

LSC Redbook

Analysis of the Executive Budget Proposal

Ohio State School for the Blind

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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

Ohio State School for the Blind

- Executive budget recommends flat GRF funding in FY 2014 and FY 2015
- 115 students are enrolled at the school
- Many more students served through outreach programs
- Construction on new campus dorm and academic facilities nearly complete

OVERVIEW

Agency Overview

The Ohio State School for the Blind (OSB), located in Columbus, is a state-supported specialized educational and residential facility that provides free services to Ohio students ages 5 through 21 with visual, sensory, and developmental disabilities. Established in 1837, it was the first state-supported residential school for the blind in the United States. OSB operates according to a charter from the State Board of Education and is under the control and supervision of the Board and the Superintendent of Public Instruction. Its educational program must meet the same minimum state standards that apply to any other public school including the state Operating Standards for Ohio Schools Serving Children with Disabilities. OSB maintains an additional accreditation with the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped.

Of the nearly 1,600 school-aged visually impaired children in the state, the majority are educated in their resident districts. Currently, 115 are enrolled in OSB's education program with 44 of these students also living on campus as part of OSB's residential program. In addition to the education and residential programs, OSB also operates several outreach programs that provide technical assistance, professional development, materials, and resources to families with children who are visually impaired and to the school districts that serve these children across the state. A more detailed explanation of these and other OSB programs and services is included in the "**Programs and Services**" section of this document.

Appropriation Overview

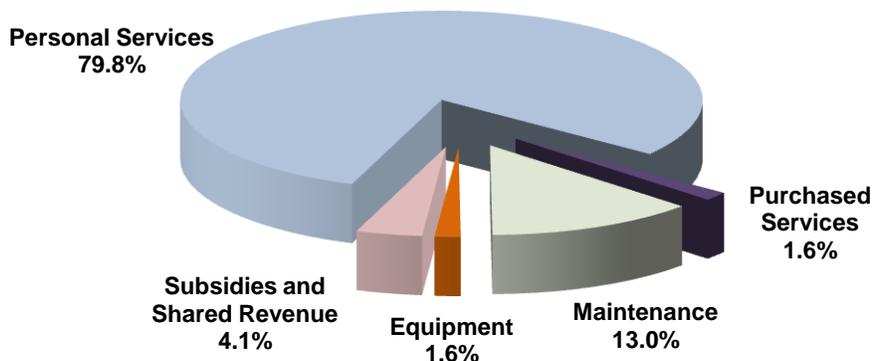
The executive budget recommendations for OSB total approximately \$11.0 million in each of fiscal years 2014 and 2015. Of the \$22.0 million in total funding for the biennium, 66.2% comes from the GRF, 29.4% from federal funds, 4.2% from the State Special Revenue Fund Group, and 0.2% from the General Services Fund Group.

Table 1. Executive Budget Recommendations by Fund Group, FY 2014-FY 2015					
Fund Group	FY 2013*	FY 2014	% change, FY 2013-FY 2014	FY 2015	% change, FY 2014-FY 2015
General Revenue	\$7,278,579	\$7,278,579	0.0%	\$7,278,579	0.0%
General Services	\$15,000	\$27,000	80.0%	\$27,000	0.0%
Federal Special Revenue	\$3,209,530	\$3,227,104	0.6%	\$3,227,104	0.0%
State Special Revenue	\$283,247	\$461,521	62.9%	\$461,521	0.0%
TOTAL	\$10,786,356	\$10,994,204	1.9%	\$10,994,204	0.0%

*FY 2013 figures represent estimated expenditures.

Chart 1 presents the biennial executive recommended appropriations by expense category. Similar to other public schools, OSB spends a vast majority, 79.8%, of its budget on personal services. Supplies and maintenance make up 13.0%, subsidies and shared revenue 4.1%, and purchased services and equipment are each allocated 1.6%.

Chart 1: Biennial Executive Budget Recommendations by Expense Category, FY 2014-FY 2015



Staffing Levels

As of February 2012, OSB has 117 full-time employees and 15 part-time employees. Of these, 52 full-time and 9 part-time work in the education program; 25 full-time and two part-time work in the residential program; and 12 full-time and two part-time work in the outreach program. The remaining 28 full-time and two part-time employees provide support to all three programs through administration, food service, maintenance, security, and other areas. All of OSB's academic teachers are classified as highly qualified under the standards set forth in the federal No Child Left Behind Act, are certified as specialists in the field of visually impaired education, and have a concentration of college coursework in the subject matter they are assigned to teach.

In recent years, OSB and the Ohio School for the Deaf (OSD) have consolidated resources in administrative and agency operations support in order to increase efficiency. The two schools have worked together to consolidate fiscal services, maintenance and custodial services, human resources, food services, security, and information technology services.

Programs and Services

The services to visually-impaired students provided by OSB can be organized into three major areas: the education program, residential program, and outreach program. For budgeting purposes, OSB also has separated out two other program areas that support the three major areas: health care and support services. The health care program provides nursing and limited physician and dental services to the students at the school. Support services provides administration, food service, maintenance, and security. The table below summarizes the estimated spending for each of these programs in FY 2013 and the executive recommendations for FY 2014 and FY 2015. Following the table is a brief description of each of the three major programs. Note that the sizable increase in support for the Visually Impaired Education Program between FY 2013 and FY 2014 and the commensurate decrease in support for the Support Services Program is primarily due to a decision to re-classify expenditures associated with federal funds used to support OSB's work as part of the Ohio Transition Collaborative.

Program	FY 2013 Estimate	FY 2014 Recommended	FY 2015 Recommended	Percent of Budget
Visually Impaired Education	\$4.5	\$5.3	\$5.3	47.9%
Support Services	\$3.6	\$2.9	\$2.8	25.9%
Outreach	\$1.3	\$1.3	\$1.4	12.3%
Residential	\$1.2	\$1.3	\$1.2	11.4%
Health Care	\$0.3	\$0.3	\$0.3	2.6%
Total	\$10.8	\$11.0	\$11.0	100%

Education Program

The education program provides educational services to visually impaired students enrolled at OSB. While all of the students at the school are visually impaired, many have other disabilities. Students are placed in educational programs based on the needs identified by each student's Multi-Factored Evaluation (MFE) and Individual Education Program (IEP).

Residential Program

The residential program promotes the personal and social development of the students and intends to prepare the students to live independently in the community after graduation. While all OSB students participate in the residential program's activities, 44 students currently reside at the school during the week. The new campus dorm building (see below) can house 66 students. The students' resident districts provide transportation to OSB on Sunday afternoons and return to pick up the students on Friday after the school day is over.

Outreach Program

The outreach program provides outreach services to local school districts statewide to assist in meeting the educational needs of blind and visually impaired learners. OSB's outreach services include:

- Professional development opportunities and consultations for teachers of the visually impaired throughout the state;
- A Multi-Factored Evaluation clinic and student assessment services (in FY 2012, 108 school-age and preschool students received services);
- Support and resources for families of children with visual impairments and the professionals who serve these children statewide (in FY 2012, parent mentor contacts were made with 217 families throughout Ohio);
- The Center for Instructional Supports and Materials (CISAM), an accessible materials production facility and clearinghouse and distribution center for Braille materials (CISAM currently contains more than 55,000 Braille and large-print volumes, materials, and items of equipment that are available for use by schools around the state);
- The Ohio Instructional Materials Access Center, which works with CISAM to locate textbooks in Braille, large print, audio, and digital text for students;
- Orientation and mobility specialists; and
- Summer camp opportunities.

New Campus Update

Construction on the \$44 million, School Facilities Commission-administered project to build new dorm and academic facilities for both OSB and OSD is nearly complete. Ground broke on the projects in May 2009. Construction is complete on the campus' dorm facilities, which are now occupied. Construction on the academic buildings portion of the project is scheduled for completion in April 2013. However, classes will not begin to be taught there until the next school year begins in August.

Since the original plans for the new campus were scaled back, OSB will continue to use a number of facilities in the current school buildings, including the school's

gymnasium, auditorium, band music rooms, industrial arts shop, basement recreation center, accessible materials production facility, natatorium, kitchen, and dining rooms. Many of these facilities are inefficient or in need of serious maintenance or repair. This, combined with the fact that maintenance staff will have larger square footage to maintain, has created some uncertainty regarding the operational costs of the expanded campus going forward. Ultimately, it is expected that increased utility, maintenance, and custodial costs will offset some or all of any savings associated with the increases in efficiency from the new buildings.

ANALYSIS OF EXECUTIVE PROPOSAL

This section provides an analysis of the Governor's recommended funding for each appropriation item in OSB's budget. The following table shows the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used.

Governor's Recommended Amounts for the Ohio State School for the Blind				
Fund	ALI and Name		FY 2014	FY 2015
General Revenue Fund				
GRF	226321	Operations	\$7,278,579	\$7,278,579
General Revenue Fund Subtotal			\$7,278,579	\$7,278,579
General Services Fund Group				
4H80	226602	Education Reform Grants	\$27,000	\$27,000
General Services Fund Group Subtotal			\$27,000	\$27,000
Federal Special Revenue Fund Group				
3100	226626	Coordinating Unit	\$2,527,104	\$2,527,104
3DT0	226621	Ohio Transition Collaborative	\$650,000	\$650,000
3P50	226643	Medicaid Professional Services Reimbursement	\$50,000	\$50,000
Federal Special Revenue Fund Group Subtotal			\$3,227,104	\$3,227,104
State Special Revenue Fund Group				
4M50	226601	Work Study and Technology Investment	\$461,521	\$461,521
State Special Revenue Fund Group Subtotal			\$461,521	\$461,521
Total Funding: Ohio State School for the Blind			\$10,994,204	\$10,994,204

Operations (226321)

This funding is OSB's main source of support for all of its programs. It supports staff payroll and fringe benefits, maintenance of the school grounds and facilities, and equipment for OSB. For FY 2014 and FY 2015, the executive budget recommends combining the three separate GRF line items currently funding these costs into a single line item and flat funding it at \$7.3 million annually compared to total FY 2013 estimated expenditures for the three operations line items currently used. The combination of these line items gives OSB more flexibility in the use of this appropriation. Overall, OSB expects that these appropriation levels are sufficient to allow the school to maintain current service levels in the FY 2014-FY 2015 biennium.

Education Reform Grants (226602)

These funds are from a combination of long-term and one-time grants. These grants vary in size and disbursement schedules. Generally, they are used for school improvements in areas such as technology, parent mentoring groups, educational programming, and professional development. The executive budget recommends \$27,000 in each fiscal year for this line item.

Coordinating Unit (226626)

These funds are from a variety of federal grants passed through the Department of Education. These include Individuals with Disabilities Education Act (IDEA) funding as well as the School Lunch Program. The funds are used as specified in the federal grants for purposes that include teachers' salaries, technology, child nutrition, and other activities. Approximately 92% of this appropriation is expended for personal services. The executive recommends approximately \$2.5 million per year for this line item.

Ohio Transition Collaborative (226621)

These federal funds are transferred from the Rehabilitation Services Commission (RSC) and used to support OSB's work as part of the Ohio Transition Collaborative. The Collaborative is a partnership between OSB and other providers of services that help young adults who are blind or visually impaired transition into employment. OSB is responsible for providing program information and training to the partners as well as distributing funding for the project. Approximately 70% of this appropriation is distributed as subsidies to other service providers. The remainder is used to purchase supplies for the program. The executive proposal recommends \$650,000 in each fiscal year for this line item. Though this amount represents a 28.6% decrease from the FY 2013 estimate of about \$910,000, it will not have a substantive effect on OSB operations. This is because most of the overall grant amount, totaling about \$1.8 million per year, is distributed directly to the service providers by RSC. Thus, the executive recommendations more accurately reflect the amount of funds expected to be distributed by OSB to the service providers.

Medicaid Professional Services Reimbursement (226643)

This line item is used for the provision of qualifying specialized care for Medicaid-eligible students. The federal government reimburses qualified expenditures incurred by the school. The executive proposal recommends \$50,000 in each fiscal year for this line item.

Work Study & Technology Investment (226601)

These funds come from revenues associated with the school's vocational work program, fund-raising activities, and donations. The self-supporting vocational program provides work experience for those students enrolled in the program. Funds

may be used for school operating expenses, student activities, scholarships, food service programs, and student work experience programs. In addition, this line item is used to transfer to RSC the necessary transition collaborative grant matching funds contributed by OSB and providers of services that help young adults who are blind or visually impaired transition into employment. The executive proposal recommends \$461,521 in each fiscal year for this line item.

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Ohio State School for the Blind

General Revenue Fund

GRF 226100 Personal Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$6,291,262	\$6,235,663	\$6,084,216	\$6,593,546	\$0	\$0
	-0.9%	-2.4%	8.4%	-100%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item was used to support staff payroll and fringe benefits for the School. The executive budget proposes to discontinue this line item and fund personal services, supplies and maintenance, and equipment costs through GRF appropriation item 226321, Operations.

GRF 226200 Maintenance

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$650,841	\$687,734	\$694,680	\$619,528	\$0	\$0
	5.7%	1.0%	-10.8%	-100%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item was used to fund facilities and grounds maintenance at the School. The executive budget proposes to discontinue this line item and fund personal services, supplies and maintenance, and equipment costs through GRF appropriation item 226321, Operations.

GRF 226300 Equipment

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$35,965	\$49,804	\$51,869	\$65,505	\$0	\$0
	38.5%	4.1%	26.3%	-100%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item was used to fund equipment purchases for the School. The executive budget proposes to discontinue this line item and fund personal services, supplies and maintenance, and equipment costs through GRF appropriation item 226321, Operations.

Ohio State School for the Blind

GRF 226321 Operations

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$0	\$0	\$0	\$7,278,579	\$7,278,579
	N/A	N/A	N/A	N/A	0.0%

Source: General Revenue Fund

Legal Basis: As proposed in H.B. 59 of the 130th G.A.

Purpose: This line item will be used to support staff payroll and fringe benefits, maintenance of the school grounds and facilities, and equipment for OSB. The executive proposal combines line items 226100, 226200, and 226300, in to this item.

General Services Fund Group

4H80 226602 Education Reform Grants

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$25,038	\$20,860	\$24,575	\$15,000	\$27,000	\$27,000
	-16.7%	17.8%	-39.0%	80.0%	0.0%

Source: General Services Fund Group: eTech Ohio grants; Parent Mentor grant; Venture Capital

Legal Basis: Section 383.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on May 29, 1996)

Purpose: This line item is used for school improvement activities in areas such as technology, parent support groups, and professional development, depending on the purpose of the grants received.

Ohio State School for the Blind

Federal Special Revenue Fund Group

3100 226626 Coordinating Unit

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$2,098,914	\$2,119,223	\$2,104,213	\$2,281,446	\$2,527,104	\$2,527,104
	1.0%	-0.7%	8.4%	10.8%	0.0%

Source: Federal Special Revenue Fund Group: CFDA 10.553, School Breakfast Program; CFDA 10.555, School Lunch Program; CFDA 84.027, Title VI-B Handicapped; CFDA 84.151, Drug Free Schools and Community; Special Education, State Grants

Legal Basis: Section 383.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on September 22, 1956)

Purpose: These federal moneys are used to support teachers' salaries, technology, child nutrition, mobility training, and outreach activities in the School's standard visually impaired, developmentally handicapped, and multi-handicapped education programs.

3DT0 226621 Ohio Transition Collaborative

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$246,817	\$420,263	\$600,325	\$910,040	\$650,000	\$650,000
	70.3%	42.8%	51.6%	-28.6%	0.0%

Source: Federal Special Revenue Fund Group: Federal grant funds transferred from the Rehabilitation Services Commission

Legal Basis: Section 383.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by the Controlling Board on July 27, 2009)

Purpose: These federal moneys are used to support the School's work as part of the Ohio Transition Collaborative. The collaborative is a partnership between the School, regional service providers of vocational rehabilitation services, and The Ohio State University. The goal of the Collaborative is to improve and increase the employment outcomes for young adults throughout Ohio who are blind or visually impaired. The School is responsible for providing program information and training to the partners as well as distributing funding for the project.

Ohio State School for the Blind

3P50 226643 Medicaid Professional Services Reimbursement

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$163	\$19,986	\$18,044	\$50,000	\$50,000
	N/A	12,150.7%	-9.7%	177.1%	0.0%

Source: Federal Special Revenue Fund Group: CFDA 93.778 Medical Assistance Program

Legal Basis: Section 383.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on February 9, 1998)

Purpose: These federal moneys are used for the reimbursement of expenditures incurred by the School in providing support services and specialized care for Medicaid-eligible students. This line item was established after the School became Medicaid-certified in 1997; funds were first received in FY 1999. Approximately 45% of the students at the School are Medicaid eligible.

State Special Revenue Fund Group

4M50 226601 Work Study and Technology Investment

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$379,743	\$362,738	\$258,234	\$283,247	\$461,521	\$461,521
	-4.5%	-28.8%	9.7%	62.9%	0.0%

Source: State Special Revenue Fund Group: Donations and sales revenues

Legal Basis: Section 383.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally created by Am. Sub. H.B. 152 of the 120th G.A.; subsequently established in ORC 3325.11 by Am. Sub. H.B. 66 of the 126th G.A.)

Purpose: This line item contains donations as well as funds earned from the vocational program's workshops. The vocational program offers students various work experience through programming and activities such as the sign-making, catering, mail delivery, recycling, computer trouble shooting, and vending machine operations. This program is self-supporting and receives revenue through sign sales and donations. In addition, this line item is used to transfer to the Rehabilitation Services Commission the necessary transition collaborative grant matching funds contributed by OSB and providers of services that help young adults who are blind or visually impaired transition into employment.

FY 2014 - FY 2015 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2012	Estimate FY 2013	Introduced FY 2014	FY 2013 to FY 2014 % Change	Introduced FY 2015	FY 2014 to FY 2015 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
OSB Ohio State School for the Blind								
GRF	226100	Personal Services	\$ 6,084,216	\$ 6,593,546	\$ 0	-100.00%	\$ 0	N/A
GRF	226200	Maintenance	\$ 694,680	\$ 619,528	\$ 0	-100.00%	\$ 0	N/A
GRF	226300	Equipment	\$ 51,869	\$ 65,505	\$ 0	-100.00%	\$ 0	N/A
GRF	226321	Operations	\$ 0	\$ 0	\$ 7,278,579	N/A	\$ 7,278,579	0.00%
General Revenue Fund Total			\$ 6,830,765	\$ 7,278,579	\$ 7,278,579	0.00%	\$ 7,278,579	0.00%
4H80	226602	Education Reform Grants	\$ 24,575	\$ 15,000	\$ 27,000	80.00%	\$ 27,000	0.00%
General Services Fund Group Total			\$ 24,575	\$ 15,000	\$ 27,000	80.00%	\$ 27,000	0.00%
3100	226626	Coordinating Unit	\$ 2,104,213	\$ 2,281,446	\$ 2,527,104	10.77%	\$ 2,527,104	0.00%
3DT0	226621	Ohio Transition Collaborative	\$ 600,325	\$ 910,040	\$ 650,000	-28.57%	\$ 650,000	0.00%
3P50	226643	Medicaid Professional Services Reimbursement	\$ 19,986	\$ 18,044	\$ 50,000	177.10%	\$ 50,000	0.00%
Federal Special Revenue Fund Group Total			\$ 2,724,524	\$ 3,209,530	\$ 3,227,104	0.55%	\$ 3,227,104	0.00%
4M50	226601	Work Study and Technology Investment	\$ 258,234	\$ 283,247	\$ 461,521	62.94%	\$ 461,521	0.00%
State Special Revenue Fund Group Total			\$ 258,234	\$ 283,247	\$ 461,521	62.94%	\$ 461,521	0.00%
Ohio State School for the Blind Total			\$ 9,838,098	\$ 10,786,356	\$ 10,994,204	1.93%	\$ 10,994,204	0.00%