disabilities, and chemical dependence. Most importantly, it investigates allegations of abuse or mistreatment of individuals served in facilities operated or licensed by these agencies. The Commission also monitors the quality of mental health services in the State prison system. The Commission receives and screens approximately 16,000 reports of abuse, neglect, or death and conducts reviews or investigations on over 1,000 cases annually. The Commission also investigates allegations of fiscal fraud, waste, and abuse relating to the provision of services in the mental hygiene system.

PROTECTION AND ADVOCACY

Through a combination of staff resources and contracts with non-profit agencies, the Commission provides statewide protection and advocacy services for individuals with disabilities through the following federal programs: Protection and Advocacy for the Developmentally Disabled; Client Assistance; Protection and Advocacy for Individuals with Mental Illness; Protection and Advocacy of Individual Rights; Protection and Advocacy for Beneficiaries of Social Security; Protection and Advocacy for Assistive Technology; Protection and Advocacy for Traumatic Brain Injury; and Protection and Advocacy for Voting Access. These programs assist the Commission in strengthening the non-profit contract network by providing individuals with severe disabilities with Federally-mandated protection and advocacy services. Every year, more than 40,000 individuals with disabilities are served through the Commission's protection and advocacy programs.

SURROGATE DECISION MAKING COMMITTEE

The Surrogate Decision Making Committee (SDMC) program reviews recommendations for medical services on behalf of individuals receiving mental hygiene residential services who have neither a legal guardian nor the ability to make decisions for themselves. Teams selected from a pool of 1,600 volunteer medical, legal, and health care professionals, and advocates work via local dispute resolution centers located throughout the State to represent these individuals. More than 900 SDMC cases are resolved, and over 100 volunteers and 400 providers are trained annually.

TECHNOLOGY SERVICES TO PERSONS WITH DISABILITIES

The Commission's federally funded Technology-Related Assistance for Individuals with Disabilities (TRAID) Project supports a statewide system that helps New Yorkers with disabilities access technology devices and services to facilitate their full integration into the mainstream workplace and community. This program is coordinated through an

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

Interagency Partnership on Assistive Technology and 12 Regional TRAIID Centers at 15 sites. During 2010 the TRAIID program made over 11,000 loans of adaptive equipment and saved over \$1 million through recycling of assistive technology services.

The Commission's Disability and Business Technical Assistance Center grant funding will continue to be used to provide comprehensive education, public awareness, and technical assistance programs that promote increased voluntary compliance with the Americans with Disabilities Act (ADA).

ADULT HOMES

The Commission contracts with local non-profit organizations to provide advocacy services to protect the rights of residents of adult homes who have been consumers in the mental hygiene system. The Commission's dedicated team will continue to work collaboratively with the Department of Health (DOH) and the Office of Mental Health (OMH) to conduct programmatic and fiscal investigations into the quality of care provided to individuals living in adult homes. The Commission's efforts have been expanded to assist in the implementation of new State initiatives already underway to improve the quality of life and safety of adult home residents. Last year, Commission staff conducted 30 comprehensive reviews and investigations of complaints in adult homes serving over 1,500 people.

STATEWIDE CLEARINGHOUSE

The Commission operates a statewide clearinghouse through which individuals can access information and obtain referrals to a variety of disability-related services. The system features a 24-hour statewide telephone hotline (1-800-642-4143) and a dynamic full-featured Web site (www.cqcapd.state.ny.us), which has attracted more than 1 million visitors.

ADVOCACY AND OUTREACH

As required by statute, the Division of Advocacy and Outreach coordinates the Commission's efforts to provide information, support, and technical assistance to empower people with disabilities, family members, advocates, local government officials, and others to identify and undertake the actions necessary to support people with disabilities in becoming fully participating members of their chosen communities. The main focus of this Division is improving inclusion, accommodations, and accessibility for individuals with disabilities. Recently, the Commission partnered with the State Board of Elections to conduct trainings statewide for local election officials to improve accessibility of the voting process.

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	18,041,000	17,497,000	(544,000)	13,016,000
Aid To Localities	648,000	648,000	0	0
Capital Projects	0	0	0	0
Total	<u>18,689,000</u>	<u>18,145,000</u>	<u>(544,000)</u>	<u>13,016,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Program Oversight		
General Fund	33	33	0
Special Revenue Funds - Other	35	35	0
Protection and Advocacy			
Special Revenue Funds - Federal	23	23	0
Total	<u>91</u>	<u>91</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	5,466,000	4,922,000	(544,000)
Special Revenue Funds - Federal	8,345,000	8,345,000	0
Special Revenue Funds - Other	4,185,000	4,185,000	0
Enterprise Funds	45,000	45,000	0
Total	<u>18,041,000</u>	<u>17,497,000</u>	<u>(544,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Program Oversight			
General Fund	5,466,000	4,922,000	(544,000)
Special Revenue Funds - Federal	300,000	300,000	0
Special Revenue Funds - Other	4,185,000	4,185,000	0
Enterprise Funds	45,000	45,000	0
Protection and Advocacy			
Special Revenue Funds - Federal	8,045,000	8,045,000	0
Total	<u>18,041,000</u>	<u>17,497,000</u>	<u>(544,000)</u>

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Program Oversight	3,736,000	(414,000)	3,720,000	(413,000)
Total	<u>3,736,000</u>	<u>(414,000)</u>	<u>3,720,000</u>	<u>(413,000)</u>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Program Oversight	16,000	(1,000)
Total	<u>16,000</u>	<u>(1,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Program Oversight	1,186,000	(130,000)	40,000	(4,000)
Total	<u>1,186,000</u>	<u>(130,000)</u>	<u>40,000</u>	<u>(4,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Program Oversight	177,000	(19,000)	839,000	(93,000)
Total	<u>177,000</u>	<u>(19,000)</u>	<u>839,000</u>	<u>(93,000)</u>

Program	Equipment	
	Amount	Change
Program Oversight	130,000	(14,000)
Total	<u>130,000</u>	<u>(14,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Program Oversight	4,530,000	0	2,454,000	1,000
Protection and Advocacy	8,045,000	0	1,679,000	103,000
Total	<u>12,575,000</u>	<u>0</u>	<u>4,133,000</u>	<u>104,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Program Oversight	1,776,000	(1,000)	300,000	0
Protection and Advocacy	6,366,000	(103,000)	0	0
Total	<u>8,142,000</u>	<u>(104,000)</u>	<u>300,000</u>	<u>0</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	170,000	170,000	0
Special Revenue Funds - Other	478,000	478,000	0
Total	<u>648,000</u>	<u>648,000</u>	<u>0</u>

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Community Support			
General Fund	170,000	170,000	0
Special Revenue Funds - Other	478,000	478,000	0
Total	<u>648,000</u>	<u>648,000</u>	<u>0</u>

STATE RACING AND WAGERING BOARD

MISSION

The State Racing and Wagering Board regulates all legalized gambling activities in New York except those regulated by the State Lottery. Horse racing, off-track betting (OTB) and Indian casino gaming are directly regulated by the Board. The responsibility for oversight of bingo and other permitted games of chance conducted by religious and not-for-profit organizations is shared with municipalities, which collect license fees and ensure that the Board's rules and regulations are followed.

ORGANIZATION AND STAFFING

A three-member Board oversees agency activities. The Governor appoints each member to a six-year term with the consent of the Senate.

The Chair's office is located in New York City and central office staff is stationed in Schenectady. The Board employs on-site inspectors at the Oneida Indians' Turning Stone Casino in Verona, Oneida County; the Mohawk Indians' Akwesasne Mohawk Casino in Hogansburg, Franklin County; the Seneca Nation's Seneca Niagara Casino in Niagara Falls, Seneca Buffalo Creek Casino in Buffalo, and Seneca Alleghany Casino in Salamanca. Temporary and full-time employees oversee horse racing at New York's four thoroughbred race tracks – Aqueduct, Belmont, Saratoga and Finger Lakes – and seven harness tracks – Buffalo, Monticello, Saratoga, Tioga Downs, Vernon Downs, Batavia Downs and Yonkers. The State Racing and Wagering Board staff will be supported by revenues generated by the racing industry, Indian casinos and charitable gaming activities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$24.8 million** All Funds for the State Racing and Wagering Board, an **increase of \$2.3 million (10 percent)**, over the 2010-11 budget. This increase is primarily attributable to costs of equine drug testing. Operations of the Board are financed from fees collected from the racing and gaming industries. Over the past several years, the combination of declining horse race wagering and steadily increasing Board operating costs has created a structural deficit within the Board's Regulation of Racing account. This deficit has required the Board to borrow taxpayer-financed General Fund moneys in order to finance its operations. To correct this fiscal imbalance the Executive Budget includes legislation establishing a two and three quarters percent surcharge on purses, and the moneys from this surcharge will be deposited in the Regulation of Racing account. The additional revenue provided from the purse surcharge, combined with cost containment actions assumed in the Budget, will eliminate the need for further General Fund advances and will thus ensure that the cost for the Board's regulatory activities are fully borne by the Racing Industry rather than by taxpayers.

PROGRAM HIGHLIGHTS

REGULATION OF GAMES OF CHANCE

The State Racing and Wagering Board promulgates rules and regulations governing bingo and other games of chance operated by more than 15,000 charitable and not-for-

RACING AND WAGERING

profit organizations throughout the State. The Board establishes standards for issuing licenses to suppliers and manufacturers of gaming equipment; reviews financial statements of charitable gaming operations; and, in conjunction with local law enforcement officials, investigates illegal gaming activities. In accordance with legislation enacted in 1996, the Board continues its oversight of “bell jar” games in order to decrease illegal activity.

INDIAN GAMING

The State has negotiated compacts or protocols with the Oneida Nation, the St. Regis Mohawk Tribe and the Seneca Nation to conduct gaming activities. Under these compacts, the State Racing and Wagering Board is responsible for the regulation and oversight of gaming activities operating on these Indian lands. To oversee these activities, the Board maintains 12 employees at the Oneida Nation’s Turning Stone Casino, 12 employees at the St. Regis Mohawk Tribe’s Akwesasne Casino, 12 employees at the Seneca Nation’s Seneca Niagara Casino, 12 employees at the Seneca Nation’s Seneca Alleghany Casino, and 5 employees at the Seneca Buffalo Creek Casino.

REGULATION OF RACING

The Board’s permanent staff oversees as many as 172 temporary, seasonal employees who ensure that horse races at the State’s racetracks are conducted legally. To help oversee racing activities, the Board will utilize the services of Morrisville State College to carry out post-race testing of blood and urine samples taken from race horses.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	22,470,000	24,750,000	2,280,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>22,470,000</u>	<u>24,750,000</u>	<u>2,280,000</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Regulation of Racing		
Special Revenue Funds - Other	9	9	0
Regulation of Wagering			
Special Revenue Funds - Other	96	96	0
Total	<u>105</u>	<u>105</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

RACING AND WAGERING

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Special Revenue Funds - Other	22,470,000	24,750,000	2,280,000
Total	<u>22,470,000</u>	<u>24,750,000</u>	<u>2,280,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Regulation of Racing			
Special Revenue Funds - Other	12,970,000	14,770,300	1,800,300
Regulation of Wagering			
Special Revenue Funds - Other	9,500,000	9,979,700	479,700
Total	<u>22,470,000</u>	<u>24,750,000</u>	<u>2,280,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Regulation of Racing	14,770,300	1,800,300	4,609,500	(1,925,500)
Regulation of Wagering	9,979,700	479,700	5,687,000	17,000
Total	<u>24,750,000</u>	<u>2,280,000</u>	<u>10,296,500</u>	<u>(1,908,500)</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Regulation of Racing	10,160,800	3,725,800
Regulation of Wagering	4,292,700	462,700
Total	<u>14,453,500</u>	<u>4,188,500</u>

GOVERNOR'S OFFICE OF REGULATORY REFORM

BUDGET HIGHLIGHTS

Established in 1995 via Executive Order 20, the Governor's Office of Regulatory Reform (GORR) was charged with improving the State's regulatory process. The Executive Budget recommends the elimination of GORR to achieve \$1.5 million in financial plan savings.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,350,000	0	(2,350,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>2,350,000</u>	<u>0</u>	<u>(2,350,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Administration		
General Fund	14	0	(14)
Total	<u>14</u>	<u>0</u>	<u>(14)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	2,350,000	0	(2,350,000)
Total	<u>2,350,000</u>	<u>0</u>	<u>(2,350,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	2,350,000	0	(2,350,000)
Total	<u>2,350,000</u>	<u>0</u>	<u>(2,350,000)</u>

REGULATORY REFORM

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	0	(2,000,000)	0	(1,970,000)
Total	0	(2,000,000)	0	(1,970,000)

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	0	(30,000)
Total	0	(30,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	0	(350,000)	0	(50,000)
Total	0	(350,000)	0	(50,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	0	(5,000)	0	(215,000)
Total	0	(5,000)	0	(215,000)

Program	Equipment	
	Amount	Change
Administration	0	(80,000)
Total	0	(80,000)

FOUNDATION FOR SCIENCE, TECHNOLOGY, AND INNOVATION

The 2011-12 Executive Budget would merge the Foundation for Science, Technology and Innovation into the Empire State Development Corporation. This recommendation will further streamline and improve the delivery of economic development services, eliminate duplicative administrative support and save \$1.9 million in State taxpayer dollars.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	3,351,000	0	(3,351,000)	0
Aid To Localities	65,361,000	0	(65,361,000)	0
Capital Projects	0	0	0	0
Total	<u>68,712,000</u>	<u>0</u>	<u>(68,712,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration Program			
General Fund	23	0	(23)
Total	<u>23</u>	<u>0</u>	<u>(23)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	2,851,000	0	(2,851,000)
Special Revenue Funds - Other	500,000	0	(500,000)
Total	<u>3,351,000</u>	<u>0</u>	<u>(3,351,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration Program			
General Fund	2,851,000	0	(2,851,000)
Special Revenue Funds - Other	500,000	0	(500,000)
Total	<u>3,351,000</u>	<u>0</u>	<u>(3,351,000)</u>

SCIENCE, TECHNOLOGY, AND INNOVATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration Program	0	(1,742,000)	0	(1,742,000)
Total	0	(1,742,000)	0	(1,742,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration Program	0	(1,109,000)	0	(22,000)
Total	0	(1,109,000)	0	(22,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration Program	0	(33,000)	0	(262,000)
Total	0	(33,000)	0	(262,000)

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Administration Program	0	(48,000)	0	(682,000)
Total	0	(48,000)	0	(682,000)

Program	Special Departmental Charges	
	Amount	Change
Administration Program	0	(62,000)
Total	0	(62,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Administration Program	0	(500,000)	0	(500,000)
Total	0	(500,000)	0	(500,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	65,361,000	0	(65,361,000)
Total	65,361,000	0	(65,361,000)

SCIENCE, TECHNOLOGY, AND INNOVATION

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
High Technology Program			
General Fund	63,548,000	0	(63,548,000)
Research Development Program			
General Fund	343,000	0	(343,000)
Training and Business Assistance Program			
General Fund	1,470,000	0	(1,470,000)
Total	<u>65,361,000</u>	<u>0</u>	<u>(65,361,000)</u>

DEPARTMENT OF STATE

MISSION

Established in 1788, the Department of State (DOS) is the State's oldest agency. Historically serving as the State's general recording officer and custodian of the State's "Great Seal", the Department's mission encompasses a broad range of activities that coordinate programs with, and provide services to, local governments and businesses. The Department supports public safety through the administration of building and energy code programs; administers programs for community development and local government service activities; and supports businesses through various licensing and registration activities.

ORGANIZATION AND STAFFING

The Department is headed by the Secretary of State, who is appointed by the Governor and confirmed by the Senate. The Department has a central office in Albany and 20 regional offices across the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$133.8 million** All Funds (\$20.2 million General Fund; \$113.6 million Other Funds) for the Department of State. This reflects a net decrease of **\$52.0 million All Funds (-28.0 percent)** from the 2010-11 budget, largely attributable to the termination of American Recovery and Reinvestment Act funding for the Community Service Block Grant Program. General Fund appropriations decrease from the 2010-11 budget by \$3.2 million (-13.5 percent), reflecting an overall 10 percent reduction in State Operations spending and the elimination of the Tug Hill Commission, offset by a transfer of a portion of Consumer Protection Board operations to the Department.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The responsibilities of the Department of State are carried out through three programs:

- The Local Government and Community Services Program manages New York's building and energy codes; offers planning and management services to local governments; supports land use planning activities in the New York City/Catskill watershed; coordinates New York's coastal resources and waterfront revitalization activities; administers the Department's Federal grant programs, including the Appalachian Regional Commission; and provides a means for achieving economic self-sufficiency through programs designed to improve opportunities for low-income participants.
- The Business and Licensing Services Program maintains all certificates on file for businesses and corporations; administers qualifying examinations and licensing of 26 occupations; and prepares the State Register and other publications.

STATE

- The Administration Program provides the basic executive direction, fiscal, personnel, legal and electronic data processing activities that support the Department's operations.

Additionally, the Department's appropriations contain funds for the Lake George Park Commission, the Commission on Uniform State Laws, the State Athletic Commission, and the Committee on Open Government.

AUTHORITIES BUDGET OFFICE

The Authorities Budget Office (ABO) was statutorily created by Chapter 506 of the Laws of 2009 as an independent office with administrative support and other host services provided through the Department of State. Activities of the Authorities Budget Office are funded by a portion of an assessment the State charges public authorities.

The Office continues, and builds on, the work initially begun by its predecessor, the Authority Budget Office, which was established in 2006 and was hosted by the Division of the Budget. The Authorities Budget Office promotes the principles of effective and efficient corporate governance, and will study, review and report on State and local public authorities, and enforce their compliance with State laws.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	77,893,309	66,568,539	(11,324,770)	36,745,000
Aid To Localities	105,133,631	67,245,000	(37,888,631)	95,698,000
Capital Projects	2,750,000	0	(2,750,000)	5,215,000
Total	<u>185,776,940</u>	<u>133,813,539</u>	<u>(51,963,401)</u>	<u>137,658,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	48	64	16
Authority Budget Office			
Special Revenue Funds - Other	11	11	0
Lake George Park Commission			
Special Revenue Funds - Other	9	9	0
Licensing Services			
Special Revenue Funds - Other	314	313	(1)
Local Government and Community Services			
General Fund	60	60	0
Special Revenue Funds - Federal	55	55	0
Special Revenue Funds - Other	82	82	0
Tug Hill Commission			
General Fund	17	0	(17)
Total	<u>596</u>	<u>594</u>	<u>(2)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	23,415,000	20,249,700	(3,165,300)
Special Revenue Funds - Federal	13,692,309	7,950,000	(5,742,309)
Special Revenue Funds - Other	40,786,000	38,368,839	(2,417,161)
Total	<u>77,893,309</u>	<u>66,568,539</u>	<u>(11,324,770)</u>

Adjustments:

Transfer(s) From	
Consumer Protection Board, State General Fund	(2,508,000)
Special Pay Bill	
Special Revenue Funds - Other	(34,000)
Appropriated 2010-11	<u>75,351,309</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	12,333,207	11,350,686	(982,521)
Authority Budget Office			
Special Revenue Funds - Other	1,826,000	1,826,000	0
Lake George Park Commission			
Special Revenue Funds - Other	1,529,000	1,495,000	(34,000)
Licensing Services			
Special Revenue Funds - Other	36,145,000	34,273,839	(1,871,161)
Local Government and Community Services			
General Fund	9,737,793	8,764,014	(973,779)
Special Revenue Funds - Federal	13,692,309	7,950,000	(5,742,309)
Special Revenue Funds - Other	1,253,000	774,000	(479,000)
Tug Hill Commission			
General Fund	1,194,000	0	(1,194,000)
Special Revenue Funds - Other	33,000	0	(33,000)
Uniform State Laws, NY Commission on			
General Fund	150,000	135,000	(15,000)
Total	<u>77,893,309</u>	<u>66,568,539</u>	<u>(11,324,770)</u>

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	7,020,086	(534,121)	6,977,786	(529,421)
Local Government and Community Services	7,645,314	(849,479)	7,610,214	(845,579)
Tug Hill Commission	0	(1,084,000)	0	(1,084,000)
Total	<u>14,665,400</u>	<u>(2,467,600)</u>	<u>14,588,000</u>	<u>(2,459,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	36,900	(4,100)	5,400	(600)
Local Government and Community Services	30,600	(3,400)	4,500	(500)
Tug Hill Commission	0	0	0	0
Total	<u>67,500</u>	<u>(7,500)</u>	<u>9,900</u>	<u>(1,100)</u>

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STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	4,330,600	(448,400)	651,400	(64,600)
Local Government and Community Services	1,118,700	(124,300)	70,650	(7,850)
Tug Hill Commission	0	(110,000)	0	(13,000)
Uniform State Laws, NY Commission on	135,000	(15,000)	0	0
Total	5,584,300	(697,700)	722,050	(85,450)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	72,650	(5,850)	2,913,950	(306,550)
Local Government and Community Services	126,270	(14,030)	576,990	(64,110)
Tug Hill Commission	0	(8,000)	0	(87,000)
Uniform State Laws, NY Commission on	0	0	135,000	(15,000)
Total	198,920	(27,880)	3,625,940	(472,660)

Program	Equipment	
	Amount	Change
Administration	692,600	(71,400)
Local Government and Community Services	344,790	(38,310)
Tug Hill Commission	0	(2,000)
Uniform State Laws, NY Commission on	0	0
Total	1,037,390	(111,710)

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Authority Budget Office	1,826,000	0	953,000	0
Lake George Park Commission	1,495,000	(34,000)	612,000	(23,000)
Licensing Services	34,273,839	(1,871,161)	18,333,573	(1,216,427)
Local Government and Community Services	8,724,000	(6,221,309)	4,878,000	(1,652,000)
Tug Hill Commission	0	(33,000)	0	0
Total	46,318,839	(8,159,470)	24,776,573	(2,891,427)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Authority Budget Office	873,000	0	0	0
Lake George Park Commission	883,000	(11,000)	0	0
Licensing Services	15,940,266	(654,734)	0	0
Local Government and Community Services	3,846,000	(3,533,000)	0	(1,036,309)
Tug Hill Commission	0	(33,000)	0	0
Total	21,542,266	(4,231,734)	0	(1,036,309)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	104,594,631	66,706,000	(37,888,631)
Special Revenue Funds - Other	539,000	539,000	0
Total	105,133,631	67,245,000	(37,888,631)

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Licensing Services			
Special Revenue Funds - Other	539,000	539,000	0
Local Government and Community Services			
Special Revenue Funds - Federal	104,594,631	66,706,000	(37,888,631)
Total	<u>105,133,631</u>	<u>67,245,000</u>	<u>(37,888,631)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Comprehensive Construction Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>	<u>Reappropriations 2011-12</u>
Solid and Hazardous Waste Management				
Hazardous Waste Remedial Fund - Oversight & Assessment	2,750,000	0	(2,750,000)	5,215,000
Total	<u>2,750,000</u>	<u>0</u>	<u>(2,750,000)</u>	<u>5,215,000</u>

DIVISION OF STATE POLICE

MISSION

The primary mission of the Division of State Police is to promote highway safety and protect the citizens of New York State. The Division's many responsibilities include patrolling roads and highways outside major urban areas, providing specialty and investigative police services, conducting sophisticated investigations of criminal activities like drug trafficking and child endangerment, and working cooperatively with various levels of law enforcement throughout the State.

ORGANIZATION AND STAFFING

The Division, headed by a Superintendent who is appointed by the Governor, is organized into 11 Troops, all of which are overseen and supported by Division Headquarters located in Albany. Each Troop encompasses a geographic area of the State, with the exception of Troop T which is dedicated to providing police services on the New York State Thruway. Troop NYC provides specialized investigative and support services in the five boroughs of New York City, while the remaining nine Troops provide patrol coverage and criminal investigation services in cooperation with the local law enforcement community. Factors which affect the extent of State Police's presence throughout the State vary depending on the area's population, highway mileage, and availability of county and local law enforcement agencies.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$677 million** in All Funds spending (\$422 million General Fund, \$244 Other Operating Funds and \$11.5 million Capital Projects;) to support ongoing agency activities. This is a decrease of **\$46 million (-6.4 percent)** All Funds (a \$47 million General Fund decrease offset by a \$1 million Other Funds increase) from the 2010-11 Enacted Budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Division is divided into two principal branches: the Uniform Force and the Bureau of Criminal Investigation. Both of these branches play an integral role in the State's public safety efforts and work cooperatively with numerous criminal justice entities to reduce crime, protect the public, and guard against acts of terrorism.

UNIFORM FORCE

The Uniform Force has two primary responsibilities: protecting the citizens of New York State and promoting highway safety. In some areas of the State, Uniformed Troopers serve as the primary law enforcement agency, and respond to various types of criminal activity such as burglaries, missing children, assaults, robberies, and homicides.

STATE POLICE

In areas where the State Police is not the primary law enforcement agency, State Troopers work cooperatively with local law enforcement to provide supplemental law enforcement support.

BUREAU OF CRIMINAL INVESTIGATION

The Bureau of Criminal Investigation (BCI) is the “plain clothes” investigative branch of the Division. BCI Investigators concentrate on cases related to narcotics, child abuse, auto theft, consumer product tampering, organized crime, violent crime, and working with Federal and local law enforcement to support counter-terrorism efforts. In addition, BCI resources are regularly deployed to assist local and county law enforcement agencies that may lack the resources or technical expertise required to conduct major criminal investigations.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	711,739,000	665,859,000	(45,880,000)	18,429,000
Aid To Localities	0	0	0	0
Capital Projects	11,500,000	11,500,000	0	94,068,000
Total	<u>723,239,000</u>	<u>677,359,000</u>	<u>(45,880,000)</u>	<u>112,497,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	100	100	0
Criminal Investigation Activities			
General Fund	1,281	1,238	(43)
Special Revenue Funds - Other	105	105	0
Patrol Activities			
General Fund	2,806	2,719	(87)
Special Revenue Funds - Federal	41	41	0
Special Revenue Funds - Other	25	25	0
Governor's Traffic Safety Committee			
Special Revenue Funds - Other	4	4	0
Policing the Thruway			
Special Revenue Funds - Other	312	312	0
Technical Police Services			
General Fund	765	765	0
Total	<u>5,439</u>	<u>5,309</u>	<u>(130)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE POLICE

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	469,079,000	422,174,000	(46,905,000)
Special Revenue Funds - Federal	6,310,000	7,335,000	1,025,000
Special Revenue Funds - Other	236,350,000	236,350,000	0
Total	711,739,000	665,859,000	(45,880,000)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(1,022,000)		
Appropriated 2010-11	710,717,000		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	19,298,000	17,370,000	(1,928,000)
Special Revenue Funds - Other	308,000	308,000	0
Criminal Investigation Activities			
General Fund	182,010,000	163,809,000	(18,201,000)
Special Revenue Funds - Federal	810,000	700,000	(110,000)
Special Revenue Funds - Other	18,450,000	18,450,000	0
Patrol Activities			
General Fund	207,007,000	186,307,000	(20,700,000)
Special Revenue Funds - Federal	5,500,000	5,500,000	0
Special Revenue Funds - Other	129,177,000	129,177,000	0
Policing the Thruway			
Special Revenue Funds - Other	53,815,000	53,815,000	0
Technical Police Services			
General Fund	60,764,000	54,688,000	(6,076,000)
Special Revenue Funds - Federal	0	1,135,000	1,135,000
Special Revenue Funds - Other	34,600,000	34,600,000	0
Total	711,739,000	665,859,000	(45,880,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	17,163,000	(1,906,000)	16,373,000	(1,819,000)
Criminal Investigation Activities	156,710,000	(17,412,000)	149,940,000	(16,660,000)
Patrol Activities	184,765,000	(20,529,000)	174,447,000	(19,383,000)
Technical Police Services	35,102,000	(3,900,000)	31,066,000	(3,452,000)
Total	393,740,000	(43,747,000)	371,826,000	(41,314,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	344,000	(38,000)	446,000	(49,000)
Criminal Investigation Activities	0	0	6,770,000	(752,000)
Patrol Activities	450,000	(50,000)	9,868,000	(1,096,000)
Technical Police Services	2,070,000	(230,000)	1,966,000	(218,000)
Total	2,864,000	(318,000)	19,050,000	(2,115,000)

STATE POLICE

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	207,000	(22,000)	77,000	(8,000)
Criminal Investigation Activities	7,099,000	(789,000)	1,242,000	(138,000)
Patrol Activities	1,542,000	(171,000)	341,000	(38,000)
Technical Police Services	19,586,000	(2,176,000)	4,026,000	(447,000)
Total	28,434,000	(3,158,000)	5,686,000	(631,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	38,000	(4,000)	54,000	(6,000)
Criminal Investigation Activities	101,000	(11,000)	1,800,000	(200,000)
Patrol Activities	23,000	(2,000)	739,000	(82,000)
Technical Police Services	0	0	8,028,000	(892,000)
Total	162,000	(17,000)	10,621,000	(1,180,000)

Program	Equipment	
	Amount	Change
Administration	38,000	(4,000)
Criminal Investigation Activities	3,956,000	(440,000)
Patrol Activities	439,000	(49,000)
Technical Police Services	7,532,000	(837,000)
Total	11,965,000	(1,330,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	308,000	0	0	0
Criminal Investigation Activities	19,150,000	(110,000)	11,721,000	150,000
Patrol Activities	134,677,000	0	121,452,000	2,700,000
Policing the Thruway	53,815,000	0	37,542,000	0
Technical Police Services	35,735,000	1,135,000	4,250,000	250,000
Total	243,685,000	1,025,000	174,965,000	3,100,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	308,000	0	0	0
Criminal Investigation Activities	7,429,000	550,000	0	(810,000)
Patrol Activities	13,225,000	2,800,000	0	(5,500,000)
Policing the Thruway	16,273,000	0	0	0
Technical Police Services	31,485,000	885,000	0	0
Total	68,720,000	4,235,000	0	(6,310,000)

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available	Recommended	Change	Reappropriations
	2010-11	2011-12		2011-12
Maintenance and Improvement of Existing Facilities				
Capital Projects Fund	5,500,000	5,500,000	0	21,915,000
Capital Projects Fund - Authority Bonds	0	0	0	11,653,000
New Facilities				
Capital Projects Fund - Authority Bonds	6,000,000	6,000,000	0	60,500,000
Total	11,500,000	11,500,000	0	94,068,000

STATE UNIVERSITY OF NEW YORK

MISSION

Created in 1948, the State University of New York (SUNY) is the largest public university system in the nation with 64 campuses offering a complete range of academic, professional and vocational programs. The State University system is uniquely positioned to provide New Yorkers with access to quality postsecondary educational programs in all regions of the State.

ORGANIZATION AND STAFFING

The three major components of the State University's mission – teaching, public service and research – are carried out by:

- Eight campuses offering academic programs through the doctoral level and serving as research centers;
- Fourteen comprehensive colleges providing undergraduate education in a variety of academic fields;
- Seven colleges of technology focusing on the development of a workforce with the advanced skills required by an increasingly technology-dependent economy;
- Five statutory and contract colleges at Alfred and Cornell universities that offer nationally acclaimed programs in ceramics, veterinary medicine, agriculture and life sciences, industrial and labor relations, and human ecology;
- Thirty community colleges offering access to a wide array of higher education opportunities that prepare students for transfer to senior colleges or train them for a variety of technical or paraprofessional occupations; and
- Three teaching hospitals in Brooklyn, Stony Brook, and Syracuse, along with a medical school in Buffalo, which provide graduate medical education training for SUNY students as well as valuable health care services for their host communities.

The University is governed by a Board of Trustees consisting of 17 members, with 15 appointed by the Governor to staggered seven-year terms and approved by the Senate, and two ex-officio trustees representing the student assembly and faculty of the State University. The Board oversees the operations of the University's State-operated campuses and also exercises general supervisory authority over the community colleges, which are sponsored by local governments and governed by local boards of trustees.

The chief executive officer of the University is the Chancellor, who is appointed by the Board of Trustees. Individual college presidents are also appointed by the Board.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$9.35 billion** All Funds for the State University of New York (\$2.6 billion General Fund, \$5.7 billion self-generated and federal funds, and \$1.0 billion capital funds). The budget includes General Fund growth in personal service costs (as a result of collective bargaining contracts), nonpersonal services, fringe benefits and community college enrollment growth, offset by General Fund decreases associated with reductions to State-operated campuses, statutory colleges and community colleges necessary to close State budget gaps.

STATE UNIVERSITY

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

Major 2011-12 budget actions:

- **Reduce General Fund Support for State-Operated Colleges:** The Executive Budget recommends a \$131.4 million decrease in direct General Fund support (approximately -10 percent from 2010-11 levels) for the operations of the SUNY State-Operated Colleges and University-wide programs. This reduction will be allocated by the Board of Trustees.
- **Reduce General Fund Support for Statutory Colleges:** The Executive Budget recommends a \$17.3 million decrease in direct General Fund support for the operations of the four statutory colleges at Cornell and a \$1.3 million decrease in direct General Fund support for the College of Ceramics at Alfred University (an approximately -10 percent decrease from 2010-11 levels).
- **Eliminate the SUNY Hospital Subsidy:** The Executive Budget recommends the elimination of the \$154 million General Fund subsidy provided to the three SUNY teaching hospitals at Brooklyn, Stony Brook, and Syracuse. This funding represents approximately eight percent of hospital operating revenue, the balance of which is supported by patient and other self-supporting program income.
- **Reduce Spending Authority for Long Island Veterans' Home:** The Executive Budget assumes a \$4.7 million reduction in operating spending for Long Island Veterans' Home, and the transfer of these savings to the State treasury.
- **Reduce Community College Base Operating Aid:** The Executive Budget recommends reducing base operating aid support for SUNY's 30 community colleges by 10 percent per full-time equivalent (FTE) student. As a result, the rate would decline from \$2,260 to \$2,034. This action generates General Fund savings of \$33.2 million.

STATE-OPERATED COLLEGES

Executive Budget appropriations for the 29 state-operated campuses consist of \$2.1 billion in General Fund resources (including \$1.2 billion in fringe benefits) and \$1.3 billion for the collection and disbursement of tuition and other revenue for a gross instructional budget of \$3.3 billion to support senior college campuses, system administration and University-wide programs. Recommended levels of General Fund support (not including fringe benefits) represent an \$87.9 million decrease from 2010-11 final enacted budget levels, consisting of \$43.4 million in increases from collective bargaining and non-personal services inflationary costs, offset by a recommended reduction of \$131.4 million.

STATUTORY COLLEGES

The Executive Budget recommends a total of \$129.3 million in General Fund support for the operations of the five statutory colleges at Alfred Ceramics and Cornell University. The four statutory colleges at Cornell (Agriculture and Life Sciences, Human Ecology, Veterinary Medicine, and Industrial and Labor Relations) would receive \$78.9 million, a net decrease of \$6.4 million from 2010-11 final enacted appropriation levels, reflecting \$4.7 million in increases from collective bargaining and inflation, offset by

STATE UNIVERSITY

2011-12 reductions of \$11.0 million. In addition, the budget recommends \$42.1 million to support the land grant mission of Cornell University, a \$6.3 million decrease from 2010-11 final Enacted Budget appropriation levels. The College of Ceramics at Alfred University would receive \$8.1 million, a \$900,000 decrease from 2010-11 final Enacted Budget appropriation levels, reflecting \$400,000 in increases from collective bargaining and inflation, offset by a recommended reduction of \$1.3 million.

SUNY HOSPITALS

The Executive budget proposes \$2.5 billion for the operations of the three SUNY teaching hospitals at Brooklyn, Stony Brook, and Syracuse, including \$350 million in spending authority for the operations of the Long Island College Hospital (LICH). This appropriation authority will be available if a proposed agreement for acquisition of LICH by SUNY Brooklyn Downstate Medical Center is finalized in the upcoming months. The SUNY hospitals will continue to reimburse the State for the full cost of capital projects, with \$48.0 million provided in transfer authority for this purpose. The Executive Budget eliminates a \$154 million State operating subsidy for the three SUNY hospitals, which represents approximately eight percent of total operating revenue.

COMMUNITY COLLEGES

SUNY's community colleges have three basic funding sources: State support, local sponsor support, and student tuition revenue. The Executive Budget recommends \$427.8 million in State support, representing a \$23.9 million decrease in total available funding from 2010-11 final Enacted Budget levels. This change is attributable to increases of \$21.6 million for enrollment growth and \$2.8 million related to the expiration of one-time reductions from the 2010-11 FMAP contingency plan, offset by decreases related to the annualization of the 2010-11 enacted budget reduction of \$285 per FTE student (\$14.6 million) and a \$33.2 million decrease resulting from a recommended \$226 per student FTE reduction in base operating aid (from \$2,260 to \$2,034).

CORNELL COOPERATIVE EXTENSION

County cooperative extension associations – funded by State, county and Federal contributions – provide specialized information and assistance in community development, agricultural technology, 4-H youth development and consumer and family education. The Executive Budget recommends \$3.9 million in State support for this program.

CAPITAL PROJECTS

The 2008-09 enacted budget provided SUNY with \$4.1 billion in new capital appropriations, a major step in the implementation of a new, \$6.4 billion multi-year capital plan for SUNY's educational facilities, hospitals, residence halls and community colleges. The 2011-12 Executive Budget continues this commitment to the rehabilitation of SUNY's educational facilities infrastructure by providing the fourth of five annual \$550 million appropriations to address the accumulated backlog of critical maintenance projects throughout the University system. The Executive Budget also includes \$31.5

million for the State's 50 percent share of capital projects for community college campuses that have secured local sponsor resolutions, and \$421 million for SUNY's self-funded resident hall capital program.

PROGRAM HIGHLIGHTS

The State University of New York is the nation's largest comprehensive public university, offering 7,669 degree and certificate programs at the research universities, community colleges, medical schools and colleges of technology that comprise its 64 campuses. The State University enrolls approximately 40 percent of college-bound students graduating from New York State high schools. Nearly 468,000 full-time and part-time SUNY students – 222,000 at State-operated campuses and 246,000 in community colleges – are pursuing studies ranging from one-year certificate programs to doctorates.

In 2010, two SUNY campuses, Geneseo and Binghamton, were ranked among the top 10 best values for public campuses in the nation by *Kiplinger's Personal Finance* magazine. The academic profile of incoming students continues to grow stronger at SUNY campuses. Nearly three-fourths of students that enrolled at SUNY University Centers in fall 2009 had SAT scores above 1100, comparable to admission profiles found at other top public flagship institutions across the country. Overall, SUNY campuses averaged 1158 on the SAT, more than 140 points above the national average.

The State University is also working to expand the volume of scholarly research conducted by its faculty, and is more aggressively seeking Federal and other external support for research. As a result, SUNY sponsored research expenditures totaled \$922.0 million in 2009-10. Research grants at SUNY now underwrite more than 7,314 projects, which directly support more than 17,103 full and part-time jobs across New York State.

SUNY campuses are partners in the State's six University-based Centers of Excellence, a high-technology initiative that will continue New York's advancement in the areas of university-based research, business creation and job development, including:

- Albany Center of Excellence in Nanoelectronics, a semiconductor research center at SUNY-Albany;
- Buffalo Center of Excellence in Bioinformatics which includes the Life Sciences Complex used for super-computing, pharmaceutical research and workforce development; and
- Long Island Center of Excellence in Wireless Internet and Information Technology in tandem with several other high-tech research projects such as the Bioinformatics Research Center at Cold Spring Harbor Laboratory.

The State University's 30 locally sponsored community colleges serve as a source of skilled employees and play a role in the State's efforts to attract and retain businesses seeking an able workforce. Through their policy of open admissions, the community colleges also ensure access to postsecondary education.

From the curriculum and instruction in its classrooms, research in its laboratories, support from its alumni and its appeal to a growing number of college-bound students, the State University continues to elevate its ranking among the nation's finest public universities.

STATE UNIVERSITY

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	7,611,213,300	7,912,822,600	301,609,300	934,266,000
Aid To Localities	523,241,386	431,701,345	(91,540,041)	0
Capital Projects	572,426,000	1,002,571,000	430,145,000	6,573,059,000
Total	<u>8,706,880,686</u>	<u>9,347,094,945</u>	<u>640,214,259</u>	<u>7,507,325,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs	2011-12 Estimated FTEs	FTE Change
	03/31/11	03/31/12	
All State University Colleges and Schools			
General Fund	24,696	24,696	0
Special Revenue Funds - Other	17,113	17,513	400
Capital Projects Funds - Other	6	6	0
Total	<u>41,815</u>	<u>42,215</u>	<u>400</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	2,298,224,900	2,190,233,300	(107,991,600)
Special Revenue Funds - Federal	358,500,000	363,600,000	5,100,000
Special Revenue Funds - Other	4,937,888,400	5,339,889,300	402,000,900
Internal Service Funds	16,600,000	19,100,000	2,500,000
Total	<u>7,611,213,300</u>	<u>7,912,822,600</u>	<u>301,609,300</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(1,115,000)		
Special Revenue Funds - Other	(1,794,000)		
Appropriated 2010-11	<u>7,608,304,300</u>		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
All State University Colleges and Schools			
General Fund	1,087,428,900	961,623,300	(125,805,600)
Special Revenue Funds - Federal	358,500,000	363,600,000	5,100,000
Special Revenue Funds - Other	4,937,888,400	5,339,889,300	402,000,900
Internal Service Funds	16,600,000	19,100,000	2,500,000
Employee Fringe Benefits			
General Fund	1,210,796,000	1,228,610,000	17,814,000
Total	<u>7,611,213,300</u>	<u>7,912,822,600</u>	<u>301,609,300</u>

STATE UNIVERSITY

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	503,802,736	431,701,345	(72,101,391)
Special Revenue Funds - Federal	19,438,650	0	(19,438,650)
Total	<u>523,241,386</u>	<u>431,701,345</u>	<u>(91,540,041)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
American Recovery and Reinvestment Act of 2009 State Stabilization Fund Special Revenue Funds - Federal	19,438,650	0	(19,438,650)
Community Colleges General Fund	371,182,736	427,781,345	56,598,609
County Cooperative Extension Program - Cornell University General Fund	132,620,000	3,920,000	(128,700,000)
Total	<u>523,241,386</u>	<u>431,701,345</u>	<u>(91,540,041)</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Senior Universities				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	4,100,000
Capital Projects Fund - Advances	550,000,000	550,000,000	0	4,883,033,000
State University Capital Projects Fund				
State University Capital Projects Fund	0	0	0	610,500,000
State University Residence Hall Rehabilitation Fund				
State University Residence Hall Rehabilitation Fund	0	90,000,000	90,000,000	95,000,000
SUNY Dorms (Direct Auth Bonds)	0	331,000,000	331,000,000	435,000,000
Subtotal	<u>550,000,000</u>	<u>971,000,000</u>	<u>421,000,000</u>	<u>6,027,633,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	43,000,000
Capital Projects Fund - Advances	0	0	0	18,000,000
Cap Proj Fund - SUNY CC (Direct Auth Bonds)	22,426,000	31,571,000	9,145,000	484,426,000
Subtotal	<u>22,426,000</u>	<u>31,571,000</u>	<u>9,145,000</u>	<u>545,426,000</u>
Total	<u>572,426,000</u>	<u>1,002,571,000</u>	<u>430,145,000</u>	<u>6,573,059,000</u>

STATE UNIVERSITY CONSTRUCTION FUND

MISSION

The State University Construction Fund (Fund) is a public benefit corporation established in 1962 to serve as the construction agent for academic, hospital and student services facilities at State-operated institutions and statutory colleges under the jurisdiction of the State University of New York (SUNY). Consistent with the State University's approved Master Capital Construction Plan; the Fund oversees construction, acquisition, reconstruction and rehabilitation or improvement of such facilities.

ORGANIZATION AND STAFFING

The Fund is administered by a Board of Trustees consisting of three members appointed by the Governor, one of whom must be a State University Trustee. Members other than the State University Trustee are confirmed by the Senate. The Board appoints a General Manager who serves as chief administrative officer of the agency.

The Fund's operations are supported entirely from proceeds of personal income tax (PIT) bonds issued to finance the design, construction and rehabilitation of SUNY's academic, hospital and student services facilities.

BUDGET HIGHLIGHTS

The Executive Budget includes **\$26.2 million** in appropriations funded from proceeds of PIT bonds. This level of funding represents an increase of **\$494,000 (1.9 percent)** from available 2010-11 funding levels, and will provide the required resources to address the design, planning and construction management workload of SUNY's ongoing \$5.4 billion multi-year capital plan for its academic, hospital and student services facilities.

PROGRAM HIGHLIGHTS

The total capacity of all University State-operated campus academic, residential, and hospital facilities exceeds 79 million gross square feet of space; containing 2,308 buildings, hundreds of miles of roads, millions of square yards of walks and plazas, more than 75,000 residential beds and approximately 1,275 licensed hospital and clinic beds. The current estimated replacement value of all State-operated academic facilities is nearly \$26 billion. During the 2009-10 fiscal year, the Fund initiated the design of 67 projects having a total value of \$813 million in design and construction work (\$103 million and \$710 million, respectively) and began construction of 112 projects having an estimated cost of \$392 million. These figures exclude projects administered by individual campuses.

In addition to design and construction of SUNY's educational facilities, other key functions of the Fund include:

- Preparation and development of the State University's Master Capital Construction Plan, as well as master plans for individual campuses;
- Preparation of the State University's annual capital budget request and facility program;
- Development and maintenance of online interactive data processing systems on space and property inventories, real property, State building codes and other related plant management functions; and

STATE UNIVERSITY CONSTRUCTION

- Management and administration of University-wide programs including minor rehabilitation, energy conservation and telecommunications.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	25,678,000	26,172,000	494,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>25,678,000</u>	<u>26,172,000</u>	<u>494,000</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
Special Revenue Funds - Other	172	172	0
Total	<u>172</u>	<u>172</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	25,678,000	26,172,000	494,000
Total	<u>25,678,000</u>	<u>26,172,000</u>	<u>494,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
Special Revenue Funds - Other	25,678,000	26,172,000	494,000
Total	<u>25,678,000</u>	<u>26,172,000</u>	<u>494,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	26,172,000	494,000	15,544,000	266,000
Total	<u>26,172,000</u>	<u>494,000</u>	<u>15,544,000</u>	<u>266,000</u>

Program	Nonpersonal Service	
	Amount	Change
Administration	10,628,000	228,000
Total	<u>10,628,000</u>	<u>228,000</u>

STATEWIDE FINANCIAL SYSTEM

In 2011, the cooperative efforts of the Office of the State Comptroller (OSC) and the Executive will culminate in the launch of the first phase of a new statewide financial system. This first phase is expected to result in future operating efficiencies for agencies, and will provide detailed information on the State's financial transactions to support the transformation of government. Development efforts will continue under the governance structure adopted in October 2009, with the Division of the Budget and OSC sharing joint oversight of the project, advised by a Steering Committee that includes broad agency representation. Progress toward full implementation of the statewide financial system will continue during 2011 and 2012, with most agencies expected to be fully utilizing the system by 2013.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	1,684,000	45,000,000	43,316,000	15,800,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>1,684,000</u>	<u>45,000,000</u>	<u>43,316,000</u>	<u>15,800,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
	Statewide Financial System Program		
Special Revenue Funds - Other	113	136	23
Total	<u>113</u>	<u>136</u>	<u>23</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	1,684,000	45,000,000	43,316,000
Total	<u>1,684,000</u>	<u>45,000,000</u>	<u>43,316,000</u>

Adjustments:
Transfer(s) From
Audit and Control, Department of
General Fund
Appropriated 2010-11

(1,684,000)
<u>0</u>

STATEWIDE FINANCIAL SYSTEM

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Statewide Financial System Program			
Special Revenue Funds - Other	1,684,000	45,000,000	43,316,000
Total	<u>1,684,000</u>	<u>45,000,000</u>	<u>43,316,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Statewide Financial System Program	45,000,000	43,316,000	10,234,000	8,550,000
Total	<u>45,000,000</u>	<u>43,316,000</u>	<u>10,234,000</u>	<u>8,550,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Statewide Financial System Program	34,766,000	34,766,000
Total	<u>34,766,000</u>	<u>34,766,000</u>

DEPARTMENT OF TAXATION AND FINANCE

MISSION

The Department of Taxation and Finance (DTF) collects tax revenue and provides associated services in support of certain New York State government operations. In fulfilling its responsibilities, the Department collects and accounts for more than \$55 billion in State taxes and nearly \$36 billion in local taxes; administers 37 State and nine local taxes, including New York City and City of Yonkers income taxes, as well as the Metropolitan Commuter Transportation Mobility Tax; and processes approximately 32.5 million returns, registrations, and associated documents. The Department also manages the State Treasury, which provides investment and cash management services to various State agencies and public benefit corporations, and acts on the Tax Commissioner's behalf as joint custodian of the State's General Checking Account. On June 6, 2010, the Department statutorily merged with the former Office of Real Property Services (ORPS) in order to realize significant savings and efficiencies and enhance the State's oversight of local property tax administration by tapping the Department's vast information technology infrastructure and personnel assets.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner who is appointed by the Governor and confirmed by the Senate. The Department fulfills its mission through nine programs: Audit, Collection and Enforcement; Centralized Operations Support; Office of Conciliation and Mediation; Management, Administration and Counsel; Real Property Tax Services; Revenue Processing and Reconciliation; Tax Policy, Revenue Accounting and Taxpayer Guidance; Technology and Information Services; and Treasury Management.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$453.1 million** All Funds (\$311.4 million General Fund; \$141.7 million Other Funds) for the Department of Taxation and Finance. This is a decrease of **\$87.2 million (-16.1 percent)** All Funds (decreases of \$77.3 million and \$9.9 million in General Fund and Other Funds, respectively) from the 2010-11 levels.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

In addition, the Department will also increase administrative efficiencies by launching the Empire State Tax Modernization Initiative, which will leverage technology and private-sector best practices in order to streamline New York State tax administration and drive significant savings while enhancing revenue collections and customer service in an environmentally-responsible manner. Initial goals include expanding electronic tax return filing ("e-file") participation rates and eliminating the State's use of costly paper taxpayer refund checks in favor of electronic options that most – if not all – Department customers already use in some form in the current e-commerce economy.

TAXATION AND FINANCE

The Executive Budget proposes legislation that will reduce mail volumes – including electronic delivery of personal income tax, sales and business tax bills as well as documents regarding property issues, when authorized by the taxpayer – expand e-file participation, and reduce the cost of real property tax administration for localities by allowing notices, filings, and other transactions to be completed electronically.

PROGRAM HIGHLIGHTS

The Department’s strategic goal is to achieve “universal voluntary compliance” – to ensure that all taxpayers voluntarily pay the correct amount of tax due on a timely basis. To achieve this goal, the Department is committed to increasing the current high level of voluntary compliance through taxpayer education initiatives, technology, and enforcement efforts.

The operations of the Department are organized along the following functional lines to support its revenue-generation mission:

- **Audit, Collection, and Enforcement:** Ensures that voluntarily remitted taxes are accurate and complete; employs sophisticated technologies and highly-trained personnel to collect delinquent taxes; and identifies and investigates alleged evasion of the State tax code, whether through underreporting, non-filing or schemes of avoidance.
- **Centralized Operations Support:** Provides infrastructure support services; vehicle fleet management; printing and mailing services; telecommunications support; space planning, management, and utilization; in-house security; and parking services.
- **Conciliation and Mediation:** Provides taxpayers with a statutorily-mandated option of informal and impartial dispute resolution that potentially mitigates time-consuming, formal administrative hearings with the Division of Tax Appeals.
- **Management, Administration, and Counsel:** Provides departmental financial services, including budgeting, accounting, and procurement; provides a full range of legal services to the Department; and provides personnel services, including workforce strategies and solutions.
- **Real Property Tax Services:** Oversees local property tax administration in New York State with a range of responsibilities, including: equalization of local assessments for purposes of apportioning property taxes and calculating state aid; determination of assessments on several specific categories of property; various services to support local governments in performing their assessment responsibilities; and the administration of State aid for quality local assessment practices and property tax relief.
- **Revenue Processing and Reconciliation:** Processes taxpayer returns and remittance to compute liability, identify underpayments or overpayments, and issue assessments and refunds; creates and maintains taxpayer accounts and records; and responds to taxpayer inquiries.
- **Tax Policy, Revenue Accounting, and Taxpayer Guidance:** Performs revenue accounting; reviews tax policies; assesses tax proposals and proposed legislation; prepares fiscal impacts; performs sophisticated studies and analyses for the Legislature and the Division of the Budget; and develops tax information, advice, forms, and instructions.
- **Technology and Information Services:** Maintains, secures, and improves the Department’s information technology infrastructure, applications, and networks.

TAXATION AND FINANCE

- **Treasury Management:** Acts on the Tax Commissioner's behalf as custodian of the State Treasury and joint-custodian of the State General Checking Account; provides various financial and investment services to certain State agencies and public benefit corporations.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	527,969,000	452,355,000	(75,614,000)	0
Aid To Localities	12,325,000	750,000	(11,575,000)	0
Capital Projects	0	0	0	0
Total	<u>540,294,000</u>	<u>453,105,000</u>	<u>(87,189,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Audit, Collection and Enforcement			
General Fund	2,373	2,373	0
Centralized Operations Support			
General Fund	122	122	0
Office of Conciliation and Mediation			
General Fund	24	24	0
Management, Administration and Counsel			
General Fund	221	221	0
Real Property Tax Services, Office of			
General Fund	179	179	0
Special Revenue Funds - Other	29	29	0
Revenue Processing and Reconciliation			
General Fund	569	569	0
Special Revenue Funds - Other	733	733	0
Tax Policy, Revenue Accounting and Taxpayer Guidance			
General Fund	167	167	0
Technology and Information Services			
General Fund	559	559	0
Treasury Management			
Special Revenue Funds - Other	32	32	0
Total	<u>5,008</u>	<u>5,008</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	376,366,000	310,682,000	(65,684,000)
Special Revenue Funds - Federal	2,500,000	2,500,000	0
Special Revenue Funds - Other	107,297,000	108,042,000	745,000
Internal Service Funds	41,806,000	31,131,000	(10,675,000)
Total	<u>527,969,000</u>	<u>452,355,000</u>	<u>(75,614,000)</u>

TAXATION AND FINANCE

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Audit, Collection and Enforcement			
General Fund	183,039,900	154,965,000	(28,074,900)
Special Revenue Funds - Federal	2,500,000	2,500,000	0
Special Revenue Funds - Other	16,500,000	16,500,000	0
Centralized Operations Support			
General Fund	25,000,600	17,792,000	(7,208,600)
Office of Conciliation and Mediation			
General Fund	1,908,000	1,588,000	(320,000)
Management, Administration and Counsel			
General Fund	17,245,000	15,067,000	(2,178,000)
Real Property Tax Services, Office of			
General Fund	22,150,000	15,162,000	(6,988,000)
Special Revenue Funds - Other	4,055,000	4,007,000	(48,000)
Revenue Processing and Reconciliation			
General Fund	46,567,700	35,178,000	(11,389,700)
Special Revenue Funds - Other	83,053,000	83,813,000	760,000
Internal Service Funds	41,806,000	31,131,000	(10,675,000)
Tax Policy, Revenue Accounting and Taxpayer Guidance			
General Fund	12,037,700	10,651,000	(1,386,700)
Technology and Information Services			
General Fund	68,417,100	60,279,000	(8,138,100)
Treasury Management			
Special Revenue Funds - Other	3,689,000	3,722,000	33,000
Total	<u>527,969,000</u>	<u>452,355,000</u>	<u>(75,614,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	148,595,000	(28,076,000)	147,641,000	(27,260,000)
Centralized Operations Support	4,029,000	(1,455,200)	3,869,000	(1,016,200)
Office of Conciliation and Mediation	1,510,000	(320,800)	1,510,000	(320,800)
Management, Administration and Counsel	13,812,000	(2,178,500)	13,770,000	(2,051,500)
Real Property Tax Services, Office of	11,262,000	(6,988,000)	11,262,000	(6,988,000)
Revenue Processing and Reconciliation	33,060,000	(11,389,200)	31,650,000	(7,250,200)
Tax Policy, Revenue Accounting and Taxpayer Guidance	9,414,000	(1,386,600)	9,341,000	(1,356,600)
Technology and Information Services	33,589,000	(3,330,800)	33,154,000	(3,090,800)
Total	<u>255,271,000</u>	<u>(55,125,100)</u>	<u>252,197,000</u>	<u>(49,334,100)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	204,000	(816,000)	750,000	0
Centralized Operations Support	110,000	(439,000)	50,000	0
Office of Conciliation and Mediation	0	0	0	0
Management, Administration and Counsel	32,000	(127,000)	10,000	0
Real Property Tax Services, Office of	0	0	0	0
Revenue Processing and Reconciliation	1,035,000	(4,139,000)	375,000	0
Tax Policy, Revenue Accounting and Taxpayer Guidance	8,000	(30,000)	65,000	0
Technology and Information Services	60,000	(240,000)	375,000	0
Total	<u>1,449,000</u>	<u>(5,791,000)</u>	<u>1,625,000</u>	<u>0</u>

TAXATION AND FINANCE

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	6,370,000	1,100	421,000	500
Centralized Operations Support	13,763,000	(5,753,400)	2,970,000	(3,377,700)
Office of Conciliation and Mediation	78,000	800	4,000	400
Management, Administration and Counsel	1,255,000	500	98,000	0
Real Property Tax Services, Office of	3,900,000	0	200,000	0
Revenue Processing and Reconciliation	2,118,000	(500)	814,000	200
Tax Policy, Revenue Accounting and Taxpayer Guidance	1,237,000	(100)	44,000	(300)
Technology and Information Services	26,690,000	(4,807,300)	107,000	(300)
Total	55,411,000	(10,558,900)	4,658,000	(3,377,200)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	3,701,000	400	1,084,000	400
Centralized Operations Support	28,000	100	10,141,000	(2,375,600)
Office of Conciliation and Mediation	69,000	400	4,000	(300)
Management, Administration and Counsel	112,000	400	778,000	(200)
Real Property Tax Services, Office of	200,000	0	3,200,000	0
Revenue Processing and Reconciliation	100,000	(100)	1,012,000	(300)
Tax Policy, Revenue Accounting and Taxpayer Guidance	20,000	0	1,160,000	100
Technology and Information Services	215,000	500	24,054,000	(4,807,500)
Total	4,445,000	1,700	41,433,000	(7,183,400)

Program	Equipment	
	Amount	Change
Audit, Collection and Enforcement	1,164,000	(200)
Centralized Operations Support	624,000	(200)
Office of Conciliation and Mediation	1,000	300
Management, Administration and Counsel	267,000	300
Real Property Tax Services, Office of	300,000	0
Revenue Processing and Reconciliation	192,000	(300)
Tax Policy, Revenue Accounting and Taxpayer Guidance	13,000	100
Technology and Information Services	2,314,000	0
Total	4,875,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	19,000,000	0	0	0
Real Property Tax Services, Office of	4,007,000	(48,000)	2,555,000	0
Revenue Processing and Reconciliation	114,944,000	(9,915,000)	38,666,000	(98,000)
Treasury Management	3,722,000	33,000	2,025,000	0
Total	141,673,000	(9,930,000)	43,246,000	(98,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	19,000,000	2,500,000	0	(2,500,000)
Real Property Tax Services, Office of	1,452,000	(48,000)	0	0
Revenue Processing and Reconciliation	76,278,000	(9,817,000)	0	0
Treasury Management	1,697,000	33,000	0	0
Total	98,427,000	(7,332,000)	0	(2,500,000)

TAXATION AND FINANCE

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	12,325,000	750,000	(11,575,000)
Total	12,325,000	750,000	(11,575,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Real Property Tax Services, Office of General Fund	12,325,000	750,000	(11,575,000)
Total	12,325,000	750,000	(11,575,000)

DIVISION OF TAX APPEALS

MISSION

The Division of Tax Appeals provides taxpayers with a system of due process for resolving disputes with the Department of Taxation and Finance. The separation of tax administration from tax adjudication promotes the impartial and timely hearing of taxpayer disputes.

ORGANIZATION AND STAFFING

The Division of Tax Appeals is headed by the Tax Appeals Tribunal, which is comprised of three commissioners appointed by the Governor and confirmed by the Senate. Under the direction of the Tax Tribunal, dispute adjudication is provided through small claims hearings, formal hearings and the Tribunal appeals process. The Division holds formal hearings in Troy, New York City and Rochester, while Tax Tribunal oral arguments are held in New York City, Buffalo, and Troy. Small claims hearings are conducted throughout the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.0 million** General Fund for the Division of Tax Appeals. This net decrease of **\$133,000 (-4.2 percent)** from the 2010-11 budget reflects reductions in employee costs and savings in nonpersonal service expenditures. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Division's hearing process has been substantially improved in recent years to benefit taxpayers. These improvements have allowed taxpayers more flexibility in scheduling hearings, thus minimizing delays caused by sudden cancellations.

The Division also conducts formal hearings in New York City and Rochester to provide easier access for taxpayers in these metropolitan areas. At these locations, the Division utilizes existing State office space, thus providing improved service at nominal additional cost.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	3,154,000	3,021,000	(133,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>3,154,000</u>	<u>3,021,000</u>	<u>(133,000)</u>	<u>0</u>

TAX APPEALS

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	24	24	0
Total	24	24	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	3,154,000	3,021,000	(133,000)
Total	3,154,000	3,021,000	(133,000)
Adjustments:			
Recommended Deficiency			
Tax Appeals, Division of			
General Fund			
	(101,000)		
Appropriated 2010-11	3,053,000		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	3,154,000	3,021,000	(133,000)
Total	3,154,000	3,021,000	(133,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,654,000	(133,000)	2,644,000	(133,000)
Total	2,654,000	(133,000)	2,644,000	(133,000)
Temporary Service (Nonannual Salaried)				
Program	Amount	Change		
Administration	10,000	0		
Total	10,000	0		

TAX APPEALS

STATE OPERATIONS - GENERAL FUND
 SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
 APPROPRIATIONS AND CHANGES
 2011-12 RECOMMENDED
 (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	367,000	0	27,000	(100)
Total	367,000	0	27,000	(100)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	20,000	300	257,000	0
Total	20,000	300	257,000	0

Program	Equipment	
	Amount	Change
Administration	63,000	(200)
Total	63,000	(200)

OFFICE FOR TECHNOLOGY

MISSION

The Office for Technology (OFT) provides centralized technology services, helps shape technology policy, and coordinates statewide technology-related initiatives to improve the efficiency of New York State government.

ORGANIZATION AND STAFFING

OFT is located in Albany and is currently overseen by the Chief Information Officer, who is appointed by the Governor. The agency is supported with State tax dollars from the General Fund, payments from other State agencies, and Special Revenue Funds.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$434.1 million** All Funds (\$327.5 million General Fund; \$403.2 million Internal Service Funds; \$3.4 million Other Funds) to support ongoing agency activities. This is a decrease of **\$3.1 million (-0.7 percent)** All Funds from the 2010-11 Enacted Budget, all of which is attributable to the General Fund. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Office for Technology is pursuing the following priorities to improve the State's information technology (IT) infrastructure: developing options to meet the State's expanding data center needs, obtaining a solution to statewide disaster recovery needs and continuing consolidation of IT infrastructure and State enterprise technology solutions to drive down the cost of IT ownership for the State.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	437,168,000	434,112,000	(3,056,000)	0
Aid To Localities	0	0	0	1,530,000
Capital Projects	0	0	0	100,160,000
Total	437,168,000	434,112,000	(3,056,000)	101,690,000

TECHNOLOGY

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Statewide Technology Program			
Special Revenue Funds - Other	5	5	0
Technology			
General Fund	141	141	0
Internal Service Funds	505	557	52
Total	651	703	52

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	30,558,000	27,502,000	(3,056,000)
Special Revenue Funds - Other	3,445,000	3,445,000	0
Internal Service Funds	403,165,000	403,165,000	0
Total	437,168,000	434,112,000	(3,056,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Statewide Technology Program			
Special Revenue Funds - Other	3,445,000	3,445,000	0
Technology			
General Fund	30,558,000	27,502,000	(3,056,000)
Internal Service Funds	403,165,000	403,165,000	0
Total	437,168,000	434,112,000	(3,056,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Technology	10,858,000	(1,207,000)	10,666,000	(1,189,000)
Total	10,858,000	(1,207,000)	10,666,000	(1,189,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Technology	162,000	(18,000)	30,000	0
Total	162,000	(18,000)	30,000	0

TECHNOLOGY

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Technology	16,644,000	(1,849,000)	240,000	(50,000)
Total	16,644,000	(1,849,000)	240,000	(50,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Technology	40,000	(10,000)	11,899,000	(1,349,000)
Total	40,000	(10,000)	11,899,000	(1,349,000)

Program	Equipment	
	Amount	Change
Technology	4,465,000	(440,000)
Total	4,465,000	(440,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Statewide Technology Program	3,445,000	0	951,000	0
Technology	403,165,000	0	37,267,000	0
Total	406,610,000	0	38,218,000	0

Program	Nonpersonal Service	
	Amount	Change
Statewide Technology Program	2,494,000	0
Technology	365,898,000	0
Total	368,392,000	0

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
New Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	99,060,000
Economic Development				
Capital Projects Fund - Authority Bonds	0	0	0	1,100,000
Total	0	0	0	100,160,000

THRUWAY AUTHORITY

The Thruway Authority operates a 570-mile highway system, including the 426-mile mainline from Pennsylvania to New York City. The Thruway Authority also has jurisdiction over the New York State Canal System. Through its subsidiary, the New York State Canal Corporation, the Thruway maintains, operates, develops and makes capital improvements to the 524-mile navigable waterway, which includes 57 locks, 20 lift bridges, numerous dams, reservoirs and water control structures.

Thruway Authority and Canal System programs are primarily supported by Authority funds, which are not reflected in the Executive Budget. The 2011 Thruway annual operating and capital budget totals \$1.1 billion.

Revenues from canal tolls and other user fees are deposited into the Canal System Development Fund and, in accordance with the State Constitution, are used exclusively for the canals. The Executive Budget recommends a new appropriation of \$2 million, the same level as in 2010-11, and reappropriations of \$11.7 million from the Canal System Development Fund for a portion of the maintenance, construction, reconstruction, development and promotion of the canals.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	2,000,000	2,000,000	0	11,653,000
Total	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>	<u>11,653,000</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Canal Development Program				
New York State Canal System Development Fund	2,000,000	2,000,000	0	11,653,000
Total	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>	<u>11,653,000</u>

DEPARTMENT OF TRANSPORTATION

MISSION

The Department of Transportation (DOT) directly maintains and improves the State's more than 38,000 State highway lane miles and over 7,500 bridges. In addition, the Department partially funds locally-operated transit systems, local government highway and bridge construction, and rail, airport, and canal programs.

The DOT of the 21st Century is capitalizing on intelligent transportation technology to manage increases in traffic and to balance security concerns with the need to move people and products safely and efficiently. The Department closely coordinates with other State transportation agencies and authorities with the goal of creating a seamless statewide transportation system that addresses environmental and community concerns and more efficiently moves people and goods.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner appointed by the Governor, subject to Senate confirmation. The Department's main office is in Albany, with 11 regional offices in Schenectady, Utica, Syracuse, Rochester, Buffalo, Hornell, Watertown, Poughkeepsie, Binghamton, Hauppauge and New York City. The Department also maintains highway maintenance and equipment repair facilities across the State.

Employees of the Department perform such activities as highway maintenance, snow and ice removal, highway and bridge design and construction inspection. In addition, the Department's staff inspects school and charter buses, regulates commercial transportation, oversees public transportation systems and State-owned airports, and provides administrative support for the Department.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$8.3 billion** All Funds (\$97.6 million General Fund; \$3.9 billion Capital Projects Funds; \$4.3 billion Other Funds) for the Department. This is an overall decrease of **\$526 million (-6 percent** overall; \$397 million (-9.3 percent) in Capital Projects Funds and \$129 million (-2.9 percent) in Other Funds) from 2010-11 levels. This net change primarily reflects non-recurrence of a 2010-11 Federal rail capital appropriation, a 10 percent year-to-year reduction in operations funding from the Dedicated Highway and Bridge Trust Fund (DHBTF), the annualization of 2010-11 workforce actions and a decrease in mass transit appropriation levels.

The Executive Budget reduces the agency's operations expenses in the DHBTF by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

The Department is responsible for the implementation of transportation programs related to highways and bridges, transit, aviation, ports, rail and other modes. It is supported by revenues from the Petroleum Business Tax, highway use tax, motor fuel taxes, auto rental tax, transportation/transmission tax, motor vehicle fees, and other fees. Substantial Federal aid is also used to support the programs. While no new appropriations are provided, spending from the 2005 Bond Act continues.

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The budget continues the second year of a two-year DOT capital program enacted in 2010-11 while also implementing necessary reductions in agency operations and programs. Major budget actions include:

- **Preserving State Support for Highway and Bridge Investments:** Funding in the Dedicated Highway and Bridge Trust Fund (DHBTF) for highway and bridge construction is preserved at \$501 million, the same level as 2010-11.
- **Preserving Local Capital Aid:** Capital aid to local governments for highway and bridge projects is preserved at 2010-11 levels, with \$363.1 million provided for the Consolidated Highway Improvement Program (CHIPS) and \$39.7 million for the Marchiselli program.
- **Preserving Rail Programs:** The budget includes a \$16.9 million appropriation to support Amtrak service and additional rail capital investments.
- **State Operations Reduction:** The budget contains a \$64 million, or 10 percent, year-to-year reduction in DHBTF appropriations for DOT operations. The Department will achieve the reduction through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2011-12 Executive Budget provides \$615 million for snow and ice control and State forces preventive maintenance. This level represents a decrease of almost \$54 million from 2010-11 levels.

The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and Federal aid. Approximately \$25.7 million is derived from fees, including those imposed on trucks registered to transport products throughout the State; landing fees and rents levied at Republic Airport; and revenues generated by the sale and rental of Department property, such as commercial leasing of land for parking or storage. These funds support a number of agency activities, including various safety and regulatory oversight functions as well as highway safety and aviation programs.

Federal aid of \$16.3 million and dedicated mass transit funds totaling \$5.4 million help finance the Department's remaining operating responsibilities for mass transportation, aviation and motor-carrier safety programs.

Capital appropriations provide funding for construction and reconstruction projects on State highways, bridges, railways and airports, as well as financing the engineering staff and private-sector consultants who work on these projects. Obligations for State and local highway and bridge construction contracts will total \$1.8 billion in 2011-12.

The centerpiece of the State's Highway and Bridge Program is the Dedicated Highway and Bridge Trust Fund, established in 1993. The Trust Fund derives its revenues from portions of the petroleum business tax, motor fuel tax, motor vehicle fees, highway user fees, auto rental tax, transportation/transmission tax, and miscellaneous transportation-related revenues. These funds are used both on a pay-as-you-go basis and to pay debt service on bonds issued by the Thruway Authority to finance portions of the State and local highway programs.

A significant portion of the State and local highway capital program is supported by Federal aid, authorized in accordance with multi-year Federal transportation acts. The most recent Federal Transportation Act, known as SAFETEA-LU, expired on September 30, 2009. A successor program has not been enacted and Federal support for the State's transportation programs continues at reduced levels through temporary funding measures

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passed by Congress. The Federal capital aid appropriation in 2011-12 is available for up to \$2 billion of Federal funding, including provisions for State and local highways and bridges, engineering, rail and community enhancement programs.

Local highway and bridge capital programs include the Consolidated Highway Improvement Program (CHIPS), the Municipal Streets and Highways Program (“Marchiselli” Program) and the Multi-Modal Program. The CHIPS and Marchiselli programs are funded by bonds issued by the Thruway Authority with debt service paid from the State’s Dedicated Highway and Bridge Trust Fund. In 2011-12, the CHIPS capital program will be funded at \$363.1 million, and the Marchiselli program at \$39.7 million.

A \$16.9 million rail preservation appropriation will be available to support Amtrak service and new rail infrastructure investments. The State will also provide up to \$4 million to match Federal aviation grants.

The Aid to Localities budget is comprised primarily of appropriations supported by State taxes dedicated to public transportation through the Mass Transportation Operating Assistance (MTOA) Fund, the Metropolitan Transportation Authority Financial Assistance Fund (MTASP) and the Dedicated Mass Transportation Trust Fund (DMTTF). Mass Transportation Operating Assistance Fund revenues are derived from a 3/8 percent sales tax; a business tax surcharge levied in the New York City metropolitan region; and a portion of statewide taxes on transmission, transportation and petroleum-related businesses. MTASP revenues are derived from a tax on payrolls, surcharges on motor vehicle registration and license fees, a rental car surcharge, and a taxi surcharge, all within the Metropolitan Commuter Transportation District (MCTD). Dedicated Mass Transportation Trust Fund revenues are derived from a share of the revenues deposited in the Transportation Dedicated Funds Pool, which includes portions of the petroleum business tax, the motor fuel tax and motor vehicle fees.

The Executive Budget provides appropriations of more than \$4.2 billion in aid to transit systems throughout the State, including more than \$3.8 billion for the MTA and more than \$401 million for other systems. This appropriation level reflects a decrease of approximately \$106 million from the amended 2010-11 levels, and is comprised of a \$108 million decrease for the MTA and a \$2 million increase for all other transit systems. The drop in appropriations is primarily due to a correction from a 2010-11 MTA Payroll Mobility Tax appropriation that exceeded actual tax receipts and, therefore, aid levels. Despite this drop in appropriations, the MTA is anticipated to receive an increase of \$43 million on a year-to-year cash basis.

In addition to the State Transportation Operating Assistance Program, the Executive Budget provides \$37 million for the DMTTF non-MTA capital program, no change from the SFY 2010-11 level. This capital program funds a variety of transit related needs, including bus purchases and a portion of the required match to Federal transit capital aid.

PROGRAM HIGHLIGHTS

HIGHWAYS AND BRIDGES

Improving the State’s vital transportation infrastructure remains the agency’s highest priority. During 2009-10, the Department replaced or rehabilitated a total of 139 State bridges and completed more than 3,800 corrective and preventive bridge treatments to slow deterioration. More than 4,600 lane miles of State highway were resurfaced, rehabilitated or given preventive maintenance treatment. The Executive Budget continues

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this commitment to strategic investments in critical infrastructure needs. Even more than in previous years, preventive maintenance performed by State forces and private sector contractors will be an area of significant concentration.

State staff and private-sector consultants perform the planning, property acquisition, design engineering, environmental reviews, surveying, materials and soils testing and construction inspection associated with the Department's capital program. Construction of virtually all highway and bridge projects is performed by private firms.

The State makes a significant investment in helping localities maintain safe roads and bridges through its CHIPS and Marchiselli capital programs. These programs fund local construction projects, with the majority performed by private firms. Through its safety inspections of school and charter buses and its regulation of commercial transport, the Department also focuses its resources on passenger safety and environmental issues.

PUBLIC TRANSPORTATION

The Department provides oversight and funding for more than 130 public transportation operators, including the Metropolitan Transportation Authority, the four upstate regional transportation authorities and other (usually county-sponsored) transit systems. These systems provide bus, subway, light rail and commuter rail services, plus "paratransit" services designed to meet the needs of disabled people as required by the Federal Americans with Disabilities Act.

State financial assistance to transit systems is supported by the Mass Transportation Operating Assistance Fund, the Metropolitan Transportation Authority Financial Assistance Fund, the Dedicated Mass Transportation Trust Fund and the General Fund. In addition, State law authorizes the imposition of an additional mortgage recording tax in regions covered by the Metropolitan Transportation Authority and the four upstate transit authorities. These moneys are collected by the affected counties and transmitted directly to the transit systems.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	50,340,000	47,404,000	(2,936,000)	111,268,700
Aid To Localities	4,357,490,900	4,232,596,900	(124,894,000)	177,064,000
Capital Projects	4,384,915,000	3,986,577,000	(398,338,000)	18,771,163,000
Total	<u>8,792,745,900</u>	<u>8,266,577,900</u>	<u>(526,168,000)</u>	<u>19,059,495,700</u>

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ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Design and Construction			
Capital Projects Funds - Other	2,673	2,673	0
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	54	54	0
Non-Federally Aided Highway Capital Projects - Administration			
Capital Projects Funds - Other	590	590	0
Operations Program			
Special Revenue Funds - Other	6	6	0
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	64	64	0
Special Revenue Funds - Other	81	81	0
Capital Projects Funds - Other	98	98	0
Planning and Program Management			
Capital Projects Funds - Other	529	529	0
Preventive Maintenance			
Capital Projects Funds - Other	4,445	4,445	0
Real Estate			
Capital Projects Funds - Other	168	168	0
Total	8,708	8,708	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	18,031,000	16,315,000	(1,716,000)
Special Revenue Funds - Other	32,309,000	31,089,000	(1,220,000)
Total	50,340,000	47,404,000	(2,936,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations Program			
Special Revenue Funds - Other	15,710,000	16,210,000	500,000
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	18,031,000	16,315,000	(1,716,000)
Special Revenue Funds - Other	16,599,000	14,879,000	(1,720,000)
Total	50,340,000	47,404,000	(2,936,000)

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STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations Program	16,210,000	500,000	532,000	(162,000)
Passenger and Freight Transportation Program, Office of	31,194,000	(3,436,000)	9,668,000	(2,169,000)
Total	<u>47,404,000</u>	<u>(2,936,000)</u>	<u>10,200,000</u>	<u>(2,331,000)</u>

Program	Nonpersonal Service	
	Amount	Change
Operations Program	15,678,000	662,000
Passenger and Freight Transportation Program, Office of	21,526,000	(1,267,000)
Total	<u>37,204,000</u>	<u>(605,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	97,550,900	97,550,900	0
Special Revenue Funds - Federal	53,062,000	53,062,000	0
Special Revenue Funds - Other	4,206,878,000	4,081,984,000	(124,894,000)
Total	<u>4,357,490,900</u>	<u>4,232,596,900</u>	<u>(124,894,000)</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Additional Mass Transportation Assistance Program			
General Fund	44,866,000	44,866,000	0
Dedicated Mass Transportation Trust Fund Program			
Special Revenue Funds - Other	617,600,000	620,400,000	2,800,000
Local Transportation Planning Studies Program			
Special Revenue Funds - Federal	18,868,000	18,868,000	0
Mass Transportation Assistance Program General Fund	25,251,000	25,251,000	0
Metropolitan Transportation Authority Support Program			
Special Revenue Funds - Other	1,811,600,000	1,736,000,000	(75,600,000)
Mass Transportation Operating Assistance Fund Program			
Special Revenue Funds - Other	1,583,242,000	1,531,148,000	(52,094,000)
Mass Transportation Operating Assistance Program			
General Fund	27,433,900	27,433,900	0
Special Revenue Funds - Other	194,436,000	194,436,000	0
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	9,094,000	9,094,000	0
Rural and Small Urban Transit Aid Program Special Revenue Funds - Federal	25,100,000	25,100,000	0
Total	<u>4,357,490,900</u>	<u>4,232,596,900</u>	<u>(124,894,000)</u>

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CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Aviation				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,073,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	403,000
Regional Aviation Fund	0	0	0	7,037,000
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	0	0	826,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	4,000,000	4,000,000	0	44,563,000
Regional Aviation Fund	0	0	0	4,082,000
American Recovery and Reinvestment Act Federal Stimulus	0	0	0	10,000,000
Aviation				
Transportation Capital Facilities Bond Fund	0	0	0	3,393,000
Federal Airport or Aviation Federal Capital Projects Fund	6,000,000	6,000,000	0	41,414,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	44,503,000
Bond Proceeds				
Rebuild and Renew New York Transportation Bonds of 2005				
Rebuild and Renew New York Transportation Bonds of 2005	0	0	0	1,849,213,000
Canals and Waterways				
Canals and Waterways - Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	485,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	49,767,000
Economic Development				
Non-Federal Aided Highway Capital Projects Dedicated Highway and Bridge Trust Fund	0	0	0	275,555,000
Health and Safety				
Non-Federal Aided Highway Capital Projects Dedicated Highway and Bridge Trust Fund	8,885,000	8,299,000	(586,000)	11,268,000
Highway Facilities				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	26,275,000
Airport or Aviation State Program Dedicated Highway and Bridge Trust Fund	0	0	0	152,000
American Recovery and Reinvestment Act Federal Stimulus	10,000,000	0	(10,000,000)	1,188,159,000
Engineering Services				
Engineering Services Fund	0	0	0	129,993,000
NY Metro Transportation Council Account	19,300,000	18,148,000	(1,152,000)	43,926,000
Federal Aid Highways - Bondable Purpose Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	6,114,000
Federal Aid Highways - Federal Purpose Federal Capital Projects Fund	2,000,000,000	2,000,000,000	0	8,072,913,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	11,982,000
Infrastructure Bond Act Projects Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,255,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	41,166,000
Municipal Highway - Railroad Crossing Alterations Dedicated Highway and Bridge Trust Fund	0	0	0	1,568,000

TRANSPORTATION

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
New York State Agency Fund				
Miscellaneous New York State Agency Fund	50,000,000	50,000,000	0	299,562,000
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	1,218,448,000	1,183,912,000	(34,536,000)	2,360,682,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,150,000
Priority Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	8,830,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	633,456,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - AC and TI Fund (Bondable)	0	0	0	26,221,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Highway and Bridge Trust Fund	0	0	0	3,500,000
Transportation Infrastructure Renewal Bond Fund				
Transportation Infrastructure Renewal Bond Fund	0	0	0	27,346,000
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	18,165,000	18,165,000	0	50,333,000
Mass Transportation and Rail Freight				
American Recovery and Reinvestment Act Federal Stimulus	0	0	0	2,019,700,000
Mass Transportation				
Dedicated Mass Transportation Non MTA	18,500,000	18,500,000	0	103,629,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	149,000
Dedicated Highway and Bridge Trust Fund	15,300,000	16,930,000	1,630,000	78,062,000
Dedicated Mass Transportation Non MTA	47,971,000	47,971,000	0	129,748,000
Federal Capital Projects Fund	0	0	0	19,575,000
Mass Transportation and Rail Freight Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	2,686,000
Other Transportation Aid				
Federal Capital Projects Fund	300,000,000	0	(300,000,000)	300,000,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	121,000
Dedicated Mass Transportation Non MTA	0	0	0	1,351,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	164,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	38,613,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Mass Transportation Non MTA	0	0	0	5,000,000
Special Rail and Aviation Program				
Capital Projects Fund - Authority Bonds	0	0	0	20,949,000
Dedicated Mass Transportation Non MTA	0	0	0	5,244,000
Port Development				
Port Development Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	57,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	95,525,000

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CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Capital Projects Fund	0	0	0	3,000,000
Dedicated Highway and Bridge Trust Fund	668,346,000	614,652,000	(53,694,000)	641,075,000
Total	4,384,915,000	<u>3,986,577,000</u>	<u>(398,338,000)</u>	<u>18,771,163,000</u>
Adjustments:				
Prior Year Deficiency				
American Recovery and Reinvestment Act Appropriated 2010-11	<u>5,000,000</u>			
	<u>4,389,915,000</u>			

DIVISION OF VETERANS' AFFAIRS

MISSION

The core mission of the Division of Veterans' Affairs is to link veterans, members of the armed forces, and their families and dependents, to various personal, medical, and financial benefits available as the result of active duty military service. The Division's professional counseling staff prepares, presents and prosecutes claims including applications for monthly compensation and pension awards, education benefits, burial benefits, vocational rehabilitation training, health care, nursing home care, tax exemption and other services.

The Division will continue to offer accessible professional assistance to nearly one million veterans and their dependents, as well as to thousands of New Yorkers currently on active military duty.

ORGANIZATION AND STAFFING

The Division is headed by the Director, who is appointed by the Governor. The Division's central office is in Albany, with regional offices in New York City and Buffalo. The Division currently maintains a network of 72 local points of access, both full-time and itinerant, where the veterans' community can obtain information and assistance from the Division's veterans counseling staff.

The Division maximizes its presence in the veterans' community by maintaining office locations that are readily accessible to veterans, such as United States Department of Veterans Affairs (VA) medical centers and community outpatient clinics. More than half of the Division's State Veterans Counselors are assigned to multiple offices, and the Division has recently added mobile counseling services, further expanding outreach efforts to veterans and their families.

BUDGET HIGHLIGHTS

The 2011-12 Executive Budget recommends **\$16.3 million** in All Funds spending (\$13.8 million General Fund, and \$2.5 million Other Funds) to support ongoing agency activities. This is a decrease of **\$0.6 million (-3.6 percent)** All Funds from the 2010-11 Enacted Budget, which is entirely attributable to a 10 percent reduction in the agency's operating budget. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible. Local grants remain unchanged at the prior year's level.

PROGRAM HIGHLIGHTS

The largest of the Division of Veterans' Affairs programs is the Veterans' Counseling Services Program. In State fiscal year 2009-10, new claims for Federal benefits that provide direct assistance to veterans and their families, generated more than \$108 million in new and recurring VA for compensation and pension payments for disabled and low-income veterans and dependents.

Based on the number of claims filed and awards issued during calendar year 2010, overall benefits flowing into New York State are on a pace to match or exceed those of

VETERANS' AFFAIRS

recent years. The Division of Veterans' Affairs' VA accredited counseling staff is responsible for securing and maintaining a substantial portion of the \$1.50 billion in Federal VA benefits paid annually to veterans and their dependents in New York State.

The Division, in collaboration with other State, Federal, local and not-for-profit agencies, continues its efforts to assist returning active duty military personnel. The Division continues to collaborate with the Division of Military and Naval Affairs and the Office of Mental Health with regard to behavioral health screening for Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI). This provides the Division an opportunity to disseminate information about benefits and familiarize veterans and their families with services offered by the agency's counseling staff.

On, November 11, 2008, the New York State Council on Returning Veterans and Their Families was established. This Council was formed to improve upon the way services are provided to returning veterans who often require assistance with human, social, and economic challenges. The Council has explored new approaches for helping returning veterans and their families address problems and concerns in such areas as: personal finance, family relationships, physical and psychological care, substance abuse treatment, employment, and complex medical injuries. The Division continues to partner with the New York State Department of Health and the State University of New York at Stony Brook to assist veterans and eligible dependents in gaining admission to the State Veterans Home Program that is comprised of five long-term healthcare facilities around the State.

State Veterans Counselors, each of whom is a veteran, assist veterans in accessing the VA's network of health care, state veterans' homes and nursing homes, as well as local public assistance and private venues that offer programs or services to assist veterans and their families. Without these essential employees, veterans and their families could be required to seek other forms of public health care. Other key benefits to veterans are described below.

VETERANS' EDUCATION PROGRAM

The Bureau of Veterans' Education staff are located in both Albany and New York City, and investigate and certify post-secondary educational and vocational institutions to enable veterans seeking to utilize their Federal benefits to further their education. The Veterans Education Bureau also is responsible for approving on-the-job training and apprenticeship programs.

BLIND ANNUITY PROGRAM

The Blind Annuity Program provides visually impaired veterans and eligible surviving spouses (who are not re-married) an annual annuity which is paid in monthly installments. The Division of Veterans' Affairs processes applications and authorizes awards, with more than 4,500 individuals currently receiving benefits.

SUPPLEMENTAL BURIAL BENEFIT PROGRAM

Families of members of the armed forces killed in combat, or who die while serving in a hostile theater of operation may be eligible for the Supplemental Burial Benefit. Established in 2003, this benefit provides a maximum reimbursement of \$6,000 to help families offset the costs of funeral and burial expenses.

VETERANS' AFFAIRS

GOLD STAR PARENT ANNUITY

The Division also provides annual annuities to “Gold Star Parents” in the amount of \$500 per parent, not to exceed \$1,000 per veteran. Any “Gold Star” parent of a deceased veteran, who is a resident of New York State and has an income at or below 200 percent of the Federal poverty level, may be eligible for the annuity.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	8,417,000	7,772,000	(645,000)	3,932,000
Aid To Localities	8,446,000	8,526,000	80,000	0
Capital Projects	0	0	0	0
Total	<u>16,863,000</u>	<u>16,298,000</u>	<u>(565,000)</u>	<u>3,932,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration			
General Fund	(1)	(1)	0
Higher Education			
Special Revenue Funds - Federal	11	12	1
Veteran Counseling Services Program			
General Fund	87	87	0
Total	<u>97</u>	<u>98</u>	<u>1</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	6,451,000	5,806,000	(645,000)
Special Revenue Funds - Federal	1,966,000	1,966,000	0
Total	<u>8,417,000</u>	<u>7,772,000</u>	<u>(645,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration			
General Fund	538,000	484,000	(54,000)
Higher Education			
Special Revenue Funds - Federal	1,966,000	1,966,000	0
Veteran Counseling Services Program			
General Fund	5,913,000	5,322,000	(591,000)
Total	<u>8,417,000</u>	<u>7,772,000</u>	<u>(645,000)</u>

VETERANS' AFFAIRS

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	367,000	(41,000)	367,000	(41,000)
Veteran Counseling Services Program	4,871,000	(540,000)	4,848,000	(538,000)
Total	<u>5,238,000</u>	<u>(581,000)</u>	<u>5,215,000</u>	<u>(579,000)</u>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration	0	0
Veteran Counseling Services Program	23,000	(2,000)
Total	<u>23,000</u>	<u>(2,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	117,000	(13,000)	10,000	(1,000)
Veteran Counseling Services Program	451,000	(51,000)	63,000	(7,000)
Total	<u>568,000</u>	<u>(64,000)</u>	<u>73,000</u>	<u>(8,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	14,000	(2,000)	74,000	(8,000)
Veteran Counseling Services Program	104,000	(12,000)	194,000	(22,000)
Total	<u>118,000</u>	<u>(14,000)</u>	<u>268,000</u>	<u>(30,000)</u>

Program	Equipment	
	Amount	Change
Administration	19,000	(2,000)
Veteran Counseling Services Program	90,000	(10,000)
Total	<u>109,000</u>	<u>(12,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Higher Education	1,966,000	0	1,161,000	0
Total	<u>1,966,000</u>	<u>0</u>	<u>1,161,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Higher Education	805,000	0
Total	<u>805,000</u>	<u>0</u>

VETERANS' AFFAIRS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
General Fund	7,946,000	8,026,000	80,000
Special Revenue Funds - Federal	500,000	500,000	0
Total	8,446,000	8,526,000	80,000

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Administration			
General Fund	799,000	799,000	0
Blind Veteran Annuity Assistance			
General Fund	5,720,000	5,800,000	80,000
Veteran Counseling Services Program			
General Fund	1,427,000	1,427,000	0
Special Revenue Funds - Federal	500,000	500,000	0
Total	8,446,000	8,526,000	80,000

OFFICE OF THE WELFARE INSPECTOR GENERAL

MISSION

The Office of Welfare Inspector General was established in 1992 to prevent, investigate, and prosecute welfare fraud, waste, abuse and illegal acts involving social services programs at both the State and local levels. The Office investigates and when appropriate prosecutes welfare recipients who are dishonestly receiving benefits for which they are not eligible. It also investigates instances in which providers of Medicaid, day care or other social services fraudulently receive payments from government. The agency is responsible for investigating any failure by State and local officials to investigate and prosecute such fraud and abuse within their jurisdiction. Furthermore, the Office is charged with recommending policies to prevent and to detect social services fraud, and then to monitor the implementation of these recommendations.

In carrying out its responsibilities, the Office works closely with various State agencies in support of fraud investigations. The Office of Temporary and Disability Assistance provides welfare program data and information concerning the application of program rules and regulations. Local social services districts assist the Office with identifying the amount of money fraudulently obtained from different welfare programs. The Attorney General assists the Office with 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 adult homes and other community programs, as well as with the Department of Health and the Office of the Medicaid Inspector General on Medicaid-related cases.

ORGANIZATION AND STAFFING

The Office is headed by the Welfare Inspector General, who is appointed for a five-year term by the Governor with the advice and consent of the Senate. The Welfare Inspector General's statewide operations are administered from New York City with a field office in Albany.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.6 million All Funds** (\$378,000 General Fund; \$1.2 million Other Funds) for the Office of Welfare Inspector General, which reflects a **\$42,000 (-10 percent)** reduction to General Fund State Operations appropriations. The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

PROGRAM HIGHLIGHTS

The Office annually receives hundreds of complaints about alleged welfare fraud, waste and abuse that originate from citizens and other governmental agencies. The Office also generates investigations on its own initiative. Fraud investigations result in substantial savings for all levels of government by uncovering fraudulent activity by a

WELFARE INSPECTOR GENERAL

member of a household receiving welfare, as well as unreported income or inappropriate claiming practices by those who provide day care, employment, health care or other services to welfare recipients. The Office annually works on approximately 200 fraud investigations and recovers funding that is repaid to the appropriate programs. Stopping fraudulent activity reduces future years' welfare costs by individuals who would otherwise continue to fraudulently take money from the government, and by providing a deterrent to those who may seek to defraud government programs.

In addition to investigations of individual welfare recipients, the Office completes investigations to uncover patterns of abuse within the welfare system including not only recipients but also social services agencies, organizations and contractors.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	1,597,000	1,555,000	(42,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>1,597,000</u>	<u>1,555,000</u>	<u>(42,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs	2011-12 Estimated FTEs	FTE Change
	03/31/11	03/31/12	
Welfare Inspector General, Office of the			
General Fund	4	4	0
Special Revenue Funds - Other	3	3	0
Total	<u>7</u>	<u>7</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	420,000	378,000	(42,000)
Special Revenue Funds - Other	1,177,000	1,177,000	0
Total	<u>1,597,000</u>	<u>1,555,000</u>	<u>(42,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Welfare Inspector General, Office of the			
General Fund	420,000	378,000	(42,000)
Special Revenue Funds - Other	1,177,000	1,177,000	0
Total	<u>1,597,000</u>	<u>1,555,000</u>	<u>(42,000)</u>

WELFARE INSPECTOR GENERAL

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Welfare Inspector General, Office of the	378,000	(42,000)	378,000	(42,000)
Total	<u>378,000</u>	<u>(42,000)</u>	<u>378,000</u>	<u>(42,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total Amount	Change
Total	<u>0</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Welfare Inspector General, Office of the	1,177,000	0	457,000	0
Total	<u>1,177,000</u>	<u>0</u>	<u>457,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Welfare Inspector General, Office of the	720,000	0
Total	<u>720,000</u>	<u>0</u>

WORKERS' COMPENSATION BOARD

MISSION

The New York State Workers' Compensation Board protects the rights of employees and employers by ensuring the proper delivery of benefits to those eligible due to being injured or becoming ill while on the job and by promoting compliance with the law. To protect the well-being of New York's labor force, most private and public sector employers in New York are required to carry workers' compensation and disability benefits insurance for their employees or demonstrate their ability to self-insure. The Workers' Compensation Board reviews claims for workers' compensation payments and assists in resolving disputed claims. In performing these responsibilities, the Board administers provisions of the following laws: the Workers' Compensation Law; the Disability Benefits Law; the Civil Defense Volunteers' Law; the Volunteer Firefighters' Benefit Law; and the Volunteer Ambulance Workers' Benefit Law.

ORGANIZATION AND STAFFING

The Board is headed by a Chairperson selected by the Governor and includes 12 additional full-time members nominated by the Governor and confirmed by the Senate for seven-year terms. District offices are located in Albany, Binghamton, Brooklyn, Buffalo, Hauppauge, Hempstead, Manhattan, Peekskill, Queens, Rochester and Syracuse, with administrative offices in Albany. The Board has additional customer service centers located throughout the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$204.7 million** All Funds for the Workers' Compensation Board, all of which is funded from assessments on businesses. This amount is unchanged from the 2010-11 level. The Executive Budget projects a staffing level of **1,466** in 2011-12, which is an increase of **16** from 2010-11. This increase reflects positions added for the information technology in-sourcing initiative.

PROGRAM HIGHLIGHTS

Over the past several years, New York has seen sweeping statutory reform in the workers' compensation system. During this period, benefits have increased while costs have decreased; injured workers are receiving their benefits faster; and fraud has been aggressively pursued. The Board's efforts continue to be dedicated to implementing all of the reforms and an agenda of positive transformation within the agency. To that end, on December 1, 2010, the Board issued new medical treatment guidelines which are now the mandatory standard of care for mid- and lower-back, neck, shoulder and knee injuries. These guidelines established a standard of medical care for injured workers which will improve medical outcomes for workers and expedite quality care. The guidelines will also speed return to work by injured workers, reduce disputes between payers and medical providers over treatment issues and reduce overall system costs.

WORKERS' COMPENSATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	204,749,000	204,749,000	0	20,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>204,749,000</u>	<u>204,749,000</u>	<u>0</u>	<u>20,000,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Disability Benefits			
Special Revenue Funds - Other	43	43	0
Workers Compensation			
Special Revenue Funds - Other	1,407	1,423	16
Total	<u>1,450</u>	<u>1,466</u>	<u>16</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	204,749,000	204,749,000	0
Total	<u>204,749,000</u>	<u>204,749,000</u>	<u>0</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(375,000)
Appropriated 2010-11	<u>204,374,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Disability Benefits			
Special Revenue Funds - Other	7,369,000	7,369,000	0
Workers Compensation			
Special Revenue Funds - Other	197,380,000	197,380,000	0
Total	<u>204,749,000</u>	<u>204,749,000</u>	<u>0</u>

WORKERS' COMPENSATION

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Disability Benefits	7,369,000	0	3,809,000	0
Workers Compensation	197,380,000	0	90,544,000	0
Total	204,749,000	0	94,353,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Disability Benefits	3,560,000	0	0	0
Workers Compensation	106,477,000	0	359,000	0
Total	110,037,000	0	359,000	0

MISCELLANEOUS

COLLECTIVE BARGAINING AGREEMENTS

The Executive Budget recommends **\$5.8 million** All Funds (\$5.3 million General Fund; \$500,000 Other Funds) for Collective Bargaining Agreements. This is a decrease of **\$33.8 million** from the 2010-11 budget. These appropriations are limited to the amounts necessary to continue required benefits and programs in the absence of new collective bargaining agreements. Unspent funds from existing agreements have been reappropriated. Costs of new collective bargaining agreements will be incorporated within separate legislation.

Executive Budget appropriations support a staffing level of up to **91** in 2011-12 for Collective Bargaining Agreements.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	39,593,000	5,800,000	(33,793,000)	45,080,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>39,593,000</u>	<u>5,800,000</u>	<u>(33,793,000)</u>	<u>45,080,000</u>

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Labor Management Programs			
General Fund	91	91	0
Total	<u>91</u>	<u>91</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	39,093,000	5,300,000	(33,793,000)
Special Revenue Funds - Other	500,000	500,000	0
Total	<u>39,593,000</u>	<u>5,800,000</u>	<u>(33,793,000)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(374,000)
Appropriated 2010-11	<u>39,219,000</u>

MISCELLANEOUS

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Labor Management Programs			
General Fund	39,093,000	5,300,000	(33,793,000)
Special Revenue Funds - Other	500,000	500,000	0
Total	<u>39,593,000</u>	<u>5,800,000</u>	<u>(33,793,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Labor Management Programs	5,300,000	(33,793,000)	0	(374,000)
Total	<u>5,300,000</u>	<u>(33,793,000)</u>	<u>0</u>	<u>(374,000)</u>

Program	Maintenance Undistributed	
	Amount	Change
Labor Management Programs	5,300,000	(33,419,000)
Total	<u>5,300,000</u>	<u>(33,419,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Labor Management Programs	500,000	0	500,000	0
Total	<u>500,000</u>	<u>0</u>	<u>500,000</u>	<u>0</u>

COMMUNITY PROJECTS

There are no Community Projects Fund appropriations or reappropriations in the 2011-12 Executive Budget. The Executive Budget would repeal the Community Projects Fund and sweep fund balances to the General Fund effective September 15, 2011.

COMMUNITY SERVICE PROVIDER ASSISTANCE PROGRAM

These reappropriations continue the spending authority for the expenditure of Community Projects Fund lump sum appropriations originally enacted in the 2001-02 budget. The 2011-12 Executive Budget does not advance any new appropriations for the Community Projects Fund.

MISCELLANEOUS

ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2010-11</u>	<u>Appropriations Recommended 2011-12</u>	<u>Change</u>	<u>Reappropriations Recommended 2011-12</u>
State Operations	0	0	0	4,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	0	0	0	4,000,000

DEFERRED COMPENSATION BOARD

MISSION

The Deferred Compensation Board, in accordance with Section 5 of the State Finance Law, administers the New York State Deferred Compensation State Plan, which serves over 126,000 State employees and 63,000 employees of local governments that participate in the State Plan. There are approximately 250 local governments that sponsor and administer their own deferred compensation plans in compliance with the Board's rules.

ORGANIZATION AND STAFFING

The Board consists of three members, one each appointed by the Governor, the Temporary President of the Senate and the Speaker of the Assembly. The Board maintains a staff of four professionals who are responsible for management of the State Plan as well as for regulatory duties for locally administered plans. Management of the State Plan includes oversight of administrative services delivered by contracted service providers, monitoring the Plan's investment managers, coordination with professional services firms and direct service delivery through its main office.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$931,000** All Funds (\$114,000 General Fund; \$817,000 Other Funds) for the Deferred Compensation Board.

PROGRAM HIGHLIGHTS

The Board continues to pursue opportunities to provide a well balanced supplemental retirement savings program, improve services to State Plan participants, and further State Plan participants' ability to meet their retirement savings goals. The Board initiates outreach efforts to State agencies and local participating employers to encourage even greater participation at both the State and local government levels. During the past fiscal year, the Plan enrolled almost 8,000 new participants, and voluntary employee salary deferrals to the Plan exceeded \$920 million (an increase of nearly 5.2 percent). More than 1,200 local governments now participate in the State Plan.

MISCELLANEOUS

The Board provides local governments that sponsor and administer their own deferred compensation plans with updates on the Board's rules and responds to questions on the administration of deferred compensation plans, and provides guidance on issues related to Federal statutory changes and the State's Model Deferred Compensation Plan. During 2010-11, the Board examined and amended the Model Plan Documents to assure compliance with all recent changes to Federal law and regulations pertaining to deferred compensation plans.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	931,000	931,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>931,000</u>	<u>931,000</u>	<u>0</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Operations			
Special Revenue Funds - Other	4	4	0
Total	<u>4</u>	<u>4</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	114,000	114,000	0
Special Revenue Funds - Other	817,000	817,000	0
Total	<u>931,000</u>	<u>931,000</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations			
General Fund	114,000	114,000	0
Special Revenue Funds - Other	817,000	817,000	0
Total	<u>931,000</u>	<u>931,000</u>	<u>0</u>

MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Operations	114,000	0	114,000	0
Total	114,000	0	114,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	817,000	0	394,000	0
Total	817,000	0	394,000	0

Program	Nonpersonal Service	
	Amount	Change
Operations	423,000	0
Total	423,000	0

GENERAL STATE CHARGES

General State Charges are primarily the costs of providing fringe benefits to most State employees, which are authorized in collective bargaining agreements and various statutes. The General State Charges budget also includes miscellaneous fixed costs such as litigation settlements and taxes on State-owned lands.

BUDGET HIGHLIGHTS

Recommended 2011-12 appropriations for General State Charges total **\$3.0 billion All Funds** (\$2.9 billion General Fund; \$101 million in Fiduciary Funds), a net increase of approximately **\$511 million All Funds (20.6 percent)** (\$511 million increase in General Fund) from 2010-11. This increase largely stems from statutorily required increases in spending on employee fringe benefits, such as pensions and health insurance. This amount will be augmented by \$1 billion initially appropriated to the State University of New York for employee fringe benefits.

PROGRAM HIGHLIGHTS

FRINGE BENEFITS

The State provides a comprehensive fringe benefits package to its employees. These benefits are supported primarily by General Fund revenues and supplemented with revenue from fringe benefit assessments on Federal and other dedicated revenue programs. In 2011-12, revenue collected from fringe benefit assessments is expected to be **\$2.4 billion**.

MISCELLANEOUS

Employee and Retiree Health Benefits: Through the New York State Health Insurance Program (NYSHIP), State employees and retirees have the option to participate in the Empire Plan, a health insurance program designed exclusively for New York's public employees, or one of 20 health maintenance organization options. Approximately 84 percent of State employees and retirees are enrolled in the Empire Plan.

The recommended 2011-12 General Fund appropriation for the State's employee health insurance is **\$2.0 billion**.

Pension Benefits: Most State employees are members of the New York State and Local Retirement System, which consists of the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS). With approximately \$132.8 billion in combined invested assets as of September 30, 2010, these systems administer retirement benefits to State and local government employees. Funding for the benefits is supported by employer contributions, bi-weekly contributions from certain employees with less than ten years of service, and pension fund investment earnings. However, Chapter 504 of the Laws of 2009 enacted a new tier of pension benefits (Tier 5) which requires new employees to continue contributions for the duration of their employment with the State.

The recommended appropriation for the State's contribution to the retirement system in 2011-12 is **\$1.3 billion**. This appropriation reflects an estimated contribution rate of 10.5 percent of salary for ERS and 18.5 percent of salary for PFRS, and assumes a March 1 payment date. These rates assume the State will amortize its contribution costs that exceed 10.5 percent and 18.5 percent of salary for ERS and PFRS, respectively, over a 10-year period. If the State does not amortize its pension contribution costs, normal contribution rates would be significantly higher.

Social Security and Medicare Taxes: In addition to employer contributions made to the retirement system, the State makes weekly tax payments to the Federal government for the Social Security and Medicare benefit programs. The Social Security tax rate is 6.2 percent, applied on wages up to \$106,800 in 2011, and the Medicare tax rate is 1.45 percent on all wages.

The recommended General Fund appropriation for Social Security and Medicare taxes in 2011-12 is **\$505 million**.

Workers' Compensation: The State reimburses the State Insurance Fund for actual compensation and medical claims incurred by State employees for job-related injuries. The statutory workers' compensation benefit is two-thirds of the average weekly wage for the year in which it is reported. Most State employees are paid supplemental benefits pursuant to collective bargaining agreements.

The recommended General Fund appropriation for workers' compensation benefits in 2011-12 is **\$202 million**. Efforts to contain costs and improve program management will continue through funding the automated Accident Reporting System and a dispute resolution program.

Dental, Vision and Other Employee Benefits: State employees receive dental insurance and vision benefits either through State administered programs or benefit funds operated by public employee unions. Premiums for the State administered programs are covered in full by the State. The employee union benefit funds are supported by quarterly contributions from the State based on per capita rates authorized in collective bargaining agreements. In addition, the State funds an assortment of other benefit programs to cover losses due to death, disability and unemployment.

MISCELLANEOUS

A total of **\$149 million** in General Fund appropriations is recommended in 2011-12 to fund dental, vision, the metropolitan transportation authority mobility tax and other employee benefits.

Fringe Benefits for State University Employees: A **\$1 billion** General Fund appropriation to support fringe benefits for employees of the State University will be initially included in the State University budget. Upon enactment, this amount will be transferred to the General State Charges program to be centrally administered along with the benefit programs for all State employees.

FIXED COSTS

In addition to employee fringe benefits, the State pays for a variety of fixed costs from the General State Charges budget. These costs are supported in full by General Fund revenues and include:

Taxes and Other Property Assessments on State-Owned Lands: Real Property Tax Law authorizes local governments to tax certain parcels of State-owned land. The State provides financial support to local governments by paying local and/or school property taxes on approximately 22,000 parcels covering four million acres of land throughout the State as well as transition assessments on tax-exempt State-owned lands. Other property expenses include assessments for improvements on State-owned lands and payments in lieu of taxes on certain property in the City of Albany, Cattaraugus County and other localities. The 2011-12 Executive Budget also includes a new \$600,000 appropriation for payments in lieu of taxes for lands in Livingston County. A total of **\$218 million** in appropriations is recommended in 2011-12 for payment of taxes and various other property assessments on State lands. That represents a decrease of **\$4 million (2.0 percent)** from 2010-11.

Court of Claims Judgments and Other Litigation Costs: Annual appropriations are authorized to pay for expenses related to the settlement of lawsuits and court judgments against the State. Most litigation against the State is adjudicated in the Court of Claims and involves contract disputes and tort liabilities. Other appropriations in this category support the defense and indemnification of State employees for actions that arise in the course of their official duties, litigation expenses related to Indian land claims and payments to the Property Casualty Insurance Security Fund in accordance with the terms of a multi-year settlement with the insurance industry. A total of **\$142 million** in appropriations is recommended in 2011-12 for these litigation expenses. This represents a **\$31 million (28.2 percent)** increase from 2010-11, largely due to liabilities from the recently settled Simpson case. This case originated from allegations that the State's battery exams were biased and discriminatory to certain minority groups.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,478,665,000	2,990,150,000	511,485,000	3,216,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>2,478,665,000</u>	<u>2,990,150,000</u>	<u>511,485,000</u>	<u>3,216,000</u>

MISCELLANEOUS

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	2,377,665,000	2,889,150,000	511,485,000
Fiduciary Funds	101,000,000	101,000,000	0
Total	<u>2,478,665,000</u>	<u>2,990,150,000</u>	<u>511,485,000</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(2,051,000)
Appropriated 2010-11	<u>2,476,614,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
General State Charges			
General Fund	2,377,665,000	2,889,150,000	511,485,000
Fiduciary Funds	101,000,000	101,000,000	0
Total	<u>2,478,665,000</u>	<u>2,990,150,000</u>	<u>511,485,000</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
General State Charges	2,889,150,000	511,485,000	0	(44,000)
Total	<u>2,889,150,000</u>	<u>511,485,000</u>	<u>0</u>	<u>(44,000)</u>

Program	General State Charges		Maintenance Undistributed	
	Amount	Change	Amount	Change
General State Charges	2,888,150,000	513,529,000	1,000,000	(2,000,000)
Total	<u>2,888,150,000</u>	<u>513,529,000</u>	<u>1,000,000</u>	<u>(2,000,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
General State Charges	101,000,000	0	101,000,000	0
Total	<u>101,000,000</u>	<u>0</u>	<u>101,000,000</u>	<u>0</u>

GREEN THUMB PROGRAM

The Green Thumb Program provides income-eligible elderly citizens with part-time employment in State agencies through the not-for-profit organization Green Thumb Environmental Beautification, Inc. The 2011-12 Executive Budget recommends a General Fund appropriation of \$2.83 million, the same level as 2010-11.

MISCELLANEOUS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,831,000	2,831,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>2,831,000</u>	<u>2,831,000</u>	<u>0</u>	<u>0</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Green Thumb Program	2,831,000	0	2,831,000	0
Total	<u>2,831,000</u>	<u>0</u>	<u>2,831,000</u>	<u>0</u>

THE GREENWAY HERITAGE CONSERVANCY OF THE HUDSON RIVER VALLEY

The Greenway Heritage Conservancy of the Hudson River Valley was established in the Hudson River Valley Greenway Act of 1991 to promote the preservation of natural and cultural resources in the Valley, serve as a land trust in the acquisition of lands important to the Greenway, and designate and develop the Hudson River Valley Greenway Trail. The 2011-12 Executive Budget recommends a General Fund appropriation of \$166,000, a decrease of \$18,000 (-10 percent) from the funding level provided in 2010-11. The Conservancy is funded entirely from the General Fund.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	184,000	166,000	(18,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>184,000</u>	<u>166,000</u>	<u>(18,000)</u>	<u>0</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	132,000	(15,000)	132,000	(15,000)
Total	<u>132,000</u>	<u>(15,000)</u>	<u>132,000</u>	<u>(15,000)</u>

MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		General State Charges	
	Amount	Change	Amount	Change
Operations	34,000	(3,000)	34,000	(3,000)
Total	34,000	(3,000)	34,000	(3,000)

HEALTH INSURANCE CONTINGENCY RESERVE

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	651,240,000	605,057,000	(46,183,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	651,240,000	605,057,000	(46,183,000)	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Health Insurance Contingency Reserve	605,057,000	(46,183,000)	605,057,000	(46,183,000)
Total	605,057,000	(46,183,000)	605,057,000	(46,183,000)

HEALTH INSURANCE RESERVE RECEIPTS FUND

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	192,400,000	192,400,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	192,400,000	192,400,000	0	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Health Insurance Reserve Receipts Fund	192,400,000	0	192,400,000	0
Total	192,400,000	0	192,400,000	0

MISCELLANEOUS

HIGHER EDUCATION

This appropriation provides funds for the Higher Education Services Corporation and the Office of the State Comptroller to jointly administer the College Choice Tuition Savings Program. This program helps families save for their children's education at accredited public and private colleges anywhere in the country with accompanying tax benefits on contributions made to, and interest earned on, college savings accounts.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	829,800	829,800	0	600,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>829,800</u>	<u>829,800</u>	<u>0</u>	<u>600,000</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	829,800	829,800	0
Total	<u>829,800</u>	<u>829,800</u>	<u>0</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2010-11	Recommended 2011-12	Change
Higher Education			
Special Revenue Funds - Other	829,800	829,800	0
Total	<u>829,800</u>	<u>829,800</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Higher Education	829,800	0	307,000	(109,100)
Total	<u>829,800</u>	<u>0</u>	<u>307,000</u>	<u>(109,100)</u>

Program	Nonpersonal Service	
	Amount	Change
Higher Education	522,800	109,100
Total	<u>522,800</u>	<u>109,100</u>

MISCELLANEOUS

**HIGHER EDUCATION FACILITIES
CAPITAL MATCHING GRANTS PROGRAM**

The 2005-06 budget included a new \$150 million higher education facilities capital matching grant program for private colleges in New York. Under this program, \$150 million was to be awarded to private colleges based on enrollment and relative student financial need as measured by total awards provided through the Tuition Assistance Program. This program requires a three to one (non-State to State) match by institutions.

Under this program, grants are awarded by the Higher Education Capital Matching Grant Board, which consists of three members (one appointed directly by the Governor with the remaining members appointed upon the recommendation of the Temporary President of the Senate and the Speaker of the Assembly) serving one year terms. Grants may be used for the design, construction or acquisition of new facilities, rehabilitation and repair of existing facilities or for any projects for targeted priorities including economic development/high technology, critical academic facilities, and urban renewal/historic preservation.

The 2011-12 Executive Budget continues \$150 million in reappropriation authority. To date, 123 capital projects committing \$126 million in capital matching grants from the State have been approved. As a result, most of the \$150 million in reappropriation authority is provided to honor existing grants. When fully implemented, this program will leverage over \$450 million in external funds to match the State's \$150 million investment, thereby providing for a combined capital program totaling \$600 million. The State's share of the program will be financed through the issuance of bonds. Furthermore, the 2011-12 Executive Budget extends the Higher Education Capital Matching Grants Program past the original statutory date of March 31, 2011. This extension is necessary for the program to achieve full implementation.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	93,000,000
Total	0	0	0	93,000,000

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Higher Education Capital Matching Grants				
Capital Projects Fund - Authority Bonds	0	0	0	93,000,000
Total	0	0	0	93,000,000

MISCELLANEOUS

HOMELAND SECURITY

Since Fall 2001, State agencies have deployed numerous resources to detect and protect against domestic security threats. The 2011-12 Executive Budget provides appropriations of \$169 million to support a continuation of homeland security activities throughout New York State, including a \$65 million contingency appropriation for costs of security measures implemented during periods of heightened threat alerts.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	168,000,000	169,000,000	1,000,000	140,700,000
Aid To Localities	0	0	0	200,000,000
Capital Projects	0	0	0	0
Total	<u>168,000,000</u>	<u>169,000,000</u>	<u>1,000,000</u>	<u>340,700,000</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	50,000,000	50,000,000	0
Special Revenue Funds - Other	3,000,000	9,000,000	6,000,000
Unspecified Funds	115,000,000	110,000,000	(5,000,000)
Total	<u>168,000,000</u>	<u>169,000,000</u>	<u>1,000,000</u>

Adjustments:

Transfer(s) From	
Homeland Security - Miscellaneous	
Special Revenue Funds - Federal (Aid To Localities)	(50,000,000)
Appropriated 2010-11	<u>118,000,000</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2010-11	Recommended 2011-12	Change
Domestic Anti-Terrorism Program			
Special Revenue Funds - Federal	50,000,000	50,000,000	0
Special Revenue Funds - Other	3,000,000	9,000,000	6,000,000
Unspecified Funds	115,000,000	110,000,000	(5,000,000)
Total	<u>168,000,000</u>	<u>169,000,000</u>	<u>1,000,000</u>

MISCELLANEOUS

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Domestic Anti-Terrorism Program	169,000,000	1,000,000	50,000,000	0
Total	169,000,000	1,000,000	50,000,000	0

Program	Maintenance Undistributed	
	Amount	Change
Domestic Anti-Terrorism Program	119,000,000	1,000,000
Total	119,000,000	1,000,000

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Total	0	0	0

Adjustments:

Transfer(s) To

Homeland Security - Miscellaneous
Special Revenue Funds - Federal
(State Operations)

Appropriated 2010-11

50,000,000

50,000,000

HUDSON RIVER VALLEY GREENWAY COMMUNITIES COUNCIL

The Hudson River Valley Greenway Communities Council is a 25-member advisory board, created in 1991, which is responsible for promoting the preservation of natural and cultural resources in the Hudson River Valley. The Council's operations are funded with State tax dollars from the General Fund. The Executive Budget recommends total appropriations of \$321,000 in 2011-12, a decrease of \$18,000 (-5 percent) from 2010-11, to support the Council's administration, technical assistance, and local planning grants programs. This change reflects a 10 percent year-to-year reduction in State operations spending from the General Fund.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	203,000	185,000	(18,000)	0
Aid To Localities	136,000	136,000	0	758,000
Capital Projects	0	0	0	0
Total	339,000	321,000	(18,000)	758,000

MISCELLANEOUS

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)			
Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Operations			
General Fund	1	1	0
Total	1	1	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	203,000	185,000	(18,000)
Total	203,000	185,000	(18,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations			
General Fund	203,000	185,000	(18,000)
Total	203,000	185,000	(18,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	152,000	(16,000)	152,000	(16,000)
Total	152,000	(16,000)	152,000	(16,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	33,000	(2,000)	9,000	(1,000)
Total	33,000	(2,000)	9,000	(1,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Operations	6,000	0	14,000	(1,000)
Total	6,000	0	14,000	(1,000)

Program	Equipment	
	Amount	Change
Operations	4,000	0
Total	4,000	0

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	136,000	136,000	0
Total	<u>136,000</u>	<u>136,000</u>	<u>0</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations			
General Fund	136,000	136,000	0
Total	<u>136,000</u>	<u>136,000</u>	<u>0</u>

INSURANCE AND SECURITIES FUNDS RESERVE GUARANTEE

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	1,605,000,000	1,605,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>1,605,000,000</u>	<u>1,605,000,000</u>	<u>0</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	1,605,000,000	1,605,000,000	0
Total	<u>1,605,000,000</u>	<u>1,605,000,000</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Aggregate Trust Fund			
General Fund	220,000,000	220,000,000	0
Property/Casualty Insurance Security Fund			
General Fund	90,000,000	90,000,000	0
State Insurance Fund			
General Fund	1,295,000,000	1,295,000,000	0
Total	<u>1,605,000,000</u>	<u>1,605,000,000</u>	<u>0</u>

MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Aggregate Trust Fund	220,000,000	0	220,000,000	0
Property/Casualty Insurance Security Fund	90,000,000	0	90,000,000	0
State Insurance Fund	1,295,000,000	0	1,295,000,000	0
Total	<u>1,605,000,000</u>	<u>0</u>	<u>1,605,000,000</u>	<u>0</u>

LOCAL GOVERNMENT ASSISTANCE

Local Government Assistance programs support a range of State aid and assistance for all classes of local governments. General Fund-supported programs include Aid and Incentives for Municipalities (AIM), which allocates direct State aid to cities, towns and villages, and the Local Government Efficiency Grant (LGEG) program, which provides grants to all classes of local governments intended to encourage municipal shared services and consolidation.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$847 million** in All Funds appropriations to fund miscellaneous State aid and assistance programs, including \$814 million in General Fund support to local governments under several aid programs and \$30 million in Fiduciary Funds to cover contingency appropriation requirements. This is an increase of **\$41 million** (5.1 percent) in All Funds appropriations over the 2010-11 budget, consisting primarily of a General Fund increase for new programs to incentivize local re-organization and efficiency.

PROGRAM HIGHLIGHTS

AID AND INCENTIVES FOR MUNICIPALITIES

The Executive Budget recommends \$794 million for the overall AIM program in 2011-12, an increase of \$53.2 million (7.2 percent). Major program recommendations include:

- \$715 million in AIM funding to municipalities outside the City of New York. This allocation reduces funding to municipalities by \$14.6 million (-2 percent). Even after these reductions, municipalities outside the City of New York will receive \$249.3 million (53.6 percent) more than they did in 2004-05.
- Maintain existing AIM policy for New York City.
- \$75 million in appropriations for new programs designed to encourage and reward local government re-organization and efficiency, including \$35 million for Citizen Empowerment Tax Credits and Citizens Re-Organization Empowerment Grants and \$40 million for Local Government Performance Incentive awards.

MISCELLANEOUS

- **Citizen Empowerment Tax Credits.** These funds would be available to incentivize local government consolidation or dissolution, providing a bonus equal to 15 percent of the newly combined local government's tax levy. At least 50 percent of such amount must be used for direct relief to property taxpayers.
 - **Citizens Re-Organization Empowerment Grants.** Funding for grants up to \$100,000 would be available for local governments to cover costs associated with studies, plans and implementation efforts related to local government re-organization activities.
 - **Local Government Performance and Efficiency Program.** Funding would be available for competitive one-time awards of up to \$25 per capita, capped at \$5 million, to municipalities that have achieved significant performance improvements and operational efficiencies.
- \$4 million for a streamlined Local Government Efficiency Grant (LGEG) program. This allocation is \$1 million less than 2009-10 and 2010-11, reflecting a partial shift of funding for local re-organization studies and planning grants from LGEG to the new Citizens Re-Organization Empowerment Grants.

OTHER LOCAL GOVERNMENT ASSISTANCE PROGRAMS

In addition to AIM and the various efficiency and performance based programs, the Executive Budget recommends the following:

- Providing \$19.6 million of aid to the City of Yonkers as the host of a video lottery gaming facility. This allocation preserves such aid to Yonkers, but eliminates the \$6.2 million (24 percent) of aid for all other eligible municipalities hosting such facilities.
- Eliminating \$3.92 million for Miscellaneous Financial Assistance. Oneida and Madison counties will no longer receive \$1.96 million each for interim financial assistance related to land claim settlements.
- Eliminating \$2.09 million for the Small Government Assistance program, which provided funding to certain counties and school districts.
- Providing \$18.7 million in reappropriations for Efficiency Incentive Grants, which support cost-saving investments in Erie County and the City of Buffalo.

FIDUCIARY FUNDS

Fiduciary appropriations totaling \$30 million are recommended for the Municipal Assistance State Aid Fund and the Municipal Assistance Tax Fund to comply with the City of Troy Municipal Assistance Corporation's debt service coverage requirements. This amount matches the total contingency appropriations made in 2010-11.

MISCELLANEOUS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	3,212,000	3,212,000	0	0
Aid To Localities	802,630,698	843,600,000	40,969,302	45,957,000
Capital Projects	0	0	0	0
Total	<u>805,842,698</u>	<u>846,812,000</u>	<u>40,969,302</u>	<u>45,957,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Financial Control Board, New York State			
Special Revenue Funds - Other	15	15	0
Total	<u>15</u>	<u>15</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	3,212,000	3,212,000	0
Total	<u>3,212,000</u>	<u>3,212,000</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Financial Control Board, New York State			
Special Revenue Funds - Other	3,212,000	3,212,000	0
Total	<u>3,212,000</u>	<u>3,212,000</u>	<u>0</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Financial Control Board, New York State	3,212,000	0	1,608,000	0
Total	<u>3,212,000</u>	<u>0</u>	<u>1,608,000</u>	<u>0</u>
	Nonpersonal Service			
Program	Amount	Change		
Financial Control Board, New York State	1,604,000	0		
Total	<u>1,604,000</u>	<u>0</u>		

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	772,630,698	813,600,000	40,969,302
Fiduciary Funds	30,000,000	30,000,000	0
Total	<u>802,630,698</u>	<u>843,600,000</u>	<u>40,969,302</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Aid and Incentives for Municipalities General Fund	740,821,000	794,000,000	53,179,000
Miscellaneous Financial Assistance General Fund	3,920,000	0	(3,920,000)
Municipal Assistance State Aid Fund Fiduciary Funds	15,000,000	15,000,000	0
Municipal Assistance Tax Fund Fiduciary Funds	15,000,000	15,000,000	0
Municipalities with VLT Facilities General Fund	25,801,000	19,600,000	(6,201,000)
Small Government Assistance General Fund	2,088,698	0	(2,088,698)
Total	<u>802,630,698</u>	<u>843,600,000</u>	<u>40,969,302</u>

NATIONAL AND COMMUNITY SERVICE

MISSION

The Office of National and Community Service provides staff support to the New York State Commission on National and Community Service. The Commission qualifies the State for Federal community service grants for local not-for-profit agencies. The community service grants support programs providing youth education, assistance to individuals with disabilities, public health services and disaster preparedness.

ORGANIZATION AND STAFFING

The Office of National and Community Service is housed and staffed within the Office of Children and Family Services.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$30.7 million** All Funds (\$692,000 General Fund; \$30 million Other Funds) for the Office of National and Community Service. This reflects a **\$6 million (-17 percent)** reduction from 2010-11, primarily due to a loss of Federal American Reinvestment and Recovery Act (ARRA) Funds of \$6 million and a 10 percent reduction (-\$38,000) in General Fund State Operations appropriations. General Fund support of \$342,000 allows the State to meet its match requirements. The remaining \$350,000 will fund the regional volunteer centers initiative that was created in 2009-10.

MISCELLANEOUS

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	36,380,000	30,342,000	(6,038,000)	110,253,000
Aid To Localities	350,000	350,000	0	850,000
Capital Projects	0	0	0	0
Total	<u>36,730,000</u>	<u>30,692,000</u>	<u>(6,038,000)</u>	<u>111,103,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs	2011-12 Estimated FTEs	FTE Change
	03/31/11	03/31/12	
Operations			
General Fund	4	4	0
Special Revenue Funds - Federal	6	6	0
Total	<u>10</u>	<u>10</u>	<u>0</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	380,000	342,000	(38,000)
Special Revenue Funds - Federal	36,000,000	30,000,000	(6,000,000)
Total	<u>36,380,000</u>	<u>30,342,000</u>	<u>(6,038,000)</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations			
General Fund	380,000	342,000	(38,000)
Special Revenue Funds - Federal	36,000,000	30,000,000	(6,000,000)
Total	<u>36,380,000</u>	<u>30,342,000</u>	<u>(6,038,000)</u>

MISCELLANEOUS

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	333,900	(37,100)	329,400	(36,600)
Total	333,900	(37,100)	329,400	(36,600)

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Operations	4,500	(500)
Total	4,500	(500)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	8,100	(900)	1,800	(200)
Total	8,100	(900)	1,800	(200)

Program	Contractual Services	
	Amount	Change
Operations	6,300	(700)
Total	6,300	(700)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	30,000,000	(6,000,000)	1,000,000	0
Total	30,000,000	(6,000,000)	1,000,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations	29,000,000	0	0	(6,000,000)
Total	29,000,000	0	0	(6,000,000)

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	350,000	350,000	0
Total	350,000	350,000	0

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Operations			
General Fund	350,000	350,000	0
Total	350,000	350,000	0

NEW YORK POWER AUTHORITY ASSET TRANSFER PROGRAM

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	318,000,000	318,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	318,000,000	318,000,000	0	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total Amount	Change	Maintenance Undistributed Amount	Change
New York Power Authority Asset Transfer Program	318,000,000	0	318,000,000	0
Total	318,000,000	0	318,000,000	0

PAYMENT TO THE CITY OF NEW YORK

This local assistance appropriation is required pursuant to Section 3238-a of the Public Authorities Law and is related to the refinancing of prior New York City Municipal Assistance Corporation debt by the Sales Tax Asset Receivable Corporation (STARC), a local development corporation established by the City of New York.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	170,000,000	170,000,000	0	0
Capital Projects	0	0	0	0
Total	170,000,000	170,000,000	0	0

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	170,000,000	170,000,000	0
Total	<u>170,000,000</u>	<u>170,000,000</u>	<u>0</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
STARC Payment			
General Fund	170,000,000	170,000,000	0
Total	<u>170,000,000</u>	<u>170,000,000</u>	<u>0</u>

RACING REFORM PROGRAM

The Racing Reform Program's appropriations were originally established to facilitate and finance activities associated with the implementation of Chapter 354 of the Laws of 2005. Subsequently, the Legislature enacted further reforms to the New York Racing Association in Chapters 18 and 140 of the Laws of 2008. The 2011-12 Executive Budget recommends reappropriations of \$2 million, which are available to finance any State costs resulting from this legislation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	2,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000,000</u>

RESERVE FOR FEDERAL AUDIT DISALLOWANCES

The Reserve for Federal Audit Disallowances provides authority to the General Fund in the event of a reduction in available Federal grant awards resulting from disallowances. This reserve is available to provide State funding to cover unusual instances in which legitimate expenditures are determined to be ineligible for federal reimbursement. The 2011-12 Executive Budget recommends an appropriation consistent with the prior year.

MISCELLANEOUS

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	200,000,000	200,000,000	0
Total	<u>200,000,000</u>	<u>200,000,000</u>	<u>0</u>

ROOSEVELT ISLAND OPERATING CORPORATION

The Roosevelt Island Operating Corporation of the State of New York (RIOC) was created by the New York State Legislature in 1984. Its mandate is to manage, develop and operate the 147-acre Roosevelt Island, located in New York City's East River, in the borough of Manhattan.

RIOC has promoted the development of a mixed-use, residential and commercial community that is home to more than 12,000 residents. The island has six historic landmarks, several parks, sports facilities, an aerial tramway, playgrounds and a waterfront promenade.

RIOC continues to develop and maintain utilities, public promenades and commercial opportunities on the island to support private development. The RIOC Board of Directors recently approved the planning and design of the Franklin Delano Roosevelt Four Freedoms Park to be located at the southernmost tip of Roosevelt Island and to be supported by funding from New York State, New York City and the Franklin and Eleanor Roosevelt Institute. The 2011-12 Executive Budget recommends reappropriation of \$1 million appropriated in 2009-10 for the park.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	1,157,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,157,000</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	0	0	0	1,157,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,157,000</u>

MISCELLANEOUS

SPECIAL EMERGENCY APPROPRIATION

The Special Emergency Appropriation provides authority for the disbursement of additional State Funds in the event of an unanticipated emergency affecting the State of New York, such as a natural disaster. The 2011-12 Executive Budget recommends an appropriation consistent with the prior year.

ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2010-11</u>	<u>Appropriations Recommended 2011-12</u>	<u>Change</u>	<u>Reappropriations Recommended 2011-12</u>
State Operations	100,000,000	100,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	100,000,000	100,000,000	0	0

SPECIAL FEDERAL EMERGENCY APPROPRIATION

The Special Federal Emergency Appropriation provides authority for the disbursement of funds received by the Federal Government in the event of an unanticipated emergency affecting the State of New York, such as a natural disaster. The 2011-12 Executive Budget recommends an appropriation consistent with the prior year.

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Special Revenue Funds - Federal	1,000,000,000	1,000,000,000	0
Total	1,000,000,000	1,000,000,000	0

SPECIAL PAY BILL

These appropriations were enacted in pay bills which implemented the two-year collective bargaining agreements (2007-2009) for the Security Supervisors Unit, represented by the New York State Law Enforcement Officers' Union, District Council 82, AFSCME, AFL-CIO, and the Security Services Unit (arbitration ineligible), represented by the New York State Correctional Officers and Police Benevolent Association, Inc..

All monies authorized by these appropriations have been allocated to the employing agencies in 2010-11 and no funding for this special pay bill agency is necessary in 2011-12.

MISCELLANEOUS

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Total	0	0	0
Adjustments:			
Transfer(s) To			
Correctional Services, Department of General Fund	10,279,000		
Education Department, State Special Revenue Funds - Federal	39,000		
Special Revenue Funds - Other	683,000		
Environmental Conservation, Department of General Fund	58,000		
Special Revenue Funds - Other	284,000		
General Services, Office of General Fund	66,000		
General State Charges General Fund	2,051,000		
Health, Department of General Fund	247,000		
Special Revenue Funds - Other	364,000		
Homeland Security and Emergency Services, Division of General Fund	8,000		
Labor Management Committees General Fund	374,000		
Labor, Department of Special Revenue Funds - Federal	333,000		
Mental Health, Office of Special Revenue Funds - Other	24,951,000		
Motor Vehicles, Department of Special Revenue Funds - Other	47,000		
Parks, Recreation and Historic Preservation, Office of General Fund	886,000		
Special Revenue Funds - Other	122,000		
Parole, Division of General Fund	431,000		
Paybill Transfer General Fund	4,552,000		
Special Revenue Funds - Other	15,000		
People with Developmental Disabilities, Office for Special Revenue Funds - Other	4,328,000		
State Police, Division of General Fund	1,022,000		
State University of New York General Fund	1,115,000		
Special Revenue Funds - Other	1,794,000		
State, Department of Special Revenue Funds - Other	34,000		
Workers' Compensation Board Special Revenue Funds - Other	375,000		
Appropriated 2010-11	<u>54,458,000</u>		

MISCELLANEOUS

STATE EQUIPMENT FINANCING PROGRAM

Statewide equipment represents spending for major equipment purchases and information systems research, development, and upgrades across all State agencies.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	187,285,000	92,751,000	(94,534,000)	231,123,000
Total	<u>187,285,000</u>	<u>92,751,000</u>	<u>(94,534,000)</u>	<u>231,123,000</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Program Changes and Expansion				
Capital Projects Fund - Authority Bonds	187,285,000	92,751,000	(94,534,000)	231,123,000
Total	<u>187,285,000</u>	<u>92,751,000</u>	<u>(94,534,000)</u>	<u>231,123,000</u>

TRIBAL STATE COMPACT REVENUE

State Finance Law requires that, in instances where the State receives Native American casino revenues pursuant to a compact with the respective Tribe, the State must provide local host governments with up to 25 percent of the State's share of compact revenues. Accordingly, the Executive Budget recommends \$44.3 million, which represents 25 percent of the State's estimated revenues from Native American casinos located in Buffalo, Niagara Falls, Salamanca and Hogansburg.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	39,100,000	44,300,000	5,200,000	87,494,000
Capital Projects	0	0	0	0
Total	<u>39,100,000</u>	<u>44,300,000</u>	<u>5,200,000</u>	<u>87,494,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Other	39,100,000	44,300,000	5,200,000
Total	<u>39,100,000</u>	<u>44,300,000</u>	<u>5,200,000</u>

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Tribal-State Compact Revenue Program			
Special Revenue Funds - Other	39,100,000	44,300,000	5,200,000
Total	<u>39,100,000</u>	<u>44,300,000</u>	<u>5,200,000</u>

WORKERS' COMPENSATION RESERVE

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	18,030,000	16,130,000	(1,900,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>18,030,000</u>	<u>16,130,000</u>	<u>(1,900,000)</u>	<u>0</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Workers' Compensation Reserve	16,130,000	(1,900,000)	16,130,000	(1,900,000)
Total	<u>16,130,000</u>	<u>(1,900,000)</u>	<u>16,130,000</u>	<u>(1,900,000)</u>

WORLD TRADE CENTER REBUILDING AND REVITALIZATION

The recommended reappropriations will facilitate the continuation of New York State's efforts to revitalize the World Trade Center property and lower Manhattan. Recommendations will provide ongoing authorization for payments associated with the engineering and construction of State capital projects in lower Manhattan, including the reconstruction and improvement of Route 9A, and September 11th-related expenses.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	0	0	0	0
Aid To Localities	0	0	0	39,000,000
Capital Projects	0	0	0	295,132,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>334,132,000</u>

MISCELLANEOUS

CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
World Trade Center				
Federal Capital Projects Fund	0	0	0	295,132,000
Total	0	0	0	295,132,000

STATE DEBT SERVICE AND FINANCING AGREEMENT PAYMENTS

INTRODUCTION

The 2011-12 recommended debt service appropriations meet all of the State's potential obligations to bondholders, and reflect the maximum estimated debt service payments for outstanding bonds, including payments due on outstanding variable rate debt, interest rate exchange agreements ("swaps") and new State-supported bond issuances.

A broad overview of the State's debt management practices, debt affordability measures, and five year information and trends on State debt levels and capital costs is available in the Five-Year Capital Program and Financing Plan released with the budget.

OPERATING HIGHLIGHTS

Debt financing is used to partially finance the State's capital program, providing necessary funding for transportation, education, economic development, and other major program areas. State-related debt – a comprehensive measure which includes debt issued by the State, by public authorities on behalf of the State, and other debt obligations for which the State is contractually or morally responsible – is projected to grow from \$56.4 billion in 2010-11 to \$58.1 billion by the end of 2011-12. Debt service spending – the costs of repaying those debt obligations – is projected to grow from \$6.0 billion in 2010-11 to approximately \$6.6 billion by the end of 2011-12.

KEY STRATEGIES

The 2011-12 Executive Budget seeks to reduce the State's costs of borrowing through a number of debt management efforts. These are expected to produce debt service savings totaling approximately \$11.5 million in 2011-12 and include the following.

- Extending opportunities for increased efficiencies and savings with the Personal Income Tax Revenue Bond Program through continued issuer flexibility.
- Using competitive bond sales for up to 50 percent of State-supported debt issuances, subject to market conditions.
- Continuing to refund higher cost debt, including refunding older service contract bonds under a consolidated credit structure, thereby enhancing efficiencies and increasing savings opportunities.

GENERAL DEBT SERVICE FUND

The General Debt Service Fund pays for debt service and related expenses on fixed and variable rate General Obligation bonds, Personal Income Tax revenue bonds, and lease-purchase and contractual obligation payments to public authorities. The General Debt Service Fund's moneys are provided from the General Fund, dedicated personal income taxes, and other available transfers and revenues. Total appropriations of \$5.0 billion are recommended from the General Debt Service Fund. These amounts include contingent appropriations for obligations related to deficit (tobacco securitization) and secured hospital financings, which are more fully discussed in the Contingent and Other Appropriations section.

DEBT SERVICE

General Obligation Bonds

Appropriations from the General Debt Service Fund for general obligation bonds are recommended at \$530 million and reflect payments on outstanding fixed rate and variable rate general obligation bonds and estimated payments on new bonds anticipated to be issued.

Lease Purchase Obligations

Appropriations of \$2.9 million are recommended for lease-purchase payments for various State facilities, including the Department of Transportation Region One headquarters building in Schenectady and other facilities.

Special Contractual Obligations

Appropriations of \$1.7 billion are recommended from the General Debt Service Fund to the following public authorities for special contractual obligations due on outstanding State appropriation-backed bonds:

- Thruway Authority for Local Highway and Bridge service contract bonds for local transportation purposes (\$205 million). Spending from this appropriation is financed by transfers from the Dedicated Highway and Bridge Trust Fund.
- Environmental Facilities Corporation for environmental infrastructure service contract bonds, the Pipeline for Jobs Program, and the financing of parks and other environmental programs (\$28 million).
- Urban Development Corporation for financing the construction and rehabilitation of prisons, State facilities, youth facilities, the pine barrens land acquisition, economic development purposes, projects at various university technology centers, the Higher Education Applied Technology program, and the Onondaga Convention Center (\$446 million).
- Dormitory Authority of the State of New York for State University of New York educational facilities, athletic facilities and upstate community colleges, State Education Department facilities, City University of New York senior and community colleges, RESCUE school construction, child care facilities, the Department of Health's Axelrod Laboratory, the Albany Airport, the Department of Audit and Control building, and the East Garage in Albany (\$713 million).
- Housing Finance Agency pursuant to agreements to finance the State's housing programs (\$34 million).
- Triborough Bridge and Tunnel Authority for the Javits Convention Center in New York City (\$43 million).
- Metropolitan Transportation Authority for service contract payments on bonds issued to finance transit and commuter rail projects (\$165 million).
- Related and capital expenses (\$29 million).

Revenue Bond Tax Fund

The appropriations for 2011-12 reflect the continued use of the Personal Income Tax revenue bond program (rated AAA by Standard and Poor's) to reduce State borrowing costs. Appropriations of \$2.4 billion are recommended from the Revenue Bond Tax Fund, an account within the General Debt Service Fund that provides for the payment of

DEBT SERVICE

Personal Income Tax Revenue bonds. These bonds are secured by the pledge of payments from the Revenue Bond Tax Fund, which receives 25 percent of State personal income tax receipts. Tax receipts in excess of debt service requirements are then transferred back to the State's General Fund.

Personal Income Tax revenue bonds are issued under broad functional areas by certain public authorities and are provided as follows:

- Economic Development and Housing (\$385 million);
- Education (\$470 million);
- Environment (\$105 million);
- General Purpose (\$940 million)
- Health care (\$15 million);
- State Facilities and Equipment (\$200 million);
- Transportation (\$275 million); and
- Related and capital expenses (\$18 million).

HOUSING DEBT FUND

Payments from local governments and housing companies that benefit from housing and urban renewal projects funded with State general obligation bonds are deposited in the Housing Debt Fund and are used to pay debt service on such bonds. A \$15.5 million appropriation is recommended for 2011-12.

HEALTH INCOME FUND

The Department of Health has entered into contractual agreements with the Dormitory Authority of the State of New York to finance the construction and rehabilitation of State hospitals and veterans' homes. These agreements require the Department of Health to make lease-purchase rental payments to the Dormitory Authority of the State of New York. Such payments have first claim on revenues received in this Fund from patient care at the Department of Health facilities. Consistent with existing bonding pledges and statutory requirements, the Roswell Park Cancer Institute Corporation's moneys continue to flow into the Fund as security for payments to bondholders. As a result, the State's Financial Plan reflects the portion of the Corporation's receipts that are attributable to debt service. Lease-purchase obligations during 2011-12 require appropriations of \$34.8 million.

STATE UNIVERSITY DORMITORY INCOME FUND

This Fund receives payments from student dormitory rentals and other fees at dormitories operated by the State University of New York. Debt service on bonds issued by the Dormitory Authority of the State of New York for the construction and rehabilitation of the State University of New York dormitory facilities has first claim on all revenues deposited in the Fund. An appropriation of \$105.3 million is recommended for lease-purchase payments to the Dormitory Authority of the State of New York.

DEBT SERVICE

MENTAL HEALTH SERVICES FUND

The Dormitory Authority of the State of New York is authorized to issue bonds to finance capital programs for the Department of Mental Hygiene. Patient revenues received from care and treatment activities at State mental health facilities are deposited into the Mental Health Services Fund, and are used to make payments to the Dormitory Authority of the State of New York for debt service on mental health services bonds. These payments have first claim on moneys in the Fund. The Dormitory Authority of the State of New York also makes loans to eligible not-for-profit agencies providing mental health services. In return, these voluntary agencies make rental payments equal to the amount of debt service on bonds issued to finance their projects. These payments are also deposited in the Fund. The recommended appropriation for these obligations is \$353 million.

LOCAL GOVERNMENT ASSISTANCE TAX FUND

To eliminate the State's annual cash flow borrowing to finance payments in the first quarter of the State Fiscal Year, 1990 legislation authorized the Local Government Assistance Corporation to issue bonds to finance payments to local governments previously funded by the State. By 1995, the Corporation had issued its entire \$4.7 billion net authorization, and its activities are now primarily limited to the ongoing maintenance of those existing obligations. Revenues equal to the first cent of the four cent State sales and use tax are deposited into the Local Government Assistance Tax Fund and used to pay debt service on the Local Government Assistance Corporation bonds. The recommended appropriation of \$392 million represents anticipated debt service on all outstanding fixed and variable rate bonds, interest rate exchange agreement payments and related administrative expenses.

Local aid payments due to New York City from the Local Government Assistance Tax Fund, and assigned by the City to the Sales Tax Asset Receivable Corporation, are appropriated in the local assistance portion of the budget.

SCHOOL CAPITAL FACILITIES FINANCING RESERVE FUND

An appropriation of \$30.5 million is recommended from the School Capital Facilities Financing Reserve Fund, a fiduciary fund, to pay debt service and related expenses on bonds issued by the Dormitory Authority of the State of New York on behalf of special act and certain other authorized local school districts. The districts have assigned to the Dormitory Authority of the State of New York their State local assistance payments, which are deposited into the Fund and used to make debt service payments on bonds issued to finance their respective facilities.

DEDICATED HIGHWAY AND BRIDGE TRUST FUND

An appropriation of \$960.3 million is recommended to the Thruway Authority for 2011-12 debt service payments and related expenses on Dedicated Highway and Bridge Trust Fund bonds. Debt service payments for the highway program are supported by the statutory dedication of transportation-related taxes and fees to the Fund.

DEBT SERVICE

DEBT REDUCTION RESERVE FUND

An appropriation of \$250 million is recommended from the Debt Reduction Reserve Fund to allow the State flexibility to defease high cost debt and/or pay hard dollar for capital projects that would otherwise be financed with debt. No disbursements are anticipated from this appropriation in 2011-12.

CONTINGENT AND OTHER APPROPRIATIONS

Contingent and other appropriations are required pursuant to various bond financing agreements. Therefore, they supply appropriation authority in the unlikely event that the primary obligated parties cannot provide sufficient funds to meet their own debt service obligations, or to pay unforeseen additional expenses that may arise on State-supported obligations. Appropriations of \$2.1 billion are recommended in this section of the debt service appropriation bill to provide for the State's contingent liabilities to make payments on certain other types of debt instruments. These include arbitrage rebate and defeasance obligations required by Federal tax code limitations, the maximum potential variable rate, swap, termination or other payments on State-supported debt obligations, as well as contingent-contractual obligations for deficit (tobacco securitization) and secured hospital bonds. The State does not anticipate making disbursements from the secured hospital appropriations during the 2011-12 fiscal year, depending on developments related to certain health care facilities. It does not anticipate disbursements for any of the other appropriations described in this section.

General Fund – State Purposes Account

An appropriation of \$20 million is recommended for the State's potential liability to rebate arbitrage earnings on General Obligation bonds to the Federal government. In addition, a \$225 million appropriation is recommended for the redemption of General Obligation bonds, should this become necessary to maintain the exemption from Federal taxation of the interest paid to General Obligation bondholders. This appropriation would only be used if the State received payments from any party found to be responsible for site contamination for which 1986 Hazardous Waste and 1996 Clean Water/Clean Air bonds were sold and disbursed to finance site clean-ups. The potential use of this appropriation is unlikely, as an effort is made to find the responsible parties prior to the issuance of bonds.

All Funds

An All Funds appropriation of \$1.5 billion provides authority for a maximum interest rate of 18 percent on variable rate bonds, and the estimated costs for potential terminations on all interest rate exchange agreements outstanding, under Article 5-D of the State Finance Law. This appropriation is available to all issuers of State-supported debt, and provides assurances to bondholders and counterparties of interest rate exchange agreements that sufficient authorization is available to pay the maximum amounts which may become due on such variable rate and swap instruments. In addition, it provides the State the flexibility needed to comprehensively manage such instruments and State-supported obligations consistent with stressed market conditions, including the ability to terminate swap agreements and effectively manage risks.

DEBT SERVICE

Secured Hospitals

This appropriation is provided to the Dormitory Authority of the State of New York for contingent-contractual obligations related to financially distressed hospitals in the event that hospital loan repayments and other available funds are inadequate to meet debt service and related expenses (\$84 million). Legislative authorization for new projects in this program expired in March 1998.

Tobacco Settlement Financing Corporation

This appropriation is provided to the Tobacco Settlement Financing Corporation for contingent-contractual obligations that are available to pay debt service on bonds issued by the Corporation to help eliminate a deficit in 2003-04. Such funds would only be called upon in the unlikely event that tobacco receipts sold to the Tobacco Settlement Financing Corporation are insufficient to make such payments. As required by the contingent contract, the debt service bill includes a recommended appropriation that is equal to amounts payable on the Corporation's bonds in 2011-12 (\$306 million).

DEBT SERVICE

ALL FUNDS FISCAL REQUIREMENTS DEBT SERVICE AND FINANCING AGREEMENT PAYMENTS (dollars)

Fund	Available 2010-11	Recommended 2011-12	Change
General Fund			
State Operations Account			
Rebates to Federal Government	20,000,000	20,000,000	0
Redemption of General Obligation Bonds	225,000,000	225,000,000	0
Subtotal	<u>245,000,000</u>	<u>245,000,000</u>	<u>0</u>
Fiduciary Funds			
School Capital Facilities Financing Reserve Fund			
Trust and Agency Financing	30,500,000	30,500,000	0
Subtotal	<u>30,500,000</u>	<u>30,500,000</u>	<u>0</u>
Debt Service Funds			
Debt Reduction Reserve Fund			
Debt Reduction	250,000,000	250,000,000	0
Mental Health Services Fund			
Financing Agreements	375,000,000	353,000,000	(22,000,000)
General Debt Service Fund			
General Obligation Bonds	515,000,000	530,000,000	15,000,000
Financing Agreements	2,179,700,000	2,052,050,000	(127,650,000)
Revenue Bond Payments	2,093,800,000	2,408,350,000	314,550,000
Lease Purchase Payments	39,875,000	2,925,000	(36,950,000)
Housing Debt Fund			
General Obligation Bonds	16,500,000	15,500,000	(1,000,000)
Department of Health Income			
Financing Agreements	32,000,000	32,000,000	0
Financing Agreements	1,700,000	2,800,000	1,100,000
State University Dormitory Income Fund			
Financing Agreements	91,000,000	105,300,000	14,300,000
Local Government Assistance Tax Fund			
Financing Agreements	398,000,000	392,000,000	(6,000,000)
Subtotal	<u>5,992,575,000</u>	<u>6,143,925,000</u>	<u>151,350,000</u>
Capital Projects Funds - Other			
Dedicated Highway and Bridge Trust Fund			
Financing Agreements	920,200,000	960,250,000	40,050,000
Subtotal	<u>920,200,000</u>	<u>960,250,000</u>	<u>40,050,000</u>
All Funds			
All Funds			
Contingent Appropriation	2,100,000,000	1,500,000,000	(600,000,000)
Subtotal	<u>2,100,000,000</u>	<u>1,500,000,000</u>	<u>(600,000,000)</u>
Total Fiscal Year	<u>9,288,275,000</u>	<u>8,879,675,000</u>	<u>(408,600,000)</u>
Appropriated 2010-11	<u>9,288,275,000</u>		

COMMENTARY OF THE GOVERNOR ON THE JUDICIARY

In accordance with Article VII, Section 1 of the State Constitution, I transmit herewith the appropriations requested by the Judiciary for fiscal year 2011-12. As required by the Constitution, I present the Judiciary budget as it has been submitted by the Chief Judge.

The Judiciary has requested appropriations that total over \$2.7 billion. This reflects an increased appropriation of 1.9 percent, or \$50 million, from last year. The proposed Judiciary budget also reflects, on a cash basis, a spending increase of 5.3 percent, or \$140 million.

In this economy, New York State government must recalibrate, redesign and rebuild. We cannot afford spending increases. Indeed, the State must reduce spending. I have proposed a ten percent General Fund reduction for all State agency operations from 2010-11; the Comptroller and the Attorney General have proposed the same reduction in their spending.

In order to address the fiscal realities confronting the State, I respectfully ask the Judicial Branch to reduce its spending while continuing to serve those who seek justice.

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2011-12 BUDGET REQUEST

INTRODUCTION

THE UNIFIED COURT SYSTEM

The Judiciary is one of the three branches of New York State Government. Article VI of the State Constitution establishes a Unified Court System (UCS), defines the organization and jurisdiction of the courts and provides for the administrative supervision of the courts by a Chief Administrator on behalf of the Chief Judge of the State of New York.

The objectives of the Judiciary are to: (1) provide a forum for the peaceful, fair and prompt resolution of civil claims and family disputes, criminal charges and charges of juvenile delinquency, disputes between citizens and their government, and challenges to government actions; (2) supervise the administration of estates of decedents, consider adoption petitions, and preside over matters involving the dissolution of marriages; (3) provide legal protection for children, mentally ill persons and others entitled by law to the special protection of the courts; and, (4) regulate the admission of lawyers to the Bar and their conduct and discipline.

The New York State court system is one of the largest and busiest in the Western World. It consists of nearly 1,300 state-paid judges, 2,300 town and village justices and approximately 17,000 nonjudicial employees. Pursuant to the Unified Court Budget Act, the cost of operating the UCS, excluding town and village courts, is borne by the State.

STRUCTURE AND JURISDICTION OF THE COURTS

The Unified Court System is structured as follows:

APPELLATE COURTS

Court of Appeals
Appellate Divisions
of the Supreme Court
Appellate Terms of the
Supreme Court
County Courts (acting as
appellate courts)

TRIAL COURTS OF SUPERIOR JURISDICTION

Statewide:
Supreme Court
Court of Claims
Family Court
Surrogate's Court

Outside New York City:
County Court

TRIAL COURTS OF LIMITED JURISDICTION

New York City:
Criminal Court
Civil Court
Outside New York City:
City Courts
District Courts
Town Courts*
Village Courts*

*Locally funded courts

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The jurisdiction of each court is established by Article VI of the Constitution or by statute. The Courts of Original Jurisdiction, or trial courts, hear cases in the first instance, and the appellate courts hear and determine appeals from the decisions of the trial courts.

The Court of Appeals, the State's highest court, hears cases on appeal from the other appellate courts and, in some instances, from the Courts of Original Jurisdiction. The jurisdiction of the Court is established in section 3 of Article VI of the Constitution. In most cases, its review is limited to questions of law. The Court also reviews determinations of the Commission on Judicial Conduct.

There are four Appellate Divisions of the Supreme Court, one in each of the State's four judicial departments. The Appellate Divisions hear appeals from judgments or orders in civil and criminal cases. In the 1st and 2nd Departments, Appellate Terms have been established to hear appeals in criminal and civil cases determined in the Criminal and Civil Courts of the City of New York and civil and criminal cases determined in district, city, town, and village courts outside the City. In the 3rd and 4th Departments, appeals from city, town and village courts are heard initially in the appropriate county court.

The Supreme Court, which functions in each of the State's thirteen judicial districts, is a trial court of unlimited, original jurisdiction, but it generally hears cases outside the jurisdiction of other courts. It exercises its civil jurisdiction statewide; in the City of New York and some other parts of the State, it also exercises jurisdiction over felony charges.

The Court of Claims is a statewide court having jurisdiction over claims for money damages against the State. Certain judges of the Court of Claims; i.e., judges appointed pursuant to paragraphs (b), (d), and (e) of subdivision 2 of section 2 of the Court of Claims Act, are assigned temporarily to the Supreme Court.

There are three county-level superior courts. The County Court is established in each county outside the City of New York. It is authorized to handle the prosecution of crimes committed within the county. In practice, however, arraignments and other preliminary proceedings on felonies, misdemeanors and minor offenses are handled by courts of limited jurisdiction, while the County Court presides over felony trials and supervises the Grand Jury. The County Court also has limited jurisdiction in civil cases with authority to entertain those involving contested amounts of up to \$25,000.

The Family Court is established in each county and in the City of New York. It has jurisdiction over matters involving children and families. Its caseload consists largely of proceedings involving support of dependent relatives, juvenile delinquency, child protection, persons in need of supervision, review and approval of foster-care placements, paternity determinations, and family offenses.

The Surrogate's Court is established in every county and hears cases involving the affairs of decedents, including the probate of wills and the administration of estates. Family Court and Surrogate's Court have concurrent jurisdiction in adoption proceedings.

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The Civil Court of the City of New York tries civil cases involving amounts up to \$25,000 and other civil matters referred to it by the Supreme Court (pursuant to section 325 of the CPLR). It includes a Housing Part for landlord-tenant matters and housing code violations. It also includes a Small Claims Part and a Commercial Small Claims Part for matters not exceeding \$5,000.

The Criminal Court of the City of New York has jurisdiction over all violations, infractions and misdemeanor offenses committed within the City of New York, as well as pre-indictment processing in felony matters. Judges of the Criminal Court also act as arraigning magistrates and conduct preliminary hearings in felony cases.

There are four kinds of courts of limited jurisdiction outside the City of New York: District (established in Nassau County and in the five western towns of Suffolk County), City, Town and Village Courts. All have jurisdiction over minor criminal matters. They also have jurisdiction over minor civil matters, including small claims and summary proceedings, although their monetary ceilings vary: \$15,000 in District and City Courts, and \$3,000 in Town and Village Courts.

The civil courts of limited jurisdiction in 31 counties are making use of compulsory arbitration with lawyer arbitrators to resolve minor civil disputes, that is, civil actions where the amount sought is \$6,000 or less in courts outside the City of New York and \$10,000 or less in courts in the City.

To address significant delays in the processing and resolution of criminal cases, the UCS has undertaken an experimental reorganization of the courts of criminal jurisdiction within Bronx County. This initiative, commenced during 2004, consolidated the judicial and nonjudicial personnel resources of both the Criminal Court and the Supreme Court, Criminal Term to address both felony and misdemeanor caseloads. This reorganization has significantly reduced the backlog of misdemeanor matters in the Bronx and has shortened the time required to resolve cases. This consolidation of court parts has also resulted in various operating efficiencies with corresponding financial savings.

Over the past decade, the court system has been incorporating a variety of problem-solving strategies into mainstream court operations such as Drug Treatment Courts, Integrated Domestic Violence Courts, Community Courts, Mental Health Courts and Sex Offense Courts. These problem-solving courts feature the active involvement of judges in collaboration with criminal justice, treatment and social services agencies. By addressing and seeking to resolve the underlying problems that bring people into the justice system, the courts have demonstrated that they can provide significant savings to state and local governments with regard to incarceration, public assistance and other societal costs.

ADMINISTRATIVE STRUCTURE OF THE UNIFIED COURT SYSTEM

Section 28 of Article VI of the State Constitution provides that the Chief Judge of the Court of Appeals is the Chief Judge of the State and its chief judicial officer. The Chief Judge appoints a Chief Administrator of the Courts (who is called the Chief

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Administrative Judge of the Courts if the appointee is a judge) with the advice and consent of the Administrative Board of the Courts. The Administrative Board consists of the Chief Judge, as chair, and the Presiding Justices of the four Appellate Divisions of the Supreme Court.

The Chief Judge establishes statewide standards and administrative policies after consultation with the Administrative Board of the Courts and promulgates them after approval by the Court of Appeals.

The Chief Administrative Judge, on behalf of the Chief Judge, is responsible for supervising the administration and operation of the trial courts and for establishing and directing an administrative office for the courts, called the Office of Court Administration (OCA). In this task, the Chief Administrative Judge is assisted by an Administrative Director, Chief of Operations and a Chief of Policy and Planning; two Deputy Chief Administrative Judges, who supervise the day-to-day operations of the trial courts in New York City and in the rest of the State, respectively; and a Counsel, who directs the legal and legislative work of the Counsel's Office.

OCA consists of operational divisions, with overall policy guidance and management directed by the Chief Administrative Judge, assisted by the Chief of Operations and the Administrative Director of the Courts. The Division of Human Resources is responsible for the administration of the UCS's workforce diversity programs; labor management relations; career development services; employee benefits administration; and a broad range of personnel services dealing with job classification, compensation and examination issues. The Division of Financial Management coordinates the preparation and implementation of the Judiciary Budget and is responsible for payroll processing, as well as for promulgation of fiscal policies and procedures; revenue and expenditure monitoring, control and reporting; and the coordination of the fiscal aspects of the Court Facilities Aid Program. The Division of Technology is responsible for the development, implementation and oversight of all central and local automation and telecommunication services which support court operations and administrative functions. The Division of Court Operations provides centralized support for day-to-day court operations through its oversight of streamlining initiatives, procedural manual development and training programs, alternative dispute resolution programs and oversight of legal and records management services. The Division of Administrative Services provides a broad range of general support services to the courts including, but not limited to: central accounting and revenue management; attorney registration administration; centralized procurement; supply and printing and professional development. The Division of Grants and Program Development supports the UCS in the design, development, funding and evaluation of innovative, collaborative justice initiatives.

The services provided by these operational divisions are further supplemented by a Public Affairs Office which coordinates communications with other governmental entities, the press, public and Bar. The Office of Court Research compiles UCS workload statistics for the courts, management, and the public and conducts operational improvement studies. The Office of Justice Courts Support provides oversight of local Town and Village Courts. The Dean of the NYS Judicial Institute oversees the Education and Training Office which administers educational programs and the operation of the Judicial Training Institute at Pace University. The Office of Public Safety

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administers the Judiciary's court security and disaster preparedness activities. The Inspector General's Office is responsible for the investigation and elimination of infractions of discipline standards, conflicts of interest, and criminal activities on the part of nonjudicial employees and persons or corporations doing business with the court system. Finally, an Office of Internal Affairs, reporting directly to the Chief Administrative Judge, conducts internal audits and investigations to support the attainment of management's long-term goals and priorities.

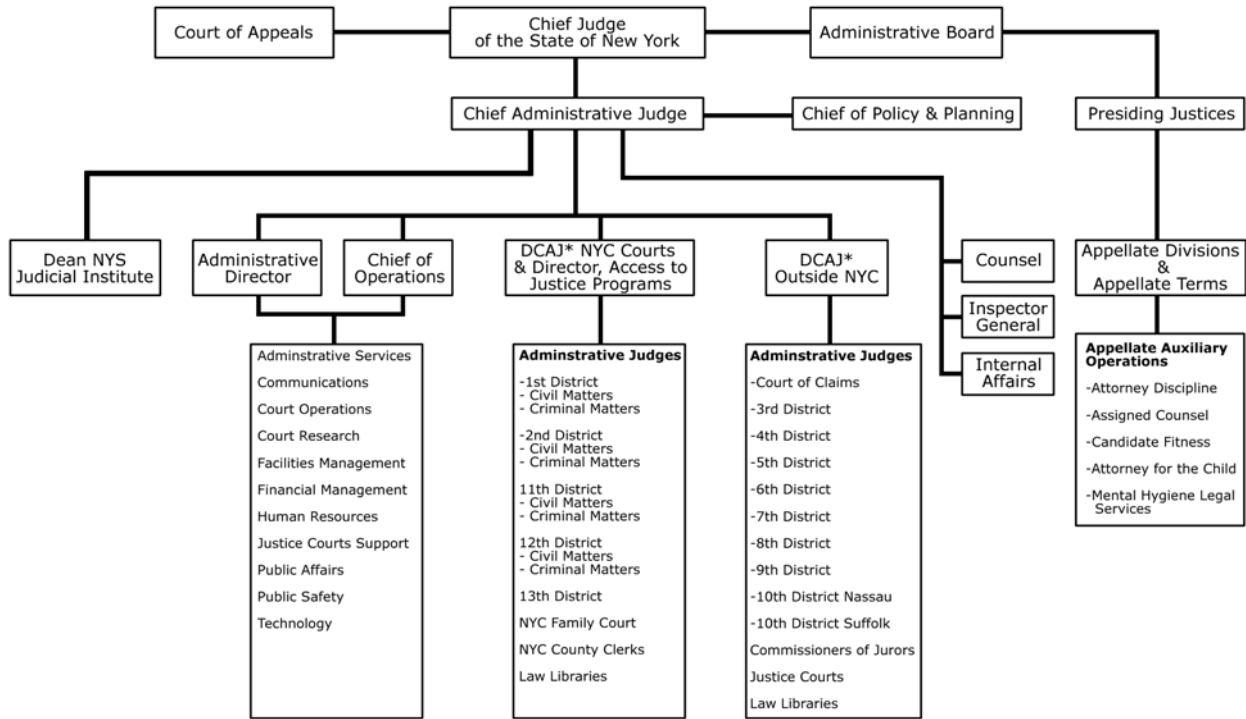
Counsel's Office prepares and analyzes legislation, represents the UCS in litigation, and provides various other forms of legal assistance to the Chief Administrative Judge.

Responsibility for on-site management of the trial courts and agencies is vested with the Administrative Judges. Upstate, in each of the eight judicial districts established outside the City of New York, there is a District Administrative Judge who is responsible for all the courts and agencies operating within their respective districts except in the Tenth Judicial District, where a separate Administrative Judge is appointed for Nassau and Suffolk Counties. In the City of New York, the day-to-day management of Civil and Criminal Courts has been incorporated into a new county-based system. Each county, except for Richmond, has a separate Administrative Judge for civil and criminal matters. New York City Family Court continues to have a citywide Administrative Judge overseeing supervising judges in each of the five counties. A Deputy Chief Administrative Judge coordinates citywide policies and initiatives for the Civil and Criminal Courts and provides general oversight of all the courts in New York City.

The Appellate Divisions are responsible for the administration and management of their respective courts, and of the several Appellate Auxiliary Operations: Candidate Fitness, Attorney Discipline, Assigned Counsel, Attorney for the Child, and Mental Hygiene Legal Service.

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Unified Court System Administrative Structure



*DCAJ - Deputy Chief Administrative Judge

EXECUTIVE SUMMARY

In the current economic recession, as never before, the New York State courts have become the emergency room for New Yorkers in crisis. In every courtroom throughout the State, the volume of new cases has dramatically increased, the number of litigants appearing without counsel is unprecedented, and the complexity of cases, including foreclosures, has risen to new levels. We have met this challenge through the commitment, intelligence and energy of our Judiciary, who labor, daily and diligently, to meet the vast justice needs of those who seek justice in our courts.

It is the fundamental obligation of the Judiciary to ensure that each New Yorker's most basic right to justice is met. At the same time, we recognize our obligation to ensure that resources are used wisely and efficiently, and to do our part to address the State's fiscal crisis. The Judiciary's budget request reflects a careful balancing of these principles, identifying the resources necessary for the courts to fulfill their constitutional duty while reducing costs wherever possible.

The challenges we face are daunting:

- The total caseload of the courts Statewide has risen sharply, growing by 12 percent since 2001.
- Foreclosure filings continue their dramatic increase, with 50,000 filings expected in 2010; more than double the number in 2005. The courts have held more than 90,000 settlement conferences in foreclosure cases thus far in 2010.
- Family offense cases are up sharply, with a 32 percent increase over 2006.
- The caseload of the New York City Civil Court has increased by 92 percent since 2001, and the civil caseload of city courts outside of New York City has risen by 99 percent over the same period, with much of the growth due to consumer debt cases.
- New York City arrest cases are nearing the levels seen in the late 1990's, with filings up 19 percent since 2005.

Despite this record workload, as the result of an aggressive cost-control program, the Judiciary has been able to hold the line on its operating budget. Indeed, the General Fund - Court and Agency Operations and Aid to Localities portion of the Judiciary budget request is \$1.8 billion, .02 percent less than the current year.

The Judiciary is able to present this negative-growth budget, despite both the courts' record-level workload and a number of mandatory cost increases (including \$20.2 million for salary adjustments required by law for nonjudicial personnel), by undertaking a variety of cost-saving measures, as well as a comprehensive review of operations.

The Judiciary's participation in the Early Retirement Incentive program will produce significant cost savings. Approximately 1,800 nonjudicial employees participated in the Program. Each office and court was asked to view the Incentive Program as an opportunity to rethink their operations, and to develop plans to improve efficiencies and reduce costs. As a result, a significant number of positions, particularly in administrative

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areas, will not be refilled. Even positions that must be refilled, such as those in courtrooms and chambers, will result in saving because of lower salaries paid to new employees.

The Judiciary will also continue to carefully monitor all expenditures, limiting overtime, barring all but essential travel, reducing the purchase of print legal reference materials in favor of flat-rate online legal research, restricting equipment purchases, and increasing the use of web-based remote training. Across these categories, the court system reduced spending by more than 16 percent over the past two years.

Beyond these specific cost-cutting measures, the Judiciary has undertaken a comprehensive, system-wide re-engineering effort, examining every aspect of its operations, to identify ways to improve efficiency and cost-effectiveness, for the benefit both of the court system itself and court users. In this effort, the court system is partnering with the National Center for State Courts to bring the broadest possible experience and expertise to New York.

Automation continues to play a key role in rethinking the way the courts do business. For example, this year the court system initiated pilot projects in mandatory electronic filing (authorized by L.2009, c.416), an innovation that will transform the justice system, and offer significant savings, convenience and other benefits not just to the courts, but also to County Clerks, the Bar and litigants. Similarly, this year the court system inaugurated online attorney registration, and continued a number of innovative joint projects with a variety of government agencies, to improve inter-agency electronic transmission of data, in order to increase efficiency, enhance services and reduce costs.

The re-engineering initiative will also look for ways to streamline processes, eliminate duplicative functions, and consolidate services. A number of such changes have already been implemented. For example, the courts in Nassau County consolidated two separate law libraries and a Help Center for self-represented litigants into a single site, saving thousands of dollars in annual costs while improving operations. The use of public access computer terminals in remote locations ensured that there was no reduction in service to the public, while the consolidation at a single site has led to increased efficiencies and permitted a reduction in staffing levels. Similarly, we have consolidated administrative functions, so that, for example, a single chief clerk now manages the Putnam County Family, County, and Supreme Courts. In addition, the court system has automated all personnel functions, including time and leave transactions and the civil service examination and application processes. The result is a more efficient, greener system, that provides better service with fewer staff. The project with the National Center for State Courts is expected to identify other such opportunities to improve efficiencies and produce savings.

These steps – both the specific cost-containment measures and the broad rethinking and re-engineering of how the courts do business – produce significant savings, and enable the Judiciary to present a negative-growth operating budget that still provides the resources necessary for the courts to fulfill their constitutional role.

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Included among the resources necessary to assure the long-term health of our court system is funding to address the critical matter of judicial compensation. Judges in New York now have gone more than 12 years without a cost-of-living increase, facing extraordinary caseloads that have only grown over the years. The budget bill includes a reappropriation for that purpose and language that would raise judicial compensation, retroactive to April 1, 2005. Equally important is reform of the manner in which judicial salaries are set. New York State should have, as most other states do, an open and accountable system for adjusting judicial salaries on a regular basis.

Finally, the Judiciary's negative-growth budget also addresses one of the most troubling issues that faces the courts – the record number of litigants without legal representation in housing, consumer debt, and other cases involving the essentials of life. In May 2010, the Chief Judge convened a Task Force to Expand Access to Civil Legal Services in New York, to assess the need for civil legal services and to recommend steps to improve access to justice in civil matters. Through hearings, surveys and other data-gathering, the Task Force documented a substantial unmet need for civil legal services in New York, and found that the lack of representation imposes a profound human and social cost.

The Task Force also found that the impact goes far beyond the non-represented parties. Judges, both in a survey and through testimony at hearings, spoke of the significant burdens – including longer court appearances and more appearances – they bear in cases where a party is not represented. Business leaders, including representatives of property owners and the banking industry, echoed this concern, asserting that it is more difficult and costly for them to litigate a case against a non-represented party. Indeed, business leaders testified that provision of counsel at an early stage would often avoid entirely the need to initiate litigation. The Task Force also found that the provision of adequate civil legal services will result in a substantial economic benefit to State and local governments, by preventing evictions and foreclosures, avoiding foster care placements, and obtaining federal benefits in place of State and local assistance benefits. The proposed budget includes \$25 million to begin implementation of the recommendations of the Task Force.

In sum, the proposed budget reflects a thoughtful balancing of the Judiciary's obligation, as a separate and independent branch of government, to work with the other Branches in addressing the State's continuing fiscal crisis, while also ensuring that the courts can meet their constitutional duty to provide fair and timely justice for every New Yorker, now and in the years ahead.

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THE 2011-12 JUDICIARY BUDGET REQUEST

The budget request for the Judiciary General Fund Court and Agency Operations and Aid to Localities for fiscal year 2011-12 totals \$1.8 billion, a decrease of \$0.36 million, or -0.02%, from the current year appropriation. The All Funds request totals \$2.1 billion, a decrease of \$0.72 million, or -0.03%, from the current year.

KEY ELEMENTS OF CHANGE

Significant elements of change in the Judiciary's 2011-12 General Fund State Operations and Aid to Localities budget request include the following:

- \$20.2 million increase for salary increments required by law for nonjudicial personnel.
- - \$11.52 million in savings related to salary adjustments and lump sum payouts for separation from service.
- \$5.71 million related to contractual and workload increases in payments for attorneys representing children in the Attorney for the Child Program.
- \$11.8 million for continued implementation of caseload standards for attorneys assigned to represent indigent criminal defendants in New York City pursuant to chapter 56 of the Laws of 2009.
- \$4.07 million to meet contractually obligated increases for security services, real estate rentals, computer assisted legal research, and contracts for community courts, alternative dispute resolution and court improvement projects.
- \$2.06 million in net increases necessary to meet the operational needs of the courts including, but not limited to: per diem interpreters, judicial hearing officers, technology services, expert witnesses, printing, postage and transcripts.
- - \$11.09 million in nonpersonal service savings attributable to a variety of cost saving measures including reductions in travel and elimination of targeted training programs, legal reference print materials, and temporary service and overtime not directly related to court operations. Additional savings are being realized from the transition to IP telephones, the reduced expansion of redundant wiring for Courtnet, and stringent control of the purchase of equipment.
- - \$46.59 million net increase in savings related to the Vacancy Control Program instituted in fiscal year 2008-09 and the Early Retirement Incentive Program authorized in 2010.
- \$25.0 million for civil legal services to address the urgent problem of the growing need for civil legal assistance for low income New Yorkers.

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**Unified Court System
2011-12 Budget Request
All Funds Appropriation Requirements
Major Purpose / Fund Summary**

	2010-11	2011-12	
	<u>Available</u>	<u>Requested</u>	<u>Change</u>
Court and Agency Operations - General Fund			
Courts of Original Jurisdiction	\$1,585,477,286	\$1,543,573,556	(\$41,903,730)
Court of Appeals	\$16,145,965	\$15,652,618	(\$493,347)
Appellate Court Operations	\$76,973,855	\$79,904,356	\$2,930,501
Appellate Auxilliary Operations	\$134,700,963	\$154,264,475	\$19,563,512
Administration and General Support	\$17,934,182	\$18,314,008	\$379,826
Judiciary Wide Maintenance Undistributed	\$7,942,766	\$27,109,985	\$19,167,219
Court and Agency Operations - General Fund Total	\$1,839,175,017	\$1,838,818,998	(\$356,019)
Special Revenue Funds - Federal	\$9,100,000	\$10,500,000	\$1,400,000
Special Revenue Funds - Other			
NYC County Clerks Operations Offset Fund	\$25,309,351	\$24,816,259	(\$493,092)
Judiciary Data Processing Offset Fund	\$19,167,697	\$18,367,438	(\$800,259)
Miscellaneous Special Revenue	\$1,500,000	\$1,500,000	\$0
Attorney Licensing Fund	\$26,315,696	\$25,941,104	(\$374,592)
Indigent Legal Services Fund	\$25,000,000	\$25,000,000	\$0
Court Facilities Incentive Aid Fund	\$2,520,877	\$2,454,836	(\$66,041)
Special Revenue Funds - Other - Total	\$99,813,621	\$98,079,637	(\$1,733,984)
Lawyers' Fund for Client Protection	\$12,944,281	\$12,915,110	(\$29,171)
Aid to Localities			
General Fund	\$4,945,584	\$4,945,584	\$0
Court Facilities Incentive Aid	\$123,377,787	\$123,377,787	\$0
Aid to Localities - All Funds Total	\$128,323,371	\$128,323,371	\$0
Capital Projects			
General Fund	\$0	\$0	\$0
Special Revenue Funds	\$0	\$0	\$0
Capital Projects Total			
Grand Total All Funds	\$2,089,356,290	\$2,088,637,116	(\$719,174)

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Unified Court System
2011-12 Budget Request
All Funds Appropriation Requirements
Major Purpose Summary by Fund Category

	2010-11 Available	2011-12 Required	Change
Courts of Original Jurisdiction			
General Fund	\$1,585,477,286	\$1,543,573,556	(\$41,903,730)
Special Revenue Funds	\$55,850,341	\$55,970,092	\$119,751
Total	\$1,641,327,627	\$1,599,543,648	(\$41,783,979)
Court of Appeals			
General Fund	\$16,145,965	\$15,652,618	(\$493,347)
Special Revenue Funds	\$0	\$0	\$0
Total	\$16,145,965	\$15,652,618	(\$493,347)
Appellate Court Operations			
General Fund	\$76,973,855	\$79,904,356	\$2,930,501
Special Revenue Funds	\$0	\$0	\$0
Total	\$76,973,855	\$79,904,356	\$2,930,501
Appellate Auxilliary Operations			
General Fund	\$134,700,963	\$154,264,475	\$19,563,512
Special Revenue Funds	\$47,963,344	\$47,475,317	(\$488,027)
Total	\$182,664,307	\$201,739,792	\$19,075,485
Administration & General Support			
General Fund	\$17,934,182	\$18,314,008	\$379,826
Special Revenue Funds	\$3,167,697	\$3,165,970	(\$1,727)
Total	\$21,101,879	\$21,479,978	\$378,099
Judiciary Wide Maintenance Undistributed			
General Fund	\$7,942,766	\$27,109,985	\$19,167,219
Special Revenue Funds	\$1,932,239	\$1,968,258	\$36,019
Total	\$9,875,005	\$29,078,243	\$19,203,238
Lawyers' Fund for Client Protection			
General Fund	\$0	\$0	\$0
Special Revenue Funds	\$12,944,281	\$12,915,110	(\$29,171)
Total	\$12,944,281	\$12,915,110	(\$29,171)
Aid to Localities			
General Fund	\$4,945,584	\$4,945,584	\$0
Special Revenue Funds	\$123,377,787	\$123,377,787	\$0
Total	\$128,323,371	\$128,323,371	\$0
Grand Total General Fund	\$1,844,120,601	\$1,843,764,582	(\$356,019)
Grand Total Special Revenue	\$245,235,689	\$244,872,534	(\$363,155)
Grand Total All Funds	\$2,089,356,290	\$2,088,637,116	(\$719,174)

JUDICIARY

Unified Court System
2011-12 Budget Request
All Funds Appropriation Requirements - General State Charges

General State Charges	2010-11 <u>Available</u>	2011-12 <u>Requested</u>	<u>Change</u>
General Fund	\$541,226,701	\$592,524,090	\$51,297,389
Lawyers' Fund for Client Protection	\$87,731	\$98,000	\$10,269
Miscellaneous Special Revenue	\$6,900,508	\$7,489,664	\$589,156
Court Facilities Incentive Fund	\$713,845	\$779,886	\$66,041
New York City County Clerks' Offset Fund	\$10,915,889	\$8,586,149	(\$2,329,740)
Judiciary Data Processing Offset Fund	\$6,870,763	\$7,908,265	\$1,037,502
General State Charges - All Funds	\$566,715,437	\$617,386,054	\$50,670,617

Fiscal Year 2011-12
Appropriation Requirements
IOLA Support

Aid to Localities	2010-11 <u>Available</u>	2011-12 <u>Requested</u>	<u>Change</u>
General Fund - IOLA	\$14,835,000	\$15,000,000	\$165,000
Aid to Localities - General Fund Total	\$14,835,000	\$15,000,000	\$165,000

JUDICIARY

**Unified Court System
2011-12 Budget Request
All Funds Disbursement Requirements
(Millions \$)**

Category / Fund	2010-11 <u>Projected</u>	2011-12 <u>Projected</u>	<u>Change</u>
<u>Court & Agency Operations</u>			
General Fund	1,787.8	1,873.0	85.2
Special Revenue - Federal	6.5	6.5	0.0
NYC County Clerks' Operations Offset Fund	25.7	24.9	(0.8)
Judiciary Data Processing Offset Fund	19.2	18.4	(0.8)
Miscellaneous Special Revenue	27.8	27.4	(0.4)
Indigent Legal Services Fund	25.0	25.0	0.0
Court Facilities Incentive Aid Fund	2.5	2.5	0.0
<u>Court & Agency Operations - All Funds Total</u>	<u>1,894.5</u>	<u>1,977.7</u>	<u>83.2</u>
<u>Lawyers' Fund for Client Protection</u>			
	<u>10.5</u>	<u>11.5</u>	<u>1.0</u>
<u>Aid to Localities</u>			
General Fund	4.9	4.9	0.0
Court Facilities Incentive Aid Fund	120.0	120.0	0.0
<u>Aid to Localities - All Funds Total</u>	<u>124.9</u>	<u>124.9</u>	<u>0.0</u>
<u>Capital Projects - Courthouse Improvements</u>			
	<u>16.0</u>	<u>16.0</u>	<u>0.0</u>
<u>All Funds Total</u>	<u>2,045.9</u>	<u>2,130.1</u>	<u>84.2</u>

JUDICIARY

**Unified Court System
2011-12 Budget Request
All Funds Disbursement Requirements
General State Charges
(Millions \$)**

<u>General State Charges</u>	<u>2010-11 Projected</u>	<u>2011-12 Projected</u>	<u>Change</u>
General Fund	540.1	592.5	52.4
Lawyers' Fund for Client Protection	0.2	0.1	-0.1
Miscellaneous Special Revenue	11.4	7.5	-3.9
Court Facilities Incentive Fund	1.1	0.8	-0.3
New York City County Clerks' Offset Fund	0.0	10.9	10.9
Judiciary Data Processing Offset Fund	10.7	7.9	-2.8
<u>General State Charges - All Funds</u>	<u>563.5</u>	<u>619.7</u>	<u>56.2</u>

**Fiscal Year 2011-12
Disbursement Requirements
IOLA Support
(Millions \$)**

<u>Aid to Localities</u>	<u>2010-11 Projected</u>	<u>2011-12 Projected</u>	<u>Change</u>
General Fund - IOLA	14.8	15.0	0.2
<u>Aid to Localities - General Fund</u>	<u>14.8</u>	<u>15.0</u>	<u>0.2</u>

THE LEGISLATURE

The New York State Constitution vests the State's law-making power in a two-house Legislature composed of a 62-member Senate and a 150-member Assembly. Each representative is elected for two-year terms, with all 212 being elected every two years. The Legislature convenes annually on the first Wednesday after the first Monday in January and remains in session until it concludes its business.

The Legislature has many powers set by the State Constitution. These responsibilities include:

- ◆ the ability to propose laws;
- ◆ the power to override a gubernatorial veto if two-thirds of the Senate and Assembly vote to do so;
- ◆ the reapportionment of legislative and congressional districts every ten years after the national census;
- ◆ the confirmation by the Senate of gubernatorial appointments of non-elected state officials and court judges;
- ◆ the proposition of amendments to the State Constitution;
- ◆ voting on ratification of proposed amendments to the Federal Constitution; and
- ◆ the creation, regulation and, in some limited cases, abolition of local governments.

Subject to the limitations and prohibitions imposed by the Federal Constitution, certain Federal statutes and treaties, and the State Constitution, the law-making powers of the Legislature are practically unlimited. The principal purposes of bills considered by the Legislature are to:

- ◆ enact or amend laws relating to the government of the State and its various subdivisions;
- ◆ appropriate funds for the operation of the various agencies and functions of State government and for State aid to local governments, and to provide adequate revenue-producing sources for these purposes;
- ◆ provide for and regulate the operation of a judicial system, including the practices and procedures for the system;
- ◆ define acts or omissions that constitute crimes, and to provide penalties for these crimes;
- ◆ promote the public welfare, including the care of the State's indigent, mentally ill, unemployed, etc.; and
- ◆ correct, clarify, amend or repeal obsolete, conflicting, uncertain or invalidated statutes.

In addition to the Senate and Assembly, the Legislature's Budget authorizes funding for several other components, which support the operations of the two houses, including:

- ◆ part of the Lieutenant Governor's office;
- ◆ fiscal committees operating in each house; and

LEGISLATURE

- ◆ joint entities, including the Legislative Ethics Committee, Legislative Library, Legislative Health Services, Legislative Messenger Service, Legislative Bill Drafting Commission and the Legislative Task Force on Demographic Research and Reapportionment.

Each of these Legislative components will be discussed in separate sections below.

Legislative Budget Highlights

The recommended General Fund appropriation of \$217,844,801 for FY 2011-12 for the Legislature represents no change from the amount appropriated for FY 2010-11, and follows two previous years of consecutive budget decreases totaling 3.6%. The Legislature's budget request for FY 2011-12 represents an overall increase of 9.65 percent over the past eleven years. Over this same period, the Consumer Price Index will have increased by 34.5 percent. Over the past twenty-one years, the Legislative Budget has grown at less than one-fourth of the rate of inflation.

Legislative Budget Summary General Fund Appropriations

<u>Entity</u>	<u>Available FY 10-11</u>	<u>Recommended FY 11-12</u>	<u>Change</u>
Lt. Governor	\$274,635	\$274,635	0
Senate	\$86,073,198	\$86,073,198	0
Senate Finance	\$5,830,456	\$5,830,456	0
Assembly	\$102,296,491	\$102,296,491	0
Assembly Ways & Means	\$5,830,456	\$5,830,456	0
Joint Legislative Entities	\$17,539,566	\$17,539,566	0
LEGISLATURE TOTAL	\$217,844,801	\$217,844,801	\$0

Legislative Budget History Fiscal Year 2000-01 to 2011-12 General Fund Appropriations

<u>FY 2000-01 Approp.</u>	<u>FY 10-11 Approp.</u>	<u>FY 11-12 Recommended</u>	<u>Change from FY 10-11 Approp. (%)</u>	<u>Change from FY 2000-01 Approp. (%)</u>
\$198,669,846	\$217,844,801	\$217,844,801	\$0 (0%)	+\$19,174,955 (+9.65%)

Legislative Budget General Fund Appropriations Comparison to Consumer Price Index Fiscal Year 2000-01 through Fiscal Year 2011-2012

	FY 2000-01	FY 2010-11	FY 2011-12	% Change 00-01 to 11-12
Legislative Budget	\$198,669,846	\$217,844,801	\$217,844,801	+9.65%
Consumer Price Index	182.5	240.9*	245.4*	+34.5%

* estimated

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The recommended Special Revenue Fund-Other appropriation of \$1,600,000 for FY 2011-12 represents no change from the amount appropriated for FY 2010-11. No tax revenues are required for Special Revenue Funds.

The recommended Grants and Bequests Fund appropriation of \$500,000 for FY 2011-12 represents no change from the amount appropriated for FY 2010-11. No tax revenues are required for Grants and Bequests Funds.

LIEUTENANT GOVERNOR

The Lieutenant Governor serves as the Senate's President and has a casting vote. The Lieutenant Governor's salary of \$151,500 appears as part of the Legislative Budget. The Legislature also funds a part of the Lieutenant Governor's Office.

Budget Highlights

The recommended appropriation of \$274,635 for FY 2011-12 for the Lieutenant Governor represents no change from the amount appropriated for FY 2010-11.

SENATE

The Senate is composed of 62 Members elected for two-year terms from districts around the state. Each Senator represents approximately 306,000 constituents. The Senate conducts its legislative business through the operation of 32 Standing Committees.

The Senate elects from among its Members for a two-year term a Temporary President who directs and guides the business of the Senate, appoints Members to Senate Standing Committees, and appoints the Senate's staff. The Temporary President serves as the presiding officer in the absence of the Lieutenant Governor or may delegate this duty to another Member. The minority party of the Senate chooses a Minority Leader from among its membership.

Senate Members have staff to assist them in carrying out their legislative duties, delivering constituent services and, where applicable, in fulfilling their responsibilities as committee chairs or leaders of the Senate. Members are also provided with office space both in Albany and the district, as well as office equipment, furnishings and supplies, in order to serve their constituents. Travel expenses for approved official Senate business are reimbursable. The Temporary President and Minority Leader each have staff to provide counsel, policy analysis and program development. The Temporary President, through the Secretary of the Senate, employs staff to operate the Senate Chamber during session and to handle the legislative process during the remainder of the year, furnish research and computer services, and provide administrative services such as personnel, fiscal, maintenance, and printing services for the Senate. The Temporary President also has staff to deliver communications services for the Senate. Finally, the Senate operates a program for college students which includes a Session Assistant program for undergraduates and a Student Fellows program for post-graduates who wish to learn about and experience the legislative process by working with Senate Members.

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In addition to the Senate's General Fund appropriation, a Special Revenue Fund (Senate Recyclable Materials, Information Services and Conference Fund) has been established to collect revenues from the sale of recyclable materials, distribution of documents, materials and computerized information, and fees charged for conferences sponsored by the Senate. These revenues may be used to pay for waste disposal, production and distribution of Senate documents, materials and computerized information, and expenses related to conferences sponsored by the Senate. A Grants and Bequests Fund has also been established to receive non-state grants which may be used to pay for services and expenses related to the restoration of the Senate Chamber.

Budget Highlights

The recommended appropriation for the Senate of \$86,073,198 for FY 2011-12 represents no change from the amount appropriated for FY 2010-11. This follows two consecutive years of budget decreases.

As detailed in the Table below, the Senate has seen its budget increase by \$7,406,697 or 9.4 percent from the amount of \$78,666,501 appropriated in FY 2000-01. Over the same eleven year period, the consumer price index has increased by 34.5 percent. This is consistent with a twenty-one year trend that has seen the Senate's budget grow at approximately 28% of the overall rate of inflation.

In the past 16 years, the Senate has controlled its spending by reducing its staff by 327 employees or 17.9%, eliminating its Washington, D.C. office lease, closing many district offices, reducing the number of district-wide mailings allowed each Member, delaying essential equipment upgrades and implementing other operational savings.

Senate Budget History Fiscal Year 2000-01 to 2011-12 General Fund Appropriations

	FY 00-01	FY 10-11	FY 11-12	Change from FY 10-11	Change from FY 00-01
	<u>Approp.</u>	<u>Available</u>	<u>Recommended</u>	<u>(%)</u>	<u>(%)</u>
Senate Budget	\$78,666,501	\$86,073,198	\$86,073,198	\$0 (0.0%)	\$7,406,697 (+9.4%)

ASSEMBLY

The Assembly is composed of 150 members elected for two-year terms from districts around the state. Each Member of the Assembly represents approximately 127,000 constituents. The Assembly conducts its legislative business through the operation of 38 standing committees.

The Assembly elects from among its members a Speaker who directs and guides the business of the Assembly, and appoints members to Assembly Standing Committees and Assembly leadership positions. The Speaker serves as the presiding officer of the Assembly. The minority party of the Assembly chooses a Minority Leader from their membership.

LEGISLATURE

Each Member of Assembly is entitled to employ staff to assist them in carrying out their legislative duties and, where applicable, their responsibilities as Committee Chairs or leadership. Members are also provided with office space both in Albany and the district, as well as office equipment, furnishings and supplies, in order to serve their constituents. The State Constitution provides for reimbursement to Assembly Members for travel to the Capitol from their district, and Members and staff are also eligible for reimbursement of other travel related to legislative business. The Speaker of the Assembly and the Assembly Minority Leader employ staff to provide counsel, legislative program development and policy analysis. The Assembly also employs staff to serve the needs of the house, including the operation of the Assembly Chamber during session, the management of the legislative process, and research, communications and administrative services. The Assembly also administers an Intern Program to provide opportunities to undergraduate and graduate college students to learn about the legislative process while utilizing their skills to assist the Assembly Members in fulfilling their constitutional responsibilities.

In addition to the Assembly's General Fund appropriation, a Special Revenue Fund (Assembly Recyclable Materials, Information Services and Conference Fund) has been established to collect revenues from the sale of recyclable materials, distribution of documents, materials and computerized information, and fees charged for conferences sponsored by the Assembly. These revenues may be used to pay for waste disposal, production and distribution of Assembly documents, materials and computerized information, and expenses related to conferences sponsored by the Assembly. A Grants and Bequests Fund has also been established to receive non-state grants which may be used to pay for services and expenses related to the restoration of the Assembly Chamber.

Budget Highlights

The recommended appropriation for FY 2011-12 of \$102,296,491 represents no change from the amount appropriated for FY 2010-11. Over the past eleven years, as detailed below, the Assembly's budget has increased by 9.4 percent while over the same period, the Consumer Price Index has increased by 34.5 percent. Over the past twenty-one years, the growth of the Assembly's budget has been less than three-tenths of the overall rate of inflation. During this period, the Assembly has controlled its spending by reducing the payroll for Assembly controlled entities by over 570 positions and implementing other operational savings.

**Assembly Budget History
Fiscal Year 2000-01 to 2011-2012
General Fund Appropriations**

	FY 00-01 <u>Approp.</u>	FY 10-11 <u>Available</u>	FY 11-12 <u>Recommended</u>	Change from FY 10-11 (%)	Change from FY 00-01 (%)
Assembly Budget	\$93,492,920	\$102,296,491	\$102,296,491	(\$0) (0.0%)	8,803,571 (+9.4%)

LEGISLATURE

FISCAL COMMITTEES

The Governor's annual budget bills and the budgetary proposals for the Legislature and Judiciary are referred to these committees when introduced and are reported by them, with recommendations, to the Legislature. Designated representatives of the committees are entitled, by constitutional provisions, to attend the required hearings for the preparation of the budget and to make inquiry concerning any part thereof. These committees also consider all bills introduced in the Legislature carrying appropriations or providing for the expenditures of public money.

In addition, pursuant to the provisions of section 122-a of the State Finance Law, the Chairmen and ranking Minority Members of the Senate Finance Committee and the Assembly Ways and Means Committee function as an Audit Committee. The responsibilities of the Audit Committee include the selection of an independent certified public accountant to conduct an independent audit of the state's annual financial statements, receiving the results of such independent audit, and submitting the certification received from the independent certified public accountant to the State Comptroller for inclusion in the annual financial report required pursuant to section 8 of the State Finance Law.

Budget Highlights

The recommended appropriation of \$5,830,456 for fiscal year 2011-12 for both the Senate Finance Committee and the Assembly Ways and Means Committee represents no change from the amount appropriated for FY 2010-11.

JOINT ENTITIES AND DUES PAYMENTS

LEGISLATIVE ETHICS COMMISSION

The Legislative Ethics Commission was created as the Legislative Ethics Committee by Chapter 813 of the laws of 1987 (and renamed the Legislative Ethics Commission by Chapter 14 of the laws of 2007) and is a joint bipartisan commission authorized by law to act on matters arising out of Public Officers Law Sections 73, 73-a and 74, as applied to the legislative branch, and carry out the provisions of Section 80 of the Legislative Law. The Commission is authorized by law to distribute, collect and review financial disclosure statements from legislators, employees and candidates for legislative office. The Commission renders formal advisory opinions, investigates violations of the law, and assesses civil penalties for applicable violations. The Legislative Ethics Commission is also required to adopt policies, rules, and regulations for its operations, develop educational materials and training with regard to legislative ethics for Members of the Legislature and legislative employees, and prepare an annual report to the Governor and Legislature as prescribed by Section 80 of the Legislative Law. The nine-member commission is comprised of one member each from the Senate and Assembly majority and minority parties, and five other members who are not legislators or lobbyists, with one member appointed by each legislative leader, and one appointed jointly by the Speaker of the Assembly and Majority Leader of the Senate.

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Budget Highlights

The recommended appropriation of \$376,949 for FY 2011-12 for the Legislative Ethics Commission represents no change from the amount appropriated for FY 2010-11.

LEGISLATIVE HEALTH SERVICE

Section 7-b of the Legislative Law provides for a legislative emergency health station for the use of members and employees of the Legislature and legislative correspondents. This station is to be under the direction of a registered nurse and suitably and adequately equipped to administer first aid whenever needed.

Budget Highlights

The recommended appropriation of \$211,266 for FY 2011-12 for the Legislative Health Service represents no change from the amount appropriated for FY 2010-11.

LEGISLATIVE LIBRARY

Section 7-a of the Legislative Law provides for a Legislative Library to be located in the State Capitol, conveniently accessible to the members of both houses of the Legislature. The Legislative Library is the Library of Record for the Legislature. The Legislative Library is open throughout the year and all hours that the Legislature is actively in session, and provides general information services to legislators and their staffs with a collection emphasis on legal materials.

Budget Highlights

The recommended appropriation of \$798,221 for FY 2011-12 for the Legislative Library represents no change from the amount appropriated for FY 2010-11.

LEGISLATIVE MESSENGER SERVICE

The Legislative Messenger Service provides a communications network throughout the Empire State Plaza and neighboring state buildings for Senate and Assembly legislators and their staffs. The service employs and trains individuals with disabilities as office personnel and messengers, and is located in the Legislative Office Building.

Budget Highlights

The recommended appropriation of \$907,830 for FY 2011-12 represents no change from the amount appropriated for FY 2010-11.

LEGISLATIVE BILL DRAFTING COMMISSION

The Legislative Bill Drafting Commission is composed of two commissioners jointly appointed by the Temporary President of the Senate and the Speaker of the Assembly. The Commission is mandated to draft or aid in the drafting of legislative bills and resolutions at the request of members or committees of either house of the Legislature.

LEGISLATURE

The Commission, upon research and examination, may advise as to the constitutionality, consistency or effect of proposed legislation upon request of a member or committee of either house of the Legislature. The Commissioners direct a legal staff of attorneys and are supported by a data processing and technical staff.

The Commission also maintains and operates centralized data processing systems, programs and equipment for the operation of a bill status and statutory and other miscellaneous information retrieval system for the Legislature, including the creation of a databank containing the official statutes of the state and the text of the rules and regulations of state agencies as filed with the Secretary of State. The Commission's budget is used to pay for the cost of printing legislative bills, session laws, Senate and Assembly Journals, and the printing, publication and distribution of the Legislative Digest.

The Commission receives revenues from the private sale of subscriptions to the Legislative Digest and to the Legislative Retrieval Service (LRS), which are deposited in a Special Revenue Fund known as the Legislative Computer Services Fund. These revenues are used to offset the costs of operating the Commission's data processing systems.

Budget Highlights

The recommended appropriation of \$13,009,482 for fiscal year 2011-12 for the Legislative Bill Drafting Commission represents no change from the amount appropriated for FY 2010-11.

An appropriation of \$1,500,000 for FY 2011-12 is recommended for the Legislative Computer Services Fund. This recommended appropriation represents no change from the amount appropriated for FY 2010-11. No tax revenues are required for this Fund.

LEGISLATIVE TASK FORCE ON DEMOGRAPHIC RESEARCH AND REAPPORTIONMENT

The Task Force on Demographic Research and Reapportionment was established by Chapter 45 of the laws of 1978 to research and study the techniques and methodologies used by the U.S. Commerce Departments' Bureau of the Census in carrying out the decennial federal census. The Task Force aids the Legislature by providing technical plans for meeting the requirements of legislative timetables for the reapportionment of Senate, Assembly and Congressional districts. Using its Geographic Information System database, it also conducts research projects relating to the collection and use of census data and other statistical information.

The Task Force is also authorized to receive revenues from the sale of computer-generated data and services for deposit in the Special Revenue Fund known as the Legislative Computer Services Fund. These funds may be used to offset the Task Force's cost of operating its data processing systems.

LEGISLATURE

Budget Highlights

The total recommended appropriation of \$1,858,759 for fiscal year 2011-12 for the Legislative Task Force on Demographic Research and Reapportionment represents no change from the amount appropriated for FY 2010-11.

NATIONAL CONFERENCE OF STATE LEGISLATURES DUES

The National Conference of State Legislatures (NCSL) is a bi-partisan organization created to serve the legislators and staff of each State Legislature. NCSL provides research, technical assistance and the opportunity for policy makers to exchange ideas on the most pressing state issues.

New York's involvement with the NCSL is through the Assembly on the Legislature (AOL) and State-Federal Assembly (SFA). The AOL promotes the exchange of ideas and information on state issues among state legislatures. SFA informs legislators of developments in state-federal relations, identifies issues of critical concern and serves as a forum for discussion among its 50-state membership. All state legislators and their staff members are eligible to participate in the Conference and are entitled to the full use of its services.

NCSL is supported from dues assessed to each State Legislature, on the basis of state population totals.

Budget Highlights

The recommended appropriation of \$377,058 for fiscal year 2011-12 for the National Conference of State Legislatures dues represents no change from the amount appropriated for FY 2010-11.

LEGISLATURE

ALL FUNDS REQUIREMENTS FOR THE LEGISLATURE

<u>FUND/ENTITY/MAJOR PURPOSE</u>	<u>AVAILABLE 2010-2011</u>	<u>REQUESTED 2011-2012</u>	<u>CHANGE FROM 2010-2011</u>
General Fund:			
Lt. Governor	\$274,635	\$274,635	\$0
Senate	86,073,198	86,073,198	0
Assembly	102,296,491	102,296,491	0
Senate Finance Committee	5,830,456	5,830,456	0
Assembly Ways and Means Committee	5,830,456	5,830,456	0
Joint Entities:			
Legislative Ethics Commission	376,949	376,949	0
National Conference of State Legislatures Dues	377,058	377,058	0
Legislative Health Service	211,266	211,266	0
Legislative Library	798,221	798,221	0
Legislative Messenger Service	907,830	907,830	0
Legislative Bill Drafting Commission	13,009,482	13,009,482	0
Legislative Task Force on Demographic Research and Reapportionment	<u>1,858,759</u>	<u>1,858,759</u>	<u>0</u>
Joint Entities Total	<u>\$17,539,565</u>	<u>\$17,539,565</u>	<u>\$0</u>
GENERAL FUND TOTAL	\$217,844,801	\$217,844,801	\$0
Special Revenue Fund - Other:			
Legislative Computer Services Fund	\$1,500,000	\$1,500,000	\$0
Senate Recyclable Materials, Information Services and Conference Fund	50,000	50,000	0
Assembly Recyclable Materials, Information Services and Conference Fund	<u>50,000</u>	<u>50,000</u>	<u>0</u>
SPECIAL REVENUE FUND TOTAL	\$1,600,000	\$1,600,000	\$0
Grants and Bequests Fund:			
Restoration of Senate Chamber	250,000	250,000	0
Restoration of Assembly Chamber	<u>250,000</u>	<u>250,000</u>	<u>0</u>
GRANTS AND BEQUESTS FUND TOTAL	\$500,000	\$500,000	\$0

LEGISLATURE

SCHEDULE OF APPROPRIATIONS

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
OFFICE OF THE LIEUTENANT GOVERNOR			
Administration Program--Personal Service			
For personal service of employees and for temporary and expert services:			
Personal Service Regular	\$260,000	\$260,000	\$0
Administration Program--Nonpersonal Service			
Supplies and materials (including liabilities incurred prior to April 1, 2011)	<u>\$14,635</u>	<u>\$14,635</u>	<u>\$0</u>
Total--Office of Lieutenant Governor	\$274,635	\$274,635	\$0

THE SENATE

Personal Service

For payment of salaries to members, 62, pursuant to section five of the legislative law	\$4,929,000	\$4,929,000	\$0
For payment of allowances to members designated by the temporary president, pursuant to the schedule of such allowances set forth in section 5-a of the legislative law	\$1,289,500	\$1,289,500	\$0
For personal service of employees and for temporary and expert services of members' offices and of standing committees:			
Personal Service Regular	\$28,702,765	\$28,702,765	\$0
For personal service of employees and for temporary and expert services of majority leader and minority leader operations:			
Personal Service Regular	\$25,255,762	\$25,255,762	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
For personal service of employees and for temporary and expert services for the senate student program office:			
Personal Service Regular	\$158,384	\$158,384	\$0
Temporary Service	<u>\$593,939</u>	<u>\$593,939</u>	<u>\$0</u>
Total Personal Service	\$60,929,350	\$60,929,350	\$0
Nonpersonal Service			
For services and expenses of maintenance and operations (including liabilities incurred prior to April 1, 2011)			
Supplies and materials	\$4,068,485	\$4,068,485	\$0
Travel	\$1,554,141	\$1,554,141	\$0
Miscellaneous contractual services	\$16,897,989	\$16,897,989	\$0
Equipment	<u>\$2,623,233</u>	<u>\$2,623,233</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$25,143,848</u>	<u>\$25,143,848</u>	<u>\$0</u>
Grand Total--The Senate	\$86,073,198	\$86,073,198	\$0

THE ASSEMBLY

Personal Service

Members, 150, payment of salaries pursuant to section five of the legislative law	\$11,925,000	\$11,925,000	\$0
For payment of allowances to members designated by the speaker	\$1,592,500	\$1,592,500	\$0
For personal service of employees and for temporary and expert services of members' offices and of standing committees and subcommittees:			
Personal Service Regular	\$23,112,207	\$23,112,207	\$0
Temporary Service	\$2,261,960	\$2,261,960	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
For personal service of employees and for temporary and expert services for administrative and program support operations:			
Personal Service Regular	\$38,770,768	\$38,770,768	\$0
Temporary Service	\$460,907	\$460,907	\$0
For the Assembly Intern and Youth Participation Program for personal service of employees and for temporary and expert services:			
Personal Service Regular	\$223,563	\$223,563	\$0
Temporary Service	<u>\$705,586</u>	<u>\$705,586</u>	<u>\$0</u>
Total Personal Service	\$79,052,491	\$79,052,491	\$0
Nonpersonal Service			
For services and expenses of maintenance and operations (including liabilities incurred prior to April 1, 2011)			
Supplies and materials	\$2,075,000	\$2,075,000	\$0
Travel	\$2,719,000	\$2,719,000	\$0
Miscellaneous contractual services	\$17,111,000	\$17,111,000	\$0
Equipment	<u>\$1,339,000</u>	<u>\$1,339,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$23,244,000</u>	<u>\$23,244,000</u>	<u>\$0</u>
Grand Total--The Assembly	\$102,296,491	\$102,296,491	\$0

SENATE FINANCE COMMITTEE

Personal Service

For personal service, temporary and special services (including liabilities incurred prior to April 1, 2011):

Personal Service Regular	\$5,291,456	\$5,291,456	\$0
Temporary Service	<u>\$159,000</u>	<u>\$159,000</u>	<u>\$0</u>
Total Personal Service	\$5,450,456	\$5,450,456	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
Nonpersonal Service			
Supplies and Materials	\$188,000	\$188,000	\$0
Travel	\$29,000	\$29,000	\$0
Contractual Services	\$114,000	\$114,000	\$0
Equipment	<u>\$49,000</u>	<u>\$49,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$380,000</u>	<u>\$380,000</u>	<u>\$0</u>
 Total--Senate Finance Committee	 \$5,830,456	 \$5,830,456	 \$0

ASSEMBLY WAYS & MEANS COMMITTEE

Personal Service

For personal service, temporary and special services (including liabilities incurred prior to April 1, 2011):

Personal Service Regular	\$5,291,456	\$5,291,456	\$0
Temporary Service	<u>\$159,000</u>	<u>\$159,000</u>	<u>\$0</u>
Total Personal Service	\$5,450,456	\$5,450,456	\$0

Nonpersonal Service

Supplies and Materials	\$188,000	\$188,000	\$0
Travel	\$29,000	\$29,000	\$0
Contractual Services	\$114,000	\$114,000	\$0
Equipment	<u>\$49,000</u>	<u>\$49,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$380,000</u>	<u>\$380,000</u>	<u>\$0</u>
 Total--Assembly Ways & Means Committee	 \$5,830,456	 \$5,830,456	 \$0

SENATE AND ASSEMBLY JOINT ENTITIES

LEGISLATIVE ETHICS COMMISSION

For services and expenses of the legislative ethics commission pursuant to section 80 of the legislative law

Personal Service

Personal Service Regular	\$359,282	\$359,282	\$0
Temporary Service	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$0</u>
Total Personal Service	\$369,282	\$369,282	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
Nonpersonal Service			
Supplies and Materials	\$5,667	\$5,667	\$0
Contractual Services	\$1,000	\$1,000	\$0
Equipment	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$7,667</u>	<u>\$7,667</u>	<u>\$0</u>
Total--Legislative Ethics Commission	\$376,949	\$376,949	\$0

NATIONAL CONFERENCE OF STATE LEGISLATURES

For a contribution to the National Conference
of State Legislatures:

Supplies and Materials	<u>\$377,058</u>	<u>\$377,058</u>	<u>\$0</u>
Total--National Conference of State Legislatures	\$377,058	\$377,058	\$0

LEGISLATIVE HEALTH SERVICE

For services and expenses for the operation of
the legislative health service

Personal Service

Personal Service Regular	<u>\$183,566</u>	<u>\$183,566</u>	<u>\$0</u>
Total Personal Service	\$183,566	\$183,566	\$0

Nonpersonal Service

Supplies and Materials	\$25,700	\$25,700	\$0
Contractual Services	\$1,000	\$1,000	\$0
Equipment	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$27,700</u>	<u>\$27,700</u>	<u>\$0</u>
Total--Legislative Health Service	\$211,266	\$211,266	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
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LEGISLATIVE LIBRARY

For services and expenses and for temporary and special services for the operation of the legislative library

Personal Service

Personal Service Regular	\$409,221	\$409,221	\$0
Temporary Service	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$0</u>
Total Personal Service	\$419,221	\$419,221	\$0

Nonpersonal Service

Supplies and Materials	\$247,500	\$247,500	\$0
Contractual Services	\$99,000	\$99,000	\$0
Equipment	<u>\$32,500</u>	<u>\$32,500</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$379,000</u>	<u>\$379,000</u>	<u>\$0</u>

Total--Legislative Library	\$798,221	\$798,221	\$0
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LEGISLATIVE MESSENGER SERVICE

For services and expenses for the operation of the legislative messenger service

Personal Service

Personal Service Regular	\$895,830	\$895,830	\$0
Temporary Service	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$0</u>
Total Personal Service	\$905,830	\$905,830	\$0

Nonpersonal Service

Supplies and Materials	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$0</u>

Total--Legislative Messenger Service	\$907,830	\$907,830	\$0
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LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
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LEGISLATIVE BILL DRAFTING COMMISSION

For services and expenses, temporary and special services, and for expenses of maintenance and operation

Personal Service

Personal Service Regular	\$10,588,688	\$10,588,688	\$0
Temporary Service	<u>\$169,240</u>	<u>\$169,240</u>	<u>\$0</u>
Total Personal Service	\$10,757,928	\$10,757,928	\$0

Nonpersonal Service

Supplies and Materials	\$332,021	\$332,021	\$0
Travel	\$50,577	\$50,577	\$0
Contractual Services	\$1,710,163	\$1,710,163	\$0
Equipment	<u>\$158,793</u>	<u>\$158,793</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$2,251,554</u>	<u>\$2,251,554</u>	<u>\$0</u>

Total--Legislative Bill Drafting Commission	\$13,009,482	\$13,009,482	\$0
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LEG. TASK FORCE ON DEMOGRAPHIC RESEARCH AND REAPPORTIONMENT

For services and expenses (including liabilities incurred prior to April 1, 2011) of the task force for senate purposes

Personal Service

Personal Service Regular	\$346,923	\$346,923	\$0
Temporary Service	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>
Total Personal Service	\$351,923	\$351,923	\$0

Nonpersonal Service

Travel	\$3,000	\$3,000	\$0
Contractual Services	<u>\$3,402</u>	<u>\$3,402</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$6,402</u>	<u>\$6,402</u>	<u>\$0</u>

Total--Senate	\$358,325	\$358,325	\$0
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LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
For services and expenses (including liabilities incurred prior to April 1, 2011) of the task force for assembly purposes			
Personal Service			
Personal Service Regular	\$338,125	\$338,125	\$0
Temporary Service	<u>\$9,000</u>	<u>\$9,000</u>	<u>\$0</u>
Total Personal Service	\$347,125	\$347,125	\$0
Nonpersonal Service			
Travel	\$1,000	\$1,000	\$0
Contractual Services	<u>\$10,200</u>	<u>\$10,200</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$11,200</u>	<u>\$11,200</u>	<u>\$0</u>
Total--Assembly	\$358,325	\$358,325	\$0
For services and expenses (including liabilities incurred prior to April 1, 2011) of the task force for joint operations			
Personal Service			
Personal Service Regular	\$797,109	\$797,109	\$0
Temporary Service	<u>\$9,000</u>	<u>\$9,000</u>	<u>\$0</u>
Total Personal Service	\$806,109	\$806,109	\$0
Nonpersonal Service			
Supplies and Materials	\$14,000	\$14,000	\$0
Travel	\$5,000	\$5,000	\$0
Contractual Services	\$109,000	\$109,000	\$0
Equipment	<u>\$208,000</u>	<u>\$208,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$336,000</u>	<u>\$336,000</u>	<u>\$0</u>
Total--Joint Operations	<u>\$1,142,109</u>	<u>\$1,142,109</u>	<u>\$0</u>
Total--Task Force on Demographic Research and Reapportionment	<u>\$1,858,759</u>	<u>\$1,858,759</u>	<u>\$0</u>
Grand Total--Senate and Assembly Joint Entities	\$17,539,565	\$17,539,565	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
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SPECIAL REVENUE FUND - OTHER

LEGISLATIVE COMPUTER SERVICES FUND

For services and expenses of the legislative computer services fund

Nonpersonal Service

Contractual Services	\$1,000,000	\$1,000,000	\$0
Equipment	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$0</u>
Total Nonpersonal Service	\$1,500,000	\$1,500,000	\$0
Total--Legislative Computer Services Fund	\$1,500,000	\$1,500,000	\$0

**SENATE RECYCLABLE MATERIALS, INFORMATION SERVICES
AND CONFERENCE FUND**

For services and expenses of the senate recyclable materials, information services and conference fund

Nonpersonal Service

Supplies and Materials	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$0</u>
Total Nonpersonal Service	\$50,000	\$50,000	\$0
Total--Senate Recyclable Materials, Information Services and Conference Fund	\$50,000	\$50,000	\$0

**ASSEMBLY RECYCLABLE MATERIALS, INFORMATION SERVICES
AND CONFERENCE FUND**

For services and expenses of the assembly recyclable materials, information services and conference fund

Nonpersonal Service

Supplies and Materials	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$0</u>
Total Nonpersonal Service	\$50,000	\$50,000	\$0
Total--Assembly Recyclable Materials, Information Services and Conference Fund	\$50,000	\$50,000	\$0

LEGISLATURE

<u>Title of Appropriation</u>	<u>Appropriated for 2010-11</u>	<u>Requested for 2011-12</u>	<u>Change</u>
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GRANTS AND BEQUESTS FUND - LEGISLATURE

SENATE

For services and expenses relative to restoration of the Senate Chamber and other purposes as funded by non-state grants

Nonpersonal Service

Contractual Services	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$0</u>
Total--Senate Grants and Bequests Fund	\$250,000	\$250,000	\$0

ASSEMBLY

For services and expenses relative to restoration of the Assembly Chamber and other purposes as funded by non-state grants

Nonpersonal Service

Contractual Services	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$0</u>
Total Nonpersonal Service	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$0</u>
Total--Assembly Grants and Bequests Fund	\$250,000	\$250,000	\$0

SUMMARY OF APPROPRIATIONS

ALL FUNDS
RECOMMENDED 2011-12
COMPARED TO 2010-11 AVAILABLE
(dollars)

	Available 2010-11	State Operations Recommended 2011-12	Aid to Localities Recommended 2011-12	Capital Projects Recommended 2011-12	Total Recommended 2011-12	Change From 2010-11
Adirondack Park Agency	6,319,000	5,307,000	0	500,000	5,807,000	(512,000)
Aging, Office for the	243,478,400	13,810,600	224,419,000	0	238,229,600	(5,248,800)
Agriculture and Markets, Department of	171,942,000	125,798,000	33,809,000	3,000,000	162,607,000	(9,335,000)
Alcoholic Beverage Control, Division of	22,335,000	16,860,000	0	0	16,860,000	(5,475,000)
Arts, Council on the	44,474,000	4,674,000	34,244,000	0	38,918,000	(5,556,000)
Audit and Control, Department of	288,454,000	252,308,000	32,025,000	0	284,333,000	(4,121,000)
Budget, Division of the	59,558,000	53,610,000	0	0	53,610,000	(5,948,000)
Children and Family Services, Office of	3,873,463,400	529,200,000	3,138,976,300	37,675,000	3,705,851,300	(167,612,100)
City University of New York	3,547,959,110	2,056,290,000	1,202,703,000	336,461,000	3,595,454,000	47,494,890
Civil Service, Department of	61,554,000	59,695,000	0	0	59,695,000	(1,859,000)
Consumer Protection Board, State	670,000	0	0	0	0	(670,000)
Correctional Services, Department of	3,217,878,000	2,605,074,000	17,171,000	320,000,000	2,942,245,000	(275,633,000)
Criminal Justice Services, Division of	415,425,000	114,350,000	232,565,000	0	346,915,000	(68,510,000)
Developmental Disabilities Planning Council	4,760,000	4,760,000	0	0	4,760,000	0
Economic Development, Department of	30,668,000	24,512,000	3,815,000	0	28,327,000	(2,341,000)
Education Department, State	32,830,662,000	566,868,000	29,046,154,000	17,400,000	29,630,422,000	(3,200,240,000)
Elections, State Board of	14,135,000	12,521,000	1,000,000	0	13,521,000	(614,000)
Empire State Development Corporation	70,896,000	0	55,239,000	255,550,000	310,789,000	239,893,000
Employee Relations, Office of	7,121,000	6,792,000	0	0	6,792,000	(329,000)
Energy Research and Development Authority, New York State	35,477,000	8,090,000	8,140,000	15,310,000	31,540,000	(3,937,000)
Environmental Conservation, Department of	1,003,080,300	440,476,000	1,675,000	511,834,000	953,985,000	(49,095,300)
Environmental Facilities Corporation	12,653,000	12,310,000	0	343,000	12,653,000	0
Executive Chamber	19,938,000	17,944,000	0	0	17,944,000	(1,994,000)
Financial Regulation, Department of	557,534,555	338,430,823	225,566,000	0	563,996,823	6,462,268
General Services, Office of	577,582,000	462,212,000	0	84,000,000	546,212,000	(31,370,000)
Health, Department of	58,538,444,077	2,244,123,100	53,885,720,290	90,433,000	56,220,276,390	(2,318,167,687)
Higher Education Services Corporation, New York State	1,031,613,000	104,930,000	971,893,000	0	1,076,823,000	45,210,000
Homeland Security and Emergency Services, Division of	836,450,700	135,530,000	682,751,000	0	818,281,000	(18,169,700)
Housing and Community Renewal, Division of	464,741,000	91,987,000	141,630,000	74,200,000	307,817,000	(156,924,000)
Mortgage Agency, State of New York	174,520,000	76,800,000	96,372,000	0	173,172,000	(1,348,000)
Human Rights, Division of	22,745,000	21,293,000	0	0	21,293,000	(1,452,000)
Inspector General, Office of the	6,238,000	5,624,000	0	0	5,624,000	(614,000)
Insurance Department	0	5,526,404	0	0	5,526,404	5,526,404
Interest on Lawyer Account	46,873,000	1,889,000	45,000,000	0	46,889,000	16,000
Judicial Commissions	5,474,000	5,452,000	0	0	5,452,000	(22,000)
Labor, Department of	10,866,113,000	9,048,595,000	192,869,000	0	9,241,464,000	(1,624,649,000)
Law, Department of	210,026,000	209,020,000	0	0	209,020,000	(1,006,000)
Lieutenant Governor, Office of the	700,000	630,000	0	0	630,000	(70,000)
Lottery, Division of the	95,310,700	89,704,000	0	0	89,704,000	(5,606,700)
Medicaid Inspector General, Office of the	88,161,000	80,353,000	0	0	80,353,000	(7,808,000)
Mental Hygiene, Department of	600,000,000	600,000,000	0	0	600,000,000	0
Mental Health, Office of	3,665,719,000	2,051,226,000	1,298,434,000	220,874,000	3,570,534,000	(95,185,000)
Alcoholism and Substance Abuse Services, Office of	716,878,000	119,013,400	454,121,000	97,606,000	670,740,400	(46,137,600)
Metropolitan Transportation Authority	2,253,300,000	0	2,151,000,000	0	2,151,000,000	(102,300,000)
Military and Naval Affairs, Division of	99,976,000	66,915,000	650,000	39,200,000	106,765,000	6,789,000
Motor Vehicles, Department of	356,620,000	121,312,000	20,620,000	201,137,000	343,069,000	(13,551,000)
Olympic Regional Development Authority	5,576,000	5,054,000	0	0	5,054,000	(522,000)
Parks, Recreation and Historic Preservation, Office of	287,565,400	214,266,000	8,805,000	46,801,000	269,872,000	(17,693,400)
People with Developmental Disabilities, Office for	4,767,145,000	2,150,820,700	2,296,901,500	151,995,000	4,599,717,200	(167,427,800)
Public Employment Relations Board	4,543,000	4,146,000	0	0	4,146,000	(397,000)
Public Integrity, Commission on	4,308,000	3,878,000	0	0	3,878,000	(430,000)
Public Service Department	80,142,000	78,892,000	1,500,000	0	80,392,000	250,000
Quality of Care and Advocacy for Persons With Disabilities, Commission on	18,689,000	17,497,000	648,000	0	18,145,000	(544,000)
Racing and Wagering Board, State	22,470,000	24,750,000	0	0	24,750,000	2,280,000
Regulatory Reform, Governor's Office of	2,350,000	0	0	0	0	(2,350,000)
Science, Technology and Innovation, NYS Foundation for	68,712,000	0	0	0	0	(68,712,000)
State, Department of	185,776,940	66,568,539	67,245,000	0	133,813,539	(51,963,401)
State Police, Division of	723,239,000	665,859,000	0	11,500,000	677,359,000	(45,880,000)
State University of New York	8,706,880,686	7,912,822,600	431,701,345	1,002,571,000	9,347,094,945	640,214,259
State University Construction Fund	25,678,000	26,172,000	0	0	26,172,000	494,000
Taxation and Finance, Department of	540,294,000	452,355,000	750,000	0	453,105,000	(87,189,000)
Tax Appeals, Division of	3,154,000	3,021,000	0	0	3,021,000	(133,000)
Technology, Office for	437,168,000	434,112,000	0	0	434,112,000	(3,056,000)
Temporary and Disability Assistance, Office of	5,934,749,700	472,292,000	5,064,674,000	30,000,000	5,566,966,000	(367,783,700)
Thruway Authority, New York State	2,000,000	0	0	2,000,000	2,000,000	0
Transportation, Department of	8,792,745,900	47,404,000	4,232,596,900	3,986,577,000	8,266,577,900	(526,168,000)
Veterans' Affairs, Division of	16,863,000	7,772,000	8,526,000	0	16,298,000	(565,000)

SUMMARY OF APPROPRIATIONS

ALL FUNDS
RECOMMENDED 2011-12
COMPARED TO 2010-11 AVAILABLE
(dollars)

	Available 2010-11	State Operations Recommended 2011-12	Aid to Localities Recommended 2011-12	Capital Projects Recommended 2011-12	Total Recommended 2011-12	Change From 2010-11
Victim Services, Office of	1,450,000	0	0	0	0	(1,450,000)
Welfare Inspector General, Office of	1,597,000	1,555,000	0	0	1,555,000	(42,000)
Workers' Compensation Board	204,749,000	204,749,000	0	0	204,749,000	0
Subtotal	<u>158,035,764,868</u>	<u>35,605,801,166</u>	<u>106,311,909,335</u>	<u>7,536,967,000</u>	<u>149,454,677,501</u>	<u>(8,581,087,367)</u>
Miscellaneous--All State Departments and Agencies						
Deferred Compensation Board	931,000	931,000	0	0	931,000	0
General State Charges	2,478,665,000	2,990,150,000	0	0	2,990,150,000	511,485,000
Green Thumb	2,831,000	2,831,000	0	0	2,831,000	0
Greenway Heritage Conservancy for the Hudson River Valley	184,000	166,000	0	0	166,000	(18,000)
Health Insurance Contingency Reserve	651,240,000	605,057,000	0	0	605,057,000	(46,183,000)
Health Insurance Reserve Receipts Fund	192,400,000	192,400,000	0	0	192,400,000	0
Higher Education - Miscellaneous	829,800	829,800	0	0	829,800	0
Homeland Security - Miscellaneous	168,000,000	169,000,000	0	0	169,000,000	1,000,000
Hudson River Valley Greenway Communities Council	339,000	185,000	136,000	0	321,000	(18,000)
Indigent Legal Services, Office of	78,500,000	3,000,000	77,000,000	0	80,000,000	1,500,000
Insurance and Securities Funds Reserve Guarantee	1,605,000,000	1,605,000,000	0	0	1,605,000,000	0
Labor Management Committees	39,593,000	5,800,000	0	0	5,800,000	(33,793,000)
Local Government Assistance	805,842,698	3,212,000	843,600,000	0	846,812,000	40,969,302
National and Community Service	36,730,000	30,342,000	350,000	0	30,692,000	(6,038,000)
Payments to STARC / NYC	170,000,000	0	170,000,000	0	170,000,000	0
Power Authority, New York	318,000,000	318,000,000	0	0	318,000,000	0
Reserve for Federal Audit Disallowances	200,000,000	200,000,000	0	0	200,000,000	0
State Equipment Finance Program	187,285,000	0	0	92,751,000	92,751,000	(94,534,000)
Statewide Financial System	1,684,000	45,000,000	0	0	45,000,000	43,316,000
Tribal State Compact Revenue	39,100,000	0	44,300,000	0	44,300,000	5,200,000
Workers' Compensation Reserve	18,030,000	16,130,000	0	0	16,130,000	(1,900,000)
Paybill Transfer	4,567,000	0	0	0	0	(4,567,000)
Subtotal	<u>6,999,751,498</u>	<u>6,188,033,800</u>	<u>1,135,386,000</u>	<u>92,751,000</u>	<u>7,416,170,800</u>	<u>416,419,302</u>
Judiciary	2,671,301,640	2,577,699,799	143,323,371	0	2,721,023,170	49,721,530
Legislature	219,944,801	219,944,801	0	0	219,944,801	0
Total	<u>167,926,762,807</u>	<u>44,591,479,566</u>	<u>107,590,618,706</u>	<u>7,629,718,000</u>	<u>159,811,816,272</u>	<u>(8,114,946,535)</u>
Debt Service	9,288,275,000	0	0	0	8,879,675,000	(408,600,000)
Grand Total	<u>177,215,037,807</u>	<u>44,591,479,566</u>	<u>107,590,618,706</u>	<u>7,629,718,000</u>	<u>168,691,491,272</u>	<u>(8,523,546,535)</u>
Special Emergency Appropriation	<u>100,000,000</u>				<u>100,000,000</u>	
Special Federal Emergency Appropriation	<u>1,000,000,000</u>				<u>1,000,000,000</u>	

SUMMARY OF APPROPRIATIONS

STATE OPERATIONS RECAPITULATION OF 2011-12 RECOMMENDATIONS BY FUND TYPE (dollars)

	General	Special Revenue Federal	Special Revenue Other	Enterprise	Internal Service	Fiduciary	Total
Adirondack Park Agency	4,607,000	700,000	0	0	0	0	5,307,000
Aging, Office for the	2,473,600	10,987,000	250,000	100,000	0	0	13,810,600
Agriculture and Markets, Department of	26,357,000	29,644,000	46,600,000	21,361,000	0	1,836,000	125,798,000
Alcoholic Beverage Control, Division of	0	0	16,860,000	0	0	0	16,860,000
Arts, Council on the	4,574,000	100,000	0	0	0	0	4,674,000
Audit and Control, Department of	125,801,000	0	18,508,000	0	6,609,000	101,390,000	252,308,000
Budget, Division of the	29,029,000	0	22,931,000	0	1,650,000	0	53,610,000
Children and Family Services, Office of	283,251,000	140,836,000	104,538,000	475,000	100,000	0	529,200,000
City University of New York	0	0	175,400,000	0	0	1,880,890,000	2,056,290,000
Civil Service, Department of	16,734,000	0	2,257,000	0	40,704,000	0	59,695,000
Correctional Services, Department of	2,418,614,000	39,400,000	30,355,000	43,013,000	73,692,000	0	2,605,074,000
Criminal Justice Services, Division of	57,787,000	30,361,000	25,312,000	0	890,000	0	114,350,000
Developmental Disabilities Planning Council	0	4,750,000	0	10,000	0	0	4,760,000
Economic Development, Department of	19,747,000	1,000,000	3,765,000	0	0	0	24,512,000
Education Department, State	38,309,000	345,703,000	149,293,000	0	33,563,000	0	566,868,000
Elections, State Board of	5,521,000	6,500,000	500,000	0	0	0	12,521,000
Employee Relations, Office of	2,961,000	0	121,000	0	3,710,000	0	6,792,000
Energy Research and Development Authority, New York State	0	0	8,090,000	0	0	0	8,090,000
Environmental Conservation, Department of	108,327,000	76,012,000	256,077,000	0	60,000	0	440,476,000
Environmental Facilities Corporation	0	0	12,310,000	0	0	0	12,310,000
Executive Chamber	17,854,000	0	90,000	0	0	0	17,944,000
Financial Regulation, Department of	0	0	338,430,823	0	0	0	338,430,823
General Services, Office of	128,912,000	8,230,000	21,591,000	2,009,000	300,720,000	750,000	462,212,000
Health, Department of	244,615,000	1,480,570,000	518,938,100	0	0	0	2,244,123,100
Higher Education Services Corporation, New York State	4,037,000	12,601,000	88,292,000	0	0	0	104,930,000
Homeland Security and Emergency Services, Division of	10,754,000	9,111,000	63,665,000	50,000,000	2,000,000	0	135,530,000
Housing and Community Renewal, Division of	21,537,000	14,269,000	56,181,000	0	0	0	91,987,000
Mortgage Agency, State of New York	76,800,000	0	0	0	0	0	76,800,000
Human Rights, Division of	13,070,000	8,223,000	0	13,070,000	0	0	21,293,000
Inspector General, Office of the	5,524,000	0	100,000	0	0	0	5,624,000
Insurance Department	0	0	5,526,404	0	0	0	5,526,404
Interest on Lawyer Account	0	0	1,889,000	0	0	0	1,889,000
Judicial Commissions	5,452,000	0	0	0	0	0	5,452,000
Labor, Department of	0	574,015,000	74,580,000	8,400,000,000	0	0	9,048,595,000
Law, Department of	101,381,000	34,820,000	72,819,000	0	0	0	209,020,000
Lieutenant Governor, Office of the	630,000	0	0	0	0	0	630,000
Lottery, Division of the	0	0	89,704,000	0	0	0	89,704,000
Medicaid Inspector General, Office of the	29,577,000	47,076,000	3,700,000	0	0	0	80,353,000
Mental Hygiene, Department of	0	0	600,000,000	0	0	0	600,000,000
Mental Health, Office of	800,000	2,038,000	2,037,172,000	8,606,000	2,610,000	0	2,051,226,000
Alcoholism and Substance Abuse Services, Office of	0	6,530,000	112,483,400	0	0	0	119,013,400
Military and Naval Affairs, Division of	15,394,000	42,780,000	8,741,000	0	0	0	66,915,000
Motor Vehicles, Department of	0	17,381,000	90,431,000	0	13,500,000	0	121,312,000
Olympic Regional Development Authority	4,700,000	0	354,000	0	0	0	5,054,000
Parks, Recreation and Historic Preservation, Office of	119,461,200	6,650,900	88,153,900	0	0	0	214,266,000
People with Developmental Disabilities, Office for	0	751,000	2,147,051,700	2,668,000	350,000	0	2,150,820,700
Public Employment Relations Board	3,571,000	0	575,000	0	0	0	4,146,000
Public Integrity, Commission on	3,878,000	0	0	0	0	0	3,878,000
Public Service Department	0	3,500,000	75,392,000	0	0	0	78,892,000
Quality of Care and Advocacy for Persons With Disabilities, Commission on	4,922,000	8,345,000	4,185,000	45,000	0	0	17,497,000
Racing and Wagering Board, State	0	0	24,750,000	0	0	0	24,750,000
State, Department of	20,249,700	7,950,000	38,368,839	0	0	0	66,568,539
State Police, Division of	422,174,000	7,335,000	236,350,000	0	0	0	665,859,000
State University of New York	2,190,233,300	363,600,000	5,339,889,300	0	19,100,000	0	7,912,822,600
State University Construction Fund	0	0	26,172,000	0	0	0	26,172,000
Taxation and Finance, Department of	310,682,000	2,500,000	108,042,000	0	31,131,000	0	452,355,000
Tax Appeals, Division of	3,021,000	0	0	0	0	0	3,021,000
Technology, Office for	27,502,000	0	3,445,000	0	403,165,000	0	434,112,000
Temporary and Disability Assistance, Office of	56,804,000	275,086,000	139,203,000	0	1,199,000	0	472,292,000
Transportation, Department of	0	16,315,000	31,089,000	0	0	0	47,404,000
Veterans' Affairs, Division of	5,806,000	1,966,000	0	0	0	0	7,772,000

SUMMARY OF APPROPRIATIONS

STATE OPERATIONS RECAPITULATION OF 2011-12 RECOMMENDATIONS BY FUND TYPE (dollars)

	General	Special Revenue Federal	Special Revenue Other	Enterprise	Internal Service	Fiduciary	Total
Welfare Inspector General, Office of	378,000	0	1,177,000	0	0	0	1,555,000
Workers' Compensation Board	0	0	204,749,000	0	0	0	204,749,000
Subtotal	<u>6,993,811,800</u>	<u>3,637,635,900</u>	<u>13,526,447,466</u>	<u>8,528,287,000</u>	<u>934,753,000</u>	<u>1,984,866,000</u>	<u>35,605,801,166</u>
Miscellaneous--All State Departments and Agencies							
Deferred Compensation Board	114,000	0	817,000	0	0	0	931,000
General State Charges	2,889,150,000	0	0	0	0	101,000,000	2,990,150,000
Green Thumb	2,831,000	0	0	0	0	0	2,831,000
Greenway Heritage Conservancy for the Hudson River Valley	166,000	0	0	0	0	0	166,000
Health Insurance Contingency Reserve	605,057,000	0	0	0	0	0	605,057,000
Health Insurance Reserve Receipts Fund	0	0	0	0	0	192,400,000	192,400,000
Higher Education - Miscellaneous	0	0	829,800	0	0	0	829,800
Homeland Security - Miscellaneous	0	50,000,000	9,000,000	0	0	0	59,000,000
Hudson River Valley Greenway Communities Council	185,000	0	0	0	0	0	185,000
Indigent Legal Services, Office of	0	0	3,000,000	0	0	0	3,000,000
Insurance and Securities Funds Reserve Guarantee	1,605,000,000	0	0	0	0	0	1,605,000,000
Labor Management Committees	5,300,000	0	500,000	0	0	0	5,800,000
Local Government Assistance	0	0	3,212,000	0	0	0	3,212,000
National and Community Service	342,000	30,000,000	0	0	0	0	30,342,000
Power Authority, New York	318,000,000	0	0	0	0	0	318,000,000
Reserve for Federal Audit Disallowances	200,000,000	0	0	0	0	0	200,000,000
Statewide Financial System	0	0	45,000,000	0	0	0	45,000,000
Workers' Compensation Reserve	16,130,000	0	0	0	0	0	16,130,000
Subtotal	<u>5,642,275,000</u>	<u>80,000,000</u>	<u>62,358,800</u>	<u>0</u>	<u>0</u>	<u>293,400,000</u>	<u>6,078,033,800</u>
Homeland Security - Miscellaneous							<u>110,000,000</u>
Subtotal-Miscellaneous							<u>6,188,033,800</u>
Judiciary	2,431,343,088	10,500,000	135,856,711	0	0	0	2,577,699,799
Legislature	217,844,801	0	2,100,000	0	0	0	219,944,801
Subtotal	<u>2,649,187,889</u>	<u>10,500,000</u>	<u>137,956,711</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,797,644,600</u>
Total	<u>15,285,274,689</u>	<u>3,728,135,900</u>	<u>13,726,762,977</u>	<u>8,528,287,000</u>	<u>934,753,000</u>	<u>2,278,266,000</u>	<u>44,591,479,566</u>

SUMMARY OF APPROPRIATIONS

STATE OPERATIONS GENERAL FUND (dollars)

	Available 2010-11	Recommended 2011-12	Change
Adirondack Park Agency	5,119,000	4,607,000	(512,000)
Aging, Office for the	2,748,400	2,473,600	(274,800)
Agriculture and Markets, Department of	29,286,000	26,357,000	(2,929,000)
Arts, Council on the	4,838,000	4,574,000	(264,000)
Audit and Control, Department of	139,773,000	125,801,000	(13,972,000)
Budget, Division of the	34,477,000	29,029,000	(5,448,000)
Children and Family Services, Office of	287,088,000	283,251,000	(3,837,000)
Civil Service, Department of	18,593,000	16,734,000	(1,859,000)
Correctional Services, Department of	2,689,347,000	2,418,614,000	(270,733,000)
Criminal Justice Services, Division of	64,185,000	57,787,000	(6,398,000)
Economic Development, Department of	21,941,000	19,747,000	(2,194,000)
Education Department, State	42,564,000	38,309,000	(4,255,000)
Elections, State Board of	6,135,000	5,521,000	(614,000)
Employee Relations, Office of	3,290,000	2,961,000	(329,000)
Environmental Conservation, Department of	120,373,100	108,327,000	(12,046,100)
Executive Chamber	19,838,000	17,854,000	(1,984,000)
Financial Regulation, Department of	150,000	0	(150,000)
General Services, Office of	143,172,000	128,912,000	(14,260,000)
Health, Department of	284,576,500	244,615,000	(39,961,500)
Higher Education Services Corporation, New York State	10,000,000	4,037,000	(5,963,000)
Homeland Security and Emergency Services, Division of	11,957,000	10,754,000	(1,203,000)
Housing and Community Renewal, Division of	23,930,000	21,537,000	(2,393,000)
Mortgage Agency, State of New York	76,800,000	76,800,000	0
Human Rights, Division of	14,522,000	13,070,000	(1,452,000)
Inspector General, Office of the	6,138,000	5,524,000	(614,000)
Judicial Commissions	5,474,000	5,452,000	(22,000)
Law, Department of	112,641,000	101,381,000	(11,260,000)
Lieutenant Governor, Office of the	700,000	630,000	(70,000)
Medicaid Inspector General, Office of the	33,274,000	29,577,000	(3,697,000)
Mental Health, Office of	800,000	800,000	0
Military and Naval Affairs, Division of	17,105,000	15,394,000	(1,711,000)
Olympic Regional Development Authority	5,222,000	4,700,000	(522,000)
Parks, Recreation and Historic Preservation, Office of	132,734,600	119,461,200	(13,273,400)
Public Employment Relations Board	3,968,000	3,571,000	(397,000)
Public Integrity, Commission on	4,308,000	3,878,000	(430,000)
Quality of Care and Advocacy for Persons With Disabilities, Commission on	5,466,000	4,922,000	(544,000)
Regulatory Reform, Governor's Office of	2,350,000	0	(2,350,000)
Science, Technology and Innovation, NYS Foundation for	2,851,000	0	(2,851,000)
State, Department of	23,415,000	20,249,700	(3,165,300)
State Police, Division of	469,079,000	422,174,000	(46,905,000)
State University of New York	2,298,224,900	2,190,233,300	(107,991,600)
Taxation and Finance, Department of	376,366,000	310,682,000	(65,684,000)
Tax Appeals, Division of	3,154,000	3,021,000	(133,000)
Technology, Office for	30,558,000	27,502,000	(3,056,000)
Temporary and Disability Assistance, Office of	63,116,000	56,804,000	(6,312,000)
Veterans' Affairs, Division of	6,451,000	5,806,000	(645,000)
Welfare Inspector General, Office of	420,000	378,000	(42,000)
Subtotal	<u>7,658,518,500</u>	<u>6,993,811,800</u>	<u>(664,706,700)</u>
Miscellaneous--All State Departments and Agencies			
Deferred Compensation Board	114,000	114,000	0
General State Charges	2,377,665,000	2,889,150,000	511,485,000
Green Thumb	2,831,000	2,831,000	0
Greenway Heritage Conservancy for the Hudson River Valley	184,000	166,000	(18,000)
Health Insurance Contingency Reserve	651,240,000	605,057,000	(46,183,000)
Hudson River Valley Greenway Communities Council	203,000	185,000	(18,000)
Insurance and Securities Funds Reserve Guarantee	1,605,000,000	1,605,000,000	0
Labor Management Committees	39,093,000	5,300,000	(33,793,000)
National and Community Service	380,000	342,000	(38,000)
Power Authority, New York	318,000,000	318,000,000	0
Reserve for Federal Audit Disallowances	200,000,000	200,000,000	0
Workers' Compensation Reserve	18,030,000	16,130,000	(1,900,000)
Paybill Transfer	4,552,000	0	(4,552,000)
Subtotal	<u>5,217,292,000</u>	<u>5,642,275,000</u>	<u>424,983,000</u>
Judiciary	2,380,401,718	2,431,343,088	50,941,370
Legislature	217,844,801	217,844,801	0
Total	<u>15,474,057,019</u>	<u>15,285,274,689</u>	<u>(188,782,330)</u>
Adjustments			
Recommended Deficiencies	(101,000)		
Transfer To:			
Special Revenue Funds - Other	1,684,000		
Appropriated 2010-11	<u>15,475,640,019</u>		

SUMMARY OF APPROPRIATIONS

STATE OPERATIONS SPECIAL REVENUE FUNDS - FEDERAL (dollars)

	Available 2010-11	Recommended 2011-12	Change
Adirondack Park Agency	700,000	700,000	0
Aging, Office for the	11,252,000	10,987,000	(265,000)
Agriculture and Markets, Department of	29,644,000	29,644,000	0
Arts, Council on the	100,000	100,000	0
Children and Family Services, Office of	142,165,700	140,836,000	(1,329,700)
Correctional Services, Department of	38,900,000	39,400,000	500,000
Criminal Justice Services, Division of	40,886,000	30,361,000	(10,525,000)
Developmental Disabilities Planning Council	4,750,000	4,750,000	0
Economic Development, Department of	1,000,000	1,000,000	0
Education Department, State	367,224,000	345,703,000	(21,521,000)
Elections, State Board of	6,500,000	6,500,000	0
Environmental Conservation, Department of	127,419,000	76,012,000	(51,407,000)
Financial Regulation, Department of	1,000,000	0	(1,000,000)
General Services, Office of	11,340,000	8,230,000	(3,110,000)
Health, Department of	1,335,200,200	1,480,570,000	145,369,800
Higher Education Services Corporation, New York State	10,000,000	12,601,000	2,601,000
Homeland Security and Emergency Services, Division of	9,111,000	9,111,000	0
Housing and Community Renewal, Division of	16,437,000	14,269,000	(2,168,000)
Human Rights, Division of	8,223,000	8,223,000	0
Labor, Department of	543,968,000	574,015,000	30,047,000
Law, Department of	35,820,000	34,820,000	(1,000,000)
Medicaid Inspector General, Office of the	50,804,000	47,076,000	(3,728,000)
Mental Health, Office of	2,038,000	2,038,000	0
Alcoholism and Substance Abuse Services, Office of	6,805,000	6,530,000	(275,000)
Military and Naval Affairs, Division of	42,780,000	42,780,000	0
Motor Vehicles, Department of	16,390,000	17,381,000	991,000
Parks, Recreation and Historic Preservation, Office of	5,700,900	6,650,900	950,000
People with Developmental Disabilities, Office for	751,000	751,000	0
Public Service Department	3,750,000	3,500,000	(250,000)
Quality of Care and Advocacy for Persons With Disabilities, Commission on	8,345,000	8,345,000	0
State, Department of	13,692,309	7,950,000	(5,742,309)
State Police, Division of	6,310,000	7,335,000	1,025,000
State University of New York	358,500,000	363,600,000	5,100,000
Taxation and Finance, Department of	2,500,000	2,500,000	0
Temporary and Disability Assistance, Office of	250,359,000	275,086,000	24,727,000
Transportation, Department of	18,031,000	16,315,000	(1,716,000)
Veterans' Affairs, Division of	1,966,000	1,966,000	0
Homeland Security - Miscellaneous	50,000,000	50,000,000	0
National and Community Service	36,000,000	30,000,000	(6,000,000)
Judiciary	9,100,000	10,500,000	1,400,000
Total	<u>3,625,462,109</u>	<u>3,728,135,900</u>	<u>102,673,791</u>
Adjustments			
Prior Year Deficiencies	1,250,000		
Transfer From:			
Special Revenue Funds - Federal (Aid To Localities)	(50,000,000)		
Transfer To:			
Special Revenue Funds - Federal (Aid To Localities)	1,948,000		
Appropriated 2010-11	<u>3,578,660,109</u>		

SUMMARY OF APPROPRIATIONS

STATE OPERATIONS SPECIAL REVENUE FUNDS - OTHER (dollars)

	Available 2010-11	Recommended 2011-12	Change
Aging, Office for the	250,000	250,000	0
Agriculture and Markets, Department of	47,257,000	46,600,000	(657,000)
Alcoholic Beverage Control, Division of	22,335,000	16,860,000	(5,475,000)
Arts, Council on the	1,777,000	0	(1,777,000)
Audit and Control, Department of	11,008,000	18,508,000	7,500,000
Budget, Division of the	23,431,000	22,931,000	(500,000)
Children and Family Services, Office of	104,535,000	104,538,000	3,000
City University of New York	145,000,000	175,400,000	30,400,000
Civil Service, Department of	2,257,000	2,257,000	0
Consumer Protection Board, State	670,000	0	(670,000)
Correctional Services, Department of	30,755,000	30,355,000	(400,000)
Criminal Justice Services, Division of	30,917,000	25,312,000	(5,605,000)
Economic Development, Department of	3,765,000	3,765,000	0
Education Department, State	154,983,000	149,293,000	(5,690,000)
Elections, State Board of	500,000	500,000	0
Employee Relations, Office of	121,000	121,000	0
Energy Research and Development Authority, New York State	6,996,000	8,090,000	1,094,000
Environmental Conservation, Department of	266,634,300	256,077,000	(10,557,300)
Environmental Facilities Corporation	12,310,000	12,310,000	0
Executive Chamber	100,000	90,000	(10,000)
Financial Regulation, Department of	330,818,555	338,430,823	7,612,268
General Services, Office of	21,591,000	21,591,000	0
Health, Department of	540,291,587	518,938,100	(21,353,487)
Higher Education Services Corporation, New York State	100,047,000	88,292,000	(11,755,000)
Homeland Security and Emergency Services, Division of	63,665,000	63,665,000	0
Housing and Community Renewal, Division of	58,936,000	56,181,000	(2,755,000)
Inspector General, Office of the	100,000	100,000	0
Insurance Department	0	5,526,404	5,526,404
Interest on Lawyer Account	1,873,000	1,889,000	16,000
Labor, Department of	74,580,000	74,580,000	0
Law, Department of	61,565,000	72,819,000	11,254,000
Lottery, Division of the	95,310,700	89,704,000	(5,606,700)
Medicaid Inspector General, Office of the	4,083,000	3,700,000	(383,000)
Mental Hygiene, Department of	600,000,000	600,000,000	0
Mental Health, Office of	2,141,991,000	2,037,172,000	(104,819,000)
Alcoholism and Substance Abuse Services, Office of	123,905,000	112,483,400	(11,421,600)
Military and Naval Affairs, Division of	8,741,000	8,741,000	0
Motor Vehicles, Department of	90,478,000	90,431,000	(47,000)
Olympic Regional Development Authority	354,000	354,000	0
Parks, Recreation and Historic Preservation, Office of	88,153,900	88,153,900	0
People with Developmental Disabilities, Office for	2,260,020,000	2,147,051,700	(112,968,300)
Public Employment Relations Board	575,000	575,000	0
Public Service Department	75,392,000	75,392,000	0
Quality of Care and Advocacy for Persons With Disabilities, Commission on	4,185,000	4,185,000	0
Racing and Wagering Board, State	22,470,000	24,750,000	2,280,000
Science, Technology and Innovation, NYS Foundation for	500,000	0	(500,000)
State, Department of	40,786,000	38,368,839	(2,417,161)
State Police, Division of	236,350,000	236,350,000	0
State University of New York	4,937,888,400	5,339,889,300	402,000,900
State University Construction Fund	25,678,000	26,172,000	494,000
Taxation and Finance, Department of	107,297,000	108,042,000	745,000
Technology, Office for	3,445,000	3,445,000	0
Temporary and Disability Assistance, Office of	156,618,000	139,203,000	(17,415,000)
Transportation, Department of	32,309,000	31,089,000	(1,220,000)
Welfare Inspector General, Office of	1,177,000	1,177,000	0
Workers' Compensation Board	204,749,000	204,749,000	0
Deferred Compensation Board	817,000	817,000	0
Higher Education - Miscellaneous	829,800	829,800	0
Homeland Security - Miscellaneous	3,000,000	9,000,000	6,000,000
Indigent Legal Services, Office of	1,500,000	3,000,000	1,500,000
Labor Management Committees	500,000	500,000	0
Local Government Assistance	3,212,000	3,212,000	0
Statewide Financial System	1,684,000	45,000,000	43,316,000
Paybill Transfer	15,000	0	(15,000)
Judiciary	138,246,638	135,856,711	(2,389,927)
Legislature	2,100,000	2,100,000	0
Total	13,533,428,880	13,726,762,977	193,334,097
Adjustments			
Transfer From:			
General Fund	(1,684,000)		
Transfer To:			
Enterprise Funds	20,000,000		
Appropriated 2010-11	<u>13,551,744,880</u>		

SUMMARY OF APPROPRIATIONS

STATE OPERATIONS FIDUCIARY FUNDS (dollars)

	Available 2010-11	Recommended 2011-12	Change
Agriculture and Markets, Department of	1,836,000	1,836,000	0
Audit and Control, Department of	101,390,000	101,390,000	0
City University of New York	1,860,258,000	1,880,890,000	20,632,000
General Services, Office of	750,000	750,000	0
General State Charges	101,000,000	101,000,000	0
Health Insurance Reserve Receipts Fund	192,400,000	192,400,000	0
Total	2,257,634,000	2,278,266,000	20,632,000
Appropriated 2010-11	<u>2,257,634,000</u>		

STATE OPERATIONS INTERNAL SERVICE FUNDS (dollars)

	Available 2010-11	Recommended 2011-12	Change
Audit and Control, Department of	4,258,000	6,609,000	2,351,000
Budget, Division of the	1,650,000	1,650,000	0
Children and Family Services, Office of	100,000	100,000	0
Civil Service, Department of	40,704,000	40,704,000	0
Correctional Services, Department of	73,692,000	73,692,000	0
Criminal Justice Services, Division of	890,000	890,000	0
Education Department, State	31,563,000	33,563,000	2,000,000
Employee Relations, Office of	3,710,000	3,710,000	0
Environmental Conservation, Department of	60,000	60,000	0
General Services, Office of	300,720,000	300,720,000	0
Homeland Security and Emergency Services, Division of	2,000,000	2,000,000	0
Mental Health, Office of	2,810,000	2,610,000	(200,000)
Motor Vehicles, Department of	11,500,000	13,500,000	2,000,000
People with Developmental Disabilities, Office for	350,000	350,000	0
State University of New York	16,600,000	19,100,000	2,500,000
Taxation and Finance, Department of	41,806,000	31,131,000	(10,675,000)
Technology, Office for	403,165,000	403,165,000	0
Temporary and Disability Assistance, Office of	1,199,000	1,199,000	0
Total	936,777,000	934,753,000	(2,024,000)
Appropriated 2010-11	<u>936,777,000</u>		

STATE OPERATIONS ENTERPRISE FUNDS (dollars)

	Available 2010-11	Recommended 2011-12	Change
Aging, Office for the	100,000	100,000	0
Agriculture and Markets, Department of	21,361,000	21,361,000	0
Children and Family Services, Office of	475,000	475,000	0
Correctional Services, Department of	43,013,000	43,013,000	0
Developmental Disabilities Planning Council	10,000	10,000	0
General Services, Office of	2,009,000	2,009,000	0
Health, Department of	10,000	0	(10,000)
Homeland Security and Emergency Services, Division of	50,000,000	50,000,000	0
Labor, Department of	10,020,000,000	8,400,000,000	(1,620,000,000)
Mental Health, Office of	8,606,000	8,606,000	0
Parks, Recreation and Historic Preservation, Office of	1,500,000	0	(1,500,000)
People with Developmental Disabilities, Office for	2,668,000	2,668,000	0
Quality of Care and Advocacy for Persons With Disabilities, Commission on	45,000	45,000	0
Total	10,149,797,000	8,528,287,000	(1,621,510,000)
Adjustments			
Transfer From:			
Special Revenue Funds - Other	(20,000,000)		
Appropriated 2010-11	<u>10,129,797,000</u>		

SUMMARY OF APPROPRIATIONS

AID TO LOCALITIES RECAPITULATION OF 2011-12 RECOMMENDATIONS BY FUND TYPE (dollars)

	General	Special Revenue Federal	Special Revenue Other	Internal Service	Fiduciary	Total
Aging, Office for the	109,454,000	113,985,000	980,000	0	0	224,419,000
Agriculture and Markets, Department of	13,809,000	20,000,000	0	0	0	33,809,000
Arts, Council on the	31,635,000	2,413,000	196,000	0	0	34,244,000
Audit and Control, Department of	32,025,000	0	0	0	0	32,025,000
Children and Family Services, Office of	1,716,768,300	1,406,865,000	15,343,000	0	0	3,138,976,300
City University of New York	1,202,703,000	0	0	0	0	1,202,703,000
Correctional Services, Department of	6,171,000	0	0	11,000,000	0	17,171,000
Criminal Justice Services, Division of	106,807,000	67,768,000	57,990,000	0	0	232,565,000
Economic Development, Department of	3,815,000	0	0	0	0	3,815,000
Education Department, State	18,721,587,000	4,084,088,000	6,240,479,000	0	0	29,046,154,000
Elections, State Board of	0	1,000,000	0	0	0	1,000,000
Empire State Development Corporation	55,239,000	0	0	0	0	55,239,000
Energy Research and Development Authority, New York State	0	0	8,140,000	0	0	8,140,000
Environmental Conservation, Department of	1,675,000	0	0	0	0	1,675,000
Financial Regulation, Department of	0	0	225,566,000	0	0	225,566,000
Health, Department of	15,156,957,290	32,185,270,000	6,543,493,000	0	0	53,885,720,290
Higher Education Services Corporation, New York State	955,893,000	0	16,000,000	0	0	971,893,000
Homeland Security and Emergency Services, Division of	3,300,000	618,363,000	61,088,000	0	0	682,751,000
Housing and Community Renewal, Division of	31,031,000	102,372,000	8,227,000	0	0	141,630,000
Mortgage Agency, State of New York	96,372,000	0	0	0	0	96,372,000
Interest on Lawyer Account	0	0	45,000,000	0	0	45,000,000
Labor, Department of	0	192,439,000	430,000	0	0	192,869,000
Mental Health, Office of	420,982,000	51,414,000	826,038,000	0	0	1,298,434,000
Alcoholism and Substance Abuse Services, Office of	36,878,500	135,000,000	282,242,500	0	0	454,121,000
Metropolitan Transportation Authority	0	0	2,151,000,000	0	0	2,151,000,000
Military and Naval Affairs, Division of	650,000	0	0	0	0	650,000
Motor Vehicles, Department of	0	20,620,000	0	0	0	20,620,000
Parks, Recreation and Historic Preservation, Office of	0	3,170,000	5,635,000	0	0	8,805,000
People with Developmental Disabilities, Office for Public Service Department	1,430,364,800	0	866,536,700	0	0	2,296,901,500
Quality of Care and Advocacy for Persons With Disabilities, Commission on	170,000	0	478,000	0	0	648,000
State, Department of	0	66,706,000	539,000	0	0	67,245,000
State University of New York	431,701,345	0	0	0	0	431,701,345
Taxation and Finance, Department of	750,000	0	0	0	0	750,000
Temporary and Disability Assistance, Office of	1,304,707,000	3,720,067,000	29,900,000	0	10,000,000	5,064,674,000
Transportation, Department of	97,550,900	53,062,000	4,081,984,000	0	0	4,232,596,900
Veterans' Affairs, Division of	8,026,000	500,000	0	0	0	8,526,000
Subtotal	41,977,022,135	42,845,102,000	21,468,785,200	11,000,000	10,000,000	106,311,909,335
Miscellaneous--All State Departments and Agencies						
Hudson River Valley Greenway Communities Council	136,000	0	0	0	0	136,000
Indigent Legal Services, Office of	0	0	77,000,000	0	0	77,000,000
Local Government Assistance	813,600,000	0	0	0	30,000,000	843,600,000
National and Community Service	350,000	0	0	0	0	350,000
Payments to STARC / NYC	170,000,000	0	0	0	0	170,000,000
Tribal State Compact Revenue	0	0	44,300,000	0	0	44,300,000
Subtotal	984,086,000	0	121,300,000	0	30,000,000	1,135,386,000
Judiciary	19,945,584	0	123,377,787	0	0	143,323,371
Subtotal	19,945,584	0	123,377,787	0	0	143,323,371
Special Federal Emergency Appropriation	0	1,000,000,000	0	0	0	1,000,000,000
Total	42,981,053,719	43,845,102,000	21,713,462,987	11,000,000	40,000,000	108,590,618,706

SUMMARY OF APPROPRIATIONS

AID TO LOCALITIES GENERAL FUND (dollars)

	Available 2010-11	Recommended 2011-12	Change
Aging, Office for the	111,163,000	109,454,000	(1,709,000)
Agriculture and Markets, Department of	18,808,000	13,809,000	(4,999,000)
Arts, Council on the	35,150,000	31,635,000	(3,515,000)
Audit and Control, Department of	32,025,000	32,025,000	0
Children and Family Services, Office of	1,886,087,400	1,716,768,300	(169,319,100)
City University of New York	1,216,362,110	1,202,703,000	(13,659,110)
Correctional Services, Department of	11,171,000	6,171,000	(5,000,000)
Criminal Justice Services, Division of	116,475,000	106,807,000	(9,668,000)
Economic Development, Department of	3,962,000	3,815,000	(147,000)
Education Department, State	18,245,852,000	18,721,587,000	475,735,000
Empire State Development Corporation	45,896,000	55,239,000	9,343,000
Environmental Conservation, Department of	1,867,900	1,675,000	(192,900)
Health, Department of	12,555,033,940	15,156,957,290	2,601,923,350
Higher Education Services Corporation, New York State	833,566,000	955,893,000	122,327,000
Homeland Security and Emergency Services, Division of	3,300,000	3,300,000	0
Housing and Community Renewal, Division of	38,411,000	31,031,000	(7,380,000)
Mortgage Agency, State of New York	97,720,000	96,372,000	(1,348,000)
Mental Health, Office of	420,982,000	420,982,000	0
Alcoholism and Substance Abuse Services, Office of	39,000,000	36,878,500	(2,121,500)
Military and Naval Affairs, Division of	650,000	650,000	0
Parks, Recreation and Historic Preservation, Office of	2,920,000	0	(2,920,000)
People with Developmental Disabilities, Office for	1,472,023,000	1,430,364,800	(41,658,200)
Quality of Care and Advocacy for Persons With Disabilities, Commission on	170,000	170,000	0
Science, Technology and Innovation, NYS Foundation for	65,361,000	0	(65,361,000)
State University of New York	503,802,736	431,701,345	(72,101,391)
Taxation and Finance, Department of	12,325,000	750,000	(11,575,000)
Temporary and Disability Assistance, Office of	1,249,887,700	1,304,707,000	54,819,300
Transportation, Department of	97,550,900	97,550,900	0
Veterans' Affairs, Division of	7,946,000	8,026,000	80,000
Subtotal	<u>39,125,468,686</u>	<u>41,977,022,135</u>	<u>2,851,553,449</u>
Miscellaneous--All State Departments and Agencies			
Hudson River Valley Greenway Communities Council	136,000	136,000	0
Local Government Assistance	772,630,698	813,600,000	40,969,302
National and Community Service	350,000	350,000	0
Payments to STARC / NYC	170,000,000	170,000,000	0
Subtotal	<u>943,116,698</u>	<u>984,086,000</u>	<u>40,969,302</u>
Judiciary	20,000,000	19,945,584	(54,416)
Total	<u>40,088,585,384</u>	<u>42,981,053,719</u>	<u>2,892,468,335</u>
Adjustments			
Prior Year Deficiencies	28,159,000		
Recommended Deficiencies	(6,250,000)		
Transfer To:			
Special Revenue Funds - Other	376,971,000		
Appropriated 2010-11	<u>40,487,465,384</u>		

SUMMARY OF APPROPRIATIONS

AID TO LOCALITIES SPECIAL REVENUE FUNDS - FEDERAL (dollars)

	Available 2010-11	Recommended 2011-12	Change
Aging, Office for the	116,985,000	113,985,000	(3,000,000)
Agriculture and Markets, Department of	20,000,000	20,000,000	0
Arts, Council on the	2,413,000	2,413,000	0
Children and Family Services, Office of	1,396,535,300	1,406,865,000	10,329,700
City University of New York	7,554,000	0	(7,554,000)
Criminal Justice Services, Division of	96,818,000	67,768,000	(29,050,000)
Education Department, State	7,484,797,000	4,084,088,000	(3,400,709,000)
Elections, State Board of	1,000,000	1,000,000	0
Health, Department of	36,703,876,000	32,185,270,000	(4,518,606,000)
Higher Education Services Corporation, New York State	55,800,000	0	(55,800,000)
Homeland Security and Emergency Services, Division of	618,363,000	618,363,000	0
Housing and Community Renewal, Division of	244,600,000	102,372,000	(142,228,000)
Labor, Department of	227,135,000	192,439,000	(34,696,000)
Mental Health, Office of	46,807,000	51,414,000	4,607,000
Alcoholism and Substance Abuse Services, Office of	139,755,000	135,000,000	(4,755,000)
Motor Vehicles, Department of	20,410,000	20,620,000	210,000
Parks, Recreation and Historic Preservation, Office of	4,120,000	3,170,000	(950,000)
State, Department of	104,594,631	66,706,000	(37,888,631)
State University of New York	19,438,650	0	(19,438,650)
Temporary and Disability Assistance, Office of	4,143,670,000	3,720,067,000	(423,603,000)
Transportation, Department of	53,062,000	53,062,000	0
Veterans' Affairs, Division of	500,000	500,000	0
Victim Services, Office of	1,450,000	0	(1,450,000)
Special Federal Emergency Appropriation	1,000,000,000	1,000,000,000	0
Total	<u>52,509,683,581</u>	<u>43,845,102,000</u>	<u>(8,664,581,581)</u>
Adjustments			
Recommended Deficiencies	(3,000,000)		
Transfer From:			
Special Revenue Funds - Federal (State Operations)	(1,948,000)		
Transfer To:			
Special Revenue Funds - Federal (State Operations)	<u>50,000,000</u>		
Appropriated 2010-11	<u>52,554,735,581</u>		

SUMMARY OF APPROPRIATIONS

AID TO LOCALITIES SPECIAL REVENUE FUNDS - OTHER (dollars)

	Available 2010-11	Recommended 2011-12	Change
Aging, Office for the	980,000	980,000	0
Arts, Council on the	196,000	196,000	0
Children and Family Services, Office of	18,802,000	15,343,000	(3,459,000)
Criminal Justice Services, Division of	65,254,000	57,990,000	(7,264,000)
Education Department, State	6,462,479,000	6,240,479,000	(222,000,000)
Energy Research and Development Authority, New York State	9,234,000	8,140,000	(1,094,000)
Financial Regulation, Department of	225,566,000	225,566,000	0
Health, Department of	6,621,672,850	6,543,493,000	(78,179,850)
Higher Education Services Corporation, New York State	22,200,000	16,000,000	(6,200,000)
Homeland Security and Emergency Services, Division of	36,054,700	61,088,000	25,033,300
Housing and Community Renewal, Division of	8,227,000	8,227,000	0
Interest on Lawyer Account	45,000,000	45,000,000	0
Labor, Department of	430,000	430,000	0
Mental Health, Office of	807,394,000	826,038,000	18,644,000
Alcoholism and Substance Abuse Services, Office of	298,479,000	282,242,500	(16,236,500)
Metropolitan Transportation Authority	2,253,300,000	2,151,000,000	(102,300,000)
Parks, Recreation and Historic Preservation, Office of	5,635,000	5,635,000	0
People with Developmental Disabilities, Office for	891,773,000	866,536,700	(25,236,300)
Public Service Department	1,000,000	1,500,000	500,000
Quality of Care and Advocacy for Persons With Disabilities, Commission on	478,000	478,000	0
State, Department of	539,000	539,000	0
Temporary and Disability Assistance, Office of	29,900,000	29,900,000	0
Transportation, Department of	4,206,878,000	4,081,984,000	(124,894,000)
Indigent Legal Services, Office of	77,000,000	77,000,000	0
Tribal State Compact Revenue	39,100,000	44,300,000	5,200,000
Judiciary	123,553,284	123,377,787	(175,497)
Total	<u>22,251,124,834</u>	<u>21,713,462,987</u>	<u>(537,661,847)</u>
Adjustments			
Prior Year Deficiencies	29,000,000		
Recommended Deficiencies	(52,000,000)		
Transfer From:			
General Fund	(376,971,000)		
Appropriated 2010-11	<u>21,851,153,834</u>		

AID TO LOCALITIES FIDUCIARY FUNDS (dollars)

	Available 2010-11	Recommended 2011-12	Change
Temporary and Disability Assistance, Office of	10,000,000	10,000,000	0
Local Government Assistance	30,000,000	30,000,000	0
Total	<u>40,000,000</u>	<u>40,000,000</u>	<u>0</u>
Appropriated 2010-11	<u>40,000,000</u>		

AID TO LOCALITIES INTERNAL SERVICE FUNDS (dollars)

	Available 2010-11	Recommended 2011-12	Change
Correctional Services, Department of	11,000,000	11,000,000	0
Total	<u>11,000,000</u>	<u>11,000,000</u>	<u>0</u>
Appropriated 2010-11	<u>11,000,000</u>		

SUMMARY OF APPROPRIATIONS

CAPITAL PROJECTS APPROPRIATIONS ALL FUNDS APPROPRIATED 2010-11 (dollars)

	Capital Projects Funds	Special Revenue Funds	Fiduciary Funds	Total
Adirondack Park Agency	0	500,000	0	500,000
Agriculture and Markets, Department of	3,750,000	0	0	3,750,000
Children and Family Services, Office of	37,675,000	0	0	37,675,000
City University of New York	318,785,000	0	0	318,785,000
Correctional Services, Department of	320,000,000	0	0	320,000,000
Education Department, State	41,200,000	0	0	41,200,000
Empire State Development Corporation	25,000,000	0	0	25,000,000
Energy Research and Development Authority, New York State	19,247,000	0	0	19,247,000
Environmental Conservation, Department of	486,726,000	0	0	486,726,000
Environmental Facilities Corporation	343,000	0	0	343,000
General Services, Office of	98,000,000	0	0	98,000,000
Health, Department of	497,783,000	0	0	497,783,000
Homeland Security and Emergency Services, Division of	42,000,000	0	0	42,000,000
Housing and Community Renewal, Division of	74,200,000	0	0	74,200,000
Mental Health, Office of	234,291,000	0	0	234,291,000
Alcoholism and Substance Abuse Services, Office of	108,934,000	0	0	108,934,000
Military and Naval Affairs, Division of	30,700,000	0	0	30,700,000
Motor Vehicles, Department of	217,842,000	0	0	217,842,000
Parks, Recreation and Historic Preservation, Office of	36,801,000	10,000,000	0	46,801,000
People with Developmental Disabilities, Office for	139,560,000	0	0	139,560,000
State, Department of	2,750,000	0	0	2,750,000
State Police, Division of	11,500,000	0	0	11,500,000
State University of New York	572,426,000	0	0	572,426,000
Temporary and Disability Assistance, Office of	30,000,000	0	0	30,000,000
Thruway Authority, New York State	2,000,000	0	0	2,000,000
Transportation, Department of	4,249,144,000	85,771,000	50,000,000	4,384,915,000
State Equipment Finance Program	187,285,000	0	0	187,285,000
Total	<u>7,787,942,000</u>	<u>96,271,000</u>	<u>50,000,000</u>	<u>7,934,213,000</u>
Adjustments:				
Prior Year Deficiencies				5,000,000
Appropriated 2010-11				<u>7,939,213,000</u>

SUMMARY OF APPROPRIATIONS

CAPITAL PROJECTS NEW APPROPRIATIONS AND REAPPROPRIATIONS ALL FUNDS RECOMMENDED 2011-12 (dollars)

	Total Recommended Appropriations 2011-12	Total Reappropriations 2011-12	Capital Projects Fund	Capital Projects Fund Advances	Federal Capital Projects Fund	All Other Fund Types (a)	Total Capital Projects 2011-12
Adirondack Park Agency	500,000	500,000	0	0	0	1,000,000	1,000,000
Agriculture and Markets, Department of	3,000,000	37,771,000	0	0	0	40,771,000	40,771,000
Children and Family Services, Office of	37,675,000	155,454,000	0	0	0	193,129,000	193,129,000
City University of New York	336,461,000	3,579,831,000	0	0	0	3,916,292,000	3,916,292,000
Correctional Services, Department of	320,000,000	655,345,000	0	0	0	975,345,000	975,345,000
Education Department, State	17,400,000	143,096,000	0	0	0	160,496,000	160,496,000
Empire State Development Corporation	255,550,000	2,449,675,000	0	0	0	2,705,225,000	2,705,225,000
Energy Research and Development Authority, New York State	15,310,000	0	0	0	0	15,310,000	15,310,000
Environmental Conservation, Department of	511,834,000	3,556,326,000	1,134,000	3,951,000	0	4,063,075,000	4,068,160,000
Environmental Facilities Corporation	343,000	1,991,000	0	0	0	2,334,000	2,334,000
General Services, Office of	84,000,000	334,346,000	0	0	0	418,346,000	418,346,000
Health, Department of	90,433,000	1,357,171,000	0	0	0	1,447,604,000	1,447,604,000
Homeland Security and Emergency Services, Division of	0	37,000,000	0	0	0	37,000,000	37,000,000
Housing and Community Renewal, Division of	74,200,000	646,109,000	0	0	0	720,309,000	720,309,000
Hudson River Park Trust	0	21,176,000	0	0	0	21,176,000	21,176,000
Mental Health, Office of	220,874,000	1,982,774,000	0	0	0	2,203,648,000	2,203,648,000
Alcoholism and Substance Abuse Services, Office of	97,606,000	456,406,000	0	0	0	554,012,000	554,012,000
Metropolitan Transportation Authority	0	1,007,000,000	0	0	0	1,007,000,000	1,007,000,000
Military and Naval Affairs, Division of	39,200,000	82,558,000	0	0	0	121,758,000	121,758,000
Motor Vehicles, Department of	201,137,000	2,500,000	0	0	0	203,637,000	203,637,000
Parks, Recreation and Historic Preservation, Office of	46,801,000	198,537,000	0	0	0	245,338,000	245,338,000
People with Developmental Disabilities, Office for	151,995,000	380,330,000	0	0	0	532,325,000	532,325,000
State, Department of	0	5,215,000	0	0	0	5,215,000	5,215,000
State Police, Division of	11,500,000	94,068,000	0	0	0	105,568,000	105,568,000
State University of New York	1,002,571,000	6,573,059,000	0	0	0	7,575,630,000	7,575,630,000
Technology, Office for	0	100,160,000	0	0	0	100,160,000	100,160,000
Temporary and Disability Assistance, Office of	30,000,000	104,851,000	0	0	0	134,851,000	134,851,000
Thruway Authority, New York State	2,000,000	11,653,000	0	0	0	13,653,000	13,653,000
Transportation, Department of	3,986,577,000	18,771,163,000	0	0	0	22,757,740,000	22,757,740,000
Economic Development Capital	0	524,969,000	0	0	0	524,969,000	524,969,000
Economic Development Program, New York State	0	81,461,000	0	0	0	81,461,000	81,461,000
High Technology and Development Program	0	38,581,000	0	0	0	38,581,000	38,581,000
Higher Education Facilities Capital Matching Grants Program	0	93,000,000	0	0	0	93,000,000	93,000,000
Jacob Javits Convention Center	0	350,000,000	0	0	0	350,000,000	350,000,000
Judicial Drug Court	0	8,000,000	0	0	0	8,000,000	8,000,000
Regional Economic Development Program	0	34,435,000	0	0	0	34,435,000	34,435,000
Roosevelt Island Operating Corporation	0	1,157,000	0	0	0	1,157,000	1,157,000
State Equipment Finance Program	92,751,000	231,123,000	0	0	0	323,874,000	323,874,000
Strategic Investment Program	0	105,668,000	0	0	0	105,668,000	105,668,000
World Trade Center	0	295,132,000	0	0	0	295,132,000	295,132,000
Judiciary	0	59,000,000	0	0	0	59,000,000	59,000,000
Total	7,629,718,000	44,568,591,000	1,134,000	3,951,000	0	52,193,224,000	52,198,309,000

(a) Includes Other Capital Projects Funds, Special Revenue Funds - Other, Fiduciary Funds, Enterprise Funds, and Bond Funds.

SUMMARY OF APPROPRIATIONS

CAPITAL PROJECTS NEW APPROPRIATIONS ALL FUNDS RECOMMENDED 2011-12 (dollars)

	Total Appropriated 2010-11	Capital Projects Funds	Special Revenue Funds	Fiduciary Funds	Total Recommended 2011-12	Change From 2010-11
Adirondack Park Agency	500,000	0	500,000	0	500,000	0
Agriculture and Markets, Department of	3,750,000	3,000,000	0	0	3,000,000	(750,000)
Children and Family Services, Office of	37,675,000	37,675,000	0	0	37,675,000	0
City University of New York	318,785,000	336,461,000	0	0	336,461,000	17,676,000
Correctional Services, Department of	320,000,000	320,000,000	0	0	320,000,000	0
Education Department, State	41,200,000	17,400,000	0	0	17,400,000	(23,800,000)
Empire State Development Corporation	25,000,000	255,550,000	0	0	255,550,000	230,550,000
Energy Research and Development Authority, New York State	19,247,000	15,310,000	0	0	15,310,000	(3,937,000)
Environmental Conservation, Department of	486,726,000	511,834,000	0	0	511,834,000	25,108,000
Environmental Facilities Corporation	343,000	343,000	0	0	343,000	0
General Services, Office of	98,000,000	84,000,000	0	0	84,000,000	(14,000,000)
Health, Department of	497,783,000	90,433,000	0	0	90,433,000	(407,350,000)
Homeland Security and Emergency Services, Division of	42,000,000	0	0	0	0	(42,000,000)
Housing and Community Renewal, Division of	74,200,000	74,200,000	0	0	74,200,000	0
Mental Health, Office of	234,291,000	220,874,000	0	0	220,874,000	(13,417,000)
Alcoholism and Substance Abuse Services, Office of	108,934,000	97,606,000	0	0	97,606,000	(11,328,000)
Military and Naval Affairs, Division of	30,700,000	39,200,000	0	0	39,200,000	8,500,000
Motor Vehicles, Department of	217,842,000	201,137,000	0	0	201,137,000	(16,705,000)
Parks, Recreation and Historic Preservation, Office of	46,801,000	36,801,000	10,000,000	0	46,801,000	0
People with Developmental Disabilities, Office for	139,560,000	151,995,000	0	0	151,995,000	12,435,000
State, Department of	2,750,000	0	0	0	0	(2,750,000)
State Police, Division of	11,500,000	11,500,000	0	0	11,500,000	0
State University of New York	572,426,000	1,002,571,000	0	0	1,002,571,000	430,145,000
Temporary and Disability Assistance, Office of	30,000,000	30,000,000	0	0	30,000,000	0
Thruway Authority, New York State	2,000,000	2,000,000	0	0	2,000,000	0
Transportation, Department of	4,384,915,000	3,851,958,000	84,619,000	50,000,000	3,986,577,000	(398,338,000)
State Equipment Finance Program	187,285,000	92,751,000	0	0	92,751,000	(94,534,000)
Total	7,934,213,000	7,484,599,000	95,119,000	50,000,000	7,629,718,000	(304,495,000)
Adjustments:						
Prior Year Deficiencies	5,000,000					
Appropriated 2010-11	7,939,213,000					

CONSULTING SERVICE CONTRACTS

The 2011-12 Executive Budget begins the process of transforming government into an organization that functions more efficiently and provides services to taxpayers at the lowest possible cost. Toward that end, the Executive Budget makes strategic choices regarding the use of consulting services.

The proposed budget reductions will require State agencies to continue to reduce non-personal service costs. This will include efforts to ensure the cost effectiveness of consulting services, including elimination of consulting contracts where these services no longer support core programs, and in-sourcing consulting positions where State staff can provide more cost-efficient services. To support this effort, the Division of the Budget (DOB) will implement several of the recommendations of the 2009 Report of the Governor's Task Force on Personal Services Contracting, including:

- Using a quantitative decision model to assist agencies in evaluating the costs and benefits of utilizing State staff rather than contracting out;
- Improving data collection and analysis of consulting costs; and
- Issue guidance to agencies to increase the justification for and transparency of consultant service contracts.

The Executive has had some recent success with IT in-sourcing efforts, and recognizes that it may be beneficial to expand in-sourcing in order to save jobs while realizing budget savings.

INFORMATION TECHNOLOGY IN-SOURCING

Chapter 500 of the Laws of 2009 was enacted to establish a pilot program for reducing the State's reliance on private IT consultant services. This legislation represented the first significant step in addressing long-standing challenges to the hiring and promotion of quality IT staff with the requisite skills and training to meet agency needs. Chapter 500 provided the authorization to hire up to 500 individuals into term IT positions across New York State with job appointments of up to 60 months. These appointments are temporary positions requiring special expertise or qualifications in IT services, and can be made without civil service examination where an agency certifies that holding such an examination is not practicable. The law also directs the Department of Civil Service to complete a skills inventory for promotion eligible lists to ensure that existing State employees could compete for these positions.

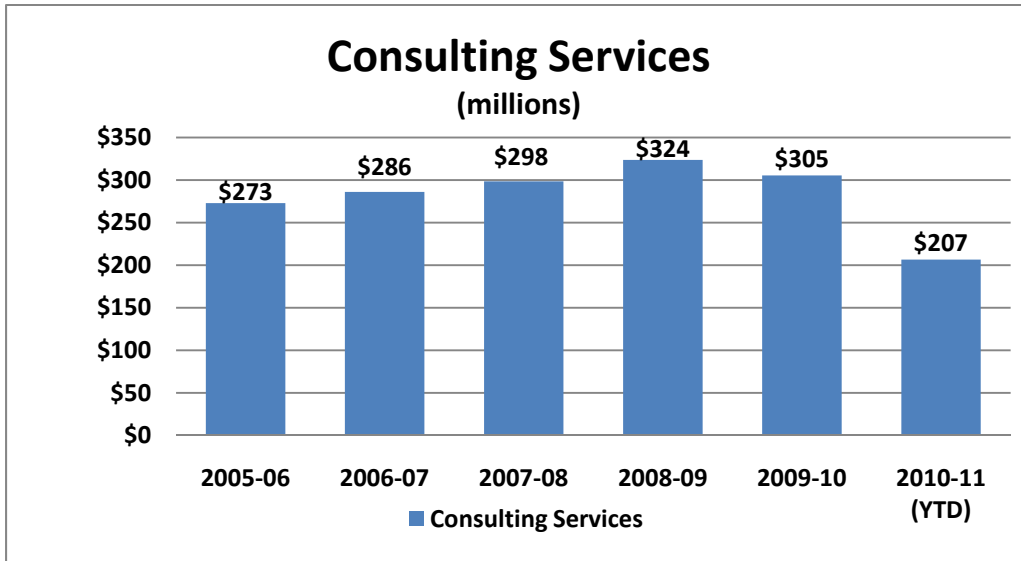
As of December 2010, 247 positions have been approved. Of this number, 94 actual hires have occurred and the hiring process for 153 positions is underway. Nearly 20 percent of those hired were existing State employees; and, 25 percent of those hired entered into civil service titles. The projected 2011-12 savings for the initial 94 positions is \$4.3 million, with 25 percent of the savings realized in the General Fund.

The ability to hire State staff for positions requiring key technology skills has indeed proved cost-effective for the State, with savings ranging from approximately \$25,000 to \$50,000 per position, after accounting for a period of transition for the employees involved. Efforts to identify more opportunities both within IT and in other technically skilled positions, e.g., nursing, are ongoing. However, the State has also found that in cases where the positions do not require highly technical skills, the optimal solution is to contract for the services. In keeping with the recommendations of the 2009 Report of the Governor's Task Force on Personal Services Contracting, agencies will follow a consistent set of principles in identifying which method of service delivery is most appropriate.

CONSULTING SERVICE CONTRACTS

STATUS OF CONSULTING SERVICES

By several measures, New York is having success in reducing its dependence on consultant services. For example, using the State Comptroller's Central Accounting System data, consulting costs across All Governmental Funds decreased by nearly six percent in SFY 2009-10, and are on track to decrease again in 2010-11, as shown in the following chart:



Due to limitations with the current accounting system, this information represents only a subset of consulting service expenditures. Nonetheless, the trend is consistent with self-reported agency data presented at the end of this section, which shows a similar decrease in projected spending and numbers of consultants. The following table summarizes the self-reported data, which has been compiled from agency budget requests, and does not yet reflect the ten percent State Operations reduction proposed by the Governor.

**Consulting Services Contracts
All Funds**

	Estimated 2010-11	Estimated 2011-12	\$ Change	% Change
Estimated Disbursements (\$ thousands)	\$821,335	\$791,194	-\$30,141	-3.7
Number of Contract Employees	20,519	19,580	-939	-4.6

State law mandates four annual reports that attempt to provide a comprehensive overview of the use of consulting contracts in State agencies: the OSC Consulting Report (May 1), the OSC Procurement Stewardship Act Report (July 1), the Civil Service Report (September 30), and the Executive Budget Report, which is presented below.

As stipulated by statute, these tables show contract employee counts that represent estimates of the number of individuals employed or projected to be employed for any amount of time during any portion of the year. This concept is different from the full-time equivalent (FTE) concept used elsewhere in the Executive Budget documents. That standard measure converts part-time and part-year workers into the equivalent number of

CONSULTING SERVICE CONTRACTS

full-time positions over the course of a year. As a result, the employee count (regardless of the percentage of time worked) reported in the tables overstates the number of full-time equivalent positions associated with consulting contracts.

Reported spending figures include labor-related contract costs such as overhead, travel and fringe benefits, and in some cases, other non-personal service expenses. Accordingly, contract costs cannot be interpreted as representing only the compensation paid to contract employees.

CONSULTING SERVICE CONTRACTS

2011-12 CONSULTING SERVICE CONTRACTS REPORT ALL FUNDS

Agency	Appropriations 2010-11	Appropriations Requested 2011-12	Reappropriations 2010-11	Reappropriations Requested 2011-12	Estimated Disbursements 2010-11	Estimated Disbursements 2011-12	Estimated Number of Contract Employees 2010-11	Estimated Number of Contract Employees 2011-12
Aging, Office for the	\$463,834	\$662,500	\$204,081	\$667,915	\$486,315	\$678,000	0	0
Agriculture and Markets, Department of	\$47,826	\$87,266	\$157,538	\$18,538	\$136,826	\$105,804	11	7
Alcoholic Beverage Control, Division of	\$129,000	\$80,000	\$0	\$0	\$115,000	\$80,000	2	1
Alcoholism and Substance Abuse Services, Office of	\$3,353,832	\$3,353,832	\$0	\$0	\$3,353,832	\$3,353,832	26	26
Audit and Control, Department of	\$9,693,125	\$9,777,533	\$0	\$0	\$9,693,125	\$9,577,533	213	200
Budget, Division of the	\$7,856,050	\$4,776,550	\$0	\$0	\$7,856,050	\$4,776,550	80	62
Children and Family Services, Office of	\$14,356,654	\$16,040,903	\$13,339,383	\$16,040,903	\$14,531,272	\$16,040,903	250	266
City University of New York	\$20,150,000	\$19,850,000	\$0	\$0	\$20,150,000	\$19,850,000	290	285
Civil Service, Department of	\$2,438,900	\$2,635,000	\$0	\$0	\$2,350,900	\$2,628,100	26	29
Correctional Services, Department of	\$8,566,500	\$8,568,100	\$0	\$0	\$8,566,500	\$8,858,100	50	50
Criminal Justice Services, Division of	\$21,250,124	\$22,045,143	\$16,707,804	\$18,559,487	\$22,015,245	\$20,149,033	277	263
Deferred Compensation Board	\$65,000	\$65,000	\$0	\$0	\$60,000	\$60,000	4	4
Economic Development, Department of	\$26,706,000	\$26,706,000	\$23,675,000	\$23,675,000	\$3,396,075	\$4,357,205	31	31
Education Department, State	\$32,684,308	\$74,729,275	\$0	\$0	\$32,684,308	\$74,729,275	311	282
Elections, State Board of	\$3,825,000	\$2,450,000	\$0	\$0	\$3,825,000	\$2,450,000	11	6
Environmental Conservation, Department of	\$4,236,000	\$4,236,000	\$28,809,000	\$28,809,000	\$33,045,000	\$33,045,000	3,037	3,025
Environmental Facilities Corporation	\$80,000	\$90,000	\$0	\$0	\$80,000	\$90,000	9	9
Executive Chamber	\$129,500	\$200,000	\$0	\$0	\$129,500	\$100,000	7	2
Financial Regulation, Department of	\$5,629,810	\$5,605,600	\$0	\$0	\$5,629,810	\$5,605,600	197	172
General Services, Office of	\$7,615,000	\$7,390,000	\$0	\$0	\$7,615,000	\$6,765,000	507	478
Health, Department of	\$84,652,671	\$84,685,000	\$0	\$0	\$84,652,671	\$84,685,000	1,168	1,168
Higher Education Services Corporation	\$2,245,500	\$903,000	\$0	\$0	\$2,245,500	\$903,000	34	22
Homeland Security and Emergency Services, Division of	\$1,515,000	\$1,625,000	\$0	\$0	\$1,515,000	\$1,625,000	11	12
Housing and Community Renewal, Division of	\$8,800,000	\$8,800,000	\$2,000,000	\$2,000,000	\$1,325,000	\$985,000	32	23
Human Rights, Division of	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	4	4
Interest on Lawyer Account	\$200,000	\$200,000	\$0	\$0	\$160,000	\$200,000	15	15
Labor, Department of	\$9,068,700	\$6,542,012	\$10,268,490	\$9,995,441	\$19,337,190	\$16,537,453	134	128
Law, Department of	\$4,914,000	\$4,914,000	\$0	\$0	\$3,719,000	\$3,632,000	54	53
Lottery, Division of the	\$1,227,012	\$839,104	\$0	\$0	\$1,087,012	\$839,104	20	13
Medicaid Inspector General, Office of the	\$5,528,988	\$6,632,844	\$0	\$0	\$5,528,988	\$6,632,844	95	99
Mental Health, Office of	\$51,710,000	\$52,210,000	\$0	\$0	\$51,710,000	\$52,210,000	1,044	1,044
Motor Vehicles, Department of	\$4,230,215	\$4,230,215	\$150,000	\$150,000	\$4,380,215	\$4,380,215	43	43
Parks, Recreation and Historic Preservation, Office of	\$35,529,276	\$35,690,416	\$93,571,000	\$93,204,000	\$9,570,514	\$7,770,589	518	485
Parole, Division of	\$65,472	\$0	\$0	\$0	\$65,472	\$0	1	0

CONSULTING SERVICE CONTRACTS

2011-12 CONSULTING SERVICE CONTRACTS REPORT ALL FUNDS

Agency	Appropriations 2010-11	Appropriations Requested 2011-12	Reappropriations 2010-11	Reappropriations Requested 2011-12	Estimated Disbursements 2010-11	Estimated Disbursements 2011-12	Estimated Number of Contract Employees 2010-11	Estimated Number of Contract Employees 2011-12
Persons with Developmental Disabilities, Office for	\$16,992,000	\$16,992,000	\$0	\$0	\$16,949,786	\$11,762,663	1,781	1,748
Quality of Care and Advocacy for Persons with Disabilities, Commission on	\$4,240,400	\$4,325,200	\$2,463,900	\$3,396,100	\$4,301,500	\$4,387,500	233	233
Racing and Wagering Board, State Science, Technology and Innovation, Foundation for	\$2,922,000	\$5,624,000	\$0	\$0	\$0	\$5,907,300	16	16
State Police, Division of	\$0	\$50,000	\$0	\$0	\$0	\$50,000	0	0
State University of New York	\$3,932,000	\$3,679,000	\$0	\$0	\$3,932,000	\$3,679,000	25	28
State, Department of	\$109,581,800	\$90,253,800	\$1,060,000	\$916,600	\$100,330,200	\$81,944,000	5,592	5,474
Statewide Financial System	\$2,068,081	\$2,000,000	\$4,377,500	\$5,220,000	\$2,942,581	\$2,355,000	98	83
Taxation and Finance, Department of	\$49,096,000	\$21,544,000	\$0	\$0	\$49,096,000	\$21,544,000	138	42
Technology, Office for Temporary and Disability Assistance, Office of	\$11,507,000	\$9,243,000	\$0	\$0	\$10,248,000	\$9,243,000	49	49
Transportation, Department of	\$28,336,000	\$28,336,000	\$0	\$0	\$28,336,000	\$24,955,000	176	155
Victim's Services, Office of	\$4,842,420	\$10,154,095	\$20,660,232	\$20,711,921	\$25,502,652	\$30,866,017	231	193
Workers Compensation Board	\$182,642,000	\$178,408,000	\$953,033,000	\$837,420,000	\$208,590,000	\$190,740,000	3,599	3,183
	\$1,838,000	\$1,800,000	\$0	\$0	\$90,000	\$60,000	2	2
	\$9,700,000	\$9,700,000	\$0	\$0	\$9,700,000	\$9,700,000	67	67
Total	\$806,960,998	\$799,319,388	\$1,170,776,928	\$1,061,084,905	\$821,335,039	\$791,193,620	20,519	19,580

CONSULTING SERVICE CONTRACTS

2011-12 CONSULTING SERVICE CONTRACTS REPORT GENERAL FUND

Agency	Appropriations 2010-11	Appropriations Requested 2011-12	Reappropriations 2010-11	Reappropriations Requested 2011-12	Estimated Disbursements 2010-11	Estimated Disbursements 2011-12	Estimated Disbursements 2010-11	Estimated Disbursements 2011-12	Estimated Number of Contract Employees 2010-11	Estimated Number of Contract Employees 2011-12
Aging, Office for the	\$3,319	\$12,500	\$6,681	\$10,000	\$79,000	\$138,500	\$138,500	0	0	
Agriculture and Markets, Department of	\$47,826	\$87,266	\$157,538	\$18,538	\$136,826	\$105,804	\$105,804	11	7	
Audit and Control, Department of	\$5,805,205	\$5,804,033	\$0	\$0	\$5,805,205	\$5,604,033	\$5,604,033	99	88	
Budget, Division of the	\$452,100	\$291,550	\$0	\$0	\$452,100	\$291,550	\$291,550	13	9	
Children and Family Services, Office of	\$7,977,144	\$8,151,762	\$3,924,618	\$8,151,762	\$8,151,762	\$8,151,762	\$8,151,762	157	157	
Civil Service, Department of	\$216,600	\$295,000	\$0	\$0	\$216,600	\$293,500	\$293,500	2	2	
Corrections Services, Department of	\$8,566,500	\$8,858,100	\$0	\$0	\$8,566,500	\$8,858,100	\$8,858,100	50	50	
Criminal Justice Services, Division of	\$481,225	\$481,603	\$0	\$0	\$447,944	\$486,846	\$486,846	92	148	
City University of New York	\$17,675,000	\$17,500,000	\$0	\$0	\$17,675,000	\$17,500,000	\$17,500,000	253	250	
Deferred Compensation Board	\$65,000	\$65,000	\$0	\$0	\$60,000	\$60,000	\$60,000	4	4	
Economic Development, Department of	\$21,941,000	\$21,941,000	\$22,675,000	\$22,675,000	\$3,357,205	\$3,357,205	\$3,357,205	26	26	
Education Department, State	\$3,772,897	\$3,469,458	\$0	\$0	\$3,772,897	\$3,469,458	\$3,469,458	34	28	
Elections, State Board of	\$325,000	\$450,000	\$0	\$0	\$325,000	\$450,000	\$450,000	1	1	
Environmental Conservation, Department of	\$283,000	\$283,000	\$1,232,000	\$1,232,000	\$1,515,000	\$1,515,000	\$1,515,000	114	113	
Executive Chamber	\$129,500	\$200,000	\$0	\$0	\$129,500	\$100,000	\$100,000	7	2	
General Services, Office of	\$15,000	\$15,000	\$0	\$0	\$15,000	\$15,000	\$15,000	1	1	
Health, Department of	\$47,406,966	\$47,410,000	\$0	\$0	\$47,406,966	\$47,410,000	\$47,410,000	670	670	
Housing and Community Renewal, Division of	\$3,600,000	\$3,600,000	\$0	\$0	\$615,000	\$275,000	\$275,000	12	3	
Law, Department of	\$2,135,000	\$2,135,000	\$0	\$0	\$1,170,000	\$1,139,000	\$1,139,000	33	32	
Medicaid Inspector General, Office of the	\$2,764,494	\$3,016,422	\$0	\$0	\$2,764,494	\$3,016,422	\$3,016,422	47	41	
Parks, Recreation and Historic Preservation, Office of	\$1,329,276	\$1,490,416	\$0	\$0	\$954,941	\$1,269,960	\$1,269,960	28	35	
Parole, Division of	\$65,472	\$0	\$0	\$0	\$65,472	\$0	\$0	1	0	
Science, Technology and Innovation, Foundation for	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	0	0	
State Police, Division of	\$2,016,000	\$1,931,000	\$0	\$0	\$2,016,000	\$1,931,000	\$1,931,000	15	15	
State University of New York	\$8,943,500	\$7,513,600	\$0	\$0	\$8,000,600	\$7,202,600	\$7,202,600	899	847	
State, Department of	\$2,000,000	\$2,000,000	\$3,337,000	\$4,400,000	\$2,045,000	\$2,000,000	\$2,000,000	66	63	
Statewide Financial System	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000	\$1,000,000	0	4	
Taxation and Finance, Department of	\$11,507,000	\$9,243,000	\$0	\$0	\$10,248,000	\$9,243,000	\$9,243,000	49	49	
Technology, Office for	\$2,254,000	\$2,254,000	\$0	\$0	\$2,254,000	\$1,288,000	\$1,288,000	14	8	
Temporary and Disability Assistance, Office of	\$3,069,936	\$2,882,366	\$9,924,142	\$12,139,906	\$12,994,078	\$15,022,273	\$15,022,273	109	93	
Total	\$154,847,960	\$152,431,076	\$41,256,979	\$48,627,206	\$141,240,090	\$141,244,013	\$141,244,013	2,807	2,746	

CONSULTING SERVICE CONTRACTS

2011-12 CONSULTING SERVICE CONTRACTS REPORT SPECIAL REVENUE FUNDS - FEDERAL

Agency	Appropriations Requested		Reappropriations		Reappropriations Requested		Estimated Disbursements		Estimated Disbursements		Estimated Number of Contract Employees	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
Aging, Office for the	\$460,515	\$650,000	\$197,400	\$657,915	\$407,315	\$539,500	0	0	0	0	0	0
Children and Family Services, Office of	\$5,937,300	\$7,446,931	\$9,414,765	\$7,446,931	\$5,937,300	\$7,446,931	62	78	62	78	62	78
Criminal Justice Services, Division of	\$3,646,407	\$3,680,438	\$6,446,719	\$4,936,805	\$5,851,905	\$4,273,082	58	24	58	24	58	24
Economic Development, Department of	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	0	0	0	0	0	0
Education Department, State	\$23,646,523	\$66,059,817	\$0	\$0	\$23,646,523	\$66,059,817	179	161	179	161	179	161
Environmental Conservation, Department of	\$346,000	\$346,000	\$1,810,000	\$1,810,000	\$2,156,000	\$2,156,000	40	39	40	39	40	39
Health, Department of	\$26,212,929	\$26,225,000	\$0	\$0	\$26,212,929	\$26,225,000	159	159	159	159	159	159
Human Rights, Division of	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	4	4	4	4	4	4
Labor, Department of	\$8,969,720	\$5,742,012	\$10,268,490	\$9,896,461	\$19,238,210	\$15,638,473	132	122	132	122	132	122
Law, Department of	\$254,000	\$254,000	\$0	\$0	\$133,000	\$133,000	5	5	5	5	5	5
Medicaid Inspector General, Office of the	\$2,764,494	\$3,616,422	\$0	\$0	\$2,764,494	\$3,616,422	48	58	48	58	48	58
Motor Vehicles, Department of	\$1,143,600	\$1,143,600	\$0	\$0	\$1,293,600	\$1,293,600	10	10	10	10	10	10
Quality of Care and Advocacy for Persons with Disabilities, Commission on	\$4,240,400	\$4,325,200	\$2,463,900	\$3,396,100	\$4,301,500	\$4,387,500	233	233	233	233	233	233
State Police, Division of	\$1,916,000	\$1,748,000	\$0	\$0	\$1,916,000	\$1,748,000	10	13	10	13	10	13
State, Department of	\$68,081	\$0	\$96,500	\$12,000	\$159,581	\$5,000	7	3	7	3	7	3
Temporary and Disability Assistance, Office of	\$1,333,959	\$6,993,126	\$10,136,090	\$7,972,015	\$11,470,049	\$14,965,141	98	78	98	78	98	78
Total	\$82,239,928	\$129,530,546	\$42,133,864	\$37,428,227	\$105,788,406	\$148,787,466	1,045	987	1,045	987	1,045	987

CONSULTING SERVICE CONTRACTS

2011-12 CONSULTING SERVICE CONTRACTS REPORT SPECIAL REVENUE FUNDS - OTHER

Agency	Appropriations Requested		Reappropriations		Reappropriations Requested		Estimated Disbursements		Estimated Disbursements		Estimated Number of Contract Employees	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
Alcoholic Beverage Control, Division of	\$129,000	\$80,000	\$0	\$0	\$0	\$0	\$115,000	\$80,000	\$80,000	\$80,000	2	1
Alcoholism and Substance Abuse Services, Office of	\$3,353,832	\$3,353,832	\$0	\$0	\$0	\$0	\$3,353,832	\$3,353,832	\$3,353,832	\$3,353,832	26	26
Audit and Control, Department of	\$1,859,018	\$2,027,500	\$0	\$0	\$0	\$0	\$1,859,018	\$2,027,500	\$2,027,500	\$2,027,500	38	37
Budget Division of the	\$5,961,000	\$3,285,000	\$0	\$0	\$0	\$0	\$5,961,000	\$3,285,000	\$3,285,000	\$3,285,000	54	40
Children and Family Services, Office of	\$442,210	\$442,210	\$0	\$442,210	\$0	\$442,210	\$442,210	\$442,210	\$442,210	\$442,210	31	31
Civil Service, Department of	\$241,300	\$69,000	\$0	\$0	\$0	\$0	\$153,300	\$68,600	\$68,600	\$68,600	5	2
City University of New York	\$2,475,000	\$2,350,000	\$0	\$0	\$0	\$0	\$2,475,000	\$2,350,000	\$2,350,000	\$2,350,000	37	35
Criminal Justice Services, Division of	\$14,991,125	\$17,159,364	\$6,786,508	\$11,197,738	\$0	\$0	\$12,522,896	\$14,024,707	\$14,024,707	\$14,024,707	117	83
Economic Development, Department of	\$3,765,000	\$3,765,000	\$0	\$0	\$0	\$0	\$38,870	\$1,000,000	\$1,000,000	\$1,000,000	5	5
Education Department, State	\$5,264,888	\$5,200,000	\$0	\$0	\$0	\$0	\$5,264,888	\$5,200,000	\$5,200,000	\$5,200,000	98	93
Elections, State Board of	\$3,500,000	\$2,000,000	\$0	\$0	\$0	\$0	\$3,500,000	\$2,000,000	\$2,000,000	\$2,000,000	10	5
Environmental Conservation, Department of	\$3,600,000	\$3,600,000	\$2,563,000	\$2,563,000	\$0	\$0	\$6,163,000	\$6,163,000	\$6,163,000	\$6,163,000	603	595
Environmental Facilities Corporation	\$80,000	\$90,000	\$0	\$0	\$0	\$0	\$80,000	\$90,000	\$90,000	\$90,000	9	9
Financial Regulation, Department of	\$5,629,810	\$5,605,600	\$0	\$0	\$0	\$0	\$5,629,810	\$5,605,600	\$5,605,600	\$5,605,600	197	172
General Services, Office of	\$675,000	\$675,000	\$0	\$0	\$0	\$0	\$675,000	\$675,000	\$675,000	\$675,000	4	4
Health, Department of	\$11,032,776	\$11,050,000	\$0	\$0	\$0	\$0	\$11,032,776	\$11,050,000	\$11,050,000	\$11,050,000	339	339
Higher Education Services Corporation	\$2,245,500	\$903,000	\$0	\$0	\$0	\$0	\$2,245,500	\$903,000	\$903,000	\$903,000	34	22
Homeland Security and Emergency Services, Office of	\$1,515,000	\$1,625,000	\$0	\$0	\$0	\$0	\$1,515,000	\$1,625,000	\$1,625,000	\$1,625,000	11	12
Housing and Community Renewal, Division of	\$5,200,000	\$5,200,000	\$2,000,000	\$2,000,000	\$0	\$0	\$710,000	\$710,000	\$710,000	\$710,000	20	20
Interest on Lawyer Account	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$160,000	\$200,000	\$200,000	\$200,000	15	15
Labor, Department of	\$98,980	\$800,000	\$0	\$98,980	\$0	\$0	\$98,980	\$898,980	\$898,980	\$898,980	2	6
Law, Department of	\$2,525,000	\$2,525,000	\$0	\$0	\$0	\$0	\$2,416,000	\$2,525,000	\$2,525,000	\$2,525,000	16	16
Lottery, Division of the	\$1,227,012	\$839,104	\$0	\$0	\$0	\$0	\$1,087,012	\$839,104	\$839,104	\$839,104	20	13
Mental Health, Office of	\$46,960,000	\$46,960,000	\$0	\$0	\$0	\$0	\$46,960,000	\$46,960,000	\$46,960,000	\$46,960,000	1,006	1,006
Motor Vehicles, Department of	\$150,000	\$150,000	\$150,000	\$150,000	\$0	\$0	\$150,000	\$150,000	\$150,000	\$150,000	4	4
Persons with Developmental Disabilities, Office for	\$16,992,000	\$16,992,000	\$0	\$0	\$0	\$0	\$16,949,786	\$11,762,663	\$11,762,663	\$11,762,663	1,781	1,748
Racing and Wagering Board, State	\$2,922,000	\$5,624,000	\$0	\$0	\$0	\$0	\$0	\$5,907,300	\$5,907,300	\$5,907,300	16	16
State University of New York	\$100,638,300	\$82,740,200	\$1,060,000	\$916,600	\$0	\$0	\$92,329,600	\$74,741,400	\$74,741,400	\$74,741,400	4,693	4,627
Statewide Financial System	\$3,246,000	\$0	\$0	\$0	\$0	\$0	\$3,246,000	\$0	\$0	\$0	11	0
Temporary and Disability Assistance, Office of	\$438,525	\$278,603	\$0	\$0	\$0	\$0	\$438,525	\$278,603	\$278,603	\$278,603	5	3
Victims Services, Office of	\$1,838,000	\$1,800,000	\$0	\$0	\$0	\$0	\$90,000	\$60,000	\$60,000	\$60,000	2	2
Workers Compensation Board	\$9,700,000	\$9,700,000	\$0	\$0	\$0	\$0	\$9,700,000	\$9,700,000	\$9,700,000	\$9,700,000	67	67
Total	\$258,896,276	\$237,089,413	\$12,559,508	\$17,368,528	\$17,368,528	\$17,368,528	\$237,363,003	\$214,511,499	\$214,511,499	\$214,511,499	9,278	9,054

CONSULTING SERVICE CONTRACTS

2011-12 CONSULTING SERVICE CONTRACTS REPORT CAPITAL PROJECTS FUNDS

Agency	Appropriations Requested		Reappropriations		Estimated Disbursements		Estimated Number of Contract Employees	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
Criminal Justice Services, Division of	\$2,131,367	\$723,738	\$3,474,577	\$2,424,944	\$3,192,500	\$1,364,398	10	8
Environmental Conservation, Department of	\$7,000	\$7,000	\$23,204,000	\$23,204,000	\$23,211,000	\$23,211,000	2,280	2,278
General Services, Office of	\$4,500,000	\$4,900,000	\$0	\$0	\$4,500,000	\$4,275,000	465	442
Mental Health, Office of	\$4,750,000	\$5,250,000	\$0	\$0	\$4,750,000	\$5,250,000	38	38
Motor Vehicles, Department of	\$2,936,615	\$2,936,615	\$0	\$0	\$2,936,615	\$2,936,615	29	29
Parks, Recreation and Historic Preservation, Office of	\$34,200,000	\$34,200,000	\$93,571,000	\$93,204,000	\$8,615,573	\$6,500,629	490	450
State, Department of	\$0	\$0	\$944,000	\$808,000	\$738,000	\$350,000	25	17
Statewide Financial System	\$45,850,000	\$20,544,000	\$0	\$0	\$45,850,000	\$20,544,000	127	38
Temporary and Disability Assistance, Office of	\$0	\$0	\$600,000	\$600,000	\$600,000	\$600,000	19	19
Transportation, Department of	\$182,642,000	\$178,408,000	\$953,033,000	\$837,420,000	\$208,590,000	\$190,740,000	3,599	3,183
Total	\$277,016,982	\$246,969,353	\$1,074,826,577	\$957,660,944	\$302,983,688	\$255,771,642	7,082	6,502

INTERNAL SERVICE FUNDS

Agency	Appropriations Requested		Reappropriations		Estimated Disbursements		Estimated Number of Contract Employees	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
Budget, Division of the	\$1,442,950	\$1,200,000	\$0	\$0	\$1,442,950	\$1,200,000	13	13
Civil Service, Department of	\$1,981,000	\$2,271,000	\$0	\$0	\$1,981,000	\$2,266,000	19	25
General Services, Office of	\$2,425,000	\$1,800,000	\$0	\$0	\$2,425,000	\$1,800,000	37	31
Technology, Office for	\$26,082,000	\$26,082,000	\$0	\$0	\$26,082,000	\$23,667,000	162	147
Total	\$31,930,950	\$31,353,000	\$0	\$0	\$31,930,950	\$28,933,000	231	216

FIDUCIARY FUNDS

Agency	Appropriations Requested		Reappropriations		Estimated Disbursements		Estimated Number of Contract Employees	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
Audit and Control, Department of	\$2,028,902	\$1,946,000	\$0	\$0	\$2,028,902	\$1,946,000	76	75
Total	\$2,028,902	\$1,946,000	\$0	\$0	\$2,028,902	\$1,946,000	76	75

USER'S GUIDE

The "User's Guide" provides an explanation of how to use the Executive Budget documents and where to find particular types of information. It also contains some "user-friendly" descriptions of State government and the budget process, a guide on how to read certain budget tables, and definitions of financial terms as included in these budget documents.

Government budget documents can be difficult to read. They contain many numbers and tend to involve technical terms and concepts. Even people with considerable government experience can be baffled by the numerous tables or find themselves uncertain about the meaning of specialized terms.

The User's Guide attempts to overcome this problem by providing simplified, nontechnical explanations and a description of how to use the budget documents. The User's Guide contains the following sections:

- The Executive Budget Documents
- The Structure of State Government
- The Budget Process
- Guide to the Tables
- Financial Terminology

THE EXECUTIVE BUDGET DOCUMENTS

The 2011-12 Executive Budget is presented in five volumes. The first volume, the Briefing Book, contains the Budget Director's Message which presents the Governor's fiscal blueprint for 2011-12. It also includes highlights of major initiatives and a list of legislative proposals needed to implement the proposed budget. This document also presents tables summarizing significant changes in agency spending.

The Five-Year Financial Plan summarizes the Governor's Executive Budget and describes the "complete plan" of spending and revenues required by the Constitution.

The Economic and Revenue Outlook explains the specific sources of State revenues including the economic outlook for the nation and the State.

The fourth book presents the Five-Year Capital Program and Financing Plan which highlights major capital initiatives and objectives and describes the approach to financing.

Finally, the Agency Presentations volume describes the functions of each State agency and presents tables that summarize the agency's spending by program and category. A "User's Guide" provides background information on State government and the budget process, and explains how to interpret the agency "story" tables. This book also includes the budget requests of the Legislature and Judiciary which are submitted without revision as required by the Constitution.

A statutorily-required Tax Expenditure Report is published separately shortly after the formal submission of the budget.

It should be noted that this User's Guide describes only the "official" budget documents. Other documents such as press releases and publicly released briefing materials may also be of help to those seeking to understand the budget. This information will be posted on the Division of the Budget's website at <http://www.budget.state.ny.us> as soon as it is available.

THE STRUCTURE OF STATE GOVERNMENT

The Executive Budget focuses on the programs and finances of State government. It should be kept in mind, however, that government in New York State also includes the governments of 57 counties outside of New York City, 62 cities (including New York City), 932 towns and 555 villages. In addition, the State is divided into 697 school districts including New York City.

Organizationally, the State follows the classic pattern of American government with three independent branches. The legislative branch consists of a bicameral Legislature – a Senate of 62 members and an Assembly of 150 members. The judicial branch includes trial courts and appellate courts ranging from town and village courts to the State's highest court – the Court of Appeals. The Judiciary functions under a Unified Court System whose organization, administration, and financing are prescribed by the State Constitution and the Unified Court Budget Act.

The executive branch of New York State government consists of 20 departments, the maximum number allowed under a constitutional ceiling. The limitation on the number of departments is traceable to the constitutional reforms of the mid-1920s which sought to make government more manageable by eliminating most of the independently elected executive officers and by inhibiting the creation of new departments. Although there have been several interim changes since the 1920s, in 1961 the maximum number of departments was set at 20, which at the present time are the following:

Agriculture and Markets	Health
Audit and Control	Insurance*
Banking*	Labor
Civil Service	Law
Correctional Services**	Mental Hygiene
Economic Development	Motor Vehicles
Education	Public Service
Environmental Conservation	State
Executive	Taxation and Finance
Family Assistance	Transportation

* The 2011-12 Executive Budget proposes to merge the Banking and Insurance Departments and the Consumer Protection Board to form a new Department of Financial Regulation.

** The 2011-12 Executive Budget proposes to merge the Department of Correctional Services and the Division of Parole into a new Department of Corrections and Community Supervision.

To accommodate governmental functions added since the 1920s within the limit established by the Constitution, additional agencies have been created within the Executive Department. At the time of the 1920s reorganization, this Department, headed by the Governor, consisted solely of such core functions as budgeting, central purchasing, State police, and military and naval affairs. However, over the years as the State took on new responsibilities that did not fit logically into the framework of one of the other departments, the entities charged with providing those services became divisions or offices of the Executive Department.

USER'S GUIDE

New York grants its Governor a comparatively broad range of executive power. Only two officers, in addition to the Governor and Lieutenant Governor (who are elected on a joint ballot), are directly elected by the people of the State: the State Comptroller, who heads the Department of Audit and Control, and the Attorney General, who heads the Department of Law. With a handful of exceptions, the Governor appoints the heads of all other departments and agencies of the executive branch.

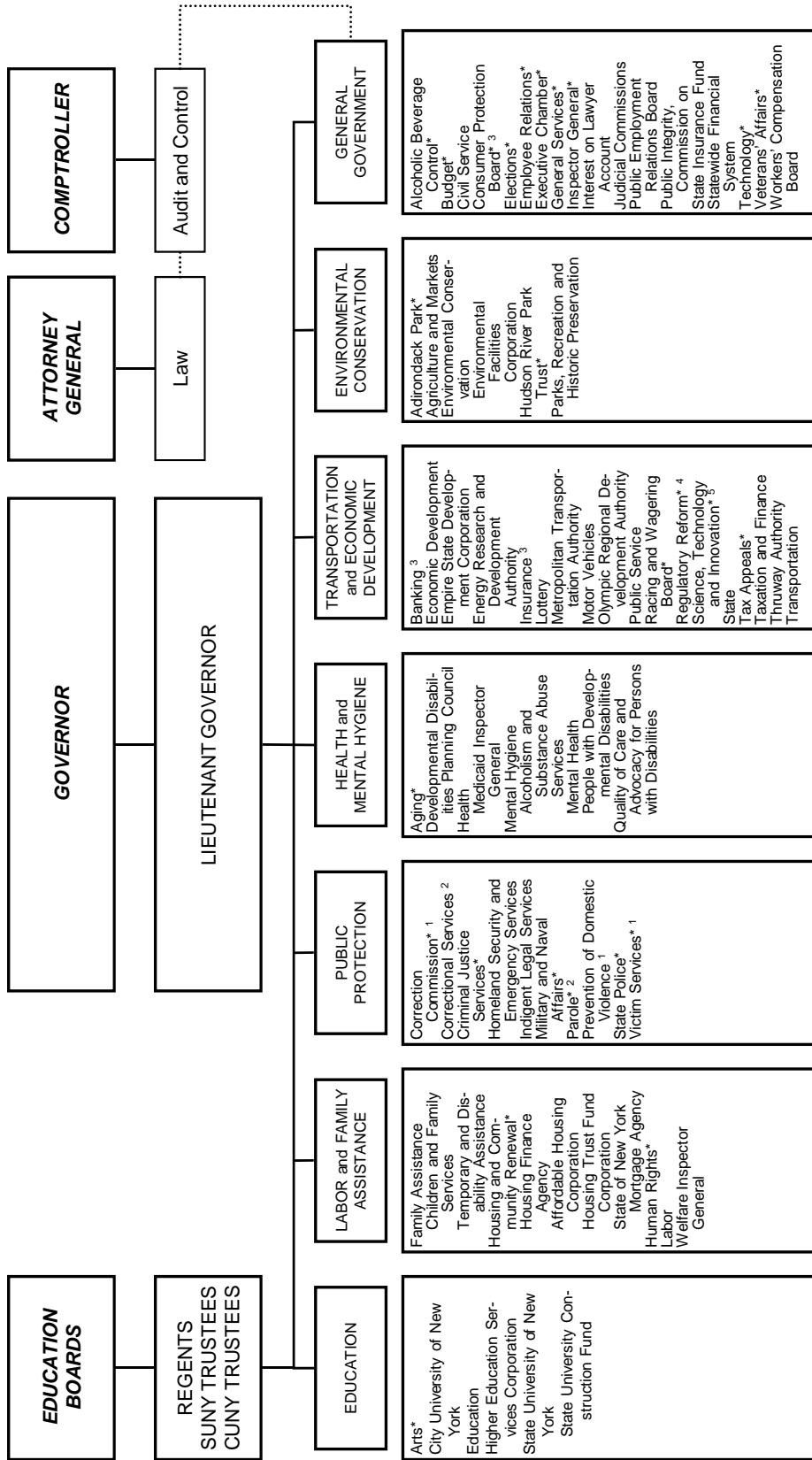
The exceptions include the Commissioner of the State Education Department, who is appointed by and serves at the pleasure of the State Board of Regents. The State University of New York (SUNY) Chancellor and the City University of New York (CUNY) Chancellor are appointed by the Board of Trustees of each system.

The departments and agencies, whose heads report to the Governor, are separate and distinct from one another. Conceptually, however, one may think of each department, board, commission, office or other entity as operating within the context of one of seven major functional areas.

An organization chart of the executive branch by functional areas is displayed on the following page. This chart depicts the current structure of the executive branch.

FUNCTIONAL DISTRIBUTION OF STATE AGENCIES IN THE EXECUTIVE BRANCH

January 1, 2011



* Indicates agencies within the Executive Department
 1 The 2011-12 Executive Budget proposes to merge the Commission of Correction, the Office for the Prevention of Domestic Violence and the Office of Victim Services into the Division of Criminal Justice Services.
 2 The 2011-12 Executive Budget proposes to merge the Department of Correctional Services and the Division of Parole into a new Department of Corrections and Community Supervision.
 3 The 2011-12 Executive Budget proposes to merge the Banking Department, the Insurance Department and the Consumer Protection Board into a new Department of Financial Regulation.
 4 The 2011-12 Executive Budget proposes the elimination of the Governor's Office of Regulatory Reform.
 5 The 2011-12 Executive Budget proposes to merge the Office of Science, Technology and Innovation into the Empire State Development Corporation.

THE BUDGET PROCESS

New York State's budget process uses an executive budget model. Under this system, the Executive is responsible for developing and preparing a comprehensive, balanced budget proposal which the Legislature modifies and enacts into law. The Governor is required by the State Constitution to seek and coordinate requests from agencies of State government, develop a "complete" plan of proposed expenditures and the revenues available to support them (a "balanced budget"), and submit a budget to the Legislature along with the appropriation bills and other legislation required to carry out budgetary recommendations. The Governor is also required by the State Finance Law to manage the budget through administrative actions during the fiscal year.

The State's fiscal year begins April 1 and ends on March 31. However, the actual "budget cycle," representing the time between early budget preparation and last-minute disbursements, begins some 9 months earlier and lasts approximately 27 months – until the expiration of the State Comptroller's authority to honor vouchers against the previous fiscal year's appropriations.

AGENCY BUDGET PREPARATION (JUNE-SEPTEMBER/OCTOBER)

Preparation of budget requests varies among agencies reflecting their size, complexity, and internal practice. Typically, budget development begins at the program or subdepartmental level, with staff preparing individual program requests. The head of the agency or its top fiscal officer may hold internal hearings at which program managers outline their budgetary needs.

Although agencies begin to analyze their budget needs as early as May or June, the formal budget cycle begins when the Budget Director issues a policy memorandum – the "call letter" – to agency heads. The call letter outlines, in general terms, the Governor's priorities for the coming year, alerts the agency heads to expected fiscal constraints, and informs agencies of the schedule for submitting requests to the Division of the Budget. The call letter signals the official start of the budget process.

By early-mid fall, the final program package is assembled, guided by the instructions set forth by the Division of the Budget in the Budget Request Manual; reviewed for consistency with the call letter; and approved by the agency head.

DIVISION OF THE BUDGET REVIEW (SEPTEMBER/OCTOBER–DECEMBER)

In accordance with the schedule outlined in the call letter, agencies typically submit their budget requests to the Division of the Budget in early-mid fall, with copies provided to the legislative fiscal committees. Examination units within the Division then analyze the requests of the agencies for which they have responsibility. Examiners may seek additional information from the agencies and may hold informal hearings or meetings with agency management to clarify agency requests and seek a more precise definition of agency priorities. By the end of October, examination units have also usually determined funding requirements to continue agency programs at current levels in the new fiscal year.

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In November, the Budget Director conducts constitutionally authorized “formal” budget hearings, giving agency heads an opportunity to present and discuss their budget requests and giving the staff of the Division of the Budget and the Governor’s office an opportunity to raise critical questions on program, policy, and priorities. As provided in the Constitution, representatives of the Legislature also participate in the hearings.

Pursuant to the State Finance Law, and to help expedite the budget process, legislative and Executive staffs meet in early November to discuss the economic outlook, revenue forecasts, projected spending, the impact of State and Federal statutes, and any other relevant issues. Through late November, the Division’s examiners transform agency requests into preliminary budget and personnel recommendations which are reviewed in detail with the Director. The staff also prepare the appropriation bills and any other legislation required to carry out these recommendations. Concurrently, the Division of the Budget’s fiscal planning staff is reassessing economic projections, investigating possible changes in the revenue structure, analyzing trends in Federal funding, and preparing the Financial Plan that describes and forecasts the State’s fiscal condition. The Financial Plan is prepared both on a cash basis and according to Generally Accepted Accounting Principles (GAAP).

By early December, the Division of the Budget will normally have completed its preliminary recommendations on both receipts and disbursements and presented them to the Governor and the Governor’s staff. Budget staff then prepare the tables and the narrative (the “budget story”) that accompany each agency budget and the descriptions and forecasts of individual revenue sources.

THE GOVERNOR’S DECISIONS (NOVEMBER–JANUARY)

The Governor and Executive Chamber staff, who are also preparing the annual “State of the State” Message to the Legislature (which the Governor presents to the Legislature when it convenes in January), are conversant with the budget throughout its development. The Governor is kept up-to-date on changing economic and revenue forecasts and confirms that Executive program priorities are accurately reflected in the budget. Based on the preliminary recommendations and the most current reading of the economic and fiscal environment, the final Executive Budget recommendations are formulated in a series of meetings between Division of the Budget staff and the Governor and his staff. These sessions focus on major fiscal and policy issues and may lead to significant revisions in agency budgets.

LEGISLATIVE ACTION (JANUARY–MARCH)

As required by the State Constitution, by mid-January – or following a gubernatorial election year, by February 1 – the Governor submits the Executive Budget to the Legislature along with the related appropriation, revenue, and other budget bills. The State’s Five-Year Financial Plan, Five-Year Capital Program and Financing Plan, and financial information supporting the Executive Budget are also submitted with the Executive Budget. The Executive Budget documents are available on the Division of the Budget’s website at <http://www.budget.state.ny.us>.

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The Legislature, primarily through its fiscal committees Senate Finance and Assembly Ways and Means, analyzes the Executive spending proposals and revenue estimates, holds public hearings on major programs, and seeks further information from the staffs of the Division of the Budget and other State agencies. Following that review, the Legislature acts on the appropriation bills submitted with the Executive Budget to reflect its decisions.

Under budget reform legislation passed in 2007, the Legislature is required to follow a Conference Committee process to organize its deliberations, set priorities, and reach agreement on a budget between the two houses. In addition, the State Finance Law requires that the Executive and Legislature convene a consensus economic and revenue forecasting conference and issue a consensus report on tax, lottery, and miscellaneous receipts on or before March 1. If the parties fail to reach consensus, the Comptroller is required to issue a revenue forecast by March 5.

Based on their separate and joint deliberations, the two houses reach agreement on spending and revenue recommendations which are reflected in amended versions of the Governor's proposed appropriation bills, and related legislation, and approved by both houses. These amended bills are available from the Senate and Assembly Document Rooms located in the Capitol and the Legislative Office Building and are also available on the Internet.

The appropriation bills, except for those items which were added by the Legislature and the appropriations for the Legislature and Judiciary, become law without further action by the Governor. The Governor must approve or disapprove all or parts of the appropriation bills covering the Legislature and Judiciary and may use the line item veto to disapprove items added by the Legislature while approving the remainder of the bill. As provided in the Constitution, the Legislature may override the Governor's veto by a vote of two-thirds of the members of each house. The appropriation bills legally authorize the expenditure of funds during the new fiscal year.

Prior to passage of the appropriation bills, the Legislature must issue a summary of the proposed changes to the budget to its members. The Division of the Budget is also required to prepare a report that summarizes the impact of the Legislature's actions on the State's multi-year Financial Plan. Once the Governor completes his review of the Legislature's actions, the Division of the Budget then issues a comprehensive Enacted Budget Report that contains the State's official Financial Plan projections for the current and successive fiscal years. The Legislature must also issue a report describing appropriation changes and the effect of the enacted budget on State agency employment levels.

BUDGET EXECUTION (APRIL–MARCH)

At this point, the budget process enters a new phase: budget execution. As a first step, the Division of the Budget approves "certificates of allocation" informing the State Comptroller that accounts may be established as specified in the certificates and that vouchers drawn against the accounts may be honored.

In addition, the Division of the Budget keeps a close watch throughout the year on the flow of revenue and the pattern of expenditures against its projections. This information is reflected in quarterly updates of the Financial Plan which are provided to the Legislature as required by law in April (or as soon as practicable after budget enactment), July, October and with the Executive Budget for the ensuing year (usually January). The Debt Reform Act of 2000 (see also page 468) requires the Governor to report on the

USER'S GUIDE

State's compliance with statutory caps placed on new debt issued after March 31, 2000; the State annually reports these findings in the Financial Plan update most proximate to October 31. These updates serve as the basis of financial management during the fiscal year and may alert both the Governor and the Legislature to potential problems in maintaining budget balance as the State fiscal year unfolds.

Shortly after the end of the fiscal year, the Division of the Budget issues a comprehensive report that (1) compares unaudited year-end results to the projections set forth in the enacted budget and in the final update to the Financial Plan and (2) summarizes the reasons for the annual change in receipts and disbursements.

A GUIDE TO THE TABLES

One of the most daunting features of any budget document is the array of tables that accompanies each narrative. What does each table include? What is a “category”? Is it the same as a “program”? What are “all funds”? How do the tables account for transactions that have occurred during the current fiscal year and that may have changed the basis for year-to-year comparisons?

At first glance, the tables may appear to differ widely in appearance and content from one agency budget to another. Some agencies will have a limited number of programs, receive funding in only one category of appropriation – say, State Operations – and have no capital construction projects. Others may receive funding in all categories and many fund types, have a complex set of programs, and reflect numerous current-year adjustments. A closer look will reveal that the agency presentations use a uniform set of tables in an identical sequence. It should be noted, however, that some agencies may not require one or more of the set. For example, the capital projects table will not be included for an agency that has no construction program.

All or most of the following tables accompany each agency presentation. Although the titles of the tables are identical to those that appear in the agency presentations, the tables in the presentations are not lettered. The letters of the tables (e.g., A, B...J) have been included in this guide for ease of reference only.

- A. All Funds — Appropriations
- B. All Fund Types — Projected Levels of Employment by Program — Filled Annual Salaried Positions
- C. State Operations — All Funds Financial Requirements by Fund Type — Appropriations
- D. State Operations — All Funds Financial Requirements by Program — Appropriations
- E. State Operations - General Fund — Summary of Personal Service Appropriations and Changes — 2011-12 Recommended
- F. State Operations - General Fund — Summary of Nonpersonal Service and Maintenance Undistributed Appropriations and Changes — 2011-12 Recommended
- G. State Operations - Other Than General Fund — Summary of Appropriations and Changes — 2011-12 Recommended
- H. Aid To Localities — All Funds Financial Requirements by Fund Type — Appropriations
- I. Aid To Localities — All Funds Financial Requirements by Program — Appropriations
- J. Capital Projects — All Funds Financial Requirements by Program — Appropriations

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A. ALL FUNDS — APPROPRIATIONS

**ALL FUNDS ¹
APPROPRIATIONS
(dollars)**

² Category	³ Available 2010-11	⁴ Appropriations Recommended 2011-12	⁵ Change	⁶ Reappropriations Recommended 2011-12
State Operations	82,050,000	86,977,000	4,927,000	24,486,000
Aid To Localities	403,074,150	9,650,000	(393,424,150)	849,811,000
Capital Projects	36,100,000	30,700,000	(5,400,000)	111,358,000
Total	521,224,150	127,327,000	(393,897,150)	985,655,000

- ¹ “All Funds” captures spending from all of the State’s various revenue sources including taxes, fees, fines, Federal grants, bond proceeds, lottery proceeds, and other miscellaneous receipts. This concept includes the four fund types which comprise the Governmental Funds Financial Plan: the General Fund (the repository for the majority of State-imposed taxes and fees), Special Revenue funds (including funds earmarked for specific purposes like lottery proceeds, fishing licenses, or Federal grants), Capital Projects funds and Debt Service¹ funds. Another three fund types – Internal Service funds, Enterprise funds and Fiduciary funds – are included as well.
- ² There are four major categories of spending: State Operations, Aid to Localities, Capital Projects, and Debt Service.
- ³ This column displays the appropriations available for the current fiscal year. Adjustments, such as the recommended transfer of a program or an item to another fund or agency for the next fiscal year, are included to provide for year-to-year comparability.
- ⁴ This column displays the appropriations recommended for the next fiscal year. As explained in the “Financial Terminology” section of this guide, appropriations represent an authorization to incur spending obligations during the fiscal year, up to the specified amount. Cash payments for those obligations may occur during the fiscal year of the appropriation or during the first part of the ensuing fiscal year.
- ⁵ This column displays the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.
- ⁶ A reappropriation is a prior-year or current-year appropriation which will not be fully spent by the end of the current fiscal year and which has been recommended for extension.

¹ While funds classified as Debt Service may be included, any appropriations made specifically in the Debt Service category of spending are not included in this table. For more information about State Debt Service, please refer to Part II.

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B. ALL FUND TYPES — PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM — FILLED ANNUAL SALARIED POSITIONS

The Projected Levels of Employment by Program table for filled, annual salaried positions is presented on a Full-Time Equivalent (FTE) basis. The table provides a point-in-time projection of filled, full-time, annual salaried positions.

In understanding the definition of FTE, it is important to note that the FTE is a unit of measure which identifies filled, full-time, annual salaried positions rather than people. The following three examples illustrate this concept:

- 1 person serving in 1 position at 100 percent time (full-time) = 1 FTE
- 2 people sharing 1 position, each at 50 percent time (half-time) = .5 FTE + .5 FTE = 1 FTE
- 2 people serving in 2 positions, each at 50 percent time (half-time) = .5 FTE + .5 FTE = 1 FTE

In total, the above three examples indicate that 5 people are employed within State service, but since 4 people work half-time, only 3 FTEs are counted.

FTE's supported by funds derived from some external source (i.e., suballocations) are included within agency program fund type totals.

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

[1] Program	Full-Time Equivalent Positions (FTE)		[4] FTE Change
	[2] 2010-11 Estimated FTEs 03/31/11	[3] 2011-12 Estimated FTEs 03/31/12	
Administration			
General Fund	62	62	0
Emergency Management			
General Fund	30	32	2
Special Revenue Funds - Federal	75	75	0
Special Revenue Funds - Other	18	18	0
Military Readiness			
General Fund	164	164	0
Special Revenue Funds - Federal	292	292	0
Special Service			
Special Revenue Funds - Other	11	11	0
Total	652	654	2

- [1] Each agency has a program structure which is described in its narrative presentation. Each of the agency's activities falls within a program and each program that contains FTEs may have appropriations from one or more fund types.
- [2] This column displays an estimate of FTEs on March 31, 2011 (i.e., the last day of the current fiscal year).
- [3] This column displays an estimate of FTEs on March 31, 2012 (i.e., the last day of the next fiscal year).
- [4] This column displays the difference between the FTE's in the current fiscal year and FTEs recommended for the next fiscal year, with negative amounts displayed in parentheses.

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The next five tables apply to the State Operations category. Each agency which has appropriations in this category will have some or all of these tables in its presentation.

C. STATE OPERATIONS — ALL FUNDS REQUIREMENTS BY FUND TYPE — APPROPRIATIONS

This table shows the distribution of all appropriations within the State Operations category by fund type and shows a year-to-year comparison of the amounts available in the current fiscal year and those recommended for the next fiscal year. See the next table for a distribution by program.

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

[1] Fund Type	[2] Available 2010-11	[3] Recommended 2011-12	[4] Change
General Fund	24,766,000	24,671,000	(95,000)
Special Revenue Funds - Federal [5]	46,419,000	46,041,000	(378,000)
Special Revenue Funds - Other	10,865,000	16,265,000	5,400,000
Total	82,050,000	86,977,000	4,927,000
Adjustments: [6]			
Transfer(s) From			
Special Pay Bill			
General Fund	(390,000)		
Appropriated 2010-11	81,660,000		

[1] The State Finance Law defines and mandates the use of seven fund types. Of these, the fund types typically found in the State Operations category are General, Special Revenue, Enterprise, Internal Service, and Fiduciary.

[2] This column displays the appropriations available for the current fiscal year.

[3] This column displays the appropriations recommended for the next fiscal year.

[4] This column displays the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

[5] Because of the difference between the State's fiscal year (April 1 through March 31) and the Federal fiscal year (October 1 through September 30), appropriations of most Federal grants generally include spending from portions of two Federal fiscal years. The amounts discussed throughout the Executive Budget represent the totals of spending from different grants that are expected to occur during the State fiscal year.

[6] Adjustments in the amounts available for the current year may occur for a number of reasons. As discussed below, they may anticipate changes that are being recommended in the budget for the new fiscal year or reflect transactions occurring during the course of the current year:

- Most commonly, the adjustment is included to make the amounts available in the current fiscal year more comparable to those recommended for the next fiscal year. For example, if the Executive Budget is recommending that an item which

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has been appropriated in the current year's budget as a State Operations item be included as an Aid to Localities item in the next fiscal year, the dollar amount of the item would be deducted from the amount available in the current year for State Operations to achieve year-to-year comparability. A similar amount would be added to the amount available this year for Aid to Localities.

- In other cases, including the example shown in the table above, the amount shown reflects an adjustment that has actually taken place during the current year. In the example, amounts were transferred to this agency from an appropriation made to "All State Departments and Agencies" which is included among the Miscellaneous appropriations elsewhere in the Executive Budget. During budget execution, such Miscellaneous All State Department and Agency appropriations (e.g., to fund a salary increase or some other across-the-board adjustment) are divided and transferred to the appropriations of individual agencies to be expended ("lump sum appropriations" are explained on page 462 of the Financial Terminology section). The adjustments made in this case enable the reader to compare the amount actually available to the agency under this category during the current fiscal year with that appropriated by the Legislature for the year.

D. STATE OPERATIONS — ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM — APPROPRIATIONS

This table shows the amounts available for State Operations for the current fiscal year and those that have been recommended for the next fiscal year by program and, within each program, by fund type.

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

1 Program	2 Available 2010-11	3 Recommended 2011-12	4 Change
Administration			
General Fund	4,004,000	4,004,000	0
Disaster Assistance			
Special Revenue Funds - Federal	4,843,000	4,861,000	18,000
Emergency Management			
General Fund	4,384,000	4,584,000	200,000
Special Revenue Funds - Federal	966,000	575,000	(391,000)
Special Revenue Funds - Other	2,000,000	7,400,000	5,400,000
Military Readiness			
General Fund	15,488,000	15,693,000	205,000
Special Revenue Funds - Federal	40,610,000	40,605,000	(5,000)
Special Service			
General Fund	890,000	390,000	(500,000)
Special Revenue Funds - Other	8,865,000	8,865,000	0
Total	82,050,000	86,977,000	4,927,000

1 Each agency has a program structure which is described in its narrative presentation. Each of the agency's activities falls within a program, and each program may have appropriations from one or more fund types.

2 This column displays the appropriations available for the current fiscal year.

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- 3 This column displays the appropriations recommended for the next fiscal year.
- 4 This column displays the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

E. STATE OPERATIONS - GENERAL FUND — SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES — 2011-12 RECOMMENDED

Personal service is one of the “major objects” of expenditure in use in New York State budgeting. This table shows the amounts recommended for personal service for each program supported from the General Fund. As discussed in the notes for this table, there are “subobjects” within personal service. The remaining major objects are discussed in the tables that follow.

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

1 Program	2 Total		3 Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,546,000	(5,000)	3,531,000	(6,000)
Emergency Management	2,100,000	217,000	2,063,000	215,000
Military Readiness	7,996,000	6,000	7,172,000	(45,000)
Special Service	137,000	0	137,000	0
Total	13,779,000	218,000	12,903,000	164,000

Program	4 Temporary Service (Nonannual Salaried)		5 Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	0	15,000	1,000
Emergency Management	0	0	37,000	2,000
Military Readiness	733,000	13,000	91,000	38,000
Special Service	0	0	0	0
Total	733,000	13,000	143,000	41,000

- 1 Each agency has a program structure which is described in its narrative presentation.
- 2 The Total columns display the sum of the amounts recommended for the “subobjects” Personal Service Regular (Annual Salaried), Temporary Service (Nonannual Salaried), and Holiday/Overtime Pay (Annual Salaried). Total Personal Service includes funding for annual-salaried personnel (see table B) and nonannual-salaried personal service costs, and may include adjustments to account for savings expected to result from vacancies occurring throughout the year.
- 3 The Personal Service Regular columns display the amounts recommended for the “subobject” Personal Service Regular (Annual Salaried) and the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses. The bulk of the State’s permanent work force is funded through Personal Service Regular and is generally paid on the basis of an annual salary.

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4 Similar to 3 above, these columns display the recommended and change amounts for the “subobject” Temporary Service. Temporary Service authorizes pay for employees hired on a seasonal or short-term basis who are generally paid according to an hourly wage scale including amounts to cover holiday/overtime pay for such nonannual salaried employees.

5 Similar to 3 above, these columns display the recommended and change amounts for the “subobject” Holiday/Overtime Pay. Holiday/Overtime Pay includes compensation for annual salaried employees eligible to receive additional payment for work performed on holidays or beyond normal duty hours. Eligibility for such payment is established by Civil Service Rules and Regulations and by contracts resulting from collective bargaining with employee organizations. The provisions of both the Civil Service Rules and Regulations and contracts with employee organizations must meet the standards set forth in the Federal Fair Labor Standards Act which governs State overtime policies.

F. STATE OPERATIONS - GENERAL FUND — SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES — 2011-12 RECOMMENDED

Nonpersonal service is one of the four “major objects” of expenditure in use in New York State budgeting. This table shows the amounts recommended for nonpersonal service for each program supported from the General Fund. As discussed in the notes for this table, there are “subobjects” within nonpersonal service.

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

1 Program	2 Total		3 Supplies and Materials	
	Amount	Change	Amount	Change
Administration	458,000	5,000	91,000	9,000
Emergency Management	2,484,000	(17,000)	137,000	(40,000)
Military Readiness	7,697,000	199,000	1,045,000	66,000
Special Service	253,000	(500,000)	66,000	0
Total	10,892,000	(313,000)	1,339,000	35,000

1 Program	4 Travel		5 Contractual Services	
	Amount	Change	Amount	Change
Administration	19,000	(9,000)	230,000	(47,000)
Emergency Management	101,000	(5,000)	1,802,000	(15,000)
Military Readiness	140,000	47,000	6,089,000	50,000
Special Service	12,000	0	101,000	0
Total	272,000	33,000	8,222,000	(12,000)

1 Program	6 Equipment		7 Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	118,000	52,000	0	0
Emergency Management	404,000	3,000	40,000	40,000
Military Readiness	218,000	(169,000)	205,000	205,000
Special Service	74,000	0	0	(500,000)
Total	814,000	(114,000)	245,000	(255,000)

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- 1 Each agency has a program structure which is described in its narrative presentation.
- 2 The Total columns display the sum of the amounts recommended for the “subobjects” Supplies and Materials, Travel, Contractual Services, Equipment and Maintenance Undistributed and the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.
- 3 The Supplies and Materials columns display the amounts recommended for the “subobject” Supplies and Materials and the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses. Supplies and Materials include items such as institutional food, clothing, household supplies and office supplies. The mix of items purchased will, of course, vary widely from agency to agency and program to program.
- 4 Similar to 3 above, these columns display the recommended and change amounts for the “subobject” Travel. Travel includes items such as public transportation, meals and lodging, reimbursement for the use of personal cars, and the costs associated with the operation and maintenance of State-owned cars.
- 5 Similar to 3 above, these columns display the recommended and change amounts for the “subobject” Contractual Services. Contractual services includes the payment of leases, the rental of data processing and other equipment, and a variety of services provided to the State on an occasional or regular basis by outside vendors. Some examples are printing, accounting, legal, consulting, and medical services.
- 6 Similar to 3 above, these columns display the recommended and change amounts for the “subobject” Equipment. Equipment includes items such as vehicles, office machines and furniture, and highway equipment.
- 7 These columns display the recommended and change amounts for Maintenance Undistributed. Maintenance Undistributed is not a subobject within Nonpersonal Service. It contains one or more lump sum appropriations for specific purposes or programs; as appropriated, it may not distinguish between major objects or subobjects. Under the State Finance Law, before an agency can use these funds, a segregation (“certificate”) must be issued by the Director of the Budget to specify the amounts available from the lump sum for major objects (Personal Service, Nonpersonal Service) and for various subobjects (e.g., personal service regular, travel, equipment). Copies of the certificate are filed with the Comptroller and the legislative fiscal committees.

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G. STATE OPERATIONS - OTHER THAN GENERAL FUND — SUMMARY OF APPROPRIATIONS AND CHANGES — 2011-12 RECOMMENDED

This table shows the amounts recommended to support State Operations from funds other than the General Fund. It shows amounts recommended by program for the “major objects” Personal Service and Nonpersonal Service and amounts recommended for Maintenance Undistributed. This table does not show separate amounts for “subobjects” within Personal Service and Nonpersonal Service. For more information about Maintenance Undistributed, see table F note [7].

Other-than-General Fund recommendations include Federal funds; Internal Service funds, such as the Centralized Services Fund through which individual agencies purchase telecommunications and other support services from the Office for Technology; Special Revenue funds, such as the Miscellaneous Special Revenue Fund; Debt Service funds (budgeted centrally, not within agency appropriations, in most cases); Fiduciary funds, such as the Common Retirement Fund; and Enterprise funds.

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2011-12 RECOMMENDED
(dollars)**

[1] Program	[2] Total		[3] Personal Service	
	Amount	Change	Amount	Change
Disaster Assistance	4,861,000	18,000	2,650,000	(13,000)
Emergency Management	7,975,000	5,009,000	1,416,000	0
Military Readiness	40,605,000	(5,000)	12,459,000	(31,000)
Special Service	8,865,000	0	681,000	(3,000)
Total	62,306,000	5,022,000	17,206,000	(47,000)

Program	[3] Nonpersonal Service		[3] Maintenance Undistributed	
	Amount	Change	Amount	Change
Disaster Assistance	2,211,000	31,000	0	0
Emergency Management	6,559,000	5,009,000	0	0
Military Readiness	28,146,000	26,000	0	0
Special Service	7,746,000	(435,000)	438,000	438,000
Total	44,662,000	4,631,000	438,000	438,000

[1] Each agency has a program structure which is described in its narrative presentation.

[2] The Total columns display the sum of the amounts recommended for Personal Service, Nonpersonal Service and Maintenance Undistributed and the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

[3] The Personal Service, Nonpersonal Service, and Maintenance Undistributed columns display the amounts recommended for each item within a program and the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

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The next two tables apply to the Aid to Localities category. Each agency which has appropriations in this category will have these two tables in its presentation.

H. AID TO LOCALITIES — ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE — APPROPRIATIONS

This table shows the distribution of all appropriations for this agency within the Aid to Localities category by fund type and shows a year-to-year comparison of the amounts available in the current year with those recommended for the next fiscal year. See the next table for a distribution by program.

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

[1] Fund Type	[2] Available 2010-11	[3] Recommended 2011-12	[4] Change
General Fund	90,013,150	0	(90,013,150)
Special Revenue Funds - Federal [5]	311,411,000	8,000,000	(303,411,000)
Special Revenue Funds - Other	1,650,000	1,650,000	0
Total	<u>403,074,150</u>	<u>9,650,000</u>	<u>(393,424,150)</u>
Adjustments: [6]			
Prior Year Deficiency			
Military and Naval Affairs, Division of General Fund	85,000,000		
Special Revenue Funds - Federal	<u>255,000,000</u>		
Appropriated 2010-11	<u>743,074,150</u>		

[1] The State Finance Law defines and mandates the use of seven fund types. Of these, the fund types typically found in the Aid to Localities category are General, Special Revenue, Enterprise, Internal Service, and Fiduciary.

[2] This column displays the appropriations available for the current fiscal year.

[3] This column displays the appropriations recommended for the next fiscal year.

[4] This column displays the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

[5] Because of the difference between the State's fiscal year (April 1 through March 31) and the Federal fiscal year (October 1 through September 30), appropriations of most Federal grants generally include spending from portions of two Federal fiscal years. The amounts discussed throughout the Executive Budget represent the totals of spending from different grants that are expected to occur during the State fiscal year.

[6] Adjustments in the amounts available for the current year may occur for a number of reasons. For more information, please refer to table C note **[6]**.

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I. AID TO LOCALITIES — ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM — APPROPRIATIONS

This table shows the amounts available for Aid to Localities for the current fiscal year and those that have been recommended for the next fiscal year by program and, within each program, by fund type.

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

1 Program	2 Available 2010-11	3 Recommended 2011-12	4 Change
Disaster Assistance			
General Fund	90,000,000	0	(90,000,000)
Special Revenue Funds - Federal	300,000,000	0	(300,000,000)
Emergency Management			
Special Revenue Funds - Federal	11,411,000	8,000,000	(3,411,000)
Special Revenue Funds - Other	1,650,000	1,650,000	0
Community Projects			
General Fund	13,150	0	(13,150)
Total	<u>403,074,150</u>	<u>9,650,000</u>	<u>(393,424,150)</u>

- 1** Each agency has a program structure which is described in its narrative presentation. Each of the agency's activities falls within a program and each program may have appropriations from one or more fund types.
- 2** This column displays the appropriations available for the current fiscal year.
- 3** This column displays the appropriations recommended for the next fiscal year.
- 4** This column displays the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

The next table applies to the Capital Projects category. Each agency which has appropriations in this category will have this table in its presentation.

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J. CAPITAL PROJECTS — ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM — APPROPRIATIONS

This table shows the amounts that are available for Capital Projects for the current fiscal year and those that have been recommended for the next fiscal year by Comprehensive Construction Program and, within each program, by fund type. It also shows recommended reappropriations for the next fiscal year.

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

1	2	3	4	5
Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Design and Construction Supervision				
Capital Projects Fund	4,500,000	4,500,000	0	10,252,000
Federal Capital Projects Fund	7,500,000	3,600,000	(3,900,000)	11,344,000
Maintenance and Improvements				
Capital Projects Fund	5,600,000	8,600,000	3,000,000	22,063,000
Federal Capital Projects Fund	18,500,000	14,000,000	(4,500,000)	67,699,000
Total	<u>36,100,000</u>	<u>30,700,000</u>	<u>(5,400,000)</u>	<u>111,358,000</u>

1 Programs in the Capital Projects category are known as Comprehensive Construction Programs (CCP). The program titles in the Capital Projects category usually differ from the program titles used in the State Operations and Aid to Localities categories. Some CCPs represent broad categories, such as Design and Construction Supervision, while others may correspond to specific agency programs.

2 This column displays the appropriations available for the current fiscal year.

3 This column displays the appropriations recommended for the next fiscal year.

4 This column displays the difference between the appropriations available in the current fiscal year and the amounts recommended for the next fiscal year, with negative amounts displayed in parentheses.

5 This column displays the reappropriations recommended for the next fiscal year. Reappropriations are recommended to continue the authorization to spend all or part of undisbursed balances from appropriations that would otherwise lapse. Reappropriations are used extensively in the Capital Projects category because construction or major rehabilitation projects usually require more than one fiscal year from their inception to completion.

FINANCIAL TERMINOLOGY

This section provides a comprehensive overview of financial terms used throughout the Executive Budget and in other financial and budgetary documents. Many of the terms are generic; others reflect definitions set forth in New York State law, regulations issued by State financial control agencies, or historical usage in State government. The terms have been grouped under the following major headings:

1. Budgets
2. Financial Plan
3. Fund Structure
4. Appropriations and Expenditures
5. Budget Execution and Control
6. Generally Accepted Accounting Principles (GAAP)
7. Accountability, Audit and Internal Controls
8. Debt and Capital Financing
9. Other Miscellaneous Terms

BUDGETS

Executive Budget refers to the structure and process of the constitutional system of budgeting in New York State which vests in the Governor primary authority and responsibility for budget formulation, presentation, and execution. More specifically, it refers to the Governor's constitutionally mandated annual submission to the Legislature containing his plan of recommended appropriations (see page 461), cash disbursements, and expenditures necessary to carry out programs, along with estimates of cash receipts and revenues expected to be available to support these expenditures and disbursements for the forthcoming fiscal year (see page 457 for the definition of fiscal year). The State Constitution requires explicit recommendations for making changes to the current revenue structure and legislation to implement such recommendations (see Financial Plan on page 457).

Pursuant to the Constitution, the Governor's Executive Budget must incorporate the appropriations requests of the Judiciary and the Legislature as they are received from these bodies, although they are not part of the Executive branch of State government. While the Governor may not alter their requests, the Governor may comment on them and recommend changes.

The Constitution requires submission of the budget on or before the third Tuesday after the first Monday in January, except in years following gubernatorial elections when it must be submitted by February 1.

Amendments to the Budget: The State Constitution permits the Governor to amend or supplement the Executive Budget within 30 calendar days (reduced to 21 days under the recent budget reform agreement) after its submission or, with the consent of the Legislature, at any time before the close of the legislative session. Such revisions, additions, or deletions conveyed to the heads of the fiscal committees in a memorandum reflect necessary corrections or responses to new situations or conditions arising after the preparation of the Executive Budget.

Legislative action on the Executive Budget: The Legislature and its fiscal committees – Senate Finance and Assembly Ways and Means – analyze the budget, holding public hearings on major programs and seeking further information from the

staffs of the Division of the Budget and other State agencies. Except for the budgets of the Legislature and the Judiciary, the Legislature may not alter an appropriation bill except to eliminate or reduce the amount of an item recommended therein. It may, however, add items separate and distinct from those included in the original bill submitted by the Governor.

The appropriations passed by the Legislature, except for those which added items or provided funds for the Legislature and Judiciary, become law without further action by the Governor. The Governor must approve or disapprove all or parts of the appropriation bills covering the Legislature and Judiciary and may disapprove, by line item veto, items added to his original bills. As provided in the Constitution, the Legislature may override the Governor's veto by a vote of two-thirds of those elected to each house.

Other Appropriation Measures: An appropriation bill may also be submitted through the regular legislative process (i.e., it may be introduced by one or more legislators or by a legislative committee). However, the Legislature must act upon the Governor's constitutionally mandated appropriation bills before it acts on any other appropriation bills (unless the Governor certifies the need for immediate passage of another appropriation bill, pursuant to the Governor's constitutional authority to issue a "Message of Necessity"). Appropriation measures initiated by the Legislature are subject to veto in whole or in part by the Governor.

Fiscal Years: A fiscal year is the accounting period on which a budget is based. The State fiscal year runs from April 1 through March 31. The Federal fiscal year runs from October 1 through September 30. The fiscal year for all New York counties and towns and for most cities is the calendar year. New York City, the State University of New York, the City University of New York, and independent school districts in the State operate on July 1 through June 30 fiscal years. For most villages, the fiscal year runs from June 1 through May 31. Other cities and villages in New York State have varying fiscal years.

FINANCIAL PLAN

The State's Financial Plan is a comprehensive estimate of the government's projected financial resources and spending requirements for the budget year and three subsequent fiscal years.

State laws and appropriation bills together authorize the State to collect money and use it to pay for the operations of State agencies, aid to local governments and school districts, and for capital projects and debt service.

The Budget Director is designated by law to act on specific matters on behalf of the Governor in exercising the Governor's constitutionally prescribed responsibilities. The Division of the Budget, headed by the Budget Director, prepares a Financial Plan for each fiscal year. The Financial Plan presented with the Executive Budget reflects the receipts and disbursements that would result from legislative adoption of the Executive Budget recommendations. The Division prepares a revised Financial Plan shortly after the Legislature has acted on the Executive Budget. This plan becomes the basis for administration of the State's finances and must be updated quarterly.

The Financial Plan includes results for one or more funds that are managed by the State, displayed on a cash or GAAP basis, and projects closing balances at the completion of a fiscal period (e.g., a fiscal year). See Generally Accepted Accounting Principles (GAAP) on page 464 for a discussion of GAAP and cash-based accounting.

FUND STRUCTURE

State Operating Funds

In its Financial Plan updates for 2007-08, the Division of the Budget introduced a revised reporting format which provided a new “operating budget” (spending for current operations) and “capital budget” (long-term capital investment) presentation. The State Funds operating budget comprises the General Fund and other State supported activities financed by dedicated revenues in State Special Revenue funds, as well as Debt Service funds accounting for the payment of debt service on all State long-term debt. All capital spending, regardless of financing source, is included in the Capital budget.

By distinguishing between the two types of spending and capturing all State funds in the operating category, this approach provides a more up-to-date view of the budget than the traditional, more simplistic focus on General Fund/All Funds spending.

Governmental Funds

1. **General Fund:** This is the major operating fund of the State. It receives all State income not earmarked for a particular program or activity and not specified by law to be deposited in another fund. State income for Financial Plan purposes consists of moneys deposited to the credit of the General Fund during the fiscal year from current revenues (taxes, fees, and miscellaneous receipts including certain repayments of State advances) and transfers. General Fund income finances disbursements from its two operating accounts – the Local Assistance Account and the State Purposes Account – and transfers to other funds.

The **Local Assistance Account** finances:

- State grants to, or State expenditures on behalf of, counties, cities, towns, villages, school districts and other local entities;
- Certain contractual payments to localities;
- Certain advances for reimbursable costs (see advances on page 469); and
- Certain financial assistance to, or on behalf of, individuals and not-for-profit organizations.

The **State Purposes Account** finances:

- Salaries and non-wage compensation for most State employees;
- Other operating costs of State departments and agencies, the Legislature, and the Judiciary;
- General state charges which are costs mandated by statute or court decree or by agreements negotiated with employee unions for which the State is liable, including: pensions; health, dental and optical benefits; Social Security payments on behalf of State employees; unemployment insurance benefits; employee benefit programs; court judgments and settlements; assessments for local improvements; and taxes on public lands;
- Certain contractual payments, including some contractual payments to localities;
- Certain financial assistance to individuals and not-for-profit organizations;
- Certain advances for reimbursable costs; and

- Interest payments on tax and revenue anticipation notes (TRANs) (see page 469), bond anticipation notes (BANs) (see page 468), and BANs issued in the form of commercial paper if such short-term debt instruments are used by the State.

In addition to the above accounts, the General Fund includes the following funds:

- **Tax Stabilization Reserve Fund (TSRF):** This fund receives any General Fund cash surpluses existing at year-end up to a maximum contribution of two-tenths of one percent of total General Fund disbursements. The reserve fund is capped at 2 percent of General Fund disbursements for the fiscal year. Any General Fund surplus after the reserve contribution may be used to reduce taxes or may be carried over into the succeeding fiscal year. At the close of the fiscal year money may be loaned from the TSRF to avoid a deficit. Such loans must be repaid in three equal annual installments within a period of six years from the date of the loan. Cash assets of the TSRF are routinely loaned to the Local Assistance Account or the State Purposes Account during the fiscal year, but repaid in cash by March 31 of any fiscal year.
- **Rainy Day Reserve:** Created by the 2007 budget reform legislation, this fund may be used to respond to an economic downturn or catastrophic event, as defined in the law. The reserve may have a maximum balance equal to 3 percent of spending.
- **Contingency Reserve Fund:** Created by legislation accompanying the 1993-94 budget, this fund provides a reserve to fund extraordinary needs arising from litigation against the State. Its use is generally restricted to litigation cases of \$25 million or more and requires an appropriation to authorize spending.
- **Community Projects Fund:** This fund was created by legislation accompanying the 1996-97 Budget to finance discretionary, usually local projects (“member items”) sponsored by individual legislators and the Governor.
- **Fringe Benefit Escrow Fund:** This fund contains payments by State agencies of certain fringe benefit costs chargeable to other entities. It was reclassified by the State Comptroller in April 2001 from the Agency Fund group to the General Fund.

The General Fund, as reported by the State Comptroller in his annual GAAP financial statements, also includes the revenues and expenditures of funds budgeted as Internal Service Funds and Enterprise Funds and of certain Special Revenue Funds (see below).

2. **Special Revenue Funds:** These funds are collectively the largest group of funds within the State in both size and number. They account for State receipts from specific revenue sources and are legally restricted to disbursement for specified purposes. This governmental fund type is divided into two classifications in New York State – **Special Revenue Funds-Other** and **Special Revenue Funds-Federal**. An example of a Special Revenue Fund-Other is the Conservation Fund which finances a number of State environmental programs. An example of a Special Revenue Fund-Federal is the Health and Human Services Fund where, for

instance, Federal Medicaid reimbursements are received and disbursed. Although any earmarked revenue fund is treated as a Special Revenue Fund-Other for cash-basis budgeting and reporting purposes, some are combined with the General Fund for purposes of reporting on the basis of GAAP.

3. **Capital Projects Funds:** These funds finance such capital construction costs as:
 - Planning, land acquisition, design, construction, construction management and supervision, and equipment costs attributable to: highway, parkway and rail preservation projects; outdoor recreation and environmental conservation projects; and buildings and other capital facilities required by various State departments and agencies;
 - Aid payments to local governmental units and public authorities to help finance the following types of capital programs: highway, parkway, bridge, mass transportation, aviation, economic development, port development, community college, community and State mental health, outdoor recreation, State-assisted housing, and environmental quality; and
 - Advances for capital construction costs reimbursable by public authorities, instrumentalities of the State, the Federal government or local governments.

Sources of revenue for this fund type include transfers from other State funds including the General Fund, dedicated taxes and other revenues, reimbursement of advances, bond proceeds, and Federal capital grants.

4. **Debt Service Funds:** All State debt service on long-term debt and payments on certain lease-purchase or other contractual obligations are paid from Debt Service funds. These account for the accumulation of money for, and the payment of principal and interest on, general long-term. Lease-purchase payments for State University, Health and Mental Hygiene facilities under contractual agreements with public authorities are also paid from funds classified as debt service funds. Debt service on highway bonds supported by dedicated highway revenues is also reflected in this fund type. Sources of revenue for this fund type include transfers from the General Fund, dedicated taxes and other revenues such as personal income taxes dedicated to the PIT Revenue Bond Tax Fund.

Proprietary Funds

1. **Internal Service Funds:** These funds are used to account for the financing of goods or services supplied by one State agency to other State agencies or governmental units on a cost reimbursement basis.
2. **Enterprise Funds:** These funds are used to account for operations that operate similarly to private business enterprises.

The Internal Service funds and Enterprise funds are treated as Proprietary funds for cash-basis budgeting and reporting purposes and are combined with the General Fund for purposes of reporting on a GAAP basis.

Fiduciary Funds

1. **Private-Purpose Trust Funds:** These funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.
2. **Pension Trust Fund:** This fund is used to account for the cash basis results of operations for the administration portion of the State's Common Retirement Fund.

It does not reflect investment activity, balances, or other assets available to this fund. In addition, pension contributions and payments to retirees are excluded since these payments are not required to be appropriated.

3. **Agency Funds:** These funds are used to account for funds held by the State in a purely custodial capacity. Cash is held temporarily until disbursements are made to individuals, private organizations, or other governments.

APPROPRIATIONS AND EXPENDITURES

An **appropriation** is a statutory authorization to make expenditures during a specific State fiscal year and to make disbursements for the purposes designated up to the stated amount of the appropriation. Under the Constitution, an appropriation may be made for no longer than a two-year period (also see reappropriation on page 462).

Appropriations are authorizations, rather than mandates, to spend. Expenditures and disbursements need not, and generally do not, equal the amount of the appropriation from which they were made since less than the full amount of the appropriation is usually spent within the fiscal year to which it pertains (see carryover on page 462). An appropriation thus represents maximum spending authority unless a lower maximum has been set by a disbursement ceiling. When authorized by statute, an appropriation may be **suballocated** (that is moved) from one agency to another agency for the purpose of incurring obligations and making disbursements in the agency which receives the suballocation. (The term suballocation should not be confused with allocation which is defined under Budget Execution and Control on page 463).

In New York, all appropriations are classified in one of the following four categories:

- **State Operations:** This category relates to appropriations for the operation of State agencies, regardless of fund source. For example, an agency may have appropriations in several different funds (or accounts within funds) and all of these appropriations would be categorized as "State Operations." Also included in this category, although authorized by appropriation bills separate and distinct from those for the Executive branch, are the appropriations for the operation of the Legislature and the Judiciary. (See also personal service and nonpersonal service defined below.)
- **Aid to Localities:** This category includes all appropriations for aid to localities, regardless of fund source.
- **Capital Projects:** When used as a category of appropriation, "Capital Projects" includes all appropriations for capital construction projects, regardless of fund source.
- **Debt Service:** This category includes all appropriations for State debt service on long-term debt; contractual-obligation and lease-purchase arrangements with several public authorities and municipalities. This also includes appropriations for interest rate exchange and similar agreements.

A **deficiency appropriation** is used to meet actual or anticipated obligations not foreseen when the annual budget and any supplemental budgets were enacted and for which the costs would exceed available spending authorizations. It might add to a previously authorized appropriation anticipated to be inadequate or provide a new appropriation to finance an existing or anticipated liability for which no appropriation exists. A deficiency appropriation usually applies to the fiscal year during which it is made.

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Section 53 of the State Finance Law authorizes the enactment of a **special emergency appropriation** which may be allocated by the Governor to various funds. As set forth in the statute, allocations to the General Fund, Capital Projects funds and funds receiving Federal moneys are subject to the prior approval of the chairpersons of the Senate Finance and Assembly Ways and Means committees.

Personal service represents an appropriation for salaries and non-wage compensation for State employees and certain payments to non-State employees.

Nonpersonal service represents an appropriation for such items as contractual services, equipment and supplies.

Maintenance undistributed is an appropriation which does not define the amounts to be available for personal and nonpersonal service. Such an appropriation allows flexibility in the management of a program. The terms lump sum and maintenance undistributed are often used synonymously, although they are not equivalent.

A **lump-sum appropriation** is one made for personal service, nonpersonal service or maintenance undistributed or for local assistance or capital projects for all State agencies, or to an agency alone or on behalf of itself and one or more other agencies. A lump sum is appropriated for a stated purpose without specifying maximum amounts that may be spent for specific activities or individual objects of expenditure. Such an appropriation cannot be obligated and expended without an allocation (see below under Budget Execution and Control). Under the 2007 budget reform legislation, the Legislature is prohibited from adding lump sum appropriations.

A **reappropriation** is a legislative enactment that continues the undisbursed balance of an appropriation that would otherwise lapse (see lapsed appropriation below). Reappropriations are commonly used in the case of federally funded programs and capital projects where the funding amount is intended to support activities that may span several fiscal years. For example, funds for capital projects are customarily recommended and appropriated in amounts sufficient to cover the total estimated cost of all phases of a specific project (such as land acquisition, design, and construction). As contracts within each phase are established, portions of the capital construction appropriation are allocated and disbursements are made to meet the actual costs incurred as each phase of the project progresses. In ensuing years, the balances not disbursed are reappropriated to cover the costs of subsequent construction phases in the project.

An **obligation** is a commitment (such as a contract or purchase order) to spend against a given appropriation. An **encumbrance** provides a mechanism for reserving all or a portion of an appropriation for future expenditure. Entering into a contract usually requires an encumbrance, although the funds will be expended or disbursed over a period of several months. Encumbrance accounting enables management to avoid spending in excess of authorized appropriations.

A **carryover** is the balance of an appropriation that remains at the end of the fiscal year for which it was appropriated, against which liabilities were incurred but for which cash payments were not disbursed before the end of the fiscal year. Disbursements may be made against a carryover balance through June 30 of the following fiscal year to liquidate any such liabilities for State Operations, or through September 15 for Aid to Localities, Capital Projects, and Debt Service.

A **lapsed appropriation** is an appropriation which has expired and against which obligations can no longer be incurred, nor payment made. An appropriation lapses, and is no longer available to authorize any encumbrances or cash payments, on June 30 for State Operations and on September 15 for Aid to Localities, Capital Projects, and Debt Service.

BUDGET EXECUTION AND CONTROL

Certificates of several types are issued by the Budget Director to authorize various fiscal actions. Copies of all certificates must be sent to the State Comptroller and to the chairpersons of the two legislative fiscal committees.

For State Operations, and in some cases Aid to Localities, a certificate of approval issued by the Budget Director formally authorizes certain financial transactions. These transactions include allocations or segregations, apportionments and interchanges:

- An **allocation** or a **segregation** authorizes expenditures from appropriated funds for specified purposes, activities, or objects. It is used as a control device for appropriated funds (e.g., quarterly allocations) and to distribute lump-sum appropriations within State agencies.
- An **interchange** is the movement of appropriation authority by certificate to increase or decrease the funds for any items within the same fund and program. In accordance with the State Finance Law, the amounts appropriated to a department or agency from a given fund may also be interchanged among appropriations in different programs, subject to the following formula (with the exclusion of the State University of New York, the City University of New York, and other specific appropriations as may be noted in the various appropriation bills): the total amount appropriated for any given program or purpose may not, in aggregate, be increased or decreased via interchanges by more than the total of 5 percent of the first \$5 million, 4 percent of the second \$5 million and 3 percent of amounts in excess of \$10 million.

A **certificate of transfer** authorizes the transfer of appropriation authority and/or positions between agencies and/or funds. All such transfers must be specifically authorized in statute. Transfers of appropriation authority must be distinguished from operating transfers which move moneys (cash) between funds or accounts.

For Capital Projects, the appropriation format differs somewhat from the program structure found in State Operations and Aid to Localities. Capital Projects appropriations are structured as follows:

- One or more comprehensive construction programs (CCPs), which may or may not relate to agency operating or local aid programs or other organizational arrangements;
- A grouping of appropriations into one or more purposes within CCPs, which purposes may or may not relate to other agency organizational structures; and
- One or more appropriations or projects in each purpose. Some appropriations have “project schedules” that list institutions or projects for which construction work will be done.

For Capital Projects, a **certificate of approval of availability** issued by the Budget Director in accordance with an appropriation authorizes the State Comptroller to encumber, expend, and disburse funds to the extent required for specific projects or phases of projects.

Capital Projects Funds interchanges or transfers must be accompanied by a **certification of need and availability** of funds and may be made as follows:

In the case of interchanges, which are movements of funds by certificate between items within an appropriation “project schedule,” no certification is required when the appropriation states that schedule amounts are estimates and are interchangeable among the various projects; all other interchanges require the certification of need and availability.

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In the case of transfers, a **certificate of transfer** authorizes the transfer of a specified amount, within available limits, from an appropriation for a given capital project to an appropriation for another capital project within the same CCP and agency. However, the Budget Director cannot authorize any Capital Projects Fund transfer which would increase or decrease the total of appropriations (including reappropriations) for projects sharing the same purpose by an amount exceeding the total of the following percentages of the total amount of the original appropriation for the project: 25 percent of the first \$5 million, 20 percent of the second \$5 million, 15 percent of the third \$5 million, and 10 percent of any amount in excess of \$15 million.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

Generally Accepted Accounting Principles (GAAP) for governments are uniform minimum standards and guidelines for financial accounting and reporting as promulgated by authoritative national standard-setting bodies, primarily the National Council on Governmental Accounting (NCGA); its successor, the Governmental Accounting Standards Board (GASB); and the American Institute of Certified Public Accountants (AICPA). NCGA's Statement One – Governmental Accounting and Financial Reporting Principles, published in 1979, succeeding statements by NCGA (reaffirmed by GASB), and statements promulgated by GASB are the most widely recognized sources for authoritative guidance. New York presents its State Financial Plan and Executive Budget on both a cash basis and in accordance with GAAP.

The GASB issued Statement 34 entitled Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. This statement establishes new financial statement reporting requirements for State and local governments. New York State implemented GASB 34 when reporting its GAAP financial results for the 2002-03 fiscal year in July 2003. The Division of the Budget has modified its GAAP-basis projections to conform with GASB 34. These changes include new statements that reflect the State's net overall financial condition, including activities that affect State assets and liabilities during the fiscal year.

Projected operating results in the General Fund as measured on the cash basis of accounting may sometimes differ from projections measured in accordance with GAAP. Generally, these differences are caused by the inclusion of certain funds in the GAAP General Fund which are outside the cash basis General Fund, plus the recognition of differences between cash and GAAP. The conversion tables in the Financial Plan volume show these differences classified into the following major categories:

- “Perspective Differences” represent the projected cash basis operating results of the Miscellaneous State Special Revenue Fund which is treated as part of the General Fund in the GAAP basis financial plan, but as part of the Special Revenue funds in the cash basis financial plan. The Miscellaneous State Special Revenue Fund includes dozens of individual accounts which finance the operation of agencies and programs from sources other than General Fund tax dollars.
- “Entity Differences” represent the projected cash basis operating results of the proprietary funds (Internal Service funds and Enterprise funds) which are treated as part of the General Fund in the GAAP basis financial plan. On a cash basis, the proprietary funds are reported separately and are not part of the all governmental funds financial plan.

- “Changes in Accruals” result from timing differences between the recognition of individual accounting transactions on a cash basis and under GAAP. On a cash basis, receipts are recorded when moneys are deposited in the State Treasury and disbursements are recorded when a check is drawn from the Treasury. Under GAAP, revenues are recorded when they are measurable and available and expenditures are recorded when the State incurs an obligation to pay. It is in this column that revenues and expenditures are attributed to the appropriate fiscal year. For example, positive numbers in this column reflect the accrual of revenues which are owed to the State but not yet received and obligations of the State for which payment has not yet been made. Negative entries generally reflect the reduction of receipts or disbursements which are attributed under GAAP to a different fiscal period.
- “Eliminations” exclude activity related to State advances and the repayment of such advances, which are treated as receipts and disbursements in the cash basis financial plan. On a GAAP basis, the repayment is not a revenue and the advance is not an expenditure unless it is determined to be uncollectible. This category also includes transactions related to the elimination of SUNY/CUNY Senior College operations, which are not part of the governmental fund structure on a GAAP basis.
- “Intra-fund Eliminations” remove any transactions which occur between two funds in the same fund type, in order to avoid counting such transactions twice.
- “Reclassifications” show the movement of transactions from one category of the financial plan to another and do not impact the operating results of a given fund.

GAAP Basis Reporting Differences

In general, the General Fund revenue and expenditure projections contained in the Budget reflect the application of GAAP as applied by the State Comptroller in his audited financial statements. There is one exception to this policy. Activity related to public authorities has not been reclassified as operating transfers. These reclassifications do not affect operating results and only further complicate the differences between cash basis financial plans and GAAP basis financial plans. Accordingly, these reclassifications have not been included.

GAAP Revenues

The Economic and Revenue Outlook volume provides tax-by-tax descriptions of the cash-based estimates of tax receipts underlying the cash-based financial plans. This section deals with estimates of GAAP revenues that are included in the GAAP financial plan. The following is a brief description of how such estimates are generated, what factors are considered in their preparation, and how such estimates differ from those prepared on the cash basis.

In general, cash-based estimates are forecasts of the deposits of cash (net of refund payments) that will occur during the fiscal year. Estimates of GAAP revenue attempt to more closely measure what the State actually “earned” during the period, regardless of when the cash transactions that represent those earnings occur. The State, of course, “earns” money when taxpayers incur liability for taxes, for example, by receiving money subject to income taxes or purchasing goods or services subject to the sales or excise levies, or by wagering on horse races in betting pools subject to the pari-mutuel tax.

Taxpayers may discharge that liability in a variety of ways. For example, in the case of the sales tax, they often pay the money directly to an authorized agent of the State who must then transmit it to the State, sometimes in a period different from that in which the actual liability was incurred and discharged by the taxpayer. In the case of the personal income tax, they may be subject to withholding by their employer (another agent of the State) or make estimated and final tax payments directly to the State. Some taxpayers overpay their liability and are due refunds for a given liability period. Such refunds or final payments are usually paid in years (or accounting periods) different from those to which the transaction relates.

In theory, GAAP revenue estimates attempt to gather all the (actual or estimated) transactions that apply to tax liabilities earned in a given State fiscal year, regardless of the year in which the related cash transaction occurs, to appropriately “measure” what the State has earned. In practice, given the limits of both information systems and time, some accommodations are made in the development of these “earnings” estimates. During any one fiscal year, the State will receive money earned in the current year and in any of several prior years (and sometimes money not yet earned). Estimates of those prior-year earnings are not changed each time a new transaction is disclosed and so GAAP revenue estimates are not “pure.”

However, for any given tax, GAAP revenue estimates should attempt to measure (as an increase in revenue, or a receivable) how much the State is owed, but has not yet received, from taxpayers for the activity during a State fiscal year. Similarly, they must reflect (as a reduction in revenue, or a payable) any amounts that the State has received but must refund (in some future period) as a result of overpayments of liability by taxpayers.

In some sources, the receivable and payable amounts are relatively trivial and do not change materially from year to year. In others, the accruals are large and variable. GAAP revenue estimates differ from cash receipt estimates by how much the receivable and payable balances change from year to year. If receivables are growing relative to payables in a particular source (i.e., if the net amount owed to the State is larger at the end of the year than at the beginning of the year), estimated GAAP revenues will exceed forecasted cash receipts. Should payables rise faster than receivables, the opposite relationship will exist.

GAAP Expenditures

As previously mentioned, GAAP measures expenditures when the State incurs a liability to pay, rather than when a check is written against the Treasury. The Comptroller generally applies a 12-month recognition rule – if the liability is determined to exist and will be disbursed in the 12 months following the close of the fiscal year, the expenditure will be recorded in that fiscal year. Thus, the GAAP basis financial plan includes liabilities projected to be incurred during a given fiscal year for which actual payments will not be made for up to 12 months following the close of such fiscal year.

The most significant of these liabilities occur in the categories of local assistance and State operations. The GAAP basis financial plan reflects:

- Amounts owed to local governments for Medicaid, public health, criminal justice and court-ordered handicapped programs which are all reimbursed on a lag basis.
- Employee salaries remaining unpaid at the close of each fiscal year, and the related fringe benefits.

ACCOUNTABILITY, AUDIT AND INTERNAL CONTROL

Internal controls are the measures an organization adopts to encourage adherence to agency policies and procedures, promote operational efficiency and effectiveness, safeguard assets, and ensure the reliability of data. Internal controls encompass both internal administrative controls and internal accounting controls.

Internal audit is an independent appraisal of operations, conducted under the direction of agency management, to assess the effectiveness of internal controls.

Internal Control Review (ICR) is a detailed evaluation of the degree to which the organization has designed, established, documented, and followed the policies and procedures necessary to achieve specific functional goals and objectives and avoid unwanted outcomes. The ICR focuses upon how well procedures operate for a given function.

Vulnerability Assessment (VA) is an assessment by an agency of its susceptibility to operational breakdowns which could lead to inadequate or inappropriate program outcomes, including waste of resources. The VA analyzes the overall organizational and administrative environment, the potential for failures, and related impact. VAs help the agency schedule the timing and frequency of ICRs or identify weaknesses which can be immediately corrected.

Testing is that part of an internal control review which assesses whether actual practice follows, or complies with, prescribed policies and procedures. The assessment is made by interviewing or observing staff, following a transaction through the process, or sampling documentation of transactions to determine if required steps are executed.

Corrective Action Plan is a step-by-step plan of action and schedule for resolving the internal control weaknesses identified by a vulnerability assessment or internal control review.

Certification is the annual affirmation by each agency that it is in conformance with the Internal Control Act which requires the establishment and maintenance of a system of internal controls and a program of internal control review by State agencies and covered public authorities. Agencies may submit a plan to achieve compliance with the Act in lieu of a certification. In addition to the certification, each agency submits an Annual Internal Control Summary which describes certain aspects of its internal control system for the preceding year.

DEBT AND CAPITAL FINANCING

The **Annual Information Statement (AIS)** is the State's principal means for disclosing financial information that is required to meet its legal obligations under Federal securities law and constitutes the official form of such financial disclosure information. The State publishes the AIS annually, generally within 30 days of the adoption of a budget by the State Legislature. The AIS is updated on a quarterly basis (the "Quarterly Updates") and may be supplemented ("Supplements") for significant events or developments that occur between updates. The AIS, updates, and supplements are available online at <http://www.budget.state.ny.us>.

Appropriation-backed bonds refer to long-term obligations sold by the State's public authorities under a variety of financial arrangements – primarily lease-purchase and contractual service agreements. Debt service on such obligations is appropriated annually by the State, although the State has no legal obligation to continue to make such

appropriations. This form of debt represents an important source of financing for capital projects in the State's transportation, criminal justice, mental hygiene, education, health, and housing programs.

Bond anticipation notes (BANs) are short-term notes to finance capital expenditures until long-term bonds are sold. Since these obligations are outstanding for no more than two years (with certain exceptions), the interest rates paid on such obligations are typically lower than that for long-term bonds.

Bondable capital spending refers to disbursements for capital purposes which, by statute, may be financed by the proceeds of bonds or other debt obligations.

A **credit rating** is assigned by a non-governmental agency serving the financial market (such as Standard & Poor's) and represents that agency's opinion concerning the likelihood that the principal and interest on State debt will be paid on time. The State's current general obligation and personal income tax revenue bonds are assigned a rating of AA by Standard & Poor's, AA by Fitch, and Aa2 by Moody's Investors Service.

The **Debt Reform Act of 2000**, which applies to all new State-supported debt issued after March 31, 2000, imposes phased-in caps that limit new debt outstanding to 4 percent of personal income and new debt service costs to 5 percent of total governmental receipts. Pursuant to section 23 of the State Finance Law, the State is required to calculate compliance with the caps annually and report the findings in the Financial Plan update most proximate to October 31.

General obligation bonds refer to long-term obligations of the State, used to finance capital projects. These obligations must be authorized by the voters in a general election, are issued by the Comptroller, and are backed by the full faith and credit of the State. Under current provisions of the Constitution, only one bond act proposal may be put before the voters at each general election and it must be for a single work or purpose. The amount of general obligation bonds or notes which the State expects to issue in a given fiscal year is shown in the Capital Projects fund-type of the Governmental Funds Financial Plan in the Other Financing Sources category. Debt service must be paid from the first available taxes whether or not the Legislature has enacted the required appropriations for such payments.

Impoundment is the term used to describe the setting aside, in a separate account, of income necessary to pay principal and interest on obligations. The specific method of impoundment, including the timing and amounts, is generally specified by State law for each obligation and is an integral element of the security behind any obligation.

Moral obligation debt refers to long-term bonds issued by certain State public authorities, also known as public benefit corporations, which are essentially supported by their own revenues. Moral obligation debt is not incurred pursuant to a referendum, is not considered State debt, and is not backed by the full faith and credit of the State. However, the authorities selling such obligations have been allowed to establish procedures where, under certain conditions, the State may be called upon to meet deficiencies in debt service reserve funds supporting such bonds. An appropriation must be enacted by the Legislature to meet any such obligation.

An **official statement** accompanies the issuance of bonds, notes, and publicly sold certificates of participation offered for sale by the State or its public authorities. This statement is prepared by the issuer and describes the issuer, the project or program being financed, and the security behind the bond issue. In addition, where payment of debt service is made primarily with State moneys, this statement includes the State's Annual Information Statement (AIS), which includes recent and projected fiscal and economic trends and developments that bear reasonably on the credit strength of the issue. It

discusses potential legal, fiscal, or economic problems facing the issuer, State government, and other relevant major governmental jurisdictions. Its primary purpose is to provide prospective bond or note purchasers sufficient information to make informed decisions on the creditworthiness of the issue.

State **personal income tax revenue bonds** are the primary funding vehicle for a broad range of State-supported debt programs. In 2001, legislation was enacted to permit certain State public authorities to issue State personal income tax revenue bonds. The legislation provides that 25 percent of personal income tax receipts (excluding refunds owed to taxpayers and deposits to the STAR Fund) be deposited to the Revenue Bond Tax Fund for purposes of making debt service payments on these bonds, with excess amounts returned to the General Fund. These bonds have reduced borrowing costs by improving the marketability and creditworthiness of State-supported obligations and by permitting the consolidation of multiple bonding programs to reduce administrative costs.

Pay-as-you-go financing refers to the use of current State resources, i.e., cash (as opposed to debt) to finance capital projects.

State-guaranteed debt refers to debt authorized by the voters to be sold by three public authorities: the Job Development Authority, the New York State Thruway Authority, and the Port Authority of New York and New Jersey. Of these authorizations, only Job Development Authority debt remains outstanding. Such debt is backed by a guarantee of the full faith and credit of the State.

State-supported debt represents obligations of the State that are paid from traditional State resources (i.e., tax revenue) and have a budgetary impact. It includes general obligation debt approved directly by the voters and debt authorized by the Legislature and issued on behalf of the State by public authorities, where the State is contractually obligated to pay debt service, subject to appropriation. The State's debt reform caps on debt outstanding and debt service apply to State-supported debt.

State-related debt is a broader measure that includes State-supported debt, State-guaranteed debt, moral obligation financings and certain contingent-contractual obligation financings, where debt service is paid from non-State sources in the first instance, and State appropriations are available, but typically not expected to be needed, to make payments.

Tax and revenue anticipation notes (TRANS) refer to short-term obligations of the State. The notes must be redeemed within one year of issuance. Bond covenants and the Debt Reform Act of 2000 limit the State's ability to issue TRANS.

OTHER MISCELLANEOUS TERMS

An **account** is a subdivision of a fund and refers to a classification by which information on particular financial transactions and financial resources is recorded and arranged.

An **advance** is a payment by the State on behalf of an agency, an authority, a fund, a public benefit corporation, or the Federal government that must be reimbursed by such entity. Certain advances are made from the Capital Projects Fund for prefinancing the cost of capital projects undertaken by public authorities, State agencies, or localities.

All Governmental Funds is a term referring to all State government funds within the following fund types: General, Special Revenue, Capital Projects, and Debt Service. In a discussion of appropriations rather than cash figures (e.g., in the Agency Presentations

tables described earlier in this Guide), All Funds includes All Governmental Funds appropriations plus appropriations made from the non-governmental (Proprietary and Fiduciary) fund types.

Annualization refers to the expected full-year financial implications of a revenue item or an expenditure item initially budgeted for only part of a fiscal year.

Attrition refers to a method of achieving a reduction in personnel by not refilling positions that are vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Cap refers to an absolute dollar limit placed on spending and/or borrowing for a designated activity or program. The term is sometimes used to refer to the limitation of a disbursement for the current and/or forthcoming fiscal year(s) to the level of the preceding fiscal year or to some other predetermined level.

Chargeback refers to an assessment levied by the State on another government or other entity (e.g., a public authority, a private-sector enterprise, a trade association, or a nonprofit organization) for payment of costs incurred by the State in administering an activity or program on behalf of such government or entity. It may also refer to an assessment by one State agency against another.

A **deficit**, for purposes of the cash-basis Financial Plan, is an excess of disbursements over receipts at the end of a fiscal year. On a GAAP basis, a deficit is an excess of expenditures or expenses over revenues at the end of a fiscal year.

Fixed assets are assets of a long-term character, such as land, buildings, machinery, equipment and improvements other than buildings, that are intended to continue to be held or used. General fixed assets include all fixed assets not accounted for in proprietary funds or in trust and agency funds. Under GAAP, general fixed assets are recorded in an account group (which does not involve the measurement of results of operations), rather than in a fund, and the recording of "infrastructure" assets and depreciation is not required.

Full Time Equivalent (FTE) is a unit of measure which is equal to one filled, full-time, annual-salaried position.

A **joint-custody fund** is held within the State Treasury by both the State Comptroller and the Commissioner of Taxation and Finance (see sole-custody fund below).

The **line item veto** in the State Constitution authorizes the Governor to veto individual appropriations for the Legislature and Judiciary and appropriations added by the Legislature contained within any multiple appropriation bill passed by the Legislature.

A **margin, or positive margin**, is a temporary excess of receipts over disbursements. When disbursements temporarily exceed receipts, a negative margin exists. A positive margin is not a surplus, nor is a negative margin a deficit, until the fiscal year ends.

A **matching formula** is a formula applied under an intergovernmental grant program which requires a recipient to match from its own funds a specified percentage of each dollar granted by one or more higher level(s) of government.

Nonrecurring receipts are receipts in a given fiscal year that are not normally expected to recur in subsequent fiscal years. **Recurring receipts** are normally derived from an income stream that is expected to continue from one fiscal year to the next.

An **offset fund** is an appropriated fund, usually of the Special Revenue fund type, which is used to reimburse expenditures charged in the first instance to the General Fund.

Save harmless refers to a provision of law under which the State protects another entity against any decrease from a previous level of funding under a given State program.

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Shortfall refers to a situation where actual revenues collected are less than those that had been projected.

A **sole-custody fund** is administered by an individual State agency official and is not under the joint custody of the State Comptroller and the Commissioner of Taxation and Finance. Sole-custody funds are usually fiduciary in nature. Examples include assets held for wards of the State.

A **surplus**, for purposes of the cash-basis Financial Plan, is an excess of receipts over disbursements at the end of a fiscal year. On a GAAP basis, a surplus is an excess of revenues over expenditures or expenses at the end of a fiscal year.