LSC Redbook

Analysis of the Executive Budget Proposal

Commission on Dispute Resolution and Conflict Management

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READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Commission on Dispute Resolution and Conflict Management (CDR), which includes the following four sections.

1. Overview: Provides a description of the Commission's existing functions and staffing, and an overview of the Commission's executive recommended budget for the FY 2010–FY 2011 biennium, and notes other important budgetary matters.
2. Analysis of the Executive Proposal: Provides a detailed analysis of the Commission's executive recommended budget, including the funding and purposes for each appropriated line item, and the services and activities that are financed by those appropriated moneys.
3. Requests Not Recommended: Provides a description of notable components of the Commission's budget request that are not included in the executive recommended budget.
4. Attachments: Includes LSC's Catalog of Budget Line Items (COBLI), which describes each line item's purpose, revenue, and expenditures, and the LSC budget spreadsheet, which summarizes each line item's recent expenditure and appropriations history.

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Catalog of Budget Line Items
Budget Spreadsheet By Line Item

Commission on Dispute Resolution and Conflict Management

- GRF cut 16%
- At least 1 full-time staff position to be eliminated
- Specialized services fee not recommended

OVERVIEW

Duties and Responsibilities

The Commission on Dispute Resolution and Conflict Management's mission is to provide Ohioans with constructive, nonviolent forums, processes, and techniques for resolving disputes. The Commission focuses on three areas – schools, community and court connections, and state and local government – providing dispute resolution and conflict management training, facilitation and mediation services, consultation, and technical program assistance.

With a current staffing level of six full-time equivalent (FTE) positions, the Commission pursues this broad mandate, partnering with other institutions to leverage resources and to develop a statewide conflict resolution capacity. The Commission, established in November 1989, is guided by 12 volunteer commissioners – four appointed by the Governor, four by the Chief Justice of the Supreme Court, and two each by the President of the Senate and the Speaker of the House – who serve staggered three-year terms.

Technology

The Commission intends to further develop and provide conflict management distance-learning courses. Offered through the Internet and on DVD, these courses train educators in school-based conflict management. More generally, the Commission continues to expand its web site to deliver information. What this means fiscally is a likely reduction in the cost of printing materials and more efficient delivery of resource materials.

Appropriations Overview

Arguably, in recent years, the Commission has become more critically dependent upon GRF funding to maintain its services delivery system. For FYs 2010 and 2011, the

budgetary limits established by the Office of Budget and Management (OBM) set the maximum amount of GRF funding that the Commission could request for each year at $415,150. The Commission requested the maximum amount of GRF funding for each of FYs 2010 and 2011.

As displayed in Table 1 below, the executive recommended GRF funding levels for both FYs 2010 and 2011 are $349,600, amounts that are 16% less than the adjusted total GRF appropriation of $416,242 for FY 2009. And if one were to look back at immediately preceding years, these executive recommended annual GRF appropriations reflect a decrease of around 11% from FY 2008, 16% from FYs 2006 and 2007, and nearly 22% from FY 2005.

In its discussions with Commission staff relative to the executive budget, LSC fiscal staff ascertained that there are at least two notable implications of the Governor's recommended funding amounts. First, given their cut in GRF funding, at least one full-time equivalent (FTE) staff position will certainly be eliminated. Second, if the Commission's request for the permissive authority to generate non-GRF revenue by charging a fee for services, publications, and media is not enacted, the Commission may have to eliminate one additional FTE staff position. At that point, it appears that the ability of the Commission staff to maintain their existing level of services and programs becomes problematic.

Table 1. Executive Budget Recommendations by Fund Group, FYs 2010 and 2011

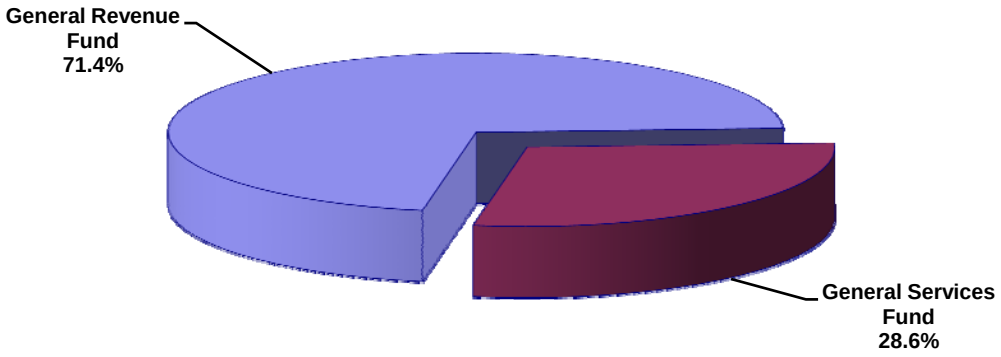
Fund Group	FY 2009*	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
General Revenue	$416,242	$349,600	-16.0%	$349,600	0.0%
General Services	$140,000	$140,000	0.0%	$140,000	0.0%
TOTALS	**$556,242**	**$489,600**	**-12.0%**	**$489,600**	**0.0%**

*FY 2009 figures represent adjusted appropriations.

Appropriations by Fund Group

Chart 1 immediately below shows the Commission's total recommended appropriations (FYs 2010 and 2011) by fund group. This information includes all sources of funding, over 70% of which is drawn from the General Revenue Fund.

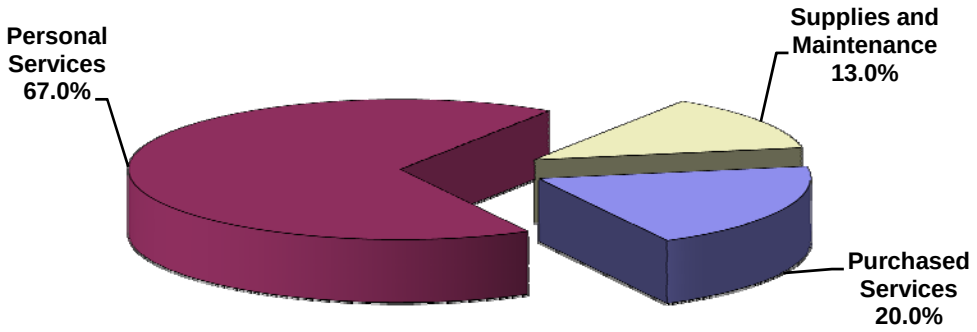
Chart 1: Biennial Executive Budget Recommendations by Fund Group, FYs 2010 and 2011



Appropriations by Expense Category

Chart 2 immediately below shows the total recommended appropriations (FYs 2010 and 2011) by major object of expense. This information is shown for all funds, including the GRF.

Chart 2: Biennial Executive Budget Recommendations by Expense Category, FYs 2010 and 2011



Staffing Levels

Table 2 immediately below displays the number of staff paid, or to be paid, by the Commission from FYs 2002 through 2011.

Table 2. Commission on Dispute Resolution Staffing Levels by Fiscal Year

2002	2003	2004	2005	2006	2007	2008	2009	2010*	2011*
7	5.5	6	6	6	6	6	6	4-5	4-5

*The staffing levels displayed in the above table for FYs 2010 and 2011 are estimates.

As illustrated in the above table, prior to FY 2003, the Commission's staff numbered seven full-time equivalents (FTEs). Since that time, the Commission has reduced its number of staff in order to cut ongoing annual operating costs. At the current recommended level of funding for FYs 2010 and 2011, the Commission relayed to LSC fiscal staff that at least one FTE staff position will certainly be eliminated. If the authority to charge fees for services is not granted, the Commission further relayed that one additional FTE staff position would likely be eliminated.

ANALYSIS OF EXECUTIVE PROPOSAL

Introduction

This section provides an analysis of the Governor's recommended funding for each appropriation item in the Commission's budget, followed by a description of the services and activities that it delivers with those appropriated moneys. Table 3 immediately below shows the Governor's recommended funding for each line item.

Table 3. Governor's Recommended Amounts for Commission on Dispute Resolution and Conflict Management

Fund	ALI and Name		FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	145401	Commission Operations	$349,600	$349,600
		General Revenue Fund Subtotal	***$349,600***	***$349,600***
General Services Fund (GSF) Group				
4B60	145601	Dispute Resolution Programs	$140,000	$140,000
		General Services Fund Group Subtotal	***$140,000***	***$140,000***
Total Funding: Dispute Resolution and Conflict Management			**$489,600**	**$489,600**

Operating Expenses (GRF line item 145401, GSF line item 145601)

The delivery of the Commission's services and activities are funded entirely by these two line items discussed in more detail below.

GRF line item 145401, **Commission Operations**, is the Commission's primary source of funding. The Commission requested a GRF appropriation of $415,150 for each of FYs 2010 and 2011, and the executive budget recommends $65,550 less than that amount, or $349,600, per year. Relative to the Commission's adjusted FY 2009 GRF appropriation of $416,242, the executive recommended annual appropriation for FYs 2010 and 2011 represent a decrease of 16%. This executive recommended GRF appropriation in each year will be allocated roughly more or less as follows: payroll-related costs ($303,000), purchased personal services ($8,000), and maintenance and supplies ($39,000). As noted, the Commission anticipates this proposed reduction in GRF funding will require the elimination of at least one FTE staff position.

GSF line item 145601, **Dispute Resolution Programs**, which draws it moneys from donations, grants, awards, bequeaths, gifts, and reimbursements, is used for the purpose of supplementing the Commission's mission to provide forums, processes, and techniques for resolving disputes. The executive budget fully funded the Commission's requested appropriation for this line item: $140,000 in each of FYs 2010 and 2011. This executive recommended non-GRF appropriation will be allocated roughly more or less as follows: payroll-related costs ($25,000), purchased personal services ($90,000), and

maintenance and supplies ($25,000). As noted, the Commission requested authority to charge a fee for certain services in an effort to enhance this line item's revenue stream and reduce the effect of a reduction in their GRF funding. That requested authority is not part of the executive budget.

Program Areas

The Commission organizes its services and activities into three distinct program areas: (1) schools, (2) communities and courts, and (3) state and local government. The narrative immediately below describes those program areas in more detail.

Schools

One of the Commission's major initiatives involving Ohio schools is in the area of school conflict management. In fact, what is referred to as its School Conflict Management Program is the Commission's top priority for the upcoming biennium. It was launched in FY 1995 as a partnership between the Commission and the Ohio Department of Education for the purpose of annually awarding competitive grants to elementary, middle, and high schools to implement comprehensive conflict management programs. To date, more than 1,800 schools in over 400 of Ohio's 614 public school districts have implemented some form of a conflict management program.

Vanderbilt Grant. Under the current operating budget covering FYs 2008 and 2009, the Commission is in the final phase as a partner and sub-grantee of a $1.3 million federal grant project administered by Vanderbilt University to evaluate school-based conflict management in Ohio middle schools. Of that $1.3 million, the Commission received a contract capping its share of the grant money at approximately $50,000. This money is no longer available, and the Commission has indicated that the avenue to future grant funding will likely come via similar partnerships with local school districts and institutions of higher education. However, no similar partnerships are on the immediate horizon.

Higher Education Curricula. The Commission's efforts have resulted in faculty from 36 Ohio colleges and universities inquiring about the possibility of integrating conflict management into their curricula for new teachers; currently, four colleges and universities in the state have formally weaved conflict management into their education curricula. On-line courses to teach school-based conflict management will also be available through the Commission and the National Association of School Psychologists.

Communities and Courts

The Commission's effort in communities and courts has taken the form of the Truancy Prevention Through Mediation Program. Via this program, the Commission provides funds for program evaluation, training, and mediation services in school

districts and juvenile courts to address the issue of student absenteeism and truancy. The program now extends into over 500 of Ohio's elementary, middle, and high schools in 31 Ohio counties, up from 450 schools in 29 counties during the 2006-2007 school year. The program's continual growth is shown below;

- 2000-2001 school year, 58 schools in 7 counties;
- 2001-2002 school year, 155 schools in 11 counties;
- 2002-2003 school year, 180 schools in 15 counties;
- 2003-2004 school year, 350 schools in 20 counties.

The Commission estimates that mediation efforts to resolve truancy prevent approximately 2,800 truancy cases annually from reaching a docket in Ohio's juvenile court system. The Commission informed LSC fiscal staff that this reduction in truancy cases results in an estimated costs savings to the state of $500 per case or $1.4 million annually.

State and Local Governments

The Commission works with state and local government agencies to promote the use of dispute resolution and conflict management in all aspects of public policy development. The services offered by the Commission to all state and local government agencies include training, mediation and facilitation, as well as consultation and technical assistance with the design, implementation, and evaluation of state-sponsored dispute resolution programs. The Commission helps state and local governments seeking assistance locate and contract with mediators and facilitators critical to the dispute resolution process.

The Commission has provided consultation and assistance to 20 state agencies over the past two years. In FY 2008, nine different state agencies referred 17 cases to the Commission, and 87% of those cases were successfully mediated.

REQUESTS NOT RECOMMENDED

This section addresses two notable components of the Commission's budget request that are not recommended as part of the executive budget. First, GRF funding requested, but not recommended for FYs 2010 and 2011. Second, a language request to amend permanent law for the purpose of permitting the Commission to charge a fee for certain goods and services is not recommended.

GRF Funding

Table 4 immediately below compares, by category of expense, the differences in GRF funding between what the Commission requested and the Governor included in the executive recommended budget. As previously noted, the executive budget requests annual GRF funding that is less than the Commission's requested amounts by $65,550 in each of FYs 2010 and 2011. The most notable difference is seen in the area of personal services, which includes payroll-related expenses, such as wages and salaries. The Commission's judgment is that the likely effect of what amounts to a reduction in annual GRF funding is the elimination of at least one full-time equivalent (FTE) staff position.

Table 4. Comparison of GRF Funding Requested and Recommended

Expense	FY 2010			FY 2011		
	Recommended	Requested	Difference	Recommended	Requested	Difference
Personal Services	$302,215	$358,873	$(56,658)	$304.036	$361,036	$(57,000)
Purchased Services	$8,777	$8,777	$0	$6,614	$6,614	$0
Maintenance	$36,608	$47,500	$(8,892)	$38,950	$47,500	$(8,550)
Equipment	$0	$0	$0	$0	$0	$0
Subsidies	$0	$0	$0	$0	$0	$0
TOTALS	**$349,600**	**$415,150**	**$(65,550)**	**$349,600**	**$415,150**	**$(65,550)**

Special Services Fee

To manage reductions in its GRF budget, the Commission submitted a language request for the authority to charge a "reasonable fee" for specialized services, beginning with the FY 2010-FY 2011 biennium. The Commission shared a potential business plan with LSC fiscal staff that proposed an annual symposium or "training institute" for teachers to learn about and discuss school-conflict management. If authority had been recommended, the Commission envisioned possibly conducting a pilot symposium in calendar year 2009 with 25-50 attendees and charging $250-$300 per person. The symposium would likely have spanned three days. To promote participation, the business plan included potential incentives such as continuing education and/or graduate level credits. The Commission estimated revenues from this pilot symposium

at approximately $5,000-$10,000, after paying associated expenses. As noted, the executive budget does not include the requested permanent law authority. The Commission has suggested that this may result in the loss of one additional FTE position.

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General Revenue Fund

GRF 145401 Commission Operations

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
$462,511	$466,360	$452,596	$416,242	**$349,600**	**$349,600**
	0.8%	-3.0%	-8.0%	**-16.0%**	**0.0%**

Source: GRF

Legal Basis: Section 267.10 of Am. Sub. H.B. 119 of the 127th G.A. (originally created in accordance with Am. H.B. 453 of the 118th G.A.; initially funded by an appropriation to the Controlling Board in Am. Sub. H.B. 111 of the 118th G.A.; appropriation was transferred to the Commission on January 8, 1990)

Purpose: The line item is used to finance the Commission's operating expenses, including the provision of dispute resolution and conflict management training, consultation, and materials to schools, communities and courts, and state and local governments.

General Services Fund Group

4B60 145601 Dispute Resolution Programs

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
$55,925	$58,758	$49,777	$140,000	**$140,000**	**$140,000**
	5.1%	-15.3%	181.3%	**0.0%**	**0.0%**

Source: GSF: Donations, grants, awards, bequests, gifts, and reimbursements

Legal Basis: ORC 179.03(C); Section 267.10 of Am. Sub. H.B. 119 of the 127th G.A. (originally established by Controlling Board in FY 1990)

Purpose: The fund's moneys are used by the Commission to supplement its efforts to introduce dispute resolution and conflict management techniques and skills in schools, courts, communities, and public agencies. The fund also acts as a pass-through mechanism in cases where the Commission arranges mediation and facilitation services for clients in the legislature or state agencies. One of the services the Commission provides is to help such clients identify facilitators and mediators and manage contracts with these third parties, a practice which gives these clients access to the Commission's expertise and contributes to the perception of impartiality in the mediation process by all parties involved. The Commission pays for the mediation and facilitation services from moneys deposited to the credit of the fund and is then reimbursed by the client via an intra-state transfer voucher (ISTV).

Federal Special Revenue Fund Group

3S60 145602 Dispute Resolution: Federal

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
$41,385	$0	$0	$0	**$0**	**$0**

Source: FED: CFDA 16.540, Juvenile Justice and Delinquency Prevention

Legal Basis: Discontinued line item (originally established by Controlling Board on July 27, 1998; no FY 2008 or 2009 appropriations contained in Am. Sub. H.B. 119, reflecting loss of federal funding for this purpose)

Purpose: The fund was created to receive federal grant moneys from the state's Office of Criminal Justice Services, and subsequently the Department of Youth Services, for the Commission's Truancy Prevention Through Mediation Program, a program that used mediation to improve school attendance and avert juvenile delinquency. Due to changes in grant eligibility in 2005, the Commission no longer receives funding for this purpose.

LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

Fund	ALI	ALI Title	2008	2009	As Introduced 2010	% Change 2009 to 2010	As Introduced 2011	% Change 2010 to 2011
CDR Commission on Dispute Resolution and Conflict Management								
GRF	145401	Commission Operations	$ 452,596	$ 416,242	$ 349,600	-16.0%	$ 349,600	0.0%
General Revenue Fund Total			**$ 452,596**	**$ 416,242**	**$ 349,600**	**-16.0%**	**$ 349,600**	**0.0%**
4B60	145601	Dispute Resolution Programs	$ 49,777	$ 140,000	$ 140,000	0.0%	$ 140,000	0.0%
General Services Fund Group Total			**$ 49,777**	**$ 140,000**	**$ 140,000**	**0.0%**	**$ 140,000**	**0.0%**
Total All Budget Fund Groups			***$ 502,372***	***$ 556,242***	***$ 489,600***	***-12.0%***	***$ 489,600***	***0.0%***