

Ohio School for the Deaf

House Primary and Secondary Subcommittee

Meegan M. Michalek, Economist

Legislative Service Commission

February 27, 2003

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LSC Redbook

for the

Ohio State School for the Deaf

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TABLE OF CONTENTS

OVERVIEW	A1
ANALYSIS OF EXECUTIVE PROPOSAL	A4
ADDITIONAL FACTS AND FIGURES.....	A6
PERMANENT AND TEMPORARY LAW	A9
REQUESTS NOT FUNDED.....	A10
CATALOG OF BUDGET LINE ITEMS.....	COBLI 1

Attachment: LSC Budget Spreadsheet By Line Item

February 27, 2003

Note: The estimated General Revenue Fund (GRF) spending for FY 2003 used in this LSC Redbook reflects the 2.5% reduction made as a result of the Governor's January 22, 2003 budget cut order. The executive reduction was applied across-the-board to FY 2003 GRF appropriations, subject to certain exceptions. Subsequent to such reductions (and not reflected in the Redbook), state agencies were permitted to reallocate the amount that each of their GRF appropriation line items was reduced, while still absorbing the 2.5% budget cut within the total amount of their GRF appropriations.

Ohio School for the Deaf

- Total funding increases by 0.1% in FY 2004 and 3.5% in FY 2005
- Enrollment will increase, staffing will not

OVERVIEW

Description of agency: The State Legislature established The Ohio School for the Deaf (OSD), located in Columbus, in 1827. The Ohio School for the Deaf is the fifth school of its kind in continuous operation in the United States. It is a state-supported program that provides educational and residential services to hearing-impaired children at no cost to their parents or their school districts. Approximately 161 students from 51 Ohio counties, aged 5 to 22 years, were enrolled in the School for the Deaf during the 2001-2002 school year (see Additional Facts and Figures for more data).

Under the Ohio Revised Code, section 3325.01, the Ohio School for the Deaf operates according to a charter from the State Board of Education and under the control and supervision of that board. The school follows the established minimum standards for the State of Ohio and the Rules for the Education of Handicapped Children (Rule 3301-51-04-B), promulgated by the Ohio Department of Education.

The School's mission is the provision of quality comprehensive, sequential education, vocational training, and social and cultural development services to deaf and hard-of-hearing youngsters residing in the state, so that they can achieve their greatest potential for becoming independent and contributing citizens of Ohio. The School seeks to provide students with full access to communication in the classroom and in the entire school environment.

The School has three core programs: educational, social/developmental, and building & grounds maintenance. The educational program provides instruction and student support services to students with a wide range of ability levels, achievement, degrees of hearing loss, and communication modes. The educational program is chartered by the State Board of Education as comprising elementary, secondary, and vocational school programs that comply with the minimum standards established by the State Board of Education. Students enrolled in the School take the Ohio proficiency tests. Vocational and career exploration classes are available in technical and trade areas. The School employs vocational teachers, academic teachers, and support services specialists in the areas of physical education, art, library, speech therapy, psychology, counseling, audiology, occupational therapy, vocational assessment and job placement, and behavior intervention. The school's residential programming provides students with a homelike atmosphere in the cottages, a variety of recreation activities, meals, and health clinic services. Youth leaders and recreation staff supervise students' activities outside the classroom. Students are sent home every weekend. The social/developmental program seeks to enhance education beyond the classrooms. Students reside in home-like dormitories and engage in activities planned to promote social, cultural, intellectual and emotional growth, and physical well being, including communication. The school has a recreational program, a student health services program, and a comprehensive food service

program. The buildings and grounds program maintains 14 buildings on 137 acres of land. The buildings, built in 1951, are now 50 years old; the School indicates that their age and the previous fiscal constraints imposed on the maintenance program call for extensive maintenance, both preventive and restorative.

The Ohio School for the Deaf has established continuous school-improvement strategic plans to increase the level of service for hard-to-teach students and those with additional learning or behavioral difficulties. The school operates several outreach programs, including assistance to public schools, academic character education, and an interpreting and sign language resources program. The addition of interactive video distance learning has enhanced learning opportunities for students and staff in many Ohio school districts. Another addition, the Alice Cogswell Center, a parent infant/pre-school program) is now operating and focuses on providing language development services by developing competency in American Sign Language (ASL). The School is also expanding its outreach services to provide assistance to local school districts in how to best serve deaf students.

Enrollment: The enrollment at the Ohio School for the Deaf has been relatively stable. In 2002-2003, 145 students attended the school. (Enrollment and staffing data by fiscal year can be found in the section Additional Facts and Figures.)

Teachers Salaries: The method for determining teacher salaries at both the Ohio School for the Deaf and School for the Blind are defined in the Ohio Revised Code (section 124.15 (L)). The formula in the Revised Code specifies that the minimum salary for teachers is the average of the six highest paying school districts in Franklin County for the ensuing fiscal year. Salaries are then adjusted for education and experience accordingly. Also, 5% is added to reflect that the school’s teachers are special education teachers. In school year 2002-2003, a teacher with a bachelor’s degree and no experience would have a starting salary of \$33,596. Base teacher salary has increased an average of 3.3% over the past five years

Overall budget funding recommendations: The following table indicates the major budget items for the Ohio School for the Deaf (OSD). A complete listing is provided in the Analysis section.

Ohio School for the Deaf: Major Budget Items					
Fund	ALI	Description	FY 2003	FY 2004	FY 2005
GRF	221-100	Personal Services	\$7,822,340	\$8,134,597	\$8,464,711
GRF	221-200	Maintenance	992,706	1,018,160	1,028,342
GRF	221-300	Equipment	269,377	200,841	200,841
FSRF	221-626	Coordinating Unit	1,079,284	949,899	974,649
FSRF	221-684	Medicaid reimbursement	73,000	111,377	111,377
	Other	Grants, fees, gifts, program expenses	585,972	450,624	464,664
		Total	\$10,855,679	\$10,865,498	\$11,244,584
		Change from prior year	10.3%	0.1%	3.5%

Budget issues: The budget would maintain the school's essential operations. The primary issues that OSD faces for the biennium are the following:

- 1. To Maintain current programs:** The School for the Deaf continues to seek to provide a high level of educational and residential services to enrolled learners.
- 2. Manage costs:** Managing costs in operational areas is necessary in order to cover emergencies, assume student well being, and promote the success of students statewide.
- 3. Student Achievement:** Strategic planning for both OSD's education programs and statewide outreach efforts are intentional about increasing the achievement levels of deaf and hard of hearing children.
- 4. Facilities:** Current capital improvement projects on the 51-year-old campus include roof repair, heating and electrical replacement, and rest room upgrades. Requests for a new school during the capital budget went unfunded.

ANALYSIS OF EXECUTIVE PROPOSAL

Ohio School for the Deaf

Purpose: The School provides primary and secondary education to Ohio's hearing-impaired children

The following table shows the line items that are used to fund this program, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
GRF	221-100	Personal Services	\$8,134,597	\$8,464,711
GRF	221-200	Maintenance	1,018,160	1,028,342
GRF	221-300	Equipment	200,841	200,841
GSF: 4M1	221-602	Education Reform Grants	70,701	70,701
FSRF: 3U4	221-603	Even Start	125,000	104,625
FSRF: 3R0	221-684	Medicaid Prof. Services Reimbursement	98,500	98,500
FSRF: 311	221-625	Coordinating Unit	949,899	974,649
SSRF: 4M0	221-601	Educational Program Expenses	33,188	33,188
SSRF: 5H6	221-609	Even Start Fees and Gifts	98,500	98,500
Total funding: Ohio School for the Deaf			\$10,865,498	\$11,244,584

Specific line items within the School for the Deaf that this analysis will focus on include:

- **Personal Services**
- **Maintenance**
- **Equipment**
- **Coordinating Unit**

Personal Services 221-100

The executive recommendation proposes \$8,134,597 in FY 2004, and \$8,464,711 in FY 2005 an increase of 4% each year. This line item includes the GRF-funded salaries for teachers, youth leaders, staff, and administrative personnel. This line item also provides for purchased services. The School considers the maintenance of its current level of staff to be one of its highest priority for the biennium. Another funding priority is funding the anticipated increases for SCOPE/OEA teachers by 5% in each year of the biennium. The current staff level of 150 employees will be maintained through this funding and the 4% increase over fiscal year funding will be used for step and longevity pay increases. Base teacher pay has increased an average of 3.3% over the past five years. Purchased services in this line item are scheduled to account for only approximately 2% of the total spending from personal services. Purchased services include some medical staff personnel who are brought in to help parents understand deafness.

Maintenance 221-200

The executive recommendation proposes \$1,018,160 in FY 2004, and \$1,028,342 in FY 2005 an increase of 2.6% and 1.0% respectively. This line item includes not only maintenance of the facilities and grounds, but also provides funds for textbooks and supplies, computer usage and upgrades, food, and

utilities. With the recommended level of funding, OSD will have to defer some anticipated repairs and renovations in order to absorb the costs of anticipated increases in fuel and utilities.

Equipment 221-300

The executive recommendation proposes \$200,841 in FY 2004, and \$200,841 in FY 2005 a decrease of 25% in FY 2004. This line item includes teaching equipment, technology, food service equipment, and vehicles. The School will be unable to fund all of the technological upgrades that were requested.

Coordinating Unit 221-625

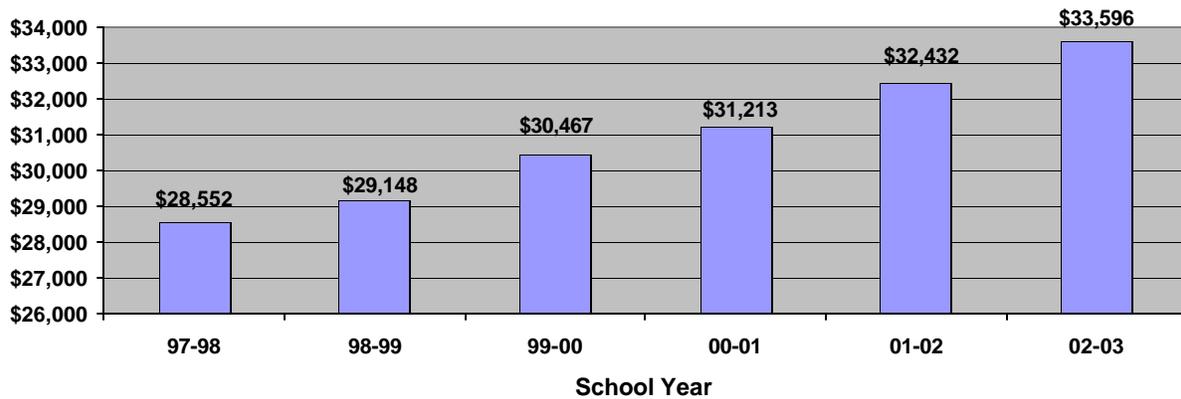
The executive recommendation proposes \$949,899 in FY 2004, and \$974,649 in FY 2005 a decrease of 12.0% in FY 2004, and increase of 2.6% in FY 2005. The Governor's budget fully funds OSD's budget request for this line item. This federal line item supports teachers' salaries, technology, captioned films, child nutrition, and other activities in this program. These funds are used for the department of interpreting and sign language resources to provide professional development for school districts' interpreters and to evaluate their programs.

ADDITIONAL FACTS AND FIGURES

Ohio School for the Deaf: Staffing Levels									
Source of funding	1997	1998	1999	2000	2001	2002	2003	Estimated	
	1997	1998	1999	2000	2001	2002	2003	2004	2005
GRF	131	134	136	136	136	136	140	140	140
Federal	7	7	10	10	10	10	10	10	10
Totals	138	141	146	146	146	146	150	150	150

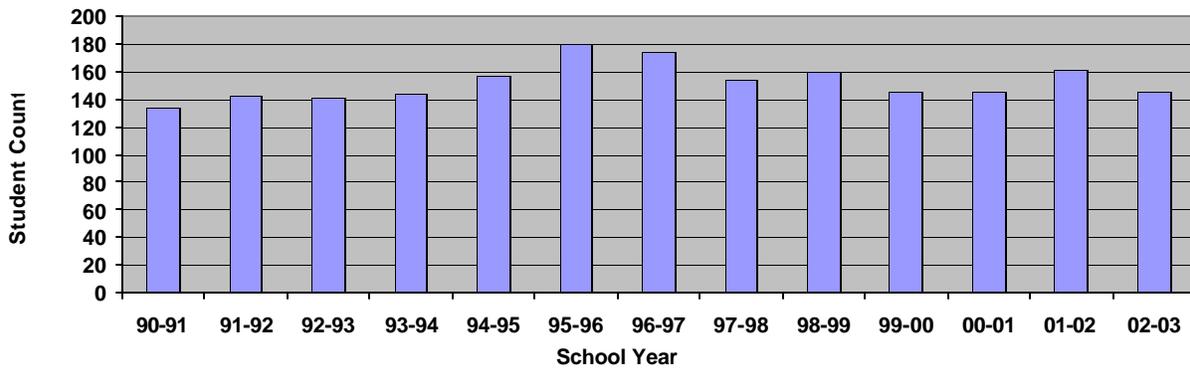
- Staffing levels have been fairly flat following an increase in FY 1998. There will be no additional staff funded through the current budget.

Annual Base Teacher Salary



- The Ohio Revised Code (section 124.15 (L)) sets teacher salary at the School for the Blind and School for the Deaf. Base salary is calculated as the average of the six highest paying school districts in Franklin County.
- The above graph shows that since 1997, the salary for a teacher at the School for the Blind with a Bachelor's degree and zero years experience has risen 17.6%. Inflation in that same time period has only risen 12%.
- Base teacher salary has risen an average of 3.3% over the past five years.
- Special Education teachers in the State of Ohio receive a 5% increase over the regular salary schedule amount.

Enrollment



- Enrollment at the School for the Deaf has increased over the past ten years, from 134 students in 1991, to an estimated 145 in 2003.
- Increases in enrollment can be attributed to a number of factors including: the preschool program as a feeder program to the regular school, the visibility and performance of OSD’s statewide outreach programs, and indicators of achievement levels of enrolled learners.

Federal Funding Levels								
						Estimated	Recommended	
Program	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Coordinating Unit	\$520,122	\$625,267	\$762,320	\$754,720	\$762,318	\$1,079,284	\$949,899	\$974,649
Medicaid reimbursement	\$0	\$20,317	\$72,602	\$61,771	\$63,333	\$73,000	\$111,377	\$111,377
Even Start			\$47,885	\$92,494	\$58,337	\$41,441	\$0	\$0
Early Childhood Grant						\$350,653	\$248,235	\$262,275
Totals	\$520,122	\$645,574	\$882,807	\$908,985	\$883,988	\$1,544,378	\$1,309,511	\$1,348,301

- The Ohio School for the Deaf receives discretionary federal funding from the Ohio Department of Education.
- About half of the enrolled students at OSD are eligible for Medicaid reimbursement. However, funding levels are unreliable and the paperwork that must be submitted for the funds is highly labor intensive for the staff.

Alice Cogswell Pre-School Program		
	2001-2002	2002-2003 (to date)
Total Attendance	24	29
Tuition Billed	\$46,808	\$54,484
Credits	\$16,729	\$24,627
Collected Payments	\$30,364	\$31,266

- The Alice Cogswell Preschool Program was established in FY 2001 to serve young children who are deaf or hard of hearing. This is especially important because the bulk of a child's language development is in the first five years.
- In addition to the preschool program for three and four year olds, there is a daycare program, in which fees are collected (\$130 a week for infants; \$120 a week for toddlers; and \$110 a week for preschool children).
- Approximately 40% of the programs total cost is supported through collected tuition.

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the School's activities and spending decisions during the next biennium.

There are no permanent or temporary law provisions with fiscal effects on this agency.

REQUESTS NOT FUNDED

Personal Services						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 221-100	\$8,612,113	\$8,134,597	(\$477,516)	\$9,538,142	\$8,464,711	(\$1,073,431)

Requested items that would be not funded under the recommended budget:

- The recommended budget will continue to fund all 150 current staff positions. The Executive funding levels represent an increase over prior year’s funding and step/longevity pay increases will be funded through that increase.
- Seven new positions that were requested by OSD will not be funded. These positions were three new technology support staff to assist the two present IT staff members, and four specialists to assist with deaf students statewide.

Maintenance						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 221-200	\$1,279,660	\$1,018,160	(\$261,500)	\$1,388,432	\$1,028,342	(\$360,090)

Requested items that would be not funded under the recommended budget:

- The maintenance needs and anticipated renovations and repairs to the buildings, classrooms, offices and other spaces would have to be deferred. This is due to the fact that higher fuel and utility costs will have to be absorbed through the 221-200 line item.

Equipment						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
GRF 221-300	\$357,320	\$200,841	(\$156,479)	\$347,428	\$200,841	(\$146,587)

Requested items that would be not funded under the recommended budget:

- The School will be unable to install two Interactive Video Distance Learning Classrooms; replace four school vans that have over 100,000 miles on them; and install a computerized key control system for the campus.
- The Ohio School for the Deaf will also forego the following purchases: wireless mobile computer lab, SMART Board interactive whiteboards; and replacement computers/peripherals and software for educational applications.

General Revenue Fund

GRF 221-100 Personal Service

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$6,719,888	\$7,028,853	\$7,575,206	\$7,822,340	\$8,134,597	\$8,464,711
	4.6%	7.8%	3.3%	4.0%	4.1%

Source: GRF

Legal Basis: ORC 3325

Purpose: This line item provides funds for payroll and fringe benefits for the Ohio School for the Deaf.

GRF 221-200 Maintenance

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$950,240	\$1,082,186	\$1,005,704	\$992,706	\$1,018,160	\$1,028,342
	13.9%	-7.1%	-1.3%	2.6%	1.0%

Source: GRF

Legal Basis: ORC 3325

Purpose: This line item provides funds for maintenance for the Ohio School for the Deaf.

GRF 221-300 Equipment

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$207,587	\$231,647	\$280,305	\$269,377	\$200,841	\$200,841
	11.6%	21.0%	-3.9%	-25.4%	0.0%

Source: GRF

Legal Basis: ORC 3325

Purpose: This line item provides funds for equipment for the Ohio School for the Deaf.

General Services Fund Group

4M1 221-602 Education Reform Grants

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$53,935	\$81,206	\$57,070	\$70,701	\$70,701	\$70,701
	50.6%	-29.7%	23.9%	0.0%	0.0%

Source: GSF: SchoolNet; Parent Mentor program (IRN 071530, project number SPM 98)

Legal Basis: Section 101 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Controlling Board on July 1, 1996)

Purpose: This line item receives state grants for school improvement in areas such as technology equity, venture capital and parent mentor programs.

Federal Special Revenue Fund Group

311 221-625 Coordinating Unit

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$762,320	\$754,720	\$762,318	\$1,079,284	\$949,899	\$974,649
	-1.0%	1.0%	41.6%	-12.0%	2.6%

Source: FED: CFDA 84.027, Special Education, State Grants (Federal Grants: Title VI-B, Chapter I, Education Block Grants, Vocational Education, School lunch, and Media Captioned Films)

Legal Basis: Section 101 of Am. Sub. H.B. 94 of the 124th G.A. (established by Controlling Board on September 22, 1956; originally established by H.B. 929 of the 101st G.A.)

Purpose: This line item contains federal moneys intended for the education of multi-handicapped students. Funds may be used to support teachers' salaries, technology, captioned films, child nutrition, and other activities in this program.

3R0 221-684 Medicaid Professional Services Reimbursement

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$72,602	\$61,771	\$63,333	\$73,000	\$111,377	\$111,377
	-14.9%	2.5%	15.3%	52.6%	0.0%

Source: FED: Community Alternative Funding System (CFDA 93.999)

Legal Basis: Section 101 of Am. Sub. H.B. of the 124th G.A. (established by Controlling Board, February 9, 1998 (EDU 045 Rev.))

Purpose: This line item contains federal moneys for the reimbursement of expenses incurred in providing psychological, speech therapy services, counseling and direct nursing to Medicaid-eligible students. This line item was established after the school became Medicaid-certified in 1997; funds were first received in FY 1999. The funds may be used for general maintenance, equipment, and staff in-service.

3U4 221-603 Even Start

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$47,885	\$92,494	\$58,337	\$41,441	\$0	\$0
	93.2%	-36.9%	-29.0%	-100.0%	N/A

Source: FED: FSR

Legal Basis: Section 101 of Am. Sub. H.B. 94 of the 124th G.A. (established by Controlling Board, July 1, 2000 (OSD 014))

Purpose: Even Start is a federally funded program that provides pre-school for children.

3Y1 221-686 Early Childhood Grant

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$0	\$0	\$0	\$350,653	\$248,235	\$262,275
	N/A	N/A	N/A	-29.2%	5.7%

Source: FED:

Legal Basis:

Purpose:

State Special Revenue Fund Group

4M0 221-601 Educational Program Expenses

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$40,954	\$13,911	\$8,942	\$33,188	\$33,188	\$33,188
	-66.0%	-35.7%	271.2%	0.0%	0.0%

Source: SSR: Fees charged for meals

Legal Basis: Section 101 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This line item receives funds earned from fee revenues from the student work-experience programs, donations, and from serving meals for visiting groups at the School for the Deaf.

5H6 221-609 Even Start Fees & Gifts

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$0	\$8,638	\$33,049	\$122,989	\$98,500	\$98,500
	N/A	282.6%	272.1%	-19.9%	0.0%

Source: SSR: SSR

Legal Basis: Section 101 of Am. Sub. H.B. of the 124th G.A. (established by Controlling Board, July 1, 2000 (OSD 013))

Purpose: This line item is a funding mechanism for fees and gifts to support Even Start services.

LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

Fund	ALI	ALI Title	2002	Estimated 2003	Executive 2004	% Change 2003 to 2004	Executive 2005	% Change 2004 to 2005
OSD School for the Deaf, Ohio State								
GRF	221-100	Personal Service	\$ 7,575,206	\$7,822,340	\$ 8,134,597	4.0%	\$ 8,464,711	4.1%
GRF	221-200	Maintenance	\$ 1,005,704	\$992,706	\$ 1,018,160	2.6%	\$ 1,028,342	1.0%
GRF	221-300	Equipment	\$ 280,305	\$269,377	\$ 200,841	-25.4%	\$ 200,841	0.0%
General Revenue Fund Total			\$ 8,861,216	\$ 9,084,423	\$ 9,353,598	3.0%	\$ 9,693,894	3.6%
4M1	221-602	Education Reform Grants	\$ 57,070	\$70,701	\$ 70,701	0.0%	\$ 70,701	0.0%
General Services Fund Group Total			\$ 57,070	\$ 70,701	\$ 70,701	0.0%	\$ 70,701	0.0%
311	221-625	Coordinating Unit	\$ 762,318	\$1,079,284	\$ 949,899	-12.0%	\$ 974,649	2.6%
3R0	221-684	Medicaid Professional Services Reimbursement	\$ 63,333	\$73,000	\$ 111,377	52.6%	\$ 111,377	0.0%
3U4	221-603	Even Start	\$ 58,337	\$41,441	\$ 0	-100.0%	\$ 0	N/A
3Y1	221-686	Early Childhood Grant	---	\$350,653	\$ 248,235	-29.2%	\$ 262,275	5.7%
Federal Special Revenue Fund Group Total			\$ 883,987	\$ 1,544,378	\$ 1,309,511	-15.2%	\$ 1,348,301	3.0%
4M0	221-601	Educational Program Expenses	\$ 8,942	\$33,188	\$ 33,188	0.0%	\$ 33,188	0.0%
5H6	221-609	Even Start Fees & Gifts	\$ 33,049	\$122,989	\$ 98,500	-19.9%	\$ 98,500	0.0%
State Special Revenue Fund Group Total			\$ 41,991	\$ 156,177	\$ 131,688	-15.7%	\$ 131,688	0.0%
Total All Budget Fund Groups			\$ 9,844,263	\$ 10,855,679	\$ 10,865,498	0.1%	\$ 11,244,584	3.5%