

Redbook

LBO Analysis of Executive Budget Proposal

Broadcast Educational Media Commission

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Attachment:

Appropriation Spreadsheet

LBO Redbook

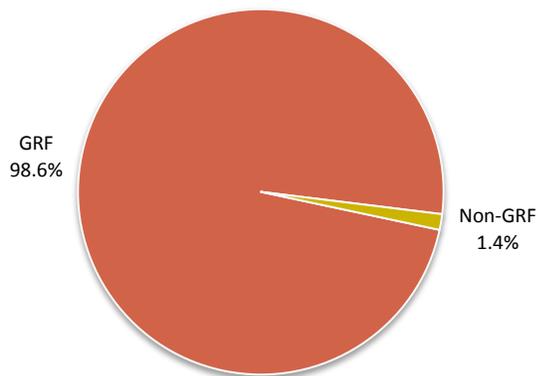
Broadcast Educational Media Commission

Quick look...

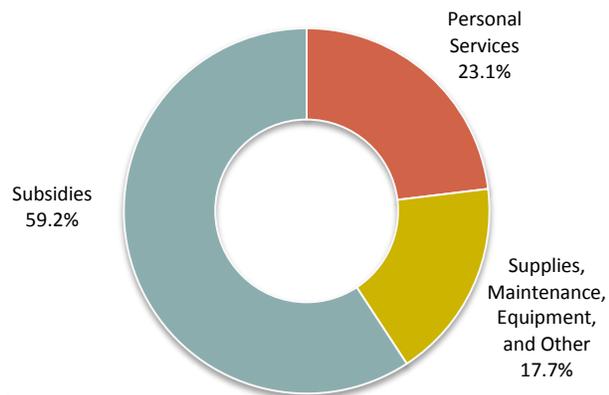
- The Broadcast Educational Media Commission (BEMC) is responsible for the state’s educational broadcasting services, including educational television and radio and radio reading services.
- BEMC provides financial assistance and technical services to six radio reading services, eight public television stations, and 15 public radio stations.
- As of January 2019, BEMC employs 23 full-time permanent employees.
- Total budget recommendations: \$9.4 million in both FY 2020 and FY 2021.
 - Nearly 99% of the total funding over the biennium comes from the GRF.
 - Flat GRF funding proposed for FY 2020 and FY 2021.
 - Over 59% of budget is spent on subsidy payments to outside entities.

Fund Group	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
General Revenue	\$9,259,206	\$9,260,928	\$9,260,928	\$9,260,928
Dedicated Purpose	\$49,726	\$95,000	\$125,000	\$127,000
Internal Service Activity	\$4,000	\$11,000	\$4,000	\$4,000
Total	\$9,312,932	\$9,366,928	\$9,389,928	\$9,391,928
% change	--	0.6%	0.2%	0.0%
<i>GRF % change</i>	--	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>

**Chart 1: BEMC Budget by Fund Group
FY 2020-FY 2021 Biennium**



**Chart 2: BEMC Budget by Expense Category
FY 2020-FY 2021 Biennium**



Biennial total: \$18.8 million

Agency overview

The Broadcast Educational Media Commission (BEMC) is responsible for the state's educational broadcasting services, including educational television and radio and radio reading services. BEMC also manages the K-12 and public broadcasting networks and serves as the primary support agency for statewide video conferencing services for K-12 schools, state agencies, and institutions of higher education.

BEMC's governing authority consists of 15 members, 11 of whom are voting members. Of the 11 voting members, nine are required to be members of the public selected from among citizens in the state who have an interest in educational broadcast media demonstrated through service on boards or advisory councils of educational television and radio stations, educational technology agencies, or radio reading services. BEMC members serve four-year terms. As of January 2019, BEMC employs a staff of 23 full-time employees, led by the Executive Director, who is appointed by BEMC.

Analysis of FY 2020-FY 2021 budget proposal

Summary of executive recommendations

The executive proposal recommends BEMC appropriations totaling \$18.8 million over the FY 2020-FY 2021 biennium, of which 98.6% is supported by the General Revenue Fund (GRF) and 1.4% by three non-GRF funds.

Statehouse News Bureau and Ohio Government Telecommunications Operations (ALIs 935401 and 935402)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 935401, Statehouse News Bureau					
\$324,533	\$324,533	\$314,797	\$314,797	\$314,797	\$314,797
% change	0.0%	-3.0%	0.0%	0.0%	0.0%
GRF ALI 935402, Ohio Government Telecommunications Services					
\$1,452,089	\$1,452,089	\$1,408,526	\$1,408,526	\$1,408,526	\$1,408,526
% change	0.0%	-3.0%	0.0%	0.0%	0.0%

These items provide operating funds for the Statehouse News Bureau (SNB) and Ohio Government Telecommunication (OGT). As the sole dedicated news outlets for Ohio government, SNB and OGT provide coverage of governmental activities for Ohio's citizens. SNB provides news reports of legislative and other activities for broadcast on SNB's website and Ohio's 15 public radio stations and their affiliates. In addition, SNB produces a weekly half-hour video program, which focuses on the latest statewide news and events and is made available for broadcast on Ohio's public television stations.

While SNB is primarily responsible for news reports of state government events, OGT broadcasts activities of the executive, legislative, and judicial branches of government, which

are made available on cable access channels and Ohio's public television stations. In addition to archiving these broadcasts, OGT makes the footage available on its website for Ohio's citizens. OGT produces educational documentaries on Ohio civics, history, government, and culture for use in Ohio's schools as well as for broadcast on public television stations. OGT is also responsible for coordinating all media events for members of the General Assembly and events at the Statehouse.

Broadcast Education Operating, Media Services, Facility Rental, and Affiliate Services (ALIs 935430, 935608, 935650, and 935603)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 935430, Broadcast Education Operating¹					
\$3,637,575	\$3,437,213	\$3,697,502	\$3,699,224	\$3,699,224	\$3,699,224
% change	-5.5%	7.6%	0.0%	0.0%	0.0%
Fund 5FK0 ALI 935608, Media Services					
\$83,734	\$85,850	\$49,726	\$95,000	\$95,000	\$95,000
% change	2.5%	-42.1%	91.0%	0.0%	0.0%
Fund 5VB0 ALI 935650, Facility Rental					
\$0	\$0	\$0	\$0	\$30,000	\$32,000
% change	--	--	--	--	6.7%
Fund 4F30 ALI 935603, Affiliate Services					
\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
% change	0.0%	0.0%	0.0%	0.0%	0.0%

GRF line item 935430, Broadcast Education Operating, funds the daily operations of BEMC, including network and connectivity services to Ohio schools and Ohio's public broadcasters, agency administration, and information technology initiatives. DPF Fund 5FK0 line item 935608, Media Services, supports statewide video conferencing services for state agencies and institutions of higher education. It is supported by subscription fees paid by state agencies and higher education institutions associated with the use of the video conferencing services. New DPF Fund 5VB0 line item 935650, Facility Rental, will support BEMC's building rent and will be supported by payments from East Central Ohio Educational Service Center (ESC) to rent classroom space to provide online classes. ISA Fund 4F30 line item 935603, Affiliate Services, is

¹ Beginning in FY 2018, this line item replaced three separate GRF line items: 935408, General Operations; 935409, Technology Operations; and 935412, Information Technology. The FY 2016 and FY 2017 actual expenditures reported for line item 935430 combine the expenditures from the three former line items for comparison purposes. The FY 2018 amount includes about \$297,000 that was appropriated to the former line items in prior years but not actually disbursed until FY 2018.

used to provide additional services, such as satellite connections to affiliated entities and other state, federal, and private entities on a fee basis.

The table below summarizes the executive recommendations for these line items by program area, followed by a brief description of each.

Summary by program area

Program	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
Broadcast Operations	\$1,250,413	\$1,317,153	\$1,311,431
General Operations	\$1,226,406	\$1,263,152	\$1,265,559
Information Technology	\$1,321,405	\$1,247,919	\$1,253,234
Total	\$3,798,224	\$3,828,224	\$3,830,224
% change	--	0.8%	0.1%

Broadcast Operations

These funds provide network and connectivity services to Ohio's public broadcasters. Through the Ohio Academic Resources Network (OARnet), a dedicated high speed fiber optic network for Ohio's public institutions, BEMC connects to Ohio's public television stations in a statewide system. BEMC utilizes National Public Radio's satellite systems as a provider for distribution to Ohio's public radio stations. BEMC also provides various services to its affiliated public television and radio stations. It operates a full-time master control center and maintains round-the-clock monitoring of the live video feeds that are provided to affiliates. It also provides network traffic and scheduling resources for the affiliates and maintains an archive of content for rebroadcasting.

BEMC recently completed a project to modernize its studio located in Columbus. The upgraded facility enables BEMC to broadcast all of Ohio's eight public television channels and act as a joint master control for public broadcasting in the state. The modernization project aims to reduce the burden on individual stations with respect to operations to allow more time to focus on content, enhance sharing of content between stations, and provide adequate redundancy in the case of a disaster, among other goals.

General Operations

This program provides funding for employees who are primarily responsible for functions such as management, communications, payroll and other fiscal services, human resources, and legal services. It also includes funding for rent, utilities, office supplies, and equipment.

Information Technology

This program provides funding for BEMC's development and maintenance of web-based applications that support numerous educational technology initiatives, such as BEMC's website, local area network (LAN) services, electronic storage, and computer software expenses. It also supports networking services to assist Ohio K-12 schools and higher education institutions in

connecting through a video-teleconference bridge for distance learning opportunities as well as video conferencing services to state and local government agencies. K-12 schools receive video conferencing services at no charge. State agencies and institutions of higher education pay a monthly fee of \$150 per site for video conferencing services, which is deposited into Fund 5KF0.

Content Development, Acquisition, and Distribution (ALI 935410)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 935410, Content Development, Acquisition, and Distribution					
\$3,957,094	\$3,957,094	\$3,838,381	\$3,838,381	\$3,838,381	\$3,838,381
% change	0.0%	-3.0%	0.0%	0.0%	0.0%

This line item funds subsidies to Ohio's public television and radio stations and radio reading services for the development, acquisition, and distribution of information resources for educational use in the classroom and online. It is comprised of the following earmarks.

Earmarks Included in ALI 935410

Earmark	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
Telecommunications Operating Subsidy	\$2,574,472	\$2,574,472	\$2,574,472
Educational Television Stations	\$977,856	\$977,856	\$977,856
Radio Reading Services	\$286,053	\$286,053	\$286,053
Total	\$3,838,381	\$3,838,381	\$3,838,381
% change	--	0.0%	0.0%

Telecommunications Operating Subsidy

The budget earmarks \$2.6 million in each fiscal year to subsidize the operating costs of Ohio's eight public educational television broadcasters and 15 public educational radio broadcasters. Funds are distributed based on a formula BEMC developed in consultation with Ohio's public television stations and radio stations and is based on the type of television and radio station. Payments for television stations range from approximately \$27,500 to \$190,000. Payments for radio stations range from approximately \$2,700 to \$30,500.

Educational Television Stations

The budget earmarks \$977,856 in each fiscal year for educational television stations. The funds are to be divided equally among the eight television stations for the production of interactive instructional programming that aligns with Ohio's academic content standards. The programming is to target the needs of the one-third lowest capacity school districts in the state as determined by the district's state share index.

Radio Reading Services

The budget earmarks \$286,053 in each fiscal year to subsidize the operating costs of Ohio's six radio reading service operators. These operators provide daily broadcasts of printed materials such as newspapers, magazines, and books to visually impaired Ohioans. Payments are allocated according to the number of production hours for local programming and currently average over \$47,500 per station each year.

ETC/zg

FY 2020 - FY 2021 Appropriations - As Introduced

All Fund Groups

Line Item Detail by Agency			FY 2018	Estimate	Introduced	FY 2019 to FY 2020	Introduced	FY 2020 to FY 2021
				FY 2019	FY 2020	% Change	FY 2021	% Change
Report For: Main Operating Appropriations Bill			Version: As Introduced					
ETC Broadcast Educational Media Commission								
GRF	935401	Statehouse News Bureau	\$ 314,797	\$ 314,797	\$ 314,797	0.00%	\$ 314,797	0.00%
GRF	935402	Ohio Government Telecommunications Services	\$ 1,408,526	\$ 1,408,526	\$ 1,408,526	0.00%	\$ 1,408,526	0.00%
GRF	935408	General Operations	\$ 28,796	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	935409	Technology Operations	\$ 232,911	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	935410	Content Development, Acquisition, and Distribution	\$ 3,838,381	\$ 3,838,381	\$ 3,838,381	0.00%	\$ 3,838,381	0.00%
GRF	935412	Information Technology	\$ 35,201	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	935430	Broadcast Education Operating	\$ 3,400,593	\$ 3,699,224	\$ 3,699,224	0.00%	\$ 3,699,224	0.00%
General Revenue Fund Total			\$ 9,259,206	\$ 9,260,928	\$ 9,260,928	0.00%	\$ 9,260,928	0.00%
5FK0	935608	Media Services	\$ 49,726	\$ 95,000	\$ 95,000	0.00%	\$ 95,000	0.00%
5VB0	935650	Facility Rental	\$ 0	\$ 0	\$ 30,000	N/A	\$ 32,000	6.67%
Dedicated Purpose Fund Group Total			\$ 49,726	\$ 95,000	\$ 125,000	31.58%	\$ 127,000	1.60%
4F30	935603	Affiliate Services	\$ 4,000	\$ 4,000	\$ 4,000	0.00%	\$ 4,000	0.00%
4T20	935605	Government Television/Telecommunications Operating	\$ 0	\$ 7,000	\$ 0	-100.00%	\$ 0	N/A
Internal Service Activity Fund Group Total			\$ 4,000	\$ 11,000	\$ 4,000	-63.64%	\$ 4,000	0.00%
Broadcast Educational Media Commission Total			\$ 9,312,932	\$ 9,366,928	\$ 9,389,928	0.25%	\$ 9,391,928	0.02%