

LSC Greenbook

Analysis of the Enacted Budget

eTech Ohio

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ATTACHMENT:

Budget Spreadsheet By Line Item

eTech Ohio

- 73% of the budget comes from the GRF
- GRF funding decreases by 28.4% or \$4.7 million in FY 2012 and stays relatively flat in FY 2013

OVERVIEW

Agency Overview

H.B. 66 of the 126th General Assembly created the eTech Ohio Commission to merge the educational technology functions and support provided by the former Ohio SchoolNet Commission and the Ohio Educational Telecommunications Network Commission. eTech is governed by a 13-member commission, which consists of nine voting members and four nonvoting legislative members. An executive director, who is appointed by the Commission, oversees day-to-day operations.

eTech's mission is to advance education and accelerate the learning of Ohioans through technology. eTech carries out its mission by offering students, educators, and the general public a variety of programs and services that promote the adoption and integration of educational technology in K-12 education and support the development and distribution of information resources for K-12 and public broadcasting. eTech also is responsible for the K-12 networks, manages the public broadcasting networks, and serves as the primary support agency for statewide video conferencing services for K-12 schools, state agencies, and institutions of higher education.

Appropriation Overview

Fund Group	FY 2011	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Revenue	\$16,693,073	\$11,949,490	-28.4%	\$11,953,394	0.0%
General Services	\$303,218	\$75,000	-75.3%	\$75,000	0.0%
Federal Special Revenue	\$634,366	\$0	-100.0%	\$0	0.0%
State Special Revenue	\$2,679,678	\$4,441,751	65.8%	\$4,413,218	-0.6%
TOTAL	\$20,310,335	\$16,466,241	-18.9%	\$16,441,612	-0.2%

*FY 2011 figures represent actual expenditures

As can be seen in Table 1, eTech received appropriations totaling \$16.5 million for FY 2012 and \$16.4 million for FY 2013. Of the biennial total appropriations of \$32.9 million, 72.6% is supported by the General Revenue Fund (GRF), 0.5% by the

General Services Fund (GSF) Group, and 26.9% by the State Special Revenue Fund (SSR) Group.

eTech's overall budget decrease in FY 2012 is mostly due to a \$4.7 million (28.4%) decrease in GRF funding and the elimination of eTech federal funding. The GRF funding decrease can primarily be attributed to the 62.3% reduction in appropriation item 935409, Technology Operations, which is mostly the result of the elimination of earmarked funds for maintenance of the OhioLearns Gateway, which is discussed in more detail below in the "**Analysis of Enacted Budget**" section. Conversely, SSR funding increases by \$1.8 million (65.8%) in FY 2012 primarily due to the creation of Fund 5JU0 appropriation item 935611, Information Technology Services, which is appropriated approximately \$1.5 million each fiscal year to support eTech's development and maintenance of web-based applications that support numerous P-20 educational technology initiatives.

ANALYSIS OF ENACTED BUDGET

Introduction

This section provides an analysis of the funding for each appropriation item in ETC's budget. In this analysis ETC's line items are grouped into three major categories: (1) Education Technology Integration, (2) Network and Broadcasting Operations, and (3) General Operations. For each category a table is provided listing the appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any statutory changes affecting the appropriation in the budget. If the appropriation is earmarked, the earmarks are listed and described.

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been placed, listing the line items within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

Categorization of ETC's Appropriation Line Items for Analysis of Budget		
Fund	ALI and Name	Category
General Revenue Fund		
GRF 935401	Statehouse News Bureau	2: Network and Broadcasting Operations
GRF 935402	Ohio Government Telecommunications Services	2: Network and Broadcasting Operations
GRF 935408	General Operations	3: General Operations
GRF 935409	Technology Operations	2: Network and Broadcasting Operations
GRF 935410	Content Development, Acquisition, and Distribution	1: Education Technology Integration
GRF 935411	Technology Integration and Professional Development	1: Education Technology Integration
GRF 935412	Information Technology	2: Network and Broadcasting Operations
General Services Fund Group		
4F30 935603	Affiliate Services	2: Network and Broadcasting Operations
4T20 935605	Government Television/Telecommunications Operating	2: Network and Broadcasting Operations
State Special Revenue Fund Group		
4W90 935630	Telecommunity	1: Education Technology Integration
4X10 935634	Distance Learning	1: Education Technology Integration
5D40 935640	Conference/Special Purposes	1: Education Technology Integration
5FK0 935608	Media Services	2: Network and Broadcasting Operations
5JU0 935611	Information Technology Services	2: Network and Broadcasting Operations
5T30 935607	Gates Foundation Grants	1: Education Technology Integration

Education Technology Integration

This category of appropriations supports the development, acquisition, and integration of educational technology in schools.

Appropriations for Education Technology Integration				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	935410	Content Development, Acquisition, and Distribution	\$2,607,094	\$2,607,094
GRF	935411	Technology Integration and Professional Development	\$4,251,185	\$4,252,671
General Revenue Fund Subtotal			\$6,858,279	\$6,859,765
State Special Revenue Fund Group				
4W90	935630	Telecommunity	\$25,000	\$25,000
4X10	935634	Distance Learning	\$24,150	\$24,150
5D40	935640	Conference/Special Purposes	\$2,100,000	\$2,100,000
5T30	935607	Gates Foundation Grants	\$200,000	\$171,112
State Special Revenue Fund Group Subtotal			\$2,349,150	\$2,320,262
Total Funding: Education Technology Integration			\$9,207,429	\$9,180,027

Content Development, Acquisition, and Distribution (935410)

This line item is used for the development, acquisition, and distribution of information resources by public media and radio reading services and for educational use in the classroom and online.

GRF 935410, Content Development, Acquisition, and Distribution		
Earmarks	FY 2012	FY 2013
Educational Television Stations	\$658,099	\$658,099
Telecommunications Operating Subsidy	\$1,749,283	\$1,749,283
Radio Reading Services	\$199,712	\$199,712
Total	\$2,607,094	\$2,607,094

Educational Television Stations

The budget earmarks \$658,099 in each fiscal year for educational television stations. The funds are to be divided equally among the 12 television stations for the production of interactive instructional programming that aligns with Ohio's academic content standards. The programming is to target the needs of the poorest 200 school districts in the state.

Telecommunications Operating Subsidy

The budget earmarks over \$1.7 million in each fiscal year to subsidize the operating costs of Ohio's eight public educational television broadcasters and 12 public educational radio broadcasters.

Radio Reading Services

The budget earmarks \$199,712 in each fiscal year to subsidize the operating costs of Ohio's seven radio reading service operators. These operators provide daily broadcasts of printed materials such as newspapers, magazines, and books to visually impaired Ohioans.

Technology Integration and Professional Development (935411)

This line item is used to provide various professional development and information resources to schools.

(GRF 935411), Technology Integration and Professional Development		
Earmarks	FY 2012	FY 2013
Educational Television	\$1,691,701	\$1,691,701
Remainder – Technology Integration and Professional Development	\$2,559,484	\$2,560,970
Total	\$4,251,185	\$4,252,671

Educational Television

These funds are used by eTech to contract with educational television stations to provide Ohio public schools with instructional resources and services with priority given to resources and services aligned with the state academic content standards. Resources may include, but are not limited to, prerecorded video material, computer software for student use, live student courses, automated media systems, and instructional and professional development materials for teachers.

Remainder – Technology Integration and Professional Development

The remainder of appropriation item 935411 is used by eTech for professional development and information resources to support educational uses of technology in the classroom. This funding provides professional development for teachers, administrators, and school technology coordinators through the following programs:

Teacher Professional Development

This professional development program is comprised of a variety of services and resources which build the technology integration skills of Ohio's teachers so that they can provide technologically enhanced classroom instruction and afterschool resources. The instruction is provided through a variety of methods including face-to-face, blended, webinars, and self-paced resources.

Technical Training and Resources

This initiative provides district technology staff the opportunity to acquire the necessary technical skills and resources to support and manage their districts' technology systems. Resources and training opportunities funded under this initiative include:

Technology Spring Institute (TSI). TSI is a one-day event, held annually, offering professional development to primary, secondary, and higher education technical staff. The intent of the peer-based educational presentations is to share and experience best practices, network with other technical leadership and staff, and acquire technology solutions that meet the needs of the staff's organizational technology systems.

Web-based Technology Training. This initiative also provides relevant and focused technical courses for Ohio public school district technology staff. Over 1,500 courses can be taken any time, any place, and at an individualized pace by school district technology staff. These courses include the Technical Reference Library, the Technical Resources Suite, and technical training webinars.

Technical Briefs, Research, and Resources. This initiative provides access to unbiased expert information to aide technology decision making. Through online resources, eTech supports the ability of school technology staff to manage, support, and plan for the role that educational technology plays in the classroom.

Video Distance Learning (935630 and 935634)

The telecommunity and distance learning grants have been largely funded by money received through an agreement between the state and certain large local exchange telephone companies signed on August 15, 1996 and an agreement with Ameritech signed on April 24, 1995. Under this program, grants have been provided to eligible public and chartered nonpublic schools to support the hardware infrastructure and program development necessary to provide high quality educational content through interactive video conferencing. This grant program has ended and eTech will spend remaining funds on programming.

Conferences/Special Purposes (935640)

Annual Conference

The bulk of this funding supports eTech's annual education technology conference, which is a three-day event serving Ohio's primary and secondary school teachers, administrators, instructional integrationists, and curriculum and technology coordinators. The conference averages 6,500 attendees each year.

E-Rate Support

A small portion of funding from this item is used for consulting and support services related to the federal E-Rate Program, which provides discounts of 20% to 90% on telecommunication services. eTech is the state authority that approves public schools' technology plans for the E-Rate Program.

Gates Foundation Grants (935607)

These funds, from a grant from the Bill and Melinda Gates Foundation, provide educational technology leadership training to public and nonpublic school superintendents and principals and help Ohio school administrators to increase their understanding of how technology can be used to support learning in their schools and districts.

Network and Broadcasting Operations

This category of appropriations supports the operations of the Statehouse News Bureau and the Ohio Government Telecommunications Studio as well as other network and broadcasting operations.

Appropriations for Network and Broadcasting Operations				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	935401	Statehouse News Bureau	\$215,561	\$215,561
GRF	935402	Ohio Government Telecommunications Studios	\$702,089	\$702,089
GRF	935409	Technology Operations	\$2,092,432	\$2,091,823
GRF	935412	Information Technology	\$829,340	\$829,963
General Revenue Fund Subtotal			\$3,839,422	\$3,839,436
General Services Fund Group				
4F30	935603	Affiliate Services	\$50,000	\$50,000
4T20	935605	Government Television/Telecommunications Operating	\$25,000	\$25,000
General Services Fund Group Subtotal			\$75,000	\$75,000
State Special Revenue Fund Group				
5FK0	935608	Media Services	\$637,601	\$637,956
5JU0	935611	Information Technology Services	\$1,455,000	\$1,455,000
State Special Revenue Fund Group Subtotal			\$2,092,601	\$2,092,956
Total Funding: Network and Broadcasting Operations			\$6,007,023	\$6,007,392

Statehouse News Bureau and OGT Operations (935401, 935402, and 935605)

These items provide operating funds for the Statehouse News Bureau (SNB) and Ohio Government Telecommunications (OGT). As the sole dedicated news outlets for Ohio government, SNB and OGT provide coverage of legislative and other governmental activities for Ohio's citizens. SNB produces news reports of state government activities for broadcast on Ohio's 33 public radio stations. It also places these broadcasts on a web site accessible to all of Ohio's citizens on a 24-hour basis. In addition, a weekly half-hour video program is produced by SNB, which focuses on the latest statewide news and events and is made available for broadcast on Ohio's public television stations.

While SNB is primarily responsible for news reports of state government events, OGT broadcasts activities of the executive, legislative, and judicial branches of government (available on cable access channels and Ohio's public television stations). In addition to archiving these sessions, OGT makes the session footage available on its web site for 24-hour access for Ohio's citizens. OGT produces educational documentaries on Ohio civics, history, government, and culture for use in Ohio's schools as well as for broadcast on public television stations. OGT is also responsible

for coordinating all media events for members of the General Assembly and events at the Statehouse.

Network and Broadcasting Operations (935409 and 935603)

Network and Connectivity Services

A portion of GRF appropriation item 935409, Technology Operations, is used to provide network and connectivity services to Ohio schools and Ohio's public broadcasters. eTech partners with the Department of Education in providing funding and networking services to assist Ohio schools in connecting to OSCnet, which is a dedicated high speed fiber optic network that links all public classrooms to each other and the Internet and provides access to voice, data, video, electronic e-mails, and other educational resources. Through OSCnet, eTech also links Ohio's public television stations, public radio stations, and radio reading services in a statewide system. Furthermore, eTech provides various services to its affiliated public television and radio stations and radio reading services. It operates a 24x7 master control center and maintains round-the-clock monitoring of the live video feeds that eTech provides to the affiliates. It also provides traffic and scheduling resources for the affiliates and maintains an archive of content for rebroadcasting. eTech assists its affiliates in making joint purchases in order to enjoy group discounts. GSF Fund 43F0 appropriation item 935603, Affiliated Services, is funded by fees and charges assessed by eTech.

OhioLearns Gateway

The remaining portion of 935409 may be used by eTech to cover costs of students taking advanced placement courses, or other courses that can be taken for post secondary credit, through OhioLearns. OhioLearns is an online catalog of primary, secondary, and post secondary courses, certificates, and degrees. To the extent that funding is available, the budget states that public school students are eligible for a fee waiver for one course.

Information Technology (935412 and 935611)

These items provide funding for eTech's development and maintenance of web-based applications that support numerous educational technology initiatives. Through H.B. 1, eTech's IT team became part of a Shared Infrastructure model within the Ohio Board of Regents (BOR). Under this model, eTech is responsible for the enterprise software development that serves Ohio's P-20 education community. This software includes electronic transcript exchange services as required by S.B. 311 of the 126th General Assembly, financial aid management applications, intuitional data collection systems for higher education and adult workforce, and the statewide longitudinal data system required by H.B. 290 of the 128th General Assembly. eTech expects this development work to continue during the next biennium. In turn, eTech has

outsourced its systems administration functions to the Ohio Academic Research Network (OARnet). Fund 5JU0 appropriation item 935611, Information Technology Services, is created under the budget and is funded from fees received from BOR, ODE, and other state agencies and higher education institutions for software development.

Media Services (935608)

As indicated earlier, eTech is currently the primary support agency for statewide video conferencing services for K-12 schools, state agencies, and institutions of higher education. Services to the latter two were previously supported by OARnet and the Office of Information Technology. The primary funding source for eTech's video conferencing services is SSR Fund 5FK0 appropriation item 935608, Media Services. It is estimated that eTech's video network consists of more than 1,110 K-12 schools and higher education institutions, 261 state sites serving 22 state entities, and 11 One-Stop Centers allowing job seekers to have video conference interviews with prospective employers.

General Operations

This category of appropriations supports eTech's general operations.

Appropriations for General Operations				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	935408	General Operations	\$1,251,789	\$1,254,193
General Revenue Fund Subtotal			\$1,251,789	\$1,254,193
Total Funding: General Operations			\$1,251,789	\$1,254,193

General Operations (935408)

This item funds the daily operations of eTech, including funding for employees who are primarily responsible for functions such as management, communications, payroll and other fiscal services, human resources, and legal services. It also includes funding for rent, utilities, office supplies, and equipment. A move to a state owned facility in downtown Columbus has saved the agency more than \$268,000 in annual rent payments. eTech has also used a shared service model through DAS to save costs for items including leased office equipment, printing services, and professional development.

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FY 2012 - FY 2013 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency					Appropriations	FY 2011 to FY 2012	Appropriations	FY 2012 to FY 2013
			FY 2010	FY 2011	FY 2012	% Change	FY 2013	% Change
Report For Main Operating Appropriations Bill			Version: Enacted					
ETC eTech Ohio								
GRF	935321	Operations	\$ 292,987	\$0	\$ 0	N/A	\$ 0	N/A
GRF	935401	Statehouse News Bureau	\$ 219,960	\$ 219,960	\$ 215,561	-2.00%	\$ 215,561	0.00%
GRF	935402	Ohio Government Telecommunications Services	\$ 716,417	\$ 716,417	\$ 702,089	-2.00%	\$ 702,089	0.00%
GRF	935403	Technical Operations	\$ 113,932	\$0	\$ 0	N/A	\$ 0	N/A
GRF	935408	General Operations	\$ 1,233,891	\$ 1,501,342	\$ 1,251,789	-16.62%	\$ 1,254,193	0.19%
GRF	935409	Technology Operations	\$ 2,307,065	\$ 5,553,986	\$ 2,092,432	-62.33%	\$ 2,091,823	-0.03%
GRF	935410	Content Development, Acquisition, and Distribution	\$ 2,812,008	\$ 2,764,547	\$ 2,607,094	-5.70%	\$ 2,607,094	0.00%
GRF	935411	Technology Integration and Professional Development	\$ 4,418,282	\$ 4,873,284	\$ 4,251,185	-12.77%	\$ 4,252,671	0.03%
GRF	935412	Information Technology	\$ 711,339	\$ 1,063,536	\$ 829,340	-22.02%	\$ 829,963	0.08%
General Revenue Fund Total			\$ 12,825,882	\$ 16,693,073	\$ 11,949,490	-28.42%	\$ 11,953,394	0.03%
4F30	935603	Affiliate Services	\$ 29,205	\$ 303,218	\$ 50,000	-83.51%	\$ 50,000	0.00%
4T20	935605	Government Television/Telecommunications Operating	\$0	\$0	\$ 25,000	N/A	\$ 25,000	0.00%
General Services Fund Group Total			\$ 29,205	\$ 303,218	\$ 75,000	-75.27%	\$ 75,000	0.00%
3DW0	935610	Title IID Tech - Federal Stimulus	\$ 217,752	\$ 601,791	\$ 0	-100.00%	\$ 0	N/A
3S30	935606	Enhancing Education Technology	\$ 91,296	\$ 32,576	\$ 0	-100.00%	\$ 0	N/A
Federal Special Revenue Fund Group Total			\$ 309,049	\$ 634,366	\$ 0	-100.00%	\$ 0	N/A
4W90	935630	Telecommunity	\$0	\$0	\$ 25,000	N/A	\$ 25,000	0.00%
4X10	935634	Distance Learning	\$ 21,259	\$0	\$ 24,150	N/A	\$ 24,150	0.00%
5D40	935640	Conference/Special Purposes	\$ 1,846,975	\$ 2,315,591	\$ 2,100,000	-9.31%	\$ 2,100,000	0.00%
5FK0	935608	Media Services	\$ 217,612	\$ 364,087	\$ 637,601	75.12%	\$ 637,956	0.06%
5JU0	935611	Information Technology Services	\$0	\$0	\$ 1,455,000	N/A	\$ 1,455,000	0.00%
5T30	935607	Gates Foundation Grants	\$ 32,597	\$0	\$ 200,000	N/A	\$ 171,112	-14.44%
State Special Revenue Fund Group Total			\$ 2,118,444	\$ 2,679,678	\$ 4,441,751	65.76%	\$ 4,413,218	-0.64%
eTech Ohio Total			\$ 15,282,579	\$ 20,310,335	\$ 16,466,241	-18.93%	\$ 16,441,612	-0.15%