

GUIDE TO UNDERSTANDING THE STATE AGENCY BUDGET “PROGRAM DETAILS” SPREADSHEETS

General Overview

The “Program Details” State budget spreadsheets are created for each State agency in which PEF members work. These spreadsheets include bullets which explain the major changes in the agency’s “state operations” budget as the budget evolves during the budget process. The bullets are cumulative and in reverse chronological order, with the most recent budget changes on top. The bullets note major changes in an agency’s state operations budget. The bottom group of bullets (the first analysis you receive each year) notes the major changes in the proposed Executive Budget (i.e. the initial budget submitted by the Governor to the Legislature in January) from the enacted budget for the previous fiscal year. The next group of bullets notes major changes made by the Governor’s 30-day/21-day amendments from the initial proposed Executive Budget. In some years, the Senate and Assembly pass their own versions of the budget, sometimes as actual detailed budget legislation and sometimes as simple resolutions which contain very few details. When this occurs, we note the major changes in the state operations budget that are contained in the bills or resolutions passed by the Assembly or Senate as compared to the Governor’s proposed and amended Executive Budget. The last and topmost group of bullets notes the major changes in the enacted state operations budget passed by the Legislature and signed by the Governor from the Governor’s proposed and amended Executive Budget. If there are vetoes by the Governor and/or overrides by the Legislature that information will also be provided.

It is important to note that the actual spreadsheets always show the dollar change and percentage change in appropriation from the previous year’s enacted budget. We do this because we believe this is the most critical budget information you can get from the appropriation numbers. Our members want to know how much more or less money their agency has to spend on its operations and employees than it had in the previous fiscal year’s budget. However, this year the enacted SFY 2012-13 budget appropriations for All Funds and personal services is misleading for most agencies because it does not reflect the movement of employees and appropriations from most agencies to the Office of Information Technology Services and the Office of General Services due to the information technology and business service center consolidations that occurred during SFY 2012-13. It also does not reflect increase to agency budgets due to the NYSCOPA and Council 82 contracts settled and paid in SFY 2012-13. Where possible, we include the real change between the adjusted SFY 2012-13 All Funds appropriation and the proposed SFY 2013-14 All Funds appropriation in our agency budget analysis documents.

Each analysis includes a chart identifying FTE changes by program. The column labeled **SFY13-14 Exec Bud Est. FTEs 3/31/13** reflects the estimated 3/31/13 (current fiscal year-end) FTEs in the proposed SFY 2013-14 Executive Budget. The column labeled **SFY 13-14 Exec Bud Est. FTEs 3/31/14** reflects the estimated 3/31/14 (next fiscal year-end) FTEs in the proposed SFY 2013-14 Executive Budget. The column labeled **Change 3/31/13 to 3/31/14** shows the change from the 3/31/13 FTEs and the proposed 3/31/14 FTEs as shown in the proposed SFY 2013-14 Executive Budget.

The **State Operations budget contains appropriations that fund most state agencies’ operations** and the salaries of their employees which are included in the personal service appropriations for each agency program. *We have included an analysis of each agency’s All*

Funds personal services appropriation for the entire agency which provides a benchmark for the personal services appropriations for all programs within that agency. Unfortunately, the change between enacted SFY 2012-13 personal services appropriation and the proposed SFY 2013-14 personal services appropriation will be misleading because of the movement of information technology employees from their agencies to OITS and the payment of NYSCOPBA and Council 82 contracts as discussed above. In some cases, most notably the Department of Transportation, the salaries of some employees who work on capital construction projects (generally, employees involved in capital project planning, land acquisition, design, construction, construction management and supervision) are contained in the Capital Projects budget. In the instances where we are aware that PEF positions are funded with Capital Projects' appropriations, we note that in the agency spreadsheet. In addition, when we are aware that "local assistance" or "aid to localities" appropriations, which are for local governments, school districts and other local agencies such as community tax-exempt organizations, fund PEF positions or that changes in "local assistance" appropriations will impact PEF members, that is also noted in the spreadsheet bullets.

Budget Terminology

Appropriation – An appropriation is a statutory authorization against which expenditures may be made during a specific State fiscal year, 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. Appropriations are authorizations to spend, as opposed to mandates to spend. Expenditures 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. In essence, an appropriation represents maximum spending authority. When authorized by statute, an appropriation may be suballocated (that is, moved) from one agency to another agency for the purpose of spending it in the agency which receives the suballocation.

General Fund - This is the State's major operating fund. It receives all State income not earmarked for a particular program or activity and not specified by law to be deposited in another fund. In the agency spreadsheets, all appropriations are general fund appropriations, unless they are specially identified as another type of appropriation.

Special Revenue Federal (SRF) - These funds account for State receipts from specific Federal Government revenue sources and are legally restricted to disbursement for specified purposes. SRF appropriations are specifically identified in the spreadsheets.

Special Revenue Other (SRO) - These funds account for State receipts from specific revenue sources other than the Federal Government and are legally restricted to disbursement for specified purposes. For example, the Conservation Fund, financed by specific sportsman fees, is an SRO that finances a number of State environmental programs. SRO appropriations are specifically identified in the spreadsheets.

Internal Service Fund (ISF) - These funds are paid by one agency to another for goods or services. ISF appropriations are specifically identified in the spreadsheets.

Enterprise Funds (EF) - These funds are used to account for operations similar to private business enterprises. EF appropriations are specifically identified in the spreadsheets.

Fiduciary Funds (FF) - These funds are used to account for funds held by the State in a trust capacity whose principal and income may be spent for designated operations. FF appropriations are specifically identified in the spreadsheets.

Personal Service (PS) - Personal service represents an appropriation for salaries and non-wage compensation for State employees (e.g., longevity payments or geographic differentials) and certain payments to non-State employees which are not paid through contractual services. It should be noted that the cost of employee benefits for those employees whose salaries are paid through a General Fund or a Special Revenue-Federal appropriation are not included in their agency's budget, but are included in the General State Charges section of the General Government and Public Protection appropriation bill. The fringe benefits costs for employees who are paid with Special Revenue Other (SRO) appropriations are specifically supported by an SRO appropriation in their agency's budget.

Nonpersonal Service (NPS) - Nonpersonal service represents an appropriation for such items as contractual services, equipment, materials, supplies, and travel. Due to the enactment of the PEF supported contract disclosure law *the budget now contains more detail on non-personal services and the spreadsheets now contain specific appropriations for contractual services, supplies and materials, fringe benefits, and indirect costs.*

Maintenance Undistributed (MU) - Maintenance Undistributed represents an appropriation that does not define the amounts to be available for personal and non-personal service. Such an appropriation allows maximum flexibility in the management of a program.

Article VII Bills – These bills, also known as “language” bills, contain specific legal language that pertains to the allowable use of appropriations. These bills generally set specific policies and can also raise taxes and fees necessary to support the appropriation bills. The Governor generally submits these bills with his proposed Executive Budget and there is usually one Article VII bill for each of the major appropriation bills as well as an Article VII bill for any revenues that are raised or decreased in the budget.

Consulting Service Contracts – Due to the enactment of the PEF supported contract disclosure law, the Executive Budget now reports appropriations, re-appropriations, disbursements, and the estimated number of employees employed under consultant contracts. Each agency spreadsheet summarizes the consultant contract information for that agency. This year, the Executive Budget Consulting Service Contracts Report includes only the estimated number of FTEs (i.e., several part-time contract employees may equal one FTE). It is still difficult to estimate an accurate cost per consultant employee because the expenditures may include more than personal service costs and is inconsistent with Office of State Comptroller data on consultant spending.

This information should be used by agency Labor-Management Committees to obtain more detail on what programs in their agencies are using these consultant contracts and whether that work can be done by state employees. It is important to note that appropriations for contractual services are for more than consultant contracts and include contracts for various equipment and software. Some equipment and software contracts, particularly in the information technology area, also include funding for contract employees and these employees and their cost are probably not accounted for in the consultant contract employee count and cost for an agency.