

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 an increase in GRF funding of 13.2% in FY 2016 and 3.0% in FY 2017
- 130 students are enrolled at the school
- Many more students served through outreach programs
- Construction on new campus dorm and academic facilities was completed in December 2013

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 2,200 school-aged visually impaired children in the state, the majority are educated in their resident districts. Currently, 130 are enrolled in OSB's education program with 30 of these students also living on campus as part of OSB's residential program, with additional students residing on a part-time basis. 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

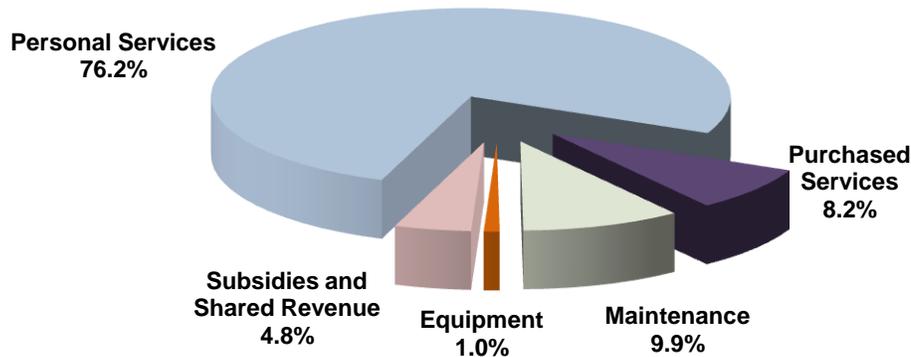
The executive budget recommendations for OSB total approximately \$12.0 million in FY 2016, an 8.8% increase from FY 2015 estimated spending of \$11.0 million, and \$12.2 million in FY 2017, an increase of 2.1% over the FY 2016 level. Of the \$24.2 million in total funding for the biennium, 69.2% comes from the GRF, 26.7% from federal funds, and 4.1% from the Dedicated Purpose Fund Group.

Table 1. Executive Budget Recommendations by Fund Group, FY 2016-FY 2017					
Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$7,278,579	\$8,242,799	13.2%	\$8,488,609	3.0%
Dedicated Purpose	\$497,521	\$497,521	0.0%	\$497,521	0.0%
Federal	\$3,227,104	\$3,227,104	0.0%	\$3,227,104	0.0%
TOTAL	\$11,003,204	\$11,967,424	8.8%	\$12,213,234	2.1%

*FY 2015 figures represent estimated expenditures.

Chart 1 presents the biennial executive recommended appropriations by expense category. Similar to other public schools, OSB spends the vast majority, 76.2%, of its budget on personal services. Supplies and maintenance make up 9.9%, purchased services 8.2%, subsidies and shared revenue comprise 4.8%, and equipment is allocated 1.0%.

Chart 1: Biennial Executive Budget Recommendations by Expense Category, FY 2016-FY 2017



Staffing Levels

As of December 2014, OSB has 108 full-time employees and 11 part-time employees. Of these, 51 full-time and five part-time work in the education program, 24 full-time and one part-time work in the residential program, and 11 full-time and three part-time work in the outreach program. The remaining 22 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 services to the students at the school. Support services provide fiscal administration, human resources, technology support, food service, maintenance, and security. The table below summarizes the estimated spending for each of these programs in FY 2015 and the executive recommendations for FY 2016 and FY 2017. Following the table is a brief description of each of the three major programs.

Program	FY 2015 Estimate	FY 2016 Recommended	FY 2017 Recommended	Percent of Budget
Visually Impaired Education	\$4.6	\$4.9	\$5.0	41.2%
Support Services	\$3.5	\$3.8	\$3.9	32.0%
Residential	\$1.5	\$1.7	\$1.7	14.0%
Outreach	\$1.1	\$1.2	\$1.2	9.6%
Health Care	\$0.3	\$0.4	\$0.4	3.2%
TOTAL	\$11.0	\$12.0	\$12.2	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, 30 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 2014, 115 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 2014, parent mentor contacts were made with 249 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 was completed in December 2013. Ground broke on the projects in May 2009. OSB added 56,728 square feet of academic and residential space, including the addition of 23 classrooms. Usage of the new classroom space began in the 2013-2014 school year.

Since the original plans for the new campus were scaled back, OSB continues to use a number of facilities in the older 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. A portion of the increase in recommended GRF funding for OSB is due to costs associated with operating both new and older facilities.

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 2016	FY 2017
General Revenue Fund				
GRF	226321	Operations	\$8,242,799	\$8,488,609
General Revenue Fund Subtotal			\$8,242,799	\$8,488,609
Dedicated Purpose Fund Group				
4H80	226602	Education Reform Grants	\$27,000	\$27,000
4M50	226601	Work Study and Technology Investment	\$461,521	\$461,521
5NJ0	226622	Food Service Program	\$9,000	\$9,000
Dedicated Purpose Fund Group Subtotal			\$497,521	\$497,521
Federal 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 Fund Group Subtotal			\$3,227,104	\$3,227,104
Total Funding: Ohio State School for the Blind			\$11,967,424	\$12,213,234

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. The executive budget increases funding by approximately \$964,000 in FY 2016 compared to FY 2015 estimated expenditures and by an additional \$246,000 or so for FY 2017. OSB expects that the increase in appropriation levels will provide for the greater levels of service required by higher enrollment and increased facilities costs. OSB also plans to implement a preschool education program for visually impaired children in the FY 2016-FY 2017 biennium, as well as other summer programs and activities. The preschool education program was required by H.B. 487 of the 130th General Assembly.

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.

Work Study and Technology Investment (226601)

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 student work experience programs. In addition, this line item is used to transfer to the Opportunities for Ohioans with Disabilities Agency (OOD) 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.

Food Service Program (226622)

This line item is used for the part-time cashier position at OSB. Revenue received from staff purchases of meals at OSB funds this line item, in compliance with the U.S. Department of Agriculture's regulations requiring the school to separately account for the fees paid by staff for meals. The executive proposal recommends \$9,000 in each fiscal year.

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 and purchased personal services. The executive recommends flat funding for this line item at approximately \$2.5 million per year.

Ohio Transition Collaborative (226621)

These federal funds are transferred from OOD 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 88% of this appropriation is distributed as subsidies to other service providers. The remainder is used for payroll and to purchase supplies for the program. The executive proposal recommends \$650,000 in each fiscal year for this line item, an amount equal to estimated FY 2015 spending. Most of the overall grant amount, totaling about \$1.8 million per year, is distributed directly to the service providers by OOD.

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.

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Ohio State School for the Blind

General Revenue Fund

GRF 226100 Personal Services

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$6,084,216	\$6,247,595	\$32,325	\$0	\$0	\$0
	2.7%	-99.5%	-100%	N/A	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. Beginning in FY 2014, personal services, supplies and maintenance, and equipment costs are funded through GRF appropriation item 226321, Operations.

GRF 226200 Maintenance

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$694,680	\$848,067	\$57,156	\$0	\$0	\$0
	22.1%	-93.3%	-100%	N/A	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. Beginning in FY 2014, personal services, supplies and maintenance, and equipment costs are funded through GRF appropriation item 226321, Operations.

GRF 226300 Equipment

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$51,869	\$56,235	\$39,761	\$0	\$0	\$0
	8.4%	-29.3%	-100%	N/A	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item

Purpose: This line item was used to fund equipment purchases for the school. Beginning in FY 2014, personal services, supplies and maintenance, and equipment costs are funded through GRF appropriation item 226321, Operations.

Ohio State School for the Blind

GRF 226321 Operations

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$7,056,536	\$7,278,579	\$8,242,799	\$8,488,609
	N/A	N/A	3.1%	13.2%	3.0%

Source: General Revenue Fund

Legal Basis: Section 375.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to support staff payroll and fringe benefits, maintenance of the school grounds and facilities, and equipment for OSB. Prior to FY 2014, these functions were funded separately through GRF line items 226100, 226200, and 226300.

Dedicated Purpose Fund Group

4H80 226602 Education Reform Grants

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$24,575	\$3,600	\$12,500	\$27,000	\$27,000	\$27,000
	-85.4%	247.2%	116.0%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Ohio Department of Education and Broadcast Educational Media Commission grants; Parent Mentor grant

Legal Basis: Section 375.10 of Am. Sub. H.B. 59 of the 130th 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

4M50 226601 Work Study and Technology Investment

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$258,234	\$564,451	\$287,496	\$461,521	\$461,521	\$461,521
	118.6%	-49.1%	60.5%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Donations and vocational work program sales revenues

Legal Basis: ORC 3325.11; Section 375.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally created by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This line item funds the School's self-supporting vocational work program, which offers students various work experiences through programming and activities such as sign-making, catering, mail delivery, recycling, computer troubleshooting, and vending machine operations. These funds may also be used for school operating expenses, student activities, and scholarships to students for further training upon graduation. In addition, this line item is used to transfer to the Opportunities for Ohioans with Disabilities Agency 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.

5NJ0 226622 Food Service Program

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$9,000	\$9,000	\$9,000
	N/A	N/A	N/A	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Receipts from employees who make purchases from OSB's food service program.

Legal Basis: ORC 3325.13; Section 375.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to pay costs associated with OSB's food service program to comply with U.S. Department of Agriculture regulations for the National School Lunch Program that require the school to separately account for the fees paid by staff for meals. Prior to FY 2014, these dollars were deposited into the GRF.

Ohio State School for the Blind

Federal Fund Group

3100 226626 Coordinating Unit

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$2,104,213	\$2,102,212	\$1,971,250	\$2,527,104	\$2,527,104	\$2,527,104
	-0.1%	-6.2%	28.2%	0.0%	0.0%

Source: Federal Fund Group: CFDA 10.553, School Breakfast Program; CFDA 10.555, School Lunch Program; CFDA 84.027, Title VI-B Special Education Grants to States

Legal Basis: Section 375.10 of Am. Sub. H.B. 59 of the 130th 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$600,325	\$432,774	\$521,004	\$650,000	\$650,000	\$650,000
	-27.9%	20.4%	24.8%	0.0%	0.0%

Source: Federal Fund Group: CFDA 84.126, Vocational Rehabilitation Grants to States (transferred from the Opportunities for Ohioans with Disabilities Agency)

Legal Basis: Section 375.10 of Am. Sub. H.B. 59 of the 130th 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$19,986	\$32,290	\$1,641	\$50,000	\$50,000	\$50,000
	61.6%	-94.9%	2,946.9%	0.0%	0.0%

Source: Federal Fund Group: CFDA 93.778 Medical Assistance Program

Legal Basis: Section 375.10 of Am. Sub. H.B. 59 of the 130th 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.

FY 2016 - FY 2017 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
OSB Ohio State School for the Blind								
GRF	226100	Personal Services	\$ 32,325	\$0	\$0	N/A	\$0	N/A
GRF	226200	Maintenance	\$ 57,156	\$0	\$0	N/A	\$0	N/A
GRF	226300	Equipment	\$ 39,761	\$0	\$0	N/A	\$0	N/A
GRF	226321	Operations	\$ 7,056,536	\$ 7,278,579	\$ 8,242,799	13.25%	\$ 8,488,609	2.98%
General Revenue Fund Total			\$ 7,185,778	\$ 7,278,579	\$ 8,242,799	13.25%	\$ 8,488,609	2.98%
4H80	226602	Education Reform Grants	\$ 12,500	\$ 27,000	\$ 27,000	0.00%	\$ 27,000	0.00%
4M50	226601	Work Study and Technology Investment	\$ 287,496	\$ 461,521	\$ 461,521	0.00%	\$ 461,521	0.00%
5NJ0	226622	Food Service Program	\$0	\$ 9,000	\$ 9,000	0.00%	\$ 9,000	0.00%
Dedicated Purpose Fund Group Total			\$ 299,996	\$ 497,521	\$ 497,521	0.00%	\$ 497,521	0.00%
3100	226626	Coordinating Unit	\$ 1,971,250	\$ 2,527,104	\$ 2,527,104	0.00%	\$ 2,527,104	0.00%
3DT0	226621	Ohio Transition Collaborative	\$ 521,004	\$ 650,000	\$ 650,000	0.00%	\$ 650,000	0.00%
3P50	226643	Medicaid Professional Services Reimbursement	\$ 1,641	\$ 50,000	\$ 50,000	0.00%	\$ 50,000	0.00%
Federal Fund Group Total			\$ 2,493,896	\$ 3,227,104	\$ 3,227,104	0.00%	\$ 3,227,104	0.00%
Ohio State School for the Blind Total			\$ 9,979,670	\$ 11,003,204	\$ 11,967,424	8.76%	\$ 12,213,234	2.05%