

- GRF funding remains at the FY 2003 level in both fiscal years
- \$19.1 million in tobacco settlement funding in FY 2004 to extend SchoolNet Plus into 6th and 7th grades

SchoolNet Commission

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ROLE

The Ohio SchoolNet Commission (NET), which began as an office within the Department of Education in 1994, became an independent agency in 1997. Originally charged with wiring every public classroom for Internet access and placing computers in Ohio's classrooms, the role of SchoolNet has evolved to assisting districts in integrating technology into the teaching and learning environment and building the capacity of districts to effectively manage and support technology. The agency administers various technology programs to provide leadership, coordination, and oversight in the acquisition and responsible use of technology in schools and to facilitate equitable access and measurable improvement in learning. Prior to this budget, SchoolNet was governed by an 11-member commission. The budget adds two additional voting members to be appointed by the Governor to the commission. The executive director, who is hired by the commission, is responsible for the agency's day-to-day operation.

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2004	2005	2004	2005	
66	\$26.8 million	\$26.8 million	\$20.6 million	\$20.6 million	Am. Sub. H.B. 95

*Employee head count obtained from the Department of Administrative Services (DAS) payroll reports as of June 28, 2003.

OVERVIEW

SchoolNet's total budget is \$26,837,262 in each fiscal year, a 28.0% decrease from FY 2003 expenditures. The decrease in total appropriations for SchoolNet is primarily due to the fact that several non-GRF funded programs are winding down. The Ohio SchoolNet Telecommunity (which is funded by eight local telephone companies), Distance Learning (which is funded by Ameritech), and the federally funded Assistive Technology program are ending in the near future. The Technology Literacy Challenge, another federal program, was completed in FY 2003.

Approximately 76.9% of SchoolNet's total budget comes from the GRF appropriation. The total GRF appropriation for SchoolNet in each fiscal year is \$20,642,354, a 0.9% decrease from FY 2003 expenditures. In addition to funding SchoolNet's operating expenses, the GRF appropriation provides various education technology related grants. General Revenue Fund appropriation item 228-406, Technical and Instructional Professional Development, is funded at \$7,691,831 in each fiscal year, a 17.8% decrease from FY 2003. This decrease is mainly a result of the elimination of the previous technology equity set-aside within this line item. Line item 228-406 provides grants for professional

development for educators for the use of education technology in the classroom. It also contains funds for research, development, and production of interactive instructional programming series for the 200 poorest districts in the state. General Revenue Fund appropriation item 228-539, Education Technology, is funded at \$7,691,831 in each fiscal year, a 21.2% increase over FY 2003. The large increase in this line item is due to the addition of the Ohio ONEnet project, which is funded at \$1,946,000 in each fiscal year. ONEnet was funded in the tobacco budget in FY 2003. In addition to ONEnet, line item 228-406 provides funding to suppliers (such as instructional televisions and education media centers) of information services to school districts for the provision of hardware, software, and staff development in support of educational uses of technology in the classroom as prescribed by the State Plan for Technology and to support assistive technology for children and youth with disabilities.

The tobacco budget (Am. Sub. S.B. 242 of the 124th General Assembly), provides just over \$19,100,000 for SchoolNet Plus in FY 2004. This amount includes carryover funds from FY 2003, in addition to the original allocation for FY 2004. This funding will be used to support round five (grade six) of the SchoolNet Plus program. The state's goal is one computer for every five students. Grants are given to local school districts based on their quartile of wealth. The first two quartiles of wealth receive up to \$380 per pupil in grade six, while the third and fourth quartiles of wealth receive up to \$188 per pupil in grade six. Any funds remaining after the state has reached its goal of one computer for every five students in grade six will be used to begin the next round (grade seven) of the program. At this point, the amount of funds that are projected to be available after round five of SchoolNet Plus, will not be sufficient to fund grade seven classrooms at a ration of one computer for every five students. 

FY 2004 - 2005 Final Appropriation Amounts

All Fund Group

Line Item Detail by Agency

FY 2001: *FY 2002:* *FY 2003:* **FY 2004** *% Change* **FY 2005** *% Change*
Appropriations: *Appropriations:* *Appropriations:* *2003 to 2004:* *Appropriations:* *2004 to 2005:*

Report For: Main Operating Appropriations Bill

Version: Enacted

NET SchoolNet Commission

GRF	228-404	Operating Expenses	\$ 5,133,715	\$ 5,971,776	\$5,705,498	\$ 5,961,208	4.48%	\$ 5,961,208	0.00%
GRF	228-406	Technical & Instructional Professional	\$ 12,929,548	\$ 10,045,405	\$9,352,666	\$ 7,691,831	-17.76%	\$ 7,691,831	0.00%
GRF	228-539	Education Technology	\$ 6,732,881	\$ 6,160,683	\$5,766,571	\$ 6,989,315	21.20%	\$ 6,989,315	0.00%
GRF	228-559	RISE-Interactive Parenting	\$ 1,200,000	---	\$0	\$ 0	N/A	\$ 0	N/A
General Revenue Fund Total			\$ 25,996,144	\$ 22,177,865	\$ 20,824,735	\$ 20,642,354	-0.88%	\$ 20,642,354	0.00%
5L3	228-601	E-Rate Program	\$ 31,080	---	\$0	\$ 0	N/A	\$ 0	N/A
5D4	228-640	Conference/Special Purpose Exp	\$ 291,975	\$ 1,226,628	\$672,542	\$ 1,350,000	100.73%	\$ 1,350,000	0.00%
5G0	228-650	Interactive Distance Learning	\$ 2,923,949	\$ 11,625,716	\$0	\$ 0	N/A	\$ 0	N/A
General Services Fund Group Total			\$ 3,247,004	\$ 12,852,345	\$ 672,542	\$ 1,350,000	100.73%	\$ 1,350,000	0.00%
3X8	228-604	Individuals With Disabilities Education	---	---	\$7,592,994	\$ 1,500,000	-80.24%	\$ 1,500,000	0.00%
3S3	228-655	Technology Literacy Challenge	\$ 13,559,153	\$ 18,004,163	\$473,975	\$ 0	-100.00%	\$ 0	N/A
Federal Special Revenue Fund Group Total			\$ 13,559,153	\$ 18,004,163	\$ 8,066,969	\$ 1,500,000	-81.41%	\$ 1,500,000	0.00%
5T3	228-605	Gates Foundation Grants	---	---	\$957,987	\$ 1,194,908	24.73%	\$ 1,194,908	0.00%
4W9	228-630	Ohio SchoolNet Telecommunity	\$ 1,060,940	\$ 81,000	\$1,023,370	\$ 400,000	-60.91%	\$ 400,000	0.00%
4X1	228-634	Distance Learning	\$ 3,122,888	\$ 1,774,353	\$4,271,896	\$ 1,750,000	-59.03%	\$ 1,750,000	0.00%
4Y4	228-698	SchoolNet Plus	\$ 68,291,312	\$ 4,349,747	\$1,455,817	\$ 0	-100.00%	\$ 0	N/A
State Special Revenue Fund Group Total			\$ 72,475,140	\$ 6,205,100	\$ 7,709,070	\$ 3,344,908	-56.61%	\$ 3,344,908	0.00%
017	228-603	SchoolNet Plus Supplement	---	---	\$10,676	\$ 0	-100.00%	\$ 0	N/A
017	228-690	SchoolNet Electrical Infrastructure	\$ 4,109,194	\$ 888,260	\$0	\$ 0	N/A	\$ 0	N/A
Lottery Profits/Education Fund Group Total			\$ 4,109,194	\$ 888,260	\$ 10,676	\$ 0	-100.00%	\$ 0	N/A
SchoolNet Commission Total			\$ 119,386,634	\$ 60,127,732	\$ 37,283,992	\$ 26,837,262	-28.02%	\$ 26,837,262	0.00%