

LSC Redbook

Analysis of the Executive Budget Proposal

Ohio School for the Deaf

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ATTACHMENTS:

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

Ohio School for the Deaf

- Executive proposes flat GRF funding in each year of the biennium
- About 145 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 School for the Deaf (OSD), established in 1829, is a state-run public residential school for deaf and hearing-impaired children from all over Ohio. Located in Columbus, OSD is under the control and supervision of the State Board of Education and the Superintendent of Public Instruction. The school offers a comprehensive preschool through grade 12 education comparable to that of any other public school in the state. OSD's educational programs must meet the same state minimum standards that apply to other public schools, including the state Operating Standards for Ohio Schools Serving Children with Disabilities as well as two federal laws, the Individuals with Disabilities Education Act and the No Child Left Behind Act. OSD has also earned full accreditation status from the North Central Association Commission on Accreditation and School Improvement and the Conference of Educational Administrators in Schools for the Deaf.

The majority of deaf and hearing-impaired children in Ohio are educated by their resident school districts. Of the approximately 3,000 deaf and hearing-impaired children in the state, 145 are currently enrolled at OSD. OSD also serves an additional 90 students from 19 different school districts through its interactive video distance learning program. Of the 145 students enrolled at OSD, 71 live on campus during the school week. OSD also serves as a resource center for all of Ohio's school districts and provides a number of outreach services to schools and students throughout the state.

Appropriation Overview

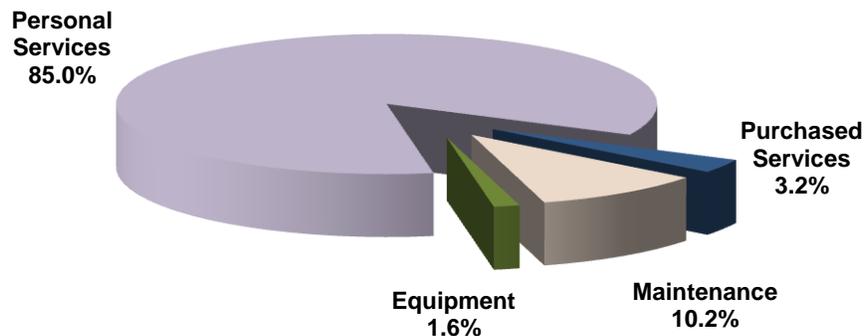
The executive budget recommendations for OSD total approximately \$11.1 million in each of fiscal years 2014 and 2015. Of the \$22.2 million in total funding for the biennium, 78.8% comes from the GRF, 19.7% from federal funds, 1.2% from the State Special Revenue Fund Group, and 0.3% from the General 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	\$8,727,657	\$8,727,657	0.0%	\$8,727,657	0.0%
General Services	\$20,000	\$35,000	75.0%	\$35,000	0.0%
Federal Special Revenue	\$2,153,245	\$2,188,245	1.6%	\$2,188,245	0.0%
State Special Revenue	\$88,500	\$130,000	46.9%	\$130,000	0.0%
TOTAL	\$10,989,402	\$11,080,902	0.8%	\$11,080,902	0.0%

*FY 2013 figures represent estimated expenditures.

Chart 1 presents the biennial executive recommended appropriations by expense category. Similar to other public schools, OSD spends a vast majority, 85.0%, of its budget on personal services. Maintenance makes up 10.2%, purchased services 3.2%, and equipment 1.6%.

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



Staffing Levels

As of February 2012, there are 110 full-time filled positions at OSD, including 37 teaching personnel. All of OSD's academic teachers are classified as highly qualified under the standards set forth in the No Child Left Behind Act, are certified as specialists in the field of deaf education, and have a concentration of college coursework in the subject matter they are assigned to teach. Nearly half (44%) of the teaching staff has 15 or more years of experience and 86% hold a masters degree or higher. All related services specialists such as counselors, speech-language pathologists, and audiologists hold educational and professional licenses in their fields.

In recent years, OSD and OSB 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 hearing-impaired students provided by OSD can be organized into three major areas: the education program (including the preschool program), residential program, and outreach program. For budgeting purposes, OSD 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.

Program	FY 2013 Estimate	FY 2014 Recommended	FY 2015 Recommended	Percent of Budget
Hearing Impaired Education	\$4.3	\$4.4	\$4.3	39.1%
Support Services	\$3.0	\$3.0	\$3.1	27.7%
Outreach	\$1.6	\$1.4	\$1.4	13.0%
Residential	\$1.2	\$1.2	\$1.2	10.7%
Preschool	\$0.7	\$0.8	\$0.8	6.9%
Health Care	\$0.3	\$0.3	\$0.3	2.7%
Total	\$11.0	\$11.1	\$11.1	100%

Education Program

The education program offers both a K-12 educational component and a preschool component. All of OSD's K-12 students are hearing-impaired. In addition, about 30% have a secondary learning difficulty. As mandated by the federal government, each student has an Individual Education Program (IEP) that is tailored to the student's academic and social skill level. All graduates of OSD are required to have at least one credit of American Sign Language (ASL). ASL is the key way students learn to communicate with each other and with teachers and staff at OSD.

The Alice Cogswell Child Development Center, which opened in 2000, is an accredited preschool program that serves children from birth to five years of age. The program's goal is to accelerate language and literacy development for preschoolers who are deaf, with a key commitment to children who depend on access to ASL to fully

participate in learning. Any child who has an IEP dealing with deafness or hearing impairment may attend the school's preschool program at no cost to the parent. However, enrollment is limited by state law concerning teacher to student ratios. Currently, there are 20 children enrolled in the preschool program.

Residential Program

The residential program provides students with a "home-like" atmosphere staffed by youth leaders and recreation workers in on-site dormitories. Currently, 71 students live at the school. In addition to allowing students from all parts of the state to enroll at the school, the program aims to teach students socialization skills, personal goal setting, intellectual development, communication skills, and emotional maturity.

Outreach Program

The outreach program offers a number of free services to public schools throughout the state. These services include:

- Interpreting and Sign Language Resource – assessment, mentoring, technical assistance, and professional development for interpreters of ASL who work in public schools;
- Educator outreach support – on-site, phone, and e-mail training support for regular and special education teachers serving deaf and hearing-impaired children in preschool through grade 12;
- Student assessment services;
- Research on deaf education;
- Interactive Video Distance Learning (IVDL) – ASL classes for hearing students, professional development, and conferences; and
- Parent mentoring.

New Campus

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, OSD will continue to use a number of facilities in the current school buildings, many of which are inefficient or in need of serious maintenance or repair. Since the design work for the new campus was completed in the spring of 2009, enrollment at OSD has increased significantly. As a result, the new OSD dorms and classrooms will not be able to

accommodate all of OSD's students. For example, the new OSD dorms can house 66 students, a capacity short of the 71 students that currently reside at the school during the week. This means that OSD will continue to use several dorms in the old facility. Several of OSD's old classrooms will continue to be needed due to uneven distribution of students in each grade level. For instance, some lower grade levels may have only a few students, but such a class would occupy a classroom just as a full class with eight students would. As a result, some of the capacity of OSD's 20 or so classrooms, designed to accommodate eight students each, cannot be used.

The continued use of existing facilities 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

Introduction

This section provides an analysis of the Governor's recommended funding for each appropriation item in OSD'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 School for the Deaf				
Fund	ALI and Name		FY 2014	FY 2015
General Revenue Fund				
GRF	221321	Operations	\$8,727,657	\$8,727,657
General Revenue Fund Subtotal			\$8,727,657	\$8,727,657
General Services Fund Group				
4M10	221602	Education Reform Grants	\$35,000	\$35,000
General Services Fund Group Subtotal			\$35,000	\$35,000
Federal Special Revenue Fund Group				
3110	221625	Coordinating Unit	\$2,153,245	\$2,153,245
3R00	221684	Medicaid Professional Services Reimbursement	\$35,000	\$35,000
Federal Special Revenue Fund Group Subtotal			\$2,188,245	\$2,188,245
State Special Revenue Fund Group				
4M00	221601	Educational Program Expenses	\$95,000	\$95,000
5H60	221609	Even Start Fees and Gifts	\$35,000	\$35,000
State Special Revenue Fund Group Subtotal			\$130,000	\$130,000
Total Funding: Ohio School for the Deaf			\$11,080,902	\$11,080,902

Operations (221321)

This funding is OSD'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 OSD. 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 \$8.7 million annually compared to total FY 2013 estimated expenditures for the three operations line items currently used. The combination of these line items gives OSD more flexibility in the use of this appropriation. Overall, OSD 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 (221602)

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 support groups, educational programming, school maintenance, and equipment. The executive budget recommends \$35,000 in each fiscal year for this line item.

Coordinating Unit (221625)

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 in the school's education programs. Funds are also used for OSD's interactive video distance learning program and for outreach services. About 79% of this appropriation is expended for personal services. The executive proposal recommends a 0.7% increase in this line item to \$2.15 million for FY 2014 and flat funding in FY 2015.

Medicaid Professional Services Reimbursement (221684)

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 recommends \$35,000 in each fiscal year for this line item.

Educational Program Expenses (221601)

These funds come from revenues associated with the school's vocational work program, fundraising 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 to support student work experience programs. The executive budget proposes appropriations of \$95,000 each fiscal year for this line item.

Even Start Fees and Gifts (221609)

This line item is funded by tuition receipts at the Alice Cogswell Child Development Center, OSD's preschool and daycare program. Children with hearing impairments attend the facility free of charge except for services provided after regular school hours. Formerly, hearing siblings and hearing children of staff were allowed to attend the program for a fee. However, due to reductions in staff, hearing children are no longer allowed to attend. This line item, which assists with the cost of instructional supplies for the Center, provides a small portion of funding for the program. The vast majority comes from the GRF. Funding for this line item is recommended at \$35,000 in each fiscal year.

Ohio School for the Deaf

General Revenue Fund

GRF 221100 Personal Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$7,371,275	\$7,466,678	\$7,672,787	\$7,842,339	\$0	\$0
	1.3%	2.8%	2.2%	-100%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item funded payroll and fringe benefits for staff of 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 221321, Operations.

GRF 221200 Maintenance

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$692,562	\$776,620	\$855,913	\$814,532	\$0	\$0
	12.1%	10.2%	-4.8%	-100%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item provided funds for the maintenance costs of 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 221321, Operations.

GRF 221300 Equipment

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$32,650	\$68,700	\$57,304	\$70,786	\$0	\$0
	110.4%	-16.6%	23.5%	-100%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item provided funds for equipment 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 221321, Operations.

Ohio School for the Deaf

GRF 221321 Operations

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$0	\$0	\$0	\$8,727,657	\$8,727,657
	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 OSD. The executive proposal combines line items 221100, 221200, and 221300 into this item.

General Services Fund Group

4M10 221602 Education Reform Grants

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$30,087	\$10,860	\$22,740	\$20,000	\$35,000	\$35,000
	-63.9%	109.4%	-12.0%	75.0%	0.0%

Source: General Services Fund Group: eTech Ohio grants; Parent Mentor grant; and other grants

Legal Basis: Section 385.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on July 1, 1996)

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

Ohio School for the Deaf

Federal Special Revenue Fund Group

3110 221625 Coordinating Unit

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$1,767,271	\$1,657,945	\$1,505,813	\$2,139,245	\$2,153,245	\$2,153,245
	-6.2%	-9.2%	42.1%	0.7%	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; and Special Education, State Grants (Chapter I, Education Block Grants, Vocational Education, and Media Captioned Films)

Legal Basis: Section 385.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on September 22, 1956)

Purpose: This line item contains federal moneys intended for use in the standard hearing-impaired education and outreach programs. Funds are used to support teachers' salaries, technology, interactive video distance learning equipment, child nutrition, and other activities.

3R00 221684 Medicaid Professional Services Reimbursement

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$11,300	\$3,547	\$4,334	\$14,000	\$35,000	\$35,000
	-68.6%	22.2%	223.0%	150.0%	0.0%

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

Legal Basis: Section 385.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on February 9, 1998)

Purpose: This line item contains federal moneys for the reimbursement of expenses incurred in providing audiological, psychological, speech therapy, counseling, and nursing services to Medicaid-eligible students. This line item was established after the School became Medicaid-certified in 1997; funds were first received in FY 1999.

Ohio School for the Deaf

3Y10 221686 Early Childhood Grant

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$207,950	\$214,330	\$111,300	\$0	\$0	\$0
	3.1%	-48.1%	-100%	N/A	N/A

Source: Federal Special Revenue Fund Group: CFDA 84.173, Statewide Early Childhood Deafness Grant

Legal Basis: Section 385.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on October 29, 2001)

Purpose: This line item is used to support the statewide preschool program, including a training, research, and dissemination project that supports the learning of deaf and hearing-impaired children, birth to age 5, throughout the state. The purpose of the project is to enhance the ability of deaf preschoolers to acquire the language skills needed for entering kindergarten and beyond. Though there is appropriation for FY 2013, OSD indicates that this grant has been discontinued and will no longer be used by the agency.

State Special Revenue Fund Group

4M00 221601 Educational Program Expenses

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$47,223	\$31,268	\$46,122	\$63,500	\$95,000	\$95,000
	-33.8%	47.5%	37.7%	49.6%	0.0%

Source: State Special Revenue Fund Group: Fees charged for meals and donations

Legal Basis: ORC 3325.16; Section 385.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.; subsequently established in ORC 3325.16 by Am. Sub. H.B. 66 of the 126th G.A.)

Purpose: This line item receives fee revenues from the student work-experience program at the School. The vocational program offers students work experience through programming and activities such as serving meals to visiting groups at the School. This program is self-supporting and receives revenue through workshop fees, donations, and from serving meals to visitors. Funds in this line item are in turn used to support student work-experience and educational food service programs.

Ohio School for the Deaf

5H60 221609 Even Start Fees and Gifts

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$79,546	\$37,453	\$15,119	\$25,000	\$35,000	\$35,000
	-52.9%	-59.6%	65.4%	40.0%	0.0%

Source: State Special Revenue Fund Group: Fees and gifts

Legal Basis: ORC 3325.07; Section 385.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on July 1, 2000; subsequently established in ORC 3325.07 by Am. Sub. H.B. 640 of the 123rd G.A.)

Purpose: This line item receives fees and gifts associated with Even Start services. Even Start's goal is to accelerate the language and literacy development of preschoolers who are deaf, with a key commitment to children who depend on access to American Sign Language to fully participate in learning. Funds in this line item are used to support the cost of instructional supplies for the Alice Cogswell Child Development Center preschool program.

FY 2014 - FY 2015 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			Estimate 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					
OSD Ohio School for the Deaf								
GRF	221100	Personal Services	\$ 7,672,787	\$ 7,842,339	\$ 0	-100.00%	\$ 0	N/A
GRF	221200	Maintenance	\$ 855,913	\$ 814,532	\$ 0	-100.00%	\$ 0	N/A
GRF	221300	Equipment	\$ 57,304	\$ 70,786	\$ 0	-100.00%	\$ 0	N/A
GRF	221321	Operations	\$ 0	\$ 0	\$ 8,727,657	N/A	\$ 8,727,657	0.00%
General Revenue Fund Total			\$ 8,586,004	\$ 8,727,657	\$ 8,727,657	0.00%	\$ 8,727,657	0.00%
4M10	221602	Education Reform Grants	\$ 22,740	\$ 20,000	\$ 35,000	75.00%	\$ 35,000	0.00%
General Services Fund Group Total			\$ 22,740	\$ 20,000	\$ 35,000	75.00%	\$ 35,000	0.00%
3110	221625	Coordinating Unit	\$ 1,505,813	\$ 2,139,245	\$ 2,153,245	0.65%	\$ 2,153,245	0.00%
3R00	221684	Medicaid Professional Services Reimbursement	\$ 4,334	\$ 14,000	\$ 35,000	150.00%	\$ 35,000	0.00%
3Y10	221686	Early Childhood Grant	\$ 111,300	\$ 0	\$ 0	N/A	\$ 0	N/A
Federal Special Revenue Fund Group Total			\$ 1,621,448	\$ 2,153,245	\$ 2,188,245	1.63%	\$ 2,188,245	0.00%
4M00	221601	Educational Program Expenses	\$ 46,122	\$ 63,500	\$ 95,000	49.61%	\$ 95,000	0.00%
5H60	221609	Even Start Fees and Gifts	\$ 15,119	\$ 25,000	\$ 35,000	40.00%	\$ 35,000	0.00%
State Special Revenue Fund Group Total			\$ 61,241	\$ 88,500	\$ 130,000	46.89%	\$ 130,000	0.00%
Ohio School for the Deaf Total			\$ 10,291,433	\$ 10,989,402	\$ 11,080,902	0.83%	\$ 11,080,902	0.00%