

State of Ohio

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# **Executive Budget**

**Fiscal Years 2010 and 2011**



## **Book One**

**Prepared by the Office of Budget and Management  
and Submitted to the 128th General Assembly  
By Governor Ted Strickland  
February 2009**



TED STRICKLAND  
GOVERNOR  
STATE OF OHIO

February 2, 2009

My Fellow Ohioans and Members of the General Assembly,

I am honored to present the Executive Budget, totaling \$119.8 billion for fiscal years 2010 and 2011. This budget has been crafted in the exceptional economic circumstances of the past year that has so seriously impacted our nation's economy. In making the difficult choices required to fund key priorities, we have kept foremost in our minds the needs of Ohio's most vulnerable citizens, as well as the need to invest in life long education that will bring jobs and growth to our economy.

Over the past two years, Ohio's economy has been buffeted by a severe national recession, and projected revenues for the fiscal year 2010-2011 biennium will require us to operate state programs at the resource level we enjoyed in fiscal year 2004. With the Obama Administration and Congress working to enact a stimulus bill for economic recovery, Ohio stands to benefit in significant ways in the short term. Amounts the state can expect to receive from that legislation are accounted for in the Executive Budget as submitted. However, while grateful for the Federal support, we have remained conservative in our use of resources and have limited agency funding accordingly.

Despite the economic setbacks we have experienced in the past two years, this budget continues the momentum in key investments that are critical to rebuilding Ohio's economy and positioning it for recovery:

- Reforming Ohio's primary and secondary education system to ensure that every Ohio child learns the skills needed to be successful in the 21<sup>st</sup> century, and establishing an unprecedented level of accountability to achieve results;
- Creating anew Ohio's education finance system in a manner that is simple, equitable and sustainable;
- Increasing affordability through sustained tuition limits for the University System of Ohio;
- Implementing a Unified Long-term Care Budget to assure that Ohioans have access to a broad range of choices in long term care settings in every community;
- Providing access to health care for every Ohio child;
- Extending access to health care for over 110,000 uninsured Ohioans;
- Advancing an accountability and efficiency agenda to lower the cost of government;
- Fully implementing the tax reforms enacted in Amended Substitute House Bill 66; and
- Proposing new and better tools to get and keep good jobs.

**Balancing Strategy for 2010-2011**

As a result of the national recession, projections of tax collections declined at an increasing rate throughout the fiscal year 2008-2009 biennium, necessitating three rounds of budget adjustments in February 2008, September 2008, and December 2008. General Revenue Fund tax receipts are projected to decline by \$825.8 million from fiscal year 2009 to fiscal year 2010 (4.5 percent) and then increase by \$59.2 million in fiscal year 2011. The Executive Budget assumes the use of \$3.4 billion from the Federal stimulus package in order to balance the General Revenue Fund and avoid additional funding reductions. For the biennium, total growth in the budget is 6.3 percent.

The State Appropriation Limitation, or SAL, has no impact on the Executive Budget since proposed spending is well below allowable spending under the SAL. The SAL allows appropriation increases of 3.5 percent in each year and 7.1 percent over the biennium. Aggregate GRF appropriations to which the SAL applies, decrease by 7.5 percent in fiscal year 2010 and increase by 8.5 percent in fiscal year 2011. For the biennium, aggregate GRF appropriations increase by less than 0.1 percent over fiscal year 2009 levels. As a result, the state will be \$4.5 billion under the SAL in the first year and \$3.8 billion under the SAL in the second year.

Using a variety of management strategies, the Executive Budget targets all available resources into programs vital to our state's success. Thus, choices made to target resources to key administration priorities results in a disparate impact on state agencies. Of the 60 agencies receiving General Revenue Fund appropriations for fiscal year 2010, 33 will receive a reduction from H.B. 119 appropriations levels, six will be flat funded, nine will receive an increase of between 0 and 3 percent, and 12 will receive an increase of more than 3 percent. In fiscal year 2011, seven agencies will receive a reduction in comparison to fiscal year 2010, while 37 will be flat funded, eight will receive an increase of 0 to 3 percent, and eight will receive increases of 3 percent or more.

Today's exceptional economic circumstances require exceptional action. Payroll reductions for all staff within the executive branch are included as a balancing strategy. The economic challenges facing the state require us to use a number of financing tools to meet the state's obligations, including the use of the state's rainy day fund balance, resources borrowed from the Ohio School Facilities Commission, and gains expected from restructuring debt obligations. Additionally, we have made conservative assumptions regarding the receipt of Federal funds from the stimulus proposal being enacted in Congress. We believe the state may receive in excess of this amount, once the bill terms are clarified.

### **Life Long Learning to Create the Most Competitive Workforce in the World**

Understanding the critical link between education and a vibrant economy, the Executive Budget makes investments and improvements in each level of our state's education and training system. We are creating one comprehensive early care and education system focusing on the whole child by uniting programs at the Department of Education. The Executive Budget also includes our comprehensive proposal to reform education and restructure funding for primary and secondary education. Additionally, the budget focuses almost all higher education resources towards one principal goal: making Ohio's higher education system affordable for all Ohioans. It proposes continuation of a compact with our institutions of higher education. If four-year public institutions keep tuition flat in fiscal year 2010, voluntarily limit increases to amounts up to 3.5 percent in the second year, and identify new efficiencies, we match their improvements with a 12.3 percent increase in the state share of instruction in fiscal year 2010 and a 0.8 percent in fiscal year 2011.

### **Health Care Access for More Uninsured Ohioans and All Ohio's Children**

The Executive Budget provides access to health care coverage for every child in Ohio. The Executive Budget fully implements health care coverage for Ohio children from 200 percent to 300 percent of the federal poverty level. Many hard-working Ohioans do not have access to affordable health insurance. This budget also takes the first steps recommended by the State Coverage Initiative by extending coverage for Ohioans in a variety of ways: allowing uninsured Ohioans to purchase coverage with pre-tax dollars; enabling young adults age 18 to 29 to maintain coverage through their parents; and modifying regulations to help those with pre-existing medical conditions to purchase more affordable coverage. In all, these initiatives will expand coverage to 110,000 Ohioans. Finally, we move forward on the implementation of the unified long term care budget, a tool designed to control the long term costs of Medicaid and healthcare for our most vulnerable citizens and expand options for care.

### **Investments in Ohio's Strengths**

The Executive Budget implements a number of key initiatives proposed in the comprehensive strategic plan for the Ohio Department of Development, including targeted industry development, initiating the new Ohio Hubs of Innovation and Opportunity Program and implementing the first component of the Ohio Means Home initiative. New tools to help Ohio attract and retain jobs, such as the Film Tax Credit, New Markets Tax Credit, renewed commitments to the Technology Investment Tax Credit, and broadened Job Creation Tax Credits and Job Retention Tax Credits, are proposed. Finally, the

budget also provides resources for full implementation of the bipartisan Jobs Stimulus Plan passed in the 127<sup>th</sup> General Assembly.

#### **A Government that is Accountable**

The fiscal year 2010-2011 budget initiatives are part of the ongoing Strickland Administration's leadership agenda. Concrete progress on these goals is documented online and updated regularly at <http://results.ohio.gov/PerformanceGoalsGraphs/tabid/64/Default.aspx>). Each agency has suggested initiatives within their organizations designed to lower costs and boost efficiencies. This budget continues those initiatives, and accelerates three specific programs. First, the budget consolidates all fiscal and administrative operations of 28 Boards and Commissions. Second, it also moves forward on an aggressive implementation of shared services for travel reimbursements, invoice processing and bill payment, expected to avoid operating expenses for state agencies. Third, it provides resources to continue implementation of a government-wide strategic sourcing program which will coordinate purchasing across state government. While none of these expected savings are included in the budget projections, we expect that these investments will result in reductions in the cost of government for Ohio's taxpayers.

I look forward to working with the members of the General Assembly to enact this budget in these challenging times.

Sincerely,

A handwritten signature in black ink that reads "Ted Strickland". The signature is written in a cursive, flowing style.

Ted Strickland  
Governor



## **State Appropriation Limitation**

This narrative provides a detailed examination of the State Appropriations Limitation (SAL) and satisfies the requirements of ORC 107.33 which requires the following:

“As part of the state budget the governor submits to the general assembly under section 107.33 of the Revised Code, the governor shall include the state appropriation limitations the general assembly shall not exceed when making aggregate general revenue fund appropriations for each respective fiscal year of the biennium covered by that budget.”

The SAL was enacted in the spring of 2006 with the intent of limiting growth in General Revenue Fund (GRF) spending by imposing the following restrictions:

- Limits the growth of most GRF appropriations to the greater of 3.5 percent or the sum of the inflation rate plus rate of population change (Combination Rate).
- Permits exceptions to the limitation only in response to specifically eligible emergencies declared by the Governor.
- Requires the approval of at least three-fifths of the General Assembly to exceed the limitation in any year.
- Recasts the limitation every fourth year to prevent the build up of excess capacity that could result in large appropriation increases in certain years.

As outlined above, among the several non-tobacco budget related items contained in Amended Substitute Senate Bill 321 of the 126<sup>th</sup> General Assembly (the tobacco budget bill), was a provision setting a limitation on the amount of GRF appropriations that can be recommended to and enacted by the General Assembly. This restriction, referred to as the SAL has the potential to limit the discretion of future administrations by imposing a limit on the annual growth of most GRF appropriations to the greater of 3.5 percent or the sum of the rate of inflation plus the rate of population change, referred to in this special analysis as the Combination Rate. The intent of this analysis is to provide a general overview of the provisions of the SAL and identify and establish the SAL for the fiscal year 2010-2011 biennium.

### **What the SAL Covers**

While most GRF appropriations are governed under the restrictions imposed by the SAL (approximately 68% in fiscal year 2009), there are three specific categories exempted from the limitation. While one of these exempted categories (appropriation of moneys received as gifts) is insignificant in terms of the amount of money involved, the other categories represent approximately 31 percent of total GRF appropriations and have been growing more rapidly than the GRF as a whole in recent years. These categories are the appropriations of moneys received from the federal government and appropriations made for tax relief, tax refunds, or refunds of other overpayments. These three exempted categories are significant in that in fiscal year 2009, they represent an estimated \$8.3 billion, or 32 percent of all fiscal year 2009 GRF appropriations.

After accounting for the exempted categories identified above, the GRF appropriations to which the SAL will apply are defined in statute as “aggregate General Revenue Fund appropriations.” In order to prevent exempting aggregate GRF appropriations from the limitation in future years by shifting them from the GRF to non-GRF funding, any item identified as comprising part of the aggregate GRF appropriations either at the setting of the SAL in fiscal year 2007 or at any point in the future, will always be considered as counting toward the SAL, a label that will apply even if the item is eventually moved to a non-GRF fund.

### **The Role of the Governor and the Office of Budget and Management**

As part of the responsibility of submitting the Executive Budget Recommendations to the General Assembly, the laws governing the SAL require the Governor to identify and set the limitation for each year of the biennium. Once the limitation is set, the General Assembly is generally prohibited from exceeding it in the appropriations it makes during the course of the biennium. As a result, when preparing recommendations for the fiscal year 2008 – 2009 biennium, the Office of Budget and Management (OBM), under direction from the Governor, calculated the limitation by estimating the total fiscal year 2007 GRF appropriations and deducting estimated fiscal year 2007 appropriations for the exempted categories identified above. Once the fiscal year 2007 aggregate GRF appropriation amount was identified, thereby establishing the base, OBM determined the inflation factor that should be applied for fiscal year 2008. This inflation factor was selected after determining whether 3.5 percent or the Combination Rate of inflation plus population growth was greater. The calculation of the SAL for the second year of the current biennium, in this case, fiscal year 2009,

was then made by increasing the fiscal year 2008 SAL by the greater amount of either 3.5 percent or the Combination Rate as estimated by OBM, using forecast data from Global Insight.

### **Calculating the SAL: Establishing the Original Limitation and updating for FY 2010 – 2011**

Under direction from the Governor, OBM applied the statutory framework discussed above and calculated the SAL for both fiscal years 2008 and 2009 at the time the budget for those years was introduced. Assuming GRF appropriations for fiscal year 2007 had remained unchanged at \$26.1 billion, plus \$107.3 million in contingent Medicaid appropriations that are authorized in Amended Substitute H.B. 66, total GRF appropriations for the base year were estimated at \$26.2 billion. OBM's next step in carrying out this calculation was to deduct from the total appropriations, those appropriations that are specifically exempt from the SAL – appropriation of federal grant moneys, tax relief and refund payments, and appropriation of moneys received as gifts. Assuming that current appropriation levels for those items remain unchanged at just under \$7.1 billion, the estimated aggregate GRF appropriations amount for fiscal year 2007 that will serve as the base for fiscal years 2008 and 2009 are set at \$19.1 billion.

Having established the base of \$19.1 billion, the next step in calculating the SAL was to determine the growth rate that would be applied in both fiscal years 2008 and 2009. Per statutory requirements, OBM determined whether an increase of 3.5 percent or the combination rate would be greater for fiscal year 2008. Using the required data from the Consumer Price Index and population growth data available for Ohio, OBM estimated that the combination rate for fiscal year 2008 would be 2.5 percent, thus the 3.5 percent increase was applied to the fiscal year 2007 base amount, thereby setting fiscal year 2008 SAL at \$19.8 billion. In estimating the increase in order to set the SAL for fiscal year 2009, OBM relied on forecasts provided by Global Insight which estimates that the combination rate of inflation and population growth for Ohio in that year will be 2.06 percent, thus a 3.5 percent increase was again applied in setting the SAL for fiscal year 2009 at \$20.5 billion (see Table 1).

| <b>Table 1 – State Appropriations Limitation<br/>FY 2007 – 2011</b> |                         |
|---|-------------------------|
| <b>FY 2007 Estimated Total GRF Appropriations</b>                   | <b>\$26,189,419,046</b> |
| <i>Minus Adjustments</i>  | <b>\$7,091,425,064</b>  |
| Tax Relief & Refunds Adjustment                                     | \$1,243,753,516         |
| Other Refunds Adjustment  | \$15,493,049            |
| Gifts Adjustment  | \$28,726                |
| Federal Grants Adjustment   | \$5,832,149,774         |
| <b>FY 2007 Aggregate GRF Appropriations (Base)</b>                  | <b>\$19,097,993,982</b> |
| <b>FY 2008 State Appropriations Limitation</b>                      | <b>\$19,766,423,771</b> |
| <b>FY 2009 State Appropriations Limitation</b>                      | <b>\$20,458,248,603</b> |
| <b>FY 2010 State Appropriations Limitation</b>                      | <b>\$21,174,287,304</b> |
| <b>FY 2011 State Appropriations Limitation</b>                      | <b>\$21,915,387,360</b> |

### **Reset Year Two and Set SAL for Second Biennium**

While the above process set the SAL for the first biennium of its effect, during the second year of the biennium (fiscal year 2009), OBM was required to do a new set of calculations in order to determine the SAL for the fiscal year 2010-2011 biennium. In carrying out these calculations, the statute required reexamining the estimate originally used to set the SAL for fiscal year 2009. This reexamination using the most recently published data on inflation and population growth was required in order to determine whether the SAL established for the second year of the biennium should have been set using an alternative method. For example, it was possible that in fiscal year 2007, the Combination Rate identified for fiscal year 2009 may have been estimated to be too low (due most likely to inflation) and as a result the SAL for fiscal year 2009 would have been set assuming a 3.5 percent increase. If in the reexamination, it was determined that the Combination Rate was in excess of 3.5 percent, the Governor would be required to recalibrate the SAL by adjusting the base of 2009 to reflect an increase greater than 3.5 percent and this base would serve as the estimated aggregate GRF appropriation level used to set the SAL for fiscal years 2010 and 2011, regardless of the actual fiscal year 2009 appropriations. Since however, the most recent data on the Consumer Price Index – Midwest Region available from the Bureau of Labor Statistics indicates an increase of 0.5 percent and the Census Bureau estimates annual population growth of 0.1 percent, the assumptions used in calculating the aggregate GRF appropriation level for fiscal year 2009 was correct and the original estimate shall serve as the basis for calculating the SAL for fiscal years 2010 and 2011.

### Estimated Impact of the SAL for Fiscal Years 2010 and 2011

As would have been the case with other budgets enacted in recent years the presence the SAL should have no impact on the Executive Budget Recommendations for either fiscal year 2008 or 2009. Specifically, while the SAL is set at \$21.2 billion in fiscal year 2010 and \$21.9 billion in fiscal year 2011, aggregate GRF appropriations under the Executive Budget Recommendations are \$16.7 billion and \$18.1 billion respectively (see Table 2). As a result, the Executive Recommendations will be \$4.5 billion below the SAL in fiscal year 2010 and \$3.8 billion below in fiscal year 2009. This is due to the fact that while the SAL increases by 3.5 percent in each year and 7.1 percent over the biennium, recommended aggregate GRF appropriations decrease by 7.5 percent in fiscal year 2010, increase by 8.5 percent in fiscal year 2011, a net increase of less than one percent over course of the biennium. Therefore, barring a significant increase in aggregate GRF appropriations during the legislative process, Ohio should end the fiscal year 2010-2011 biennium with considerable capacity under the SAL.

| <b>Table 2 - State Appropriations Limitation vs Appropriations FY 2010 – 2011</b> |                         |                          |                          |
|---|-------------------------|--------------------------|--------------------------|
|   | <b>2009</b>             | <b>2010</b>              | <b>2011</b>              |
| <b>Total General Revenue Fund Appropriations</b>                                  | <b>\$26,403,086,293</b> | <b>\$26,068,504,583</b>  | <b>\$28,627,753,903</b>  |
| Minus - Tax Relief  | \$1,601,888,989         | \$1,578,179,783          | \$1,598,118,171          |
| Minus - Estimated Refunds   | \$0                     | \$0                      | \$0                      |
| Minus - Estimated Gifts   | \$0                     | \$0                      | \$0                      |
| Minus - Federal Grants  | \$6,764,645,621         | \$7,773,476,613          | \$8,894,787,914          |
| <b>Aggregate GRF Appropriations</b>   | <b>\$18,036,551,683</b> | <b>\$16,716,848,187</b>  | <b>\$18,134,847,818</b>  |
| <b>State Appropriations Limitation</b>  | <b>\$20,458,248,603</b> | <b>\$21,174,287,304</b>  | <b>\$21,915,387,360</b>  |
| <b>Over (Under)</b>   | <b>(2,421,696,920)</b>  | <b>(\$4,457,439,117)</b> | <b>(\$3,780,539,542)</b> |

### Limitations and Exceptions Available to the General Assembly

In addition to the discussing the process of establishing the SAL for the current biennium, this special analysis also addresses what happens once the SAL is set. Specifically, once the Governor has set the SAL, the General Assembly, through the appropriations process, may only exceed the limit under certain specified conditions. The first of these conditions would be to respond to a proclamation of emergency issued by the Governor in response to an act of God, pandemic disease, or infestation of destructive organisms, or for repelling invasion, suppressing insurrection, defending the state in time of war, or responding to terrorist attacks. Excess appropriations made for the specified purposes may only be used to respond to the emergency identified. In addition to responding to an emergency declared by the Governor, the General Assembly may also make excess appropriations that are approved by a two-thirds vote in each chamber that specifically identifies the purpose of each excess appropriation and states whether the appropriations are to be included as aggregate GRF appropriations with respect to future determinations of the SAL (i.e. whether they adjust the base).

The implications of the above restrictions on the budgeting process could be considerable in certain years, as once the limitation is set, it cannot be exceeded by the General Assembly without either having to respond to a qualifying declared emergency or mustering a two-thirds majority in each chamber. That being said, while a super majority would be required in order to exceed the limit absent a declared emergency, a simple majority is all that would be needed to remove the limitation by repealing the sections of the Ohio Revised Code that established it. In addition to having the authority to exceed or repeal the SAL, the enforceability of the SAL with respect to the General Assembly exceeding it on its own is also in question. Specifically, in question is whether either the executive or judicial branch would or could enforce its provisions without raising separation of powers issues under the Ohio Constitution.

### Four Year Recast of the SAL

In addition to recalculating or resetting the SAL in the second year of a biennium, as part of the process of setting the limitation for the next biennium, the Governor and OBM will be required to recast the limitation every four years beginning with fiscal year 2012. Specifically, while the SAL in effect for fiscal years 2008-2011 will be increased from the base year of fiscal year 2007 regardless of aggregate GRF appropriation levels, the recast requirement mandates that the SAL for fiscal year 2012 be based on the fiscal year 2011 estimated aggregate GRF appropriations, not on an inflation adjusted figure of the fiscal year 2011 SAL. As a result, barring significant increases in aggregate GRF appropriations levels and based on the current SAL for fiscal year 2011, the SAL for fiscal year 2012 will be recast at a level that would be approximately \$2.0 billion lower than it is in fiscal year 2009.

## **MESSAGE FROM GOVERNOR STRICKLAND**

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|                  | Adjutant General  |             |
|                  | Administrative Services, Department of                          |             |
|                  | African American Males, Commission on*                          |             |
|                  | Aging, Department of  |             |

Agriculture, Department of  
Air Quality Development Authority  
Alcohol and Drug Addiction Services, Department of  
Architects, State Board of Examiners of  
Arts Council, Ohio  
Athletic Commission  
Attorney General  
Auditor of State

**B**     Ballot Board  
Barber Examiners, Board of  
Budget and Management, Office of

**C**     Capitol Square Review and Advisory Board  
Career Colleges and Schools, Board of  
Chemical Dependency Professionals Board  
Chiropractic Examiners, State Board of  
Civil Rights Commission, Ohio  
Commerce, Department of  
Consumers' Counsel, Office of the  
Controlling Board  
Cosmetology, State Board of  
Counselor, Social Worker, and Marriage & Family Therapy Board  
Court of Claims  
Cultural Facilities Commission, Ohio

**D**     Defunct Agencies  
Dental Board, State  
Deposit, Board of  
Development, Department of  
Dietetics, Ohio Board of  
Dispute Resolution and Conflict Management, Commission on

**E**     Education, Department of  
Elections Commission, Ohio  
Embalmers and Funeral Directors, State Board of  
Employee Benefits Funds  
Employment Relations Board, State  
Engineers and Surveyors, State Board of  
Environmental Protection Agency  
Environmental Review Appeals Commission  
eTech Commission  
Ethics Commission, Ohio  
Expositions Commission, Ohio

**G**     Governor, Office of the  
Governor's Office of Veterans Affairs\*

**H**     Health, Department of  
Higher Educational Facility Commission  
Hispanic-Latino Affairs, Ohio Commission on  
Historical Society, Ohio  
House of Representatives  
Housing Finance Agency

**I**     Industrial Commission, Ohio

Inspector General, Office of the  
Insurance, Department of

**J** Job and Family Services, Department of  
Joint Committee on Agency Rule Review  
Joint Legislative Ethics Committee, Joint  
Judicial Conference of Ohio  
Judiciary/Supreme Court, The

**L** Lake Erie Commission  
Legal Rights Service  
Legislative Service Commission  
Library Board, State  
Liquor Control Commission  
Lottery Commission, Ohio

**M** Manufactured Homes Commission  
Medical Board, State  
Medical Transportation Board  
Mental Health, Department of  
Mental Retardation and Developmental Disabilities, Department of  
Minority Health, Commission on  
Motor Vehicle Collision Repair Registration, Board of

**N** Natural Resources, Department of  
Nursing, State Board of

**O** Occupational Therapy, Physical Therapy and Athletic Trainers Board  
Ohioana Library Association\*  
Optical Dispensers Board, Ohio  
Optometry, State Board of  
Orthotics, Prosthetics and Pedorthics, State Board of

**P** Personnel Board of Review, State\*  
Pharmacy, State Board of  
Psychology, State Board of  
Public Defender Commission, Ohio  
Public Safety, Department of  
Public Utilities Commission of Ohio  
Public Works Commission

**R** Racing Commission, State  
Regents, Board of  
Rehabilitation and Correction, Department of  
Rehabilitation Services Commission  
Respiratory Care Board  
Revenue Distribution Funds

**S** Sanitarian Registration, State Board of  
School Facilities Commission, Ohio  
School for the Blind, Ohio State\*  
School for the Deaf, Ohio State\*  
Secretary of State  
Senate  
Sinking Fund, Commissioners of the  
Southern Ohio Agricultural and Community Development Foundation

Speech-Language Pathology & Audiology, Board of

**T** Tax Appeals, Board of  
Tax Relief Programs  
Taxation, Department of  
Tobacco Use Prevention and Control Foundation\*  
Transportation, Department of  
Treasurer of State  
Tuition Trust Authority, Ohio\*

**U** Underground Storage Tank Release Compensation Board, Petroleum

**V** Veterans' Home, Ohio\*  
Veterans Organizations  
    Korean War Veterans  
    Jewish War Veterans  
    Catholic War Veterans  
    Military Order of the Purple Heart  
    Vietnam Veterans of America  
    American Legion of Ohio  
    AMVETS  
    Disabled American Veterans  
    Rainbow Division Veterans' Association, Ohio  
    Marine Corps League  
    37<sup>th</sup> Division Veterans' Association  
    Veterans of Foreign Wars  
    Army and Navy Union, U.S.A.  
    American Ex-Prisoners of War  
Veterans Services, Department of  
Veterinary Medical Board, State

**W** Workers' Compensation, Bureau of

**Y** Youth Services, Department of

\*These former agencies/commissions are displayed to meet the requirements of Revised Code 107.03. Please see the defunct agencies narrative for more information.



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## Introduction to the Executive Budget

The Reader's Guide is an introductory section of the Executive Budget that contains general information to help readers understand and use the contents of Governor Strickland's budget proposal for fiscal years 2010 and 2011. It contains the following informational sections:

- Demographic information about Ohio
- State of Ohio organization chart
- Glossary of key terms
- Summary of the state's financial accounting method
- Description of the process used to develop the state budget, including a budget calendar
- Description and listing of state funds
- Frequently asked questions about the budget
- Guide to reading and understanding the budget tables that are included in the summaries for each agency

### Background

The state's first Constitution was adopted in 1802, and Ohio entered the union in 1803. Ohio's present Constitution was modified by a state Constitutional Convention in 1851 and has since been amended on numerous occasions. The Constitution establishes a state governmental structure similar to the federal model, with three separate branches of government—executive, legislative, and judicial.

The executive branch consists of the Governor and Lieutenant Governor, who are jointly elected, and four additional statewide elected officials—the Attorney General, the Auditor of State, the Secretary of State, and the Treasurer of State. All of these officials are elected to four-year terms. Approximately 100 departments, agencies, boards, and commissions are part of the executive branch of government and receive appropriations from the legislature, along with three judicial and five legislative agencies.

The state legislature in Ohio is referred to as the General Assembly and consists of two separate chambers—the Senate, a 33-member body, and the House of Representatives, a 99-member body. Each member of the General Assembly is elected to represent the residents of a geographical district for a specified term. Members of Ohio's General Assembly are subject to term limits: Senators are restricted to serving two four-year terms and Representatives are restricted to serving four two-year terms. Each chamber has a presiding officer to call the chamber to order and direct the calendar of events. The presiding officer in the Senate is the President of the Senate, and the presiding officer in the House of Representatives is the Speaker of the House. A new General Assembly is convened in January of each odd-numbered year. The legislature that convened in January 2009 is the state's 128<sup>th</sup> General Assembly.

Along with the establishment of the state governmental structure, the State Constitution requires Ohio to have a balanced budget. Ohio's budget is prepared for a period of two years—a biennium—which begins on July 1 of odd-numbered years and ends 24 months later on June 30. Within a biennium are two separate fiscal years, each beginning on July 1 and ending on June 30. The budget proposed by Governor Strickland in this document is for the two-year period beginning July 1, 2009 and ending June 30, 2011.

### Overview

The Executive Budget for fiscal years 2010 and 2011, as submitted to the General Assembly by Governor Strickland, consists of two separate documents. Book One, prepared by the Office of Budget and Management, contains detailed spending and revenue information, required by law, and summary information to help readers understand the policy and financial context of the Governor's proposals. Book Two, a report on the state's tax expenditures, is prepared by the Department of Taxation. This section focuses on the organization of Book One.

### Governor's Message

The first item in the Executive Budget is a letter from Governor Strickland to the people of Ohio and the General Assembly. Governor Strickland's letter provides an overview of his spending recommendations and outlines his goals and priorities for the 2010-2011 biennium.

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## Introduction to the Executive Budget

### Section A—Reader's Guide

The Reader's Guide section is intended to help the reader understand the Executive Budget document. The Guide provides demographic information about the state, a State of Ohio organization chart, a glossary of key terms, a summary of the state's financial accounting method, a description of the budget process, a listing and description of state funds, answers to frequently asked questions about the budget, and a guide to reading the tables.

### Section B—Economic Forecast

This section contains information on the forecasts for the national and state economies for fiscal years 2010 and 2011. It describes the methods used to estimate future revenues and also contains a summary table of historical and estimated revenues and ending balances.

### Section C—Budget Overview

This section summarizes revenue estimates and spending recommendations for fiscal years 2010 and 2011. It contains information describing historical and estimated General Revenue Fund (GRF) balances, information describing the relationship between debt service spending and GRF revenues, and ending fund balances by budget fund group for each year of the biennium. It also contains information on the state's capital and tobacco budgets.

### Section D—Special Analyses

This section contains analyses of some of Governor Strickland's priorities for the 2010-2011 biennium.

### Section E—Agency Budget Recommendations

This section contains historical and recommended spending information as well as narrative descriptions for all state agencies. The agencies appear in alphabetical order by the first key word in an agency's name. The narrative provides an overview of the particular agency's role, followed by the Governor's funding recommendations for each agency program series and program for fiscal years 2010 and 2011.

Narratives for certain agencies may also include an Appropriation Line Item Analysis, which could include one or more of the following additional analyses:

- Line Item Restructuring Analysis is provided for agencies that have changed their line item structures to accommodate a more programmatic presentation of funding. With a new line item structure, it is difficult for the reader to understand how funding levels have changed over time. In order to illustrate changes in funding for new line items, estimated fiscal year 2009 amounts are converted from the current line item structure into the proposed line item structure. This is then compared to recommended funding levels for fiscal years 2010 and 2011.
- Summary of Agency Restructuring appears for agencies that receive new functions transferred from other agencies. The presentation of this section is similar to the Line Item Restructuring Analysis. Estimated fiscal year 2009 funding levels are converted from the line item structure of the agencies from which the programs are transferred into the line item structure of the receiving agencies.
- Line Item Note offers additional information regarding a recommendation for an appropriation line item. The line item name and number are given.

Each agency also has three main budget tables that provide historical and recommended spending information. The budget tables are described in more detail in the Guide to Reading the Budget Tables, which begins on page A-23.

**State of Ohio Demographic Information**

| <b>TOTAL POPULATION 11,466,917</b>  |           |                          |           |
|---|-----------|--------------------------|-----------|
|   |           | Female                   | 5,875,756 |
|   |           | Male                     | 5,591,161 |
| <b>Population by Race and Hispanic Origin</b>                                     |           | <b>Population by Age</b> |           |
| White   | 9,730,889 | Under 5 years            | 6.4%      |
| African-American  | 1,377,629 | 5 to 19 years            | 20.3%     |
| Native American   | 28,083    | 20 to 39 years           | 26.1%     |
| Asian   | 180,588   | 40 to 59 years           | 28.8%     |
| Pacific Islander  | 3,915     | 60 to 79 years           | 14.4%     |
| Two or More Races   | 145,813   | 80 years or more         | 4.0%      |
| Hispanic (may be of any race)   | 283,755   | Median age (years)       | 37.9      |
| Total Minority*   | 1,983,616 |                          |           |
| * "Total Minority" is the total population minus white non-Hispanic               |           |                          |           |
| Source: Population Estimates Branch, U.S. Bureau of the Census as of July 1, 2007 |           |                          |           |

**Demographics**

Ohio's population of approximately 11.5 million is the seventh largest in the nation and holds 3.8 percent of the total U.S. population. During the 1950s, Ohio gained 1.8 million residents, growing 22 percent compared to 19 percent for the nation. However our rate of growth has slowed and from April 1, 2000 to July 1, 2007 Ohio's population grew 1.0 percent, while the nation's population grew 7.2 percent. Ohio ranked 31<sup>st</sup> in numeric growth and 47<sup>th</sup> in percentage change. However, two Ohio counties rank among the fastest 100 growing counties in the nation. Delaware County ranks 13<sup>th</sup> with a 43 percent increase in population from 2000 to 2006, and Warren County ranks 80<sup>th</sup> with a 27 percent increase.

The geographic location of the majority of the population has been fairly consistent over the last several decades with four out of five Ohioans living in a metropolitan area. Just under half of all Ohioans live in the three largest metro areas of Cincinnati, Cleveland, and Columbus. Approximately one-third of Ohioans live in the four northeast Ohio metro areas of Akron, Canton, Cleveland, and Youngstown, while approximately one in five live in the southwestern metro areas of Cincinnati and Dayton.

Personal income grew at a rate of 4.6 percent in 2007. Ohio's per capita income is \$34,874 and median household income is currently \$45,900 compared to the national average of \$48,201. The average civilian labor force unemployment rate for 2007 was 5.6 percent in Ohio compared to 4.6 percent for the nation. This represented a 0.2 percent increase in unemployment from 2006 for Ohio while the national average stayed at 4.6 percent. Ohio has the 6<sup>th</sup> highest unemployment rate in the nation at an average of 5.6 percent in 2007, which is an increase from 5.4 percent in 2006. Total employment in Ohio is expected to increase 7.3 percent over the ten year period from 2004-2014, which is a projected gain of 425,800 jobs.

**History**

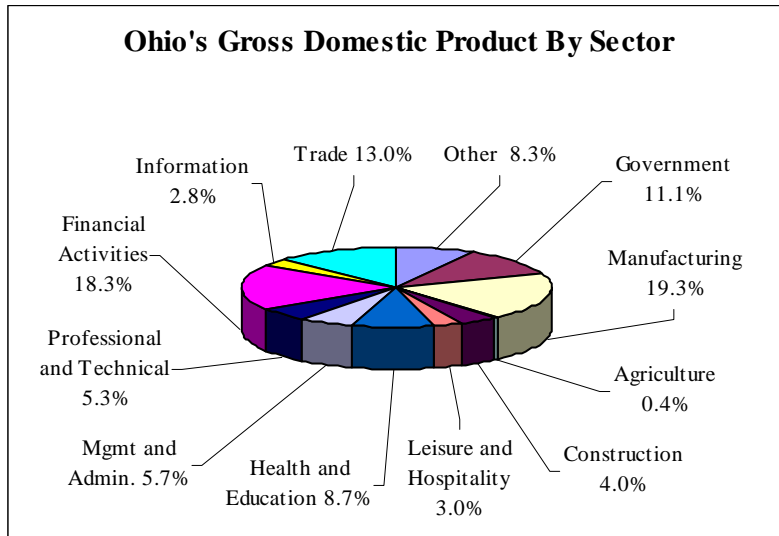
Of Ohio's first inhabitants during the prehistoric era, the Adena (800 BC – 100 AD) were the first to farm Ohio, and the Hopewell (100 BC – 400 AD) built Ohio's mounds that can still be seen today. Marietta, established in 1788 by New England Revolutionary War veterans, was the first permanent white settlement in the state. Ohio was admitted to the union as the 17<sup>th</sup> state in 1803, and was the first state created from the Northwest Territory. Chillicothe was designated as the first capital of the new state until 1810, when the capital was moved to Zanesville. The capital was temporarily moved back to Chillicothe in 1812, and Columbus became the state's permanent capital in 1816.

Ohioans have played important roles in our nation's history. There have been eight presidents from Ohio, earning Ohio the nickname "the Mother of Presidents." Ohio is also the birthplace of world famous inventors, actors, athletes, authors, and astronauts. March 1, 2003, marked the 200<sup>th</sup> anniversary of statehood for Ohio, a state with many accomplishments, a rich history and culture, and a strong future.

### **Economy**

Ohio's gross state product (GSP) was \$466 billion in 2007, making Ohio the seventh largest state economy. Ohio ranks third among the 50 states in manufacturing gross state product.

Because of its diverse population and its location, Ohio has become home to a variety of businesses and industries, including the service industry, manufacturing, agriculture, and tourism. Manufacturing is the largest of Ohio's major sectors, based on gross state product. The state's factories lead the nation in the production of plastics, rubber, and electrical equipment and appliances. The state's largest manufacturing industries are transportation equipment and fabricated metals. These two industries are closely identified with a number of nationally recognized firms with a major presence in Ohio, including General Electric, General Motors, Ford, Chrysler LLC, Honda, AK Steel, ArcelorMittal, Timken, and Wheeling-Pittsburgh Steel. Other notable firms include Procter and Gamble, NCR, Limited Brands, Sherwin-Williams, and numerous financial institutions including J.P. Morgan Chase, KeyCorp, National City Corp, Huntington Bancshares, and Fifth Third Bancorp.

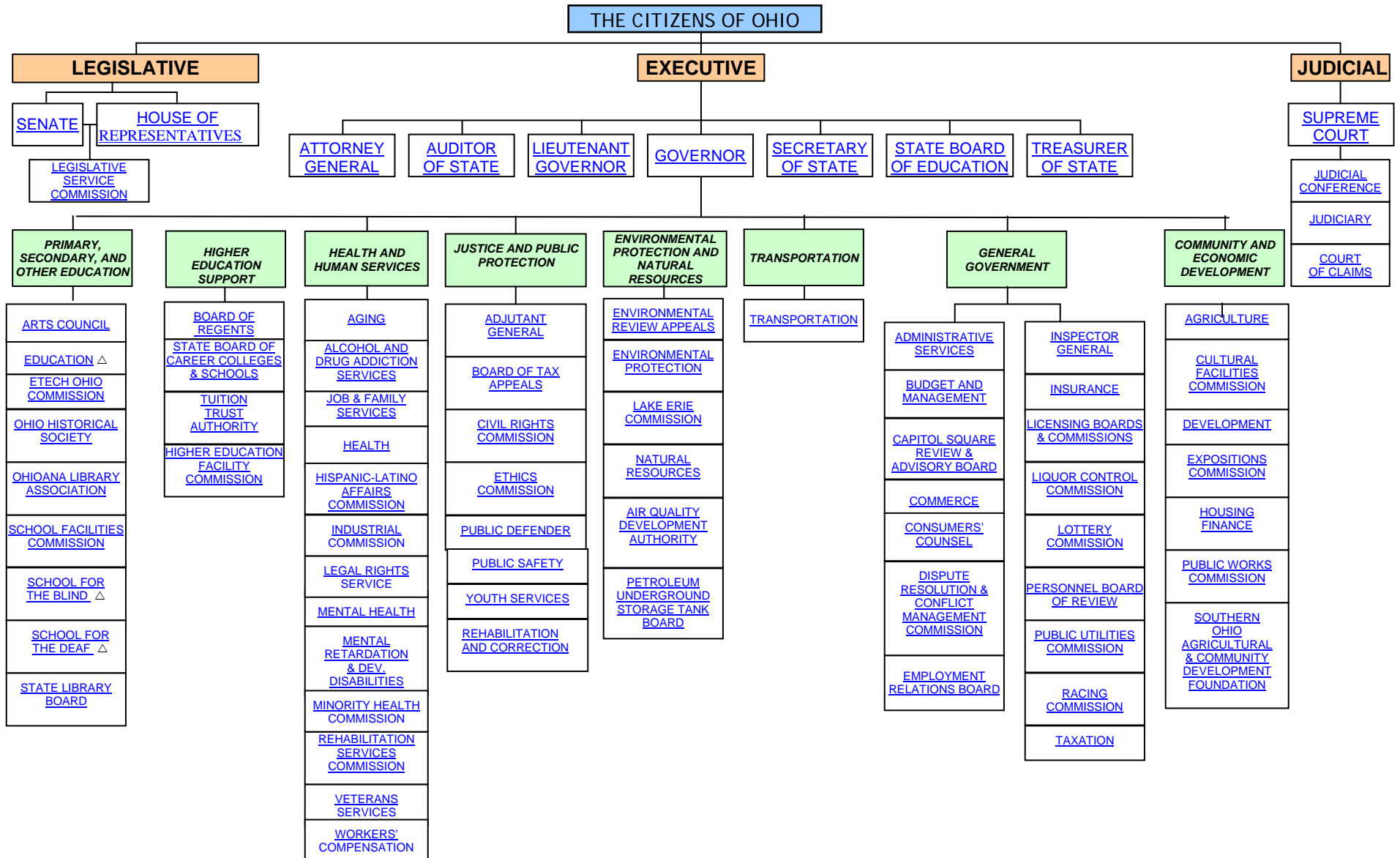


Other notable firms include Procter and Gamble, NCR, Limited Brands, Sherwin-Williams, and numerous financial institutions including J.P. Morgan Chase, KeyCorp, National City Corp, Huntington Bancshares, and Fifth Third Bancorp.

Ohio is the headquarters for 60 members of the Fortune 1000 including Procter & Gamble, Kroger, Cardinal Health, Federated Department Stores (Macy's), Nationwide Insurance, Progressive, Goodyear Tire and Rubber, FirstEnergy, American Electric Power, National City, Limited Brands, Fifth Third, KeyCorp, NCR, Western & Southern Financial, American Financial, Cincinnati Financial, Wendy's, and Cintas. Cincinnati, Cleveland, and Columbus are among the 20 U.S. cities with the most Fortune 1000 company headquarters. Ohio is home to the Cleveland Clinic, Ohio State University, Case Western Reserve University, Wright-Patterson Air Force Base, Battelle Memorial Institute, NASA's Lewis Research Center, leading hospitals, and a major operations center for JP Morgan Chase. Ohio's service-producing sectors generate 75 percent of the GSP. The state's two leading export commodities are machinery and motor vehicles. Ohio firms ship products to 205 countries and the state accounts for about 3.9 percent of the U.S. export total. Ohio's merchandise exports were \$42.4 billion in 2007.

Ohio's companies are also technology intensive. Battelle has used federal government standards to identify over 28,000 establishments employing 820,000 people as Ohio's technology engine. Overall, Ohio has a 14 percent higher concentration of technology operations than the nation. In research, Ohio's educational institutions and private research facilities have core strengths in advanced manufacturing, biosciences, instruments and controls, power and propulsion, and information technology.

# STATE OF OHIO ORGANIZATION CHART\*



Δ REPORTS TO STATE BD OF EDUCATION

\* Organization Chart as proposed in fiscal year 2010-2011 Executive Budget



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## Glossary of Key Terms

**Agency Fund Group (AGY):** This fund group consists of funds used to account for cash receipts held by the state as custodian or agent. Ultimately, cash is distributed from these funds to individuals, corporations, private organizations, other state funds, or local governmental units.

**Agency Priority:** A broad goal toward which a state agency strives. Agency priorities tie to the Governor's overall agenda. They also guide the objectives to be accomplished by the executive funding recommendations, as stated for each program within an agency.

**Appropriation:** An authorization granted by the Ohio General Assembly to make expenditures and incur obligations for specific purposes. An appropriation limits the amount that may be spent for a given purpose in a given period of time. No appropriation may be made for a period longer than two years.

**Appropriation Line Item (ALI), or Line Item:** An ALI is a six-digit numeric code (in the format xxxyyy) used to identify and account for amounts appropriated for the activities of an agency. The first three digits identify the administering agency, division, or activity responsible for the specific purpose. The last three digits indicate the specific purpose.

**Balanced Budget:** A budget where expenditures do not exceed the amount of cash and revenue available within each fiscal year.

**Biennium:** A two-year period that begins July 1 and ends 24 months later on June 30.

**Budget:** A plan for the expenditure of funds to support an agency, program, or project.

**Budget Fund Group, or Fund Group:** The categories used to group similar funds for Ohio's budgetary reporting purposes. Ohio's funds are categorized according to their revenue sources and the purposes for which they are used.

**Budget in Brief:** The "Budget in Brief" is a document that often accompanies the Executive Budget. It highlights the spending priorities presented in the Governor's budget recommendations to the General Assembly. It discusses the policy goals and budget proposals underlying the major program areas. The "Budget in Brief" gives special attention to the key policy initiatives in program areas such as children's services, education, economic development, corrections, and natural resources. The document also summarizes expenditures and proposed funding for all agencies.

**Budget Request Limitation:** The Budget Request Limitation concept replaced the "core budget level" and "budget request cap" concepts from prior biennia. The Budget Request Limitation is imposed by fund and limits the amount of funding that an agency can request. For the fiscal year 2010-2011 budget process, the limitation for General Revenue Fund (GRF) requests was 95 percent of fiscal year 2009 adjusted appropriations, while non-GRF requests were unlimited.

**Budget Stabilization Fund:** A reserve balance account that receives transfers from the GRF. The balance in this fund is intended to stabilize budgets against cyclical changes in revenues and expenditures. This fund can carry a balance of up to five percent of prior-year GRF revenues.

**Capital Budget:** The budget for the acquisition or construction of major capital items—including land, buildings, structures, and equipment—completed in two-year periods beginning in odd-numbered years. Moneys for these projects are typically appropriated from funds whose revenue comes from bond sales.

**Capital Expenditure:** Funds spent by state agencies from capital budget appropriations for the acquisition of a long-term asset.

## Glossary of Key Terms

**Cash:** Actual balance of moneys available to support disbursements and appropriations. All state special revenue funds (revenue generated by the agency), federal special revenue funds, and bond funds must have an available cash balance to support disbursements. Agencies that receive a GRF appropriation are not required to monitor cash balances for disbursements.

**Custodial Accounts:** Some accounts are created “in the custody of the State Treasurer” but are not a part of the state treasury. These accounts are referred to as custodial accounts. A custodial account must have specific language that establishes it in the custody of the State Treasurer.

**Debt Service:** The payment of principal, interest, and associated costs on the state’s bonded indebtedness. Debt service appropriations are usually made to the agency on whose behalf the bonds were issued.

**Encumbrance:** Reservation of appropriation authority typically representing purchase orders and contracts entered into by state agencies.

**Equipment:** Expenditures for durable goods such as computers, desks, chairs, or cars.

**Executive Budget:** Also known as the “Blue Book,” the Executive Budget provides the legislature and the public with the Governor’s funding recommendations for the next operating budget biennium. Proposed funding levels, historical spending patterns, and descriptive narratives are presented for each agency. It also includes information about the budget process, revenue sources and estimates, economic forecasts, capital improvements, state funds, and special program areas. The document is the executive’s financial plan for state government and is made available via the Office of Budget and Management (OBM) website.

**Expenditures:** Payments against appropriations that reduce the cash balance after legal requirements have been met. A fiscal year’s expenditures are payments actually made in that fiscal year, regardless of the state fiscal year in which the appropriations were reserved or encumbered for such payments.

**Expense Account Category:** A three-digit code used to categorize expenses as follows:

- Personal Services (500): Payroll, including fringe benefits;
- Purchased Personal Services (510): Purchased or contracted services (e.g. consultants);
- Supplies & Maintenance (520): Expendable goods and supplies such as utilities, gasoline, postage, paper, pens, repairs, and travel;
- Equipment (530): Durable goods such as computers, furniture, or vehicles;
- Subsidies & Shared Revenue (550): Distributions made to individuals, organizations, school districts, higher education facilities, or other local government units;
- Goods & Services for Resale (560): Goods or services purchased by one state agency to be sold or resold to another state agency or to the public;
- Capital Items (570): Significant fixed assets such as land and buildings;
- Judgments, Settlements, & Bonds (590): Payments on negotiated settlements, judgments rendered, and reparations awarded against the State of Ohio to individuals and companies;
- Debt Service (591): The payment of principal, interest, and associated costs on the state’s bonded indebtedness; and
- Transfers & Non-Expense (595): Cash disbursements and other transactions that reduce cash resources but are not an operating expense, such as transfers between funds and tax refunds.

**Federal Special Revenue Fund Group (FED):** A group of funds whose revenues are federal grants or entitlements. Expenditures for these funds are made in accordance with state and federal law.

**Fiscal Year (FY):** A 12-month period used for fiscal planning purposes. The state fiscal year (SFY) begins July 1 and ends the following June 30. The federal fiscal year (FFY) begins October 1 and ends the following September 30.

**Full-Time Equivalent (FTE):** For budget development purposes, OBM uses this method of calculating personnel levels where one FTE works 2,080 hours per year. Part-time employees have an FTE value that is

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## Glossary of Key Terms

proportionally less than one.

**Fund:** A fund is a separate fiscal and accounting entity with a self-balancing set of accounts. A fund created in the state treasury usually has one or more appropriation items from which expenditures are made. If the fund has only one appropriation line item, the line item name often is the same as the fund name.

**Fund Balance:** The unencumbered cash remaining in a fund at the end of a specified time period, usually the end of the fiscal year.

**General Revenue Fund (GRF):** The GRF is the primary operating fund of the state. This fund receives the unrestricted revenues of the state, primarily from such revenue sources as the personal income tax, the sales and use tax, the corporate franchise tax, and the public utilities excise tax. The fund also receives significant federal revenues that primarily support human services programs.

**General Services Fund Group (GSF):** This fund group consists of funds not easily classified into or appropriately accounted for in another fund group. Many of the funds in this group receive payments from other funds for services provided, or they receive interagency grants.

**Goal:** An achievement or result toward which a state agency program is directed. A statement of direction, purpose, or intent based on identified public needs. A goal is a broad statement of what a state agency expects to accomplish. It is more broadly defined than an objective, which aims toward achieving a goal. The Executive Budget highlights an agency's goals in the Agency Priorities section at the beginning of each agency's narrative.

**Lapse:** Appropriations not encumbered or expended prior to their expiration.

**Line-Item Veto:** A provision that allows a Governor to veto components of the state budget approved by the legislature on a line-by-line basis.

**Maintenance:** Expenditures for expendable goods and supplies such as utilities, gasoline, postage, paper, pens, repairs, telephone service, and travel.

**Non-Recurring/One-Time Appropriation:** An appropriation made for a one-time item or project. Examples include capital or major equipment purchases, special studies, and information technology upgrades.

**Objective:** An aim toward which a state agency directs its effort to accomplish a stated agency priority. Something to be accomplished in specific, often measurable terms and that is achievable within a specific time frame. Objectives are more specific than goals and aim to achieve an agency's goals. The Executive Budget highlights an agency's objectives in the Executive Recommendation section for each of an agency's programs.

**Ohio Administrative Knowledge System (OAKS):** An Enterprise Resource Planning system that integrates the functions of financial accounting, fixed assets, human resources, and budgeting. OAKS has replaced the Central Accounting System, Fixed Assets Management System, the human resources system, and the budgeting system known as BUGS-E.

**Operating Budget:** The budget established for the operation of a state agency or program, typically based on legislative appropriation, and completed in two-year periods beginning with even-numbered years.

**Performance Measures:** Performance measures are used by a state agency to evaluate the effectiveness of its programs. They may indicate a level of agency activity or output or a level of outcomes experienced by an agency's customers. State agencies have Flexible Performance Agreements that are agency directors' performance contracts with the Governor. Each agency director is responsible for achieving the goals of the Governor's agenda through department performance, which is tracked through the development of key measures and targets and reporting on those results.

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## Glossary of Key Terms

**Personal Services:** Expenditures for payroll, including fringe benefits.

**Program:** A program is a discrete activity within an agency's organization that is intended to provide a specific good or service in response to an identified social or individual need or problem. A number of programs can be grouped under each program series. An example of a program is the Public Defender Commission's Pro Bono Training Program that provides continuing legal education training programs to public defenders and private counsel who represent indigent persons in criminal and juvenile matters.

**Program Series:** A program series groups closely related programs into an overarching category that captures the state's efforts to provide for a public need. A program series corresponds with a major area of focus or goal for a state agency and in most cases is composed of two or more programs. Most agencies are characterized by more than one program series. An example of a program series is the Department of Insurance's Investigation and Licensing Program Series that includes market conduct, licensing, and fraud and enforcement programs.

**Purchased Personal Services:** Services for which state agencies contract such as consultants, physicians, and temporary services.

**Reappropriation:** Legislative action that provides for the renewal of a previous capital appropriation. Agencies sometimes are not able to spend what is in the current capital bill or the current capital reappropriations bill by the end of the biennium. However, they will continue to need the appropriation or a portion of it for projects designated in those bills that are not yet completed.

**State Appropriation Limitation (SAL):** An act passed in Senate Bill 321 of the 126<sup>th</sup> General Assembly that limits, with certain exceptions, GRF appropriation increases to 3.5 percent of prior fiscal year spending and allows for adjustments based on the consumer price index (CPI) and population growth.

**State Special Revenue Fund Group (SSR):** This fund group consists of funds that receive special revenues for specified activities that are required by law.

**Subsidy Account:** An appropriation line item used to legally restrict appropriations and account for distributions for designated purposes. Such distributions are made to individuals, organizations on behalf of individuals, school districts, higher education facilities, local governmental units, or other recipients.

**Tax Expenditure:** Any tax provision that exempts in whole or in part certain persons, income, goods, services, or property from taxation. Tax expenditures represent a loss of tax revenue to state government for the purpose of encouraging certain activities or providing relief to taxpayers in designated circumstances in order to accomplish public policy goals. The Ohio Revised Code requires the Department of Taxation to prepare a tax expenditure report as a supplement to the Governor's Executive Budget proposal.

**Zero-Based Budgeting:** A budgeting approach that requires agencies to justify all requested expenditures, instead of only expenditures above the funding level provided in the previous period. Senate Bill 321 of the 126<sup>th</sup> General Assembly included a provision requiring the use of zero-based budgeting principles in the budget preparation process.

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## Basis of Budgeting

### Introduction

The legislatively enacted budget plays a central role in the state's financial management system. The budget is a plan of financial operations that embodies an estimate of proposed expenditures for each fiscal year of the biennium.

The objective of budgetary control is to manage the state's finances within limitations set forth in its approved budget. Budgetary control allows the state to keep its expenditures within limitations of available appropriations and available revenues.

The state has designed its Ohio Administrative Knowledge System (OAKS) to ensure and demonstrate compliance with the budget. The appropriated budget is "integrated" into the accounting system. This means that the accounting system is specifically designed to provide ongoing and timely information on what is still available to be spent within established budget limitations.

The following discussion addresses specifics about the state's budgetary process and related policies, including the level of budgetary control, the basis of budgetary accounting, and the use of encumbrance accounting.

### Budgetary Process

As required by the Ohio Revised Code, the Governor submits the biennial operating and capital budgets to the General Assembly. The particular budget, which includes those funds of the state subject to appropriation pursuant to Ohio law, is comprised of all proposed expenditures for the state and of estimated revenues and borrowings for a biennium.

The General Assembly enacts the budget through passage of specific departmental line-item appropriations. Line-item appropriations are typically established one to a fund except for the General Revenue Fund, for which agencies will often have multiple line-item appropriations associated with different agency initiatives. The Governor may veto any item in an appropriation bill. Such vetoes are subject to legislative override.

The state's Controlling Board, comprised of six members of the General Assembly and the Director of the Office of Budget and Management (OBM) or a designee, can transfer or increase a line-item appropriation within the limitations set under Chapter 127 of the Ohio Revised Code. The Board has delegated the authority to the Director of OBM to transfer appropriations between existing operating expenditure/expense line-item appropriations within a state agency in amounts not to exceed a total of \$50,000 from each line-item appropriation within a fiscal year.

### Budgetary Control

The state maintains its legal level of budgetary control at the departmental line-item appropriation level. OAKS controls expenditures at this level. Therefore, at no time can expenditures exceed appropriations, and financial-related legal compliance is thus assured.

### Basis of Accounting

Ohio prepares its budget using the modified cash basis of accounting. Under this basis of accounting, the state recognizes revenues when cash is received and expenditures when paid. Furthermore, at the close of a fiscal year the state reserves cash sufficient to cover the payment of outstanding encumbrances and other obligations. For external financial reporting purposes, the state issues the Comprehensive Annual Financial Report (CAFR). This report is prepared in conformity with generally accepted accounting principles (GAAP). Because the state budgets on a modified cash basis of accounting, which differs from GAAP, the required reconciliation of the differences between the state's budgetary financial statements and its GAAP-basis financial statements is presented in the CAFR. This reconciliation identifies the basis differences in the recognition of accruals, deferred revenues, inter-fund transactions, and loan transactions, as well as the timing differences in the budgetary basis of accounting for encumbrances. On the budgetary financial statements, the state recognizes encumbrances as expenditures in the year encumbered, while on the GAAP-basis financial statements, the state recognizes expenditures when goods or services are received regardless of the year encumbered.

### Encumbrance Accounting

Encumbrance accounting—under which purchase orders, contracts, and other commitments for expenditures are recorded as a reserve of the applicable appropriations—is employed as an extension of formal budgetary integration in the state's accounting system. Outstanding encumbrances at the end of the fiscal year are recorded as reservations

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**Basis of Budgeting**

of fund balance for expenditure in subsequent years. Operating encumbrances are generally cancelled five months after the end of the fiscal year while capital encumbrances are generally cancelled two years after the biennial period for which they are appropriated. Unencumbered operating appropriations lapse at the end of each fiscal year.

For external reporting in its non-GAAP budgetary financial statements, the state also reports encumbrances as expenditures in the year when related purchase commitments are made.

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**Budget Calendar**

From preparation of the Executive Budget through enactment of the appropriation bills, the following calendar is in place:

|                                      |   |
|--------------------------------------|---|
| <b>April 2008</b>                    | The Office of Budget and Management (OBM) distributes guidelines to state agencies for preparation of the Executive Budget for fiscal years 2010 and 2011.  |
| <b>July 2008 – January 2009</b>      | OBM prepares revenue estimates internally for the upcoming biennium.  |
| <b>September 2008</b>                | All agencies' budget requests, prepared in the program series and program format, are due to OBM.   |
| <b>September – December 2008</b>     | OBM completes its review and analysis of agency requests. Agencies may be asked to provide additional information to assist in the development of recommendations.  |
| <b>November 2008 – January 2009</b>  | OBM evaluates agencies' budgets and makes recommendations on funding priorities to the Governor within established revenue projections.   |
| <b>January 2009</b>                  | The first of the budget bills is introduced in the House of Representatives.  |
| <b>January – early February 2009</b> | Governor makes final decisions for the Executive Budget. The Executive Budget is published and presented to the General Assembly. OBM and the Legislative Service Commission prepare the main operating appropriations bill based on the Executive Budget document.   |
| <b>February 2009</b>                 | The main operating budget bill is introduced in the House of Representatives.   |
| <b>February – June 2009</b>          | The House and Senate hold hearings and vote on the budget bills.  |
| <b>June 2009</b>                     | The Conference Committee works out differences between the versions of the budget bill passed by the House and Senate. The House and Senate vote on the Conference Committee report. The Governor signs the appropriations bill, which takes effect July 1, 2009. If the budget bill is not signed by June 30, 2009, an interim budget must be enacted. |



**Introduction**

Every two years, the Governor is required by state law to propose a new budget for state activities. The operating budget proposal must be submitted to the General Assembly not later than four weeks after its organization and is usually submitted to the legislature in early February of each odd-numbered year. In years when a new Governor is inaugurated, however, state law permits the budget proposal to be submitted to the legislature by March 15. More than a statutory requirement, however, the budget represents a statement of priorities. It sets a strategic policy direction for the activities of state government. Therefore, a detailed budget preparation process is necessary to generate information that will help the Governor and the General Assembly reach consensus regarding the priorities of the state and the most effective use of state resources. The process can be divided into the following steps:

- Development of the Governor's Executive Budget
- Enactment by the legislature
- Gubernatorial approval and vetoes

**Development of the Governor's Executive Budget**

The Office of Budget and Management (OBM) is the executive agency charged with preparing the Governor's budget recommendations. In April 2008, OBM issued to all agencies the *Operating Budget Guidance for Fiscal Years 2010 and 2011* that specified the format, content, and due dates for agency budget requests to OBM.

Agency budget submissions were subject to established limitations and due on September 15. Once budget requests were received, OBM worked closely with agency representatives to gain a full understanding of the budget submission, agency circumstances, and needs.

In addition to reviewing the spending requests, OBM must assess and predict the availability of revenue to support the proposed state expenditures. In December 2008, a meeting of the Governor's Council of Economic Advisors was held to construct a consensus forecast of key economic indicators for the United States and Ohio. OBM and the Department of Taxation worked together to produce revenue estimates based on the consensus forecast. As revenue projections were finalized, the director of OBM worked closely with the Governor and his key advisors to ensure that this spending plan reflected the Governor's priorities.

**Enactment by the Legislature**

Although the Governor is required to make budget recommendations, the authority to appropriate money rests with the legislature. The Governor's spending plan, along with any statutory and temporary law necessary to make it operational, is drafted into a bill. Separate budget bills are prepared for the Bureau of Workers' Compensation, the Industrial Commission, and the non-GRF portions of the budgets for the Departments of Transportation and Public Safety.

Traditionally, budget bills are introduced in the House of Representatives under the sponsorship of the chair of the House Finance and Appropriations Committee. Once introduced, the bill is referred to the House Finance and Appropriations Committee. The committee and its various subcommittees conduct extensive hearings, reviewing all aspects of agency budgets and law changes. The full committee concludes its work when it reports, after modifying the Governor's plan through substitutions and amendments, a bill with a favorable vote by a majority of the committee members. The bill is then considered before the full House of Representatives, where further amending may take place, until the bill is passed by a majority of the members.

Once passed by the House, the bill is sent to the Senate for consideration. It is referred to the Senate Finance Committee where, again, extensive hearings are held. The committee reports a modified bill, which then goes to the full Senate for further amending and passage.

Typically, differences exist between the House and Senate versions of the budget bill, thus requiring the appointment of a Conference Committee. The Conference Committee is comprised of three members of each chamber and is responsible for resolving the differences between the House and Senate versions of the bill. Once all

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## Budget Process

differences are resolved, the committee prepares a report that it recommends to both chambers for final approval. Majority affirmative votes in each house are required to accept the report of the Conference Committee and enact the budget bill.

### **Gubernatorial Approval and Vetoes**

A bill usually becomes law upon signature of the Governor. In Ohio, the Governor is empowered to veto all or any item of an appropriations bill. Upon receipt of the bill passed by the legislature, the Governor conducts a thorough review of its contents and determines whether any items should be disapproved. Disapproved items are noted in the bill signed by the Governor, and the bill, along with the written objections, is returned to the legislature. The bill must be signed by July 1, the first day of the new fiscal year. The legislature is empowered by a three-fifths majority vote of each house to override any vetoed item.

### **Capital Budgeting Process**

Apart from the operating budget process, Ohio also must budget for capital expenditures, such as the construction or rehabilitation of structures and the purchase of permanently affixed equipment. The capital bill is generally submitted every even-numbered year, while the operating bill is submitted in each odd-numbered year.

### **Tobacco Settlement Budgeting Process**

The securitization in October 2007 of the state's tobacco settlement receipts to be paid pursuant to the 1997 Tobacco Master Settlement Agreement produced approximately \$5.05 billion in net proceeds that the state allocated for the construction of K-12 school buildings and higher education facilities. As a result, the state will no longer enact a tobacco budget bill, which had formerly been introduced every even-numbered year. The last enacted tobacco bill, S.B. 321, appropriated funds for fiscal years 2007 and 2008.

## Funds of the State

The state's funds are organized into budget fund groups, which are categories used to group similar funds for budgetary reporting purposes. The funds are categorized according to their revenue sources and the purposes for which they are used. The budget fund group (BFG) concept is used in the Executive Budget to summarize history and recommendations for fiscal years 2006 to 2011 for each agency. The list below contains descriptions of all existing budget fund groups.

### The State's Budget Fund Groups

| <u>Budget Fund Group</u>              | <u>Abbreviation</u> | <u>Budget Fund Group</u>              | <u>Abbreviation</u> |
|---------------------------------------|---------------------|---------------------------------------|---------------------|
| Accrued Leave Liability               | ALF                 | Job-Ready Site Development            | 7012                |
| Administrative Building               | 7026                | Juvenile Correctional Building        | 7028                |
| Adult Correctional Building           | 7027                | Liquor Control                        | LCF                 |
| Advanced Energy                       | AEN                 | Local Infrastructure Improvement      | LIF                 |
| Agency                                | AGY                 | Local Transportation Improvement      | 7052                |
| Budget Stabilization                  | 7013                | Lottery Profit Education              | LPE                 |
| Clean Ohio Conservation Program       | CLF                 | Mental Health Facilities Improvement  | 7033                |
| Coal Research & Development           | 7046                | Office of Auditor of State            | AUS                 |
| Cultural & Sports Facilities Building | 7030                | Ohio Parks & Natural Resources        | 7031                |
| Debt Service                          | DSF                 | Parks & Recreation Improvement        | 7035                |
| Education Improvement                 | 7006                | Revenue Distribution                  | RDF                 |
| Facilities Establishment              | 7037                | School Building Assistance            | SBA                 |
| Federal Special Revenue               | FED                 | State Lottery                         | SLF                 |
| General Revenue                       | GRF                 | State Special Revenue                 | SSR                 |
| General Services                      | GSF                 | Third Frontier Research & Development | 7011                |
| Higher Education Improvement          | 7034                | Tobacco Settlement                    | TSF                 |
| Highway Capital Improvement           | 7042                | Transportation Building               | 7029                |
| Highway Operating                     | HOF                 | Underground Parking                   | UPG                 |
| Highway Safety                        | HSF                 | Volunteer Firefighter Dependents      | 7085                |
| Highway Safety Building               | 7025                | Waterways Safety                      | WSF                 |
| Holding Account Redistribution        | 7090                | Wildlife                              | WLF                 |
| Infrastructure Bank Obligations       | 7045                | Workers' Compensation                 | WCF                 |

The budget fund groups are described below.

**Accrued Leave Liability (ALF):** The Accrued Leave Liability Budget Fund Group consists of funds that receive direct payroll charges and interest. Major expenditures consist of payments to state employees for accrued vacation, sick, and personal leave time as well as disability benefits.

**Administrative Building (7026):** The Administrative Building Budget Fund Group consists of the Administrative Building Fund that receives proceeds from special obligation debt issuances. Expenditures are for capital improvements to state office buildings and structures.

**Adult Correctional Building (7027):** The Adult Correctional Building Budget Fund Group consists of the Adult Correctional Building Fund that receives proceeds from special obligation debt issuances. Expenditures are for capital improvements for the Department of Rehabilitation and Correction.

**Advanced Energy (AEN):** The Advanced Energy Budget Fund Group consists of advanced energy research and development tax-exempt and taxable bond funds that receive proceeds from the sale of revenue bonds. Expenditures are used to provide grants and loans for the research, development, and commercialization of advanced and renewable energy resources.

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## Funds of the State

**Agency (AGY):** The Agency Budget Fund Group consists of funds used to account for cash receipts held by the state as custodian or agent. Ultimately, cash is distributed from these funds to individuals, corporations, private organizations, other state funds, or local governmental units.

**Budget Stabilization (7013):** The Budget Stabilization Budget Fund Group consists of the Budget Stabilization Fund that receives transfers from the General Revenue Fund. The purpose of the Budget Stabilization Fund is to help reduce the impact of an economic downturn that may result in the reduction of revenues to the General Revenue Fund.

**Clean Ohio Conservation Program (CLF):** The Clean Ohio Conservation Program Budget Fund Group consists of funds that receive proceeds from general obligation debt issuances and the sale of revenue bonds. Expenditures from these funds are used for conservation projects across the state.

**Coal Research & Development (7046):** The Coal Research & Development Budget Fund Group consists of the Coal Research & Development Fund that receives proceeds from general obligation debt issuances. Expenditures from this fund are for grants to industries and universities for coal research and development projects.

**Cultural & Sports Facilities Building (7030):** The Cultural & Sports Facilities Building Budget Fund Group consists of the Cultural & Sports Facilities Building Fund that receives proceeds from special obligation debt issuances. Expenditures are for the conservation of and improvements to various arts, sciences, and sports facilities in Ohio.

**Debt Service (DSF):** The Debt Service Budget Fund Group consists of several debt service funds that receive taxes, interest revenue, and transfers from the General Revenue Fund. Expenditures from these funds provide for payment of general long-term debt principal, interest, and associated costs.

**Education Improvement (7006):** The Education Improvement Budget Fund Group consists of the Education Improvement Fund that receives transfers from the General Revenue Fund. Expenditures from this fund are for education improvement programs in elementary and secondary schools.

**Facilities Establishment (7037):** The Facilities Establishment Budget Fund Group consists of funds that receive proceeds from the sale of revenue bonds that are used for loans and loan guarantees to assist businesses in building or expanding Ohio-based facilities. The fund also receives repayments of those loans.

**Federal Special Revenue (FED):** The Federal Special Revenue Budget Fund Group consists of funds that receive federal grants or entitlements. Expenditures from these funds are made in accordance with state and federal laws.

**General Revenue (GRF):** The General Revenue Budget Fund Group consists of the General Revenue Fund that accounts for all financial resources except those required to be accounted for in another fund. Primary sources of revenue include sales, income, and corporate franchise taxes. General Revenue Fund expenditures support education, human services, general government, and property tax relief.

**General Services (GSF):** The General Services Budget Fund Group consists of funds not easily classified into or appropriately accounted for in one of the other budget fund groups. Many of the funds in this group receive payments from other funds for services provided. Also included in this group are funds that receive interagency grants. The Income Tax Reduction Fund is one of the many funds in this group.

**Higher Education Improvement (7034):** The Higher Education Improvement Budget Fund Group consists of the Higher Education Improvement Fund that receives proceeds from general obligation debt issuances. Expenditures are made for improvements to state-assisted higher education facilities.

**Highway Capital Improvement (7042):** The Highway Capital Improvement Budget Fund Group consists of the Highway Capital Improvement Fund that receives proceeds from general obligation debt issuances. Expenditures are for capital improvements to highways.

**Highway Operating (HOF):** The Highway Operating Budget Fund Group consists of transportation-related funds that receive motor fuel taxes and highway use taxes. Expenditures are made primarily for the maintenance and expansion of the highway system.

**Highway Safety (HSF):** The Highway Safety Budget Fund Group consists of several highway safety-related funds that receive transfers from the Highway Operating Fund, federal grants, fees, fines, and taxes on motor vehicles. Expenditures are restricted to support motor vehicle safety and law enforcement programs.

**Highway Safety Building (7025):** The Highway Safety Building Budget Fund Group consists of the Highway Safety Building Fund that receives proceeds from special obligation debt issuances. Expenditures are for capital improvements for the Department of Public Safety.

**Holding Account Redistribution (7090):** The Holding Account Redistribution Budget Fund Group consists of several funds used to account for moneys collected but for which the correct fund for deposit is unknown or the money is not yet determined to be earned by the state. In instances when moneys on deposit in these funds are determined not to be earned by the state, a refund disbursement is recorded.

**Infrastructure Bank Obligations (7045):** The Infrastructure Bank Obligations Budget Fund Group consists of the Infrastructure Bank Obligations Fund that receives proceeds from revenue debt issuances. Expenditures are made to provide financial assistance to public and private entities for transportation projects.

**Job-Ready Site Development (7012):** The Job-Ready Site Development Budget Fund Group consists of the Job Ready Site Development Fund that receives proceeds from general obligation debt issuances. Expenditures are for infrastructure capital improvements.

**Juvenile Correctional Building (7028):** The Juvenile Correctional Building Budget Fund Group consists of the Juvenile Correctional Building Fund that receives proceeds from special obligation debt issuances. Expenditures are for capital improvements for the Department of Youth Services.

**Liquor Control (LCF):** The Liquor Control Budget Fund Group consists of funds used to operate the Division of Liquor Control in the Department of Commerce, the Investigative Unit in the Department of Public Safety, and the Liquor Control Commission. Primary sources of revenue include retail and wholesale liquor sales. Major expenditures consist of liquor purchases, operating costs, and debt service on economic development bonds and revitalization bonds issued under the Clean Ohio Program. Additionally, a portion of the liquor profits is transferred monthly to the General Revenue Fund.

**Local Infrastructure Improvement (LIF):** The Local Infrastructure Improvement Budget Fund Group consists of funds created to assist local subdivisions in financing public infrastructure capital improvements. Proceeds from general obligation debt issuances are credited to these funds.

**Local Transportation Improvement (7052):** The Local Transportation Improvement Budget Fund Group consists of the Local Transportation Improvement Program Fund that receives transfers from the State and Local Government Highway Distribution Fund within the Revenue Distribution Budget Fund Group. Expenditures are for grants to local subdivisions for projects approved by the Ohio Public Works Commission.

**Lottery Profit Education (LPE):** The Lottery Profit Education Budget Fund Group consists of funds that receive lottery profits for the support of elementary, secondary, vocational, and special education programs.

**Mental Health Facilities Improvement (7033):** The Mental Health Facilities Improvement Budget Fund Group consists of the Mental Health Facilities Improvement Fund that receives proceeds from special obligation debt issuances. Expenditures are for improvements to state and community mental health and mental retardation facilities.

**Office of Auditor of State (AUS):** The Office of Auditor of State Budget Fund Group consists of funds used to operate the Office of Auditor of State. Primary sources of revenue include the sale of audit services to local governments and other state agencies. Expenditures cover the cost of providing audit services.

**Ohio Parks & Natural Resources (7031):** The Ohio Parks & Natural Resources Budget Fund Group consists of the Ohio Parks & Natural Resources Fund that receives proceeds from general obligation debt issuances. Expenditures from this fund are for projects related to parks and natural resources.

**Parks & Recreation Improvement (7035):** The Parks & Recreation Improvement Budget Fund Group consists of the Parks & Recreation Improvement Fund that receives proceeds from special obligation debt issuances. Expenditures are for improvements to parks and recreation facilities.

**Revenue Distribution (RDF):** The Revenue Distribution Budget Fund Group consists of funds that receive tax and license fees for distribution to other state funds or local governmental units.

**School Building Assistance (SBA):** The School Building Assistance Budget Fund Group consists of funds that receive general obligation debt issuances and loan repayments from local school districts. Expenditures are for loans to local school districts for the costs of capital improvements.

**State Lottery (SLF):** The State Lottery Budget Fund Group consists of the funds used to operate the Ohio Lottery Commission. Primary sources of revenue are lottery ticket sales and license fees. Major expenditures consist of operating costs, commissions to agents, and lottery prizes. The state uses the net proceeds after expenditures for the support of elementary, secondary, vocational, and special education programs.

**State Special Revenue (SSR):** The State Special Revenue Budget Fund Group consists of funds that receive specific revenues for specified activities that are required by law.

**Third Frontier Research & Development (7011):** The Third Frontier Research & Development Budget Fund Group consists of Third Frontier research and development tax-exempt and taxable bond funds that receive proceeds from general obligation debt issuances. Expenditures are for research, development, and commercialization projects.

**Tobacco Settlement (TSF):** The Tobacco Settlement Budget Fund Group consists of funds that account for various health, education, economic, and law enforcement-related programs. The primary source of revenue is money received under the Master Settlement Agreement with the nation's largest tobacco companies.

**Transportation Building (7029):** The Transportation Building Budget Fund Group consists of the Transportation Building Fund that receives proceeds from special obligation debt issuances. Expenditures are for the construction, reconstruction, or rehabilitation of various capital facilities for the Department of Transportation.

**Underground Parking (UPG):** The Underground Parking Budget Fund Group consists of the Underground Parking Garage Operating Fund used to operate the underground parking garage below the Statehouse. The primary source of revenue is parking fees. Expenditures are for the administration and operation of the garage.

**Volunteer Firefighter Dependents (7085):** The Volunteer Firefighter Dependents Budget Fund Group consists of the Volunteer Fire Fighters' Dependents Fund. The primary purpose of this budget fund group is to account for fire district and political subdivision premiums for distribution in support of compensation to disabled fire fighters and to surviving spouses and families in the case of death.

**Funds of the State**

**Waterways Safety (WSF):** The Waterways Safety Budget Fund Group consists of funds that receive watercraft license fees and fines. Expenditures are restricted to supporting watercraft operations and watercraft law enforcement and education programs.

**Wildlife (WLF):** The Wildlife Budget Fund Group consists of funds that receive wildlife license fees and fines. Expenditures are restricted to supporting wildlife preservation and wildlife law enforcement programs.

**Workers' Compensation (WCF):** The Workers' Compensation Budget Fund Group consists of funds that receive assessments on the State Insurance Fund (non-appropriated). Expenditures support the Bureau of Workers' Compensation and the Industrial Commission's administrative, adjudicatory, and programmatic responsibilities.



**What is the state budget?**

The state budget is an agreement between the legislative and executive branches of government on a spending plan for state government. It represents a statement of priorities for a two-year period. The state budget generally refers to the operating budget, not the capital budget. The capital budget directs the expenditure of funds for infrastructure and maintenance needs, such as buildings, parks, and historical sites.

**What is a biennial budget?**

Ohio prepares a biennial budget, which is a spending plan for a two-year period. Appropriations are made separately for the two fiscal years in a biennium. The state's fiscal year begins on July 1 and ends the following June 30. The Executive Budget shows recommended spending levels for fiscal year 2010 (July 1, 2009 to June 30, 2010) and fiscal year 2011 (July 1, 2010 to June 30, 2011).

**Where does the money for the budget come from?**

Revenue to support governmental operations comes from a variety of sources. The largest portion of this revenue is derived from the general unrestricted taxes imposed by the state. Ohio also receives money through special fees, the sale of goods and services, and from the federal government. More information as well as graphical depictions of the major sources of state revenues can be found in Section C under "Revenue Summaries."

**How does the state know how much money it will have to spend?**

The Office of Budget and Management, working with the Department of Taxation, prepares projections for state revenues. Projections are usually prepared in November preceding the issuance of the Executive Budget, and revenues are forecast for more than a 30-month period. Revenue estimates are updated throughout the process of enacting the budget as the state has more experience with actual receipts from different revenue sources. The Legislative Service Commission also prepares independent revenue estimates, which are compared to the administration's forecast. Consensus between the legislature and the executive must be built around the revenue assumptions that support the final version of the budget. Ultimately, no method of forecasting is 100 percent accurate so forecasts will always deviate from the actual performance of state revenue sources. Hopefully, however, this deviation ends up being small and manageable.

**What is the GRF?**

The GRF is the General Revenue Fund. It is the largest fund of the state and receives the majority of the state's tax receipts. Since there are few restrictions on how GRF dollars can be used, much of the focus of the budget process is on development of a spending plan for GRF resources. Federal dollars that reimburse the state for certain human services-related expenditures are also deposited into the GRF.

**How big is the budget?**

Many people think of the "size" of the budget in terms of the level of recommended spending from the GRF. Recommended spending from the GRF is \$26.07 billion in fiscal year 2010 and \$28.63 billion in fiscal year 2011. However, the true size of the budget is the amount appropriated from all funds<sup>1</sup>. Appropriations from all operating funds total \$59.31 billion in fiscal year 2010 and \$60.52 billion in fiscal year 2011.

**How much is the budget growing?**

When compared to fiscal year 2009 estimated expenditures, GRF spending declines by 3.20 percent in fiscal year 2010 and then grows by 9.82 percent in fiscal year 2011, and the total budget for all funds grows by 5.71 percent in fiscal year 2010 and 1.74 percent in fiscal year 2011.

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<sup>1</sup> Capital appropriations are not included in the comparisons, except for the Department of Transportation, because the department's capital is historically appropriated on the same cycle as the main operating budget.

**Which agencies have the largest budgets?**

The agency with the largest budget in fiscal years 2010 and 2011 is the Department of Job and Family Services. Total recommended appropriations in fiscal year 2010 are \$19.41 billion, and total recommended appropriations in fiscal year 2011 are \$20.60 billion. Not only does the department have the largest total budget each year, it also has the largest GRF budget (\$10.08 billion in fiscal year 2010 and \$12.26 billion in fiscal year 2011) and the single largest line item in the GRF—line item 600525, Health Care/Medicaid (\$8.78 billion in fiscal year 2010 and \$10.90 billion in fiscal year 2011).

Based on total funding, the agencies with the next largest budgets are as follows:

- Department of Education, with total appropriations of \$10.88 billion in fiscal year 2010 and \$11.15 billion in fiscal year 2011. GRF appropriations total \$7.18 billion in fiscal year 2010 and \$7.44 billion in fiscal year 2011.
- Department of Transportation, which is primarily funded with state and federal motor fuel tax revenues and has total appropriations of \$3.22 billion in fiscal year 2010 and \$2.82 billion in fiscal year 2011.
- Board of Regents, primarily funded from GRF, with total appropriations of \$2.80 billion in fiscal year 2010 and \$2.82 billion in fiscal year 2011.
- Department of Rehabilitation and Correction, with total funding of \$1.82 billion in fiscal year 2010 and \$1.83 billion in fiscal year 2011. Of this amount, \$1.62 billion in fiscal year 2010 and \$1.64 billion in fiscal year 2011 are from the GRF.
- Department of Mental Retardation and Developmental Disabilities, which is recommended to receive total funding of \$1.56 billion in fiscal year 2010 and \$1.57 billion in fiscal year 2011. The GRF provides \$332.13 million in fiscal year 2010 and \$375.09 million in fiscal year 2011.
- Department of Mental Health, with total appropriations of \$1.16 billion in fiscal year 2010 and \$1.17 billion in fiscal year 2011. Of this amount, \$548.59 million in fiscal year 2010 and \$549.32 million in fiscal year 2011 come from the GRF.

**How big is the budget deficit?**

Ohio has no budget deficit. This question is usually asked by those who confuse the state budget with the federal budget. The Ohio Constitution prohibits the state from borrowing money to fund operating expenses. Therefore, the budget must be balanced.

**How big is the budget surplus?**

The concept of a “surplus” is not one that is specifically defined. It is generally understood, however, to be funds that remain above and beyond any planned uses (including planned reserves and planned carryover balances). Typically a surplus is an unexpected result of higher-than-anticipated revenues or lower-than-anticipated spending. Amounts typically excluded from consideration as part of the surplus include one-half of one percent of GRF revenues (considered to be a necessary amount for a beginning carryover fund balance), amounts in the Budget Stabilization Fund up to 5% of GRF revenues, and funds needed to support appropriations made by the General Assembly. Based on statute, state budget surpluses cannot accumulate because the law requires that any “surplus” at the end of each fiscal year be deposited into the Income Tax Reduction Fund and returned to Ohio taxpayers.

**What is the Blue Book?**

Years ago, the Executive Budget document was printed with a blue cover and, as a result, people began to call the document the “Blue Book.” Over the years, each Executive Budget has been presented with a blue cover, and it is now considered a tradition. Beginning with the Executive Budget for fiscal years 2004 and 2005, the Executive Budget was no longer published in hardcopy. The Executive Budget was made available on the OBM website and on CD-ROM. Beginning with the Executive Budget for fiscal years 2006 and 2007 the Executive Budget is only available on the OBM website: <http://www.obm.ohio.gov/>.

**What is a program series and program?**

A program series groups closely related programs into an overarching category that captures the state's efforts to provide for a public need. A program series corresponds with a major area of focus or goal for a state agency and in most cases is composed of two or more programs. Most agencies are characterized by more than one program series. An example of a program series is the Department of Insurance's Investigation and Licensing Program Series that includes market conduct, licensing, and fraud and enforcement programs.

A program is a discrete activity within an agency's organization that is intended to provide a specific good or service in response to an identified social or individual need or problem. A varying number of programs can be grouped under each program series. An example of a program is the Public Defender Commission's Pro Bono Training Program that provides continuing legal education training programs to public defenders and private counsel who provide representation to indigent persons in criminal and juvenile matters.

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## Guide to Reading the Budget Tables

The purpose of this section is to help the reader understand the tables included in the Executive Budget for each agency. Each agency has budget tables that contain the Governor's detailed spending plan for the fiscal year 2010-2011 biennium.

### What are Budget Tables?

A majority of agencies have at least three budget tables: an Agency Summary of Budget History and Recommendations, a specific Program Recommendation Summary, and an Appropriation Line Item Summary. The Agency Summary of Budget History and Recommendations and the Appropriation Line Item Summary tables show spending history for fiscal years 2006, 2007, and 2008; estimated spending for fiscal year 2009 (since this fiscal year will not end until June 30, 2009); and recommended spending by the Governor for fiscal years 2010 and 2011. The Program Recommendation Summaries identify the Governor's recommended funding levels for each program.

### Where are the Tables?

In Section E, the Executive Budget contains Governor Strickland's funding recommendations for each agency. The agencies appear in alphabetical order and each agency has its own section that begins with an overview narrative followed by the agency's Summary of Budget History and Recommendations table. Following the summary table are narratives for each agency program series and program. Immediately after the individual program narratives are tables that identify the Governor's recommended funding levels for that specific program by appropriation line item. Finally, at the end of each agency section, a table totals and groups by fund the individual recommendations into an Appropriation Line Item Summary.

### Agency Summary of Budget History and Recommendations Table

The Agency Summary of Budget History and Recommendations table can be found following an agency's overview narrative. This summary shows actual agency spending in fiscal years 2006, 2007, and 2008; estimated spending in fiscal year 2009; and the Governor's recommended appropriations for fiscal years 2010 and 2011 by budget fund group and by expense account category. A diagram of this table appears on page A-24.

### Program Recommendation Summary Table

The Program Recommendation Summary table can be found immediately following each of an agency's program narratives. Each table identifies the Governor's recommended funding levels for that specific program by appropriation line item for fiscal years 2010 and 2011. A diagram of this table appears on page A-26. Since a line item can support multiple programs, the reader must refer to the Appropriation Line Item summary to find the total amount recommended for a line item.

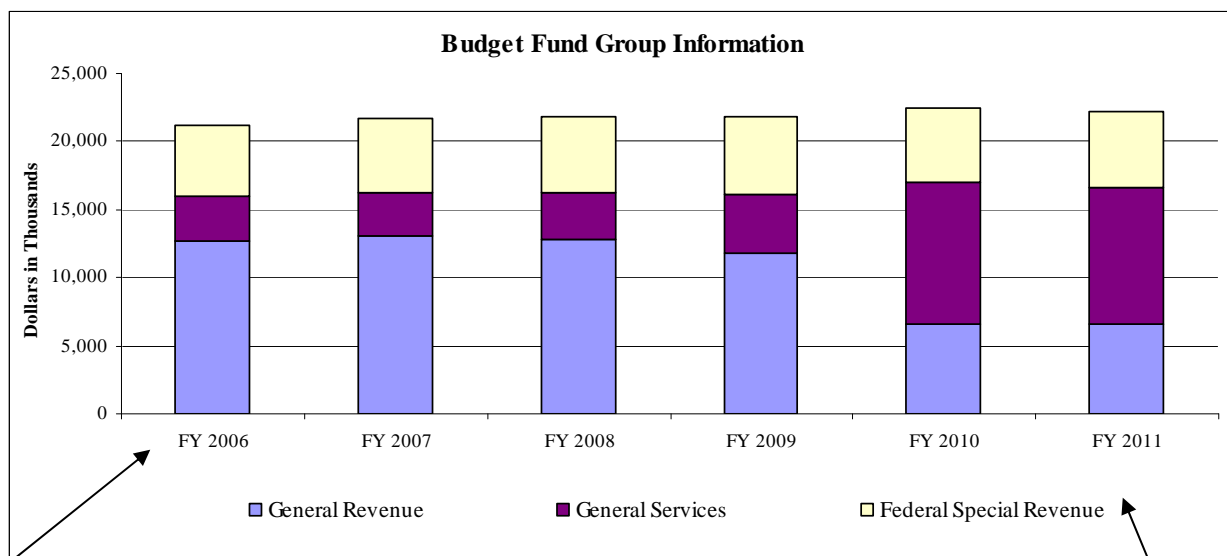
### Appropriation Line Item Summary Table

All agencies have one Appropriation Line Item Summary table at the end of the agency program series and program narratives and their associated tables. Each table shows, by line item, actual spending for fiscal years 2006, 2007, and 2008; estimated spending in fiscal year 2009; and the Governor's recommended appropriations for fiscal years 2010 and 2011. The line items listed on this table are grouped and subtotaled by budget fund group. Totals for the agency appear at the bottom of the table. A diagram of this table appears on page A-27.

## Guide to Reading the Budget Tables

Immediately following each "Agency Priorities" section are **Agency Summary of Budget History and Recommendations** tables. These tables show summary budget information for the agency by budget fund group and expense account category. The diagrams below use the State Library Board's summary tables as an example.

### Summary of Budget History and Recommendations

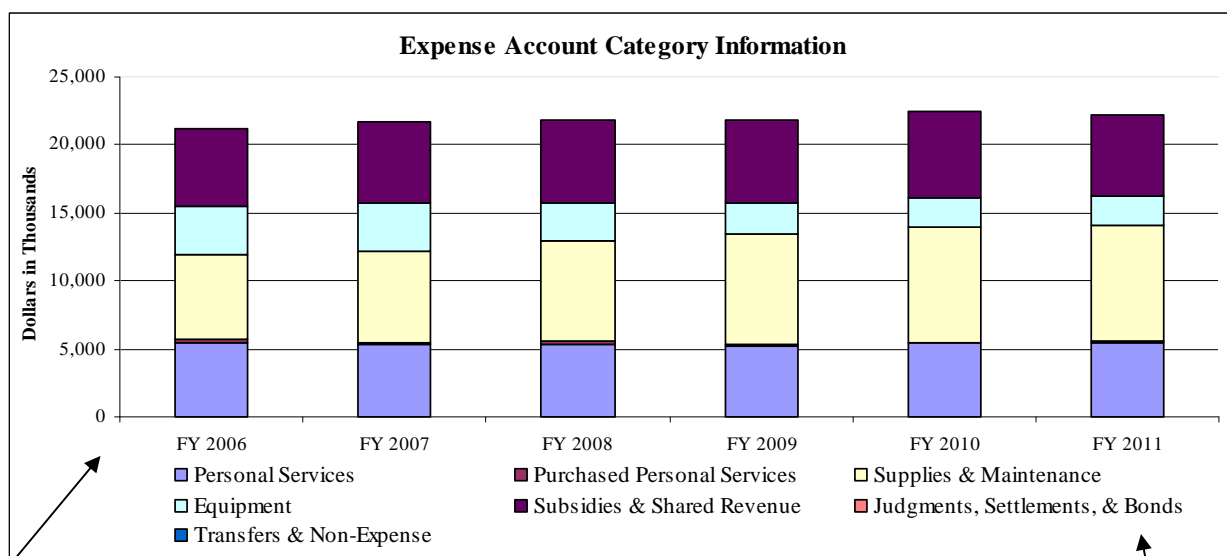


The "Summary of Budget History and Recommendations" section first summarizes information by budget fund group.

The "Recommended" columns show the Governor's Recommendation for fiscal years 2010 and 2011.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. % CHANGE |             | RECOMMENDED % |            |               |             |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------|---------------|------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010       | CHANGE     | FY 2011       | CHANGE      |
| General Revenue                     | 12,731        | 13,045        | 12,860        | 11,769        | -8.5        | 6,598         | -43.9      | 6,598         | 0.0         |
| General Services                    | 3,229         | 3,241         | 3,325         | 4,364         | 31.2        | 10,381        | 137.9      | 10,025        | -3.4        |
| Federal Special Revenue             | 5,173         | 5,465         | 5,692         | 5,692         | 0.0         | 5,544         | -2.6       | 5,544         | 0.0         |
| <b>TOTAL</b>                        | <b>21,133</b> | <b>21,751</b> | <b>21,877</b> | <b>21,826</b> | <b>-0.2</b> | <b>22,523</b> | <b>3.2</b> | <b>22,166</b> | <b>-1.6</b> |

## Guide to Reading the Budget Tables



The "Summary of Budget History and Recommendations" section then summarizes information by expense account category.

The "Recommended" columns show the Governor's Recommendation for fiscal years 2010 and 2011.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |               |             |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011       | CHANGE      |
| Personal Services                             | 5,516         | 5,322         | 5,280         | 5,205            | -1.4        | 5,408                   | 3.9        | 5,483         | 1.4         |
| Purchased Personal Services                   | 154           | 177           | 270           | 128              | -52.6       | 107                     | -16.5      | 107           | 0.5         |
| Supplies & Maintenance                        | 6,209         | 6,709         | 7,345         | 8,098            | 10.2        | 8,407                   | 3.8        | 8,555         | 1.8         |
| Equipment                                     | 3,656         | 3,521         | 2,824         | 2,324            | -17.7       | 2,211                   | -4.9       | 2,136         | -3.4        |
| Subsidies & Shared Revenue                    | 5,595         | 6,022         | 6,153         | 6,069            | -1.4        | 6,388                   | 5.3        | 5,884         | -7.9        |
| Judgments, Settlements, & Bonds               | 2             | 0             | 0             | 0                | 0.0         | 0                       | 0.0        | 0             | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 5             | 1                | -70.9       | 1                       | 0.0        | 1             | 0.0         |
| <b>TOTAL</b>                                  | <b>21,133</b> | <b>21,751</b> | <b>21,877</b> | <b>21,826</b>    | <b>-0.2</b> | <b>22,523</b>           | <b>3.2</b> | <b>22,166</b> | <b>-1.6</b> |

**Reader's Guide**

## Guide to Reading the Budget Tables

Following each program narrative is a **Program Recommendation Summary** table. Within each agency, funding is designated to a program within a program series. A **program series** groups closely related programs into an overarching category that captures the state's efforts to provide for a public need. A program series corresponds with a major area of focus or goal for a state agency and in most cases is composed of two or more programs. A **program** is a discrete activity within an agency's organization that is intended to provide a specific good or service in response to an identified social or individual need or problem. The diagram below uses two of the State Library Board's Program Recommendation Summary tables as an example.

### Program 01.01: State Library Services to Ohio Government

Program name.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 350321 | Operating Expenses           | 3,629,137        | 3,609,502        |
| GSF                      | 1390 | 350602 | Intra-Agency Service Charges | 9,000            | 9,000            |
| GSF                      | 4590 | 350603 | Library Service Charges      | 6,900            | 24,900           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>3,645,037</b> | <b>3,643,402</b> |

The first two digits of the program numbering convention designate the program series, while the second two designate the program. The top table is program one within program series one.

One line item can fund multiple programs. Recommendations within programs add up to the **Line Item Summary Table** for the agency.

Total recommended funding for Program 01.01, State Library Services to Ohio Government.

### Program 02.01: State Library Services to Ohio Library Communities

Program name.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 350321 | Operating Expenses      | 1,848,232        | 1,867,867        |
| GSF                      | 4590 | 350603 | Library Service Charges | 2,888,692        | 3,014,442        |
| FED                      | 3130 | 350601 | LSTA Federal            | 1,977,778        | 2,007,076        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>6,714,702</b> | <b>6,889,385</b> |

Total recommended funding for Program 02.01, State Library Services to Ohio Library Communities.

## Guide to Reading the Budget Tables

Each agency will have an **Appropriation Line Item Summary** table that summarizes historical spending and recommended spending information by appropriation line item. The spending and recommendations are presented by fund and subtotaled by budget fund group. The diagram below uses the State Library Board Appropriation Line Item Summary table as an example.

**LINE ITEM SUMMARY - Library Board**

| FUND                                 | ALI    | ALI NAME                                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 350321 | Operating Expenses                      | 6,148,667         | 6,087,593         | 6,101,583         | 5,710,723           | 5,477,369              | -4.1         | 5,477,369              | 0.0         |
| GRF                                  | 350400 | Ohio Public Library Info Network        | 4,107,783         | 4,483,214         | 4,398,198         | 3,711,892           | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 350401 | Ohioana Library Support                 | 122,617           | 122,617           | 124,816           | 124,816             | 288,560                | 131.2        | 288,560                | 0.0         |
| GRF                                  | 350501 | Library For Blind - Cincinnati          | 535,615           | 535,615           | 535,615           | 535,615             | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 350502 | Regional Library Systems                | 1,010,441         | 1,010,441         | 894,240           | 880,638             | 832,099                | -5.5         | 832,099                | 0.0         |
| GRF                                  | 350503 | Library For Blind - Cleveland           | 805,642           | 805,642           | 805,642           | 805,642             | 0                      | -100.0       | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |   | <b>12,730,765</b> | <b>13,045,122</b> | <b>12,860,094</b> | <b>11,769,326</b>   | <b>6,598,028</b>       | <b>-43.9</b> | <b>6,598,028</b>       | <b>0.0</b>  |
| 390                                  | 350602 | Intra-Agency Service Charges            | 8,710             | 7,432             | 9,311             | 9,000               | 9,000                  | 0.0          | 9,000                  | 0.0         |
| 590                                  | 350603 | Library Service Charges                 | 2,089,155         | 1,985,522         | 2,244,874         | 2,708,092           | 2,895,592              | 6.9          | 3,039,342              | 5.0         |
| S40                                  | 350604 | Ohio Public Library Information Network | 1,131,548         | 1,248,072         | 1,071,162         | 1,647,363           | 5,702,150              | 246.1        | 5,702,150              | 0.0         |
| 5GB0                                 | 350605 | Library For The Blind                   | 0                 | 0                 | 0                 | 0                   | 1,274,194              | .0           | 1,274,194              | 0.0         |
| 5GC0                                 | 350606 | Gates Foundation Grants                 | 0                 | 0                 | 0                 | 0                   | 500,000                | .0           | 0                      | -100.0      |
| <b>TOTAL General Services</b>        |        |   | <b>3,229,413</b>  | <b>3,241,026</b>  | <b>3,325,347</b>  | <b>4,364,455</b>    | <b>10,380,936</b>      | <b>137.9</b> | <b>10,024,686</b>      | <b>-3.4</b> |
| 3130                                 | 350601 | LSTA Federal                            | 5,172,614         | 5,465,211         | 5,691,546         | 5,691,792           | 5,543,747              | -2.6         | 5,543,747              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>5,172,614</b>  | <b>5,465,211</b>  | <b>5,691,546</b>  | <b>5,691,792</b>    | <b>5,543,747</b>       | <b>-2.6</b>  | <b>5,543,747</b>       | <b>0.0</b>  |
| <b>TOTAL Library Board</b>           |        |   | <b>21,132,792</b> | <b>21,751,359</b> | <b>21,751,359</b> | <b>21,825,573</b>   | <b>22,522,711</b>      | <b>3.2</b>   | <b>22,166,461</b>      | <b>-1.6</b> |

The two “% Change” columns show the percent change between (1) the FY 2009 Estimate and FY 2010 Recommended columns and (2) the FY 2010 and FY 2011 Recommended columns.

The two “% Change” columns show the percent change between (1) the FY 2009 Estimate and FY 2010 Recommended columns and (2) the FY 2010 and FY 2011 Recommended columns.

Subtotals are shown for each budget fund group.

Reductions appear as negative entries.



### Economic Situation and Outlook

The panic that engulfed financial markets late in the summer of 2008 gave way to relative calm by year end, but not before values of financial assets decreased significantly further. Decreases in employment, incomes, and production intensified during the fourth quarter of 2008, and forecasters expect large additional declines through at least mid-2009.

The economy entered the eleventh business cycle recession since World War II in December 2007, according to the National Bureau of Economic Research. The previous ten recessions ranged in length from six months in 1980 to sixteen months in 1973-75 and 1981-82. Many expect the current downturn to be at least as long and as severe as any in the post-war period.

Economic policy makers have taken sweeping actions and are planning more in an effort to revive the economy and stabilize markets. The Federal Reserve cut its short-term interest rate to essentially zero at its meeting in December 2008. In addition, the Fed has purchased large quantities of short-term paper and longer-term bonds from investors in an effort to provide financial liquidity and reduce longer-term interest rates.

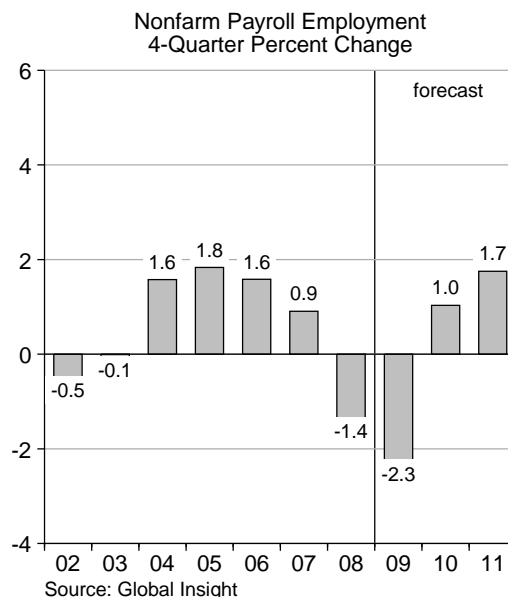
The aggressive monetary policy actions are beginning to positively affect markets. Money market yields declined substantially; spreads between yields on risky short-term debt instruments, such as commercial paper, and Treasury bills narrowed considerably. Corporate bond yields fell by more than a full percentage point from the peak in mid-October 2008, and fixed residential mortgage rates declined by more than 1.5 percentage points from the peak in July 2008 to an all-time low.

At the same time, Congress and the new Administration are preparing an economic stimulus package that is expected to add more than \$800 billion to aggregate demand during the next several years through additional government spending and adjustments to the federal tax code.

The policy responses at the federal and state levels are expected to augment the normal cyclical recovery process, but the consensus among forecasters is that the current recession will last through June 2009—a total of eighteen months—becoming the longest recession in the post-war period. Even if the major shocks to the economy in the form of commodity price increases and corporate bankruptcies are behind us, significant ripple effects in the form of additional decreases in employment, income, and production lie ahead.

As of December 2008, total U.S. non-farm employment had decreased by 2.6 million jobs, or 1.9 percent, from its peak, compared with an average decline during the 1973-75 and 1981-82 recessions of about 3.0 percent. The job loss so far in this recession is about 63 percent of the average during those two severe downturns. To reach a total decline of 3.0 percent this time, employment would have to fall by another 1.6 million jobs, which at the recent pace would occur before the end of April 2009.

Total U.S. non-farm employment is projected to decline by another 3.1 million jobs from the fourth quarter of 2008 to the fourth quarter of 2009, according to the January forecast by IHS Global Insight. Moderate growth of 1.2 million jobs is projected for 2010 and 2.4 million in 2011. Ohio employment is projected to decline by 113,000 jobs during the four quarters of 2009, followed by modest growth in 2010 and 2011.



The U.S. unemployment rate increased by 2.8 percentage points from its March 2007 low to 7.2 percent in December 2008 – about 72 percent of the average increase of 3.9 percentage points during the 1973-75 and 1981-82 recessions. To match that increase in this recession, unemployment would have to rise by another 1.1 percentage points to 8.3 percent, which would be the highest level since 1983. The Ohio unemployment rate ended 2008 at 7.3 percent, up from 5.8 percent at the end of 2007.

The U.S. unemployment rate is projected by IHS Global Insight to peak at 9.2 percent in the first half of 2010 and remain above 8 percent throughout 2011. The Ohio unemployment rate is projected to rise to 10.4 percent by the fourth quarter of 2009.

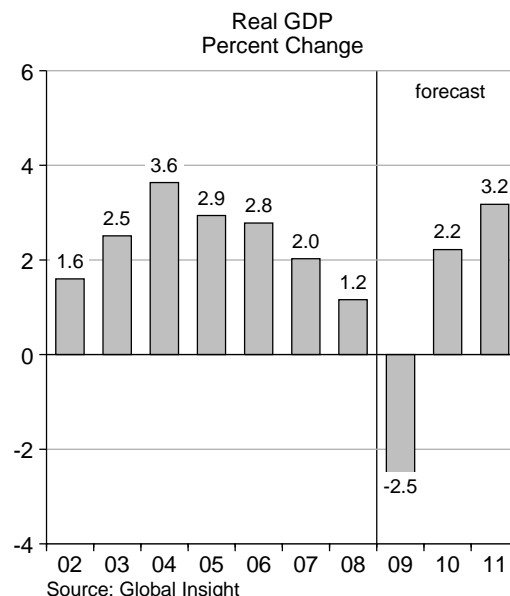
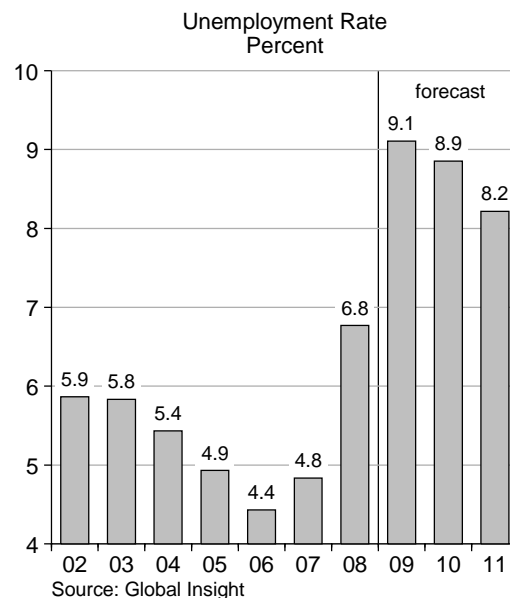
Real, or inflation-adjusted, gross domestic product (GDP) – the broadest measure of economic output – increased 1.3 percent in 2008, but decreased 0.5 percent in the third quarter and a preliminary 3.8 percent in the fourth quarter. Real consumption expenditures, which comprise more than two-thirds of real GDP, declined at a rate of approximately 3.5 percent in each of the last two quarters of the year, beginning what analysts expect will be a prolonged period of retrenchment by households.

IHS Global Insight projects that real GDP will contract by a total of 3.4 percent from the peak in the second quarter of 2008 to the trough in the second quarter of 2009. In comparison, the peak to trough decline in real GDP averaged 3.0 percent during the 1973-75 and 1981-82 recessions. Real GDP is projected to decrease by 1.3 percent for the four quarters of 2009, and increase by 3.3 percent in 2010 and 3.0 percent in 2011. IHS Global Insight projects Ohio real Gross State Product to decrease by 1.4 percent in 2009, followed by modest growth in 2010 and 2011.

### Risks to the Outlook

Negative risks to the outlook include a renewed surge in commodity prices, which would undercut real incomes and depress profit margins when the economy is already in recession. A key element in the economic recovery effort is massive borrowing by the U.S. Treasury, which could result in a significant rise in interest rates and decline in the foreign exchange value of the dollar. An inability to stabilize the financial system could lead to more bankruptcies with negative ripple effects. Finally, continued declines in housing market values and property values could have prolonged impacts on Ohio's economy and state and local revenues.

Positive risks to the outlook include a faster than anticipated recovery by financial markets in response to the aggressive actions by the Federal Reserve, leading to a return of confidence to households and businesses. In addition, the large decline in the price of oil and other commodity prices could have a greater than anticipated positive effect on economic activity.



## Revenue Estimates and Methodology

### Overview

The economic recession that began in December 2007 has impacted Ohio's economic and financial health quite severely during 2008 and continues to cause concerns with regard to employment and income growth. The impact of what has become a lengthy national recession is expected to keep the tax revenue growth in negative territory over the coming biennium. Under current law, after the allocations from state tax receipts to local government funds are taken into account, General Revenue Fund tax receipts are estimated to decline by 7.1 percent in fiscal year 2009, 5.4 percent in fiscal year 2010, and 0.1 percent in fiscal year 2011 before returning to positive growth of 2.3 percent and 3.1 percent in fiscal years 2012 and 2013 respectively. The Executive Budget contains several tax policy options that attempt to diminish the effects of the challenging economy.

The Executive Budget proposal completes the implementation of the tax reforms enacted in Amended Substitute House Bill 66 of the 126<sup>th</sup> General Assembly (House Bill 66). Over time the reforms are expected to result in stable and predictable tax base for all taxpayers, annualized tax relief of over \$2 billion, and long term economic benefit. The baseline General Revenue Fund estimates reflect these tax changes as well as others enacted and implemented since that time. The major tax changes in House Bill 66 include:

- The permanent tax rate on the sales and use tax was increased from 5.0 percent to 5.5 percent, effective July 2005. (In fiscal years 2004-2005 the sales and use tax was levied at a temporary tax rate of 6.0 percent.)
- The personal income tax rates for all income brackets were cut by 21 percent and the cut is being phased in over five tax years (2005-2009) by 4.2 percent each year.
- The corporation franchise tax is being phased out for non-financial corporations over five years (tax years 2006-2010), with a 20 percent phase-out in each year.
- The tangible personal property tax is phased out over four tax years (2006-2009) for general businesses and over five tax years (2007-2011) for telephone and telecommunications companies.
- A business privilege tax, the commercial activity tax, is being phased in over 5 fiscal years (2006-2010).
- The tax rate on cigarettes increased from 55 cents per package of 20 cigarettes to \$1.25, effective July 2005.

Figure B-1 lists the estimated revenue impact of these tax law changes in fiscal years 2006-2010. The estimates by individual tax source indicate the impact on all state funds. The bottom of the table gives the total fiscal impact of House Bill 66 on all state funds and on the General Revenue Fund. In fiscal years 2008-2010, the General Revenue Fund will bear the majority of the impact as a result of the mechanism enacted by the 127<sup>th</sup> General Assembly in House Bill 119 that allocates state tax receipts between the General Revenue Fund and the local government funds.

## Revenue Estimates and Methodology

**Figure B-1: Estimated Fiscal Impacts of Major Tax Law Changes**  
**House Bill 66, 126<sup>th</sup> General Assembly (a)**

|   | FY<br>2006 | FY<br>2007 | FY<br>2008 | FY<br>2009 | FY<br>2010 |
|---|------------|------------|------------|------------|------------|
| <b>Sales and Use Tax</b>  |            |            |            |            |            |
| Increase permanent tax rate from 5% to 5.5%   | \$697.0    | \$706.0    | \$726.0    | \$749.0    | \$772.0    |
| <b>Personal Income Tax</b>  |            |            |            |            |            |
| Phase in 21% rate cut over five years; credits adjusted so filers with Ohio taxable income below \$10,000 pay no tax. | -350.5     | -761.0     | -1,212.2   | -1,712.1   | -2,272.6   |
| <b>Corporate Franchise Tax</b>  |            |            |            |            |            |
| Phase out over five years for non-financial corporations  | -228.6     | -587.8     | -971.3     | -1,326.4   | -1,642.2   |
| <b>Commercial Activity Tax (b)</b>  |            |            |            |            |            |
| Phase in over five years  | 273.4      | 580.0      | 975.5      | 1,340.1    | 1,600.1    |
| <b>Tangible Personal Property Tax</b>   |            |            |            |            |            |
| Phase out, with commensurate increase in state payments to local entities   | -88.3      | -571.3     | -931.6     | -1,275.0   | -1,621.0   |
| <b>Cigarette Tax</b>  |            |            |            |            |            |
| Increase tax rate   | 505.0      | 425.0      | 416.0      | 407.0      | 398.0      |
| <b>Local Property Tax</b>   |            |            |            |            |            |
| Eliminate 10% rollback on commercial and industrial property thus decrease state expenditure                          | 166.0      | 314.0      | 329.0      | 348.0      | 365.0      |
| <b>Subtotal of Listed Impacts</b>   | 974.0      | 104.9      | -668.7     | -1,469.4   | -2,400.7   |
| <b>Total Impact on All State Funds</b>  | 1,080.9    | 185.8      | -594.2     | -1,402.8   | -2,268.0   |
| <b>Total Impact on General Revenue Fund</b>   | 1,080.9    | 185.8      | -502.4     | -1,296.6   | -2,110.9   |

(a) These estimates differ, in some cases substantially, from the estimates that were published at the time that HB 66 passed. In the earlier years (fiscal years 2006-2007), the estimated losses from the income tax rate cuts and corporate franchise tax reductions are larger than originally expected. On the other hand, the estimated losses for fiscal years 2008-2010 may eventually need to be revised downward so that they are closer to the original estimates, since the recession has shrunk the tax base for the income tax. New revenues from the CAT are substantially above the original estimates.

(b) Assumes full impact being felt beginning fiscal year 2011.

## Revenue Estimates and Methodology

The Executive Budget for fiscal years 2010 and 2011 includes changes to several existing tax credits and proposes new tax credits targeted at emerging industries in the state. Figure B-2 lists the proposed tax changes in the Executive Budget and the estimated impact on state tax revenues.

- Technology Tax Credit: This tax credit increases the existing Technology Investment Tax Credit cap from \$30 million to \$45 million. This will allow Ohio investors to continue to receive a tax credit by investing in qualified technology-based Ohio companies. The current cap of \$30 million is likely to be reached by March 2009. OBM estimates that this tax credit would cost the state revenues around \$15 million; however, its impact will be delayed three to five years.
- Job Creation Tax Credit: This existing tax credit is proposed to be reformed to encourage companies to locate in the state with a focus on higher paying jobs. The proposed reform aims to make the program competitive with other states' tax incentive programs by introducing flexibility in eligibility conditions and terms. OBM estimates that there will not be any additional costs due to this change with currently eligible companies being ineligible for the revised credit. However, this program could attract new investments to the state, and hence increase in future tax revenue.
- Job Retention Tax Credit: This existing tax credit allows companies to retain up to 75 percent of the state income taxes withheld from eligible fulltime employees for a period of up to 15 years. The proposed changes align this program with the new provisions of the Job Creation Tax credit to ensure the state's larger employers continue to invest in Ohio workers and the economy. The proposal has an annual cap of \$13 million for new awards, to mitigate the impact of inflation on eligible tax credit claims.
- New markets investment tax credit: This tax credit is proposed to encourage corporate investments in low-income areas and communities, through a new non-refundable tax credit for purchasers of qualified low-income community equity and long term debt investments. Qualified investments made on or after January 1, 2010 will be eligible for this tax credit which may be claimed against either the domestic insurance or foreign insurance taxes, or the corporate franchise tax for participating financial companies. The first year that the tax credit can be claimed is expected to be FY 2013, at which time OBM tentatively estimates it will reduce General Revenue Fund tax revenue by \$12 million.
- Film Tax Credit: A refundable tax credit of 25 percent is proposed on qualified production expenditures of film production companies producing eligible films in the state. This tax credit is proposed to encourage and develop a strong cinematic production industry in the state of Ohio and to compete with neighboring states in attracting new film production to Ohio.
- Extension of health insurance tax deduction for employer-provided plans: The Executive Budget proposes extending the tax deduction for employer coverage of children and dependents up to age twenty nine as opposed to the current age limit of twenty five in order to make health care coverage more affordable for many Ohioans.
- Proposed changes in Medicaid managed care plans fee: Under current federal law, Medicaid managed care organizations are identified as a separate class of providers, and are therefore not subject to the provisions of the Social Security Act that require provider-based taxes to be broad based in nature. Effective October 1, 2009, the Deficit Reduction Act of 2005 (DRA), removes this distinction for Medicaid managed care organizations. As such, Ohio's Medicaid managed care franchise fee, as well as similar fees in six other states, will no longer be in compliance with federal regulations after that date. Collection of that fee will therefore cease, resulting in an annual loss of approximately \$194 million dollars in revenue to the state, as well as the resulting federal match received when these funds would be applied to Ohio's Medicaid program.

To replace this lost revenue, Ohio will move Medicaid managed care companies within the existing sales tax and health insuring corporation (HIC) tax bases, which meets the broad based requirement that will be applied to these providers beginning in October of 2009. These provisions will be repealed should this replacement strategy not be approved by the Center for Medicare and Medicaid Services (CMS).

## Revenue Estimates and Methodology

**Figure B-2: Proposed Tax Changes in FYs 2010-2011 Executive Budget and the Impact on State Revenues**  
(\$ in millions)

|   | <b>FY 2010</b> | <b>FY 2011</b> |
|---|----------------|----------------|
| Technology Investment Tax Credit- Decrease in personal income tax or corporate franchise tax              | -              | -              |
| Job Creation Tax Credit – Decrease in corporate franchise tax   | -              | -              |
| Job Retention Tax Credit – Decrease in corporate franchise tax  | -              | -              |
| New Markets Investment Tax Credit – Decrease in insurance taxes or corporate franchise tax                | -              | -              |
| Tax credit on film production expenditures - Decrease in personal income tax or corporate franchise tax   | (\$10.0)       | (\$10.0)       |
| Extension of health insurance tax deduction for employer-provided plans – Decrease in personal income tax | -              | (\$6.0)        |
| Medicaid managed care plans moved to sales and use tax base and HIC tax base                              | \$163.1        | \$253.1        |
| <b>Total impacts</b>  | <b>\$153.1</b> | <b>\$237.1</b> |

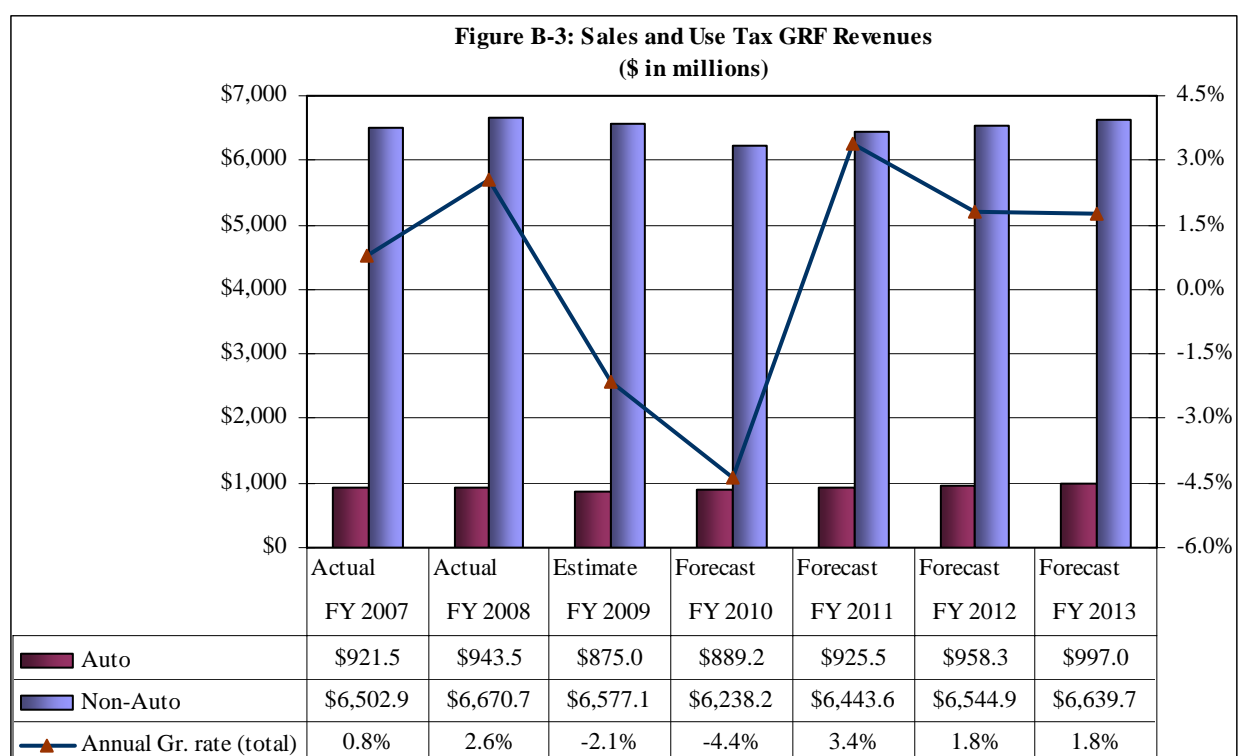
When compared to the baseline estimates, the proposed tax changes in the Executive Budget for fiscal years 2010 and 2011 are estimated to result in an increase in tax revenue of \$390.2 million over the biennium. Incorporating the new tax proposals and the current formula for local government fund allocation, the General Revenue Fund tax receipts are expected to decline by 4.5 percent in fiscal year 2010 and marginally rise by 0.3 percent in fiscal year 2011.

## Revenue Estimates and Methodology

Tax Sources**Sales and Use Tax**

The state sales and use tax on retail sales and selected services is currently levied at a rate of 5.5 percent. From 1981 through 2003 the sales and use tax was levied at 5.0 percent. In fiscal years 2004 and 2005, the sales and use tax rate was temporarily increased from 5.0 percent to 6.0 percent. House Bill 66 set the sales and use tax rate at 5.5 percent permanently.

For revenue projection purposes, the sales and use tax is separated into two components: auto and non-auto sales tax revenue. The auto component consists of the tax collected from the sale or use of automobiles and trucks. The non-auto component includes all other sales and use tax collections, including the sales and use tax on motor vehicle leases.



Due to the recessionary trends in employment, and income generation, and severe declines in household wealth due to falling home prices and equity markets, sales tax revenues for the fiscal year 2009 are expected to decline at a rate of 2.1 percent, followed by further decline of 4.4 percent in FY 2010. A rebounding national economy is expected to lead to a growth of 3.4 percent in the fiscal year 2011.

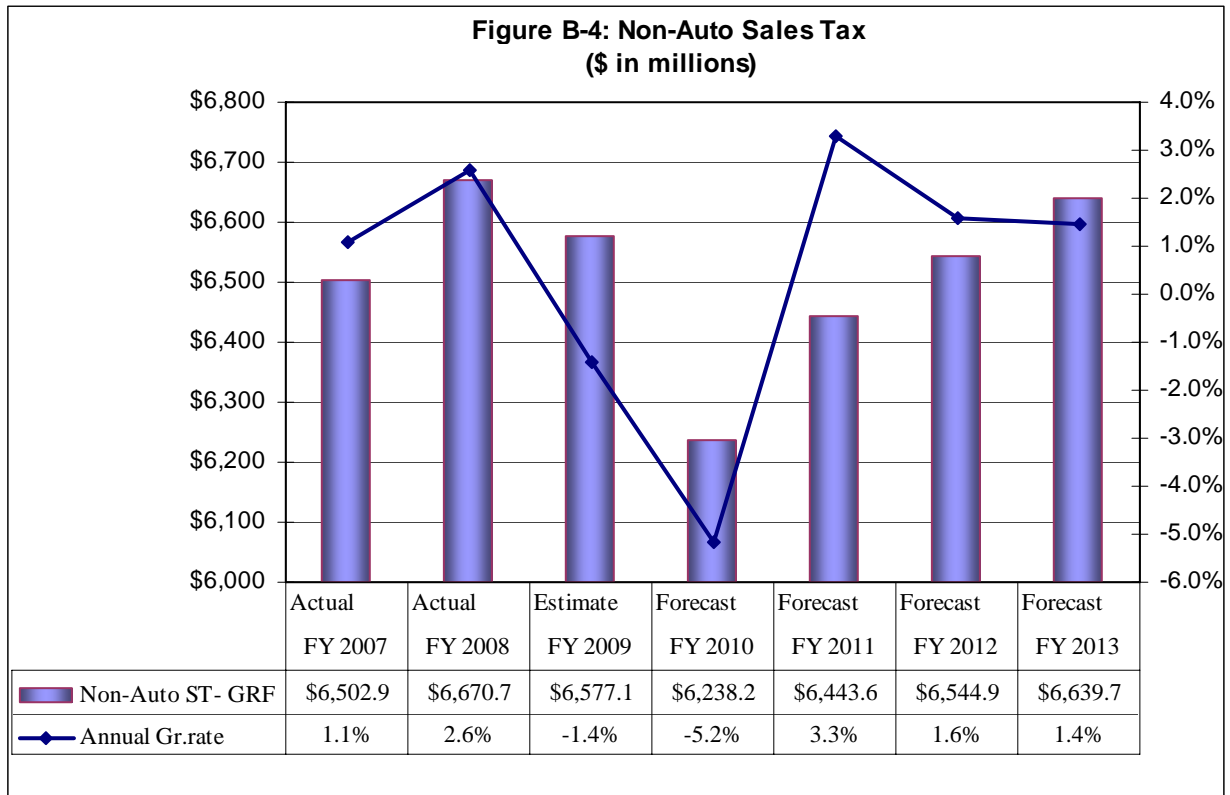
Fiscal year 2008 marked the start of the change enacted by the House Bill 119 in the local government funds' financing method. Beginning in January 2008 deposits into the Local Government Fund and the Library and Local Government Support Fund were based on a designated percentage of total General Revenue Fund tax receipts. The auto sales tax no longer credits money to the local funds, but the non-auto sales tax credits one-half of the money to be deposited in the Library and Local Government Support Fund. None of the money to be deposited in the Local Government Fund is credited against the non-auto sales tax. This change inflated the fiscal year 2008 growth rate (2.6 percent) because less money was credited from the sales tax as a whole to the local funds.

## Revenue Estimates and Methodology

All vendors who remit sales and use tax to the state receive a discount equal to a specific percentage of the remitted tax as consideration for helping to administer the tax (as long as filing and payment are made timely). Under current law, the vendor discount is 0.75 percent of remittances.

### Non-Auto Sales and Use Tax

The baseline estimate for the non-auto sales and use tax revenues is drawn from a regression of non-auto sales and use tax receipts against Ohio employment, retail sales and median home price.



Non-auto sales tax receipts are expected to decrease by 1.4 percent in fiscal year 2009 compared to FY 2008, and to then decrease by an additional 5.2 percent in fiscal year 2010, before returning to positive growth in fiscal year 2011. The Executive Budget for fiscal years 2010 and 2011 proposes to replace the fee on Medicaid managed care plans with a collection under sales and uses tax. This proposal is expected to increase non-auto sales tax revenue by \$138.0 million and \$214.0 million in fiscal years 2010 and 2011, respectively. Going forward, this impact is projected to increase by three percent per year. Figure B-4a reflects the expected General Revenue Fund revenues incorporating the proposed changes, as well as the baseline projections of General Revenue Fund receipts under current statutes for fiscal years 2009 through 2013, which are graphed in Figure B-4.



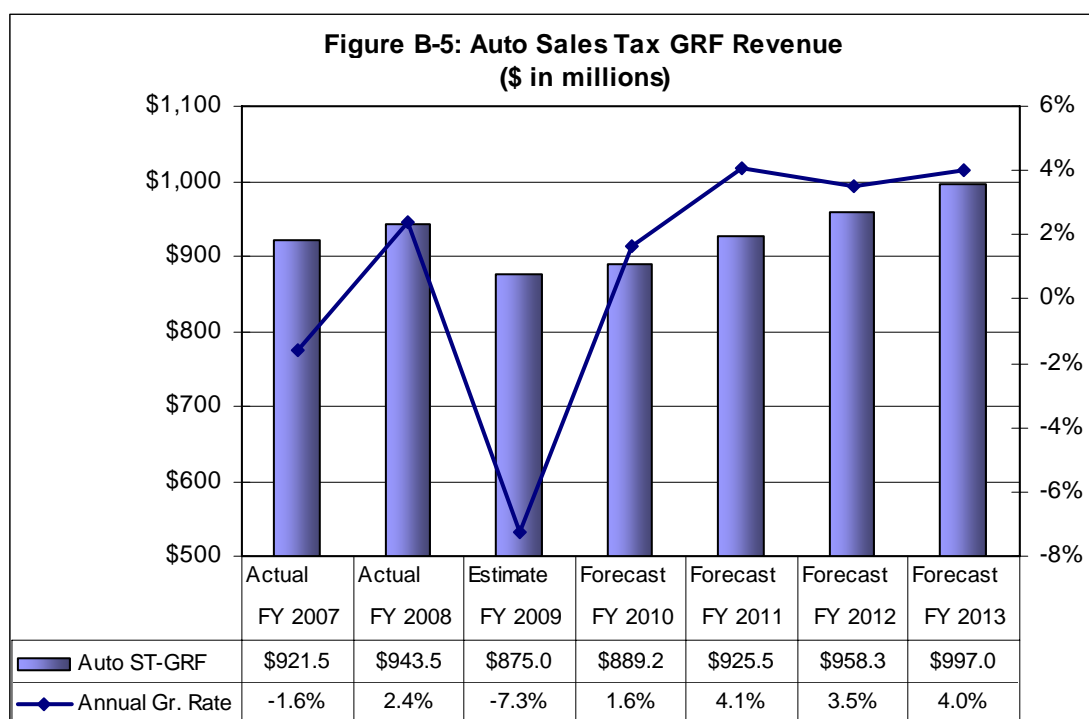
## Revenue Estimates and Methodology

**Figure B-4a: Non-Auto Sales and Use Tax GRF Revenues**  
(\$ in millions)

|   | FY 2007<br>Actual | FY 2008<br>Actual | FY 2009<br>Estimate | FY 2010<br>Forecast | FY 2011<br>Forecast | FY 2012<br>Forecast | FY 2013<br>Forecast |
|---|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Actual/Estimated<br>GRF Baseline<br>Revenue   | \$6,502.9         | \$6,670.7         | \$6,577.1           | \$6,238.2           | \$6,443.6           | \$6,544.9           | \$6,639.7           |
| Medicaid managed<br>Care plans<br>replacement | -                 | -                 | -                   | \$138.0             | \$214.0             | \$220.4             | \$227.0             |
| Total GRF Estimate                            |                   |                   |                     | \$6,376.2           | \$6,657.6           | \$6,765.3           | \$6,866.7           |

### Auto Sales and Use Tax

The estimate for the auto sales and use tax is based on a regression model where auto sales and use tax receipts were regressed against Ohio new light vehicle registration, Ohio disposable income, and Ohio median existing home price.



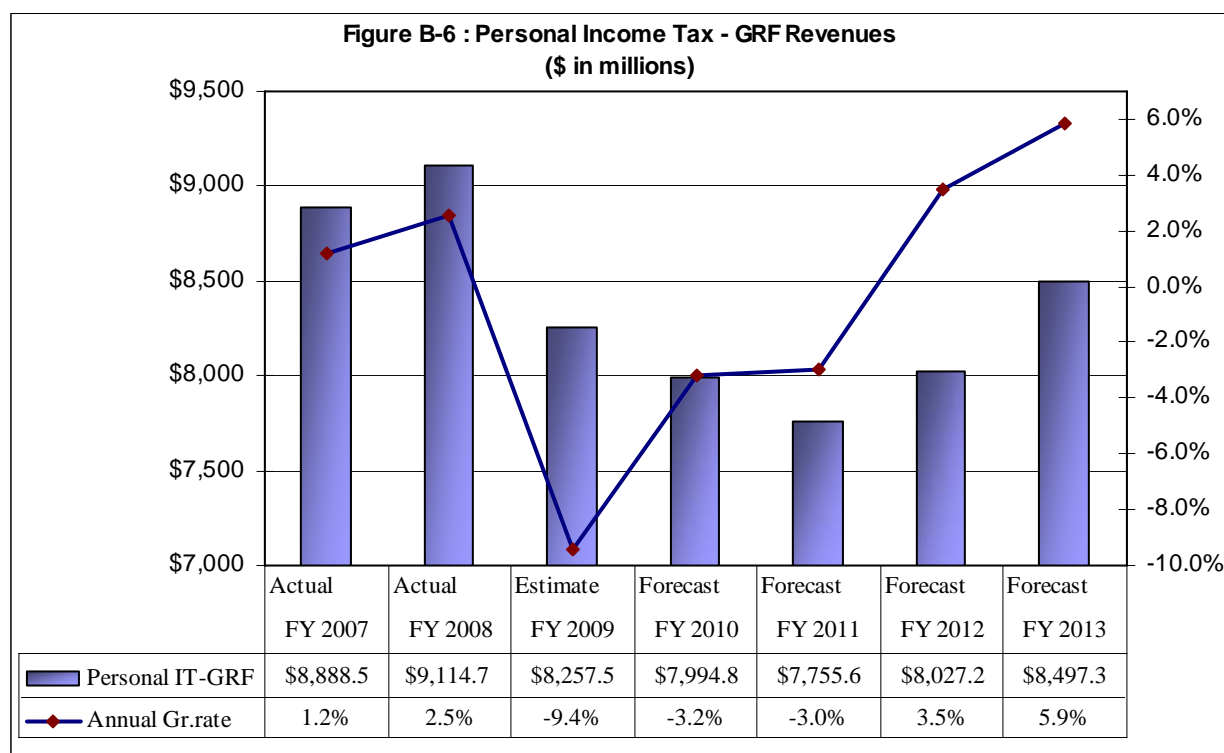
While growth in this tax source has most recently occurred in fiscal year 2008, a portion of this growth in can be attributed to the change in the local government funds' financing method and the elimination of the exemption for vehicles purchased by residents of other states. In fiscal 2009 and going forward, auto sales are expected to decline as a result of weak employment, as well as a loss of household wealth and sluggish credit availability. In fiscal year 2010 the tax is projected to grow by a marginally positive 1.6 percent, followed by normal growth of around 4.0 percent in subsequent years. According to the Governor's Council of Economic Advisors, national vehicle sales over the next two years will grow approximately by 10.3 percent and 8.6 percent in fiscal years 2010 and 2011 respectively, rebounding from the expected dismal performance of the last two years. Figure B-5a provides the baseline projections of General Revenue Fund receipts from the auto sales and use tax for fiscal years 2009 through 2013, with a graphical representation of those receipts provided in Figure B-5.

## Revenue Estimates and Methodology

### Personal Income Tax

The Ohio income tax on individuals and estates took effect in 1972, with an income tax on trusts enacted in 2002. There are currently nine income brackets with progressive tax rates. Ohio taxable income is based on federal adjusted gross income for individuals or taxable income for estates and trusts, with certain adjustments. Graduated tax rates are applied to this income base to arrive at tax liability before credits. Final tax liability is obtained after certain credits are subtracted.

The estimates of the personal income tax revenues listed in Figure B-6 were derived by breaking down this tax source into its different components: employer withholdings, quarterly estimated payments, annual returns, refunds, tax on trusts, and other collections. The collections from each component in fiscal years 2010 through 2013 were estimated using regression analysis. Ohio wage and salary income and Ohio non-farm employment were employed in the regression equation to estimate the withholding revenues. The estimates for the non-wage components were predicted using Ohio wage and salary income and non-wage income items, such as capital gains in regression equations.



The baseline estimates also reflect recent law changes. House Bill 66 of the 126<sup>th</sup> General Assembly made several changes to the personal income tax as rates were reduced by 21 percent from tax year 2004 rates, with the reductions phased-in over five years beginning in tax year 2005. The final year of tax reductions is tax year 2009, which will primarily impact fiscal year 2010 receipts. To implement the enacted tax rate cut, the withholding rates were reduced and these reductions are built into the estimation models.

Among the legislation enacted by the 127<sup>th</sup> General Assembly are two bills that are estimated to have some impact on income tax revenue: Senate Bill 20 which increased the income tax credit for qualified adoption related expenses from \$500 to \$1,500 and House Bill 372 which exempted military retirement pay from Ohio income tax. These two bills are estimated to have an impact of \$3 million and between \$14 million and \$22 million respectively. As discussed above, the estimated impact of these two bills are already incorporated in the baseline estimates.

## Revenue Estimates and Methodology

As previously discussed, the Executive Budget for fiscal years 2010 and 2011 proposes an expansion of the Ohio deduction for employer-provided health insurance that would make additional individuals eligible for the deduction. Additionally, it also contains a 25 percent refundable film tax credit for Ohio taxpayers investing in film production companies making films in Ohio. The cost of this proposal is capped at \$10 million per year in beginning fiscal year 2010. These two proposals are estimated to reduce annual income tax revenue by approximately \$16 million beginning fiscal year 2011. The estimates of General Revenue Fund receipts from personal income tax for fiscal years 2009-2013 incorporating the proposed changes are listed in Figure B-6a. These baseline estimates are also graphically presented in Figure B-6.

**Figure B-6a: Personal Income Tax GRF Revenues**  
(\$ in millions)

|                           | FY 2007   | FY 2008   | FY 2009   | FY 2010   | FY 2011   | FY 2012   | FY 2013   |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                           | Actual    | Actual    | Estimate  | Forecast  | Forecast  | Forecast  | Forecast  |
| Actual/Estimated GRF      |           |           |           |           |           |           |           |
| Baseline Revenue          | \$8,888.5 | \$9,114.7 | \$8,257.5 | \$7,994.8 | \$7,755.6 | \$8,027.2 | \$8,497.3 |
| Impact of State           |           |           |           |           |           |           |           |
| Coverage Initiative       | -         | -         | -         | -         | (\$6.0)   | (\$6.0)   | (\$6.0)   |
| Impact of Film tax credit | -         | -         | -         | (\$10.0)  | (\$10.0)  | (\$10.0)  | (\$10.0)  |
| Total GRF Estimate        |           |           | \$8,257.5 | \$7,984.8 | \$7,739.6 | \$8,011.2 | \$8,481.3 |

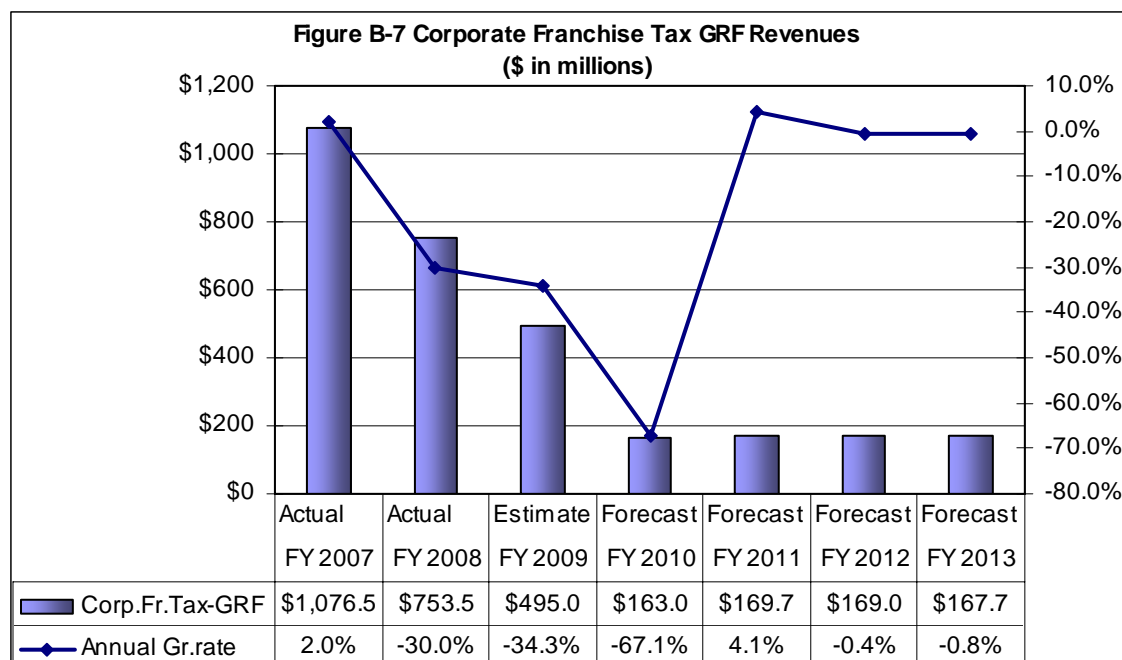
Note: Due to how distribution of local government funds are calculated, the impact of tax changes in other tax sources, as well as in the Personal Income Tax, the estimates as reflected in table B-6a will differ from the bottom line estimate for this tax source.

### Corporate Franchise Tax

The Ohio corporate franchise tax is assessed on all corporations organized for profit that conduct business in Ohio, except for those that are specifically exempted. This tax was first imposed in 1902. Corporations are taxed on the basis of either net worth or net income, depending on which produces the greater tax liability.

The estimates of corporate franchise tax revenues for fiscal years 2009 and 2013, as listed in Figure B-7, were constructed using a combination of regression analysis and trend analysis. The regression analysis linked the tax payments with U.S. corporate profits before tax. After growing steadily since 2002, corporate profits have slowed down in the second half of the decade. Both the Governor's Council of Economic Advisers and Moody's predict that the corporate profit would show negative growth in fiscal years 2008 and 2009. The baseline estimates also reflect the recent law changes. House Bill 66 of the 126<sup>th</sup> General Assembly enacted a five year phase-out schedule for this tax starting in tax year 2006. The tax is phased out by 20 percent per year in tax years 2006-2010. The phase-out does not apply to financial institutions, financial institution affiliates, insurance company affiliates, and securitization companies. Therefore, for most corporations, there will be no franchise tax liabilities after tax year 2009. Figure B-7 displays graphically the actual and estimated General Revenue Fund receipts from the corporation franchise tax. Revenues are expected to drop sharply in fiscal year 2010, reflecting the final step in the elimination of the tax on most taxpayers. As enacted in House Bill 119 of the 127<sup>th</sup> General Assembly, all revenues from this tax source are to be allocated to the General Revenue Fund, effective January 2008.

## Revenue Estimates and Methodology



### Commercial Activity Tax (CAT)

The commercial activity tax, a tax imposed for the privilege of doing business in Ohio, is levied upon taxable gross receipts sourced to Ohio from most business activities. The tax was enacted by the 126<sup>th</sup> General Assembly in House Bill 66. It is phased in over five years beginning in July 2005. The CAT applies to businesses with at least \$150,000 in annual taxable gross receipts. Those companies subject to the CAT are taxed at \$150 on their first \$1 million in annual taxable gross receipts, plus the CAT rate multiplied by their remaining taxable gross receipts above \$1 million. In fiscal year 2008, the tax rate of 0.156 percent, which is 60 percent of the fully phased-in tax rate, was applied. The tax rate in fiscal year 2009 is 0.208 percent, which is 80 percent of the full tax rate. In fiscal year 2010, when the commercial activity tax is fully implemented, a tax rate of 0.26 percent will apply to all non-financial businesses, unless the rate is adjusted based on the triggering mechanism in the Ohio Revised Code. OBM and Department of Taxation estimate that revenues will not be high enough in FY 2009 for the trigger to be activated and hence the tax rate will remain 0.26 percent. This failure to trigger a reset of rates is based on the inclusion of multiple tax credits migrating from Corporation Franchise Tax to Commercial Activity Tax. These credits are estimated to total \$70.9 million in fiscal year 2009, \$120.0 million in fiscal year 2010, and \$139.0 million in fiscal year 2011.

As the commercial activity tax is phased in, the law enacted in House Bill 66 phases out the tangible personal property tax. The tax on general business and railroad property is phased-out over four tax years (2006-2009), and the tax on telephone and telecommunications property is phased out over five tax years (2007-2011). To provide transitional relief for the local tax losses caused by the phase-out of the tangible personal property tax, revenues from the commercial activity tax are deposited into two separate tangible personal property tax replacement funds that provide guaranteed payments to school districts and local governments.

The commercial activity tax receipts as presented in Figure B-8 are estimated using trend analysis based on the actual receipts for fiscal years 2006 through 2009 to this point. These tax receipts are estimated to be \$1,600.1 million in fiscal year 2010 and \$1,628.5 million in fiscal year 2011. The total payments to local entities for replacement of the tangible personal property tax are estimated to be \$1,515.4 million in fiscal year 2010 and \$1,386.0 million in fiscal year 2011. After the "hold harmless" obligations to local entities are met, the OBM

## Revenue Estimates and Methodology

director is authorized to transfer the balances in the tangible personal property tax replacement funds to the General Revenue Fund. These transfers are reflected as transfers-in and are discussed later.

**Figure B-8: Commercial Activity Tax Revenues for All Funds**

(\$ in millions)

|   | FY 2007 | FY 2008 | FY 2009   | FY 2010   | FY 2011   | FY 2012   | FY 2013   |
|---|---------|---------|-----------|-----------|-----------|-----------|-----------|
|   | Actual  | Actual  | Estimate  | Forecast  | Forecast  | Forecast  | Forecast  |
| Total Revenues <sup>1</sup>                         | \$592.5 | \$963.7 | \$1,274.1 | \$1,600.1 | \$1,628.5 | \$1,657.4 | \$1,687.0 |
| GRF Revenues <sup>2</sup>                           | \$0.0   | \$0.0   | \$0.0     | \$0.0     | \$0.0     | \$89.5    | \$178.8   |
| Required Tangible<br>Property Tax<br>Reimbursements | \$571.3 | \$931.6 | \$1,275.0 | \$1,621.0 | \$1,640.0 | \$1,416.0 | \$1,165.0 |
| Surplus to GRF                                      | \$29.8  | \$32.1  | -\$0.9    | -\$19.9   | -\$11.5   | \$10.6    | \$9.1     |
| Amount remaining in<br>School Fund <sup>3</sup>     |         |         |           |           |           | \$141.3   | \$334.1   |

<sup>1</sup> Net of credits

<sup>2</sup> The GRF does not directly receive CAT revenues in FY 2007-2011. Any excess revenues over the required TPP reimbursements may be transferred by the OBM director to the GRF. Beginning in FY 2012, the GRF begins to receive a statutory percentage of receipts that had previously been allocated to local government reimbursements.

<sup>3</sup> Beginning in FY 2012, surplus revenue in the school replacement fund remains in that fund to be used for school purposes.

### Public Utility Excise Tax

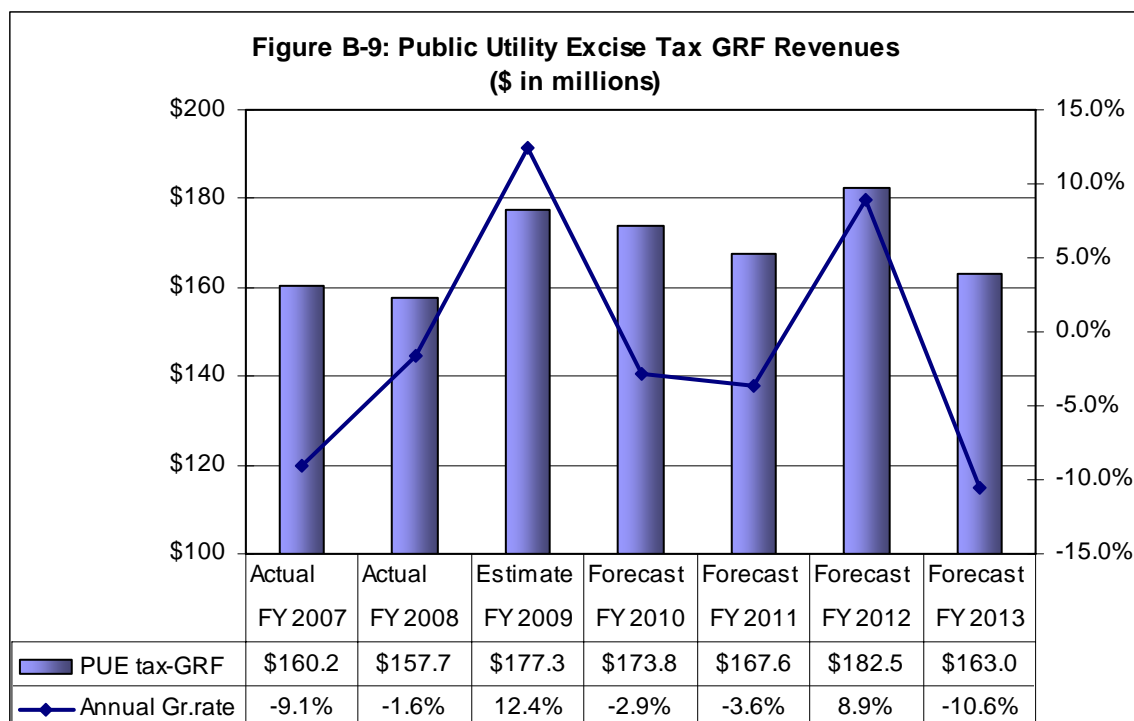
The public utility excise tax has been levied on most public utility companies since 1894. It is based on the gross receipts of public utility companies. Companies liable for this tax are not subject to the corporation franchise tax and their services are not subject to the sales and use tax.

There have been two major changes to this tax since 2001. Amended Substitute Senate Bill 3 of the 123<sup>rd</sup> Ohio General Assembly replaced the excise tax on electric and rural electric companies with the kilowatt-hour tax, which became effective May 1, 2001. Amended Substitute House Bill 95 of the 125th General Assembly removed the telephone companies from the public utility excise tax, beginning in tax year 2005.

The majority of the public utility excise tax is collected from the natural gas utilities. Minor contributors to this tax are pipeline, heating, waterworks, and water transportation companies. The baseline estimates of the public utility excise tax revenues were derived for two categories, natural gas and non-natural gas utilities. The estimation methods are a combination of regression analysis and trend analysis.

The public utility excise tax is a tax based on gross receipts. To predict the growth rate of natural gas gross receipts for fiscal years 2009 through 2013, the monthly data on price and residential consumption for the Midwest region provided by the Energy Information Administration was employed. These data were extrapolated to cover the forecast period considering the impact of weather and budget payment plans available to the natural gas residential users and used in regression against gas tax receipts. The excise tax receipts from pipeline, heating, waterworks, and water transportation companies are relatively small and they have been historically stable. The revenue estimate is based on the assumption that the receipts from these companies in fiscal years 2009 through 2013 are close to the historical average. Beginning in January 2008 all receipts from this tax source are credited to the General Revenue Fund. Figure B-9 displays the forecasted baseline numbers.

## Revenue Estimates and Methodology

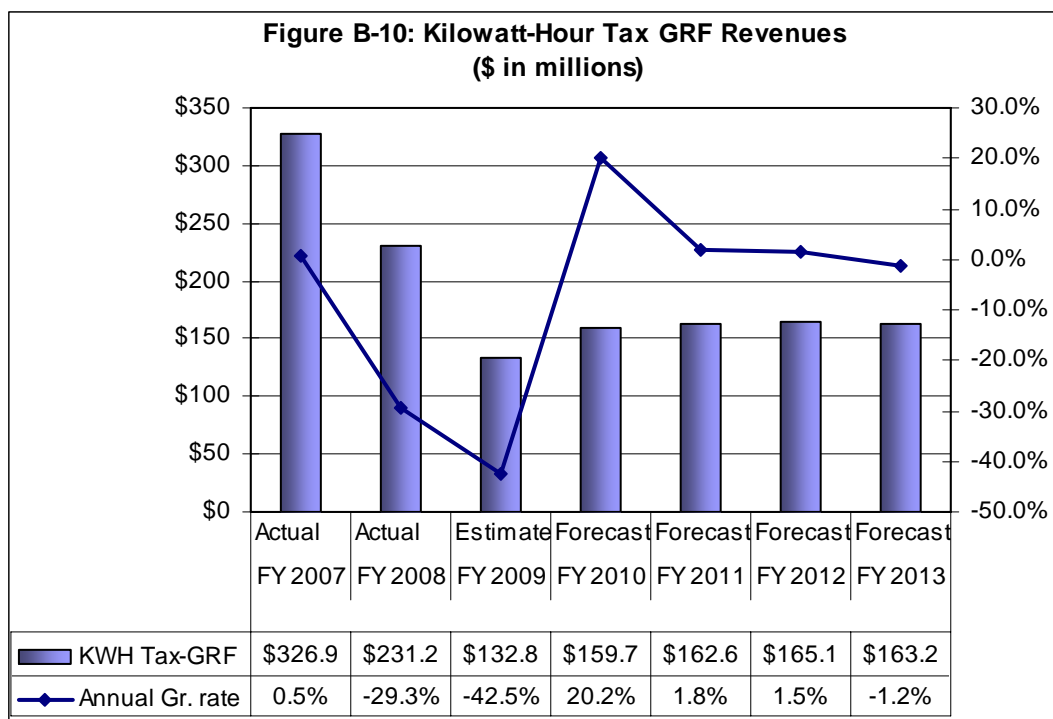


### Kilowatt-Hour Tax

The kilowatt-hour tax was introduced in Amended Substitute Senate Bill 3 of the 123rd Ohio General Assembly as part of electric utility deregulation. The tax is levied on the electric distribution companies with end-users in Ohio. Effective May 2001, this tax replaced the public utility excise tax on electric and rural electric companies. Thirty-seven percent of the revenues from this tax source are deposited in the school district and local government property tax replacement funds to compensate for local tax revenue losses due to the reduced tangible personal property tax assessment rates for electric companies. This part of the tax revenue is not reflected in the tables of this section but in the tables under Department of Education and Revenue Redistribution Funds.

The kilowatt-hour tax collection is based on the end-user's consumption of electricity, as measured in kilowatt-hours. Three marginal tax rates are applied: 0.465 cents per kilowatt-hour for the first 2,000 kilowatt-hours consumed in a month, 0.419 cents per kilowatt-hour for the next 13,000 kilowatt-hours, and 0.363 cents for all consumption over 15,000 kilowatt-hours. For certain large consumers of electricity (called "self-assessors"), the tax is based partially on consumption (volume) and partially on sales (dollar amount).

## Revenue Estimates and Methodology



The national electricity sales to ultimate consumers projected by Global Insight were used to produce the baseline estimate of the kilowatt-hour tax revenues. The electricity sale in Ohio was projected to grow at a slower rate than national electricity sales due to slower population growth in Ohio, and a considerable slowing of Ohio's economy after 2007. Figure B-10 displays historic and projected baseline General Revenue Fund receipts from the kilowatt-hour tax. The sharp drops in the General Revenue Fund actual in fiscal year 2008, the estimate for fiscal year 2009 and in the forecasts for subsequent year are caused by the enacted changes in the depositing of tax receipts to the local government funds.

### Insurance Tax

Under Ohio law, insurance companies fall into two categories: domestic and foreign. Domestic insurance companies are organized under Ohio law; foreign insurance companies are not. Ohio has two separate insurance taxes: one levied against domestic insurers and one levied against foreign insurers. In 1997 both taxes underwent extensive restructuring. This restructuring gradually took effect from fiscal year 1999 through fiscal year 2002, finally reaching a stable rate and base in fiscal year 2003. The tax base for both taxes consists of all premiums written for Ohio consumers. Premiums are taxed at a rate of 1.4 percent, with the exception of health insurance premiums, which are taxed at a rate of 1.0 percent. Additionally, foreign insurance companies are subject to a retaliatory tax, which is explained in more detail below.

## Revenue Estimates and Methodology

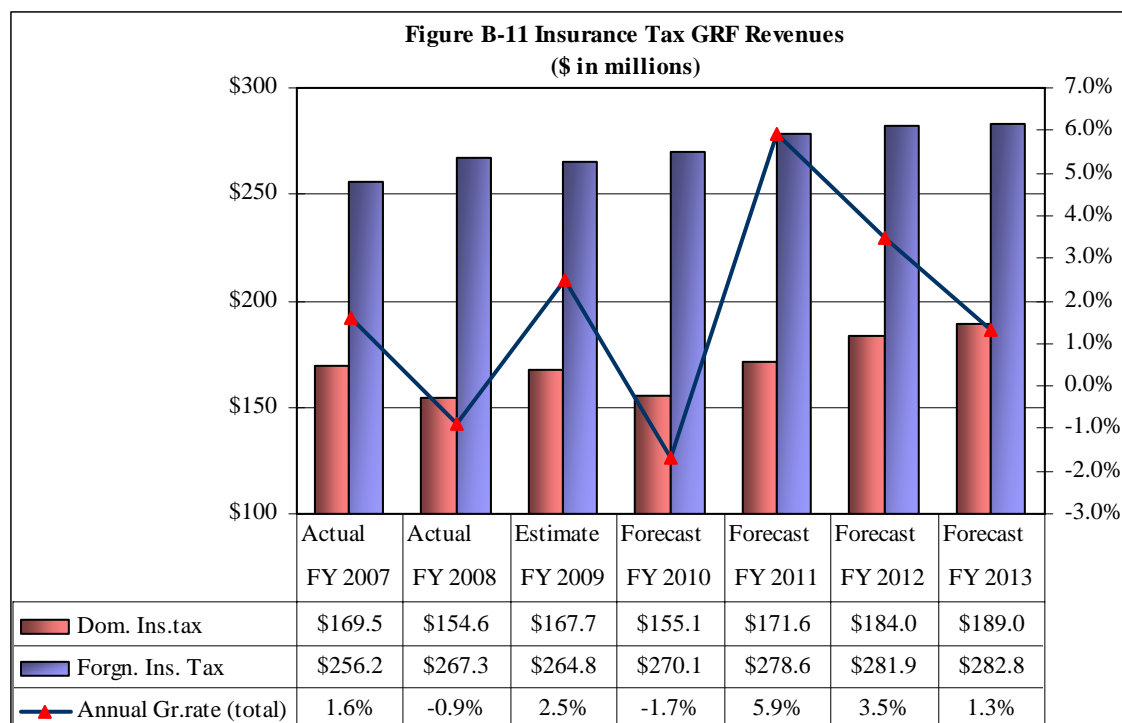


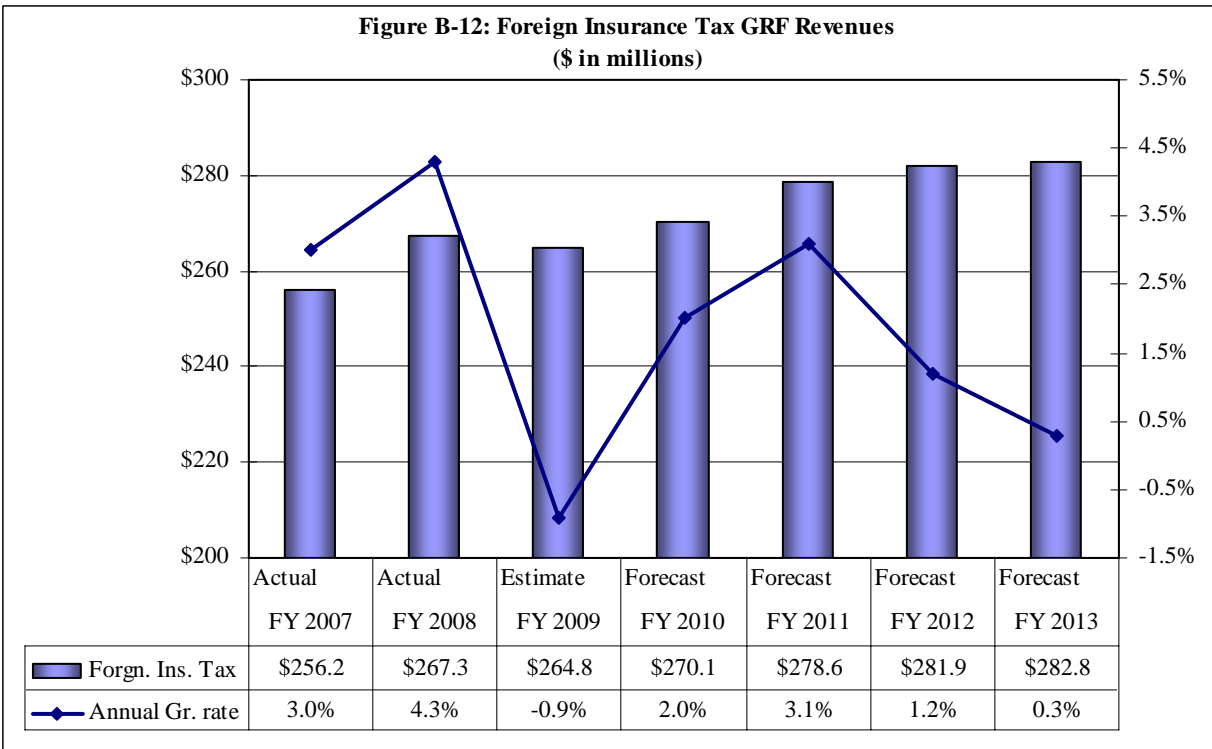
Figure B-11 shows estimated revenue from the foreign and domestic insurance taxes. These estimates are derived from a regression analysis of Ohio insurance taxes. Independent variables used in the regression model analysis include treasury yields, Ohio household formation data, and Ohio Gross Domestic Product, as forecast by Moody's. The model has also factored in the softening in insurance markets through 2010 due to the significant economic slow down in 2008 and subsequent years.

### Foreign Insurance Tax

The foreign insurance tax applies to the insurance companies that are not organized under Ohio law, but sell insurance policies in Ohio. The tax is based on the gross amount of premiums written for Ohio risks during the preceding calendar year, less specified deductions. Additionally, if the state in which the insurance company is organized imposes a higher tax on premiums than Ohio, the company must also pay a retaliatory tax equal to the difference between total tax under Ohio law and total tax under law in its state of origin. When a company is subject to the retaliatory tax the entire tax liability is shown as a retaliatory tax payment, not just the extra tax due from the higher home state tax rate. The estimates for fiscal year 2009 and beyond are presented in Figure B-12.

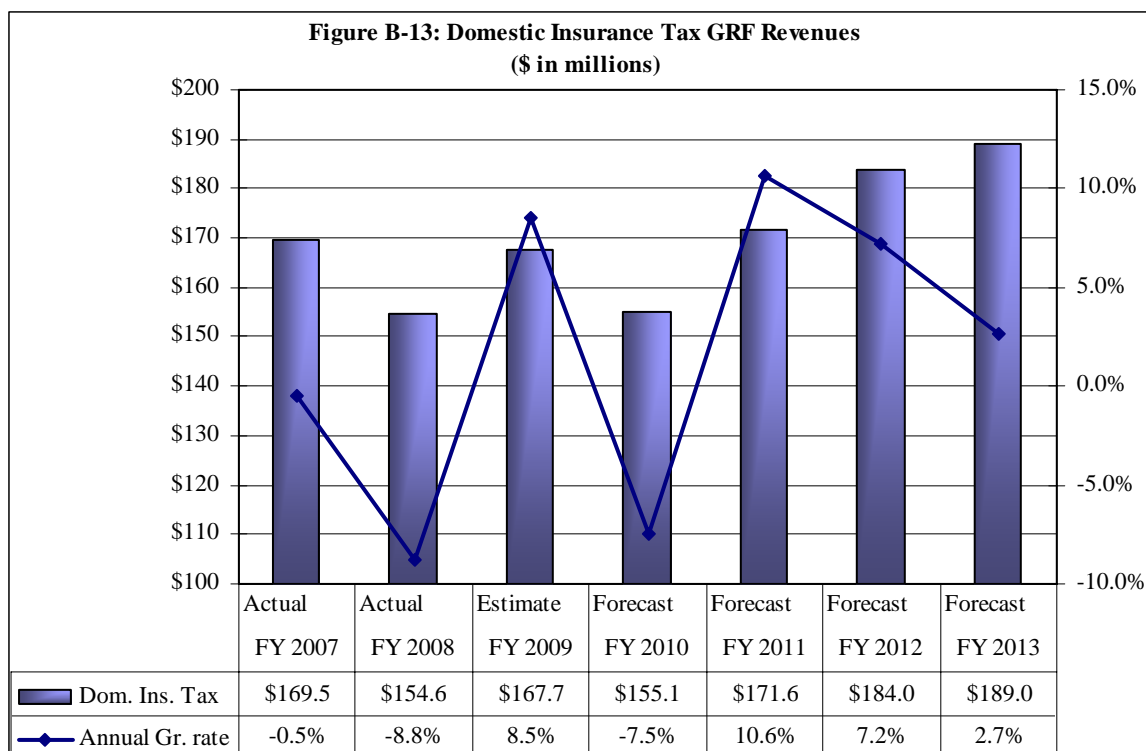


## Revenue Estimates and Methodology

**Domestic Insurance Tax**

The domestic insurance tax applies to insurance companies that are organized under Ohio law. The tax is levied on the gross amount of premiums written to cover risks in Ohio less specific deductions.

## Revenue Estimates and Methodology



Receipts from the domestic insurance tax are driven primarily by property and casualty insurance premiums which made up over 50 percent of the taxable base in tax year 2008. After a fairly stable growth between 2003 and 2007, domestic insurance tax has declined in 2008. The forecast numbers reflect instability until fiscal year 2011 due to the national economic slowdown. The Executive Budget for fiscal years 2010 and 2011 proposes to include the Medicaid managed care plans in the Health Insuring Corporation (HIC) pool. The estimated impact of this proposal is an increase in domestic insurance tax receipts by \$25.1 million in fiscal year 2010, and \$39.1 million in fiscal year 2011. Going forward after fiscal year 2011, the impact is estimated to increase at three percent per year. Figure B-13a contains estimated receipts in General Revenue Fund from this source after incorporating the proposed changes. Figure B-13 details the baseline estimates of the revenue expected from this source.

**Figure B-13a: Domestic Insurance Tax GRF Revenues**  
(\$ in millions)

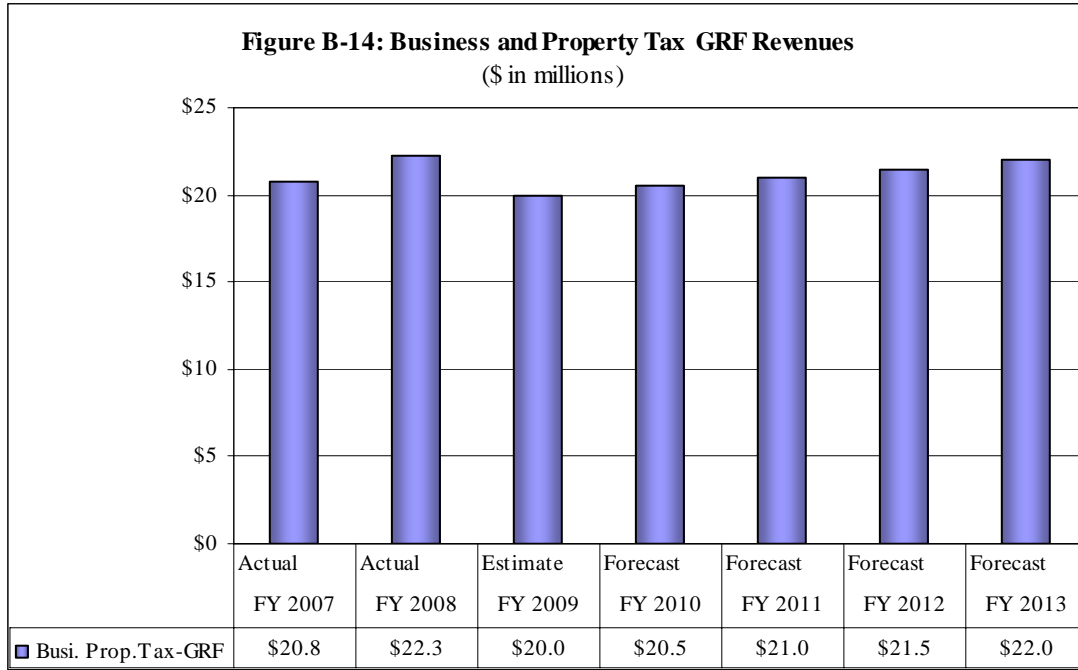
|   | FY 2007<br>Actual | FY 2008<br>Actual | FY 2009<br>Estimate | FY 2010<br>Forecast | FY 2011<br>Forecast | FY 2012<br>Forecast | FY 2013<br>Forecast |
|---|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Actual/Estimated GRF                    |                   |                   |                     |                     |                     |                     |                     |
| Baseline Revenue                        | \$169.5           | \$154.6           | \$167.7             | \$155.1             | \$171.6             | \$184.0             | \$189.0             |
| Medicaid managed care plans replacement | -                 | -                 | -                   | \$25.1              | \$39.1              | \$40.3              | \$41.5              |
| Total GRF Estimate                      |                   |                   |                     | \$180.2             | \$210.7             | \$224.3             | \$230.5             |

### Business and Property Tax

This revenue category primarily includes the dealers in intangibles tax. The dealers in intangibles tax is imposed on firms engaged in lending money or in buying, selling, or discounting intangibles such as mortgages, stocks, and

## Revenue Estimates and Methodology

bonds. Dealers in intangibles are not subject to the corporation franchise tax, the tangible personal property tax, or the commercial activities tax.

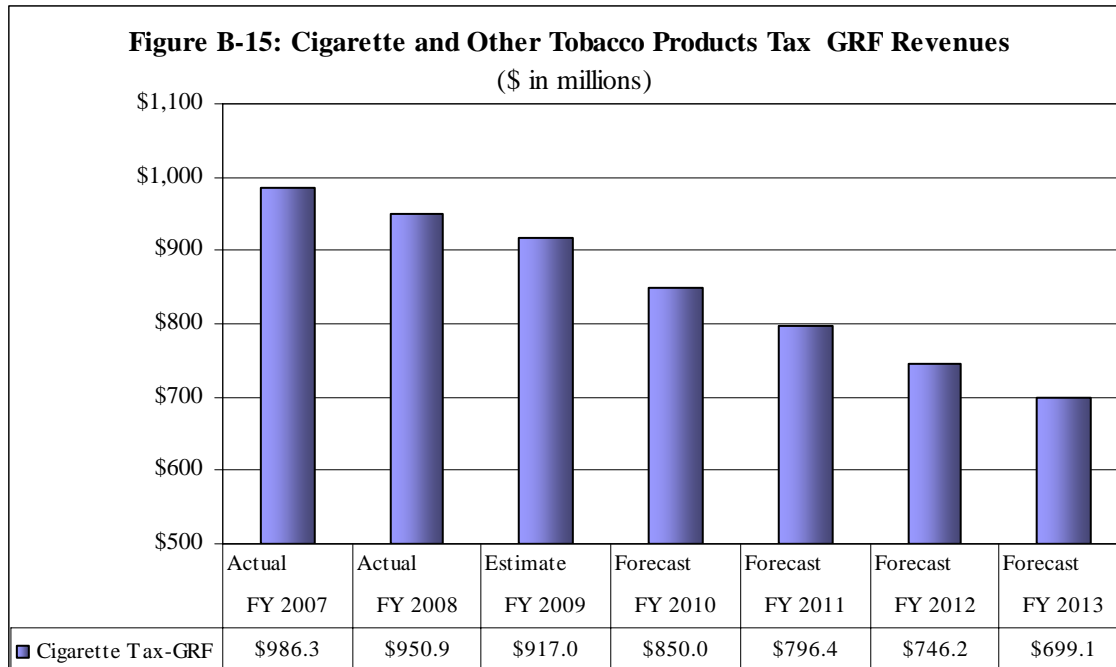


As revenues from this tax source have been stable recently, tax receipts in fiscal years 2010-2011 are estimated to change little from the recent history. The baseline estimates for the General Revenue Fund receipts from this tax are displayed in Figure B-14.

### Cigarette and Other Tobacco Products Tax

A tax is levied upon the sale, use, consumption, or storage for consumption of cigarettes in Ohio and on the receipt or import of other tobacco products for resale in Ohio. The excise tax on cigarettes has been levied since 1931. There have been two recent tax rate increases. Amended Substitute Senate Bill 261 of the 124<sup>th</sup> General Assembly increased the tax rate from 24 cents to 55 cents per package of 20 cigarettes, effective July 2002. House Bill 66 raised the tax rate per package of 20 cigarettes to \$1.25, effective July 2005. The excise tax on other tobacco products was enacted effective February 1993 and applies to cigars, chewing tobacco, snuff, smoking tobacco, and other tobacco products. Other tobacco products are currently taxed at 17 percent of their wholesale price.

## Revenue Estimates and Methodology

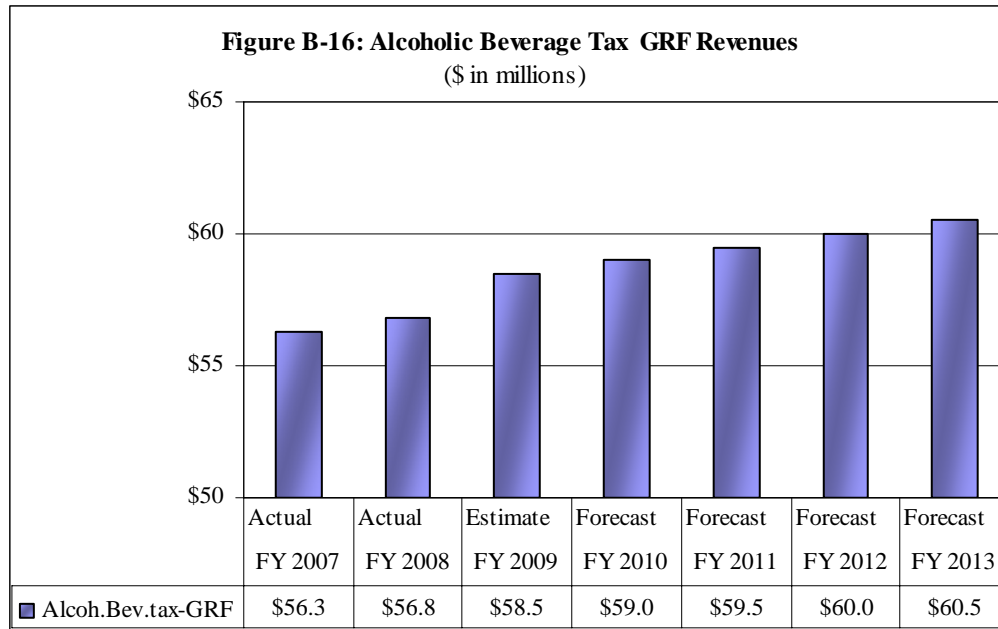


The baseline revenue estimates for the cigarette and other tobacco products taxes were developed based on a trend analysis. Revenues are estimated to decline in the long term due to anti-smoking campaigns and the indoor smoking ban that was passed in November 2006 by Ohio voters. The historical and projected General Revenue Fund receipts from the cigarette and other tobacco products tax are depicted in Figure B-15.

### Alcoholic Beverage Tax

The alcoholic beverage tax applies to sales of beer and malt beverages, wine, and mixed alcoholic beverages. The tax is based on a per-container rate depending on the type of beverage sold. All of the receipts are deposited in the General Revenue Fund except for five cents per gallon of wine sold, which is deposited in the Ohio Grape Industries Special Revenue Fund, and 1 percent of the tax, which is deposited in the Beverage Tax Administration Fund.

## Revenue Estimates and Methodology

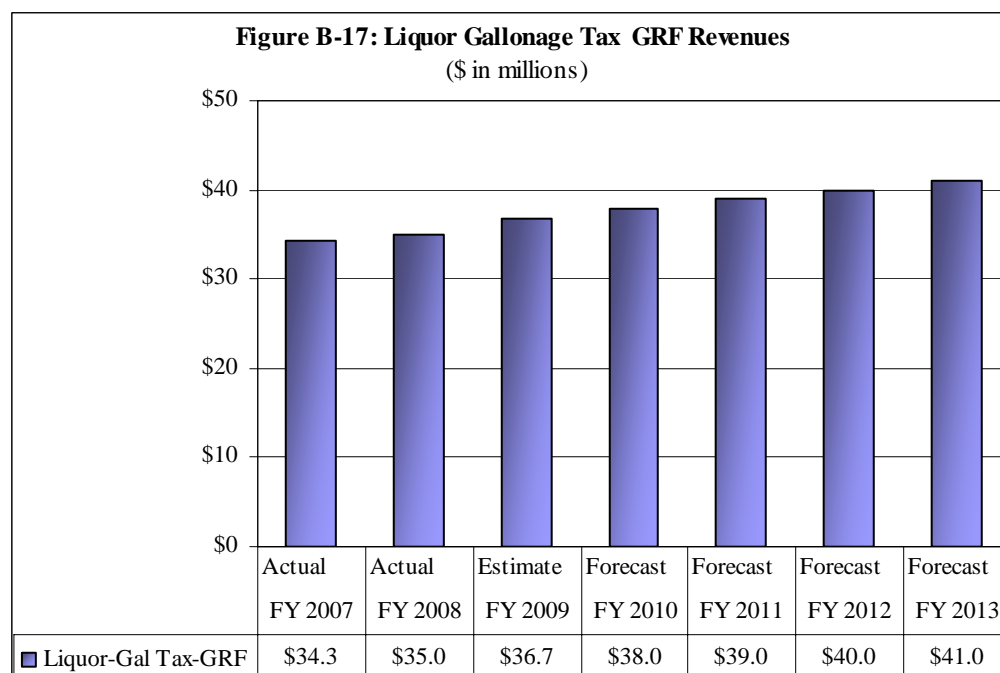


As Figure B-16 illustrates, the alcoholic beverage tax has experienced a flattening trend over time with annual growth rates of less than 2.0 percent over the past three years. The baseline estimate projects this flat to low growth trend will continue. Figure B-16 also gives a detailed look at estimated receipts by the General Revenue Fund from the alcoholic beverage tax.

## Revenue Estimates and Methodology

### Liquor Gallonage Tax

The liquor gallonage tax is currently levied at the rate of \$3.38 per gallon of spirituous liquor sold by the Department of Commerce. The entire tax is deposited in the General Revenue Fund.

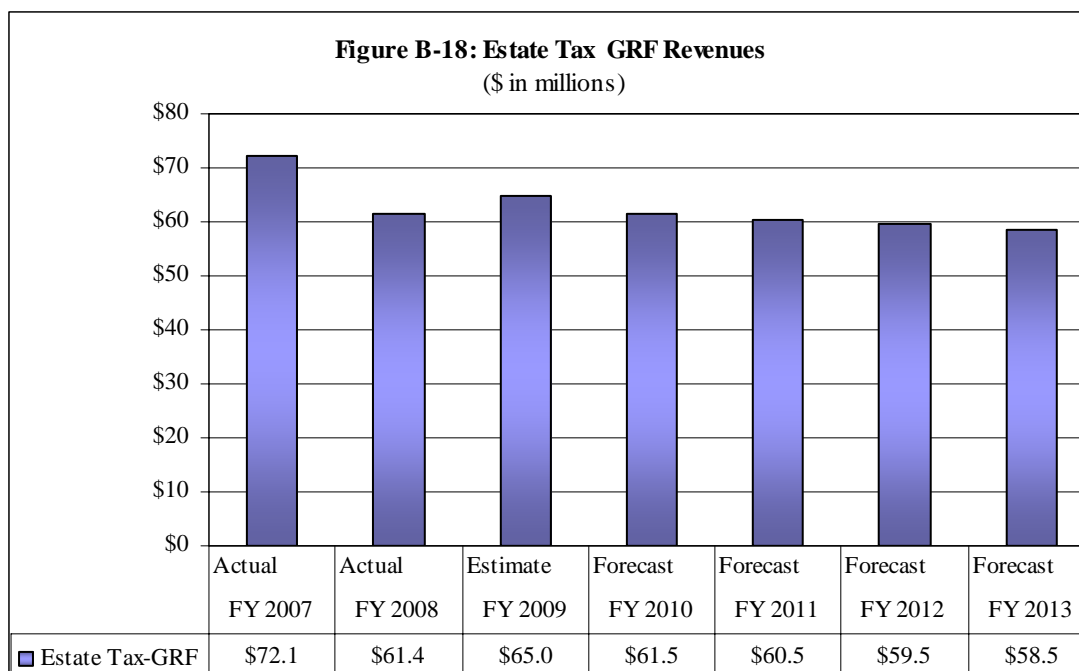


The dollar value of liquor sales has been on the rise the last three fiscal years and this trend is expected to continue in the future. However, gains in liquor sales do not immediately transfer to gains in the liquor gallonage tax since the tax is volume based, not dollar sales based. As detailed in Figure B-17, the baseline estimate assumes moderate growth throughout the biennium and beyond.

### Estate Tax

The estate tax is a progressive tax levied on the gross value of the decedent's estate, less deductions and other exemptions, with a maximum \$13,900 credit available to each estate since 2002. Currently, 20 percent of receipts are deposited in the General Revenue Fund while the remaining 80 percent is distributed to the municipal corporation or township of origin.

## Revenue Estimates and Methodology



Historically the estate tax has been volatile in nature and difficult to predict. The estate of one particularly wealthy individual can greatly influence receipts for the year, at times making up 10 percent of total receipts. For example the revenue in fiscal year 2007 increased to \$72.1 million from the previous year's \$54.1 million, a 33.3 percent increase. However, as Figure B-18 shows, beyond fiscal year 2009, the receipts are projected to decline steadily. This is a function of several factors, including a general erosion of wealth due to recent stock market decline, and home price declines. The baseline forecast employs an adjusted trend analysis that takes into consideration fiscal year 2008 results as well as fiscal year 2009 receipts thus far.

### **Non-Tax Sources**

#### **Federal Grants and Aid**

Historically, federal receipts deposited in the General Revenue Fund have been limited to federal reimbursements for programs administered by the Department of Job and Family Services. These reimbursements are primarily for Medicaid services, but also include reimbursement to the state for Medicaid administration, Food Stamp administration, and Title IV-E administration.

The Executive Budget for fiscal years 2010-2011 also contains estimated federal funds that Ohio anticipates receiving from the forthcoming stimulus package, the American Recovery and Reinvestment Act of 2009. The federal bill contains three major categories of grants to states:

- 1) Those that extend existing federal grants and may be applied for in order to extend state programming. These include miscellaneous operating and infrastructure grants and are not included in the fiscal year 2010-2011 Executive Budget recommendations. As more details become available regarding specific opportunities, OBM will be working with the Governor's Office and state agencies to assess grant availability and Ohio's plan to move forward with applications. These resources will be budgeted through existing OBM and Controlling Board authority, as is the case today for federal grants that are received during an operating budget cycle.

## Revenue Estimates and Methodology

- 2) Those that may be budgeted and enhance programming. This category includes additional federal resources for major ongoing state programs that are funded outside of the General Revenue Fund. Examples include unemployment insurance, TANF and child care. These resources are included in the Executive Budget recommendations.
- 3) Those that may be used to provide budget relief. This category includes additional federal resources for major ongoing state programs that are funded wholly or in large part through the state's General Revenue Fund. Examples include enhanced reimbursement for Medicaid services and specific education grants. Additionally, a State Fiscal Stabilization Fund is described in Title XIII of the legislation; this provides flexible resources for states to provide budget relief to other areas of government services. These resources total and include an estimated \$1,522.1 million in fiscal year 2010 and \$1,855.9 million in fiscal year 2011. Specific amounts are identified in Figure B-19. These resources are included in the Executive Budget recommendations.

**Figure B-19: OBM Estimates – Federal Stimulus Revenue Deposited to GRF**

(\$ in millions)

| Category   | FY 2010 Estimate | FY 2011 Estimate |
|--|------------------|------------------|
| Enhanced Reimbursement for Medicaid Services               | \$135.0          | \$148.6          |
| Federal Revenue – Special Education and Poverty Assistance | \$410.3          | \$410.3          |
| Title XIII – Education and Higher Education Services       | \$516.5          | \$836.7          |
| Title XIII – Support Other Government Services             | \$460.3          | \$460.3          |
| <b>Total</b>   | <b>\$1,522.1</b> | <b>\$1,855.9</b> |

### Medicaid Reimbursement

The federal reimbursement percentage for Medicaid is determined by the federal government prior to each federal fiscal year and is called the Federal Medical Assistance Percentage (FMAP). FMAP is the federal government's share of a state's Medicaid expenditures. In general, each state's FMAP rate is based on the ratio of the state's per capita income to the U.S. per capita income. The FMAP rate varies by service and ranges from 50 percent to 90 percent. Notwithstanding the impact of the forthcoming federal stimulus, Ohio's weighted average FMAP rate is projected to be 62.7 percent in fiscal year 2010 and 63.0 percent in fiscal year 2011.

To provide some context, it is important to note that not all federal reimbursement for Medicaid is drawn into the General Revenue Fund. The federal Medicaid reimbursement that is deposited to the General Revenue Fund is related only to the ODJFS portion of General Revenue Fund Medicaid spending. Other reimbursements include:

- Reimbursements for other state agencies that administer portions of the Medicaid program (such as the Department of Aging) are drawn through a federal special revenue fund in the state treasury and used to fund additional Medicaid services through discrete agency-specific funds rather than through the General Revenue Fund.
- Additionally, federal reimbursement for ODJFS spending from non- General Revenue Fund rotary accounts is reimbursed through a federal special revenue fund rather than through the General Revenue Fund. As an example, when ODJFS receives rebates from drug manufacturers, those resources are deposited into a state special revenue fund and ultimately matched with federal reimbursement that is drawn into a federal special revenue account.

Spending estimates for all aspects of the Medicaid program are determined by caseload projections, utilization levels, and rates for services. Any changes in state spending on Medicaid or reimbursable operating expenditures will change receipts from federal grants.



## Revenue Estimates and Methodology

The Executive Budget includes an enhanced Federal reimbursement rate for the Medicaid program based on information in the pending economic stimulus bill, the American Recovery and Reinvestment Plan of 2009. This enhancement is allocated in two parts:

- A general 4.9 percent increase in the federal reimbursement rate to all states, which begins October 1, 2008 and continues through December 31, 2010.
- A reduction to the state share of Medicaid expenses based upon each state's unemployment experience. The bill provides a reduction to the state share of Medicaid expenses across three tiers depending on growth in unemployment. The reduction factor is based on the state's current average level of growth in unemployment for a consecutive three month period compared to its lowest rate of growth in a consecutive three month period since January 1, 2006. The Executive Budget assumes that the unemployment reduction factor will be effective between January 1, 2009 and June 30, 2010.

In order to be eligible for the enhancement, states cannot employ more restrictive eligibility standards, methodologies or procedures than those that were in effect on July 1, 2008, although eligibility expansions are permitted. Further, states are not allowed to deposit any funds into any reserve or rainy day fund that is attributable, directly or indirectly, to the FMAP increase. Finally, states may not increase the amount of state share payments required from any political subdivision than what was required as of September 30, 2008.

The availability of enhanced FMAP during the fiscal year 2010-2011 biennium will impact the General Revenue Fund in two ways. First, it will draw additional federal revenue into the General Revenue Fund for every state General Revenue Fund dollar that is spent by ODJFS (effectively increasing the state's buying power.) Second, the fact that the federal rotaries described above will be drawing enhanced FMAP rates will enable Ohio to defray a greater portion of estimated Medicaid expenditures to these funds, thereby helping to compress the overall need for General Revenue Fund to support Medicaid. This in turn helps the state to balance the overall General Revenue Fund balance.

In the aggregate, enhanced FMAP will benefit the Executive Budget by a total of \$2.5 billion. Of this amount, \$279.9 million is expected to be drawn into the General Revenue Fund later in fiscal year 2009 and will be used to fund Medicaid expenses in lieu of using a portion of the rotary accounts as previously planned. This will enable the resources in the rotary accounts to be used to further defray Medicaid expenses in fiscal year 2010 instead of requiring additional General Revenue Fund. In fiscal year 2010, an additional \$135.0 million is expected to be drawn into the General Revenue Fund and \$148.6 million is expected to be drawn into the General Revenue Fund in fiscal year 2011. The remainder will be drawn into federal special revenue accounts that are described earlier in this section and will be used to fund Medicaid services from those accounts.

To the extent that county boards of MR/DD and local behavioral health authorities provide local resources to be used as Medicaid state share, those entities will be reimbursed at the enhanced FMAP rate during the enhancement period.

### Total Federal Reimbursement for ODJFS Expenditures Estimated for General Revenue Fund Deposit

Figure B-20 shows the growth of total General Revenue Fund receipts from federal grants over the past three fiscal years and the estimated receipts for the next three fiscal years. In addition to Medicaid reimbursement, other federal revenue deposited to General Revenue Fund for ODJFS non-Medicaid services (such as adoption assistance and administrative reimbursement) is listed in Figure B-20.

## Revenue Estimates and Methodology

**Figure B-20: Federal Reimbursement to GRF for ODJFS Expenditures**

(\$ in millions)

|                                       | FY 2006<br>Actual | FY 2007<br>Actual | FY 2008<br>Actual | FY 2009<br>Estimate | FY 2010<br>Forecast | FY 2011<br>Forecast |
|---------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| Medicaid FMAP (non-enhanced)          | \$5,495.6         | \$5,233.8         | \$5,552.6         | \$6,666.5           | \$6,172.4           | \$6,962.8           |
| Enhanced FMAP                         | \$0               | \$0               | \$0               | \$279.9             | \$135.0             | \$148.6             |
| Other ODJFS reimbursement             | \$99.6            | \$96.0            | \$91.3            | \$98.1              | \$79.0              | \$76.0              |
| Total Actual/Estimated GRF<br>Revenue | \$5,595.2         | \$5,329.8         | \$5,643.9         | \$7,044.5           | \$6,386.4           | \$7,187.4           |

### **Federal Stimulus for Special Education & Poverty Assistance**

The pending Congressional legislation includes support for states in some specific areas of primary and secondary education. The Executive Budget includes appropriations for two of these areas in an amount of \$410.3 million per year:

- Aid Targeted for Education of Children with Special Needs - \$186.6 million in each fiscal year
- Aid Targeted for Education of Children in Poverty - \$223.7 million in each fiscal year

These resources are appropriated within the Department of Education's budget recommendations and will be used for the purposes designated in the forthcoming federal legislation.

### **Title XIII – State Fiscal Stabilization Fund**

Title XIII of the House bill describes the State Fiscal Stabilization Fund, which may be used by states to provide budget relief. The title provides \$79 billion in order to provide fiscal relief to the states to prevent tax increases and cutbacks in critical education and other high priority services over the next two years. Half of this amount will be available on July 1, 2009 and remain available through September 30, 2010, while the other half will be available on July 1, 2010 and remain available through September 30, 2011. There are two major components of this title:

- Sixty-one percent of these resources must be spent on primary & secondary and/or higher education – OBM estimates that Ohio's share will be \$516.5 million in fiscal year 2010 and \$836.7 million in fiscal year 2011. The portion of these amounts that are being recommended to support Ohio's primary and secondary education reform initiatives will be appropriated to a new appropriation line item within the Department of Education's budget. The portion of these amounts that are being recommended to support higher education will be appropriated to a new line item within the Board of Regents budget. The availability of these resources enables the redirection of GRF that would have been otherwise used for this purpose ("typical" GRF generated through tax receipts) to other areas of state government which have a critical need for services and would have otherwise been funded at or below 80 percent of agency planning levels for the fiscal year 2010-2011 biennium. As a result of this approach, traditional General Revenue Fund line items for Education and Regents have been modified for this biennium in order to reflect the additional one-time funding available via the stimulus in a new, companion GRF line item in each agency's budget recommendation.
- The remainder of these resources may be spent on education or other government services – OBM estimates that Ohio's share will be \$460.3 million in each fiscal year. These resources will be deposited to General Revenue Fund and used to augment funding in various areas of government where significant reductions would have otherwise occurred. Table B-21 contains a summary of the uses of these funds.

### **Earnings on Investments**

Earnings on investments are determined by the amount of cash in the state's portfolio and the level of interest rates at which the funds are invested. The General Revenue Fund's share of total earnings on investments is determined by the average daily cash balance in the General Revenue Fund and all the non-interest-earning funds, including the Budget Stabilization Fund. The Treasurer of State is responsible for managing the state's portfolio and investing the

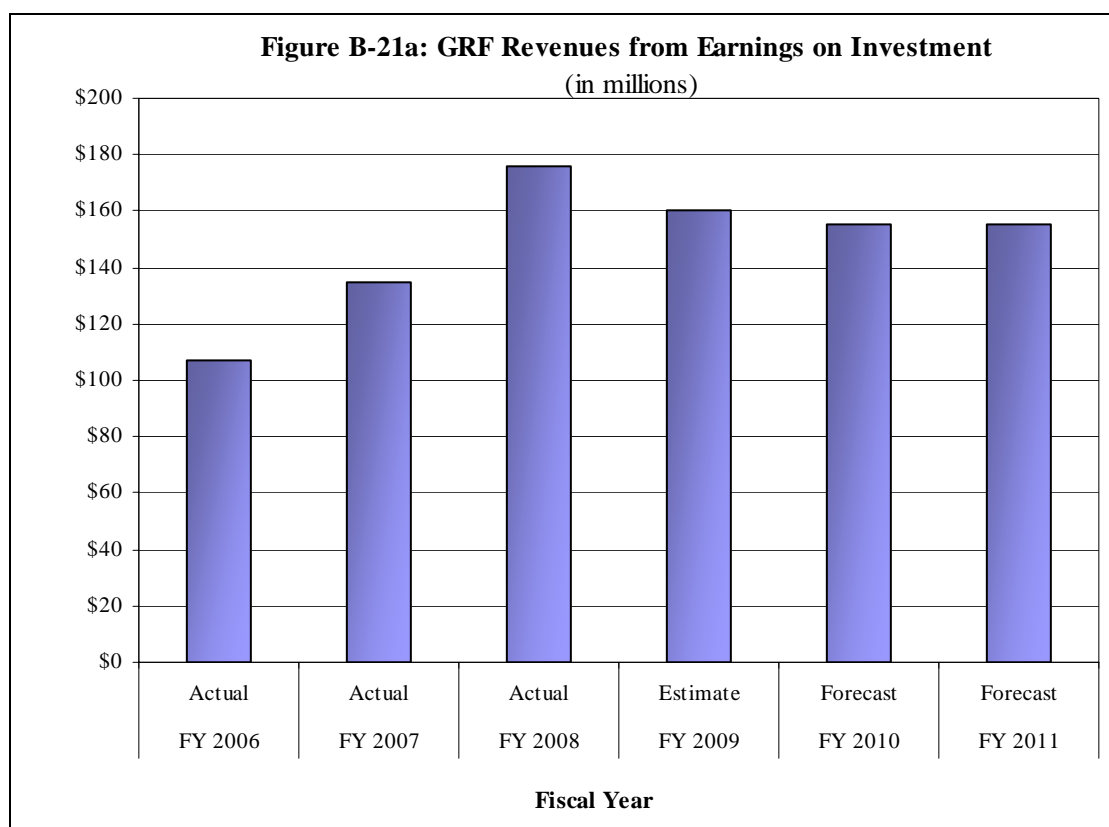
## Revenue Estimates and Methodology

state funds. State funds are invested in a diversified portfolio concentrated in short-term to medium term securities issued by the Federal government and its agencies.

**Figure B-21: GRF Revenues from Earnings on Investment**

(\$ in millions)

|                                 | FY 2006<br>Actual | FY 2007<br>Actual | FY 2008<br>Actual | FY 2009<br>Estimate | FY 2010<br>Forecast | FY 2011<br>Forecast |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| Actual/Estimated<br>GRF Revenue | \$107.3           | \$135.0           | \$176.2           | \$160.0             | \$155.0             | \$155.0             |



Trend analysis was employed to estimate the average daily cash balance in the state funds. As the economy is expected to struggle through fiscal year 2009 and early fiscal year 2010 and then begin a recovery in fiscal years 2010 and 2011, OBM estimates that the average daily cash balance will drop initially in fiscal year 2010 and then grow gradually in fiscal years 2010 and 2011 at the historical trend. The interest rates on investment were estimated by regression analysis against current or lagged discount rates on short-term treasury bills and yields on treasury notes with maturity of no more than five years. It was estimated to increase conservatively from current levels beginning in fiscal year 2010 and continuing and then stabilizing in fiscal year 2011. The baseline estimate of investment earnings is the product of the estimated cash balance and interest rates.

House Bill 119 distributed interest earnings from certain non-General Revenue Fund resources into the General Revenue Fund. The non-General Revenue Fund resources that are excluded from this provision are mostly debt related funds or funds that are constitutionally restricted. The Executive Budget proposes to extend this diversion in fiscal years 2010 and 2011. The General Revenue Fund estimates of receipts from earnings on investments are displayed in Figure B-21 and Figure B-21a. The historical data are shown as well.

## Revenue Estimates and Methodology

**Licenses and Fees**

This source includes licenses and fees collected from businesses, occupations, and motor vehicles. The licenses and fees category also includes insurance agent fees, factory building fees, motor carrier fees, and fees from occupations and businesses not elsewhere classified.

**Figure B-22: License and Fee GRF Revenues**

(\$ in millions)

|                              | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010  | FY 2011  |
|------------------------------|---------|---------|---------|----------|----------|----------|
|                              | Actual  | Actual  | Actual  | Estimate | Forecast | Forecast |
| Actual/Estimated GRF Revenue | \$73.9  | \$77.7  | \$67.7  | \$63.0   | \$61.8   | \$62.0   |

**Other Income**

Other income consists of various miscellaneous revenues from refunds, fines and forfeitures, sales of goods and services, receipts from local governments, and other revenue not elsewhere classified. In addition, these revenues include repayments of various loans made from the General Revenue Fund, canceled warrants, and refunds of prior-year expenditures.

In order to make greater use of available state resources in the current economic environment, the Executive Budget proposes a transfer of unclaimed funds from the Department of Commerce of \$200 million in fiscal year 2010 and \$85.0 million in fiscal year 2011. Figure B-23 reflects this transfer below.

**Figure B-23: Other Income GRF Revenues**

(\$ in millions)

|                              | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010  | FY 2011  |
|------------------------------|---------|---------|---------|----------|----------|----------|
|                              | Actual  | Actual  | Actual  | Estimate | Forecast | Forecast |
| Actual/Estimated GRF Revenue | \$38.3  | \$90.4  | \$51.2  | \$52.0   | \$53.0   | \$53.0   |
| Unclaimed Funds Transfer     | \$0     | \$0     | \$29.3  | \$29.3   | \$200.0  | \$85.0   |
| Total GRF Estimate           | \$38.3  | \$90.4  | \$80.5  | \$81.3   | \$253.0  | \$138.0  |

**Intrastate Transfer Vouchers (ISTV)**

Intrastate transfer vouchers consist mainly of appropriation reimbursements from other funds for services rendered by state agencies that receive General Revenue Fund appropriations. As of fiscal year 2009, the transfer of lottery funds to pay part of the debt service of elementary and secondary education bonds ceased as special obligations issued by the Treasurer of State prior to 2000 were retired.

**Figure B-24: Intrastate Transfer Vouchers GRF Revenues**

(\$ in millions)

|                              | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010  | FY 2011  |
|------------------------------|---------|---------|---------|----------|----------|----------|
|                              | Actual  | Actual  | Actual  | Estimate | Forecast | Forecast |
| Actual/Estimated GRF Revenue | \$38.9  | \$72.8  | \$52.7  | \$20.0   | \$20.0   | \$20.0   |

## Revenue Estimates and Methodology

### Liquor Profit Transfer

Liquor profits are generated by the sale of spirituous liquor by the Division of Liquor Control within the Department of Commerce. As required by the Ohio Revised Code, transfers are net of all operating costs and the payment of debt service on industrial development bonds.

In House Bill 66 of the 126<sup>th</sup> General Assembly the discount on liquor sales to wholesale merchants was reduced from 12.5 percent to 6.0 percent. This generated at least an additional \$15.0 million each year in funds available for transfers and drove the growth rate in the transfer amount, which was 20 percent in fiscal year 2006.

After growing 8.3 percent in fiscal year 2006, sales of spirituous liquor moved back towards a trend of 3.0 percent to 5.0 percent growth in fiscal years 2007, 2008, and 2009, a trend that is expected to continue through fiscal years 2010 and 2011. Total liquor profit transfers are affected by both the debt service costs for the sale of development bonds and cash management decisions made by the Director of the Office of Budget and Management. Debt service payments from liquor profit funds are expected to increase by \$2.0 million and \$18.5 million in fiscal years 2010 and 2011 respectively as a result of the authorization of additional bonds for conservation and revitalization in House Bill 554 of the 127<sup>th</sup> General Assembly. Figure B-25 shows the historical and expected liquor profit transfers to the General Revenue Fund.

**Figure B-25: Liquor Profit Transfer to the GRF**

(\$ in millions)

|                              | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010  | FY 2011  |
|------------------------------|---------|---------|---------|----------|----------|----------|
|                              | Actual  | Actual  | Actual  | Estimate | Forecast | Forecast |
| Actual/Estimated GRF Revenue | \$138.0 | \$135.0 | \$174.3 | \$144.0  | \$143.0  | \$136.3  |

### Transfers In

Transfers-In include various transfers to the General Revenue Fund from other state funds. The baseline estimates for fiscal years 2010 and 2011 for this category include a transfer of \$75.0 million in each fiscal year from the school district public utility property tax replacement fund. This payment is to reimburse the General Revenue Fund for increases in payments to school districts because of lower charge-offs in the school foundation program due to the reductions in taxable valuation caused by the changes in the taxation of electric and natural gas utilities that occurred in 2001.

As stated earlier, the receipts from the commercial activity tax will be distributed to tangible personal property tax replacement funds to reimburse schools and local governments for their revenue losses due to the phase-out of the tangible personal property tax. The reimbursement laws provide for two ways for part of the replacement fund money to come back to the General Revenue Fund. First, similar to what is described above for the public utility replacement fund, a transfer is made to reimburse the General Revenue Fund for increases in foundation payments caused by the reduction in taxable property values due to the changes in House Bill 66. Second, after all obligations to schools and local governments are met, the OBM director is authorized to transfer any balances in the replacement funds to the General Revenue Fund. The combination of these two items is listed in Figure B-26 as "Commercial Activities Tax Transfers In." OBM estimates that after all reimbursements have occurred from the school district and local government CAT funds, that \$84.7 million and \$242.5 million will be transferred into the General Revenue Fund.

In addition, the Executive Budget proposes transferring \$948.0 million in fiscal year 2011 from the Budget Stabilization Fund (BSF) to the General Revenue Fund. As of January 2009, the BSF has a balance of \$1.012 billion, with the anticipation that \$63.3 million of that amount will be used in fiscal year 2009 to support the state share of Medicaid costs incurred by the General Revenue Fund. Furthermore, the Executive Budget also draws on \$200 million in cash currently held in funds of the Ohio School Facilities Commission (OSFC). As a result of

## Revenue Estimates and Methodology

substantial cash balances remaining from tobacco securitization, OSFC does not require this cash in order to meet its obligations to school district projects that it has entered into agreements to fund.

Remaining cash balances from tobacco securitization will also provide investment earnings in fiscal years 2010 and 2011 to help offset the increased costs of the homestead exemption expansion authorized in House Bill 119 of the 127<sup>th</sup> General Assembly. OBM in conjunction with the Treasurer of State estimates that these funds will generate \$40.0 million in earnings in fiscal year 2010 and \$25 million in fiscal year 2011.

Lastly, the Executive Budget proposes a series of non-General Revenue Fund transfers that will amount to an additional \$116.8 million in General Revenue Funds in fiscal year 2010 and \$151.8 million in fiscal year 2011. These moneys are estimated to come from numerous non-General Revenue Funds in the state accounting system that are not constitutionally protected.

**Figure B-26: Transfers-In to GRF**  
(\$ in millions)

|                              | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010  | FY 2011   |
|------------------------------|---------|---------|---------|----------|----------|-----------|
|                              | Actual  | Actual  | Actual  | Estimate | Forecast | Forecast  |
| Actual/Estimated GRF Revenue | \$164.3 | \$137.1 | \$478.9 | \$796.4  | \$104.9  | \$104.9   |
| Budget Stabilization Fund    |         |         |         |          |          |           |
| Transfer                     | \$0     | \$0     | \$0     | \$0      | \$0.0    | \$948.0   |
| Tobacco Interest Earnings    | \$0     | \$0     | \$0     | \$0      | \$40.0   | \$25.0    |
| School Facilities Commission |         |         |         |          |          |           |
| Transfer                     | \$0     | \$0     | \$0     | \$0      | \$0.0    | \$200.0   |
| Rotary Transfers             | \$0     | \$0     | \$0     | \$0      | \$116.8  | \$151.8   |
| Commercial Activities Tax    |         |         |         |          |          |           |
| Transfers In                 | \$0     | \$0     | \$0     | \$0      | \$84.7   | \$242.5   |
| Total GRF Estimate           | \$164.3 | \$137.1 | \$478.9 | \$796.4  | \$346.4  | \$1,672.2 |

### Temporary Transfers-In/Out

Temporary transfers-in and out of the General Revenue Fund are authorized to permit the temporary transfer-out of moneys to other funds and to then replenish the General Revenue Fund over the course of the fiscal year. Temporary transfers in and out as presented in the Executive Budget are entirely related to the cash flow of the Commercial Activities Tax and current law that requires payments to be made to school districts and local governments from the tangible personal property tax replacement funds. Because of the timing of these payments as well as the timing of payments of the Commercial Activities Tax, cash flow to the tangible personal property tax replacement funds is not sufficient to support the full amount of the required payments. As a result, when the balance in the replacement funds is not sufficient to cover the amount due to local entities, money is transferred temporarily from General Revenue Fund. These temporary transfers out of the General Revenue Fund usually occur in September or October and are then replenished over a period of several months as sufficient receipts flow in through the Commercial Activities Tax. Thus, the estimated temporary transfers-in and out for fiscal years 2009-2011 reflect the amount of money transferred out of and later transferred back into the General Revenue Fund for this purpose.

**Figure B-27: Temporary Transfers-In to GRF**  
(\$ in millions)

|                              | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010  | FY 2011  |
|------------------------------|---------|---------|---------|----------|----------|----------|
|                              | Actual  | Actual  | Actual  | Estimate | Forecast | Forecast |
| Actual/Estimated GRF Revenue | \$12.9  | \$287.4 | \$472.8 | \$620.7  | \$911.4  | \$942.2  |

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**Actual and Estimated Revenues**

The table beginning on the next page, Figure B-28, shows; by budget fund group, revenue history for fiscal years 2006, 2007, and 2008 and revenue estimates for fiscal years 2009, 2010 and 2011. The first page of the table shows total revenue for all funds and, beginning on the table's second page are the revenues for each budget fund group. The revenues are presented by income source and the amounts displayed are in millions of dollars. Except for the Department of Transportation, whose capital funding is historically appropriated on the same cycle as the main operating budget, no capital fund revenue has been assumed for fiscal year 2011.

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>ALL FUNDS</b>               |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE         | 6,713.2           | 6,819.1           | 7,000.7           | 7,439.8             | 7,242.2             | 7,528.7             |
| AUTO SALES AND USE             | 977.2             | 962.4             | 942.8             | 875.0               | 889.2               | 925.5               |
| PERSONAL INCOME TAX            | 10,898.9          | 10,940.7          | 11,089.9          | 10,030.0            | 9,756.6             | 9,508.3             |
| CORPORATE FRANCHISE TAX        | 1,309.5           | 1,302.6           | 963.3             | 696.7               | 364.0               | 370.7               |
| COMMERCIAL ACTIVITY TAX        | 273.9             | 599.5             | 964.7             | 863.3               | 1,173.3             | 1,173.8             |
| PUBLIC UTILITY EXCISE TAX      | 187.2             | 172.1             | 160.9             | 192.3               | 178.8               | 172.6               |
| KILOWATT HOURS EXCISE TAX      | 626.4             | 629.0             | 640.4             | 548.8               | 575.9               | 581.6               |
| FOREIGN INSUR COMPANIES TAX    | 272.5             | 279.8             | 287.6             | 281.4               | 286.7               | 294.6               |
| DOMESTIC INSUR FRANCHISE TAX   | 170.4             | 169.9             | 159.4             | 171.7               | 184.0               | 214.5               |
| SEVERENCE TAX                  | 7.7               | 7.0               | 9.4               | 10.9                | 17.0                | 17.4                |
| MOTOR FUEL USE TAX             | 100.6             | 98.9              | 91.8              | 41.4                | 41.8                | 41.8                |
| MOTOR VEHICLE FUEL TAX         | 1,816.1           | 1,743.4           | 1,869.3           | 935.9               | 921.4               | 928.8               |
| HORSE RACING WAGER TAX         | 12.8              | 12.0              | 10.7              | 12.4                | 11.8                | 11.3                |
| MOTOR TRANSPORT TAX            | 3.2               | 2.6               | 2.3               | 2.3                 | 2.3                 | 2.3                 |
| INTANGIBLE TAXES               | 34.6              | 34.3              | 34.7              | 20.3                | 20.8                | 21.3                |
| CIGARETTE TAX                  | 1,086.7           | 996.6             | 953.2             | 922.0               | 855.0               | 801.4               |
| ALCOHOLIC BEVERAGES TAX        | 58.5              | 57.4              | 57.9              | 59.6                | 60.1                | 60.6                |
| LIQUOR GALLONAGE TAX           | 33.4              | 34.3              | 35.0              | 36.7                | 38.0                | 39.0                |
| ESTATE TAXES                   | 54.1              | 72.1              | 61.4              | 65.0                | 61.5                | 60.5                |
| PERMISSIVE SALES/USE TAX       | 1,589.1           | 1,681.8           | 1,733.9           | 1,867.0             | 1,866.0             | 1,866.0             |
| PERMISSIVE TAXES NEC           | 251.3             | 312.5             | 372.0             | 380.8               | 380.8               | 380.8               |
| MUNICIPAL INCOME TAX           | 36.7              | 36.6              | 46.7              | 21.6                | 21.6                | 21.6                |
| <b>Total Tax Receipts</b>      | <b>26,514.0</b>   | <b>26,964.5</b>   | <b>27,487.7</b>   | <b>25,474.9</b>     | <b>24,948.8</b>     | <b>25,023.1</b>     |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS        | 64.2              | 286.6             | 54.7              | 64.3                | 65.1                | 65.7                |
| FEDERAL GRANTS                 | 14,077.7          | 14,134.5          | 14,473.2          | 18,027.3            | 18,625.0            | 18,620.6            |
| FEDERAL REVENUE STIMULUS       | 0.0               | 0.0               | 0.0               | 0.0                 | 1,387.1             | 1,707.3             |
| ISTV                           | 5,315.8           | 5,600.8           | 4,502.2           | 4,982.3             | 5,256.4             | 5,395.8             |
| LICENSES AND FEES              | 2,258.7           | 2,405.0           | 2,522.2           | 2,704.4             | 3,058.6             | 3,038.3             |
| OTHER GRANTS AND CONTRIBUTIONS | 495.2             | 554.1             | 608.9             | 727.7               | 691.6               | 692.6               |
| OTHER INCOME - SALES           | 1,993.5           | 1,664.0           | 1,775.1           | 1,766.3             | 1,820.1             | 1,847.2             |
| OTHER SOURCES OF FINANCING     | 1,503.6           | 1,468.5           | 5,948.5           | 487.7               | 633.2               | 294.6               |
| P/R DEDUCTIONS                 |                   |                   | 9.8               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS  | 1,971.9           | 1,665.5           | 1,411.7           | 3,077.7             | 3,719.4             | 3,733.1             |
| <b>Total Non-Tax Receipts</b>  | <b>27,680.5</b>   | <b>27,779.0</b>   | <b>31,306.2</b>   | <b>31,837.7</b>     | <b>35,256.5</b>     | <b>35,395.2</b>     |
| <b>Total Revenue</b>           | <b>54,194.5</b>   | <b>54,743.6</b>   | <b>58,793.9</b>   | <b>57,312.6</b>     | <b>60,205.3</b>     | <b>60,418.3</b>     |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-LIQUOR        | 138.0             | 135.0             | 174.3             | 144.0               | 143.0               | 136.3               |
| OPER TRANSFER IN-LOTTERY       | 646.3             | 669.3             | 672.2             | 692.9               | 705.0               | 711.0               |
| OPER TRANSFER IN-LOTTERY ANUTY | 12.6              | 12.4              | 11.8              | 15.0                | 15.0                | 15.0                |
| OPER TRANSFER IN-OTHER         | 1,907.5           | 2,121.8           | 1,681.8           | 1,728.3             | 1,299.3             | 2,484.3             |
| OPER TRANSFER IN-PUB SAFETY    | 57.2              | 38.5              | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| OPER TRANSFER IN-STATE SHARE   | 747.1             | 750.9             | 734.8             | 569.1               | 667.0               | 672.1               |
| TEMPORARY TRANSFER IN          | 25.7              | 575.6             | 946.6             | 620.7               | 911.4               | 942.2               |
| <b>Total Transfers</b>         | <b>3,534.4</b>    | <b>4,303.5</b>    | <b>4,221.4</b>    | <b>3,770.0</b>      | <b>3,740.7</b>      | <b>4,960.9</b>      |
| <b>Total Sources</b>           | <b>57,728.9</b>   | <b>59,047.0</b>   | <b>63,015.3</b>   | <b>61,082.5</b>     | <b>63,946.0</b>     | <b>65,379.2</b>     |



**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Accrued Leave Liability</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| ISTV                           | 25.8              | 61.8              | 83.7              | 80.5                | 85.6                | 87.4                |
| P/R DEDUCTIONS                 |                   |                   | 0.0               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS  |                   | 0.0               |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>  | 25.8              | 61.9              | 83.7              | 80.5                | 85.6                | 87.4                |
| <b>Total Revenue</b>           | 25.8              | 61.9              | 83.7              | 80.5                | 85.6                | 87.4                |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         |                   |                   | 0.4               |                     |                     |                     |
| <b>Total Transfers</b>         | 0.0               | 0.0               | 0.4               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>           | 25.8              | 61.9              | 84.0              | 80.5                | 85.6                | 87.4                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Administrative Building</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| ISTV                           | 1.9               | 1.5               |                   | 0.4                 | 0.6                 | 0.4                 |
| OTHER SOURCES OF FINANCING     |                   | 41.3              | 25.7              |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>  | 1.9               | 42.8              | 25.7              | 0.4                 | 0.6                 | 0.4                 |
| <b>Total Revenue</b>           | 1.9               | 42.8              | 25.7              | 0.4                 | 0.6                 | 0.4                 |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         |                   | 0.0               | 0.1               | 60.0                | 40.0                | 40.0                |
| <b>Total Transfers</b>         | 0.0               | 0.0               | 0.1               | 60.0                | 40.0                | 40.0                |
| <b>Total Sources</b>           | 1.9               | 42.8              | 25.8              | 60.4                | 40.6                | 40.4                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES        | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Adult Correctional Building</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                       |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>          | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| ISTV                               | 2.3               | 1.6               |                   | 0.6                 | 0.5                 | 0.5                 |
| OTHER SOURCES OF FINANCING         |                   |                   | 25.5              |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>      | 2.3               | 1.6               | 25.5              | 0.6                 | 0.5                 | 0.5                 |
| <b>Total Revenue</b>               | 2.3               | 1.6               | 25.5              | 0.6                 | 0.5                 | 0.5                 |
| <b>Transfers</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>             | 0.0               | 0.0               | 0.0               | 40.0                | 40.0                | 50.0                |
| <b>Total Sources</b>               | 2.3               | 1.6               | 25.5              | 40.6                | 40.5                | 50.5                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Agency</b>                 |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE        | 60.1              | 50.7              | 69.0              | 70.0                | 75.0                | 80.0                |
| PERSONAL INCOME TAX           | 1,275.7           | 1,217.8           | 1,242.0           | 1,300.0             | 1,300.0             | 1,300.0             |
| CORPORATE FRANCHISE TAX       | 203.7             | 176.9             | 208.6             | 200.0               | 200.0               | 200.0               |
| COMMERCIAL ACTIVITY TAX       | 0.5               | 4.5               | 3.3               | 100.0               | 10.0                | 10.0                |
| PUBLIC UTILITY EXCISE TAX     | 0.0               | 0.9               | 0.2               | 15.0                | 5.0                 | 5.0                 |
| KILOWATT HOURS EXCISE TAX     | 0.2               |                   | 0.1               | 0.5                 | 0.5                 | 0.5                 |
| FOREIGN INSUR COMPANIES TAX   | 3.5               | 1.8               | 3.0               |                     |                     |                     |
| DOMESTICE INSUR FRANCHISE TAX |                   | 0.4               | 0.1               |                     |                     |                     |
| SEVERENCE TAX                 |                   |                   | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| MOTOR FUEL USE TAX            | 1.5               | 1.3               | 0.8               | 0.4                 | 0.8                 | 0.8                 |
| MOTOR VEHICLE FUEL TAX        | 23.6              | 23.6              | 20.9              | 20.0                | 21.0                | 22.0                |
| HORSE RACING WAGER TAX        |                   |                   |                   | 0.0                 | 0.0                 | 0.0                 |
| INTANGIBLE TAXES              | 1.0               | 0.4               | 0.2               | 0.3                 | 0.3                 | 0.3                 |
| CIGARETTE TAX                 | 2.6               | 10.3              | 2.2               | 5.0                 | 5.0                 | 5.0                 |
| ALCOHOLIC BEVERAGES TAX       | 0.1               | 0.2               | 0.1               | 0.2                 | 0.2                 | 0.2                 |
| ESTATE TAXES                  |                   |                   | 0.0               |                     |                     |                     |
| PERMISSIVE SALES/USE TAX      | 1,573.1           | 1,665.0           | 1,716.5           | 1,850.0             | 1,849.0             | 1,849.0             |
| PERMISSIVE TAXES NEC          | 247.5             | 307.8             | 366.3             | 376.0               | 376.0               | 376.0               |
| MUNICIPAL INCOME TAX          | 36.2              | 36.1              | 46.0              | 21.0                | 21.0                | 21.0                |
| <b>Total Tax Receipts</b>     | <b>3,429.1</b>    | <b>3,497.5</b>    | <b>3,679.4</b>    | <b>3,958.4</b>      | <b>3,863.8</b>      | <b>3,869.8</b>      |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       |                   | 0.0               |                   |                     |                     |                     |
| ISTV                          | 2,514.8           | 2,574.1           | 1,219.0           | 1,331.5             | 1,450.2             | 1,552.6             |
| LICENSES AND FEES             | 6.6               | 1.8               | 0.2               | 0.1                 | 0.1                 | 0.1                 |
| OTHER INCOME - SALES          | 1.0               | 3.1               | 2.3               | 4.9                 | 1.5                 | 1.5                 |
| P/R DEDUCTIONS                |                   |                   | 9.7               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS | 90.8              | 92.7              | 131.9             | 389.5               | 390.9               | 391.1               |
| <b>Total Non-Tax Receipts</b> | <b>2,613.2</b>    | <b>2,671.7</b>    | <b>1,363.1</b>    | <b>1,726.1</b>      | <b>1,842.7</b>      | <b>1,945.3</b>      |
| <b>Total Revenue</b>          | <b>6,042.3</b>    | <b>6,169.2</b>    | <b>5,042.5</b>    | <b>5,684.4</b>      | <b>5,706.5</b>      | <b>5,815.0</b>      |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 0.1               |                   | 102.9             |                     |                     |                     |
| <b>Total Transfers</b>        | <b>0.1</b>        | <b>0.0</b>        | <b>102.9</b>      | <b>0.0</b>          | <b>0.0</b>          | <b>0.0</b>          |
| <b>Total Sources</b>          | <b>6,042.4</b>    | <b>6,169.2</b>    | <b>5,145.4</b>    | <b>5,684.4</b>      | <b>5,706.5</b>      | <b>5,815.0</b>      |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Budget Stabilization</b>   |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>     | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b> | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>          | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 436.0             | 395.6             |                   |                     |                     |                     |
| <b>Total Transfers</b>        | 436.0             | 395.6             | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>          | 436.0             | 395.6             | 0.0               | 0.0                 | 0.0                 | 0.0                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES            | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>COAL RESEARCH &amp; DEVELOPMENT</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                           |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>              | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                       |                   |                   |                   |                     |                     |                     |
| ISTV                                   | 0.3               | 0.2               | 0.2               |                     |                     |                     |
| OTHER SOURCES OF FINANCING             |                   |                   | 8.0               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS          |                   | 0.1               | 0.0               | 40.0                | 32.0                | 10.0                |
| <b>Total Non-Tax Receipts</b>          | 0.3               | 0.4               | 8.2               | 40.0                | 32.0                | 10.0                |
| <b>Total Revenue</b>                   | 0.3               | 0.4               | 8.2               | 40.0                | 32.0                | 10.0                |
| <b>Transfers</b>                       |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER                 |                   |                   | 8.1               |                     |                     |                     |
| <b>Total Transfers</b>                 | 0.0               | 0.0               | 8.1               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                   | 0.3               | 0.4               | 16.2              | 40.0                | 32.0                | 10.0                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Clean Ohio Conservation Prgm</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                        |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS             |                   |                   |                   | 0.0                 | 0.0                 | 0.0                 |
| ISTV                                | 2.3               | 4.0               | 2.6               | 1.4                 | 2.1                 | 3.0                 |
| OTHER SOURCES OF FINANCING          | 100.0             | 51.1              | 50.0              | 0.0                 | 50.0                | 50.0                |
| RECOVERIES AND REIMBURSEMENTS       | 0.1               | 0.0               | 0.0               | 0.1                 | 0.1                 | 0.1                 |
| <b>Total Non-Tax Receipts</b>       | 102.4             | 55.1              | 52.6              | 1.5                 | 52.2                | 53.1                |
| <b>Total Revenue</b>                | 102.4             | 55.1              | 52.6              | 1.5                 | 52.2                | 53.1                |
| <b>Transfers</b>                    |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER              | 102.1             | 3.6               | 102.0             | 0.0                 | 50.3                | 50.0                |
| <b>Total Transfers</b>              | 102.1             | 3.6               | 102.0             | 0.2                 | 50.3                | 50.0                |
| <b>Total Sources</b>                | 204.5             | 58.8              | 154.6             | 1.7                 | 102.5               | 103.1               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Cultural &amp; Sports Fac Building</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                              |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>                 | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                          |                   |                   |                   |                     |                     |                     |
| ISTV                                      | 0.8               | 0.6               | 0.1               | 0.4                 | 0.6                 | 0.7                 |
| OTHER SOURCES OF FINANCING                | 30.9              |                   |                   | 30.0                | 30.0                | 30.0                |
| <b>Total Non-Tax Receipts</b>             | 31.7              | 0.6               | 0.1               | 30.4                | 30.6                | 30.7                |
| <b>Total Revenue</b>                      | 31.7              | 0.6               | 0.1               | 30.4                | 30.6                | 30.7                |
| <b>Transfers</b>                          |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER                    |                   | 6.8               |                   |                     |                     |                     |
| <b>Total Transfers</b>                    | 0.0               | 6.8               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                      | 31.7              | 7.3               | 0.1               | 30.4                | 30.6                | 30.7                |



**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Debt Service</b>           |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>     | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       |                   |                   | 0.0               |                     |                     |                     |
| ISTV                          | 485.6             | 586.2             | 708.2             | 863.2               | 711.9               | 724.7               |
| OTHER SOURCES OF FINANCING    | 36.7              | 46.0              | 124.1             |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS | 0.1               | 0.0               | 1.3               |                     |                     |                     |
| <b>Total Non-Tax Receipts</b> | 522.3             | 632.2             | 833.6             | 863.2               | 711.9               | 724.7               |
| <b>Total Revenue</b>          | 522.3             | 632.2             | 833.6             | 863.2               | 711.9               | 724.7               |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 0.9               |                   | 1.6               |                     |                     |                     |
| OPER TRANSFER IN-STATE SHARE  | 169.6             | 191.1             | 195.6             |                     |                     |                     |
| <b>Total Transfers</b>        | 170.5             | 191.1             | 197.3             | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>          | 692.8             | 823.3             | 1,030.8           | 863.2               | 711.9               | 724.7               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Facilities Establishment</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>       | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                |                   |                   |                   |                     |                     |                     |
| ISTV                            | 9.2               | 13.1              | 8.8               | 7.4                 | 6.2                 | 6.6                 |
| LICENSES AND FEES               | 0.1               | 0.1               | 0.2               | 0.1                 | 0.1                 | 0.1                 |
| OTHER SOURCES OF FINANCING      | 52.1              | 6.0               | 9.9               | 6.4                 | 9.1                 | 8.5                 |
| RECOVERIES AND REIMBURSEMENTS   | 45.7              | 42.6              | 35.6              | 41.5                | 70.3                | 69.4                |
| <b>Total Non-Tax Receipts</b>   | 107.1             | 61.9              | 54.6              | 55.4                | 85.7                | 84.6                |
| <b>Total Revenue</b>            | 107.1             | 61.9              | 54.6              | 55.4                | 85.7                | 84.6                |
| <b>Transfers</b>                |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER          | 24.8              | 19.2              | 11.0              | 55.1                | 109.0               | 87.5                |
| <b>Total Transfers</b>          | 24.8              | 19.2              | 11.0              | 55.1                | 109.0               | 87.5                |
| <b>Total Sources</b>            | 131.8             | 81.0              | 65.5              | 110.5               | 194.7               | 172.1               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Federal Special Revenue</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| DOMESTICE INSUR FRANCHISE TAX  |                   |                   | 0.0               |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS        | 0.2               | 0.0               | 0.0               | 0.0                 | 0.3                 | 0.4                 |
| FEDERAL GRANTS                 | 7,060.4           | 7,373.7           | 7,578.7           | 9,555.7             | 10,809.8            | 10,002.8            |
| ISTV                           | 1,302.6           | 1,239.9           | 1,420.2           | 1,524.0             | 1,740.0             | 1,726.5             |
| LICENSES AND FEES              | 2.3               | 2.8               | 0.8               | 2.1                 | 1.0                 | 1.0                 |
| OTHER GRANTS AND CONTRIBUTIONS |                   |                   | 0.3               |                     |                     |                     |
| OTHER INCOME - SALES           | 0.0               | 0.8               | 0.7               |                     |                     |                     |
| OTHER SOURCES OF FINANCING     | 0.9               | 0.1               | 0.1               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS  | 167.3             | 463.5             | 413.8             | 195.0               | 215.1               | 208.7               |
| <b>Total Non-Tax Receipts</b>  | 8,533.4           | 9,080.8           | 9,414.6           | 11,276.8            | 12,766.3            | 11,939.3            |
| <b>Total Revenue</b>           | 8,533.4           | 9,080.8           | 9,414.6           | 11,276.8            | 12,766.3            | 11,939.3            |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         | 7.1               | 66.5              | 9.6               |                     |                     |                     |
| <b>Total Transfers</b>         | 7.1               | 66.5              | 9.6               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>           | 8,540.5           | 9,147.3           | 9,424.2           | 11,276.8            | 12,766.3            | 11,939.3            |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>General Revenue</b>        |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE        | 6,431.9           | 6,502.9           | 6,689.0           | 6,577.2             | 6,374.6             | 6,656.0             |
| AUTO SALES AND USE            | 936.4             | 921.5             | 925.1             | 875.0               | 889.2               | 925.5               |
| PERSONAL INCOME TAX           | 8,786.4           | 8,885.3           | 9,114.7           | 8,257.5             | 7,979.1             | 7,730.8             |
| CORPORATE FRANCHISE TAX       | 1,054.9           | 1,076.5           | 753.5             | 495.0               | 163.0               | 169.7               |
| COMMERCIAL ACTIVITY TAX       | 185.1             | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| PUBLIC UTILITY EXCISE TAX     | 176.2             | 160.2             | 157.7             | 177.3               | 173.8               | 167.6               |
| KILOWATT HOURS EXCISE TAX     | 325.3             | 326.9             | 231.2             | 132.9               | 159.7               | 162.6               |
| FOREIGN INSUR COMPANIES TAX   | 248.8             | 256.2             | 267.3             | 264.8               | 270.1               | 278.6               |
| DOMESTIC INSUR FRANCHISE TAX  | 170.3             | 169.5             | 154.6             | 167.7               | 180.2               | 210.7               |
| INTANGIBLE TAXES              | 19.1              | 20.8              | 22.3              | 20.0                | 20.5                | 21.0                |
| CIGARETTE TAX                 | 1,084.1           | 986.3             | 950.9             | 917.0               | 850.0               | 796.4               |
| ALCOHOLIC BEVERAGES TAX       | 57.5              | 56.3              | 56.8              | 58.5                | 59.0                | 59.5                |
| LIQUOR GALLONAGE TAX          | 33.4              | 34.3              | 35.0              | 36.7                | 38.0                | 39.0                |
| ESTATE TAXES                  | 54.1              | 72.1              | 61.4              | 65.0                | 61.5                | 60.5                |
| PERMISSIVE TAXES NEC          | 0.0               | 0.0               | 0.0               |                     |                     |                     |
| <b>Total Tax Receipts</b>     | <b>19,563.4</b>   | <b>19,468.9</b>   | <b>19,419.5</b>   | <b>18,044.6</b>     | <b>17,218.7</b>     | <b>17,277.9</b>     |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       | 0.0               | 0.0               | 1.0               | 0.0                 | 0.0                 | 0.0                 |
| FEDERAL GRANTS                | 5,595.2           | 5,352.5           | 5,643.9           | 7,044.6             | 6,386.4             | 7,187.5             |
| FEDERAL REVENUE STIMULUS      | 0.0               | 0.0               | 0.0               | 0.0                 | 1,387.1             | 1,707.3             |
| ISTV                          | 160.0             | 229.4             | 185.4             | 180.0               | 175.0               | 175.0               |
| LICENSES AND FEES             | 73.9              | 77.7              | 67.7              | 63.0                | 61.8                | 62.0                |
| OTHER INCOME - SALES          | 0.8               | 0.4               | 0.4               | 0.0                 | 0.0                 | 0.0                 |
| OTHER SOURCES OF FINANCING    | 2.3               | 0.2               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| RECOVERIES AND REIMBURSEMENTS | 135.2             | 89.8              | 48.4              | 81.3                | 253.0               | 138.0               |
| <b>Total Non-Tax Receipts</b> | <b>5,967.4</b>    | <b>5,750.0</b>    | <b>5,946.9</b>    | <b>7,368.9</b>      | <b>8,263.3</b>      | <b>9,269.8</b>      |
| <b>Total Revenue</b>          | <b>25,530.8</b>   | <b>25,218.8</b>   | <b>25,366.4</b>   | <b>25,413.5</b>     | <b>25,482.0</b>     | <b>26,547.7</b>     |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-LIQUOR       | 138.0             | 135.0             | 174.3             | 144.0               | 143.0               | 136.3               |
| OPER TRANSFER IN-OTHER        | 164.3             | 137.1             | 588.0             | 796.4               | 346.4               | 1,672.2             |
| TEMPORARY TRANSFER IN         | 12.9              | 287.4             | 472.8             | 620.7               | 911.4               | 942.2               |
| <b>Total Transfers</b>        | <b>315.2</b>      | <b>559.5</b>      | <b>1,235.0</b>    | <b>1,561.1</b>      | <b>1,400.8</b>      | <b>2,750.7</b>      |
| <b>Total Sources</b>          | <b>25,846.0</b>   | <b>25,778.4</b>   | <b>26,601.4</b>   | <b>26,974.6</b>     | <b>26,882.8</b>     | <b>29,298.4</b>     |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>General Services</b>        |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE         | 0.6               | 0.1               | 0.3               | 0.0                 | 0.0                 | 0.0                 |
| COMMERCIAL ACTIVITY TAX        |                   |                   | 0.0               |                     | 13.6                | 13.6                |
| MOTOR TRANSPORT TAX            | 1.7               | 2.6               | 2.3               | 2.3                 | 2.3                 | 2.3                 |
| MUNICIPAL INCOME TAX           | 0.6               | 0.5               | 0.7               | 0.6                 | 0.6                 | 0.6                 |
| <b>Total Tax Receipts</b>      | <b>1.7</b>        | <b>3.2</b>        | <b>3.3</b>        | <b>2.9</b>          | <b>16.5</b>         | <b>16.5</b>         |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS        |                   | 0.0               | 2.2               |                     |                     |                     |
| FEDERAL GRANTS                 | 70.6              | 63.8              | 61.5              | 86.4                | 87.6                | 88.2                |
| ISTV                           | 535.6             | 525.2             | 588.0             | 707.0               | 714.8               | 747.2               |
| LICENSES AND FEES              | 109.8             | 101.9             | 133.8             | 129.6               | 123.9               | 131.7               |
| OTHER GRANTS AND CONTRIBUTIONS | 0.0               | 0.0               | 0.1               |                     |                     |                     |
| OTHER INCOME - SALES           | 16.5              | 16.9              | 17.2              | 22.1                | 20.7                | 21.4                |
| OTHER SOURCES OF FINANCING     | 0.8               | 0.7               | 3.8               | 1.7                 | 1.7                 | 1.7                 |
| P/R DEDUCTIONS                 |                   |                   | 0.0               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS  | 1,003.6           | 461.5             | 537.0             | 430.6               | 432.1               | 579.7               |
| <b>Total Non-Tax Receipts</b>  | <b>1,736.9</b>    | <b>1,170.1</b>    | <b>1,343.5</b>    | <b>1,377.2</b>      | <b>1,380.8</b>      | <b>1,569.8</b>      |
| <b>Total Revenue</b>           | <b>1,738.6</b>    | <b>1,173.2</b>    | <b>1,346.8</b>    | <b>1,380.1</b>      | <b>1,397.3</b>      | <b>1,586.3</b>      |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         | 95.9              | 38.4              | 169.8             | 31.6                | 42.0                | 36.9                |
| TEMPORARY TRANSFER IN          | 12.9              | 0.4               | 1.0               |                     |                     |                     |
| <b>Total Transfers</b>         | <b>108.7</b>      | <b>38.8</b>       | <b>170.9</b>      | <b>31.6</b>         | <b>42.0</b>         | <b>36.9</b>         |
| <b>Total Sources</b>           | <b>1,847.3</b>    | <b>1,212.1</b>    | <b>1,517.7</b>    | <b>1,411.7</b>      | <b>1,439.3</b>      | <b>1,623.2</b>      |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Higher Education Improvement</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                        |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| ISTV                                | 5.2               | 7.3               | 8.5               |                     |                     |                     |
| OTHER SOURCES OF FINANCING          | 300.0             | 150.0             | 959.3             |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>       | 305.2             | 157.3             | 967.8             | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>                | 305.2             | 157.3             | 967.8             | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>                    |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER              |                   | 0.1               | 0.1               |                     |                     |                     |
| <b>Total Transfers</b>              | 0.0               | 0.1               | 0.1               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                | 305.2             | 157.4             | 967.9             | 0.0                 | 0.0                 | 0.0                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES        | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Highway Capital Improvement</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                       |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>          | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| ISTV                               | 3.1               | 4.8               | 3.8               | 1.5                 | 2.5                 | 3.4                 |
| OTHER SOURCES OF FINANCING         | 180.0             | 190.0             | 140.0             | 0.0                 | 245.0               | 235.0               |
| <b>Total Non-Tax Receipts</b>      | 183.1             | 194.8             | 143.8             | 1.5                 | 247.5               | 238.4               |
| <b>Total Revenue</b>               | 183.1             | 194.8             | 143.8             | 1.5                 | 247.5               | 238.4               |
| <b>Transfers</b>                   |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER             | 183.1             | 194.8             | 0.2               | 0.0                 | 0.0                 | 62.0                |
| <b>Total Transfers</b>             | 183.1             | 194.8             | 0.2               | 0.0                 | 0.0                 | 62.0                |
| <b>Total Sources</b>               | 366.2             | 389.7             | 143.9             | 1.5                 | 247.5               | 300.4               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Highway Operating</b>       |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| MOTOR FUEL USE TAX             | 54.9              | 47.6              | 41.3              | 41.0                | 41.0                | 41.0                |
| MOTOR VEHICLE FUEL TAX         | 612.6             | 591.2             | 628.8             | 630.0               | 633.7               | 640.2               |
| <b>Total Tax Receipts</b>      | 667.6             | 638.7             | 670.0             | 671.0               | 674.7               | 681.2               |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS        | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| FEDERAL GRANTS                 | 1,306.9           | 1,296.3           | 1,147.0           | 1,278.8             | 1,277.1             | 1,277.3             |
| ISTV                           | 26.0              | 56.6              | 41.9              | 35.8                | 35.8                | 35.8                |
| LICENSES AND FEES              | 70.7              | 67.7              | 67.9              | 68.1                | 71.1                | 71.1                |
| OTHER GRANTS AND CONTRIBUTIONS | 56.8              | 49.4              | 64.0              | 101.9               | 122.9               | 111.2               |
| OTHER INCOME - SALES           | 2.2               | 1.9               | 2.5               | 3.0                 | 20.0                | 20.0                |
| OTHER SOURCES OF FINANCING     | 8.4               | 13.9              | 15.2              | 43.7                | 383.7               | 43.7                |
| RECOVERIES AND REIMBURSEMENTS  | 10.3              | 9.5               | 35.7              | 8.3                 | 8.3                 | 8.3                 |
| <b>Total Non-Tax Receipts</b>  | 1,481.4           | 1,495.3           | 1,374.3           | 1,539.6             | 1,918.9             | 1,567.4             |
| <b>Total Revenue</b>           | 2,148.9           | 2,134.0           | 2,044.3           | 2,210.6             | 2,593.7             | 2,248.6             |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         | 83.3              | 70.4              | 5.9               | 52.0                |                     |                     |
| OPER TRANSFER IN-STATE SHARE   | 513.7             | 495.9             | 481.6             | 500.0               | 502.9               | 508.0               |
| <b>Total Transfers</b>         | 596.9             | 566.3             | 487.5             | 552.0               | 502.9               | 508.0               |
| <b>Total Sources</b>           | 2,745.9           | 2,700.3           | 2,531.8           | 2,762.6             | 3,096.6             | 2,756.5             |



**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Highway Safety</b>         |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| MOTOR VEHICLE FUEL TAX        |                   |                   | 19.2              | 19.2                |                     |                     |
| MOTOR TRANSPORT TAX           | 1.5               |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>     | 1.5               | 0.0               | 19.2              | 19.2                | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       | 0.1               | 0.1               | 0.2               | 0.1                 | 0.1                 | 0.1                 |
| FEDERAL GRANTS                | 12.4              | 13.6              | 12.3              | 21.0                | 22.5                | 22.4                |
| ISTV                          | 26.5              | 30.3              | 19.5              | 21.9                | 18.1                | 17.9                |
| LICENSES AND FEES             | 308.2             | 306.8             | 304.0             | 314.0               | 385.1               | 410.6               |
| OTHER INCOME - SALES          | 15.8              | 14.4              | 14.9              | 14.9                | 16.8                | 16.8                |
| RECOVERIES AND REIMBURSEMENTS | 32.9              | 32.1              | 34.0              | 34.2                | 50.5                | 56.5                |
| <b>Total Non-Tax Receipts</b> | 395.9             | 397.3             | 385.0             | 406.1               | 493.2               | 524.4               |
| <b>Total Revenue</b>          | 397.4             | 397.3             | 404.2             | 425.3               | 493.2               | 524.4               |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 34.1              | 31.3              | 9.1               | 38.3                | 25.8                | 25.9                |
| OPER TRANSFER IN-PUB SAFETY   | 57.2              | 38.5              |                   |                     |                     |                     |
| <b>Total Transfers</b>        | 91.3              | 69.8              | 9.1               | 38.3                | 25.8                | 25.9                |
| <b>Total Sources</b>          | 488.7             | 467.1             | 413.2             | 463.6               | 519.0               | 550.4               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Highway Safety Building</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| ISTV                           | 0.1               | 0.1               |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>  | 0.1               | 0.1               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>           | 0.1               | 0.1               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>         | 0.0               | 0.0               | 0.0               | 1.7                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>           | 0.1               | 0.1               | 0.0               | 1.7                 | 0.0                 | 0.0                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Holding Account Redistribution</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                          |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE                | 42.1              | 0.1               | 8.2               | 1.7                 | 1.7                 | 1.7                 |
| PERSONAL INCOME TAX                   |                   |                   | 0.2               |                     |                     |                     |
| MOTOR FUEL USE TAX                    | 44.2              | 50.0              | 49.7              |                     |                     |                     |
| PERMISSIVE TAXES NEC                  |                   |                   | 0.0               |                     |                     |                     |
| <b>Total Tax Receipts</b>             | 2.1               | 50.2              | 57.6              | 1.7                 | 1.7                 | 1.7                 |
| <b>Non-Taxes</b>                      |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS               | 0.0               |                   |                   |                     |                     |                     |
| FEDERAL GRANTS                        |                   |                   | 0.3               |                     |                     |                     |
| ISTV                                  | 2.0               | 1.9               | 2.0               | 0.8                 | 0.8                 | 0.8                 |
| LICENSES AND FEES                     | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| OTHER INCOME - SALES                  | 1.6               | 1.9               | 1.5               | 2.8                 | 2.2                 | 2.1                 |
| RECOVERIES AND REIMBURSEMENTS         | 7.9               | 2.4               | 3.9               | 56.8                | 56.8                | 56.8                |
| <b>Total Non-Tax Receipts</b>         | 11.5              | 6.2               | 7.1               | 60.3                | 59.8                | 59.7                |
| <b>Total Revenue</b>                  | 13.6              | 56.4              | 64.7              | 62.0                | 61.5                | 61.4                |
| <b>Transfers</b>                      |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER                | 0.0               |                   | 0.1               |                     |                     |                     |
| <b>Total Transfers</b>                | 0.0               | 0.0               | 0.1               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                  | 13.6              | 56.4              | 64.9              | 62.0                | 61.5                | 61.4                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Infrastructure Bank Obligation</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                          |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>             | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                      |                   |                   |                   |                     |                     |                     |
| ISTV                                  | 1.3               | 6.6               | 3.6               | 3.0                 | 2.5                 | 2.0                 |
| OTHER SOURCES OF FINANCING            |                   | 180.0             | 210.0             |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS         |                   |                   | 1.0               |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>         | 1.3               | 186.6             | 212.6             | 3.0                 | 2.5                 | 2.0                 |
| <b>Total Revenue</b>                  | 1.3               | 186.6             | 212.6             | 3.0                 | 2.5                 | 2.0                 |
| <b>Transfers</b>                      |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER                | 1.3               | 186.6             | 212.3             | 355.6               | 69.0                | 63.0                |
| <b>Total Transfers</b>                | 1.3               | 186.6             | 212.3             | 355.6               | 69.0                | 63.0                |
| <b>Total Sources</b>                  | 2.5               | 373.2             | 424.8             | 357.6               | 71.0                | 65.0                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Job-Ready Site Dev</b>     |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>     | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       |                   | 0.6               | 0.7               |                     |                     |                     |
| OTHER SOURCES OF FINANCING    |                   | 30.0              |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b> | 0.0               | 30.5              | 0.7               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>          | 0.0               | 30.5              | 0.7               | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| TEMPORARY TRANSFER IN         |                   | 0.4               |                   |                     |                     |                     |
| <b>Total Transfers</b>        | 0.0               | 0.4               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>          | 0.0               | 30.9              | 0.7               | 0.0                 | 0.0                 | 0.0                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Juvenile Correctional Building</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                          |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>             | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                      |                   |                   |                   |                     |                     |                     |
| ISTV                                  | 0.3               | 0.2               |                   | 0.2                 | 0.4                 | 0.4                 |
| OTHER SOURCES OF FINANCING            | 14.7              |                   |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>         | 15.0              | 0.2               | 0.0               | 0.2                 | 0.4                 | 0.4                 |
| <b>Total Revenue</b>                  | 15.0              | 0.2               | 0.0               | 0.2                 | 0.4                 | 0.4                 |
| <b>Transfers</b>                      |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>                | 0.0               | 0.0               | 0.0               | 0.0                 | 20.0                | 17.0                |
| <b>Total Sources</b>                  | 15.0              | 0.2               | 0.0               | 0.2                 | 20.4                | 17.4                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Liquor Control</b>         |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>     | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| ISTV                          | 0.0               | 0.0               | 0.0               |                     |                     |                     |
| LICENSES AND FEES             | 1.2               | 1.2               | 1.2               | 1.2                 | 1.2                 | 1.2                 |
| OTHER INCOME - SALES          | 599.9             | 632.5             | 657.8             | 679.2               | 701.1               | 723.7               |
| RECOVERIES AND REIMBURSEMENTS | 0.2               | 0.1               | 0.1               | 0.1                 | 0.1                 | 0.1                 |
| <b>Total Non-Tax Receipts</b> | 601.3             | 633.8             | 659.2             | 680.5               | 702.4               | 725.1               |
| <b>Total Revenue</b>          | 601.3             | 633.8             | 659.2             | 680.5               | 702.4               | 725.1               |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>        | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>          | 601.3             | 633.8             | 659.2             | 680.5               | 702.4               | 725.1               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Local Infrastructure Improve</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                        |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS             |                   |                   | 0.7               |                     |                     |                     |
| ISTV                                | 4.8               | 4.5               | 3.2               | 6.9                 | 8.0                 | 8.2                 |
| OTHER SOURCES OF FINANCING          | 141.6             | 144.2             | 142.3             | 264.5               | 145.0               | 147.0               |
| RECOVERIES AND REIMBURSEMENTS       | 0.0               | 0.2               |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>       | 146.4             | 148.9             | 146.2             | 271.4               | 153.0               | 155.2               |
| <b>Total Revenue</b>                | 146.4             | 148.9             | 146.2             | 271.4               | 153.0               | 155.2               |
| <b>Transfers</b>                    |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER              | 120.1             | 120.0             | 125.9             |                     |                     |                     |
| <b>Total Transfers</b>              | 120.1             | 120.0             | 125.9             | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                | 266.6             | 268.9             | 272.1             | 271.4               | 153.0               | 155.2               |



**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Local Transportation Improve</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                        |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| ISTV                                | 3.4               | 4.4               | 2.6               | 3.2                 | 5.1                 | 5.6                 |
| RECOVERIES AND REIMBURSEMENTS       |                   | 0.0               |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>       | 3.4               | 4.4               | 2.6               | 3.2                 | 5.1                 | 5.6                 |
| <b>Total Revenue</b>                | 3.4               | 4.4               | 2.6               | 3.2                 | 5.1                 | 5.6                 |
| <b>Transfers</b>                    |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER              |                   |                   | 0.3               |                     |                     |                     |
| OPER TRANSFER IN-STATE SHARE        | 63.8              | 63.9              | 57.6              | 69.1                | 164.1               | 164.1               |
| <b>Total Transfers</b>              | 63.8              | 63.9              | 58.0              | 69.1                | 164.1               | 164.1               |
| <b>Total Sources</b>                | 67.2              | 68.4              | 60.6              | 72.3                | 169.2               | 169.7               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Lottery Profit Education</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>       | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                |                   |                   |                   |                     |                     |                     |
| ISTV                            | 2.8               | 5.6               | 3.6               |                     |                     |                     |
| OTHER SOURCES OF FINANCING      | 1.3               | 1.2               | 0.8               |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>   | 4.2               | 6.8               | 4.4               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>            | 4.2               | 6.8               | 4.4               | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>                |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-LOTTERY        | 646.3             | 669.3             | 672.2             | 692.9               | 705.0               | 711.0               |
| OPER TRANSFER IN-OTHER          | 8.2               | 9.6               | 0.8               |                     |                     |                     |
| <b>Total Transfers</b>          | 654.5             | 678.9             | 673.0             | 692.9               | 705.0               | 711.0               |
| <b>Total Sources</b>            | 658.6             | 685.7             | 677.4             | 692.9               | 705.0               | 711.0               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|----------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>MH Facilities Improvement</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                     |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>        | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                 |                   |                   |                   |                     |                     |                     |
| ISTV                             | 0.6               | 1.2               | 0.0               | 0.2                 | 0.4                 | 1.1                 |
| OTHER SOURCES OF FINANCING       | 30.0              | 29.8              |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>    | 30.6              | 31.0              | 0.0               | 0.2                 | 0.4                 | 1.1                 |
| <b>Total Revenue</b>             | 30.6              | 31.0              | 0.0               | 0.2                 | 0.4                 | 1.1                 |
| <b>Transfers</b>                 |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER           |                   | 0.0               |                   | 30.0                | 40.0                | 65.0                |
| <b>Total Transfers</b>           | 0.0               | 0.0               | 0.0               | 30.0                | 40.0                | 65.0                |
| <b>Total Sources</b>             | 30.6              | 31.0              | 0.0               | 30.2                | 40.4                | 66.1                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES             | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>OH Parks &amp; Natural Resources</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                            |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>               | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                        |                   |                   |                   |                     |                     |                     |
| ISTV                                    | 0.8               | 0.5               |                   | 0.4                 | 0.6                 | 0.7                 |
| OTHER SOURCES OF FINANCING              |                   |                   |                   | 35.0                | 40.0                | 0.0                 |
| <b>Total Non-Tax Receipts</b>           | 0.8               | 0.5               | 0.0               | 35.4                | 40.6                | 0.7                 |
| <b>Total Revenue</b>                    | 0.8               | 0.5               | 0.0               | 35.4                | 40.6                | 0.7                 |
| <b>Transfers</b>                        |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>                  | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                    | 0.8               | 0.5               | 0.0               | 35.4                | 40.6                | 0.7                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-----------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Office of Auditor of State</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                      |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>         | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| ISTV                              | 9.5               | 8.8               | 8.8               | 10.6                | 10.8                | 11.1                |
| LICENSES AND FEES                 | 3.7               | 3.9               | 4.1               | 3.2                 | 3.2                 | 3.2                 |
| OTHER INCOME - SALES              | 30.4              | 31.8              | 31.0              | 31.1                | 30.0                | 30.0                |
| RECOVERIES AND REIMBURSEMENTS     | 0.2               | 0.2               | 0.2               | 0.2                 | 0.2                 | 0.2                 |
| <b>Total Non-Tax Receipts</b>     | 43.8              | 44.7              | 44.1              | 45.0                | 44.2                | 44.5                |
| <b>Total Revenue</b>              | 43.8              | 44.7              | 44.1              | 45.0                | 44.2                | 44.5                |
| <b>Transfers</b>                  |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER            |                   |                   | 0.4               |                     |                     |                     |
| <b>Total Transfers</b>            | 0.0               | 0.0               | 0.4               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>              | 43.8              | 44.7              | 44.5              | 45.0                | 44.2                | 44.5                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|---|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Parks &amp; Recreation Improvement</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                              |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>                 | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                          |                   |                   |                   |                     |                     |                     |
| ISTV                                      | 0.7               | 0.6               | 0.1               | 0.4                 | 0.6                 | 0.8                 |
| OTHER SOURCES OF FINANCING                |                   |                   | 30.0              |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>             | 0.7               | 0.6               | 30.1              | 0.4                 | 0.6                 | 0.8                 |
| <b>Total Revenue</b>                      | 0.7               | 0.6               | 30.1              | 0.4                 | 0.6                 | 0.8                 |
| <b>Transfers</b>                          |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>                    | 0.0               | 0.0               | 0.0               | 35.0                | 40.0                | 0.0                 |
| <b>Total Sources</b>                      | 0.7               | 0.6               | 30.1              | 35.4                | 40.6                | 0.8                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenue Distribution</b>   |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE        | 260.4             | 260.4             | 228.3             | 785.0               | 785.0               | 785.0               |
| AUTO SALES AND USE            | 40.9              | 40.9              | 17.7              |                     |                     |                     |
| PERSONAL INCOME TAX           | 829.3             | 829.3             | 725.7             | 464.5               | 469.5               | 469.5               |
| CORPORATE FRANCHISE TAX       | 47.5              | 47.5              | 0.3               |                     |                     |                     |
| COMMERCIAL ACTIVITY TAX       | 88.3              | 594.9             | 961.4             | 763.3               | 1,149.7             | 1,150.2             |
| PUBLIC UTILITY EXCISE TAX     | 11.0              | 11.0              | 3.1               |                     |                     |                     |
| KILOWATT HOURS EXCISE TAX     | 300.9             | 302.1             | 409.1             | 415.4               | 415.7               | 418.5               |
| MOTOR VEHICLE FUEL TAX        | 1,155.9           | 1,105.5           | 1,175.9           | 242.5               | 242.5               | 242.5               |
| HORSE RACING WAGER TAX        | 2.0               | 1.8               | 1.7               | 2.4                 | 2.4                 | 2.4                 |
| INTANGIBLE TAXES              | 14.5              | 13.1              | 12.2              |                     |                     |                     |
| <b>Total Tax Receipts</b>     | <b>2,750.6</b>    | <b>3,206.5</b>    | <b>3,534.6</b>    | <b>2,673.1</b>      | <b>3,064.8</b>      | <b>3,068.2</b>      |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       | 0.1               | 0.3               | 0.3               |                     |                     |                     |
| ISTV                          | 1.8               | 2.5               | 1.6               | 1.3                 | 1.3                 | 1.3                 |
| LICENSES AND FEES             | 532.3             | 518.0             | 508.9             | 609.2               | 554.6               | 554.6               |
| RECOVERIES AND REIMBURSEMENTS | 0.1               | 0.1               | 0.1               | 1,542.6             | 1,542.6             | 1,542.6             |
| <b>Total Non-Tax Receipts</b> | <b>534.3</b>      | <b>521.0</b>      | <b>510.9</b>      | <b>2,153.1</b>      | <b>2,098.6</b>      | <b>2,098.6</b>      |
| <b>Total Revenue</b>          | <b>3,284.9</b>    | <b>3,727.4</b>    | <b>4,045.5</b>    | <b>4,826.3</b>      | <b>5,163.4</b>      | <b>5,166.8</b>      |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 144.5             | 156.9             | 201.2             |                     |                     |                     |
| TEMPORARY TRANSFER IN         |                   | 287.4             | 472.8             |                     |                     |                     |
| <b>Total Transfers</b>        | <b>144.5</b>      | <b>444.3</b>      | <b>674.0</b>      | <b>0.0</b>          | <b>0.0</b>          | <b>0.0</b>          |
| <b>Total Sources</b>          | <b>3,429.5</b>    | <b>4,171.7</b>    | <b>4,719.5</b>    | <b>4,826.3</b>      | <b>5,163.4</b>      | <b>5,166.8</b>      |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-----------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>School Building Assistance</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                      |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>         | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| ISTV                              | 8.8               | 17.1              | 7.4               |                     |                     |                     |
| OTHER SOURCES OF FINANCING        | 599.8             | 501.0             | 4,202.4           |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS     | 1.0               |                   |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>     | 609.6             | 518.1             | 4,209.8           | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>              | 609.6             | 518.1             | 4,209.8           | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>                  |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER            | 80.3              | 50.4              | 5.6               |                     |                     |                     |
| <b>Total Transfers</b>            | 80.3              | 50.4              | 5.6               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>              | 689.9             | 568.5             | 4,215.5           | 0.0                 | 0.0                 | 0.0                 |



**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>State Lottery</b>           |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS        | 46.6              | 259.7             | 19.5              | 35.5                | 35.5                | 35.5                |
| ISTV                           | 5.1               | 6.4               | 10.6              | 4.5                 | 4.4                 | 4.4                 |
| LICENSES AND FEES              | 0.0               | 0.0               | 0.1               | 0.1                 | 0.1                 | 0.1                 |
| OTHER INCOME - SALES           | 1,308.7           | 943.7             | 1,031.7           | 990.5               | 1,007.0             | 1,010.7             |
| RECOVERIES AND REIMBURSEMENTS  | 0.5               | 0.4               | 0.9               | 0.6                 | 0.6                 | 0.6                 |
| <b>Total Non-Tax Receipts</b>  | 1,360.9           | 1,210.1           | 1,062.7           | 1,031.1             | 1,047.6             | 1,051.3             |
| <b>Total Revenue</b>           | 1,360.9           | 1,210.1           | 1,062.7           | 1,031.1             | 1,047.6             | 1,051.3             |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-LOTTERY ANUTY | 12.6              | 12.4              | 11.8              | 15.0                | 15.0                | 15.0                |
| OPER TRANSFER IN-OTHER         |                   |                   | 2.0               |                     |                     |                     |
| <b>Total Transfers</b>         | 12.6              | 12.4              | 13.8              | 15.0                | 15.0                | 15.0                |
| <b>Total Sources</b>           | 1,373.6           | 1,222.5           | 1,076.5           | 1,046.1             | 1,062.6             | 1,066.3             |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>State Special Revenue</b>   |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE         | 3.6               | 4.9               | 5.9               | 5.8                 | 5.8                 | 5.9                 |
| PERSONAL INCOME TAX            | 7.5               | 8.3               | 7.8               | 8.0                 | 8.0                 | 8.0                 |
| CORPORATE FRANCHISE TAX        | 3.5               | 1.7               | 1.5               | 1.7                 | 1.0                 | 1.0                 |
| COMMERCIAL ACTIVITY TAX        |                   | 0.0               |                   |                     |                     |                     |
| PUBLIC UTILITY EXCISE TAX      | 0.0               |                   |                   |                     |                     |                     |
| FOREIGN INSUR COMPANIES TAX    | 20.2              | 21.9              | 17.3              | 16.6                | 16.6                | 16.0                |
| DOMESTICE INSUR FRANCHISE TAX  | 0.1               | 0.1               | 4.7               | 4.0                 | 3.8                 | 3.8                 |
| SEVERENCE TAX                  | 7.7               | 7.0               | 9.4               | 10.9                | 17.0                | 17.3                |
| MOTOR FUEL USE TAX             | 0.0               |                   |                   |                     |                     |                     |
| MOTOR VEHICLE FUEL TAX         | 6.1               | 5.9               | 6.2               | 5.9                 | 5.9                 | 5.9                 |
| HORSE RACING WAGER TAX         | 10.8              | 10.2              | 9.0               | 10.0                | 9.4                 | 8.8                 |
| CIGARETTE TAX                  | 0.0               |                   | 0.0               |                     |                     |                     |
| ALCOHOLIC BEVERAGES TAX        | 0.9               | 0.9               | 0.9               | 0.9                 | 0.9                 | 0.9                 |
| PERMISSIVE SALES/USE TAX       | 16.0              | 16.9              | 17.3              | 17.0                | 17.0                | 17.0                |
| PERMISSIVE TAXES NEC           | 3.7               | 4.7               | 5.6               | 4.8                 | 4.8                 | 4.8                 |
| <b>Total Tax Receipts</b>      | <b>80.0</b>       | <b>82.4</b>       | <b>85.8</b>       | <b>85.4</b>         | <b>90.1</b>         | <b>89.4</b>         |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS        | 17.6              | 24.4              | 28.9              | 24.9                | 24.8                | 24.7                |
| FEDERAL GRANTS                 | 12.2              | 11.2              | 9.8               | 10.4                | 18.2                | 19.2                |
| ISTV                           | 147.6             | 177.8             | 151.2             | 157.3               | 171.9               | 175.9               |
| LICENSES AND FEES              | 1,106.7           | 1,278.9           | 1,389.0           | 1,469.4             | 1,812.1             | 1,758.4             |
| OTHER GRANTS AND CONTRIBUTIONS | 85.7              | 149.7             | 192.6             | 188.7               | 196.5               | 208.5               |
| OTHER INCOME - SALES           | 16.1              | 16.2              | 14.6              | 17.4                | 20.2                | 20.5                |
| OTHER SOURCES OF FINANCING     | 4.0               | 2.6               | 1.3               | 4.5                 | 4.3                 | 4.3                 |
| RECOVERIES AND REIMBURSEMENTS  | 176.2             | 155.7             | 153.0             | 220.9               | 247.7               | 255.6               |
| <b>Total Non-Tax Receipts</b>  | <b>1,566.1</b>    | <b>1,816.5</b>    | <b>1,940.4</b>    | <b>2,093.4</b>      | <b>2,495.6</b>      | <b>2,467.3</b>      |
| <b>Total Revenue</b>           | <b>1,646.1</b>    | <b>1,898.9</b>    | <b>2,026.2</b>    | <b>2,178.8</b>      | <b>2,585.7</b>      | <b>2,556.6</b>      |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         | 130.4             | 208.4             | 77.4              | 65.1                | 66.2                | 58.0                |
| <b>Total Transfers</b>         | <b>130.4</b>      | <b>208.4</b>      | <b>77.4</b>       | <b>65.1</b>         | <b>66.2</b>         | <b>58.0</b>         |
| <b>Total Sources</b>           | <b>1,776.6</b>    | <b>2,107.3</b>    | <b>2,103.5</b>    | <b>2,243.9</b>      | <b>2,652.0</b>      | <b>2,614.6</b>      |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES              | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Third Frontier Research &amp; Dev</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                             |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>                | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                         |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS                  |                   | 1.5               | 1.1               | 1.7                 | 2.4                 | 3.1                 |
| ISTV                                     |                   | 0.0               | 0.6               |                     |                     |                     |
| OTHER SOURCES OF FINANCING               |                   | 80.5              |                   | 101.9               | 51.9                | 51.9                |
| <b>Total Non-Tax Receipts</b>            | 0.0               | 82.0              | 1.7               | 103.6               | 54.3                | 55.0                |
| <b>Total Revenue</b>                     | 0.0               | 82.0              | 1.7               | 103.6               | 54.3                | 55.0                |
| <b>Transfers</b>                         |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER                   |                   | 80.5              | 0.0               | 88.0                | 66.0                | 71.0                |
| <b>Total Transfers</b>                   | 0.0               | 80.5              | 0.0               | 88.0                | 66.0                | 71.0                |
| <b>Total Sources</b>                     | 0.0               | 162.6             | 1.7               | 191.6               | 120.3               | 126.0               |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Tobacco Settlement</b>     |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>     | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| ISTV                          | 15.5              | 16.5              | 9.1               | 32.0                | 3.3                 | 2.3                 |
| LICENSES AND FEES             |                   |                   | 0.1               |                     |                     |                     |
| RECOVERIES AND REIMBURSEMENTS | 296.8             | 311.0             | 14.0              | 32.3                | 3.0                 | 3.0                 |
| <b>Total Non-Tax Receipts</b> | 312.3             | 327.5             | 23.2              | 64.3                | 6.3                 | 5.3                 |
| <b>Total Revenue</b>          | 312.3             | 327.5             | 23.2              | 64.3                | 6.3                 | 5.3                 |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 288.1             | 344.5             | 45.7              | 60.0                | 60.0                | 30.0                |
| <b>Total Transfers</b>        | 288.1             | 344.5             | 45.7              | 60.0                | 60.0                | 30.0                |
| <b>Total Sources</b>          | 600.4             | 672.0             | 68.9              | 124.3               | 66.3                | 35.3                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Transportation Building</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b>  | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Revenue</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>         | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Underground Parking</b>    |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| NON-AUTO SALES AND USE        |                   |                   | 0.1               | 0.1                 | 0.1                 | 0.1                 |
| <b>Total Tax Receipts</b>     | 0.0               | 0.0               | 0.1               | 0.1                 | 0.1                 | 0.1                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| ISTV                          | 0.7               | 0.8               | 0.7               | 0.7                 | 0.7                 | 0.7                 |
| LICENSES AND FEES             | 2.0               | 2.0               | 2.2               | 2.4                 | 2.4                 | 2.4                 |
| RECOVERIES AND REIMBURSEMENTS | 0.0               |                   |                   |                     |                     |                     |
| <b>Total Non-Tax Receipts</b> | 2.6               | 2.8               | 2.8               | 3.1                 | 3.1                 | 3.1                 |
| <b>Total Revenue</b>          | 2.6               | 2.8               | 2.9               | 3.2                 | 3.2                 | 3.2                 |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        |                   |                   | 0.0               |                     | 0.6                 | 0.6                 |
| <b>Total Transfers</b>        | 0.0               | 0.0               | 0.0               | 0.0                 | 0.6                 | 0.6                 |
| <b>Total Sources</b>          | 2.6               | 2.8               | 2.9               | 3.2                 | 3.8                 | 3.8                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Volunteer Firefighter Depend</b> |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                        |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>                    |                   |                   |                   |                     |                     |                     |
| ISTV                                | 0.0               |                   |                   |                     |                     |                     |
| OTHER GRANTS AND CONTRIBUTIONS      | 0.2               | 0.1               | 0.2               | 0.3                 | 0.4                 | 0.3                 |
| RECOVERIES AND REIMBURSEMENTS       |                   | 0.0               |                   | 0.3                 | 0.3                 | 0.3                 |
| <b>Total Non-Tax Receipts</b>       | 0.2               | 0.1               | 0.2               | 0.6                 | 0.7                 | 0.6                 |
| <b>Total Revenue</b>                | 0.2               | 0.1               | 0.2               | 0.6                 | 0.7                 | 0.6                 |
| <b>Transfers</b>                    |                   |                   |                   |                     |                     |                     |
| <b>Total Transfers</b>              | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>                | 0.2               | 0.1               | 0.2               | 0.6                 | 0.7                 | 0.6                 |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Waterways Safety</b>       |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| MOTOR VEHICLE FUEL TAX        | 15.7              | 15.0              | 16.0              | 16.0                | 16.0                | 16.0                |
| <b>Total Tax Receipts</b>     | 15.7              | 15.0              | 16.0              | 16.0                | 16.0                | 16.0                |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       |                   |                   |                   | 1.0                 | 0.9                 | 0.9                 |
| FEDERAL GRANTS                | 3.3               | 3.8               | 5.1               | 5.3                 | 5.3                 | 5.2                 |
| ISTV                          | 1.0               | 1.4               | 1.3               | 0.2                 | 0.1                 | 0.1                 |
| LICENSES AND FEES             | 5.5               | 5.2               | 5.2               | 5.0                 | 4.9                 | 4.7                 |
| OTHER INCOME - SALES          |                   |                   | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| RECOVERIES AND REIMBURSEMENTS | 0.1               | 0.1               | 0.1               | 0.2                 | 0.2                 | 0.2                 |
| <b>Total Non-Tax Receipts</b> | 9.9               | 10.6              | 11.7              | 11.6                | 11.4                | 11.1                |
| <b>Total Revenue</b>          | 25.6              | 25.6              | 27.7              | 27.6                | 27.4                | 27.1                |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        | 3.0               | 1.0               | 1.2               |                     |                     |                     |
| <b>Total Transfers</b>        | 3.0               | 1.0               | 1.2               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>          | 28.6              | 26.6              | 28.9              | 27.6                | 27.4                | 27.1                |



**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Wildlife</b>               |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                  |                   |                   |                   |                     |                     |                     |
| MOTOR VEHICLE FUEL TAX        | 2.2               | 2.2               | 2.3               | 2.3                 | 2.2                 | 2.2                 |
| <b>Total Tax Receipts</b>     | 2.2               | 2.2               | 2.3               | 2.3                 | 2.2                 | 2.2                 |
| <b>Non-Taxes</b>              |                   |                   |                   |                     |                     |                     |
| EARNINGS ON INVESTMENTS       |                   | 0.0               |                   | 1.0                 | 1.0                 | 1.0                 |
| FEDERAL GRANTS                | 16.6              | 19.6              | 15.1              | 25.2                | 18.0                | 18.0                |
| ISTV                          | 2.1               | 2.7               | 2.1               | 0.8                 | 0.7                 | 0.7                 |
| LICENSES AND FEES             | 35.6              | 36.8              | 36.9              | 37.1                | 37.1                | 37.1                |
| OTHER INCOME - SALES          | 0.4               | 0.4               | 0.4               | 0.4                 | 0.4                 | 0.4                 |
| RECOVERIES AND REIMBURSEMENTS | 2.9               | 3.5               | 2.6               | 3.1                 | 2.5                 | 2.4                 |
| <b>Total Non-Tax Receipts</b> | 57.7              | 63.0              | 57.1              | 67.6                | 59.6                | 59.6                |
| <b>Total Revenue</b>          | 60.0              | 65.1              | 59.4              | 69.9                | 61.8                | 61.8                |
| <b>Transfers</b>              |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER        |                   |                   | 0.2               |                     |                     |                     |
| <b>Total Transfers</b>        | 0.0               | 0.0               | 0.2               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>          | 60.0              | 65.1              | 59.6              | 69.9                | 61.8                | 61.8                |

**FIGURE B-28**  
**INCOME SOURCES, FISCAL YEARS 2006-2011**  
(Dollars in Millions)

| FUND GROUP / INCOME SOURCES    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>ESTIMATE | FY 2011<br>ESTIMATE |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Workers' Compensation</b>   |                   |                   |                   |                     |                     |                     |
| <b>Taxes</b>                   |                   |                   |                   |                     |                     |                     |
| <b>Total Tax Receipts</b>      | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Non-Taxes</b>               |                   |                   |                   |                     |                     |                     |
| ISTV                           | 4.6               | 4.6               | 4.0               | 4.6                 | 4.4                 | 4.2                 |
| OTHER GRANTS AND CONTRIBUTIONS | 352.4             | 354.8             | 351.6             | 436.9               | 371.9               | 372.7               |
| OTHER INCOME - SALES           | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| RECOVERIES AND REIMBURSEMENTS  | 0.2               | 0.0               | 0.1               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Non-Tax Receipts</b>  | 357.2             | 359.5             | 355.7             | 441.5               | 376.3               | 376.9               |
| <b>Total Revenue</b>           | 357.2             | 359.5             | 355.7             | 441.5               | 376.3               | 376.9               |
| <b>Transfers</b>               |                   |                   |                   |                     |                     |                     |
| OPER TRANSFER IN-OTHER         |                   |                   | 0.0               |                     |                     |                     |
| <b>Total Transfers</b>         | 0.0               | 0.0               | 0.0               | 0.0                 | 0.0                 | 0.0                 |
| <b>Total Sources</b>           | 357.2             | 359.5             | 355.7             | 441.5               | 376.3               | 376.9               |

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## Budget Overview

### Revenue Summaries

This section summarizes the revenue that is estimated to be received by the state in fiscal years 2010 and 2011. It is important to note that because all revenue that the state anticipates receiving in fiscal years 2010 and 2011 is summarized in this section, the revenue summaries include anticipated revenue that is not proposed for spending in this Executive Budget.

Detailed information on the economic forecast that drives the state's revenue estimates and the methods used to prepare the estimates are provided in Section B - Economic Forecast.

This section contains three pie charts that show summaries of the state's revenue estimates. Each is listed and described below.

**Figure C-1, Total GRF Revenues Pie Chart:** This pie chart shows the total estimated General Revenue Fund (GRF) revenue by major revenue source. All revenue from major state taxes (personal income tax, sales and use tax, business taxes, etc.) is deposited into the GRF along with revenue received from the federal government as reimbursement to the state for certain GRF expenditures made by the Department of Job and Family Services.

**Figure C-2, State-Only GRF Revenue Pie Chart:** The federal revenue deposited in the GRF is substantial. It's estimated to be \$16.7 billion during the fiscal year 2010-2011 biennium. But the inclusion of this federal revenue in the GRF somewhat distorts the role that state tax revenue plays in financing state programs. State tax revenues, not federal reimbursements for human services programs, provide the majority of GRF revenues. To make this clear, this pie chart (labeled "State-Only GRF"), shows GRF revenue by major revenue source excluding the federal reimbursements for GRF spending that the state deposits into the GRF. Approximately 87.3 percent of the state's non-federal GRF revenue is from tax receipts.

**Figure C-3, All Funds Revenue:** The "all funds" pie chart illustrates how all operating budget revenue is split among the different types of state funds. The GRF provides about 46.0 percent of revenue used for all purposes. In order to create this pie chart the state's 44 budget fund groups have been grouped into the following fund types:

#### **General Funds**

Budget Stabilization  
Education Improvement  
General Revenue  
General Services

#### **Special Revenue Funds**

Advanced Energy  
Clean Ohio Conservation Program  
Coal Research & Development  
Cultural & Sports Facilities Building  
Facilities Establishment  
Federal Special Revenue  
Higher Education Improvement  
Highway Operating  
Highway Safety

#### **Capital Projects Funds**

Administrative Building  
Adult Correctional Building  
Highway Capital Improvement  
Highway Safety Building  
Infrastructure Bank Obligations

Job-Ready Site Development  
Local Infrastructure Improvement  
Local Transportation Improvement  
Lottery Profit Education  
Revenue Distribution  
School Building Assistance  
State Special Revenue  
Third Frontier Research  
& Development  
Tobacco Settlement  
Waterways Safety  
Wildlife

#### **Debt Service Funds**

Debt Service

#### **Enterprise Funds**

Liquor Control  
Office of Auditor of State  
State Lottery  
Underground Parking  
Workers' Compensation

#### **Agency Funds**

Accrued Leave Liability  
Agency  
Holding Account Redistribution  
Volunteer Firefighter Dependents

**Capital Projects Funds (cont'd)**

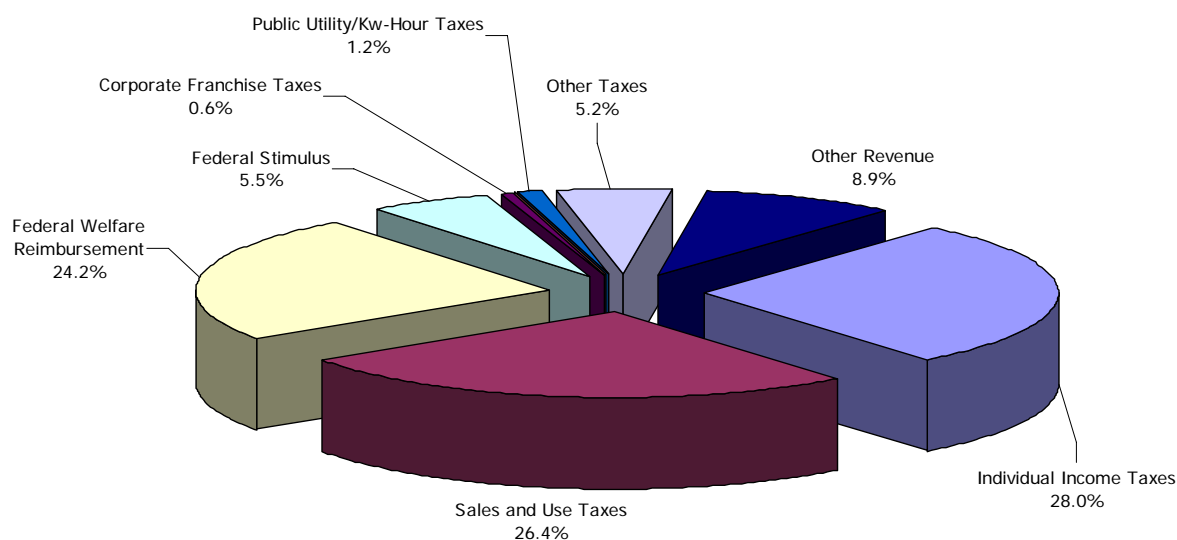
Juvenile Correctional Building

Mental Health Facilities

Improvement

In this section (Section C) of the Executive Budget, in addition to revenue summary information, the reader will find summaries of historical and recommended spending, fund balances, and state personnel. The spending section begins on page C-6.

**Figure C-1**  
**Total GRF – Estimated Revenues for FYs 2010 and 2011**



**Estimated GRF Revenues (dollars in millions)**

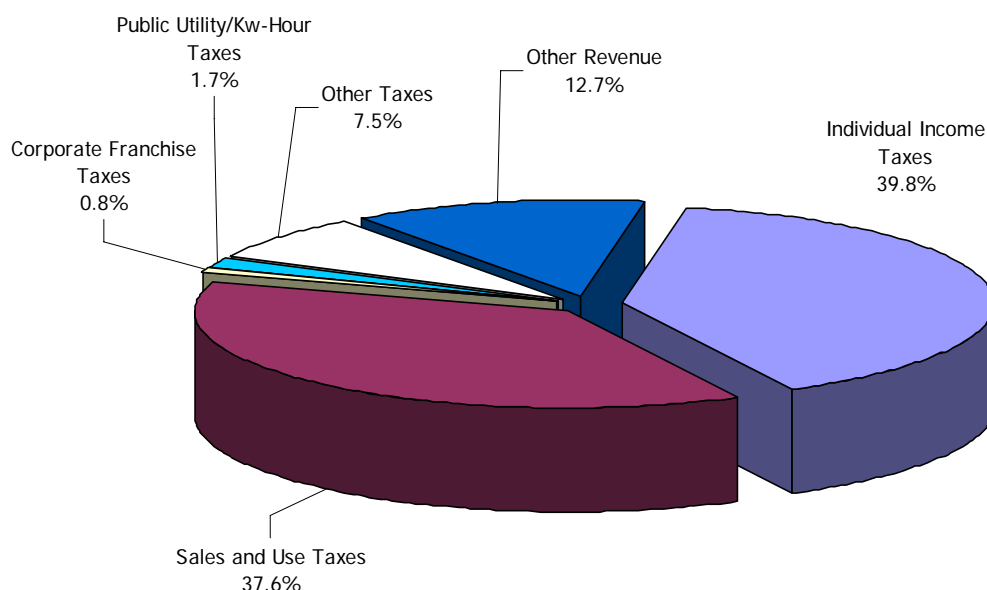
| Revenue Source                     | FY 2010            | FY 2011            | Total              |
|------------------------------------|--------------------|--------------------|--------------------|
| Individual Income Taxes            | \$ 7,979.1         | \$ 7,730.8         | \$ 15,709.9        |
| Sales and Use Taxes                | \$ 7,263.8         | \$ 7,581.5         | \$ 14,845.3        |
| Federal Grants & Reimbursement     | \$ 6,386.4         | \$ 7,187.5         | \$ 13,573.9        |
| Federal Stimulus                   | \$ 1,387.1         | \$ 1,707.3         | \$ 3,094.4         |
| Corporate Franchise Taxes          | \$ 163.0           | \$ 169.7           | \$ 332.7           |
| Commercial Activity Taxes          | \$ -               | \$ -               | \$ -               |
| Public Utility/Kilowatt-Hour Taxes | \$ 333.5           | \$ 330.2           | \$ 663.7           |
| Other Taxes                        | \$ 1,479.3         | \$ 1,465.7         | \$ 2,945.0         |
| <b>Total</b>                       | <b>\$ 26,882.8</b> | <b>\$ 29,298.4</b> | <b>\$ 56,181.2</b> |

Note: Numbers may not add to total due to rounding.  
Source: Ohio Office of Budget and Management, January 2009

### What This Chart Shows

This pie chart shows the proportional contribution that each revenue source makes toward the state's general revenue Fund. All revenue coming into the State Treasury that is not specifically authorized by law to be placed in another fund is deposited in the GRF.

**Figure C-2**  
**State-Only GRF – Estimated Revenues for FYs 2010 and 2011**



### Estimated State-Only GRF Revenues (dollars in millions)

| Revenue Source                     | FY 2010            | FY 2011            | Total              |
|------------------------------------|--------------------|--------------------|--------------------|
| Individual Income Taxes            | \$ 7,979.1         | \$ 7,730.8         | \$ 15,709.9        |
| Sales and Use Taxes                | \$ 7,263.8         | \$ 7,581.5         | \$ 14,845.3        |
| Corporate Franchise Taxes          | \$ 163.0           | \$ 169.7           | \$ 332.7           |
| Commercial Activity Taxes          | \$ -               | \$ -               | \$ -               |
| Public Utility/Kilowatt-Hour Taxes | \$ 333.5           | \$ 330.2           | \$ 663.7           |
| Other Taxes                        | \$ 1,479.3         | \$ 1,465.7         | \$ 2,945.0         |
| Other Revenue                      | \$ 1,890.6         | \$ 3,125.7         | \$ 5,016.3         |
| <b>Total</b>                       | <b>\$ 19,109.3</b> | <b>\$ 20,403.6</b> | <b>\$ 39,512.9</b> |

Note: Numbers may not add to total due to rounding.

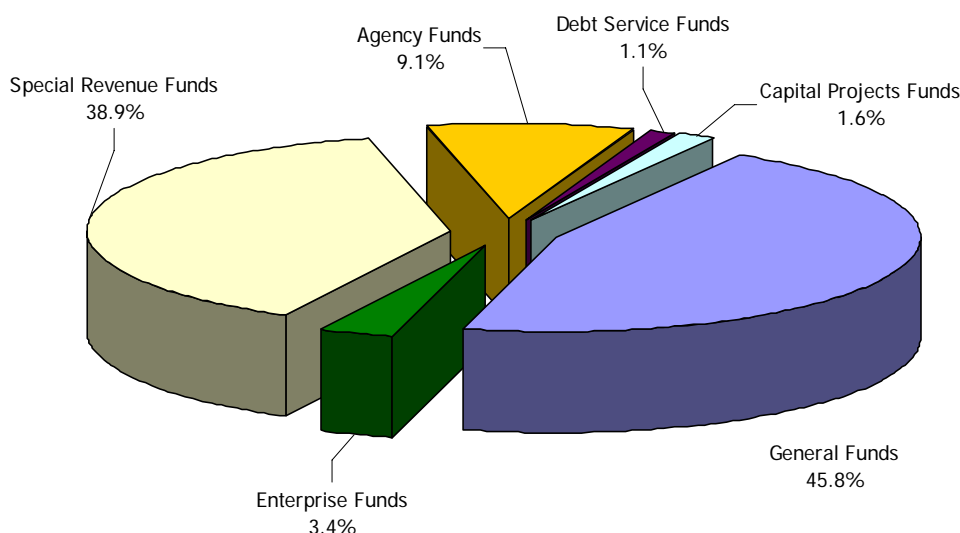
Source: Ohio Office of Budget and Management, January 2009

Please Note: These figures do not include \$16,668.3 million of estimated federal revenue (\$7,773.5 million in FY 2010 and \$8,894.8 million in FY 2011) in the GRF.

### What This Chart Shows

This pie chart shows the proportional contribution that each revenue source, except federal reimbursements, makes toward the state's GRF. Approximately 87.3 percent of the revenue represented in this chart comes from state tax receipts, which are paid by individuals and companies living, working, and doing business in Ohio.

**Figure C-3**  
**All Funds – Estimated Revenues for FYs 2010 and 2011**



### All Funds Estimated Revenues (dollars in millions)

| Revenue Source         | FY 2010            | FY 2011            | Total               |
|------------------------|--------------------|--------------------|---------------------|
| General Funds          | \$ 28,322.1        | \$ 30,921.6        | \$ 59,243.7         |
| Enterprise Funds       | \$ 2,189.3         | \$ 2,216.6         | \$ 4,405.9          |
| Special Revenue Funds  | \$ 25,819.2        | \$ 24,537.4        | \$ 50,356.6         |
| Agency Funds           | \$ 5,854.4         | \$ 5,964.4         | \$ 11,818.8         |
| Debt Service Funds     | \$ 711.9           | \$ 724.7           | \$ 1,436.6          |
| Capital Projects Funds | \$ 1,049.0         | \$ 1,014.4         | \$ 2,063.4          |
| <b>Total</b>           | <b>\$ 63,945.9</b> | <b>\$ 65,379.1</b> | <b>\$ 129,325.0</b> |

Note: Numbers may not add to total due to rounding.

Source: Ohio Office of Budget and Management, January 2009

### What This Chart Shows

This pie chart shows the different types of state funds into which all the state's estimated revenue is deposited. General Funds account for revenue that is traditionally associated with government that is not required to be accounted for in other funds. Enterprise Funds account for operations financed and operated in a manner similar to a private business. Special Revenue Funds account for revenue that is legally restricted to specific purposes. Agency Funds include moneys received, held and disbursed by the state as a custodian or agent. Debt Service Funds account

for revenue used to pay the principal and interest on general long-term debt. Capital Projects Funds account for the acquisition of fixed assets and construction and repair of capital facilities other than those financed by enterprise service funds.



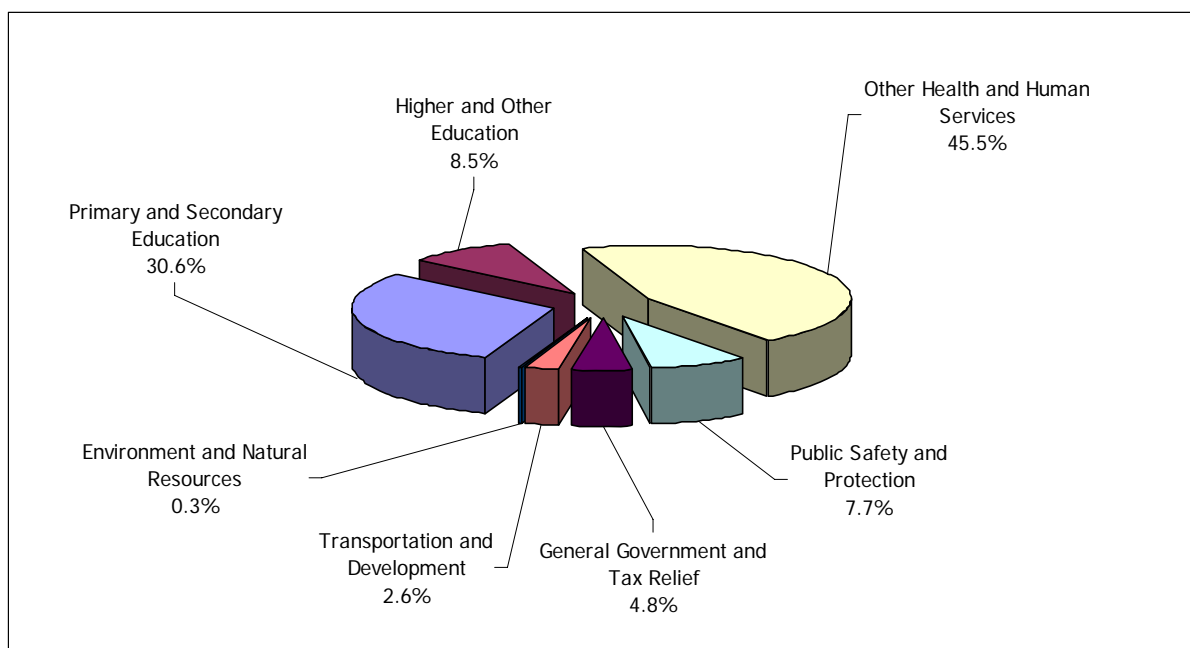
The charts and tables in this section summarize the spending recommended by Governor Strickland for the fiscal year 2010 and 2011 biennium. Two pie charts appear first, followed by a bar chart and two tables. The charts and tables are listed below with a brief description of what each one shows.

Figure C-4, Total GRF Appropriations Pie Chart: This pie chart shows the Governor’s recommended appropriations for the total General Revenue Fund (GRF) by major spending category. All revenue from major state taxes (income tax, sales tax, business taxes, etc.) is deposited into and appropriated from the General Revenue Fund along with revenue received from the federal government as reimbursement to the state for certain General Revenue Fund expenditures made by the Department of Job and Family Services.

Figure C-5, All Funds Appropriations Pie Chart: The third chart that summarizes recommended appropriations is Figure C-5. The “all funds” chart shows how all recommended operating budget appropriations for the fiscal year 2010-11 biennium are split among the major spending categories.

Figure C-6, Expense by Object Summary: This table shows actual (fiscal years 2006 to 2008) and estimated (fiscal year 2009) spending and recommended appropriations (fiscal years 2010 and 2011) by major object of expense. This information is shown for the General Revenue Fund and for all funds.

**Figure C-4**  
**Total GRF – Recommended Appropriations for FYs 2010 and 2011**



**Recommended GRF Appropriations (dollars in millions)**

| Function                               | FY 2010            | FY 2011            | Total              |
|--|--------------------|--------------------|--------------------|
| Primary, Secondary and Other Education | \$ 8,236.6         | \$ 8,510.6         | \$ 16,747.2        |
| Higher Education                       | \$ 2,339.1         | \$ 2,290.3         | \$ 4,629.4         |
| Health and Human Services              | \$ 11,312.9        | \$ 13,563.5        | \$ 24,876.4        |
| Justice and Public Protection          | \$ 2,103.8         | \$ 2,097.2         | \$ 4,201.0         |
| General Government and Other           | \$ 1,278.4         | \$ 1,363.5         | \$ 2,641.9         |
| Transportation and Development         | \$ 703.7           | \$ 712.6           | \$ 1,416.3         |
| Environment and Natural Resources      | \$ 94.0            | \$ 90.1            | \$ 184.1           |
| <b>Total</b>                           | <b>\$ 26,068.5</b> | <b>\$ 28,627.8</b> | <b>\$ 54,696.3</b> |

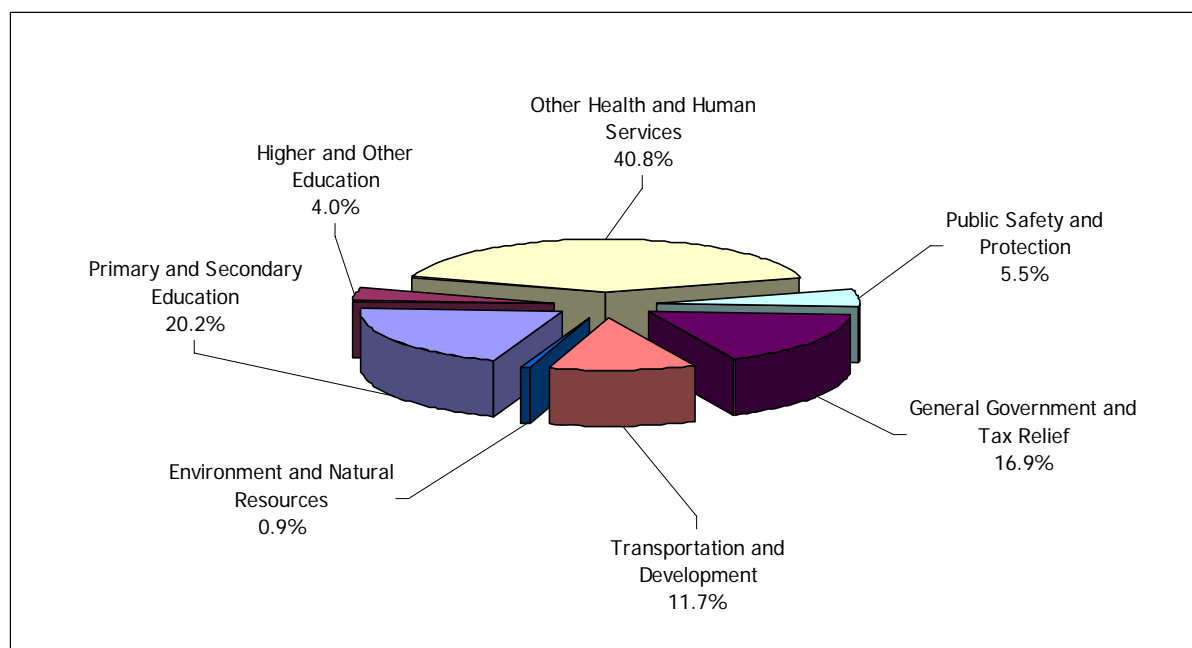
Note: Numbers may not add to total due to rounding.

Source: Ohio Office of Budget and Management, January 2009

**What This Chart Shows**

This pie chart shows the share of the state's General Revenue Fund (GRF) that is used for each major function of state government. The General Revenue Fund is the state's largest single fund and it finances about one-half of all state government activities.

**Figure C-5**  
**All Funds – Recommended Appropriations for FYs 2010 and 2011**



**All Funds Recommended Appropriations (dollars in millions)**

| Function                               | FY 2010 |                 | FY 2011 |                 | Total               |
|--|---------|-----------------|---------|-----------------|---------------------|
| Primary, Secondary and Other Education | \$      | 11,975.5        | \$      | 12,248.1        | \$ 24,223.6         |
| Higher Education                       | \$      | 2,396.4         | \$      | 2,347.4         | \$ 4,743.8          |
| Health and Human Services              | \$      | 23,849.9        | \$      | 25,101.1        | \$ 48,951.0         |
| Justice and Public Protection          | \$      | 3,305.2         | \$      | 3,304.1         | \$ 6,609.3          |
| General Government and Other           | \$      | 9,956.9         | \$      | 10,255.7        | \$ 20,212.6         |
| Transportation and Development         | \$      | 7,305.7         | \$      | 6,748.1         | \$ 14,053.8         |
| Environment and Natural Resources      | \$      | 518.1           | \$      | 519.3           | \$ 1,037.4          |
| Primary, Secondary and Other Education | \$      | 11,975.5        | \$      | 12,248.1        | \$ 24,223.6         |
| <b>Total</b>                           | \$      | <b>59,307.7</b> | \$      | <b>60,523.8</b> | \$ <b>119,831.5</b> |

Note: Numbers may not add to total due to rounding.  
Source: Ohio Office of Budget and Management, January 2009

**What This Chart Shows**

This pie chart shows how the total state operating budget is split among the major functions of state government. The General Government function is a much larger share of the all funds pie chart than it is of the General Revenue Fund pie chart revenue distribution funds is included in this category. For more information about these funds, see the Revenue Distribution Fund narrative in section E.

**Figure C-6 (continued on next page)**  
**Expense by Object Summary, Fiscal Years 2006 to 2011**  
**Dollars in Millions**

|                             | <b>FY 2006</b> | <b>% of</b>  | <b>FY 2007</b> | <b>% of</b>  | <b>FY 2008</b> | <b>% of</b>  |
|-----------------------------|----------------|--------------|----------------|--------------|----------------|--------------|
|                             | <b>Actual</b>  | <b>Total</b> | <b>Actual</b>  | <b>Total</b> | <b>Actual</b>  | <b>Total</b> |
| <b>General Revenue Fund</b> |                |              |                |              |                |              |
| Personal Service            | \$ 1,878.1     | 7.6%         | \$ 1,954.5     | 7.8%         | \$ 2,030.7     | 7.9%         |
| Purchased Personal Services | \$ 298.3       | 1.2%         | \$ 292.9       | 1.2%         | \$ 330.8       | 1.3%         |
| Maintenance                 | \$ 569.9       | 2.3%         | \$ 572.5       | 2.3%         | \$ 541.1       | 2.1%         |
| Equipment                   | \$ 59.5        | 0.2%         | \$ 46.4        | 0.2%         | \$ 45.8        | 0.2%         |
| Total Operating             | \$ 2,805.8     | 11.3%        | \$ 2,866.4     | 11.4%        | \$ 2,948.5     | 11.5%        |
| Subsidy                     | \$ 20,880.5    | 84.0%        | \$ 20,963.8    | 83.4%        | \$ 21,447.6    | 83.4%        |
| Goods for Resale            | \$ -           | 0.0%         | \$ -           | 0.0%         | \$ -           | 0.0%         |
| Capital                     | \$ 0.6         | 0.0%         | \$ 1.2         | 0.0%         | \$ 0.6         | 0.0%         |
| Transfers                   | \$ 1,175.6     | 4.7%         | \$ 1,313.4     | 5.2%         | \$ 1,327.5     | 5.2%         |
| Total Expense               | \$ 24,862.5    | 100.0%       | \$ 25,144.8    | 100.0%       | \$ 25,724.2    | 100.0%       |
| <b>All Funds</b>            |                |              |                |              |                |              |
| Personal Service            | \$ 4,794.7     | 9.3%         | \$ 4,490.3     | 8.5%         | \$ 4,396.1     | 8.3%         |
| Purchased Personal Services | \$ 739.5       | 1.4%         | \$ 767.3       | 1.5%         | \$ 1,108.4     | 2.1%         |
| Maintenance                 | \$ 1,435.1     | 2.8%         | \$ 1,446.3     | 2.7%         | \$ 1,490.7     | 2.8%         |
| Equipment                   | \$ 308.9       | 0.6%         | \$ 239.8       | 0.5%         | \$ 178.7       | 0.3%         |
| Total Operating             | \$ 7,278.1     | 14.1%        | \$ 6,943.8     | 13.2%        | \$ 7,173.8     | 13.6%        |
| Subsidy                     | \$ 32,248.0    | 62.3%        | \$ 33,020.3    | 62.7%        | \$ 33,709.4    | 63.8%        |
| Goods for Resale            | \$ 471.9       | 0.9%         | \$ 494.5       | 0.9%         | \$ 522.8       | 1.0%         |
| Capital                     | \$ 1,846.9     | 3.6%         | \$ 1,942.9     | 3.7%         | \$ 1,874.0     | 3.5%         |
| Transfers                   | \$ 9,911.6     | 19.2%        | \$ 10,275.2    | 19.5%        | \$ 9,526.2     | 18.0%        |
| Total Expense               | 51,756.4       | 1.0          | 52,676.7       | 1.0          | 52,806.2       | 1.0          |

Note: Figures may not add to total due to rounding

Source: Ohio Office of Budget and Management, January 2009

**Figure C-6 (continued from previous page)**  
**Expense by Object Summary, Fiscal Years 2006 to 2011**  
**Dollars in Millions**

|                             |             |        | Recommended |        |             |        |
|-----------------------------|-------------|--------|-------------|--------|-------------|--------|
|                             | FY 2009     | % of   |             | % of   |             | % of   |
|                             | Estimate    | Total  | FY 2010     | Total  | FY 2011     | Total  |
| General Revenue Fund        |             |        |             |        |             |        |
| Personal Service            | \$ 2,033.8  | 7.6%   | \$ 1,988.7  | 7.6%   | \$ 2,005.6  | 7.0%   |
| Purchased Personal Services | \$ 310.0    | 1.2%   | \$ 323.2    | 1.2%   | \$ 323.6    | 1.1%   |
| Maintenance                 | \$ 631.9    | 2.3%   | \$ 608.2    | 2.3%   | \$ 600.7    | 2.1%   |
| Equipment                   | \$ 12.7     | 0.0%   | \$ 16.4     | 0.1%   | \$ 17.1     | 0.1%   |
| Total Operating             | \$ 2,988.3  | 11.1%  | \$ 2,936.4  | 11.3%  | \$ 2,947.1  | 10.3%  |
| Subsidy                     | \$ 22,536.0 | 83.7%  | \$ 22,001.6 | 84.4%  | \$ 24,521.0 | 85.7%  |
| Goods for Resale            | \$ -        | 0.0%   | \$ -        | 0.0%   | \$ -        | 0.0%   |
| Capital                     | \$ -        | 0.0%   | \$ 46.0     | 0.2%   | \$ 6.0      | 0.0%   |
| Transfers                   | \$ 1,406.3  | 5.2%   | \$ 1,084.5  | 4.2%   | \$ 1,153.6  | 4.0%   |
| Total Expense               | \$ 26,930.6 | 100.0% | \$ 26,068.5 | 100.0% | \$ 28,627.8 | 100.0% |
| All Funds                   |             |        |             |        |             |        |
| Personal Service            | \$ 4,681.1  | 8.0%   | \$ 4,739.3  | 7.7%   | \$ 4,807.6  | 7.6%   |
| Purchased Personal Services | \$ 1,218.8  | 2.1%   | \$ 1,057.4  | 1.7%   | \$ 1,072.8  | 1.7%   |
| Maintenance                 | \$ 1,818.5  | 3.1%   | \$ 1,768.9  | 2.9%   | \$ 1,845.2  | 2.9%   |
| Equipment                   | \$ 172.1    | 0.3%   | \$ 178.6    | 0.3%   | \$ 162.4    | 0.3%   |
| Total Operating             | \$ 7,890.6  | 13.5%  | \$ 7,744.2  | 12.5%  | \$ 7,888.0  | 12.5%  |
| Subsidy                     | \$ 37,088.8 | 63.4%  | \$ 41,429.3 | 67.0%  | \$ 42,716.1 | 67.9%  |
| Goods for Resale            | \$ 576.5    | 1.0%   | \$ 598.5    | 1.0%   | \$ 624.0    | 1.0%   |
| Capital                     | \$ 2,238.2  | 3.8%   | \$ 4,543.1  | 7.3%   | \$ 4,123.8  | 6.6%   |
| Transfers                   | \$ 10,697.7 | 18.3%  | \$ 7,515.1  | 12.2%  | \$ 7,552.0  | 12.0%  |
| Total Expense               | \$ 58,491.8 | 100.0% | \$ 61,830.3 | 100.0% | \$ 62,903.9 | 100.0% |

Note: Figures may not add to total due to rounding

Source: Ohio Office of Budget and Management, January 2009

**Fund Balance Summaries****Fund Balance Summaries Overview**

The purpose of this section is to summarize the state's estimated ending fund balances for fiscal years 2010 and 2011. For the state's General Revenue Fund and Budget Stabilization Fund, the planned fund balances for these two funds are shown, in Figure C-7 and Figure C-8, in the context of a 10-year history of ending balances. Fund balance calculations for fiscal years 2010 and 2011 are shown in Figure C-9 for the state's General Revenue Fund and for other major budget fund groups. Some small or minor budget fund groups are combined for the purposes of these fund balance calculations.

**Fund Balance Calculations by Fund Type and Budget Fund Group**

The state has over 1,000 funds that are active in the Ohio Administrative Knowledge System as of January 2009. Each of these funds is assigned to one of 44 budget fund groups. For financial reporting purposes, each of the 44 fund groups is assigned to one of six fund types. The state's six fund types are as follows: General Funds, Enterprise Funds, Special Revenue Funds, Agency Funds, Debt Service Funds, and Capital Projects Funds. The relationship between the six fund types and the 44 budget fund groups is shown on pages C-1 and C-2 of the Executive Budget. The fund types and budget fund groups for which fund balance calculations are shown on Table C-9 are described below.

Fund Type: General Funds: Fund balance calculations are shown for the General Revenue Fund (which is the only fund in the General Revenue Fund Group) and the General Services Budget Fund Group. A fund balance calculation is also shown for All Other General Funds.

Fund Type: Enterprise Funds: Fund balance calculations are shown for each of the five enterprise fund groups: Workers' Compensation, Liquor Control, State Lottery, Underground Parking, and Office of Auditor of State.

Fund Type: Special Revenue Funds: Fund balance calculations are shown for these special revenue fund groups: Federal Special Revenue, Highway Operating, Highway Safety, Revenue Distribution, State Special Revenue, Waterways Safety, and Wildlife. A calculation is also shown for All Other Special Revenue Fund Groups.

Fund Type: Agency Funds: A fund balance calculation is shown for the Agency Fund Group.

Fund Type: Debt Service Funds: A fund balance calculation is shown for the Debt Service Fund Group.

Fund Type: Capital Projects Funds: A fund balance calculation is shown for the Capital Projects Fund Group.

**Fund Balances for the General Revenue Fund and the Budget Stabilization Fund**

The General Revenue Fund balance at the end of a fiscal year is one measure used by state officials and independent financial analysts to assess a state's financial management practices and its financial condition. In addition, the Ohio Constitution requires the state to maintain a balanced budget. The budget proposed by the Governor for fiscal years 2010 and 2011 will provide an ending fund balance of more than 0.5 percent of the previous year annual General Revenue Fund revenue as required by law, each year, as Figure C-7 and Figure C-8 show.

Another measure of the financial health of a state is whether the state has a budget stabilization fund and, if it does, what balances are being maintained in the fund. Since 1981, Ohio has had a budget stabilization fund. And, as seen in Figure C-7 and Figure C-8, the fiscal year ending balances in the fund have varied greatly during the ten fiscal years that are shown.

Prudent fiscal management policy further suggests that a state achieve a Budget Stabilization Fund (BSF) balance equal to approximately five percent of annual General Revenue Fund revenues. Ohio had reached this goal prior to the 2000-2001 recession. However, the state was forced to use the BSF in the fiscal year 2002-2003 biennia to offset declines in revenue growth and the large increases in Medicaid expenditures that resulted from that recession. Since the end of fiscal year 2005, the state has been able to replenish the balance of the BSF to the point at which it now sits. At the end of the current biennia, Ohio will have a BSF balance of approximately 3.5%, after a BSF

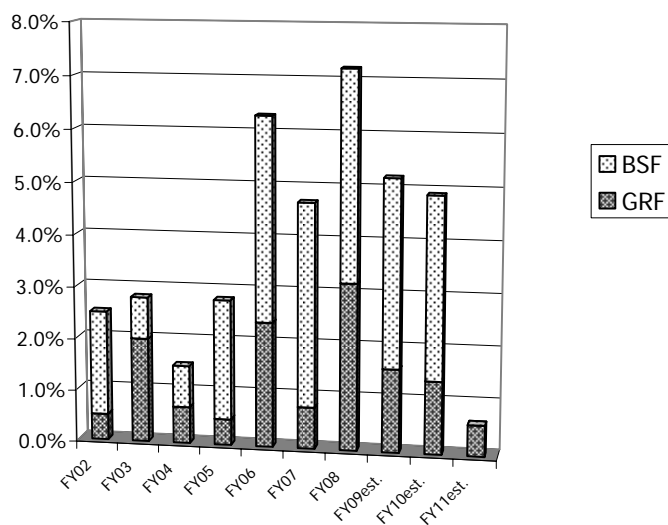
## Fund Balance Summaries

transfer of \$63.3 million in FY 2009. Due to the extraordinary challenges facing the state, it is estimated that the remainder of the balance will be used during the upcoming biennia.

**Figure C-7**  
**History of Ending Fund Balances for the General Revenue Fund**  
**and the Budget Stabilization Fund, FYs 2002 to 2011**  
Dollars in millions

| Date         | Ending Balance | % of GRF Revenues | Ending Balance | % of GRF Revenues |
|--------------|----------------|-------------------|----------------|-------------------|
| Est. 6/30/11 | \$ 171.6       | 0.6%              | \$ -           | 0.0%              |
| Est. 6/30/10 | \$ 382.4       | 1.4%              | \$ 949.0       | 3.5%              |
| Est. 6/30/09 | \$ 420.6       | 1.6%              | \$ 949.0       | 3.6%              |
| 6/30/2008    | \$ 807.6       | 3.2%              | \$ 1,012.3     | 4.0%              |
| 6/30/2007    | \$ 215.5       | 0.8%              | \$ 1,012.3     | 3.9%              |
| 6/30/2006    | \$ 632.0       | 2.4%              | \$ 1,010.7     | 3.9%              |
| 6/30/2005    | \$ 138.4       | 0.5%              | \$ 574.9       | 2.3%              |
| 6/30/2004    | \$ 157.5       | 0.7%              | \$ 180.7       | 0.8%              |
| 6/30/2003    | \$ 52.3        | 0.2%              | \$ 180.7       | 0.8%              |
| 6/30/2002    | \$ 108.3       | 0.5%              | \$ 427.9       | 2.0%              |

**Figure C-8**  
**GRF and BSF Ending Balances as a Share of Annual GRF Revenues**  
**FYs 2002 to 2011**



## Fund Balance Summaries

**Figure C-9**  
**State of Ohio**  
**Fund Balance Calculations by GAAP Fund Type and Budget Fund Group for FYs 2010 and 2011**  
**(Dollars in Millions)**

|                                       | GENERAL FUNDS      |                     |                           | ENTERPRISE FUNDS |                   |                  |                              | SPECIAL REVENUE FUNDS         |                      |
|---------------------------------------|--------------------|---------------------|---------------------------|------------------|-------------------|------------------|------------------------------|-------------------------------|----------------------|
|                                       | GENERAL<br>REVENUE | GENERAL<br>SERVICES | OTHER<br>GENERAL<br>FUNDS | WORKERS<br>COMP  | LIQUOR<br>CONTROL | STATE<br>LOTTERY | OTHER<br>ENTERPRISE<br>FUNDS | FEDERAL<br>SPECIAL<br>REVENUE | HIGHWAY<br>OPERATING |
| <b>FY 2010 est. Beginning Balance</b> | 420.6              | 556.3               | 949.0                     | 55.9             | 3.3               | 574.7            | 14.2                         | 343.5                         | 902.5                |
| <b>Estimated Revenue</b>              |                    |                     |                           |                  |                   |                  |                              |                               |                      |
| Taxes                                 | 17,218.7           | 16.5                |                           |                  |                   |                  | 0.1                          |                               | 674.7                |
| Federal Grants                        | 7,773.5            | 87.6                |                           |                  |                   |                  |                              | 10,809.8                      | 1,277.1              |
| Licenses and Fees                     | 61.8               | 123.9               |                           |                  | 1.2               | 0.1              | 5.6                          | 1.0                           | 71.1                 |
| Other Income                          | 428.0              | 1,169.3             |                           | 376.3            | 701.2             | 1,047.5          | 41.7                         | 1,955.5                       | 570.7                |
| Transfers In                          | 1,400.8            | 42.0                |                           |                  |                   | 15.0             | 0.6                          |                               | 502.9                |
| <b>Total Resources Available</b>      | 27,303.4           | 1,995.7             | 949.0                     | 432.2            | 705.7             | 1,637.3          | 62.2                         | 13,109.8                      | 3,999.0              |
| <b>Proposed Expenditures</b>          |                    |                     |                           |                  |                   |                  |                              |                               |                      |
| Primary, Sec & Other Education        | 8,236.6            | 44.5                |                           |                  |                   |                  |                              | 1,685.6                       |                      |
| Higher Education                      | 2,339.1            | 4.3                 |                           |                  |                   |                  |                              | 36.4                          |                      |
| Public Assistance & Medicaid          | 9,510.9            | 0.0                 |                           |                  |                   |                  |                              |                               |                      |
| Health and Human Services             | 1,802.0            | 571.8               |                           |                  |                   |                  |                              | 10,308.3                      |                      |
| Justice & Public Protection           | 2,103.8            | 270.2               |                           |                  |                   |                  |                              | 242.1                         |                      |
| Environ & Natural Resources           | 94.0               | 46.4                |                           |                  |                   |                  |                              | 55.4                          |                      |
| Transportation                        | 17.4               | 0.0                 |                           |                  |                   |                  |                              |                               | 2,936.1              |
| General Government                    | 768.5              | 534.0               |                           | 387.4            | 555.2             | 338.7            | 48.3                         | 68.5                          |                      |
| Commerce & Econ Development           | 686.3              | 22.0                |                           |                  |                   |                  |                              | 343.4                         |                      |
| Other Spending                        | 509.9              | 0.3                 |                           |                  |                   |                  |                              |                               |                      |
| Transfers Out                         | 917.5              | 9.2                 | 0.0                       |                  | 145.0             | 755.0            |                              | 0.0                           | 205.3                |
| <b>Total Proposed Expenditures</b>    | 26,986.0           | 1,502.8             | 0.0                       | 387.4            | 700.2             | 1,093.7          | 48.3                         | 12,739.7                      | 3,141.4              |
| Projected Lapses                      | 65.0               | 0.0                 | 0.0                       | 0.0              | 0.0               | 0.0              | 0.0                          | 0.0                           | 0.0                  |
| <b>FY 2010 est. Ending Balance</b>    | 382.4              | 492.9               | 949.0                     | 44.9             | 5.5               | 543.5            | 14.0                         | 370.1                         | 857.6                |



## Fund Balance Summaries

**Figure C-9 Continued**  
**State of Ohio**  
**Fund Balance Calculations by GAAP Fund Type and Budget Fund Group for FYs 2010 and 2011**  
**(Dollars in Millions)**

|                                       | GENERAL FUNDS      |                     |                           | ENTERPRISE FUNDS |                   |                  |                              | SPECIAL REVENUE FUNDS         |                      |
|---------------------------------------|--------------------|---------------------|---------------------------|------------------|-------------------|------------------|------------------------------|-------------------------------|----------------------|
|                                       | GENERAL<br>REVENUE | GENERAL<br>SERVICES | OTHER<br>GENERAL<br>FUNDS | WORKERS<br>COMP  | LIQUOR<br>CONTROL | STATE<br>LOTTERY | OTHER<br>ENTERPRISE<br>FUNDS | FEDERAL<br>SPECIAL<br>REVENUE | HIGHWAY<br>OPERATING |
| <b>FY 2011 est. Beginning Balance</b> | 382.4              | 492.9               | 949.0                     | 44.9             | 5.5               | 543.5            | 14.0                         | 370.1                         | 857.6                |
| Taxes                                 | 17,277.9           | 16.5                |                           |                  |                   |                  | 0.1                          |                               | 681.2                |
| Federal Grants                        | 8,894.8            | 88.2                |                           |                  |                   |                  |                              | 10,002.8                      | 1,277.3              |
| Licenses and Fees                     | 62.0               | 131.7               |                           |                  | 1.2               | 0.1              | 5.6                          | 1.0                           | 71.1                 |
| Other Income                          | 313.0              | 1,349.9             |                           | 376.9            | 723.8             | 1,051.2          | 42.1                         | 1,935.5                       | 219.0                |
| Transfers In                          | 2,750.7            | 36.9                |                           |                  |                   | 15.0             | 0.6                          |                               | 508.0                |
| <b>Total Resources Available</b>      | 29,680.8           | 2,116.0             | 949.0                     | 421.8            | 730.6             | 1,609.8          | 62.4                         | 12,309.4                      | 3,614.2              |
| <b>Proposed Expenditures</b>          |                    |                     |                           |                  |                   |                  |                              |                               |                      |
| Primary, Sec & Other Education        | 8,510.6            | 43.8                |                           |                  |                   |                  |                              | 1,679.3                       |                      |
| Higher Education                      | 2,290.3            | 4.3                 |                           |                  |                   |                  |                              | 36.2                          |                      |
| Public Assistance & Medicaid          | 11,625.6           |                     |                           |                  |                   |                  |                              |                               |                      |
| Health and Human Services             | 1,937.9            | 698.4               |                           |                  |                   |                  |                              | 9,277.3                       |                      |
| Justice & Public Protection           | 2,097.2            | 272.4               |                           |                  |                   |                  |                              | 232.5                         |                      |
| Environ & Natural Resources           | 90.1               | 47.1                |                           |                  |                   |                  |                              | 54.5                          |                      |
| Transportation                        | 17.4               | 0.0                 |                           |                  |                   |                  |                              |                               | 2,566.7              |
| General Government                    | 842.2              | 532.4               |                           | 389.2            | 588.2             | 338.8            | 48.5                         | 118.6                         |                      |
| Commerce & Econ Development           | 695.2              | 22.1                |                           |                  |                   |                  |                              | 342.2                         |                      |
| Other Spending                        | 521.3              | 0.3                 |                           |                  |                   |                  |                              |                               |                      |
| Transfers Out                         | 946.3              | 4.3                 | 949.0                     |                  | 136.5             | 755.0            |                              | 0.0                           | 205.3                |
| <b>Total Proposed Expenditures</b>    | 29,574.1           | 1,625.0             | 949.0                     | 389.2            | 724.7             | 1,093.8          | 48.5                         | 11,740.5                      | 2,772.0              |
| Projected Lapses                      | 65.0               | 0.0                 | 0.0                       | 0.0              | 0.0               | 0.0              | 0.0                          | 0.0                           | 0.0                  |
| <b>FY 2011 est. Ending Balance</b>    | 171.7              | 491.0               | 0.0                       | 32.5             | 5.8               | 516.0            | 13.8                         | 568.9                         | 842.2                |

**Figure C-9 Continued**  
**State of Ohio**  
**Fund Balance Calculations by GAAP Fund Type and Budget Fund Group for FYs 2010 and 2011**  
**(Dollars in Millions)**

|                                       | SPECIAL REVENUE FUNDS      |                         |                    |                     |          |                             | AGENCY  | DEBT SERVICE | CAPITAL             |
|---------------------------------------|----------------------------|-------------------------|--------------------|---------------------|----------|-----------------------------|---------|--------------|---------------------|
|                                       | STATE<br>HIGHWAY<br>SAFETY | REVENUE<br>DISTRIBUTION | SPECIAL<br>REVENUE | WATERWAYS<br>SAFETY | WILDLIFE | OTHER<br>SPECIAL<br>REVENUE | AGENCY  | DEBT SERVICE | CAPITAL<br>PROJECTS |
| <b>FY 2010 est. Beginning Balance</b> | 144.4                      | 1,591.8                 | 883.9              | 30.3                | 42.7     | 5,570.5                     | 497.5   | 0.0          | 3,048.0             |
| <b>Estimated Revenue</b>              |                            |                         |                    |                     |          |                             |         |              |                     |
| Taxes                                 | 0.0                        | 3,064.8                 | 90.1               | 16.0                | 2.2      |                             | 3,865.5 |              |                     |
| Federal Grants                        | 22.5                       |                         | 18.2               | 5.3                 | 18.0     |                             |         |              |                     |
| Licenses and Fees                     | 385.1                      | 554.6                   | 1,812.1            | 4.9                 | 37.1     | 0.1                         | 0.1     |              |                     |
| Other Income                          | 85.6                       | 1,543.9                 | 665.4              | 1.2                 | 4.6      | 378.3                       | 1,988.7 | 711.9        | 516.0               |
| Transfers In                          | 25.8                       |                         | 66.2               |                     |          | 1,154.4                     |         |              | 533.0               |
| <b>Total Resources Available</b>      | 663.3                      | 6,755.3                 | 3,535.9            | 57.7                | 104.5    | 7,103.3                     | 6,351.7 | 711.9        | 4,097.0             |
| <b>Proposed Expenditures</b>          |                            |                         |                    |                     |          |                             |         |              |                     |
| Primary, Sec & Other Education        |                            | 1,241.3                 | 62.5               |                     |          | 705.0                       |         |              |                     |
| Higher Education                      |                            |                         | 8.6                |                     |          | 8.0                         |         |              |                     |
| Public Assistance & Medicaid          |                            |                         | 0.0                |                     |          |                             |         |              |                     |
| Health and Human Services             | 0.2                        | 1.8                     | 1,648.9            |                     |          | 6.0                         |         |              |                     |
| Justice & Public Protection           | 521.3                      |                         | 158.8              |                     |          | 4.5                         | 4.5     |              |                     |
| Environ & Natural Resources           |                            |                         | 230.3              | 25.3                | 66.1     | 0.6                         | 0.0     |              |                     |
| Transportation                        |                            |                         | 3.5                |                     |          |                             |         |              | 500.0               |
| General Government                    |                            |                         | 215.4              |                     |          |                             | 881.6   |              |                     |
| Commerce & Econ Development           |                            | 2,359.0                 | 381.1              |                     |          | 556.9                       |         |              |                     |
| Other Spending                        |                            |                         | 10.2               |                     |          | 0.3                         | 4,926.7 | 711.9        | 2,022.4             |
| Transfers Out                         | 33.4                       | 5.0                     | 6.9                |                     |          | 74.8                        | 0.1     |              | 1.9                 |
| <b>Total Proposed Expenditures</b>    | 554.9                      | 3,607.1                 | 2,726.2            | 25.3                | 66.1     | 1,356.0                     | 5,812.8 | 711.9        | 2,524.3             |
| <b>FY 2010 est. Ending Balance</b>    | 108.4                      | 3,148.2                 | 809.7              | 32.4                | 38.4     | 5,747.3                     | 538.9   | 0.0          | 1,572.7             |

**Figure C-9 Continued**  
**State of Ohio**  
**Fund Balance Calculations by GAAP Fund Type and Budget Fund Group for FYs 2010 and 2011**  
**(Dollars in Millions)**

|                                       | SPECIAL REVENUE FUNDS      |                         |                    |                     |          |                             | AGENCY  | DEBT SERVICE | CAPITAL             |
|---------------------------------------|----------------------------|-------------------------|--------------------|---------------------|----------|-----------------------------|---------|--------------|---------------------|
|                                       | STATE<br>HIGHWAY<br>SAFETY | REVENUE<br>DISTRIBUTION | SPECIAL<br>REVENUE | WATERWAYS<br>SAFETY | WILDLIFE | OTHER<br>SPECIAL<br>REVENUE | AGENCY  | DEBT SERVICE | CAPITAL<br>PROJECTS |
| <b>FY 2011 est. Beginning Balance</b> | 108.4                      | 3,148.2                 | 809.7              | 32.4                | 38.4     | 5,747.3                     | 538.9   | 0.0          | 1,572.7             |
| <b>Estimated Revenue</b>              |                            |                         |                    |                     |          |                             |         |              |                     |
| Taxes                                 | 0.0                        | 3,068.2                 | 89.4               | 16.0                | 2.2      |                             | 3,871.5 |              |                     |
| Federal Grants                        | 22.4                       |                         | 19.2               | 5.2                 | 18.0     |                             |         |              |                     |
| Licenses and Fees                     | 410.6                      | 554.6                   | 1,758.4            | 4.7                 | 37.1     | 0.1                         | 0.1     |              |                     |
| Other Income                          | 91.4                       | 1,543.9                 | 689.6              | 1.2                 | 4.5      | 357.0                       | 2,092.8 | 724.7        | 512.4               |
| Transfers In                          | 25.9                       |                         | 58.0               |                     |          | 1,063.9                     |         |              | 502.0               |
| <b>Total Resources Available</b>      | 658.7                      | 8,314.9                 | 3,424.3            | 59.5                | 100.2    | 7,168.2                     | 6,503.3 | 724.7        | 2,587.1             |
| <b>Proposed Expenditures</b>          |                            |                         |                    |                     |          |                             |         |              |                     |
| Primary, Sec & Other Education        |                            | 1,241.3                 | 62.1               |                     |          | 711.0                       |         |              |                     |
| Higher Education                      |                            |                         | 8.6                |                     |          | 8.0                         |         |              |                     |
| Public Assistance & Medicaid          |                            |                         | 0.0                |                     |          |                             |         |              |                     |
| Health and Human Services             | 0.2                        | 1.8                     | 1,553.9            |                     |          | 6.0                         |         |              |                     |
| Justice & Public Protection           | 524.6                      |                         | 170.4              |                     |          | 2.5                         | 4.5     |              |                     |
| Environ & Natural Resources           |                            |                         | 239.3              | 25.3                | 62.4     | 0.6                         | 0.0     |              |                     |
| Transportation                        |                            |                         | 3.5                |                     |          |                             |         |              | 485.0               |
| General Government                    |                            |                         | 218.2              |                     |          |                             | 943.3   |              |                     |
| Commerce & Econ Development           |                            | 2,359.0                 | 381.0              |                     |          | 361.0                       |         |              |                     |
| Other Spending                        |                            |                         | 10.4               |                     |          | 0.3                         | 4,979.3 | 724.7        | 1,895.3             |
| Transfers Out                         | 29.5                       | 5.0                     | 4.0                |                     |          | 77.3                        | 0.0     |              | 1.9                 |
| <b>Total Proposed Expenditures</b>    | 554.3                      | 3,607.1                 | 2,651.3            | 25.3                | 62.4     | 1,166.7                     | 5,927.2 | 724.7        | 2,382.2             |
| <b>FY 2011 est. Ending Balance</b>    | 104.4                      | 4,707.8                 | 773.0              | 34.1                | 37.7     | 6,001.6                     | 576.1   | 0.0          | 204.9               |

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## **Capital Improvements and Long-Term Financing**

### **Capital Budgeting Process**

In even-numbered years the state performs a separate budgeting process for capital expenditures – the construction or rehabilitation of buildings and other structures and the acquisition of real estate (or interest therein), equipment and furnishings. The purpose of Ohio's capital planning and budgeting process is to facilitate decisions regarding the allocation of dollars available for capital improvements for use by various state agencies and local communities. As with virtually all budget processes, the demand for resources exceeds their availability. The capital budgeting process attempts to balance the needs of different agencies and communities and structures a two-year budget that is affordable within projected available resources.

The process for developing the capital budget involves the affected state agencies, the Office of Budget and Management (OBM), the Governor, and the General Assembly. Every two years, state agencies must submit to OBM, in accordance with Section 126.03 of the Ohio Revised Code, a six-year capital improvements plan and a two-year capital budget. OBM issues guidelines to agencies describing the format and content for agency capital budget requests.

Concurrent with the receipt of agency requests, OBM projects the affordable size of capital appropriations. This projection involves consideration of a number of factors. Projections of the possible level of capital appropriations from non-debt sources reflect available cash, projected revenues, and competing uses for those funds. OBM projects the amount of debt-supported appropriations that can be authorized by considering such factors as the amount of state debt previously issued and outstanding, the amount of debt authorized but not yet issued, the existing debt's maturity schedule, the projected level of the state revenue(s) pledged to repay the debt, and projected interest rates. Determinations regarding the amount of General Revenue Fund (GRF) debt-supported appropriations that may be authorized in the capital budget are also subject to a 1999 constitutional amendment under which additional state obligations payable from the GRF or net state lottery proceeds (with certain exceptions) may not be issued if future fiscal year debt service on those new and the already outstanding obligations would exceed five percent of the total estimated GRF revenues plus net state lottery proceeds during the fiscal year of issuance. The director of OBM is authorized to make those determinations.

The Office of Budget and Management works with the Governor and the legislature to devise a capital spending plan that fits within the available resources, reflects the Governor's priorities, and meets the needs of state agencies and local entities. The capital plan is then drafted into a bill and submitted to the legislature for the same review and process described in the discussion of the operating bill.

### **Current Capital Appropriations**

In June 2008, the state appropriated \$1.31 billion in capital projects (H.B. 562 of the 127th General Assembly) for the 2009-2010 capital biennium. The 127th General Assembly also made additional capital appropriations of \$145 million in the reappropriations bill (H.B. 496) during the 2009-2010 capital biennium, bringing the new capital appropriations (GRF and non-GRF) total for the biennium to \$1.46 billion. Of that amount, \$1.32 billion will be funded by the issuance of bonds backed by the GRF. Capital appropriations made from various non-GRF sources effective for the 2009-2010 capital biennium total \$135 million and include appropriations from, among others, the veteran's home improvement fund, the clean Ohio revitalization fund, and the waterways safety fund.

The largest portion of capital appropriations for the fiscal years 2009 and 2010 capital biennium (\$499 million) were made to the Board of Regents to address the capital needs of Ohio's higher education institutions. The Public Works Commission received appropriations totaling \$240 million for the financing of capital improvement projects of local subdivisions of the state. Other new capital appropriations included \$104 million provided to the Department of Mental Health for capital facilities (including the new campus consolidation project described below) and \$100 million provided to the Department of Development for the Third Frontier Program.

In June 2008, the 127th General Assembly also made new capital appropriations as part of the Governor's \$1.57 billion economic stimulus plan to stimulate the Ohio economy through investments in logistics and distribution, bio-products

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## **Capital Improvements and Long-Term Financing**

and bio-medical research, advanced and renewable energy, local government infrastructure, conservation and brownfield revitalization projects, higher education workforce programs and expansion of the state's historic preservation tax credits. Of the total amount, \$386 million is intended to be funded from the issuance of bonds backed by the GRF and \$384 million from the issuance of bonds backed by non-GRF sources. Funding of the remaining amount (\$800 million) is tied to various cash sources including the GRF and funds of the Ohio Tobacco Prevention Foundation.

### **Capital Budget's Impact on the Operating Budget**

The capital budget's most obvious relationship to the operating budget is the debt service requirements it generates. Debt service is the payment of interest and principal to retire debt created by the issuance of bonds or notes to finance major capital projects. The section below titled "Overview of Capital Financing" provides detailed information on state capital financing purposes, including the cost of debt service in the 2010-2011 biennium.

The capital budget also relates to the operating budget in other ways. Projects that lead to an expansion of space and service levels generally will require additional employees to provide services and maintain that space. As a result, state agencies that receive capital appropriations may experience increases in their operating budgets once a project has been completed. For example, the Department of Rehabilitation and Correction received a capital appropriation in the fiscal years 2007 and 2008 capital biennium to construct a new community based correctional facility in Cuyahoga County. When complete, the operation of the facility will be funded with a subsidy from the department requiring an increase in its appropriation.

Some projects may lead to a decrease in appropriation due to efficiencies gained through consolidation. For example, the Ohio Department of Taxation (ODT) in collaboration with the Office of Information Technology is implementing the State Taxation Accounting and Revenue System (STARS). STARS is an integrated tax collection and audit system that will replace ODT's existing separate tax software and administration systems. Currently, there are 27 different computer systems used to accomplish the revenue collection, distribution and tracking functions. STARS will consolidate and eliminate those legacy systems and is expected to increase revenues primarily through increased discovery of non-resident taxpayers and none and under reporting filers. Additional amounts will be realized through information technology savings, improved productivity and workflow management.

Another capital project that is expected to generate operational savings is the Department of Mental Health's \$84 million campus consolidation project in Cuyahoga County. This new facility will be used for the treatment and care of individuals with mental illness and disabilities and will consolidate two existing facilities in the cities of Cleveland and Northfield. Once complete, the Department of Mental Health expects a reduction in personnel and operational expenses as well as near-term savings resulting from deferred maintenance on the existing facilities.

### **Overview of Capital Financing**

Ohio began major capital construction programs for highway and non-highway capital projects after constitutional amendments were passed by the voters starting in 1953. These capital programs have resulted in the construction and improvement of highways, public school buildings, higher education facilities, parks and recreation facilities, mental health and correctional facilities, airports, pollution control facilities, and local government infrastructure. The projects have been financed largely by the issuance of bonds that are retired over a period of years (currently ranging from 7 to 20 years) because the cost of such projects could not be funded from current revenues. This financing method allows payments of the capital costs to be spread over the useful life of the facilities.

Capital improvements are financed by issuing several types of obligations, including general obligation bonds, special obligation bonds (lease-rental and revenue bonds), economic development bonds, certificates of participation, and by using current revenues.

### **General Obligation Bonds**

Since 1953, many capital improvements have been financed through the issuance of general obligation bonds, which are backed by the state's full faith and credit. General obligation bonds are issued by the Ohio Public Facilities

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## Capital Improvements and Long-Term Financing

Commission and by the Treasurer of State. Unless expressly exempted, state revenues from almost all tax and non-tax sources are pledged to the repayment of these general obligations. Exceptions are highway user receipts which may only be used for highway projects and state lottery profits which may only be used for financing primary and secondary education facilities. Such general obligation debt must be authorized by a constitutional amendment approved by the voters before it can be issued.

Ohio Public Facilities Commission. The Ohio Public Facilities Commission issues general obligation bonds for the following capital improvements: primary and secondary education, higher education, natural resources, coal research and development, conservation projects, infrastructure improvement, Third Frontier research and development, and job-ready site development. Each of these currently authorized programs is described below.

*Third Frontier Research and Development.* A 2005 constitutional amendment authorizes the issuance of \$500 million of general obligation debt in support of Ohio industry, commerce and business. Not more than \$100 million may be issued in each of the first three fiscal years and not more than \$50 million in any other fiscal year. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

*Site Development.* A 2005 constitutional amendment authorizes the issuance of \$150 million of general obligation debt for the development of sites for industry, commerce, distribution, and research and development. Not more than \$30 million may be issued in each of the first three fiscal years and not more than \$15 million in any other fiscal year. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

*Conservation.* A 2000 constitutional amendment authorizes \$200 million of general obligation debt to be issued to finance preservation of green space, development of recreational trails and protection of farmland, all through partnerships with local governments. Not more than \$50 million may be issued in any fiscal year. Additional debt may be issued as outstanding debt is retired, provided that not more than \$200 million is outstanding at any time. A 2008 constitutional amendment authorizes an additional \$200 million for the same purposes. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

*Primary and Secondary Education.* A 1999 constitutional amendment authorizes general obligation debt, in amounts authorized by the legislature, to be issued to pay the costs of capital facilities for a system of common schools throughout the state. The amount of authorized debt is determined in each capital bill. There is no constitutional limit on the amount of debt that can be outstanding at any time. The full faith and credit, revenue (including net state lottery proceeds) and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

*Higher Education.* That same 1999 constitutional amendment authorizes general obligation debt, in amounts authorized by the legislature, to be issued to pay the cost of capital facilities for state-supported and state-assisted institutions of higher education. The amount of authorized debt is determined in each capital bill. There is no constitutional limit on the amount of debt that can be outstanding at any time. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

*Infrastructure Improvements.* A 1995 constitutional amendment authorizes the issuance of up to \$1.2 billion of general obligation debt to finance or assist the financing of public infrastructure capital improvements of municipal corporations, counties, townships, and other government entities as designated by law. No more than \$120 million may be issued in any fiscal year. A 2005 constitutional amendment authorizes an additional \$1.35 billion of general obligation debt as a ten-year extension of this program, with an increase in the annual issuance amount in the last five-years from \$120 million to \$150 million. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power of the state (excluding highway user receipts) are pledged to retire this debt.

## Capital Improvements and Long-Term Financing

*Natural Resources.* A 1993 constitutional amendment authorizes \$200 million of general obligation debt to be issued to finance capital facilities for parks and natural resources improvements. Additional debt may be issued as outstanding debt is retired, provided that no more than \$200 million is outstanding at any time. Not more than \$50 million may be issued in any fiscal year. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

*Coal Research and Development.* A 1985 constitutional amendment authorizes \$100 million of general obligation debt to be issued to finance grants, loans, or loan guarantees for research and development of coal technology that will encourage the use of Ohio coal. Funding is available to any individual, association, or corporation doing business in the state, or to any educational or scientific institution located in the state. Additional debt may be issued as outstanding debt is retired, provided that not more than \$100 million is outstanding at any time. The full faith and credit, revenue (excluding net state lottery proceeds), and taxing power (excluding highway user receipts) of the state are pledged to retire this debt.

Treasurer of State. The Treasurer of State issues general obligation bonds for highway construction, as summarized below:

*Highway (Capital Improvements).* A 1995 constitutional amendment authorizes the issuance of general obligation debt for highway construction. The amendment provides that as debt is retired, additional debt may be issued without voter approval as long as no more than \$1.2 billion is outstanding at any time. No more than \$220 million may be issued in any fiscal year. The primary sources of revenue to pay the debt service on these general obligations are highway user receipts (including the motor vehicle fuel tax).

The following table provides summary information for the state's general obligation bonds as of June 30, 2008 (\$ in thousands).

| Purpose                      | Fiscal<br>Years<br>Issued | Amount<br>Issued <sup>(a)</sup> | Maturing<br>through<br>Fiscal Year | Outstanding<br>Balance     |
|------------------------------|---------------------------|---------------------------------|------------------------------------|----------------------------|
| Infrastructure Improvements  | 1990-08                   | \$2,399,986                     | 2028                               | \$1,355,190 <sup>(b)</sup> |
| Coal Research & Development  | 1992-08                   | 158,000                         | 2016                               | 32,380                     |
| Natural Resources            | 1995-07                   | 295,000                         | 2020                               | 160,425                    |
| Highway Capital Improvements | 1997-08                   | 1,945,000                       | 2018                               | 837,500                    |
| Higher Education Facilities  | 2000-07                   | 2,000,000                       | 2027                               | 1,589,085                  |
| Common School Facilities     | 2000-07                   | 3,290,000                       | 2027                               | 2,769,170 <sup>(c)</sup>   |
| Conservation Projects        | 2002-07                   | 200,000                         | 2023                               | 166,425                    |
| Third Frontier R&D           | 2007                      | 80,720                          | 2017                               | 62,160                     |
| Site Development             | 2007                      | 30,000                          | 2016                               | 24,405                     |
| <b>Total</b>                 |                           | <b>\$10,398,706</b>             |                                    | <b>\$6,996,740</b>         |

### Notes:

<sup>(a)</sup> The amount of bonds issued for refunding purposes is excluded in determining the amount issued.

<sup>(b)</sup> Includes \$282,290,000 in adjustable rate bonds.

<sup>(c)</sup> Includes \$426,130,000 in adjustable rate bonds.

### Special Obligation Lease-Rental Bonds

Until fiscal year 2000, most of the state's capital projects had been funded via lease-rental bonds. These bonds constitute a special type of bonded debt because the lease-rental payments are subject to biennial GRF appropriations in the state's operating budget. Lease-rental bonds do not carry the state's full faith and credit and bondholders have no

## Capital Improvements and Long-Term Financing

right to have taxes or excises levied by the General Assembly for the payment of debt service. Current state issuers of lease-rental bonds are:

**Ohio Building Authority.** As authorized by the Constitution and the legislature, the Ohio Building Authority issues lease-rental bonds to finance the capital costs of certain state facilities, including office buildings (some shared by local governments), adult and juvenile corrections, local jails, transportation and public safety, and workers' compensation. Debt service on these bonds is paid from GRF lease-rental appropriations, except for (i) highway transportation building and public safety facilities which are retired by payments from the Highway Operating Fund and State Highway Safety Fund, and (ii) workers' compensation facilities which are retired by payments from the Bureau of Workers' Compensation Administrative Fund.

**Treasurer of State.** As authorized by the Constitution and the legislature, the Treasurer of State issues lease-rental bonds to finance capital facilities for higher education, primary and secondary education, mental health and mental retardation, parks and recreation facilities, and for cultural and sports facilities. The higher education and elementary and secondary education lease-rental bond programs are no longer active, except to refund bonds previously issued.

The following table presents summary information for the state's lease-rental bonds as of June 30, 2008 (\$ in thousands).

| Issuer / Purpose                         | Fiscal<br>Years<br>Issued | Amount<br>Issued <sup>(a)</sup> | Maturing<br>through<br>Fiscal Year | Outstanding<br>Balance |
|--|---------------------------|---------------------------------|------------------------------------|------------------------|
| <b>Ohio Building Authority</b>           |                           |                                 |                                    |                        |
| Prison Facilities                        | 1986-08                   | \$1,759,500                     | 2025                               | \$ 678,405             |
| Juvenile Facilities                      | 1993-07                   | 267,000                         | 2019                               | 154,760                |
| Administrative Service Facilities        | 1992-08                   | 1,513,300                       | 2025                               | 698,920                |
| Natural Resource Facilities              | 1988                      | 12,160                          | 2009                               | 1,045                  |
| Transportation Facilities <sup>(b)</sup> | 1993-06                   | 155,800                         | 2011                               | 8,400                  |
| Public Safety Facilities <sup>(b)</sup>  | 1995-05                   | 138,600                         | 2021                               | 57,055                 |
| Workers' Compensation <sup>(b)</sup>     | 1993-03                   | 214,255                         | 2014                               | 94,805                 |
| <b>Treasurer</b>                         |                           |                                 |                                    |                        |
| Higher Education Facilities              | 1992-99                   | 4,817,590                       | 2014                               | 461,715                |
| Mental Health Facilities                 | 1992-07                   | 1,322,085                       | 2020                               | 202,445                |
| Parks & Recreation Facilities            | 1993-08                   | 343,000                         | 2020                               | 121,845                |
| Cultural & Sports Facilities             | 1993-07                   | 398,690                         | 2020                               | 153,190                |
| Primary & Secondary Education            | 1995-99                   | 333,640                         | 2008                               | -0-                    |
| <b>Total</b>                             |                           | <b>\$11,275,620</b>             |                                    | <b>\$2,632,585</b>     |

**Notes:**

<sup>(a)</sup> The amount of bonds issued for refunding purposes is excluded in determining the amount issued.

<sup>(b)</sup> Debt service paid from non-GRF sources.



## Capital Improvements and Long-Term Financing

### Certificates of Participation

The Department of Transportation and the Department of Administrative Services have entered into lease-purchase agreements, in connection with which Certificates of Participation (COPs) were issued on behalf of the state, to finance building and equipment, information systems and non-highway related projects. The lease payments are made from charges to the user and/or appropriations for repayments that are included in the biennial budget. Holders or owners of the COPs have no right to have excises or taxes levied to make those payments.

The following table presents summary information for COPs financing arrangements as of June 30, 2008 (\$ in thousands).

| Using Agency / Purpose                             | Fiscal<br>Year<br>Issued | Amount<br>Issued(a) | Maturing<br>through<br>Fiscal Year | Outstanding<br>Balance |
|--|--------------------------|---------------------|------------------------------------|------------------------|
| <b>Department of Transportation</b>                |                          |                     |                                    |                        |
| Panhandle Rail Line Project(b)                     | 1992                     | \$ 8,680            | 2012                               | \$ 3,210               |
| Rickenbacker Port Authority (Rickenbacker Airport) | 1996                     | 10,155              | 2007                               | -0-                    |
| <b>Department of Administrative Services</b>       |                          |                     |                                    |                        |
| Youngstown Community Improvement District          | 1998                     | 6,615               | 2029                               | 5,995                  |
| Rickenbacker Port Authority (Lazarus)              | 1998                     | 16,455              | 2023                               | 12,605                 |
| Ohio Administrative Knowledge System               | 2005-2008                | 146,070             | 2019                               | 137,270                |
| State Taxation Accounting and Revenue System       | 2008                     | 40,080              | 2019                               | 40,080                 |
| The Riversouth Authority (Lazarus)                 | 2008                     | 16,500              | 2028                               | 16,500                 |
| <b>Total</b>                                       |                          | <b>\$244,555</b>    |                                    | <b>\$215,660</b>       |

#### Note:

<sup>(a)</sup> The amount of bonds issued for refunding purposes is excluded in determining the amount issued.

<sup>(b)</sup> Debt service paid from non-GRF sources.

### Bonds Paid from Other State Funds

Economic Development. These bonds are issued by the Treasurer of State for the Department of Development's Direct Loan, Innovation Ohio, Research and Development, and logistics and distribution programs under Chapter 166 of the Revised Code. The Treasurer of State also issues these bonds for the Air Quality Development Authority's advanced energy program. These bonds provide financing for loans to businesses within the state that cannot obtain conventional financing for economic development projects that create or retain jobs in the state. The bonds are backed by the net profits derived from the state's liquor enterprise.

Clean Ohio Revitalization Program. These bonds are issued by the Treasurer of State for the Clean Ohio Council, which consists of the directors of the Department of Development, Environmental Protection Agency, Public Works Commission, four members of the Ohio General Assembly, and seven citizens appointed by the Governor. A 2000 constitutional amendment authorizes \$200 million of bonds to provide financing for grants and loans to projects that provide for the environmentally safe and productive development and use or reuse of publicly- and privately-owned lands within the state. A 2008 constitutional amendment authorizes an additional \$200 million for the same purposes. These bonds are payable from revenues and receipts designated by the General Assembly (currently a portion of net profits derived from the state's liquor enterprise).

## Capital Improvements and Long-Term Financing

The following table presents summary information for those bonds paid from state liquor profits as of June 30, 2008 (\$ in thousands).

| <b>Purpose</b>       | <b>Fiscal<br/>Years<br/>Issued</b> | <b>Amount<br/>Issued</b> | <b>Maturing<br/>Through<br/>Fiscal Year</b> | <b>Outstanding<br/>Balance</b> |
|----------------------|------------------------------------|--------------------------|---|--------------------------------|
| Economic Development | 1997-06                            | \$368,740                | 2026  | \$297,055                      |
| Revitalization       | 2003-08                            | 150,000                  | 2023  | 132,090                        |
| <b>Total</b>         |                                    | <b>\$518,740</b>         |   | <b>\$429,145</b>               |

Highway State Infrastructure Bank (GARVEE). The Treasurer of State issues bonds for the Ohio Department of Transportation for selected highway construction projects that have been approved by the U.S. Department of Transportation. The debt service charges are paid from pledged Federal Title 23 Highway Funds for those projects.

The following table presents summary information for State Infrastructure Bank bonds, as of June 30, 2008, were as follows (\$ in thousands).

| <b>Purpose</b>                 | <b>Fiscal<br/>Years<br/>Issued</b> | <b>Amount<br/>Issued</b> | <b>Maturing<br/>through<br/>Fiscal Year</b> | <b>Outstanding<br/>Balance</b> |
|--------------------------------|------------------------------------|--------------------------|---|--------------------------------|
| Major New State Infrastructure | 1998-08                            | \$987,250                | 2017  | \$496,490                      |

### Revenue Bonds

Revenue bonds are used by the state to finance a specific project or category of projects. Debt service is paid from revenues or fees that are charged for the use of facilities rather than from the pledge of the full faith and credit, revenue, and taxing power of the state. Various state authorities and commissions have been created by the legislature and given the authority to issue revenue bonds. These include the Ohio Turnpike Commission, the Higher Education Facilities Commission, the Ohio Housing Finance Agency, the Ohio Water Development Authority, and the Petroleum Underground Storage Tank Release Compensation Board. The funds borrowed by these authorities and the funds for the debt service payments on their obligations are outside the state treasury and are not appropriated by the legislature.

The Department of Development, the Ohio Water Development Authority, and the Ohio Air Quality Development Authority have also issued industrial development or pollution control revenue bonds, the debt service on which is paid solely by the benefited business (not from state revenues).

### Debt and Interest Rate Risk Management Policy

The Office of Budget and Management and the three issuers of debt backed by state revenue – the Treasurer of State, Ohio Building Authority and Ohio Public Facilities Commission – developed and in December 2006 adopted a Debt and Interest Rate Risk Management Policy. This policy is intended to ensure that financings undertaken by the three issuers satisfy established standards that allow the state to protect its financial resources and position in order to meet its long-term capital financing needs. The policy largely formalized existing practices and procedures for issuing debt and managing a debt portfolio based upon the state's overall capital improvement needs. The policy highlights as primary objectives of the state issuers: i) achieving the lowest cost of capital, ii) ensuring high credit quality, iii) assuring access to the capital credit markets, iv) preserving financial flexibility, and v) managing interest rate risk exposure.

## Capital Improvements and Long-Term Financing

### Debt Service and Outstanding Debt

The following tables (Figure C-10) shows certain historical debt information and comparisons. These tables include only outstanding obligations of the state for which debt service is paid from the GRF. Highway obligations and obligations issued by the Ohio Building Authority for Department of Transportation, Department of Public Safety, and Bureau of Workers' Compensation are not included since they are paid from non-GRF sources.

**Figure C-10**  
**Debt Service Expenses as a Percent of GRF Revenues**

| <b>Year</b> | <b>Principal Amount<br/>Outstanding (as of July 1)</b> | <b>Outstanding Debt<br/>Per Capita</b> | <b>Outstanding Debt<br/>as % of Annual<br/>Personal Income</b> |
|-------------|--|--|--|
| 1980        | \$1,991,915,000  | \$184                                  | 1.83%  |
| 1990        | \$3,707,054,994  | \$341                                  | 1.82%  |
| 2000        | \$6,308,680,025  | \$555                                  | 1.97%  |
| 2001        | \$6,570,863,174  | \$578                                  | 2.02%  |
| 2002        | \$7,086,317,648  | \$621                                  | 2.13%  |
| 2003        | \$7,559,386,132  | \$661                                  | 2.22%  |
| 2004        | \$8,110,709,343  | \$708                                  | 2.30%  |
| 2005        | \$8,476,432,135  | \$740                                  | 2.32%  |
| 2006        | \$8,909,382,567  | \$777                                  | 2.34%  |
| 2007        | \$9,211,911,840  | \$803                                  | 2.33%  |
| 2008        | \$8,631,565,254  | \$751 <sup>(a)</sup>                   | 2.18% <sup>(b)</sup>   |

| <b>Fiscal<br/>Year</b> | <b>Debt Service<br/>Payable</b> | <b>Total GRF Revenue<br/>and Net State<br/>Lottery Proceeds</b> | <b>Debt Service<br/>as % of GRF Revenue<br/>and Lottery Proceeds</b> | <b>Debt Service<br/>as % of Annual<br/>Personal Income</b> |
|------------------------|---------------------------------|---|--|--|
| 1980                   | \$187,478,382                   | \$4,835,670,223   | 3.88%  | 0.17%  |
| 1990                   | \$488,676,826                   | \$12,230,681,298  | 4.00%  | 0.24%  |
| 2000                   | \$871,313,814                   | \$20,711,678,217  | 4.21%  | 0.27%  |
| 2001                   | \$918,248,422                   | \$21,921,275,724  | 4.19%  | 0.28%  |
| 2002                   | \$926,142,216                   | \$22,072,703,100  | 4.20%  | 0.28%  |
| 2003                   | \$959,489,678                   | \$23,055,920,100  | 4.16%  | 0.28%  |
| 2004                   | \$1,013,222,412                 | \$24,678,909,000  | 4.11%  | 0.29%  |
| 2005                   | \$1,097,842,137                 | \$26,195,614,000  | 4.19%  | 0.30%  |
| 2006                   | \$1,128,591,711                 | \$26,492,277,500  | 4.26%  | 0.30%  |
| 2007                   | \$1,216,382,190                 | \$26,447,718,900  | 4.60%  | 0.31%  |
| 2008                   | \$1,231,640,023                 | \$27,331,442,423  | 4.51%  | 0.31% <sup>(b)</sup>                                       |

**Notes:**

<sup>(a)</sup> Based on July 2008 population estimate.

<sup>(b)</sup> Based on 2007 personal income data.

## Capital Improvements and Long-Term Financing

### Status of Capital Improvements Debt

The following tables show summary and selected information concerning changes in long-term obligations as of June 30, 2008 (Figure C-11), and estimated issuance amounts and debt service costs for the fiscal year 2010-2011 biennium (Figure C-12). The debt service appropriations for general obligation bonds are in the Governor's proposed operating budget for each of the benefiting state agencies for which obligations have been issued. The appropriations to cover the debt service on special obligation bonds are included in the budgets of the Board of Regents, Department of Mental Health, Department of Mental Retardation and Developmental Disabilities, Department of Natural Resources, Department of Rehabilitation and Correction, Department of Administrative Services, Department of Youth Services, Cultural and Sports Facilities Commission, School Facilities Commission, Department of Transportation, Department of Public Safety, Department of Education, and the Bureau of Workers' Compensation.

**Figure C-11**  
**Changes in General Long-Term Obligations (\$ in thousands)**

|   | <b>General<br/>Obligation<br/>Bonds</b> | <b>Special<br/>Obligation<br/>Bonds</b> | <b>Certificates<br/>of<br/>Participation</b> | <b>Economic<br/>Development</b> | <b>State<br/>Infrastructure<br/>Bonds</b> | <b>Total</b> |
|---|---|---|--|---------------------------------|---|--------------|
| Principal<br>Outstanding as of<br>July 1, 2006                | \$6,577,433                             | \$3,392,635                             | \$103,465                                    | \$411,070                       | \$291,970                                 | \$10,776,573 |
| Additions:<br>Debt Issued                                     | 1,418,720                               | 352,225                                 | 123,465                                      | 50,000                          | 390,000                                   | 2,334,410    |
| Deductions:<br>Debt Retirement/<br>Refundings/<br>Defeasances | (999,413)                               | (1,112,275)                             | (11,270)                                     | (31,925)                        | (185,480)                                 | (2,340,363)  |
| Principal<br>Outstanding as of<br>June 30, 2008               | \$6,996,740                             | \$2,632,585                             | \$215,660                                    | \$429,145                       | \$496,490                                 | \$10,770,620 |

### Debt Restructuring in Fiscal Year 2010-2011

Debt service appropriations in the fiscal year 2010-2011 Executive Budget reflect the restructuring into later biennia of certain debt service payments currently scheduled to be paid from the General Revenue Fund (GRF) [See Special Analysis – Debt Restructuring section of this Executive Budget]. The purpose of the restructuring is to free up GRF resources in the 2010-2011 biennium to help provide funding for core state services and investments in a time of constrained resources. The planned debt restructuring lowers net debt service payable from the GRF in the 2010-2011 biennium by approximately \$400 million and timely repays that debt service in fiscal years 2012 through 2021. The impact of the restructuring is reflected in the estimated debt service numbers presented in Figure C-12 below.

**Budget Overview**

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**Capital Improvements and Long-Term Financing**

**Figure C-12**  
**Summary of State Debt as of June 30, 2008 and FY 2010 and 2011 Estimated New Issuance Amounts**  
**(\$ in thousands)**

| <b>Security and Purpose</b>           | <b>Constitutional Citation</b> | <b>Amount Authorized by the Legislature<sup>(a)</sup></b> | <b>Amount Issued As of 6/30/08</b> | <b>Amount Outstanding on 6/30/08</b> | <b>Estimated Amount to be Issued in FYs 2010-2011</b> | <b>Estimated Debt Service for FYs 2010-2011<sup>(b)</sup></b> |
|---------------------------------------|--------------------------------|---|------------------------------------|--------------------------------------|---|---|
| <b>General Obligations</b>            |                                |   |                                    |                                      |   |   |
| Higher Education <sup>(c)</sup>       | Sec 2n, Art. VIII              | \$2,613,000   | \$2,000,000                        | \$1,589,085                          | \$0   | \$174,798,000   |
| Common Schools <sup>(c)</sup>         | Sec 2n, Art. VIII              | 3,345,000   | 3,290,000                          | 2,769,170                            | 0   | 358,069,700   |
| Coal R&D                              | Sec 15, Art. VIII              | 231,000   | 158,000                            | 32,380                               | 66,000,000  | 20,915,400  |
| Natural Resources                     | Sec 2l, Art. VIII              | 350,000   | 295,000                            | 160,425                              | 60,000,000  | 52,883,800  |
| Highway <sup>(d)</sup>                | Sec 2m, Art. VIII              | 2,420,000   | 1,945,000                          | 837,500                              | 480,000,000   | 405,508,200   |
| Infrastructure <sup>(c)</sup>         | Sec 2k&2m&2p, Art. VIII        | 2,880,000   | 2,399,986                          | 1,355,190                            | 240,000,000   | 311,775,400   |
| Conservation                          | Sec 2o&2q, Art. VIII           | 240,000   | 200,000                            | 166,425                              | 100,000,000   | 46,396,000  |
| Third Frontier R&D                    | Sec. 2p, Art. VIII             | 350,000   | 80,720                             | 62,160                               | 215,000,000   | 49,959,900  |
| Site Development                      | Sec. 2p, Art. VIII             | <u>120,000</u>  | <u>30,000</u>                      | <u>24,405</u>                        | <u>90,000,000</u>                                     | <u>16,287,300</u>   |
| Total                                 |                                | \$12,549,000  | \$8,418,706                        | \$6,996,740                          | \$1,251,000,000                                       | \$1,436,593,700   |
| <b>Special Obligations</b>            |                                |   |                                    |                                      |   |   |
| Adult Corrections                     | Sec 2i, Art. VIII              | \$1,943,000   | \$1,759,500                        | \$678,405                            | \$90,000,000  | \$199,658,300   |
| Juvenile Corrections                  | Sec 2i, Art. VIII              | 304,000   | 267,000                            | 154,760                              | 37,000,000  | 49,504,800  |
| Admin. Services                       | Sec 2i, Art. VIII              | 1,646,000   | 1,513,300                          | 698,920                              | 80,000,000  | 200,348,000   |
| Cultural & Sports                     | Sec 2i, Art. VIII              | 512,000   | 398,690                            | 153,190                              | 60,000,000  | 54,756,500  |
| DNR – Fountain Square                 | Sec 2i, Art. VIII              | 12,160  | 12,160                             | 1,045                                | -   | -   |
| Higher Education                      | Sec 2i, Art. VIII              | 4,817,590   | 4,817,590                          | 461,715                              | -   | 232,358,200   |
| Mental Health                         | Sec 2i, Art. VIII              | 1,517,000   | 1,322,085                          | 202,445                              | 105,000,000   | 87,974,200  |
| Parks & Recreation                    | Sec 2i, Art. VIII              | 418,000   | 343,000                            | 121,845                              | 75,000,000  | 42,973,900  |
| Prim. & Sec. Educ.                    | Sec 2i, Art. VIII              | 333,640   | 333,640                            | -                                    | -   | -   |
| Transportation <sup>(d)</sup>         | Sec 2i, Art. VIII              | 155,800   | 155,800                            | 8,400                                | -   | 5,236,700   |
| Public Safety <sup>(d)</sup>          | Sec 2i, Art. VIII              | 143,000   | 138,600                            | 57,055                               | -   | 25,173,200  |
| Workers' Comp. <sup>(e)</sup>         | Sec 2i, Art. VIII              | <u>214,255</u>  | <u>214,255</u>                     | <u>94,805</u>                        | -   | <u>38,891,200</u>   |
| Total                                 |                                | \$12,016,445  | \$11,275,620                       | \$2,632,585                          | \$447,000,000   | \$936,875,000   |
| <b>Other</b>                          |                                |   |                                    |                                      |   |   |
| Highway Infrastructure <sup>(f)</sup> | Sec 13, Art. VIII              | n.a.  | \$987,250                          | \$496,490                            | \$445,000,000   | \$317,654,000   |
| Economic Development <sup>(g)</sup>   | Sec 13, Art. VIII              | n.a.  | 368,740                            | 297,055                              | 239,000,000   | 92,977,900  |
| Revitalization <sup>(g)</sup>         | Sec 2o&2q, Art. VIII           | <u>\$240,000</u>  | <u>150,000</u>                     | <u>132,090</u>                       | <u>100,000,000</u>                                    | <u>35,991,800</u>   |
| Total                                 |                                | \$240,000   | \$1,505,990                        | \$925,635                            | \$784,000,000   | \$446,623,700   |

**Notes:**

<sup>(a)</sup> Includes appropriations passed by the General Assembly as of 6/30/2008.

<sup>(b)</sup> Debt service or lease payments paid from GRF unless otherwise noted.

<sup>(c)</sup> Fiscal Year 2010-2011 debt service projections reflect the debt service restructuring discussed separately as a Special Analysis.

<sup>(d)</sup> Debt service is paid from highway user receipts (including motor vehicle tax fuel tax receipts).

<sup>(e)</sup> Debt service is paid from appropriations from the BWC Administrative Cost Fund.

<sup>(f)</sup> Debt service on these "GARVEE" bonds is paid from federal transportation grants (Title 23 of the U.S. Code).

<sup>(g)</sup> Debt service is paid from profits derived from the state's liquor enterprise.

**Capital/Debt Affordability Analysis**

Section 17 of Article VIII of the Ohio Constitution establishes an annual debt service limitation on state debt obligations payable from the GRF or net state lottery proceeds. Section 17 prohibits the issuance of debt payable from

## Capital Improvements and Long-Term Financing

those sources if debt service in any future fiscal year on those new and the then outstanding bonds would exceed 5 percent of the total of estimated GRF revenues plus net state lottery proceeds for the fiscal year of issuance.

Debt obligations payable from the GRF include both general obligation and special obligation bonds, but exclude (i) general obligation debt issued for third frontier research and development and for site development purposes and (ii) general obligation debt payable from non-GRF funds (e.g., highway capital improvement bonds that are paid from highway user receipts). Application of the “5 percent limit” may be waived in a particular instance by a three-fifths vote of each house of the General Assembly.

Debt obligations are typically issued as needed to ensure uninterrupted funding of the various capital appropriations enacted by the General Assembly that are intended to be funded by bond proceeds. To determine the amount of new capital appropriations that are affordable under the five percent limit, OBM utilizes a model that factors in: i) existing GRF debt service, ii) estimated GRF debt service from bond authorizations passed by the General Assembly for which bonds will be issued in the near-term, iii) projected GRF debt service from alternative amounts of new capital appropriations, and iv) projections of total GRF revenue plus net state lottery proceeds in future fiscal years. The model reflects forecasts of GRF revenue and net lottery proceeds for future fiscal years that do not include federal stimulus and other one-time funds employed in the 2010-2011 biennium. The model also reflects conservative assumptions with respect to the timing, amount, and prevailing interest rates for projected future bond sales.

The fiscal years 2008 and 2009 operating budget bill (H.B. 119 of the 127th General Assembly) created the Buckeye Tobacco Settlement Financing Authority to securitize tobacco settlement receipts payable to the state under the 1998 national tobacco master settlement agreement. In fiscal year 2008, the Authority issued \$5.53 billion Tobacco Settlement Asset-Backed Bonds to fund capital expenditures over the next three-to-four years for higher education and common school facilities in lieu of the state issuing GRF-backed general obligation bonds for those purposes. As a result, the state reduced its reliance on GRF-backed debt and lowered its position relative to the five percent limit. Debt service on the tobacco bonds is paid solely from tobacco settlement receipts with no recourse to any funds of the state.

Figure C-13 below shows the results of the capital/debt affordability model based on the amount of GRF revenue plus net state lottery proceeds presented in the Executive Budget for fiscal years 2010 through 2013. The affordable amount of GRF-backed capital appropriations shown below for the fiscal years 2011 and 2012 capital biennium is not intended to be a recommended level, but the result of a calculation of what may be affordable under the constraint of the five percent limit.

**Figure C-13**  
**GRF Debt Capacity Under the 5% Limit**

| <b>Capital Biennium</b> | <b>Capital Appropriations<br/>Backed by GRF Debt<br/>Subject to the 5% Limit<sup>(a)</sup></b> | <b>Debt Service Percent of GRF<br/>Revenue and Net State Lottery<br/>Proceeds (the 5% Limit)</b> |
|-------------------------|--|--|
| FY 2005-06 act.         | \$2,125,050,200  | 4.26%  |
| FY 2007-08 act.         | \$2,381,167,100  | 4.45%  |
| FY 2009-10 est.         | \$1,291,457,200  | 3.36% <sup>(b)</sup>   |
| FY 2011-12 proj.        | \$2,200,000,000  | 4.90%  |

**Note:**

<sup>(a)</sup> These amounts only reflect those capital appropriations funded by debt obligations payable from the GRF and net state lottery proceeds that are subject to the 5 percent limit.

<sup>(b)</sup> Reflects a temporary reduction associated with the debt restructuring which lowers debt service payable from the GRF in fiscal year 2010 by approximately \$200 million.

**Figure C-14**  
**Summary of State of Ohio Personnel**  
**Fiscal Years 2008-2011**

| <b>FY 2008</b>     | <b>FY 2009</b>     | <b>%</b>      | <b>FY 2010</b>    | <b>%</b>      | <b>FY 2011</b>    | <b>%</b>      |
|--------------------|--------------------|---------------|-------------------|---------------|-------------------|---------------|
| <b>(July 2007)</b> | <b>(July 2008)</b> | <b>Change</b> | <b>(Estimate)</b> | <b>Change</b> | <b>(Estimate)</b> | <b>Change</b> |
| 64,203             | 62,265             | -3.0%         | 60,480            | -2.9%         | 60,480            | 0.0%          |

This table summarizes state agency employment figures for full-time and part-time employees in the following employment types:

- **Established Term:** These employees are established by agency-specific and collective bargaining agreements and have a limited duration of work dependent upon the needs of the department.
- **Fixed Term:** These employees have been appointed or elected to serve for a period fixed by law. *Fixed term salaried* employees receive a fixed salary set by law. *Fixed term per diem* employees receive compensation on a daily basis for attending meetings and/or conducting official business on behalf of the agency.
- **Interim:** These employees work for an indefinite period of time that is fixed by the length of absence of an employee due to sickness, disability, or approved leave of absence.
- **Intermittent:** These employees work an irregular and unpredictable schedule, which is determined by the fluctuating demands of the work. Typically, these employees work fewer than 1,000 hours per year.
- **Permanent:** These employees hold a position that requires a regular schedule of twenty-six consecutive bi-weekly pay periods, or any other regular schedule of comparable consecutive pay periods that is not limited to a specific season or duration.
- **Project Employees:** These employees are hired in connection with a special project having a limited-term funding source, such as a federal grant.
- **Seasonal:** These employees work a certain regular season or period of each year performing some work or activity limited to that timeframe.
- **Temporary:** These employees hold their positions for a limited period of time, which is fixed by the appointing authority for a period not to exceed six months.

Data for fiscal years 2008 and 2009 are from the start of each fiscal year—July 2007 and July 2008, respectively. In the middle of fiscal year 2008, in January, the Strickland Administration instituted hiring controls to achieve cost savings. In addition, the first of three agency budget General Revenue Fund recalibrations occurred in February. Consequently, state employment declined 3.0 percent by the start of fiscal year 2009 in July, as noted above.

The figure above also shows that employment has continued to decline 2.9 percent during the current fiscal year, as the second and third agency budget General Revenue Fund recalibrations occurred to bring the current year's General Revenue Fund spending in line with declining state revenues. Data for fiscal years 2010 and 2011 represent the most current available data for total statewide employment (January 2009). This represents the maximum employment the state expects in the upcoming biennium. It is anticipated that the number of state employees will continue to decline in the upcoming biennium. Because the Executive Budget proposes smaller General Revenue Fund budgets than agencies requested and further General Revenue Fund reductions for agencies beyond those already incurred from budget recalibrations to date, agencies are working to identify the precise number of employees they will be able to have to carry out their more limited goals and objectives in fiscal years 2010 and 2011.

Note that these figures represent a point in time during each fiscal year and do not represent either the minimum or maximum staffing levels for the period. Certain position types, particularly certain non-permanent position types, are not captured in these data simply because of the points in time represented.

**Figure C-15**  
**Summary of State of Ohio Personnel-Related Expenditures**  
**Fiscal Years 2008-2013**

|           | <b>FY 2008</b>  | <b>FY 2009</b>    | <b>%</b>      | <b>FY 2010</b>    | <b>%</b>      | <b>FY 2011</b>    | <b>%</b>      | <b>FY 2012</b>    | <b>FY 2013</b>    |
|-----------|-----------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|-------------------|
|           | <b>(Actual)</b> | <b>(Estimate)</b> | <b>Change</b> | <b>(Estimate)</b> | <b>Change</b> | <b>(Estimate)</b> | <b>Change</b> | <b>(Estimate)</b> | <b>(Estimate)</b> |
| GRF       | \$2,034,997,819 | \$1,998,531,749   | -1.8%         | \$2,036,503,852   | 1.9%          | \$2,075,197,425   | 1.9%          | \$2,114,626,177   | \$2,154,804,074   |
| All Funds | \$4,402,296,470 | \$4,470,179,859   | 1.5%          | \$4,555,113,276   | 1.9%          | \$4,641,660,429   | 1.9%          | \$4,729,851,977   | \$4,819,719,164   |

This table summarizes all personnel-related expenses captured within the personal services expense account category. Amounts include basic wages, overtime compensation, paid leave, employer paid benefit expenses, employee training and tuition reimbursement, payroll surcharges for central services (e.g., payroll processing) and other personnel-related expenses.

State personnel costs in fiscal year 2008 totaled \$4.4 billion, with General Revenue Fund expenses comprising \$2.0 billion (46.2 percent) of that amount. Extrapolating fiscal year 2009 payroll expenses to date to the rest of the year shows that General Revenue Fund state payroll is estimated to decline 1.8 percent compared to the prior year. This is due to the three agency budget General Revenue Fund recalibrations that have occurred. Total state payroll for all funds in this fiscal year is slated to increase 1.5 percent from the prior year.

The state's payroll projection system forecasts personnel expenses to increase 1.9 percent annually in the fiscal year 2010-2011 biennium for current state employees. This represents a combination of step and longevity increases that add to employee wages and increases in the cost of benefits such as health insurance. No cost-of-living adjustments are assumed in this forecast because the current collective bargaining agreements will have all expired by the end of the current fiscal year. Carrying the 1.9 percent annual trend forward, state payroll expenses are estimated to be \$4.8 billion by fiscal year 2013.



## **Introduction to the Strickland Administration's Educational Philosophy**

### **Transforming Ohio's Public Education System**

As expressed in the Northwest Ordinance of 1787, good government, economic prosperity, and civic well-being are the founding principles for the state of Ohio. These founding principles were the driving force behind the state's development as an agricultural and industrial leader across the nation and world. These are the same principles that will propel Ohio into the future and maintain its status as a national and international leader. But, to continue our growth and prosperity as a state, the Strickland Administration believes the state of Ohio must focus its attention on one of the most important institutions in our society, public education.

Public education is the cornerstone that binds the forces of good government, economic prosperity and civic engagement together to advance the state. It is through public education that the state produces the talent pool sufficient and necessary to create the economic prosperity and social advancement for future generations. Public education is also the great equalizer that provides all of Ohio's students with equal universal access to obtain a quality education.

The current educational system in Ohio was designed to serve a 20<sup>th</sup> century economy. The 20<sup>th</sup> century economy was focused on mass reproduction, rote memorization of information, manual labor, and segmentation as guiding principles. The educational system, in support of this economic model, is designed according to the same guiding principles. As a result, the primary and secondary public education system evolved into an isolated system separate from the development of preschool and higher education.

The 21<sup>st</sup> century economy is focused on the mastery of core knowledge, critical thinking, possibility thinking, knowledge creation, development of strong interpersonal skills and effective work habits. The demands of this information and technology driven economy requires a new public education system that is reformed to ensure the success of all students. Ohio's public educational system must undergo a systemic transformation.

To ensure that every student will have access to this 21<sup>st</sup> century education, the Strickland education reform plan proposes a number of reforms to the preschool, primary and secondary, and higher education learning continuum. The result of the reforms is a comprehensive and systemic transformation of the public education system that will truly integrate the three systems into an aligned P16 system dedicated to serve all Ohioans, regardless of their location in the state or station in life. The Executive Budget recommendations will:

1. Create one comprehensive quality early care and education system at the Department of Education that is focused on the whole child and preserves access for all early learners.
2. Transform the primary and secondary education system through an alignment with early care and education and higher education that will create a student-centered focus and meet the constitutional mandate to fund a 21<sup>st</sup> century education for all students with an unprecedented level of resource management accountability.
3. Maintain affordability and momentum within the University System of Ohio to create lifelong learning opportunities for all Ohioans.

### **System Overview**

Ohio's philosophy is that education starts from the beginning, gives a fair chance to every Ohio child, and leads to a degree that counts. Consequently, the Executive Budget makes sure every child has the chance to start school ready and able to learn. This requires quality early learning experiences and effective care (adequate nutrition, timely health care, and behavioral health screenings) to keep challenges from becoming problems.

Children who are ready to learn will do their best in schools that have the right tools and well-prepared teachers to help them learn to be the kind of creative problem-solvers we need for 21st century jobs. From books and

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technology to more accurate ways to measure proficiency, to providing a richer curriculum, Ohio schools will make the most of each child's talents.

And our bright, hard-working graduates will be assured of affordable access to the advanced education they need to move ahead. Any student accepted to a state college or university will have the opportunity to attend, even if their family cannot afford to send them. And, working with universities and community colleges, we'll find ways to help them control tuition, contain their costs, and serve the needs of a broad range of students, from job-training and adult education to the highest levels of math and science.

### Early Childhood Education

#### Overview

Governor Ted Strickland has said that education starts from the beginning and every child must be given a fair start. The Executive Budget provides a fair start by ensuring access to high quality services and providing support promoting the comprehensive early childhood development of young children. Investing in early childhood development is the most efficient economic development strategy available. The Executive Budget aligns state policy and maximizes federal resources to solidify the early childhood development system. Specifically, it focuses on the whole child, improves the quality of services, and supports access to affordable care and education for working families.

#### Background

A baby's brain architecture develops rapidly during the early childhood years. It is a period of tremendous growth and opportunity that can be enhanced through nurturing, positive relationships. Our obligation as a state is to ensure that state investments contribute to developing and sustaining the support that parents, families and early childhood professionals need to facilitate the healthy development and learning of young children.

Governor Strickland recognizes the importance of the early childhood years. The creation of the Early Childhood Cabinet in March 2007 and the Early Childhood Advisory Council in August 2008 has offered the administration an opportunity to better understand the existing system infrastructure and the opportunities that exist for a more efficient, effective, and high quality delivery system. In order to achieve the Administration's vision, Ohio needs to align its resources and policies and develop a new administrative structure in order to create a strong foundation for the system.

Ohio supports early childhood development through a comprehensive system serves children through the following subsystems:

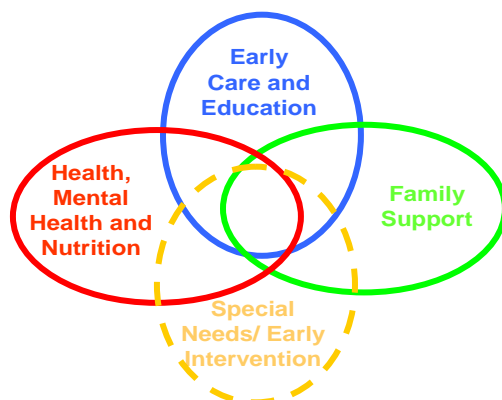
- **Early Care and Education:** Provides early care and education opportunities in nurturing environments where children can learn what they need to succeed in school and life;
- **Health, Mental Health and Nutrition:** Provides a comprehensive health services that meet children's vision, hearing, nutrition, behavioral, and oral health as well as medical health needs;
- **Special Needs/Early Intervention:** Provides early identification, assessment and appropriate services for children with special health care needs, disabilities, or developmental delays; and
- **Family Supports:** Provides economic and parenting supports to ensure children have nurturing and stable relationships with caring adults.

All four subsystems are critical to ensuring each child has a fair start and all systems have areas of overlap (see diagram below). The Early Childhood Cabinet and Advisory Council have helped to streamline goals to bring these four subsystems into alignment.

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Figure D-1

State Early Childhood Development System



### Governance

A key feature of the early childhood development system in this budget is the creation of a single administrative structure with the authority and responsibility to implement and coordinate state-funded or administered early childhood programs and services for children prenatal until entry into kindergarten. To accomplish this goal, the Center for Early Childhood Development will be created in the Department of Education. Staff from multiple departments will be brought together along with the following functions: licensing, quality, research, professional development, communications, accountability, and regulations. In addition, this budget codifies the role and responsibilities of the Early Childhood Advisory Council to ensure a continued and comprehensive focus on programming for young children.

### Quality & Standards

The Executive Budget for early childhood development will improve the quality of early care and education programming and ensure that standards for practitioners and programs are aligned and developmentally appropriate. This is accomplished by effectively using the quality set aside in the Child Care Development Block Grant to continue the “Step Up to Quality” program, professional development support, and core child care resource and referral services. Ohio will also develop a single set of standards and guidelines for children and programs serving children birth to five years of age.

### Regulatory

The Executive Budget increases compliance with standards for children age birth to five that promote the health and safety of young children by creating a single regulatory process for all early care and education programs and increasing licensing and professional development requirements for lead teachers. The Center for Early Childhood Development will establish the foundation for Ohio’s definition of quality in all out-of-home settings by developing new standards for licensing family child care providers and will seek legislation to adopt these standards.

### Professional Development

The Executive Budget will ensure early childhood professionals have access to professional development opportunities and on-going supports that build their knowledge, competencies and skills for working with young children by:

- Requiring professional development that is funded, delivered or sponsored by an Early Childhood Cabinet agency to be entered in or linked to the Ohio’s Professional Development Training Registry;
- Establishing a common trainer and training approval process for specialized training required through the departments of Education, Job and Family Services, and Health;

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- Developing a core knowledge and competencies document for directors and administrators of early care and education agencies that serves as the foundation for the creation of an administrator credential;
- Creating a system of tiered professional development for early childhood professionals based on the core knowledge and competencies; and
- Aligning professional development opportunities within a P-16 framework.

### **Comprehensive Family Supports and Services**

The Executive Budget will ensure high quality services are available, accessible and affordable to families to address the comprehensive development of their child. This is accomplished by: redefining the core services of Help Me Grow to include evidence or research based practices for home visiting services and maternal depression screening. Also, Early Childhood Mental Health consultative services that are targeted to Ohio's most vulnerable children and early care and education programs are also maintained in the Executive Budget. Further, the development of a statewide coordinated communication plan for families with young children and alignment of the eligibility definitions of Part C (Early Intervention) and Part B (Preschool Special Education) are key to comprehensive support.

### **Streamlined Financing for Early Childhood System**

The Executive Budget explores the development of a single stream of stable funding that is sufficient to support and sustain services and quality enhancements. These features are critical to an effective, coherent, equitable early childhood system. The Executive Budget also seeks to streamline existing eligibility and payment systems. The primary means for accomplishing these tasks will be the establishment of an Early Childhood Financing Workgroup. The Workgroup will be charged with: exploring a single financing system for early care and education programs that includes aligned payment systems and consistent eligibility criteria and family copayment policies. In addition eligibility processes will be automated to include child care; a streamlined payment process through a statewide time and attendance system will be developed; quality achievement awards will be continued to support the maintenance of quality standards; and all-day kindergarten will be expanded in every school district in Ohio.

### **Highlights of the 2010/2011 Executive Budget**

The Executive Budget maintains momentum and funding to support access to the early childhood system. The Executive Budget will maintain eligibility at 200 percent of the federal poverty level for all of the state-supported early care and education programs. Funding is also provided for 8,000 full-time enrollment slots for the Early Learning Initiative. Rates paid by the state to child care providers in the subsidized child care program are continued at the 65<sup>th</sup> percentile of the 2006 market rate survey and the full-time child care provider reimbursement rate will be set at 35 hours. Continuation funding for the Early Care and Education program (formerly known as Public Preschool) housed in the Department of Education is also provided in the Executive Budget. GRF support for the Help Me Grow Program is increased to maintain core services and replace the dollars formerly received from the Temporary Assistance for Needy Families (TANF) program.

## **Primary and Secondary Education**

### **Academic, Funding, and Accountability Reforms**

The cognitive and affective development of the whole student is at the center of the education universe in the primary and secondary reforms outlined in the Strickland education reform plan. It is a comprehensive and systemic reform plan that will move our state forward in the right direction. In paraphrasing a recent comment by President E. Gordon Gee on the Strickland education reform plan, it is a bold plan and it is the right plan for the future of Ohio. It is a plan that will create lifelong learning opportunities for all Ohioans. It is a plan that will align our educational system to the economic and job development strategies of the state, while preserving our historical roots as a democracy.

To guide the primary and secondary reforms, the Strickland education reform plan utilized the following guidelines to align the primary and secondary education system to the early care and education and higher education systems,

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which will transform Ohio's public education system into a 21<sup>st</sup> century P16 system to meet the needs of all students:

- The mission for public education in the state of Ohio should be the full development of all students to reach their fullest potential and to become successful economically, to experience social and emotional well-being, and to function as a productive citizen in a global society.
- The vision for public education in the state of Ohio should be the establishment and maintenance of student-centered, personalized 21<sup>st</sup> century learning environments that foster and nurture creativity, innovation, and global competence to meet the needs of all students.

To achieve that mission and vision statement, the state of Ohio should:

- Strengthen its commitment to public education to address today's many educational and social challenges;
- Link its educational system to the civic well being and economic prosperity of the state;
- Encourage creativity and innovation by leading and encouraging our students to think past the limits of what's been done and imagine the possibility of what can be done;
- Identify and use the creative and innovative best practices developed by educators;
- Emphasize the importance of personalized educational experiences for all students and the use of instructional methods that emphasize positive student-teacher relationships and ensure academic success;
- Use measurement and assessments, both for accountability and diagnostic purposes, to guide the personalized education of all students; and
- Promote education as a shared responsibility between families, educators and communities by providing the means to build strong relationships between the home, school and community to support a 21<sup>st</sup> century education for all students.

Committed to this mission, vision and guiding principles, the Strickland education reform plan propose a systemic and comprehensive preschool through post-secondary public education system that will prepare Ohioans for the challenges of the 21<sup>st</sup> century. To ensure that the plan will guide the department of education in its work with educators across the state, the Executive Budget recommendations will require the State Superintendent of Public Instruction (State Superintendent) to create, in consultation with the Chancellor of the Board of Regents (Chancellor) to create a ten year strategic plan no later than December 1, 2009. The state superintendent will align the ten year strategic plan to the University System of Ohio strategic plan and deliver the plan to the General Assembly, in accordance with division (B) of section 101.68 of the Revised Code, and to the Governor. The Executive Budget recommendations will require the plan to:

- Establish a framework for development of student centered, collaborative, professional, innovative and thinking 21<sup>st</sup> century learning environments;
- Measure Ohio students against the world;
- Expand learning opportunities for all Ohio students;
- Prepare and support Ohio's educators for a successful instructional career; and
- An effective funding system according to Chapter 3306 of the Revised Code and an enhanced financial and resource management accountability system.

### Student-Centered 21<sup>st</sup> Century Learning Environments

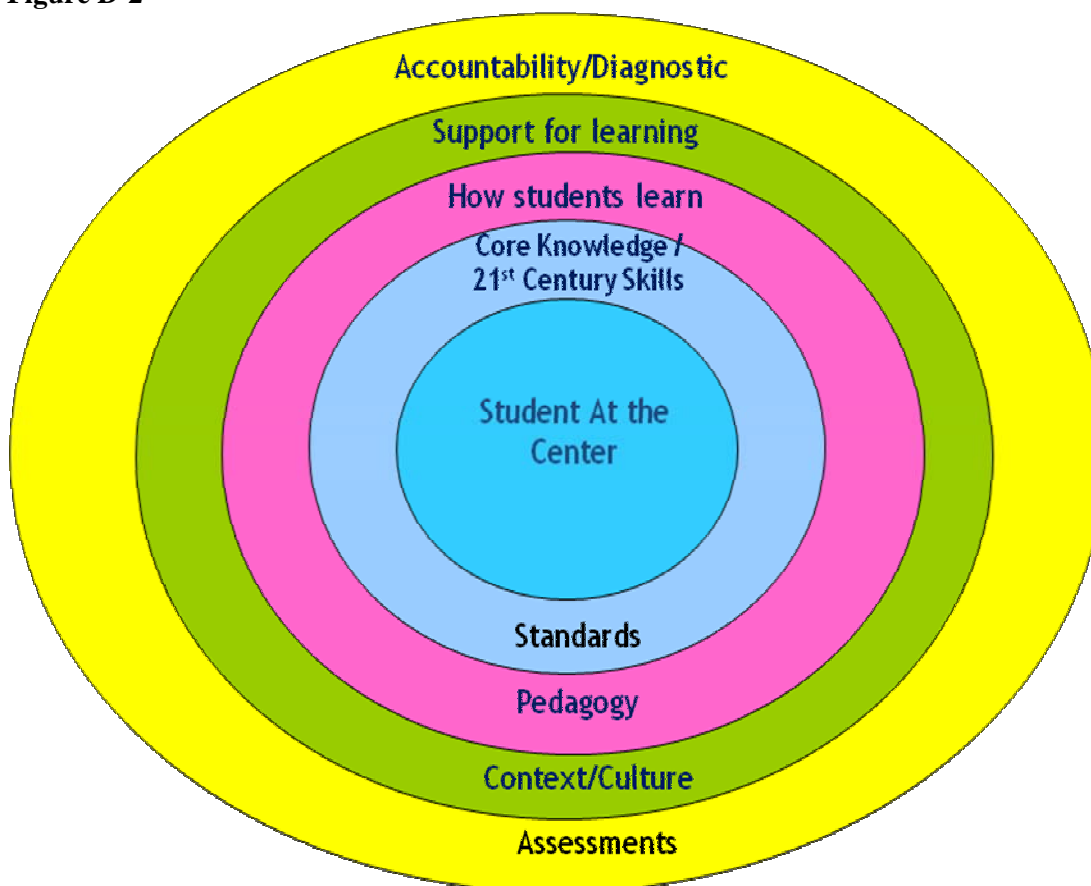
Student-centered 21<sup>st</sup> century learning environments are creative and innovative classrooms and school buildings dedicated to meeting the personalized unique needs of each and every student in a student-centered 21<sup>st</sup> century learning environment. The classroom and school building, in a student-centered 21<sup>st</sup> century learning environment, are transformed into nurturing, exciting and stimulating spaces where all students are challenged to think, problem solve, take risks, work together, and explore knowledge within the context of the world around them. A student-centered 21<sup>st</sup> century learning environment is a space where diversity is celebrated and students feel safe to be

themselves free of bullying and violence. Students are highly motivated to meet high expectations established by educators in student-centered 21<sup>st</sup> century learning environments. And, the educators in student-centered 21<sup>st</sup> century learning environments work collaboratively to think, learn, grow and lead as professionals.

The following is a diagram to illustrate the major components of a student-centered 21<sup>st</sup> century learning environment in Ohio:

**Ohio's 21<sup>st</sup> Century Student-Centered Learning Environment**

**Figure D-2**



As the diagram illustrates, the student is at the center of the educational universe. The student is not an empty vessel for educators to fill with information. In a student centered 21<sup>st</sup> century learning environment, there is an acknowledgement, understanding and healthy respect for each students family and community experience. The student enters the learning process each day with a set of natural skills and talents that are informed by the knowledge and experiences from their family and community. It is through this acknowledgement, understanding and healthy respect that educators create the relationships to make a difference in the lives of their students.

A student-centered 21<sup>st</sup> century learning environment also includes a number of factors that revolve around the student to ensure their academic success. The factors are clear expectations (standards), effective educators with proven instructional strategies (pedagogy), nurturing learning environments and quality academic supports (context/culture), and appropriate tools for accountability and diagnostic purposes (assessments).

### **Academic Standards and Curricula**

The Strickland administration recognizes that the transformation of our educational system to meet the needs of Ohio's students in the 21<sup>st</sup> century will require a different set of expectations and model curricula. New academic standards and model curricula must reflect the demands of a 21<sup>st</sup> century education system. To achieve this transformation, the Executive Budget Recommendations will:

#### Revise our current academic standards to:

1. Be vertically articulated, rigorous, focused, and coherent. Vertical articulation, rigor, focus and coherence are defined in the Executive Budget recommendations as follows:
  - a. Vertical articulation Key academic concepts and skills associated with mastery in particular content areas should be articulated and reinforced in a developmentally appropriate manner at each grade level so that over time students acquire a depth of knowledge and understanding in the core academic disciplines.
  - b. Rigor: the benchmarking of state's standards to international standards to create challenging and demanding standards and curricula for students.
  - c. Focus: limit the number of topics covered in the standards to allow for deeper exploration of the subject matter.
  - d. Coherence: The development of standards that follow the structure of the subject's discipline so that the body of knowledge in the discipline is sequenced from kindergarten through twelfth grade to meet age appropriate learning expectations.
2. Emphasize the development of 21<sup>st</sup> century skills to prepare students for postsecondary instruction or the workplace. Twenty-first century skills are defined in the recommendations to include:
  - a. The development of creative, innovative, critical thinking, problem solving, communication and interpersonal skills.
  - b. The development of information, media, and technology literacy skills.
  - c. The development of skills that promote flexibility and adaptability, initiative and self direction, global and cultural competence, productivity and accountability, responsibility and leadership.
  - d. The development of computer, wellness, financial, and entrepreneurship literacy.
  - e. Encourage the use of interdisciplinary, project based, real world, and service learning instructional strategies.
  - f. Require a periodic review of the standards and curricula.
3. Add a Life and Career Readiness course at the middle school grade levels. The course will focus on the development of life skills, financial literacy, and entrepreneurship. Students, as a requirement of the course, must create a career and college plan that reflects their future aspirations.
4. The State Superintendent must develop a plan to implement the academic standards and model curricula recommendations.

### **Collaborative, Professional and Continuous Learning Environments**

To establish a safe, healthy, and vibrant learning environment, the Strickland education reform plan presents a comprehensive set of reforms that will transform our schools into thinking and learning environments for students to develop and thrive. The reforms are grounded in the systems thinking and school improvement research. This research emphasizes:

- A focus on the needs of all students and clearly defined results;
- The use of research and data to drive decision making;
- High expectations and relevant instruction for all students;
- The creation of effective relationships between educators and students;

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- A collective sense of responsibility and leadership by educators to create safe, nurturing and globally competent experiences for all students through collaborative and collegial relationships that focus on continuous professional development and growth of the educators; and
- Effective linkages between educators, families and members of the community that will support the success of all students.

The Executive Budget Recommendations will require a revision of the Operational Standards, chapter 3301-35 of the Administrative Code to make the following changes:

- Leadership teams in each organizational unit within a district;
- Family and community engagement teams in every district to align the districts family and community engagement strategies;
- Collaborative and job embedded professional development strategies which include peer evaluation and cultural competency;
- Coaching and mentoring of educators;
- Collaborative lesson planning time;
- Classroom instruction that emphasizes educating the whole child through interdisciplinary, project based, real world, and service learning opportunities;
- The spending of state funds consistent with the proposed new funding model in section 3306 of the Revised Code; and
- The use of positive behavior intervention support strategies.

### **Celebrating Creativity, Innovation, and Learning**

The Strickland education reform plan adopts the premise that creativity and innovation is Ohio's natural heritage and must be integrated into Ohio's learning environments in the 21<sup>st</sup> century. Ohioans such as Thomas Edison, Granville Woods, Charles Kettering, the Wright Brothers, Steven Spielberg, Toni Morrison, Neil Armstrong, and Senator John Glenn changed the path of human existence with your contributions of creativity and innovation. Ohio companies such as BF Goodrich, Firestone, Nationwide, Procter and Gamble and the Limited blazed a trail for others to follow as Ohio established itself as a national and international economic force.

Due to this heritage, creativity and innovation are Ohio's differential advantage in the global marketplace. As the state's differential advantage, education policy must nurture and foster the development of creative and innovative skills as important integrated elements within the state's educational system from pre-school to post-secondary learning.

A 21<sup>st</sup> century learning environment is a space for the exploration of creativity and innovation. Creativity and innovation, in recent years, have captured imagination and attention of the nation and world. Both are seen as commodities to market throughout the world. Both are seen as the skills that one can hone and develop to lead successful lives. Both are seen as being highly marketable to be bought and sold. The producers of goods and services travel the world find those with the most creativity and innovation. Celebrating creativity and innovation on a daily basis ~~is~~ must become an important element of a 21<sup>st</sup> century learning environment.

As a result, the Strickland education reform places a special emphasis on celebrating, cultivating, nurturing, and harvesting the creative and innovative fruits throughout the P16 system by creating the Ohio Academic Olympics at the Department of Education. The Ohio Academic Olympics will be a statewide competition at the local, regional and state levels. The purpose of the statewide competition will be to recognize and celebrate the academic talents of Ohio's students in science, math, writing, debate, arts, technology and other areas of academic excellence.

To achieve this important integration of creativity and innovation throughout the P16 system, the Executive Budget Recommendations will:



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1. Establish the Center for Creativity and Innovation at the Department of Education. The purpose of the center for creativity and innovation will be to monitor, capture, develop, and disseminate best practices and research information on the most creative and innovative education practices across the state, nation and world. As a result of the center, Ohio's educators will be informed, in a systemic way, about the new advances in the education field. The Center for Creativity and Innovation will be the research and development function for the state's educational system.
2. Encourage the establishment of creative ~~of~~ conversion community schools. The creativity conversion community schools will utilize current state law to focus on the principles and ideas developed at the Governor's Institute of Creativity and Innovation in June of 2008. The purpose of the creativity conversion community schools will be to expand the state's knowledge of how to create 21<sup>st</sup> century learning environments and instructional practices that foster and nurture creativity, innovation and global competence. This initiative will be an important role within the Center for Creativity and Innovation.
3. Dedicate state resources to encourage student enrichment activities. In order to fully develop the cognitive knowledge and affective skills of students in a meaningful and real way, students must have the opportunity to explore knowledge and develop skills in a variety of settings. The student enrichment activity resources in the Executive Budget may be utilized for gifted services, field trips, and experiential learning opportunities.

### Culture/Context: Family and Community Engagement

The educational development of a child is not merely the responsibility of our education institutions – it is a responsibility shared jointly with families and communities. The Public Private Collaborative Commission emphasized the importance of this relationship in its report, *Supporting Student Success: A New Learning Day in Ohio*, by stating, “Educators, especially school leaders, are centerpieces in this work, but they cannot do it all, and they cannot do it alone. Entire communities must share responsibility for the well-being of children, youth and families – and also for the educational performance of every student. Nothing short of this kind of sustained accountable, representative engagement, evident in the ability to organize and mobilize for collective action to achieve common purposes, will get the job done. As the job gets done, the education system will change for the better and all Ohioans will benefit.”

The Strickland education reform plan proposes the establishment of a systemic structure at the school building and district level to enhance and strengthen this ability of educators to build and enhance this important relationship between educators, students, families and communities. The Executive Budget will recommend:

1. The establishment of a family and community engagement team in every school district. The teams will be comprised of educators, support staff, parents, business representatives and community members. The teams will align its work with the county Family and Children First Council's and be charged with the responsibility to:
  - a. Create a five year family and community engagement strategic plan. The family and community engagement strategic plan will outline the district's common purpose, vision, beliefs, objectives, goals, strategies and measures of success for addressing the non-academic barriers to student success.
  - b. Create an annual family and community engagement work plan to guide the day to day achievement of the five year strategic plan.
  - c. Issue an annual progress report on the work plan achievements for that year's efforts.
  - d. Submit the five year strategic plan, annual work plan, and annual progress reports to the county and state Family and Children First Councils.
2. Dedicated resources to establish family and community engagement coordinators in each organizational unit. The family and community engagement coordinators will carry out the strategies of the district's five year strategic family and community engagement plan in all of the district's organizational units. The

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family and community engagement coordinator will serve as a critical link between the school's educators and the student, their family and the community's resources.

### **Culture/Context: Closing the Achievement Gap**

Research indicates that school dropouts cost the state of Ohio's economy approximately \$8 billion a year. It is commonly understood across the nation that a person leaving high school without a diploma will have fewer opportunities and choices for lifelong success. Dropouts are likely to have low lifetime earnings and higher incarceration rates. The dropout phenomenon is a vicious cycle because the children of many dropouts also do not complete high school.

In the last biennium, the Strickland administration launched the Closing the Achievement Gap Initiative (Initiative) to break this vicious cycle by creating and implementing locally developed strategies to reduce high school dropout rates in Ohio high schools. The primary objective was to increase the number of ninth grade students that matriculate to the tenth grade. Research documents that the transition from ninth to tenth grade is the critical point where high risk students drop out of school. The Initiative supported the students by providing a structure to support the day to day growth of the students through regional coordinators, local liaisons, educator training, strategic mentoring and student enrichment activities.

The Initiative achieved strong results in the first year of the biennium. For instance, as reported, the promotion rate for ninth grade students improved for all participating high schools in one school district. The promotion rate from ninth to tenth grade increased by double digit percentage points in many cases. Building upon that success, the Strickland education reform plan integrates the Initiative into the funding and accountability strategies by including the following recommendations in the Executive Budget:

All districts with one high school with a graduation rate at 70 percent or lower will be a part of the Initiative through the accountability reforms in Strickland's education reform plan.

1. Under the accountability reforms, a district with one high school with a graduation rate at 70 percent or lower will be required to utilize the family and community engagement resources in the funding model to establish a linkage coordinator in each of the district's organizational units. The linkage coordinator's role will be to serve as the primary mentor, coach and motivator for students identified as potential non-graduates. The linkage coordinator will also coordinate student participation in the academic programs (remedial tutoring, literacy programs, etc.), social service programs, out of school cultural and work related experiences within the Initiative. The Linkage Coordinator will also establish and coordinate the work of the academic promotion teams and coordinate the remedial disciplinary plans as needed. They will work with school personnel to gather student academic information and work with school personnel to engage parents of targeted students. The linkage coordinator will serve as a liaison between the school and the Office of Closing the Achievement Gap Initiative, and participate in all professional development activities as determined by the office.
2. The district will be required to coordinate the expenditure of several resources in the annual spending plan with the Office of Closing the Achievement Gap Initiative and the State Superintendent.
3. The district will be required to demonstrate the expenditure of resources in the annual spending report to ensure the efficient and effective deployment of funds to close the achievement gap and increase graduation rates.

The Executive Budget will also recommend the creation of the Office of Urban and Rural Student Success at the Department of Education. The purpose of the office will be to assist urban and rural districts with improving the academic success of the students that face non-academic barriers to learning created by poverty. The office will:

- Provide system redesign and improvement strategies for urban and rural school districts;

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- Provide urban and rural school districts with recommendations and strategies to improve the academic success of students from economically disadvantaged backgrounds and communities;
- Provide districts with recommendations and strategies to address the non-academic barriers to learning, including, but not limited to the social, emotional, physical, and psychological barriers faced by students;
- Work with University System of Ohio institutions, private institutions of higher education and national and international experts to support the efforts of the office; and
- Provide any other assistance and support that urban and rural districts may need to meet the unique circumstances of their districts.

The Executive Budget will establish the Cleveland Municipal School District Early Adopter Initiative to will support the ongoing creative and innovative strategies established by the district to improve the academic success of all Cleveland students. The project will:

- Fully fund the Cleveland Municipal School District in the Executive Budget's school funding reform model;
- Permit the Chief Executive Officer of the Cleveland Municipal School District to assign educators to meet the needs of students and the district's mission;
- Provide resources to conduct a curriculum audit and business and operations management study;
- Provide resources to implement the recommendations of the curriculum audit, business and operations management study, and the district's Human Ware audit;
- Require the Chief Executive Officer to create a five year strategic plan to improve the district's ability to effectively and efficiently meet the district's mission;
- Require the district to hire a Chief Systems Redesign Officer, establish a district system redesign advisory council, and organizational unit transformational leadership teams. The Chief Systems Redesign Officer will report to the Chief Executive Officer. The Chief Systems Redesign Officer will work with the transformational leadership teams to create five year redesign and school improvement plans for each organizational unit in the district. The district system redesign advisory council and transformational leadership teams will advise the district on the creation of the strategic plans;
- Require the Chief Executive Officer to issue annual progress reports; and
- Establish consequences for not making sufficient progress toward meeting the recommendations of the curriculum audit, business and operations management study and the Human Ware audit.

### **Culture/Context: School Health and Wellness**

Education of the whole student involves more than simply providing for his or her academic needs. The physical well-being of our students – as well as our faculty and staff – is important for providing a valuable and enriching experience. The Strickland education reform plan understands the importance of health and wellness. The Executive Budget recommendations will incorporate the following:

**Providing Resources for School Health and Wellness:** Understanding that physiological needs, when not met, can cause impediments to the learning process. The Governor's plan provides resources to address health and wellness needs of Ohio's students. As a part of the funding model, each organizational unit is provided resources to provide a licensed practical nurse (LPN) to serve as a nurse wellness coordinator, and each district is provided resources to provide a registered nurse to supervise the LPN's hired by the district.

**Establish a School Health and Wellness Advisory Committee:** The committee will be established within the Department of Health with representatives from Health, Education, the Board of Regents, the Board of Nursing, and other critical stakeholders to make recommendations as to the appropriate content and level of professional training a licensed school practical nurse and a school nurse should have to obtain a professional license through the Department of Education. This committee will also make recommendations as to best practices for health and wellness for the entire school community – students, faculty, and staff – which will truly establish these positions as more than individuals to handle the day-to-day health needs of students but also the long-term health and well-being of the entire school community.

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**Administration of Medications:** Amend the current law that permits any designated school staff to administer medication to students. Such actions and their related decisions should be made by qualified health professionals, and beginning in FY 2012, only licensed and qualified health care professionals will be allowed to administer medications. This is a common sense approach to the issue, allowing districts time to put the necessary staff in place while moving in the direction that will ultimately be the best scenario for students.

**Establish Standards in Wellness Literacy:** In an era of growing childhood obesity, increasing rates of diabetes among youth, and a diminishment of physical activity, it is critical that our schools educate our children not only in science, reading, and math but also in how to live and make healthy life decisions. It is only through learning how to live healthy and make healthy choices that we can begin to combat some of the most preventable diseases of our time.

### Measure Students Against the World

An effective academic accountability system must be aligned and measure all intelligence possessed by a student. The curricula must be aligned to the standards and the assessments must be aligned to the standards and curricula. But, a single standardized test should not determine the future of Ohio students and cannot appropriately measure all of the knowledge and skills of student. Multiple measures of student performance are a better strategy for determining the level of academic knowledge and skills learned by a student.

An effective academic accountability system must serve an accountability and diagnostic purpose. The accountability purpose ensures the quality of teaching and learning in the classroom. The diagnostic purpose ensures the use of assessments as a tool to guide instructional strategies.

The Strickland education reform plan will make the requirements to graduate from high school more rigorous and relevant, and establish better methods to measure creativity, problem solving and other key skills. To achieve better alignment to 21<sup>st</sup> century learning and an accurate measurement of 21<sup>st</sup> century skills, the Executive Budget recommendations will:

- Replace the reading and writing assessments with a English language arts assessment at all grade levels;
- Align all assessments to the revised standards and curricula;
- Reduce the number of skill levels that indicate a student's performance on an assessment from five levels to three levels (Advanced, Proficient, and Basic); and
- Replace the Ohio Graduation Test (OGT) with a four-part assessment to measure college and life readiness. The four-part assessment will be used determine whether a student is ready to graduate with a high school diploma. The four assessments are:
  - A. The ACT, or a college readiness examination to measure student competencies in writing, science, math, and language arts;
  - B. End-of-course exams in the areas of science, mathematics, language arts and social studies;
  - C. A service learning project developed in accordance with the service learning plan established in section 3313.605 of the Revised Code that will demonstrate a student's ability on a number of 21<sup>st</sup> century skills; and
  - D. A senior project that will demonstrate the student's ability to demonstrate a number of 21<sup>st</sup> century skills.

### Expanded Learning Opportunities

The Strickland education reform plan proposes increased opportunities for students to learn by engaging the community and encouraging life-long learning.

The Executive Budget Recommendations will provide additional learning opportunities for students and include the following:

- Establish kindergarten students as one full time student for funding purposes and require all day kindergarten services. In fiscal year 2011, school districts without all day kindergarten must assess their ability to offer the

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service in fiscal year 2012. If a district presents the state superintendent with an equivalent kindergarten service or a valid reason that services cannot be provided in fiscal year 2012, the State Superintendent may grant the district a waiver to utilize the alternative service or not provide the service. The waiver is valid for one year.

- Phase-in four additional learning days over 5 biennia, which will amount to 20 additional learning days at the end of the 5<sup>th</sup> biennium for a total of 200 learning days in a learning year.
- Provide resources for extended learning opportunities before or after the school day which will permit students an opportunity to receive additional tutoring or enrichment services.

### Prepare and Support Ohio's Educators

The second most influential factor that predicts the academic success of a student is the level of quality instruction received by the student during a school year. There is nothing more consequential to a student than the learning relationship with a top quality teacher. The Strickland education reform plan will revolutionize the education profession by reforming the way we recruit, prepare, induct, license, and develop Ohio's teachers. The Executive Budget will make the following recommendations to address teacher recruitment, preparation, licensure, induction, and development issues:

**Teacher Recruitment:** The creation of a program to establish a pipeline of recruits for those interested in the teaching profession is an important strategy of the Strickland education reform plan. The Teach Ohio initiative is an effort to raise the profile of the teaching profession and encourage Ohioans to enter the field of teaching. Teach Ohio recognizes the importance of recruiting and retaining individuals in the profession. The Teach Ohio initiative is comprised of following three components in the Executive Budget recommendations:

- 1) A program to allow high school students the opportunity to explore the possibility of becoming a future educator through a summer experience and an introduction to the profession;
- 2) The Ohio Teaching Fellows is a new scholarship designed to recruit excellent undergraduate students into the profession while providing summer enrichment experiences; and
- 3) A revision to the alternative licensure program to allow mid-career professionals a means of entering the education profession. These revisions include the creation of a six-week intensive institute on pedagogy and child development. The institute must be successfully completed prior to receiving the license. Once the mid-career professional completes the institute, the person is eligible for a alternative resident educator license and the educator residency program (see Teacher Induction below).

**Teacher Preparation:** Currently, the State Board of Education is responsible for setting the standards and content for educator preparation programs. Recognizing that the Chancellor of the Board of Regents is responsible for institutions and programs of higher education in every other area, responsibility for educator preparation programs will be transferred to the Chancellor and the Board of Regents. The State Superintendent of Public Instruction will work with the Chancellor to ensure alignment of the content and courses of study as well as the metrics to be used for evaluation purposes.

**Teacher Induction:** As colleges of education prepare undergraduate students for a career in education, there are limited opportunities for a prospective educator to spend actual time in the classroom as the facilitator and teacher. The student teaching internship is insufficient to provide the necessary, real-world experience required to prepare our educators for 21<sup>st</sup> century learning environments. The Strickland education reform plan calls for the creation of an induction, field experience residency program. The program will provide Ohio's educators with the coaching, mentoring and guidance that is critical for long and successful careers as an educator. Based on the concept of a medical residency program, the educator residency program will be a four-year experience in which a lead educator in each organizational unit will provide coaching and mentoring for those just entering the profession. The successful completion of the program is required to be eligible for a professional educator license (see Teacher License section above). The State Superintendent of Public Instruction and the Chancellor of the Board of Regents

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will develop the scope and content of the program, better aligning the work of our colleges of education with the needs of educators in the field.

**Teacher License:** There are few opportunities today for teachers to advance within their careers. Many times teachers will enter the school administration field to create advancement as an educator. While these are critical positions of leadership within the education system, they often require different skill sets and needs. As one businessman stated, you don't take your best salesperson out of the field and put them into management – you cultivate and reward their skills as a salesperson in a fitting manner. Recognizing the importance of developing and retaining excellent teachers in the classroom, the Strickland education reform plan creates a career ladder embedded within the state's educator licensing framework. This career ladder creates four distinct licenses for the teaching profession:

1. Resident educator license, with a minimum requirement of graduation from an accredited teacher preparation program. Resident educator license holders must successfully complete a teacher residency program prior to being eligible for the professional educator license. The license is valid for four years and is non-renewable.
2. Professional educator license, with the minimum requirement of graduation from a college or university and successful completion of the teacher residency program. This license is similar to the current professional educator license, and may be renewed every five years.
3. Senior professional educator license, with the minimum requirements of holding a valid professional educator license, graduating with a master's degree, and meeting the "Accomplished" or "Distinguished" criteria on the Professional Educator Standards established by the Educator Standards Board. This license is valid for five years and may be renewed.
4. Lead professional educator license, with the minimum requirements of holding a valid professional educator or senior professional educator license; obtaining a master's degree; meeting the "Distinguished" criteria on the Professional Educator Standards established by the Educator Standards Board; and being either a National Board Certified Teacher or meeting the requirements of a "lead teacher" established by the Educator Standards Board. This license is valid for five years and may be renewed.

The criteria to advance to the next step on the ladder will include the use of student performance measures over a one year period, peer to peer evaluation, and the educator standards for teachers and any other criterion developed by the state superintendent of public instruction and the chancellor.

Teachers who choose to remain at the level of professional educator may continue to renew their licenses on a five-year cycle. For those interested in progressing further in the profession, they will now have the opportunity for those accomplishments to be recognized with either the senior professional educator or lead professional educator license. The senior professional and lead professional educator licenses are also renewable on a five year cycle. A teacher must have a lead professional educator license to be eligible for a lead teacher position within an organizational unit.

**Teacher Development:** At the same time a transformation is occurring with the educator profession for those entering the field, a transformation of the profession must occur for those already working in Ohio's schools. To that end, the Executive Budget recommendations will empower the Chancellor and the State Superintendent to better coordinate and align professional development activities and funds, including the offering of job-embedded professional development in which instruction will take place in the school rather than in a distant university classroom or conference center. Furthermore, the funding model provides resources to school districts to provide professional development opportunities for their staff. Finally, in an effort to achieve efficient and effective use of resources, the Executive Budget recommendations will allow the chancellor to monitor the quality of professional preparation and development of educators in Ohio's colleges of education based on outcomes.

The development of teachers to provide high quality instruction in the STEM disciplines is a critical strategy in the Executive Budget recommendations. The recommendations will provide resources to facilitate the ongoing, job-embedded professional development of STEM teachers utilizing the STEM platform schools within the Ohio STEM Learning Network. The Ohio STEM Learning Network is the organization authorized by the state to build and connect STEM teaching and learning capacity in regions across the State of Ohio through a public-private

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collaborative. In the Executive Budget recommendations, STEM platform schools will be used to promote teacher professional development through STEM fellows and master teacher and apprentice programs.

**Teacher Dismissal:** The Executive Budget recommendations will establish a new standard for the dismissal of teachers. The current standard for dismissal of a teacher is at a higher level than it is for any other public employee. The new standard proposed in the Budget Recommendations will establish a standard equal to the standard of other public employees.

**Principal and District Leadership:** The Executive Budget recommendations will enhance the licensure for Ohio's principals, aligning their licenses to the professional standards developed by the Educator Standards Board. Student performance measures over a one year period will also be used to determine the renewal of a principal license. This recommendation will hold them accountable as management leaders of their individual buildings.

The Executive Budget recommendations will also direct the Educator Standards Board to create educator standards for superintendents, treasurers and school business officials. The new standards for district administrators will enhance the ability of district administrators to effectively and efficiently provide leadership within the district.

### Effective Funding and Enhanced Fiscal Accountability Systems: Overview

The Strickland Administration has committed to developing an education system that not only builds on past achievements, but also reforms key areas of service to provide all Ohio children high quality education that meets their individual needs and is both effective and equitable. An effective funding system promotes a system that recognizes the 21<sup>st</sup> century challenges and opportunities. It also ensures that educational needs are met for all young people in a rapidly changing world. Such a system is grounded on the following principles:

- Ensure the success of all children regardless of their socio-economic situation;
- Align state resources to address disparities;
- Create a flexible and adaptable system that encourages innovation and creativity;
- Recognize that instructional quality is a central driver of educational attainment;
- Recognize that each student is different and allocate resources based on need;
- Retain the state-local partnership, but accurately account for local resources; and
- Use most recent data and information to recalibrate the model in future years.

The current models that are used in various states include the professional judgment model, econometric model, successful schools model and the evidence-based model. Ohio has used a combination of the successful schools and professional judgment models to date to determine funding levels needed for an adequate education.

There are several critical elements in the current funding system that must be improved upon to make it adequate, thorough, efficient, and equitable. These elements include:

- A clear definition of what components make an adequate education;
- Fair utilization of local resources;
- Transparency in how educational components are funded;
- Accountability at both the state and district levels that clearly communicate to taxpayers;
- How state education funding is determined for each district at the state level;
- How they are deployed at the local level; and
- A rational basis for allocating funds to achieve equity through a distribution method is understandable.

The foundation formula, the current funding methodology, maintained the same general components for funding and distribution. The most significant change occurring in House Bill 66 was the development of the "Building Blocks" concept. This concept identifies costs of certain educational components that are linked to academic success. Over

time, other changes have occurred to target resources to those districts that had high concentrations of students living in poverty (Poverty-based Assistance) and low taxing capacity (Parity Aid and Charge-Off Supplement, otherwise known as Gap Aid).

### Ohio Evidence-Based Model (OEBM)

The Strickland education funding reform proposal is built upon the evidence-based approach for the following reasons:

- Determines an adequate funding amount for each district based on the unique needs of students;
- Assures that instructional quality and the components needed to achieve this goal drive the resources;
- Provides flexibility responsive to Ohio’s unique circumstances and priorities;
- Uses research to inform what is needed for student success;
- Maximizes transparency;
- Is easy to understand;
- Addresses disparities across all Ohio school districts in a systematic way; and
- Recognizes the different needs of a 21<sup>st</sup> century education.

The approach of the evidence-based methodology is one that links educational research on academic achievement and successful outcomes with funding components to achieve results. The Ohio Evidence-based Model (OEBM) was developed using models found in other states in combination with what works for Ohio and the values that we as a state place on fiscal accountability and results.

**Figure D-3**  
**Comparison of Proposed Ohio Evidence Based Model (OEBM) to Present System**

| PRESENT   |                                 | OHIO EVIDENCE BASED MODEL (OEBM)  |
|---|---------------------------------|---|
| <i>Uses a sampling of successful Ohio “gap aid” school districts to define a statewide adequate per pupil amount. Other funding supplements are provided to target resources to low-wealth districts and economically disadvantaged students.</i> | <b>Philosophy</b>               | <i>Uses research to identify educational components that result in academic success thereby defining adequacy. Incorporates real financial data and socioeconomic factors to fund resources and implement proven school programs according to student need to achieve educational adequacy.</i> |
| For traditional public schools, two enrollment counts (October and February) are conducted each year and averaged. These counts determine current year funding.   | <b>Average Daily Membership</b> | In the proposed system, the prior year’s ADM count in October will be applied for current year funding to calculate adequacy unless a 2% ADM increase is realized, in which case the current year October ADM count will be used. The February ADM count will be eliminated.                    |
| For community schools and internet-based schools, monthly counts are conducted and current year funding is determined.  |                                 | The same system will be used for community and internet-based schools.  |



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| <b>PRESENT</b>   |                                | <b>OHIO EVIDENCE BASED MODEL (OEBM)</b>  |
|--|--------------------------------|--|
| Funding does not consider school year (or at least an extended school year).   | <b>Extended School Year</b>    | Provides funding for building operations to extend the school year.  |
| Portion of base cost per pupil amount.   | <b>Base Classroom Teachers</b> | “Core” subject teachers – predicated upon student-to-teacher ratios.   |
| Portion of base cost per pupil amount.   | <b>Specialized Teachers</b>    | “Specialist” elective teachers – predicated upon the number of core teachers. Provide instructions in the visual and performing arts, physical education, etc.   |
| Funding not currently provided for teacher leaders/mentors.  | <b>Teacher Leaders</b>         | Teacher Leaders – one for every “organizational unit” <sup>1</sup> .   |
| Portion of base cost per pupil amount.   | <b>Building Administration</b> | Provides funding to support principal, building manager, and secretary/administrative assistant, to each “organizational unit”.  |
| Funding not explicitly provided for these educational services/resources.  | <b>Media Services</b>          | Provides a funding allocation for each “organizational unit” <sup>1</sup> to support media services staff, materials, supplies, and equipment.   |
| Portion of base cost per pupil amount.   | <b>Non-personnel support</b>   | Resources provided for technology, instructional materials, and student enrichment, plant operations, and maintenance.   |
| Poverty based assistance program – generates aid for school districts to accomplish objectives. <ul style="list-style-type: none"> <li>Increased classroom learning opportunities</li> </ul> | <b>Poverty</b>                 | Ohio Instructional Quality Index: Index is used to target additional resources to school districts that have a combination of characteristics that make it difficult to attract, recruit, and retain instructional talent. Funding also serves to provide professional |

<sup>1</sup> An “organizational unit” as used within the school district EBM means groupings of specified numbers of students within three grade bands (Elementary School K-3; Middle School 6-8; High School 9-12). It does not refer to actual brick and mortar school buildings or districts.

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| PRESENT  | OHIO EVIDENCE BASED MODEL<br>(OEBM)  |
|--|--|
| <ul style="list-style-type: none"> <li>• Academic intervention</li> <li>• Limited English proficiency</li> <li>• Dropout prevention</li> <li>• Community outreach</li> <li>• All day kindergarten</li> <li>• Professional development</li> <li>• Closing the achievement gap</li> </ul> <p>Also included are other funding supplements outside of the Foundation Program formula that address poverty.</p> | <p>development and other services needed to support academic achievement.</p> <p>Define roles for additional teachers and tutors to administer proven academic support for at-risk students. Amount of teachers varies by need of student population and concentration of poverty through application of the Ohio Instructional Quality Index.</p>   |
| Not funded in the current formula.   | <p><b>Guidance Counselor</b></p> <ul style="list-style-type: none"> <li>• In-class and after-school intervention</li> <li>• Summer intervention and enrichment</li> <li>• Family and student support – family liaison, student advocates, and social worker assigned for each 200 economically disadvantaged students.</li> </ul> <p>One guidance counselor allocated for every 250 students in middle and high school “organizational units.”<sup>1</sup></p>     |
| Building blocks provide modest aid for purposes of professional development within the Foundation Program. Also included are other supplements funded outside of the Foundation Program formula.   | <p><b>Professional Development</b></p> <p>Increased investment in professional development funding. Moves most professional development funding within in the EBM but maintains a few funding supplements outside of the EBM formula.</p>  |
| Six different student weights (2002 weights) for different special education categories funded at 90%. Also includes funding for other special education services like reimbursement for home instruction.   | <p><b>Special Education</b></p> <p>Special education teachers and classroom aides assigned based on the enrollment of students with special needs. The special education weights (2006 updated weights funded at 90%) are applied to the students, thereby inflating enrollment and generating the teachers and resources needed for special education services. Some of the funding for other special education programs like home instruction is maintained.</p> |
| Funding provided for gifted students based on a unit-based methodology.  | <p><b>Gifted and Enrichment</b></p> <p>Provides per pupil funding for gifted services and a separate component of per pupil funding for enrichment activities.</p>   |
| Present funding system supports full day   | <p><b>Early Childhood</b></p> <p>Full day kindergarten for all students.</p>   |

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| <b>PRESENT</b>   |  | <b>OHIO EVIDENCE BASED MODEL (OEBM)</b>  |
|--|--|--|
| kindergarten for 36.6% of kindergarten population. Includes funding for early childhood education programs (also referred to as public preschool) and preschool special education students.  | <b>Education</b>                         | Maintains funding for early childhood education programs (also referred to as public preschool) and preschool special education students.  |
| Current formula does not provide funding for student health and wellness.  | <b>Health and Wellness</b>               | Provides funding to support one nurse's aid (or equivalent services) per "organizational unit" and one registered nurse per school district.   |
| Current Foundation formula provides LEP funding through poverty based assistance. However, ODE has recognized that there is not a strong link between LEP and poverty and have proposed funding this category of students separately in the upcoming biennium. | <b>Limited English Proficiency (LEP)</b> | Funding for LEP teacher resources area allocated based on the number of students that require services.  |
| Includes parity aid, gap aid, excess cost supplement, guarantee funding, and TPP direct payment reimbursement.   | <b>Guarantees &amp; Other</b>            | The Ohio Instructional Quality Index incorporates the concept of parity aid. The funding package includes moving the charge-off to 20-mills, removing the need for gap aid. No change to current TPP reimbursement and other tax relief policies with the exception of a new incentive to districts that pass a conversion levy to have their TPP reimbursement increased to 100% through the phase-out period. Also a new guarantee is included to hold districts harmless for any loss of class II tax revenue or public utility tangible tax revenue if a conversion levy is approved. Guarantee funding will be maintained at 100% of prior year funding in FY 2010 and 98% of prior year funding in FY 2011 |
| Funding provided to support student transportation on an across-the-board percentage increase basis regardless of the actual level of transportation services provided by the district.  | <b>Transportation</b>                    | Funding provided to support student transportation using a new ODE proposed transportation formula that better aligns funding to actual transportation services provided.  |
| Weighted funding for traditional districts and joint vocational school   | <b>Career Tech</b>                       | The allocation of career technical education teachers is one for every ten core teachers at  |

| PRESENT  |  | OHIO EVIDENCE BASED MODEL (OEBM)   |
|--|--|--|
| districts.   |  | the high school level for school districts. See summary below for JVSDs.   |
| Present funding system provides for a Foundation Program formula specific to these districts.  | <b>Joint Vocational School Districts</b> | No changes for these school districts in the upcoming biennium, however the goal is to move JVSDs to an Evidence-based approach as well. For FY 2010-2011 a 1.9% increase is provided in each year for overall Foundation Program funding.   |
| Present funding system provides for a deduction for community school students from their district of residence for most of the Foundation Program supplements. | <b>Community Schools</b>                 | Separate models have been developed for traditional brick and mortar community schools and internet-based community schools that identify components necessary for an adequate education. The models generate adequacy costs specific to those types of schools and are funded directly. |

### Components of the Model

The EBM model includes several components that compose the formula by which districts are funded.

**Average Daily Membership (ADM):** Measuring enrollment is the first component of the new model. In the current funding model, a school district receives funding for the first six months of the fiscal year based on final enrollment at the end of June in the previous fiscal year. In late January, enrollment figures are updated and reflected in bi-weekly payments called the “foundation payment.” In some cases, there are significant changes between the enrollments used to make payments in the first six months compared to the enrollment that drives funding in later half of the year. This system creates instability and in some cases fiscal uncertainty for many districts.

The Ohio Evidence-Based Model will use a trailing average daily membership (ADM) to incorporate an element of funding stability and predictability for school districts. Under the new system, the funding for the current fiscal year will be based on the prior year ADM count taken once in October (eliminating the second count in February). For those school districts that experience high levels of growth, greater than two-percent, the current ADM will be used for funding purposes.

**Universal All Day Kindergarten:** The evidenced-based model includes All-day Kindergarten (ADK) as a necessary part of an adequate education. Currently, kindergarten enrollment is included in the formula at half the rate of other grades. The new model will include all kindergarten students at the full rate in a district’s formula ADM, rather than as half a student. All school districts will be required to accommodate ADK programs beginning in fiscal year 2011.

**Teacher Compensation:** The most critical component of any education funding system is teachers. Teachers make the difference in providing quality instruction for all children. In any school district’s annual budget one will see that teachers make up over 80% of directed resources. There are several factors that must be considered when addressing compensation for this most critical resource:

- Accounting for district differences;
- Targeting resources to socioeconomic and educational need; and

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- Sharing state and local responsibility and control.

Research shows that teacher salary patterns differ according to location and the type of school district. For example, wealthy districts may receive hundreds of resumes for every open position regardless of the subject area and can pick the most qualified, experienced, and talented individual. Districts in more isolated areas in the state have several critical factors that they must overcome when recruiting teaching professionals: location, compensation package, and the shortage of qualified applicants to fill needed core subject areas.

These real-life situations create challenges for us all in terms of connecting the most talented teachers with our most impoverished and most at-risk students. These challenges even exist within school districts. In many cases at-risk students are placed in classrooms with our most inexperienced teachers, as demonstrated by a recent report by the Education Trust. Ohio has already identified this to be a problem and the Ohio Department of Education is working on this difficult policy issue. The Ohio Evidence-Based Model addresses this problem with the implementation of the Ohio Instructional Quality Index (Ohio IQ Index).

The Ohio IQ Index measures the wealth of a community, the poverty of students residing in the district, and the educational attainment of the adult population residing within a district. These components measure the challenge inherent in attracting, recruiting, hiring, and retaining teaching talent. The Index is set at a range between 0.9 and 1.65 and a value is assigned to each school district using data from the U.S. Census Bureau, the Ohio Department of Education, and the Ohio Department of Taxation. The index is multiplied by the identified average teacher salary in the state plus the employer mandated share of State Teacher Retirement System contributions. Other benefits such as health and life insurance vary from district to district and are assumed to be supported by local revenue since and based on locally negotiated contracts.

***Student-Teacher Ratio:*** An adequate education in the new model is partially defined by the student-teacher ratio in the core subject areas of English language arts, Science, Math, Foreign language, and social studies. In grades kindergarten through three, the ratio is 1:15. In grades four through twelve the ratio is 1:25. Resources are targeted for instructional support.

Specialist teachers are also included as part an adequate education, providing instruction in the visual and performing arts, physical education, career-technical education and other areas of instruction in addition to the core subjects. Resources are assigned as a ratio of specialist teacher to core teacher. In grades kindergarten through eight the ratio is 1:5. In grades nine through twelve, the ratio is 1:4. Thus, in a high school of 700 students, resources will be assigned to support 28 core teachers and 7 specialist teachers. Additionally, in grades nine to twelve, career-technical specialists will be funded at a ratio of 1:10 core teachers. A new type of specialist teacher, the “lead teacher,” will be funded for each “organizational unit” (defined below).

***Special Education:*** In the current funding formula, special education resources are based on a system which weights students with disabilities more heavily when applied to the base per pupil amount. Since the EBM model does not use a base per pupil amount, the weights will be applied directly to the number of students with disabilities, using the updated 2006 Special Education Weights.

The result is that the new model will assign more resources for special education students to provide an adequate education. This includes providing one special education aide per every two special education teachers are generated in the model. The model treats this position as a regular teacher acknowledging the specialized training required.

***Poverty-focused resources:*** The model is designed to target funding where they are needed the most. Thus, districts that educate high numbers of economically disadvantaged children are assigned additional resources to provide support to those students and their families. Poverty-focused resources include:

- Additional teachers for academic intervention services;

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- Summer School;
- Family Liaisons, social workers, or student advocates; and
- Limited English Proficiency assistance

***Gifted & Talented Education:*** The model recognizes gifted education as critical piece to an adequate education. Current policies to identify students as gifted and to provide specialized services will continue. The Ohio Evidence Based Model provides \$25 for each student regardless if the student has been identified as gifted or not. These funds are restricted for the identification of gifted and talented students and offering specialized education based on current standards implemented by the Ohio Department of Education.

***Enrichment Activities:*** Funding for enrichment activities will serve all children within a district. The funding is \$62 per student in the upcoming biennium (funding represents 25% of full phase which is projected to occur over four biennia. In 2016-2017, the funding would reach \$250 per pupil). Funding is flexible and may be used to augment gifted and talented education or be used for non-athletic extracurricular activities such as field trips with an educational purpose, math and science Olympiads, etc. At the high school level, these funds may be used to provide accelerated courses, advanced placement, post-secondary enrollment option, implementation of an International Baccalaureate program and similar activities.

***Technology Support and Equipment:*** The funding is \$62.50 per pupil to support the use of technology and modern equipment where it is educationally appropriate (funding represents 25% and full phase in which is projected to occur over four biennia. In 2016-2017, the funding would reach \$250 per pupil).

***Instructional Materials and Assessments:*** The funding is \$41.25 per pupil to support purchases of textbooks, ancillaries, district selected assessment and diagnostic tests for students and other materials (funding represents 25% and full phase in which is projected to occur over four biennia. In 2016-2017, the funding would reach \$165 per pupil).

***Organizational Unit Resources:*** Each district is assigned a number of “organizational units” based on a grade level. An organizational unit is defined as a base number of students within a grade band (i.e. kindergarten through fifth grade would represent an elementary school organization unit) that would require a certain number of non-instructional staff. Organizational units are not the equivalent of school buildings, in fact multiple organizations may exist within a brick and mortar building, however they are based on what research says are the ideal size of a school building to achieve effective teaching and learning outcomes. Organizational units have been defined for Ohio as having the following number of students:

- Grades kindergarten through five: 418;
- Grades six through eight: 557;
- Grades nine through twelve: 733; and
- School districts that enroll fewer than 800 students are categorized as “small districts” and are treated as one organizational unit. In many cases, these districts house all grades in one school building.

The resources assigned by organizational unit are as follows:

- One principal and one secretary;
- One school clerk per elementary and middle school unit. Three will be funded per high school unit;
- Two non-instructional aides will be funded per elementary and middle school unit. Three will be funded per high school unit. However, one non-instructional aide will be provided for small districts;
- One wellness coordinator (nurse’s aide) per organizational unit. However, small districts will receive only one registered nurse described under district level resources;
- One Lead teacher to provide peer mentoring and professional development;
- Media service resources; and

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- One building manager assigned to procurement, non-academic administrative duties, etc. that will allow the Principal to devote time to educational leadership in partnership with the instructional staff.

**Small School Districts:** Ohio has many small school districts as defined by those having enrollments less than 800 students. In the Ohio Evidence-Based Model, small districts are assigned one building for the district, regardless of the actual number of school buildings that exist for purposes of generating resources that are driven by organizational unit calculations.

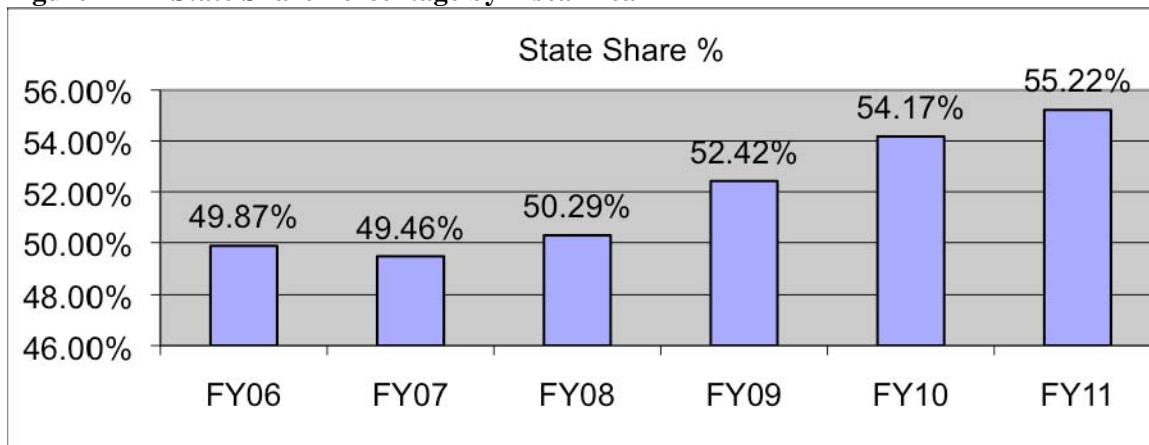
**District-Level Resources:** Each of the 613 school districts in the state is assigned district-level resources to support effective educational, financial management, and leadership activities. These resources include a superintendent, treasurer, and a registered nurse. The Superintendent and Treasurer resource component is funded at \$46,764 per school district (funding represents 25% and full phase in which is projected to occur over four biennia. In 2016-2017, the funding would reach \$213,612 per district).

### Treatment of School Districts under the New Ohio Evidence-Based Model

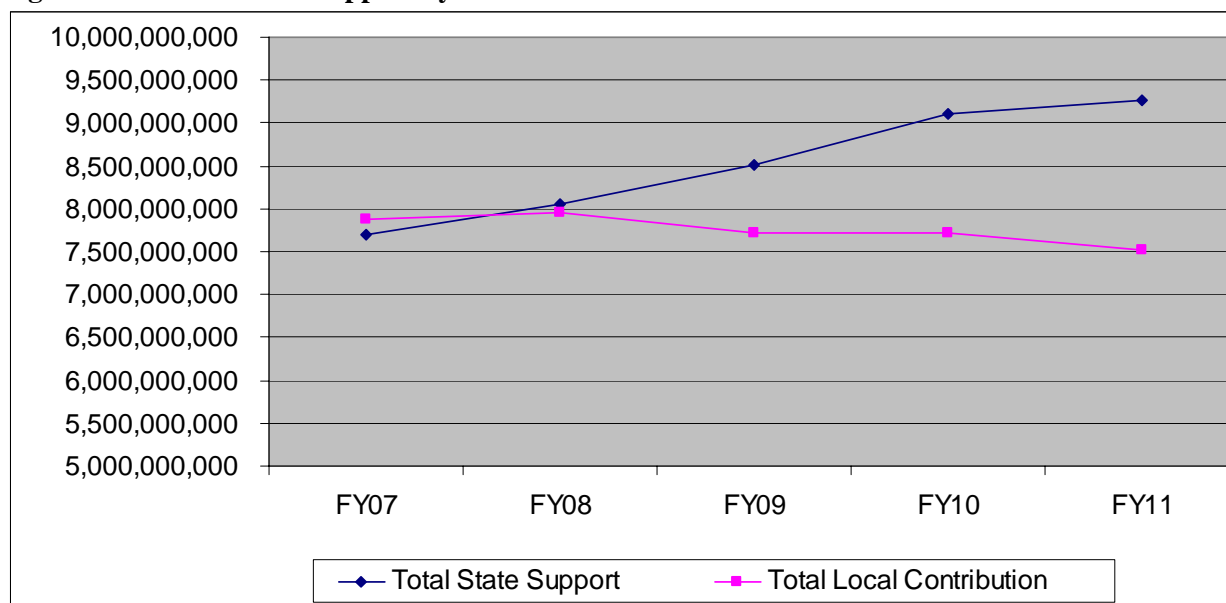
**Increased State Investments to School Districts Statewide:** Overall, Ohio is poised to invest an additional \$321.5 million dollars in FY 2010 and \$603.5 million in FY 2011 in primary and secondary education (\$925 million over the biennium). This marked increase in investment represents 4.7% increase from FY 2009 to FY 2010 and 4.0% increase from FY 2010 to FY 2011. This is accomplished by redirecting approximately \$140 million dollars from existing programs in the Department of Education, increased profit transfers from the Ohio Lottery, and increased general revenue funds support.

The additional investment in primary and secondary education system is significant and represents an increase in the state share of 52.42% in FY 2009 to 54.17% in FY 2010 and 55.22% in FY 2011. This marked increase in investment shown on the chart below illustrates the increasing state investment into the educational system over the past four years and into the next biennium. These figures include school funding, tax relief, and tax replacement payments to school districts.

**Figure D-4 – State Share Percentage by Fiscal Year**



**Figure D-5 – Total State Support by Fiscal Year**



***Increases in state funding for school districts:*** Under the Ohio Evidence-Based Model, statewide, 348 districts (57%) of the districts will get more funding over FY2009. When compared Ohio EBM phased-in funding in fiscal year 2010 over estimated spending in fiscal year 2009, EBM provides more funding to poor rural and poor urban districts.

- 55% of poor rural districts experience growth over FY2009 (54 of 97 districts). Of these 39% achieve substantial gains of more than 5% in additional funding over the prior year (38 of 97 districts).
- 85% of the poor urban district realize funding increases (87 of 102 districts), and 72% of achieve substantial growth of more than 5% additional funding over the prior year (74 districts).
- 66% of the major urban districts achieve growth (10 of 15 districts).
- Wealthy districts have less growth in funding. The highest percentage (67%) of districts that would be flat-funded is in high wealth suburban category of districts.

**Figure D-6 – State Funding in FY 2010 by District Type**

| Type  | Total | Growth over Prior year | Percent With Growth | Guarantee | Percent on Guarantee |
|---|-------|------------------------|---------------------|-----------|----------------------|
| Rural/agricultural – high poverty, low median income                                      | 97    | 54                     | 54%                 | 43        | 44%                  |
| Rural/agricultural – small student population, low poverty, low to moderate median income | 161   | 89                     | 55%                 | 72        | 45%                  |
| Rural/Small Town – moderate to high median income   | 81    | 32                     | 40%                 | 49        | 60%                  |



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|  |            |            |            |            |            |
|--|------------|------------|------------|------------|------------|
| Urban – low median income, high poverty                    | 102        | 87         | 85%        | 15         | 15%        |
| Major Urban – very high poverty                            | 15         | 10         | 67%        | 5          | 33%        |
| Urban/Suburban – high median income                        | 107        | 61         | 57%        | 46         | 43%        |
| Urban/Suburban – very high median income, very low poverty | 46         | 15         | 33%        | 31         | 67%        |
| <b>TOTAL</b>   | <b>609</b> | <b>348</b> | <b>57%</b> | <b>261</b> | <b>43%</b> |

*\*Does not include the island districts and College Corner*

### Transition to the Ohio Evidence-Based Model (OEBM)

In fiscal year 2010 and 2011, there will be a 25% phase-in of the following components: Superintendent, Treasurer, Enrichment activities, Media Services, Technology/Equipment, Instructional Materials, and Operations/Maintenance. These phase-in provisions do not apply to the Cleveland Municipal School District, which will serve Early Adopter Initiative District for implementing all components of the model beginning in the FY 2010 and 2011 biennium.

Transitional funding is needed to assist districts in their adjustment to a new funding approach. The funding system will provide a guaranteed funding floor, to protect districts against drastic changes in state aid due to factors outside of the district's control such as decreases in student enrollment, sharp growth in property valuations, and the implementation of the new system.

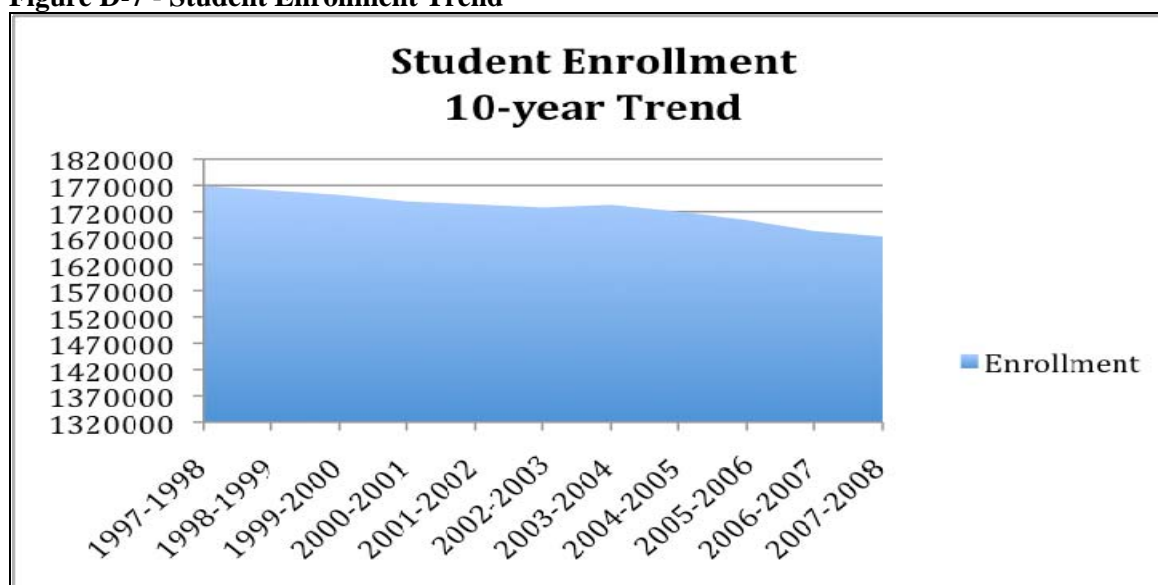
Similarly, there will a funding gain cap in order to limit the dramatic gains that some districts may experience with the new funding model. The funding gain cap will become larger each year in order to gradually adjust school districts to the new system. In the same way, the transitional aid guarantee will gradually diminish to enable districts to adapt over time to the changing circumstances in their districts.

***Districts on the Guarantee:*** As Figure F indicates, the majority (67%) of districts in the wealthiest category (Urban/Suburban – very high median income, very low poverty) are on the guarantee in FY2010. Low percentages of the urban (15%) and major urban (33%) category are on the guarantee.

In FY 2009, there were 288 schools districts on the guarantee. In FY 2010, OEBM removes 27 districts from the guarantee. In FY 2011, another 68 districts will fall off the guarantee (note that the funding guarantee will be adjusted in FY 2011 to 98% of prior year funding).

For many low-wealth districts, the effect of the Ohio IQ and lowering the charge-off are not sufficient to garner additional funding or mitigate demographic shifts in population, in other words, significant enrollment decreases over time. This funding behavior of the model indicates that there is a significant disconnect between many districts' funded levels and the formula-driven amount for which they would otherwise qualify. In many districts, the function of the guarantees has masked these demographic shifts and other changes that have occurred over the past decade or longer. For example, changes over time in enrollment have not adequately been addressed in state funding or in some instances in terms of operations at the local school district level. For these reasons some districts will not receive increases in state funding.

Figure D-7 - Student Enrollment Trend



We see from funding trends over the past decade that Ohio's public schools have experienced a slow decline in total student enrollment. However, in recent years we have experienced declines in student populations in some areas and marked growth in others. More specifically, Ohio has seen drastic declines in student population in rural, small towns, and urban areas and increases in the more affluent suburban areas. Statewide, the rate of decline has averaged 0.5% per year over the past ten years.

**Local Share of Educational Costs – the Charge-off:** Previously funded items such as Gap Aid (Charge-Off Supplement) will no longer be necessary as a result of lowering the charge-off from 23 mills to 20 mills. The charge-off represents what the state recognizes as the local funding responsibility. In the foundation formula, the charge-off was recognized as 23 mills regardless of whether the district actually received that level of tax revenue. Due to tax reduction factors, many local districts with more than 20 effective mills did not receive the actual revenue that the state had assumed they would receive. These districts were provided with additional funding called Gap Aid or Charge-Off Supplement. Because the new funding model sets the charge-off value to that of the floor for the tax reduction factors, the state's assumption of local revenues will better reflect actual local tax receipts.

#### An Adequate Education Model for Ohio's School Choice System

**Community School Model:** The Ohio Evidence-Based Model also includes community schools. The same components that exist for traditional public schools will be provided to community schools as well. However, there will be with some variation in the Community School Model. These variations include:

- The Ohio-Instructional Quality Index component will not apply to community schools. Instead the model assumes that teacher salaries for community schools are equal to the teacher salaries included in the base calculations for the public school model;
- Community Schools will be assumed to have one Organizational Unit, regardless of actual enrollment;
- Community Schools will have one of the following: non-instructional aide, principal, secretary, building manager, and registered nurse or wellness coordinator (depending on enrollment); and
- Community Schools will not be provided a funding for a superintendent or a treasurer.

**Internet-based Schools:** The Ohio Evidence-Based Model also includes internet-based schools. Given the structure of internet-based schools, certain components found in the model for community schools and traditional schools are different for internet-based schools. These differences are:

- The Ohio-Instructional Quality Index will not be applied. Teacher salaries for internet-based schools are equal to the teacher salaries included in the base calculations for the public school model;
- Class size is 125, regardless of grade level;
- Allowances for gifted and talented and enrichment funding is not provided;
- Funding for specialist, career-technical, and lead teachers is not provided;
- Funding for student intervention is not provided;
- Funding for summer school is not provided;
- Funding for non-instructional aides, building managers, secretary, principal, wellness coordinator, RN, support staff, professional development, operations/maintenance, and district level administration is not provided; and
- Additional resources are provided for technology support and equipment. This funding is increased to \$1,037 per student and is not phased-in for internet-based schools.

**STEM Schools:** They will operate the same as they have in the current model.

**Education Choice:** Vouchers for students eligible to participate in the Education Choice program will remain unchanged as will their funding method.

**Early College High Schools:** They will continue to be funded in the new model. However, districts and their partnering institutions of higher education will be required to work collaboratively to adjust to the new funding system.

**Joint Vocational School Districts (JVS):** Funding will remain unchanged in the upcoming biennium except for an increase of 1.9% in each fiscal year. A taskforce will be assembled to examine how to transform the system's state funding methodology in a manner consistent with the Ohio Evidence-Based Model.

**Educational Service Centers (ESC):** Funding will remain unchanged in the upcoming biennium. However, the Executive Budget proposes funding performance audits of all 59 ESCs in the state in the upcoming biennium. The audits will inform a taskforce charged with recommending a new funding system for ESCs consistent with the Ohio Evidence Based Model and one that incorporates the concept of performance contracting and enhanced entrepreneurship.

### **School District Accountability**

The Strickland education reform plan establishes an unprecedented level of school district accountability and transparency to improve the efficiency and effectiveness of school districts and school buildings. The Executive Budget will make recommendations to improve fiscal and resource management accountability in the following areas:

- **Improving district accountability:** Just as any other public entity, school districts must remain accountable to the public they serve. While some accountability mechanisms exist currently, the Strickland education reform plan improves upon the existing systems in order to monitor the effectiveness of the reform efforts as well as the efficient and responsible use of the funding provided through the school funding reform model. The Executive Budget recommendations require school districts to comply with the following:
  1. Spending Plans; the auditor of state shall be required to provide a management letter stating a district's compliance with district spending plans, as submitted to the department of education, as a part of the district's annual audit.

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2. Submission of a spending plan detailing how funds will be deployed. The new funding model breaks funding into several components, and districts will be required to spend funds for the required purpose unless they obtain a waiver from the State Superintendent.
3. For districts with an organizational unit that has a graduation rate of 70 percent or less, joint submission of a spending plan to the Department of Education and the Governor's Closing the Achievement Gap initiative. This will expand the number of students being served by this initiative while also ensuring that the goals of the program are achieving measurable results.
4. Submission of a compliance report at the end of each fiscal year. The report will show actual expenditures against the spending plan submitted to the Department to provide accountability as to how well district's complied with its plan.
5. Performance audits shall be conducted for each district every five years. Districts will be required to comply with the recommendations of the audits unless granted a waiver by the State Superintendent. To assist districts in implementing the recommendations, the duties of each district's business advisory council has been amended to include assisting districts with meeting this requirement.

For districts who fail to comply with any of the provisions listed above, a series of graduated sanctions are recommended in the Executive Budget. The Executive Budget recommends that the department of education must provide technical assistance to districts prior to enacting any sanctions. If non-compliance continues after technical assistance has been provided, districts face the following penalties:

1. In the first year, districts will be required to develop a three year improvement plan. The plan must be submitted to the department of education and placed on the district's website or a public location within the district if the district does not have a website.
  2. In the second year, an intervention team will be sent to the district, to be paid at the district's expense.
  3. In the third year, the State Superintendent may either appoint a commission to oversee the operations of the district or appoint a trustee for the district.
  4. In the fourth year, the State Board of Education will be required to take action to revoke the district's charter.
- **Improving building accountability:** In addition to the enhanced accountability mechanisms being put into place for school districts, additional accountability measures have been developed for school buildings in the Executive Recommendations. The additional requirements proposed in the Executive Recommendations include the following:
    1. School districts are required to submit five-year school building spending plans to the department of education. The five year spending plans will ensure that funds are properly spent at the building level.
    2. School building expenditure reports must be submitted to the department of education on an annual basis.
    3. School site visits will be conducted by the department of education to monitor compliance and provide technical assistance. A pilot project of ten school buildings will be conducted during the biennium to explore issues of content and capacity for the site visits.
  - **Improving community school accountability:** Community schools, as a part of the public education system, will be held to the same standards as school districts detailed above. In addition to those requirements and due to the unique model of community schools, additional accountability provisions are being proposed in the Executive Budget recommendations. The accountability provisions include the following:
    1. Grant ODE authority and regulation over all charter schools and sponsors;
    2. Eliminate first offer language on school district property sales;
    3. Require charters to adhere to highly qualified teacher standard;
    4. Create performance report cards for all charters;
    5. Competitively bid management service contracts;
    6. Prohibit for-profit management services;

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7. Grant ODE authority to place sponsors on probationary status or suspend sponsoring authority
  8. Make unauditable language permanent law;
  9. Require ODE to conduct an on-site visit every 5 years, permit sponsor to use the on-site report to take action against a school or revoke sponsorship authority for failure to act;
  10. Require charter school operators to have at least one Ohio school in at least continuous improvement;
  11. Prohibit “sponsor shopping” by charter school operators; and
  12. Provide penalties for non-compliance with the assurances required of community school sponsors; technical assistance will be provided prior to any sanctions being imposed.
- **Improving regional sub-system efficiency:** Ohio’s unique regional sub-system design will also experience a number of changes due to the implementation of the Strickland education reform plan and the new funding model. In an effort to fully understand the impact of these changes on the regional sub-system, as well as exploring ways in which to deploy its resources and services in a more efficient manner, the Executive Budget recommendations creates two study panels – one for educational service centers (ESCs) and another for joint vocational school districts. Each panel shall be comprised of national and state experts as well as local practitioners with the charge of providing recommendations for the subsystem under their jurisdiction.
  - **Improving financial and resource management data:** As the funding model uses a variety of financial and resource management data provided by school districts, it is imperative that the Strickland education reform plan provides the system and structure to ensure the accuracy of the data as well as continue to examine it to identify best practices. To this end, the Executive Budget will utilize the findings and recommendations from the department of education’s implementation of the Fiscal Data Management Resource Pilot Project in House Bill 119 of the 127 General Assembly. The Fiscal Data Management Resource Pilot Project produced a number of recommendations that will be used to fulfill the Executive Budget recommendation to create a fiscal report card for each district in the state. The Department of Education will identify comparable districts with which to benchmark district performance. The goal of the project is not only to provide local districts with information to improve operational efficiencies but also to provide an enhanced level of accountability to the citizens of their respective districts.
  - **Improving statewide use of technology:** In an effort to more efficient use of limited state resources, the Executive Budget recommendations will direct the Chancellor and state superintendent of public instruction to create a P-16 statewide technology plan. The development of the plan should enable early childhood providers, districts, community schools, and institutions of higher education to better maximize their financial resources to provide services through the deployment of technology while also eliminating unnecessary duplication. The plan will also include the development and implementation of a virtual platform for the dissemination of K12 content and educator professional development.

### Additional Tools to Help Local Districts: Conversion Levies and Local Revenue Growth

#### *Background*

Since school financing in Ohio is a state and local partnership, rationalizing state aid is only half the solution, while addressing problems in local school financing is the other half. Ohio school finance now has certain elements of an “insider-outsider” model, where almost two-thirds (64%) of the districts have managed to choose a portfolio of property tax levies so that they can get growth in revenues with reappraisal and update of property, but the other roughly one-third of the districts (36%) get almost no growth in revenues from existing property. Addressing this inequity in local school financing directly is made difficult by the restrictions in the Ohio Constitution. The Governor’s school financing plan attacks the problem by making interlocking changes in the state funding formula and in local levy law.

The interaction of the property tax limits in the Ohio Constitution and statutes (the House Bill 920 tax reduction factors) and the school funding formula creates the phenomenon popularly known as “phantom revenue.”<sup>2</sup> In short, the current school funding formula assumes that each school district’s local voters contribute 23 mills (2.3%) of assessed tax valuation to financing the cost of education for its pupils. This is known as the 23-mill charge-off. That amount, 23 mills times valuation, grows every time there is a reappraisal or update of existing property. So, for example, a district with \$100 million in assessed valuation will have a charge-off, or required local contribution, of \$2.3 million toward its cost of an adequate education. If valuation increases when property is reappraised by 20%, to \$120 million, the required local contribution rises to \$2.76 million, an increase of \$460,000. However, in many cases the H.B. 920 tax reduction factors (TRFs) keep actual property taxes from growing by \$460,000. This increase in the required local share of education funding which is not matched by an increase in actual local revenues is reappraisal phantom revenue.

The H.B. 920 TRFs are prohibited by statute (again, with specific authorization in the Ohio Constitution) from reducing school district property taxes below 20 mills (2%) of assessed valuation. Some school districts, particularly those that are poor, have not voted many mills of taxation, and so it did not take long for the HB 920 TRFs to take the districts’ tax rate to the 20-mill minimum and leave it there. In other school districts, board members, superintendents, and treasurers gradually became aware of the benefits of being at the 20-mill floor. A key element in school district decision making is that not all operating levies count toward the 20-mill floor. Emergency levies, for example, do not. Over time, school districts have increasingly chosen to use emergency levies for operating revenues and to let the “ordinary” current expense levies be reduced by the HB 920 TRFs to the 20-mill floor.

School districts that are at the 20-mill floor get revenue growth from 20 mills (2 percent) of property taxes on existing property when the property is revalued at reappraisal or update (every three years). School districts that are not at the 20-mill floor get growth only from their inside (unvoted) millage, which is typically only about 4.5 mills. On all the voted millage, the H.B. 920 TRFs act to reduce the effective rate of taxation so that there is no growth in revenue from the voted millage at reappraisal or update. This “all or nothing” growth in property tax revenue under the current school financing is not well understood by the public. A school district with 20 mills of property taxation that counts toward the 20-mill floor gets growth on 20 mills of tax when property is revalued. A school district with, for example, 22 mills of property taxation gets growth on its 4 or 5 inside mills, but no growth at all on its 17 or 18 voted mills.

In tax year 2008 there are 389 school districts at the Class I (residential and agricultural property) 20-mill floor. These “insider” districts no longer worry much about reappraisal phantom revenue, although there is still a gap between the 23 mill charge-off and the 20-mill floor. So, the district in the example above with growth in value of existing property from \$100 million to \$120 million would see its chargeoff rise from \$2.3 million to \$2.76 million (an increase of \$460,000), while its Class I property tax would increase from \$2.0 million to \$2.4 million (an increase of \$400,000). So, the increase in local revenue does not quite match the increase in the charge-off (it falls short by \$60,000), and reappraisal phantom revenue is ameliorated but not eliminated. However, for one of the 225 “outsider” districts with the same increase in value but not at the 20-mill floor, the increase in revenue, if it had five inside mills, would be only \$100,000 (5 inside mills multiplied by a \$20 million increase in value), and thus would fall short of the increase in the charge-off by \$360,000.

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<sup>2</sup> The tax reduction factors are implemented by the statutory law enacted by H.B. 920 in 1976, but they are also authorized by Article XII, section 2a of the Ohio Constitution.

## Developing a P-16 Statewide System

To make it clear how arbitrary the current system can be, one may examine a case where there are two districts with virtually identical tax rates on Class I property, but the districts have different types of levies, so that one is at the 20-mill floor and one is not. Dover CSD has an effective Class I operating tax rate of 25.90 mills (it also has non-operating levies: a bond levy at a 1.75 mill rate and a permanent improvement levy with a 0.16 mill rate). It is a 20-mill floor district, because it has 4.4 inside mills, and current expense levies that have been reduced to 15.6 mills by the HB 920 TRFs. The other 5.9 mills of operating taxes come from an emergency levy.

Pettisville LSD has an effective Class I operating tax rate of 26.05 mills, or just 0.15 mills different from Dover (to put in perspective how small this difference is, it would amount to \$10.50 in annual tax on a \$200,000 home). But Pettisville is not a 20-mill floor district. Pettisville has 5.5 inside mills and its current expense levies have “only” been reduced to 20.55 mills by the TRFs (like Dover, Pettisville also has non-operating millage, specifically a 2.98 mill permanent improvement levy). So if both Pettisville and Dover get a \$20 million increase in tax value due to reappraisal of existing property, Dover gets a \$400,000 increase in local revenue. Pettisville gets only \$110,000.

Reappraisal phantom revenue causes school districts to lose state funding without that loss being made up by additional local revenues, unless the school districts get new operating levies approved by voters. Even if the districts do manage to get new levies approved, making school districts spend so much time and money on just keeping their funding the same is inefficient, and it confuses local voters who cannot understand why they must keep voting for new taxes without seeing an increase in education services provided. A system that gave school districts not currently at the 20-mill floor the ability to realize local revenue growth without going to the ballot so often would be both fairer and more efficient.

|                 | <b>Total Class I<br/>Tax Rate</b> | <b>Inside Mills</b> | <b>Mills That Count<br/>Toward the Floor</b> | <b>Mills With Revenue<br/>Growth</b> |
|-----------------|-----------------------------------|---------------------|--|--------------------------------------|
| Dover CSD       | 25.90                             | 4.40                | 20.00  | 20.00                                |
| Pettisville LSD | 26.05                             | 5.50                | 26.05  | 5.50                                 |

### *The Governor’s Plan – Conversion Levies*

The Governor’s proposal thus has two elements to address reappraisal phantom revenue. The first is to reduce the charge-off from the current 23 mills to 20 mills, and thus make the floor and the charge-off equal at 20 mills for the first time since FY 1993. This proposal has been discussed already in the section that covers the Evidence Based Model implementation in Ohio. The second element would directly address the inequity in the current system and allow the current “outsider” districts a better chance at getting to the 20-mill floor, and thus achieving revenue growth with reappraisal, and reducing the frequency of levy requests.

The new type of levy that would be created for districts not already at the 20-mill floor for residential/agricultural (Class 1) property is the “conversion levy.” The conversion levy would act, in general terms, like an emergency levy does under current law, but with a couple of significant advantages from the school district point of view. The conversion levy would allow districts to convert current expense Class 1 millage above 20 effective mills to a fixed-sum levy, subject to a vote of its residents, without the risk of losing money because of differences in rates and tax reduction factors among gross voted millage (charged to public utility tangible property), Class 2 millage (charged to real property other than residential or agricultural), and Class I millage. The period that such levies could be put on the ballot would run from January 1, 2010 through December 31, 2013. To prevent the loss of money, the state would hold harmless school districts for the revenue losses that would otherwise be suffered through the conversion.

The loss in revenue that would occur as conversion levies are passed is essentially because of business tax relief. Under the Ohio Constitution, if levy millage is reduced, the full levy must be reduced (the gross millage rate, the Class 1 rate, and the Class 2 rate). In general, for any given levy, both the gross millage rate and the Class 2 millage rate are higher than the Class 1 millage rate. So for any given level of Class 1 rate reduction, the reduction for the other two rates will generally be greater. If the reduced rates are then replaced with a conversion levy equal to the reduced rate on Class 1 property, there will be a net reduction of tax rates for public utilities and Class 2 property (the difference between the rate being reduced and the rate of the new conversion levy).

Under the proposal being considered, the state would hold the school district harmless for 12 years (two full property reappraisal cycles) after the initial full payment for the losses due to business tax relief. Over the 12 years, hold harmless payments would be reduced. The phase-out of the hold harmless would be done based on growth in Class 1 taxes that would occur at reappraisal or triennial update since districts passing conversion levies would now be at the 20-mill floor. Each time a district goes through a reappraisal or update, the amount of growth in Class 1 revenues from the update would be determined. The hold harmless payment would be reduced by one-half of the amount of the increase in local property taxes on Class 1 property. After 12 years of reimbursements, the payments would stop even if they would not otherwise be fully phased-out.

As an added incentive to districts to adopt conversion levies, the tangible personal property tax reimbursements on any millage that is converted would be recalculated. Rather than direct payments on the converted millage phasing out beginning in 2011, the reimbursement would continue in full through FY 2017, the same as for emergency levies.

#### CONVERSION LEVY EXAMPLE

|                                    | <b>Current Expense<br/>Rate<br/>(1)</b>                            | <b>Rate After<br/>Conversion Levy<br/>(2)</b> |
|------------------------------------|--|---|
| (A) Tangible Tax Rate              | 56.0   | 40.0  |
| (B) Class 1 Tax Rate               | 28.0   | 20.0  |
| (C) Class 2 Tax Rate               | 33.6   | 24.0  |
| (D) Conversion levy rate (B1 – 20) | 0  | 8.00  |
| (E) New Tangible Rate (A2 + D2)    | --   | 40 + 8 = 48                                   |
| (F) New Class 1 Rate (B2 + D2)     | --   | 20 + 8 = 28                                   |
| (G) New Class 2 Rate (C2 + D2)     | --   | 24 + 8 = 32                                   |
| (H) Hold harmless formula          | $(56 - 48) * \text{PU Value} + (33.6 - 32) * \text{class 2 value}$ |   |

In this example, the school district has a Class 1 current expense real property (residential/agricultural) tax rate of 28 mills. To get to the 20-mill floor in Class 1, the Class 1 rate must be reduced by eight mills. In order to keep the total Class I effective tax rate constant, the conversion levy rate must also be eight mills. So, the Class I tax rate



stays unchanged at 28 mills, but the district is now at the 20-mill floor with an 8 mill conversion levy (similar to how many districts today are at the 20-mill floor with an 8 mill emergency levy).

Over time, the HB 920 TRFs have reduced the district's 56 gross mills to 28 effective mills (half the gross rate) for Class I property and to 33.6 mills (60 % of the gross rate) for Class II property. The TRFs typically reduce the Class I tax rate by more than the Class II tax rate because Class I property appreciates faster.

Under the Constitutional requirement of uniform rule, the tax rates in both Class 1 and Class 2 (commercial/industrial) property must stay proportional to the tangible tax rate. Therefore, because the Class 1 tax rate in the example is exactly half the tangible tax rate, the tangible tax rate must be reduced by 16 mills in order for the Class 1 tax rate to decline by eight mills. Since the Class 2 tax rate is 60 percent of the tangible tax rate, the Class 2 tax rate must be reduced by sixty percent of the 16 mills of tangible tax rate being removed, or 9.6 mills.

The conversion levy would be eight mills on all types of property. Since 16 mills of tangible property tax rate would be repealed, the net decline in the tangible property tax rate would be eight mills. Since 9.6 mills of Class 2 millage would be repealed off, the net decline in the Class 2 tax rate would be 1.6 mills

The hold harmless would compensate the school district for the net decline of eight mills of tangible taxes and 1.6 mills of Class 2 taxes. Since tangible property of public utilities is the only type of tangible property that is remaining taxable, the hold harmless compensation for this school district would be eight mills times total public utility tangible property taxable value plus 1.6 mills times total Class 2 real property taxable value.

### ***Conversion Levies and Ballot Frequency***

A key attraction of conversion levies is their potential to reduce the frequency with which school districts go to the ballot. To restate some of the earlier discussion, the Ohio school formula assumes that local property tax revenues grow as valuation increases, whereas in fact the Ohio Constitution and implementing statutes severely limit property tax revenue growth. This means that school districts must repeatedly go back to voters just to maintain existing funding. This is the phenomenon commonly referred to as "phantom revenue." Although voter approval of levies is an important feature of Ohio school finance, this phantom revenue results in an inefficient over-allocation of resources to running levy campaigns rather than educating students, while at the same time leading to persistent misunderstanding of school budgets and voter suspicion of the motives of school officials.

If conversion levies can get more school districts to the 20-mill floor, then the growth in local property tax revenues with each reappraisal or update of property (at three-year intervals) should prevent school districts from having to go to the ballot simply to maintain existing funding. Instead, school districts should be able to run levy campaigns only when additional funds are needed.

This argument for the ability of conversion levies to simplify and rationalize the school financing process by helping school districts get to the 20-mill floor rests on the assumption that school districts at the 20-mill floor in fact go to the ballot less frequently than districts not at the floor. This is an empirical question that requires analysis of recent levy behavior by school districts. A review of school district levies from the 2002-2008 period reveals that in fact school districts at the 20-mill floor have asked voters to approve property tax levies less frequently than districts not at the floor.

The most basic distinction between school districts in terms of levy behavior is between districts that have asked their voters for a new levy and districts that have managed to support their operations with existing levies. The table below shows current expense levy data from November 2002 through November 2008. In the table, districts are

categorized as either being on the 20-mill floor through that whole period, being on the 20-mill floor for part of the period, or being above 20 mills for the entire period.

**New Current Expense Levy Attempts, November 2002 – November 2008**

All Ohio School Districts

|                  | <b>Number of Districts</b> | <b>Number on the Ballot</b> | <b>Percentage on the Ballot</b> |
|------------------|----------------------------|-----------------------------|---------------------------------|
| Floor All Years  | 281                        | 170                         | 60.5%                           |
| Floor Some Years | 136                        | 108                         | 79.4%                           |
| Floor No Years   | 190                        | 171                         | 90.0%                           |
| All Districts    | 607                        | 449                         | 74.0%                           |

*District analysis excludes island school districts and districts that have merged or split over the time period.*

The table shows that, while statewide 74% of school districts have put a new current expense levy before voters in the past seven years, only 60% of those districts that were at the 20-mill floor for the entire period sought a new operating levy. On the other hand, 79% of those districts that were at the floor only for some of those seven years sought a new operating levy, and 90% of those never at the floor sought a new levy.

Put another way, over the past seven years, districts at the 20-mill floor have been a third less likely to have been on the ballot than districts not on the floor and a quarter less likely to have been on the ballot than districts on the floor through only a portion of the period. These differences in ballot frequency over the 2002 through 2008 period strongly indicate that being at the 20-mill floor significantly reduces the need to go to the ballot for additional current expense revenue.

## Developing a P-16 Statewide System

### Higher Education – Affordability Promise

#### Overview

The passage of Sub. House Bill 2 of the 127<sup>th</sup> General Assembly in May 2007, which made the Chancellor of the Ohio Board of Regents a member of the Governor's Cabinet, created renewed momentum and energy around higher education in the State of Ohio. Under the leadership of Chancellor Eric Fingerhut, Ohio's system of higher education is holding itself accountable for increasing Ohio's prosperity using clear benchmarks of success.

In August 2007, Governor Strickland issued a Directive creating the University System of Ohio. For the first time, Ohio's leadership took the bold action necessary to recognize that collaboration and cooperation make Ohio's public higher education institutions more competitive, affordable, and efficient.

In the fiscal year 2008-2009 biennial budget (Am. Sub. H.B. 119 of the 127<sup>th</sup> General Assembly) enacted in June 2007, Ohio's legislature provided record financial support for higher education. This funding, in combination with H.B. 2 and the August 2007 Directive, has put Ohio in the national spotlight.

While the fiscal year 2010-2011 budget is prepared at a time of significant economic challenges for the State of Ohio, the recommendations in the Executive Budget allow the momentum of the past two years to continue. The overall goal of funding in the Executive budget is to target funding to make college in Ohio affordable to all.

#### Strategic Plan for Higher Education

On March 31, 2008, Chancellor Fingerhut released the Strategic Plan for Higher Education. For the first time, Ohio has a specific and detailed document that charts the future course of higher education. The Strategic Plan recognizes that Ohio's primary goal must be to raise the educational attainment of the state's population. In order to accomplish this, the focus must be on three targets:

- Graduate more students;
- Keep more graduates in Ohio; and
- Attract more degree holders from out of state.

The strategic plan sets forth dozens of specific strategies that are designed to accelerate Ohio's progress in these three target areas. These range from extending community college education into new geographic areas like the Mahoning Valley to intensified efforts to make college more affordable. They include such things as linking all community colleges into a shared course and program network to surveying Ohio's business community regarding its satisfaction with public higher education.

Finally, the Strategic Plan defines 20 specific metrics by which the progress of the system will be measured. These metrics are divided into four categories driven by visionary goal statements, as follows:

- Access: The University System of Ohio will be a flexible, integrated higher education provider making the widest range of education opportunities available to, and raising the educational aspirations of, all Ohioans;
- Quality: The University System of Ohio will be known for the excellence of the teaching and learning of its faculty and students and the reputation of its institutions;
- Affordability and Efficiency: The University System of Ohio will enable all Ohioans to afford the education and training they need to succeed; and
- Economic Leadership: The University System of Ohio will provide the intellectual and organizational infrastructure to measurably improve the economic outlook for all Ohioans.

#### Educational Attainment: Goal One

The ultimate desired outcome is for Ohio to be able to demonstrate improvements in the educational attainment of its population. In this regard, recent reports are already showing positive improvements. As shown in the table

## Developing a P-16 Statewide System

below, in all but one category, Ohio has moved up in overall educational attainment. Although Ohio's rank, when compared to other states, declined when measuring graduate and higher degree attainment among 25-34 year olds, the percentage of Ohio residents with these degrees increased.

**Figure D-8 – Breakdown by Degree Type**

|                           | Associates Degrees and Higher |           | Bachelors Degrees and Higher |           | Graduate Degree and Higher |           |
|---------------------------|-------------------------------|-----------|------------------------------|-----------|----------------------------|-----------|
|                           | Percent                       | Rank      | Percent                      | Rank      | Percent                    | Rank      |
| Ages 25-64 National       | 33.41%                        | 38        | 25.17%                       | 37        | 8.93%                      | 29        |
| <b>Ages 25-64 Current</b> | <b>34.65%</b>                 | <b>36</b> | <b>26.28%</b>                | <b>35</b> | <b>9.40%</b>               | <b>26</b> |
| Ages 25-34 National       | 34.71%                        | 32        | 26.61%                       | 30        | 7.66%                      | 17        |
| <b>Ages 25-34 Current</b> | <b>36.37%</b>                 | <b>26</b> | <b>27.66%</b>                | <b>27</b> | <b>7.75%</b>               | <b>22</b> |

While this progress is good news, even more must be done if Ohio is to significantly raise the educational attainment of its citizens.

### Access

**Enrollment Growth:** If educational attainment is to be improved, then students must have more opportunities to access the system and receive educational services. The accessibility of Ohio's public institutions of higher education demonstrated by changes in college and university headcount enrollment levels. Colleges and universities experienced headcount enrollment growth of 2.7 percent in fall 2008 over fall 2007, with several institutions reporting enrollment growth in excess of seven percent. The Strategic Plan calls for continuing efforts to attract, enroll, and graduate more students.

**Figure D-9 – Highest Enrollment Growth by Ohio Public Campus**

| Institution                               | % Change | Institution                        | % Change |
|---|----------|------------------------------------|----------|
| Wright State University, Lake             | 27.8%    | Stark State College of Technology  | 10.3%    |
| Central Ohio Technical College            | 15.5%    | University of Cincinnati, Clermont | 10.2%    |
| NEOUCOM                                   | 14.9%    | Ohio University, Southern          | 9.2%     |
| Bowling Green State University, Firelands | 14.0%    | James A. Rhodes State College      | 8.2%     |
| Ohio University, Chillicothe              | 13.8%    | Kent State University, Geauga      | 7.7%     |
| Miami University, Hamilton                | 11.8%    | Shawnee State University           | 7.5%     |
| Zane State College                        | 11.3%    | Central State University           | 7.4%     |
| Ohio University, Lancaster                | 10.5%    | Northwest State Community College  | 7.0%     |
| Marion Technical College                  | 10.5%    |                                    |          |

**GI Promise:** In an effort to enhance the benefits for veterans established in the federal Post-9/11 GI Bill, Governor Ted Strickland through Executive Order 2008-17S granted veterans that live in Ohio while attending a college or university the status of residents. This allows them to pay in-state tuition costs. This action forms the keystone of a

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## Developing a P-16 Statewide System

variety of efforts designed to support the participation of veterans in higher education. Such efforts include certifying college and universities in Ohio as Service Members Opportunity Colleges, thereby allowing the granting of college credit for certain training received during military service as approved by the American Council on Education.

**30-mile Promise:** Governor Ted Strickland's 30-Mile Promise seeks to ensure high-quality, low-cost associate and bachelor's degrees within 30 miles of every Ohioan. Across the state, community colleges and universities are teaming up to offer joint packages of associate and bachelor's degrees. The savings offered by attending a community college for two years and completion of the bachelor's degree on a community college or regional campus will make this one of the lowest cost paths in the nation for earning a bachelor's degree. These flexible and affordable paths to a bachelor's degree are a convenient option for many of Ohio's adult learners—as well as recent high school graduates—looking for ways to save money on their college education.

**Building an Adult Learning System:** The fiscal year 2008-2009 biennial budget called for the transfer of both oversight and funding for Adult Basic Literacy Education (ABLE) programs, as well as the Adult Workforce Education (AWE) programs, to the Ohio Board of Regents. The State Advisory Committee on the Transfer of Adult Career-Technical Programs was charged with defining specific actions and strategies to successfully implement the transition. The Committee articulated a vision whereby all adult Ohioans will have an opportunity to continue their education beyond high school and earn the degrees and industry-recognized credentials that give them the knowledge and skills needed to get and advance in good jobs that pay family-sustainable wages. Additionally, the committee also envisioned that all Ohio employers will have access to customized, flexible and industry-driven skills training, giving them a competitive edge in the 21st-century global economy.

The Committee issued findings and an action plan, which focuses on raising the educational attainment level of Ohio's population in order to help the state grow and prosper. The report recommends that the structures, programs and funding of Ohio's adult learning system be aligned with employers' workforce needs and students' expectations by:

- Creating new accessible pathways for adult learners through alignment of non-credit and credit-bearing programs, certificates, and degrees;
- Developing concurrent enrollment policies and practices;
- Conducting an inventory of student aid "best practices;"
- Implementing the Ohio Skills Bank initiative;
- Working with employers and organized labor to double the number of post-secondary students engaged in college-level work-based learning experiences; and
- Creating an integrated data system for the entire University System of Ohio.

**Seniors to Sophomores:** In the 2008 State of the State address, Governor Ted Strickland announced a new initiative called Seniors to Sophomores. The goal, he said, is "to raise the aspirations of all students, to challenge students who might feel disengaged from their high school studies, and to help students who want to accelerate their college education."

Seniors to Sophomores is designed to help fulfill higher education's responsibility to encourage high school students to aspire to go to college and prepare them to be successful when they get there, while also making a college education significantly more affordable for those who participate. Seniors to Sophomores is a dual enrollment program, which enables academically qualified high school seniors to earn both high school and college credit at the same time. In April 2008, the state awarded 49 "early adopter" grants of up to \$100,000 to school districts and partners interested in implementing Seniors to Sophomores. By September, many students and districts were actively participating in the program. In fact, 374 students have participated in the Seniors to Sophomores program during the 2008-2009 academic year.

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Developing a P-16 Statewide System

***P-16 Collaborations:*** The goal of getting students to and through college cannot be accomplished without thoroughly integrating Ohio's approaches to education technology and data collection, teacher education and quality, and assessment and college readiness. Through increasing collaboration between the Ohio Board of Regents and the Ohio Department of Education more can be done to ensure that high school graduates are ready to succeed in college. Current collaborations include the establishment of STEM schools designed to promote greater focus on science, technology, engineering and mathematics education. Funding to establish eight new STEM high schools was awarded over this past biennium.

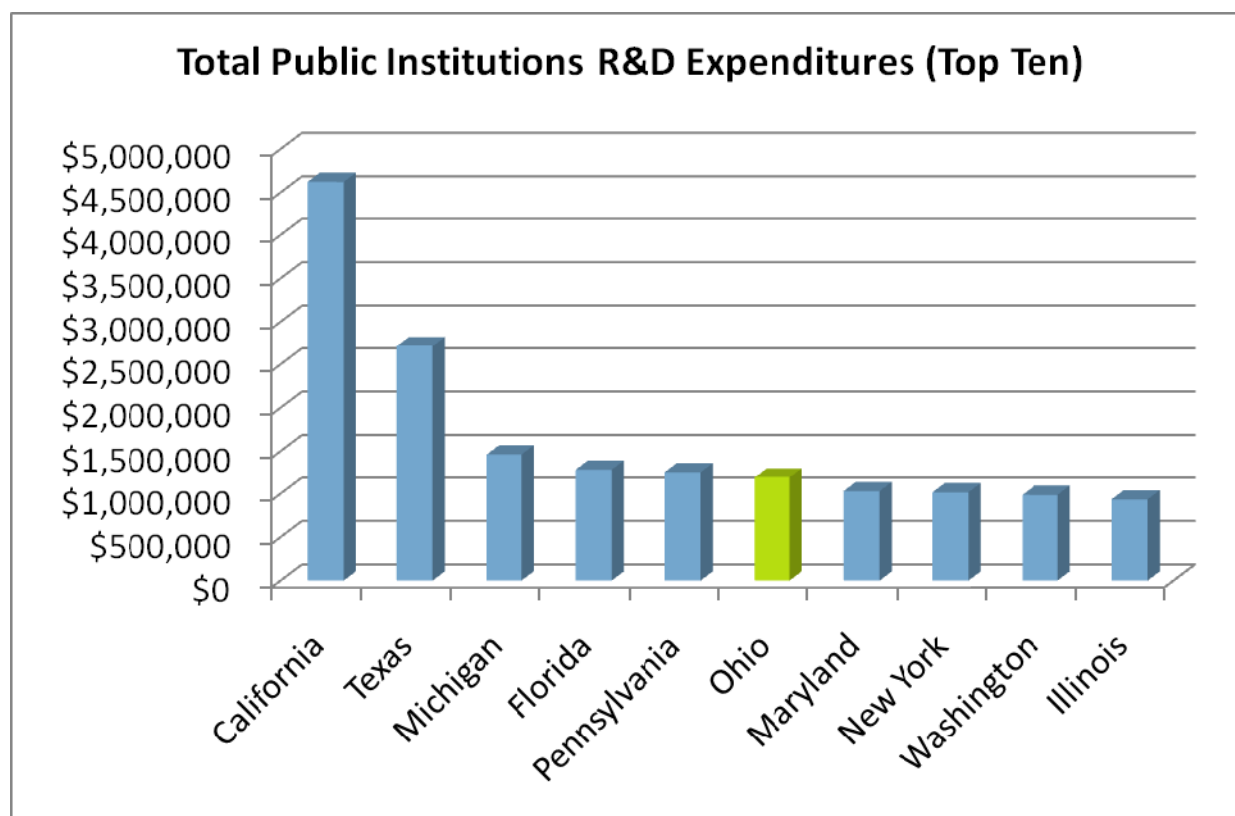
***Access Highlights of the fiscal year 2010-2011 Executive Budget***

- ***Expanding Community College Education into the Mahoning Valley:*** The Executive Budget includes the statutory language that will allow for the creation of the Eastern Gateway Community College, serving Columbiana, Jefferson, Mahoning, and Trumbull counties. This new entity will create a powerful access point for students in the area to enter into higher education.
- ***Adult Learning System:*** Ohio will continue to integrate and leverage the full spectrum of adult learner settings.
- ***P-16 Collaboration:*** The Executive Budget calls for more collaborative planning and implementation of joint efforts between the Board of Regents and the Department of Education in the areas of educational technology, teacher quality and college readiness assessment.

**Quality**

***Research Expenditures:*** The quality of university research is often measured by the amount of federal and industrial research funding awarded. Since such funding is generally competitive in nature, the ability to secure such research funding is a sign of quality. Ohio's rich history of strong research strength positions Ohio favorably on such measures. The graph below illustrates Ohio ranked sixth in the nation for the research and development expenditures of public higher education institutions. The Strategic Plan calls for Ohio to continue to improve on this ranking.

Figure D-10 – Top Ten Higher Education Research and Development Expenditures



**Voluntary System of Accountability:** Ohio's 14 public universities have signed a system-wide agreement indicating that they all intend to join the Voluntary System of Accountability (VSA), a national program that allows the public to review information on each university's performance on a wide range of measures, and to compare that data to other schools across the country. The program is jointly sponsored by the American Association of State Colleges and Universities and the National Association of State University and Land-Grant Colleges. The state of Ohio is one of the first in the U.S. to have all its public universities participate in the program as a system. The "Ohio College Portrait" for each institution is already available through the VSA and the University System of Ohio website at [www.uso.edu](http://www.uso.edu).

**Centers of Excellence:** The Strategic Plan for Higher Education calls for the designation of Centers of Excellence at Ohio's public universities. The designation of these Centers will be based on the distinctive mission of each university and will be recognized by students, faculty, and business leaders as defining aspects of the institution. The Centers will be measured by externally verifiable standards of excellence, and will seek to be national and international leaders in their field. The process for designating these Centers has begun and will be completed by the end of fiscal year 2009.

**Private Colleges and Universities:** Among the contributors to the quality of Ohio's higher education system is the diverse and outstanding collection of private colleges and universities that rivals any state in the nation. These institutions are the beneficiaries of state funding for research, grants and scholarships, and financial aid. The state also assists these institutions with obtaining tax exempt capital financing for specific campus facilities. The prosperity of Ohio's private colleges and universities will continue to be an important goal for the state.

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Developing a P-16 Statewide System**Affordability and Efficiency**

States with a high quality, low-cost higher education system have a great advantage in today's economy. Achieving this competitive combination of cost and quality takes years of sustained commitment and support. It is imperative that Ohio maintain momentum in this area.

**Tuition Freeze:** A key feature of the fiscal year 2008-2009 biennial budget was the provision of financial support to freeze tuition at all institutions. This tuition freeze was able to be maintained through the exemption by Governor Ted Strickland of Ohio's higher education subsidy funding from budget cuts made in January 2008, July 2008, and December 2008. Because of this commitment and prioritization, a study by the College Board showed Ohio had the lowest increase in tuition of the 50 states for the last school year. It is expected that they will find the same things when tuition rates for the current school year are reported. But affordability of higher education is not simply defined by the sticker price. It is defined by the actual out-of-pocket cost to students. Here too, Ohio can be proud. Currently, after considering federal and state financial aid, 38 percent of Ohio community college students have no out-of-pocket cost for tuition and fees. Over 46 percent of university full time students pay less than \$5,000 out-of-pocket for tuition and fees. Ohio is committed making higher education truly affordable for students, regardless of sticker price.

**Emphasizing Efficiency:** Colleges and universities throughout the state have diligently pursued efficiencies in their operations. The fiscal year 2008-2009 budget called for each campus to demonstrate the attainment of efficiency targets of one percent in fiscal year 2008 and three percent in fiscal year 2009. All institutions met and in many cases exceeded these goals, saving money that allowed them to focus resources on higher priority uses. Additionally, the Chancellor recently created the Advisory Committee on Efficiency in the University System of Ohio in order to aggressively pursue even greater efficiency – particularly those that can be gained through cross-institutional efforts in procurement, administration, and academic delivery.

***Affordability and Efficiency Highlights of the FY2010-2011 Executive Budget***

The Strategic Plan for Higher Education makes clear that affordability is achieved through four distinct elements – operational efficiency, low-cost educational options, need based aid, and state support for instruction. All four must be pursued creatively and aggressively.

- **Extending the In-state Undergraduate Tuition Freeze:** Ohio's community colleges and university regional campuses are the fastest growing, lowest cost part of the public higher education system. They are the core of the 30 Mile Promise. The budget will provide funding to continue the tuition freeze on these campuses for two additional academic years. Additionally, the tuition freeze at university main campuses will continue through the 2009-2010 academic year. With this action, more than 60 percent of all students in the University System of Ohio will have seen no increase in tuition and general fees for four full years.
- **Voluntary University Tuition Restrain:** Governor Strickland has asked that presidents and trustees of Ohio's public universities voluntarily limit increases in tuition and general fees for in-state undergraduates on main campuses to no more than 3.5 percent per year in the 2010-2011 academic year. Additionally, changes to financial aid programs should allow many university students to see no increase in out-of-pocket costs for tuition and fees – effectively freezing tuition for these students as well. In combination, efforts across Ohio's public higher education institutions are conservatively estimated to result in 70 percent of undergraduate students paying the same level of tuition and fees over the next two years than they paid over the last three years.
- **Outcome Based Funding Formula:** The Executive Budget recommends the implementation of a subsidy funding formula that is based on outcomes. Universities will be paid only for students who complete courses and degrees. Community colleges will be paid for helping students reach specified benchmarks of progress towards degrees and certificates.



## Developing a P-16 Statewide System

- ***Student Financial Aid Program Changes:*** The Executive Budget proposes a variety of changes to student financial aid programs to maximize the extent to which available state need based aid is being used to offset tuition and fees for as many students as possible. These changes are as follows:
  - Ohio College Opportunity Grants (OCOG). The OCOG program will be limited to students attending public institutions only, and will be configured in a manner which requires the application of federal Pell Grant funds first in paying the cost of tuition and fees. Additionally, the state will define a “state cost of attendance” amount reflecting tuition and general fees as well as the cost of textbooks and transportation. The amount of OCOG support will be the amount required to ensure that the state cost of attendance is met for any OCOG eligible student after applying Pell funds and the student’s expected family contribution (EFC), up to currently established state maximum of \$2,496 per student.
  - Non-Public Need-Based Financial Aid. Two new block grant programs will be established to support need-based financial aid at non-public institutions of higher education. One of these will be directed to private, non-profit colleges and universities, and the second will be directed to for-profit proprietary colleges and universities. The share of each block grant that each school receives will be tied to just one factor – the number of lower income students the school accepts and graduates. The block grant will have the added benefit of giving non-public schools greater flexibility and relief from bureaucratic red tape.
- ***Mandated Efficiency Targets:*** The fiscal year 2010-2011 budget will require institutions to achieve and document reports on an additional three percent efficiency gain each year. The Chancellor’s Advisory Committee on Efficiency in the University System of Ohio will assist with the goal of identifying and implementing significant cost saving measures.

### Economic Leadership

If the state is to grow and prosper, Ohio’s colleges and universities must become leaders in the state’s economic development efforts. Governor Ted Strickland and the Ohio General Assembly created the Ohio Innovation Partnership as part of the fiscal year 2008-2009 biennial budget. The Innovation Partnership was clearly intended to increase the role of Ohio’s higher education institutions in building the talent and research pipelines critical to the state’s economic success. The Ohio Innovation Partnership includes two distinct elements – the Choose Ohio First Scholarship Program and the Ohio Research Scholars Program. A third component of the Ohio Innovation Partnership is a major effort to increase co-op and internship programs in Ohio was included in Am. Sub. H.B. 554 of the 127<sup>th</sup> General Assembly, but was not scheduled to be implemented until the fiscal year 2010-2011 biennial budget.

***Choose Ohio First Scholarships:*** Unlike most scholarship programs that direct funds to students or schools based on a formula or a set group of criteria, the Choose Ohio First Scholarship Program called for schools to submit proposals describing how they would recruit students to the Science, Technology, Engineering, and Mathematics (STEM) disciplines, as well as the strategies they would employ to make sure that the students are successful once they enroll. It sought partnerships between public and private institutions, between community colleges and universities, between high schools and higher education, and between education and business to create internships and co-op programs. The goal is to recruit students to study in the state’s best and most innovative programs. The first round recipients of the Choose Ohio First Scholarship Program consisted of eight collaborations that shared more than \$23.6 million in scholarship funds in areas of pharmacy, nursing, science, engineering and mathematics. Collaborating institutions selected in round one will put forth more than \$38 million in cost shared funds in support of their proposed scholarship program.

The second round of awards directed \$26 million to 28 Ohio public and private colleges and universities across the state, who will provide an additional \$30 million in cost shared funds to be used specifically to attract, retain and graduate more than 2,600 new STEM students over the next five years. When combined with the first group of recipients announced in March 2008, Ohio expects to see more than 5,700 STEM graduates who have been scholars

## Developing a P-16 Statewide System

in the state's Choose Ohio First Scholarship Program. The process for awarding the third round of awards has begun and will be completed in the spring of 2009. The third round will total \$50 million.

**Ohio Research Scholars:** Jointly funded and administered by the Ohio Department of Development and the Chancellor of the Ohio Board of Regents, the Ohio Research Scholars Program (ORSP) provides grants to strengthen and increase the number of clusters of research excellence, led by Ohio's academic institutions that support regional economic priorities. The ORSP will achieve this through:

- Aggressive investment in the attraction of senior research talent and related facilities and equipment; and
- Promotion of unique collaborations needed to build and sustain scientifically and commercially promising lines of research.

The ORSP is placing high priority on building a critical mass of research scientists and engineers in the five targeted technology/research focus areas identified below. The emphasis of this program is on the recruitment of research talent from outside Ohio. Some funding, however, will be available to support the retention or hiring from within Ohio of personnel that are important to the growth of a research cluster.

In May 2008, the Third Frontier Commission and the Board of Regents recommended 10 collaborations between University System of Ohio schools, private universities, and industry partners throughout the State for more than \$143 million in grants through the Ohio Research Scholars Program. The addition of 26 new Research Scholars through these recommendations is an achievement that strengthens and deepens Ohio's higher education institutions and growing centers of excellence. These projects will stimulate research in areas of importance to Ohio's economy such as advanced materials, bio-imaging, spinal implants, photovoltaics, and power and propulsion.

**Ohio Skills Bank:** To remain globally competitive, Ohio's employers need a skilled talent pool. The Ohio Skills Bank initiative will strategically position the state's collection of adult education, training and workforce assets to build pipelines of talented graduates and certificate holders to meet targeted regional economic needs. Educators and workforce professionals will work closely with regional employers through the Ohio Skills Bank to align education programs, short-term training opportunities and workforce services that meet both the quantitative and qualitative occupation and skill needs of their employer communities. In the process, the Ohio Skills Bank will promote the principles of demand-driven, sector strategy workforce planning across the state.

**Collaboration with Ohio Department of Development:** There is a high level of cooperation between the Ohio Board of Regents and the Ohio Department of Development (ODOD). ODOD's strategic plan, "Ohio, Home of Innovation & Opportunity," released in August 2008, was closely aligned with many of the strategic initiatives in the Strategic Plan for Higher Education. Cooperative efforts have ranged from Workforce Development activities including the Ohio Skills Bank, to technology projects funded by the Third Frontier Commission.

### ***Economic Leadership Highlights of the FY2010-2011 Executive Budget***

- **Co-op/Internship Program:** Am. Sub. H.B. 554 of the 127<sup>th</sup> General Assembly created a new program of \$50 million per year for five years designed to make Ohio a leader in experiential learning opportunities by increasing the amount of co-operative learning and internship opportunities for Ohio college students. This program will help meet the goal of keeping Ohio's college graduates in Ohio by linking them to good job opportunities in the state, and help Ohio's employers get easy access to Ohio's top college graduates. The Executive Budget contains the first two years of appropriations for this program. The Advisory Committee established by the legislation is already meeting and the process for awarding the first year of funding is underway.
- **Choose Ohio First Scholarships:** Funding is provided to support fiscal year 2010 and 2011 expenditures for a third round of awards totaling \$50 million in scholarship support.

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**Developing a P-16 Statewide System**

- **Research Scholars:** \$8 million each fiscal year from Third Frontier bond proceeds will be dedicated toward continued support for the Research Scholars program.

### Health Care: A Key Investment

Accessible, affordable health care is important for all Ohioans and helps us to learn, work and enjoy a quality life. The fiscal year 2010-2011 biennium Executive Budget includes strategies to increase access to health care services for individuals who may lack access today. This special analysis provides an overview of Governor Strickland's policy priorities for Medicaid and other health care initiatives, including:

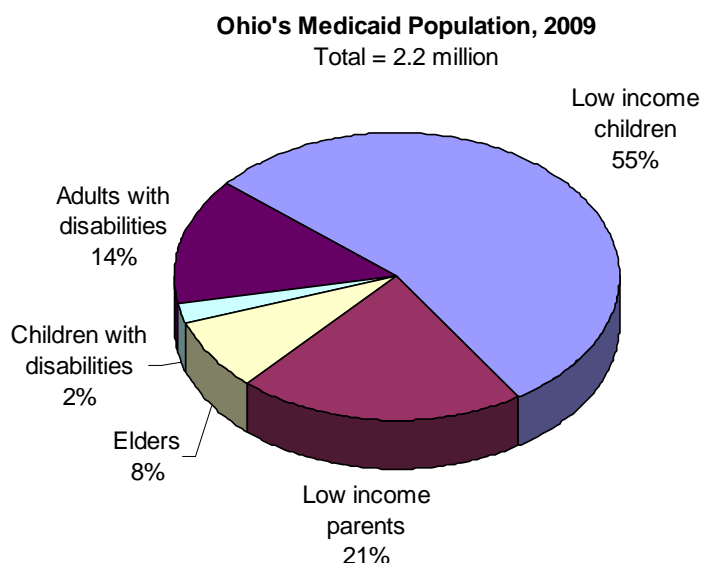
- Protecting eligibility and service levels within Ohio's Medicaid program;
- Implementing a unified long term care budget to assure Ohioans have access to a broad range of choices in long term care settings in every community;
- Extending access to health care for approximately 110,000 uninsured Ohioans; and
- Creating efficiencies through enhanced coordination and the use of information technology.

### Protecting Eligibility & Services within Ohio's Medicaid Program

The Medicaid program provides a broad array of medically necessary services including inpatient and outpatient hospital care, physician services, prescription medications, medical supplies and equipment, nursing, therapies and behavioral health care to vulnerable Ohioans. In fiscal year 2008, Medicaid paid for 40 percent of newborn births in Ohio and 65 percent of all nursing home care.

Ohio Medicaid provides health care and related services for two main eligibility groups: low income children and parents, and elders and people with disabilities. The first group, known as "Covered Families and Children," has the largest participation, encompassing 1.2 million low-income children and 458,000 low-income parents. The second group, known as "Aged, Blind & Disabled," includes approximately 51,000 children, 175,000 elders, and 310,000 non-elderly adults with disabilities.

**Figure D-11: Ohio's Medicaid Population, 2009**

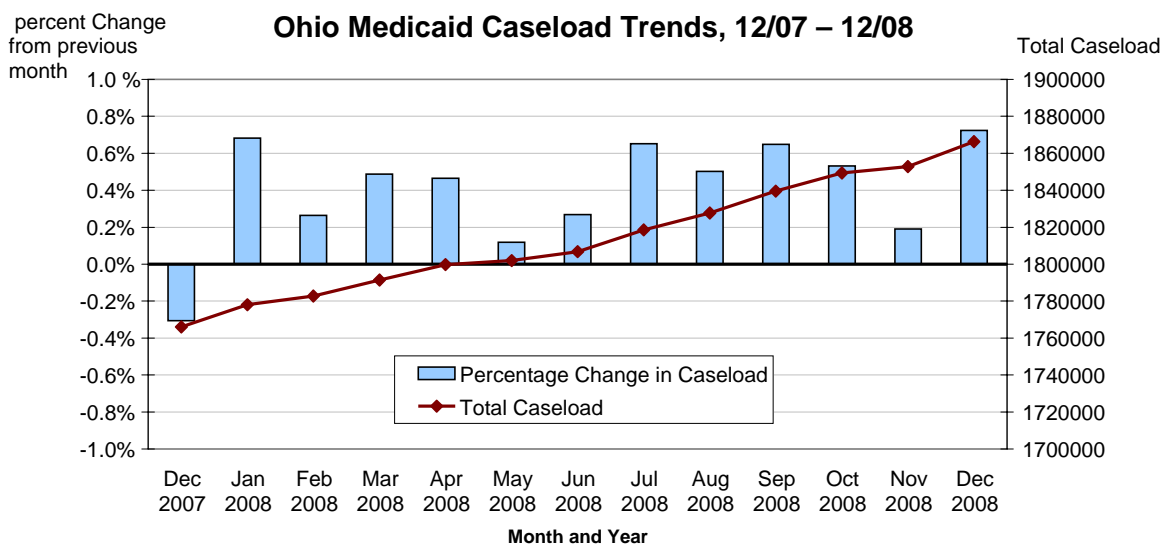


While individuals enrolled in the Aged, Blind & Disabled (ABD) program represent only 24 percent of the total Medicaid population, these individuals tend to have more costly health care needs and therefore account for a higher percentage of total Medicaid costs. In fiscal year 2008, the ABD population accounted for 67 percent of service costs while the Covered Families & Children population accounted for only 33 percent of costs.

Since December 2007, Ohio's Medicaid caseload has grown by more than 110,505 enrollees (approximately 6 percent). A difficult economy and increased awareness of Medicaid from publicity about

recent expansions are likely contributors to the growth. The graph below illustrates that caseload change through December 2008.

**Figure D-12: Ohio Medicaid Caseload Trends, December 2007 through December 2008**



### Collaboration to Fund and Administer Medicaid Services

As Ohio's Single State Medicaid Agency, the Ohio Department of Job and Family Services (ODJFS) is responsible for managing the vast majority of the state's Medicaid budget. This includes paying for Medicaid managed care premiums and most services available via a traditional Medicaid card. Additional responsibilities include managing the state's Medicaid relationship with the federal government, adjudicating Medicaid claims, and drawing down all Medicaid matching funds from the federal government. ODJFS delegates certain responsibilities of the Ohio Medicaid program to sister state agencies as outlined below.

- The Department of Mental Retardation and Developmental Disabilities (ODMR/DD) provides both institutional and community based Medicaid services. ODMR/DD operates ten developmental centers which provide institutional services to approximately 1,475 citizens. In partnership with county boards of MR/DD, the department manages two Medicaid waivers which serve approximately 18,000 individuals. These programs enable people with developmental disabilities to live in a community setting instead of an institution. In fiscal year 2008, ODMR/DD's total Medicaid expenditures were approximately \$1.1 billion.
- The Department of Mental Health, in partnership with county Alcohol, Drug Addiction and Mental Health boards, provides community mental health services to approximately 200,000 Medicaid consumers. These services include counseling, psychotherapy, diagnostic assessments and crisis intervention. The department's Medicaid expenditures in fiscal year 2008 were approximately \$450 million.
- The Department of Alcohol and Drug Addiction Services and its local boards provide community addiction and treatment services to more than 34,000 Medicaid consumers. The department's fiscal year 2008 Medicaid expenditures were approximately \$70 million.

- The Department of Aging manages three Medicaid waiver programs, including PASSPORT, Choices, and the Assisted Living waiver. PASSPORT provides care to elders in their own homes. Choices is a geographically limited subset of PASSPORT which allows Medicaid consumers to self direct their care, including choosing their own caregivers. The Assisted Living waiver provides Medicaid funding for care in assisted living settings. The Department of Aging maintains contractual relationships with Area Agencies on Aging to manage various aspects of the PASSPORT and Choices programs, serving more than 27,800 consumers in state fiscal year 2008. In this same period, more than 600 consumers participated in the Assisted Living program. The department's fiscal year 2008 expenditures for Medicaid services were approximately \$397.1 million.

In December 2007 Governor Strickland created a new coordinating entity, known as the Executive Medicaid Management Administration (EMMA). The EMMA Council includes an executive director, the cabinet directors of ODJFS and the Medicaid sister agencies, OBM, and the state Medicaid director. The council evaluates opportunities for increased efficiency and assists in the establishment of statewide priorities and work plans for Medicaid-related initiatives.

### Federal Economic Stimulus

The Executive Budget includes an enhanced Federal reimbursement rate for the Medicaid program, known as FMAP, based on information in the pending economic stimulus bill, the American Recovery and Reinvestment Plan of 2009. This enhancement is allocated in two parts:

- A general 4.9 percent increase in the federal reimbursement rate to all states, which begins October 1, 2008 and continues through December 31, 2010; and
- A reduction to the state share of Medicaid expenses based upon each state's unemployment experience. The bill provides a reduction to the state share of Medicaid expenses across three tiers depending on growth in unemployment. The reduction factor is based on the state's current average level of growth in unemployment for a consecutive three month period compared to its lowest rate of growth in a consecutive three month period since January 1, 2006. The Executive Budget assumes that the unemployment reduction factor will be effective between January 1, 2009 and June 30, 2010.

In order to be eligible for the enhancement, states cannot employ more restrictive eligibility standards, methodologies or procedures than those that were in effect on July 1, 2008, although eligibility expansions are permitted. Further, states are not allowed to deposit any funds into any reserve or rainy day fund that is attributable, directly or indirectly, to the FMAP increase. Finally, states may not increase the amount of state share payments required from any political subdivision than what was required as of September 30, 2008.

The availability of enhanced FMAP during the fiscal year 2010-2011 biennium will impact the general revenue fund (GRF) in two ways. First, it will draw additional federal revenue into the GRF for every state GRF dollar that is spent by ODJFS (effectively increasing the state's buying power). Secondly, the fact that non-GRF Medicaid funds will be drawing enhanced FMAP rates will enable Ohio to defray a greater portion of estimated Medicaid expenditures to these funds, thereby helping to compress the overall need for GRF to support Medicaid. This, in turn, helps the state to balance the overall GRF fund balance.

### Fiscal Year 2010-2011 Biennium Medicaid Expenditures

As noted earlier, the nation's current economic challenges have impacted Medicaid caseload and the overall need for this critical safety net service. The Executive Budget protects funding for Medicaid so that eligibility and services can continue at or near existing levels. Highlights include:

- Fully funded PASSPORT program, which will avoid waiting lists in fiscal years 2010 and 2011;
- Access to health care for children (0 to 300 percent of federal poverty level); and
- Continued Individual Options waiver services established during fiscal years 2008 and 2009 pursuant to the *Martin* settlement agreement.

**ODJFS Expenditures:** The ODJFS-administered portion of the Medicaid program represents approximately 85 percent of all Medicaid spending. When taking into account all funding sources necessary to support this spending, fiscal years 2010 and 2011 Executive Budget recommendations are as follows:

**Figure D-13: Fiscal Years 2010 and 2011 Executive Budget Recommendations**

| Fund Type                               | Fiscal Year 2009             | Fiscal Year 2010 | Fiscal Year 2011 |
|---|------------------------------|------------------|------------------|
| General Revenue Fund (GRF) <sup>1</sup> | \$9,877,719,907 <sup>2</sup> | \$8,775,641,219  | \$10,902,582,112 |
| Other (non-GRF) funds                   | \$1,986,131,735              | \$3,821,227,972  | \$2,984,736,483  |
| Total                                   | \$11,863,851,642             | \$12,596,869,191 | \$13,887,318,595 |

GRF appropriations for fiscal years 2010 and 2011 include the use of enhanced federal reimbursement that will be deposited to the GRF as reimbursement for ODJFS Medicaid expenditures pursuant to the forthcoming stimulus bill. In fiscal year 2010 the enhanced reimbursement estimated for deposit to the GRF is \$135.0 million and in fiscal year 2011 the amount is \$148.7 million.

As the table above indicates, despite the use of these additional enhanced resources there is a notable decrease in GRF funding from fiscal year 2009 to fiscal year 2010. In fiscal year 2010, the Executive Budget recommends funding a greater portion of Medicaid expenses through the use of non-GRF Medicaid funds, including:

- Use of enhanced federal reimbursement amounts that will be drawn into non-GRF funds as a result of the federal stimulus (\$336.4 million); and
- Increased resources that will be collected from various provider franchise fees (\$408.7 million in state collections).

In fiscal year 2011, ODJFS Medicaid funding returns to its historical reliance on the GRF and at the same time uses fewer non-GRF resources than were used in fiscal year 2010:

- Use of enhanced federal reimbursement amounts that will be drawn into non-GRF funds as a result of the federal stimulus (\$93.3 million); and
- Increased resources that will be collected from various provider franchise fees (\$483.4 in state collections).

**MR/DD Expenditures:** The payment of Medicaid claims in the Mental Retardation/Developmental Disabilities (MR/DD) system is a shared state and local responsibility, with the state providing 56 percent of the funding for Medicaid eligible services, which includes the Level One and Individual Options waivers, targeted case management, and the developmental centers. The Department of Mental Retardation and Developmental Disabilities' projected Medicaid spending in fiscal year 2009 is \$241.5 million. Fiscal year 2010 GRF spending for Medicaid services is \$202.1 million, a 16 percent decrease from fiscal year 2009. In fiscal year 2011, GRF Medicaid spending is projected to increase by 20 percent to \$242.4 million. Reductions in GRF spending for Medicaid are offset by projected increases in federal Medicaid match as established in the federal stimulus bill proposal. The state earned share of enhanced federal reimbursement is estimated at \$54.1 million in fiscal year 2010 and \$13.1 million in fiscal year 2011.

The county boards of MR/DD earned share of enhanced federal reimbursement is an estimated \$54.9 million in fiscal year 2010 and \$12.6 million in fiscal year 2011. Under the federal stimulus provisions, the state must distribute the non-federal share savings back to the local entity that provided the non-federal share.

<sup>1</sup> Medicare Part D expenditures are not included.

<sup>2</sup> Fiscal year 2009 assumes GRF appropriation increases from the Medicaid Reserve Fund (HB 119) and the Budget Stabilization Fund transfer (HB 562).

**Aging Expenditures:** The Department of Aging receives Medicaid reimbursement for long term care services under the PASSPORT and Assisted Living waivers, and the Program of All-Inclusive Care for the Elderly (PACE) program. GRF costs for services only in fiscal year 2010 are estimated at \$110.3 million, which generates an enhanced FMAP reimbursement of \$28.4 million. Total spending for the long term care program is projected to total \$500.8 million in fiscal year 2010, which includes GRF spending for services and administration, enhanced FMAP reimbursement, and federal/other funding of \$339.4 million. These levels will provide no wait lists for PASSPORT consumers and provide services to approximately 30,200 consumers. This will also fund the PACE program for 880 people and the Assisted Living waiver for 1,800 consumers. Total GRF spending in fiscal year 2011 increases to \$160.6 million as the FMAP reimbursement rate is not as high in fiscal year 2011; therefore the GRF funding will increase. Enhanced FMAP totals \$7.4 million; federal and other sources total \$359.2 million for a total long term care program cost of \$527.2 million. This level will again provide no wait lists on PASSPORT and services for 31,900 consumers, and the same levels for PACE and Assisted Living. In addition, the long term care program is projecting to receive \$27.5 in enhanced FMAP reimbursement.

**Behavioral Health Expenditures:** In the behavioral health system, the Department of Alcohol and Drug Addiction Services and the Department of Mental Health disburse state dollars to Alcohol and Drug Addiction Services (ADAS), Alcohol, Drug Addiction, and Mental Health Services (ADAMHS), and County Mental Health (CMH) boards that then use these subsidy dollars and other local non-federal public funds, such as levy dollars to pay Medicaid claims and provide other non-Medicaid, services. The estimated non-federal share of mental health Medicaid costs is \$179.1 million in fiscal years 2010 and 2011. The estimated non-federal share of Medicaid costs for drug and alcohol addiction services is \$31.5 million in fiscal year 2010 and \$32.1 million in fiscal year 2011. For mental health Medicaid expenditures, ADAMHS/CMH boards are projected to receive enhanced federal reimbursement of \$18.0 million in fiscal year 2010 and \$4.4 million in fiscal year 2011. For alcohol and other drug addiction services Medicaid expenditures, ADAMHS/ADAS boards are estimated to receive enhanced federal reimbursement of \$3.2 million in fiscal year 2010 and \$0.8 million in fiscal year 2011. Under the ARRP, the state must distribute the non-federal share savings back to the locals.

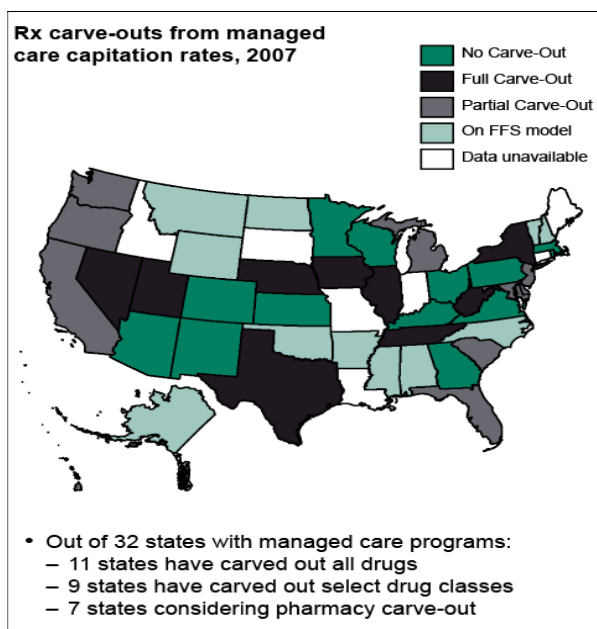
### Medicaid Managed Care Changes

In fiscal year 2009, spending on Medicaid managed care represents approximately 39 percent of all ODJFS Medicaid expenditures. As of December 2008, more than 1.28 million people are enrolled in a Medicaid managed care plan. To effectively manage Medicaid within the current managed care program within Ohio Medicaid, it will be necessary to leverage some resources within the program differently.

- ***Carve out the pharmacy program from Medicaid managed care in order to maximize drug rebates.*** Like other states, Ohio is able to benefit from significant pharmacy rebate arrangements that are available only to state Medicaid programs. The managed care plans are not able to take advantage of this rebate structure and thus have not been as successful in recouping dollars for re-investment. In order to maximize efficiencies through volume purchasing, the Executive Budget “carves out” the pharmacy benefit from managed care and returns its administration to ODJFS. This is expected to generate \$5.2 million (all funds) in savings and cost avoidance in fiscal year 2010 and \$235.5 million (all funds) in fiscal year 2011. This proposal is subject to review and approval by the Centers for Medicare and Medicaid Services (CMS). The graph below illustrates the status of managed care pharmacy programs across the country:



Figure D-14: Managed Care Pharmacy Programs Nationwide



Source: NASMD data /Ohio Business Roundtable Analysis

- **Pay Medicaid managed care plans on a retrospective, rather than prospective, basis.** With the exception of Medicaid managed care, all other Ohio Medicaid providers are paid after services are rendered. The Executive Budget aligns the payment timeframes for managed care plans with these other providers. This is expected to result in a one-time cost avoidance of \$270.4 million (all funds).
- **Modify Medicaid managed care tax participation to address forthcoming revenue loss.** Ohio currently generates annual revenue of \$520 million (all funds) through a franchise tax of 5.5 percent charged to Medicaid managed care corporations that are licensed to do business in Ohio. Recent changes in federal law will discontinue Ohio's Medicaid managed care franchise tax program effective October 1, 2009, resulting in the loss of this revenue. The Executive Budget removes the Medicaid managed care exemption to the existing health insuring corporation tax, thereby including the Medicaid plans in this structure. The rate structure for the plans will be modified to recognize their new responsibility to pay this tax; thus creating an effective "hold harmless" for the plans while leveraging federal reimbursement to support the overall Medicaid program. Additionally, Ohio's Medicaid managed care plans have proposed to be added to another part of the existing state tax structure via the state sales and use tax. The sales and use tax is levied at the same percentage as the current Medicaid managed care franchise fee and does not represent a tax increase; furthermore, the plans' participation in this tax will be recognized in their Medicaid reimbursement rate.

#### Nursing Facility Reimbursement Changes

As noted earlier, Ohio's Medicaid program funds approximately 65 percent of all nursing facility care in the state. It is second only to managed care in total expenditures for the state Medicaid program. The Executive Budget for fiscal years 2010 and 2011 includes two reimbursement changes related to nursing facilities.

- **Pay nursing facilities for Medicaid services based on a standard price rather than on the reported costs of individual facilities.** This action will complete the implementation of a strategy that was established in H.B. 66, the fiscal year 2006-2007 operating budget. A phase-in period of approximately four years was anticipated in H.B. 66 so facilities would have sufficient time to modify their business models to prepare for the eventual full implementation of the price-based model. The full

implementation of the price-based approach is expected to save \$55.9 million (all funds) in fiscal year 2010 and \$56.3 million (all funds) in fiscal year 2011 from continuing current policy.

- ***Modify the nursing facility franchise fee from \$6.25 per bed per day to \$11 in order to maximize federal reimbursement for nursing facility services.*** Medicaid rates for nursing facilities will be increased to recognize the collection of this increased fee, which is expected to generate approximately \$122.2 million state share in fiscal year 2010 and \$162.9 million state share in fiscal year 2011.

### **Hospital Reimbursement Changes**

An annual hospital assessment is instituted of 1.27 percent of total facility costs for fiscal year 2010 and 1.37 percent of total facility costs for fiscal year 2011 and every assessment program year thereafter. The additional fee will be collected over the course of three payments during each state fiscal year and used to support the Medicaid Program. A five percent rate increase for inpatient and outpatient hospitals is planned in the Executive Budget effective January, 2010. This fee is expected to generate \$282.8 million dollars in fiscal year 2010 and \$315.6 million dollars in fiscal year 2011. This fee is separate from the established assessment fee currently used to support the state's Disproportionate Share Hospital program. This program is unaffected by this change.

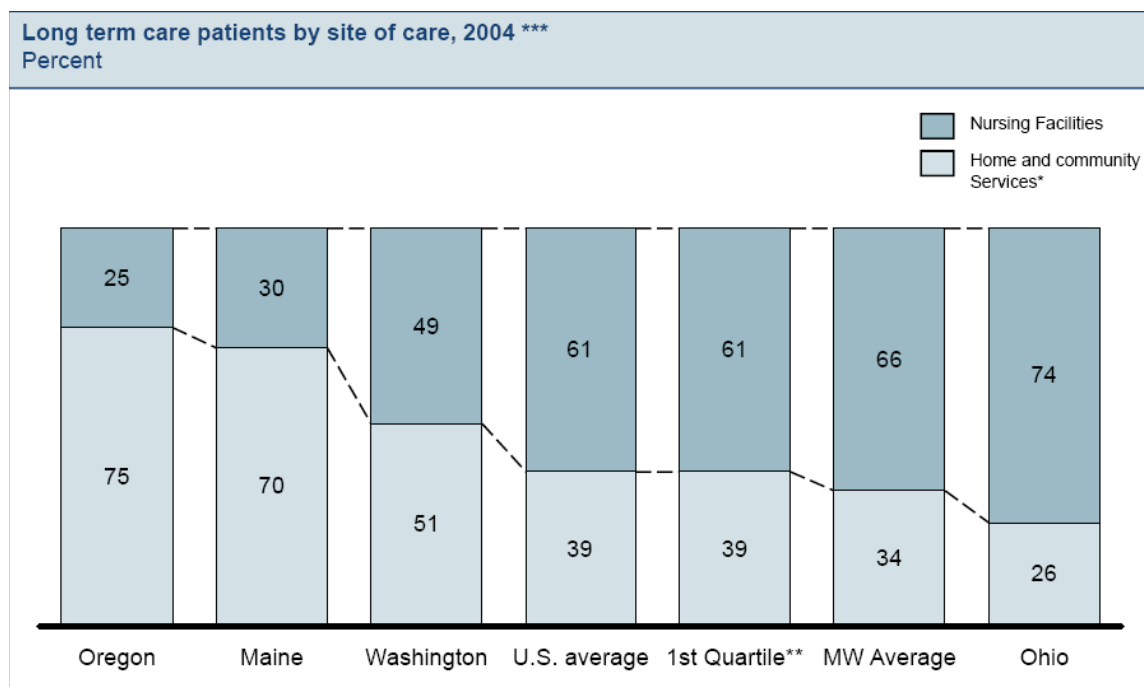
### **Implementing a Unified Long -Term Care Budget: Balanced Services and Supports**

Approximately two million Ohioans are age 60 or older; as a group, they account for more than 17 percent of the state's population. Beginning in 2006, about 12,000 baby boomers turn 60 each month. One of the many challenges Ohio faces is how best to provide needed long-term care services and supports to this growing population segment who, research has shown, will not only need these services, but will demand they be provided differently than in the traditional models of institutional care.

- According to the Scripps Gerontology Center at Miami University, the number of Ohioans of all ages who will need long-term services and supports will increase by 14 percent (43,600 consumers) between now and 2020. Prevalence of disability increases with age; currently one in three people over the age of 60 have at least one disability.
- The 85-plus age group is the fastest growing in the state, and approximately half of them have a long-term disability. According to the 2000 Census projections, nearly 217,000 Ohioans are in this group.

Much discussion has occurred in Ohio in the last few years regarding the need to "rebalance" the state's publicly funded long term care system. Consumers would like to see more community-based options that enable elders and people with disabilities the opportunity to live in a setting of their choice. When compared to other states, Ohio has offered more institutional options than community options in the long term care arena.

**Figure D-15: Long Term Care Patients by Site of Care, 2004**



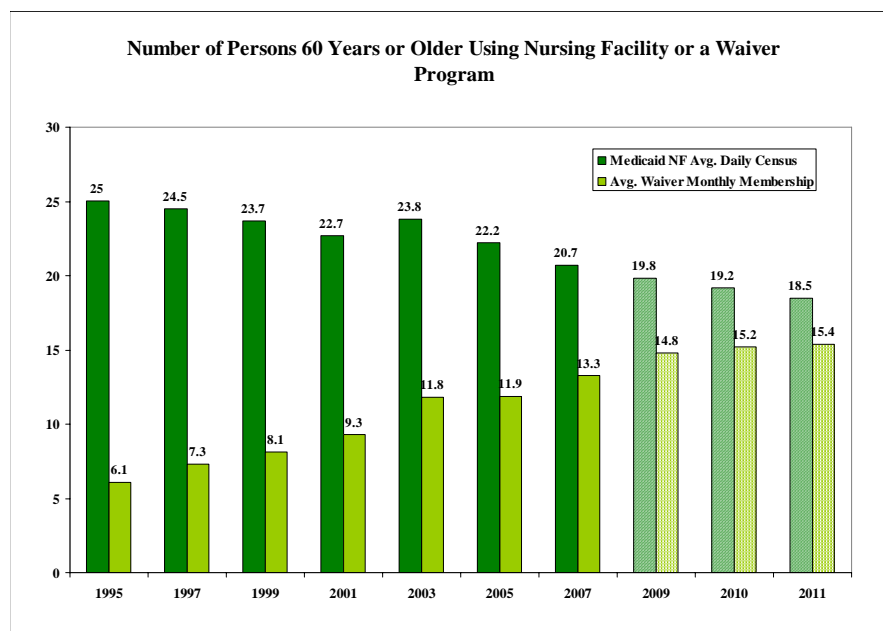
Source: AART data, Ohio Business Roundtable Analysis

In H.B. 119, the fiscal years 2008-2009 operating budget, the Legislature charged the director of the Department of Aging to lead an inclusive workgroup, which consisted of members of the legislature, state agencies, and members of the stakeholder community, to develop a Unified Long Term Care Budget (ULTCB). On May 30, 2008, after ten months of work, the group presented its recommendations to the Governor and the General Assembly. As the workgroup's mission stated, the recommendations would "create a budget for long-term care services and supports that unifies the budgeting process for facility-based and home-based services and that supports Ohio's ability to accurately forecast expenditures for these services in future years." Many of the recommendations require significant changes in technology, the implementation of the new Medicaid Information Technology System (MITS), as well as additional funding. Nonetheless, the framework has been designed and planning continues to implement the recommendations in four phases.

The fiscal year 2010-2011 Executive Budget includes the implementation of phase one of the unified long term care budget, which focuses on Ohioans who become eligible for Medicaid-funded long-term care services and supports because they need nursing facility equivalent care. This phase includes both nursing facility services and home and community based "waiver" services administered by the Departments of Aging (PASSPORT, Assisted Living, and Choices) and Job and Family Services (Ohio Home Care Waiver) that provide alternatives to nursing facility care.

In fiscal year 2008, nursing facilities served more than 54,700 consumers at a cost of \$2,543.5 million. During the same year, home and community based Medicaid waivers managed by the Department of Aging served more than 27,800 people at a cost of \$397.1 million. The graph below illustrates the utilization trends for these two types of services in recent years by people aged 60 and older.

**Figure D-16: Number of Persons 60 Years or Older Using Nursing Facility or Waiver Program**



\*number of persons = per 1,000 persons age 60 or older in Ohio

The demand for community based services is expected to increase in the future as many elders choose to age in place rather than move to an institutional setting. In fiscal years 2010 and 2011, the Department of Aging projects to divert an additional 2,245 people from nursing facilities to home and community based services using a “no wrong door” model to facilitate consumer access to services, community collaboration, and follow up assessments for those entering nursing facilities for short rehabilitation stays.

The Executive Budget supports Ohioans who seek community-based care through the following strategies:

- Funding PASSPORT enrollment without a waiting list in each year of the biennium;
- Continuing Ohio’s Home Choice program, which is funded by the federal Money Follows the Person grant. Home Choice facilitates the return home for those Ohioans who have been living in an institutional setting for at least six months, would like to return to the community and could be healthy and safe in that environment;
- In fiscal years 2010 and 2011, GRF line items for PASSPORT, Assisted Living, and PACE are combined in the Department of Aging;
- Proposing enhanced regional collaboration, facilitated by Ohio’s Area Agencies on Aging, to improve consumer linkage to eligibility and services as well as the creation of a public portal for information on long-term services and supports that can be accessible by consumers;
- Ensuring nursing facility residents are supplied information and assistance needed to relocate to community settings to receive long-term care services and supports through a follow-up assessment process;
- Permitting the Director of Health to periodically assess the need for long-term care facility beds, and allows for the transfer of nursing facility beds between counties as needed (up to 10 percent);

- Providing for a continuation of the ULTCB workgroup; and
- Expanding the Ohio Long-term Care Consumer Guide to include information about providers beyond nursing facilities and assisted living facilities.

### **State Coverage and Quality Initiative – Access to Affordable Health Care**

While Medicaid provides accessible health care to more than two million Ohioans based on income or disability, many others do not qualify for the program and thus continue to lack access to affordable health coverage. To address this problem, Ohio participated in the Robert Wood Johnson Foundation's State Coverage Initiative (SCI). As part of SCI, the Governor appointed a bipartisan team, which worked closely with a broad-based coalition of stakeholders, to develop strategies to expand coverage to more Ohioans and make coverage more affordable. After a year-long process of uncovering the facts, analyzing the coverage system, and modeling proposed reforms, the SCI team reached consensus on a set of recommendations contained in a report to the Governor dated July, 2008.

The SCI team's recommendations are a comprehensive approach to covering Ohio's uninsured residents. Many of the recommendations require a level of funding that is not available in this budgetary environment; nonetheless, a number of the recommendations can be implemented now and begin to cover more Ohioans in these challenging economic times.

Ohio is also participating in the Commonwealth Fund's State Quality Improvement Institute, working to implement a comprehensive set of strategies to transform Ohio's health care system into a high quality, cost-effective, high performing system. More than 240 stakeholders have been involved in developing the Ohio Health Quality Improvement Plan which will be finalized during spring 2009.

The Executive Budget begins to implement the SCI recommendations with policy changes that will enable coverage for an estimated 110,000 additional Ohioans over time, and provides funding to assist in the implementation of the Ohio Health Quality Improvement Plan, at a total cost of \$10 million in fiscal year 2010 and \$16 million in fiscal year 2011 in general revenue funds.

As related to health coverage and quality initiatives, the Executive Budget contains the following provisions:

***Health Care Coverage and Quality Council:*** The Executive Budget creates the Health Care Coverage and Quality Council, which is a quasi-public private entity to implement coverage expansion programs and an advisory committee to continue to meet to work on health system reform. The Council will have a broad-based membership representing all parts of the health care system. The Council has specific responsibilities and is funded by the Department of Insurance budget at a cost of \$479,575 per year.

***Transparency and Reporting Requirements for Health Insurance Rates and Loss Ratios:*** The SCI report recommended measures to increase administrative efficiencies to ensure that premiums paid by consumers pay for medical expenses to the greatest extent possible. The first step in implementing this recommendation is to gather the right information. Currently, insurers only report aggregate information which is not specific enough to determine whether additional regulation is advisable. The Executive Budget requires insurers to report loss ratio information to the Department of Insurance for their individual market and small group business.

***Uninsured Ohioans with Health Conditions Should Have Affordable Coverage Available Through Ohio's Open Enrollment Programs:*** Currently, people who are not eligible for employer-sponsored coverage or public programs must buy coverage in the individual market. People who are older and/or have health conditions can be denied coverage, issued policies with riders that exclude coverage for existing ailments, or issued coverage at extremely high premium rates. This means that older and less healthy people are in effect locked out of the individual market under current conditions and have nowhere else to go.

To address this issue, the SCI report recommended several reforms to transform the individual health insurance market. As some of these recommendations have significant budgetary implications both for the state and consumers, which are not appropriate in these economic times. Nonetheless, because “the problems with the individual market cannot be ignored,” reforms are needed to make coverage affordable for people in poor health. Ohio’s open enrollment program is intended to serve people who cannot find affordable coverage due to health conditions. Ohio’s open enrollment programs as currently constructed do not work because premiums are unaffordable for almost everyone.

The Executive Budget includes a statutory change to reduce premium rates for all open enrollment coverage to one and one-half times the lowest premium rate for new or existing business for the same or similar coverage for individuals with the same or similar case characteristics. Insurance carriers will be required to accept open enrollment applicants up to an amount equal to 4.5 percent of the insurer’s individual market business. Pre-existing conditions will be reduced by creditable coverage for all open enrollment coverage.

Based on actuarial modeling of these reforms, 52,000 more Ohioans will gain individual health coverage, and rates for open enrollment coverage will be reduced significantly. Individual market rates overall will rise on average by 5 percent. There is no fiscal impact to the state.

***Require Group Policies to Offer Coverage to Dependents Up to Age 29 and Extend the State Tax Deduction for Employer Coverage to Higher Age Children and Other Dependents:*** In Ohio, approximately 371,000 Ohioans between the age of 19 and 29 do not have coverage. The SCI report noted that a simple, cost effective way to get young adults access to health care is to add them to their parent’s health insurance policy even in cases where the young adult is beyond the traditional age of dependency for insurance purposes. The Executive Budget implements this recommendation by requiring group policies to offer coverage to dependent children up to age 29.

The Executive Budget will concurrently make employer coverage more affordable for many Ohioans by extending the state tax deduction to employer coverage of older adult children (ages 19-29) and other dependents. Together, these two reforms will provide coverage to 21,650 uninsured Ohioans with an estimated loss of state tax revenue of \$6.0 million in fiscal year 2011.

***Extend State Continuation Coverage to 12 Months and Apply it to Any Job Loss:*** Under Federal law, employers with less than 20 employees are not required to offer COBRA coverage. The only option for these workers is state continuation coverage. The Executive Budget extends continuation coverage from 6 to 12 months, and such coverage should be available to all employees losing their job, not just those eligible for unemployment compensation.

***Require Employers to Give Workers an Opportunity to Buy Health Insurance with Pre-Tax Dollars Through Section 125 Cafeteria Plans:*** An estimated 303,000 uninsured Ohioans are employed by companies that do not offer health insurance, or are not eligible for coverage that is offered. Providing these workers with the chance to buy coverage through a Section 125 (cafeteria) plan will allow them to use pre-tax dollars to pay their premiums. For workers at moderate income levels, this is a savings of 21 to 34 percent off the cost of coverage. For higher income workers, the savings can exceed 40 percent.

The Executive Budget requires employers to adopt Section 125 plans to allow employees to buy health coverage using pre-tax dollars. This requirement is phased in over time to allow employers, and small employers in particular, sufficient time to adopt such plans. The Ohio Health Care Cost and Quality Council will also make recommendations and take steps to help employers to understand and implement the law.

It is estimated that 37,000 more Ohioans will become insured as a result of this reform once fully implemented. There will be no fiscal impact in this biennium due to the phased implementation schedule.

**Improve Regulatory Oversight of Provider Networks and Allow the Superintendent of Insurance to Order Independent Reviews of a Health Claim Denials:** Under current law, regulatory oversight of health insuring corporation provider networks is divided between two state agencies: the Department of Insurance and the Department of Health. To improve efficiency and coordinate regulatory functions, the Executive Budget will consolidate all authority over provider networks to the Department of Insurance. The Executive Budget will also give the superintendent of insurance authority to order an insurer to initiate an independent review of health care claim denials without the consumer having to take any action.

**Study Health Coverage Financing:** In order to continue to implement the SCI recommendations, further study is needed to explore how health coverage programs can and should be financed going forward. This study will analyze Ohio's current health care system and financing strategies that can support and sustain affordable coverage expansion programs, improve the efficiency of the health care system, and avoid negative impacts.

**Implementation of the Ohio Health Quality Improvement Plan:** The Executive Budget provides funding to assist with the implementation of strategies and tactics reflected in the Ohio Health Quality Improvement Plan, which will be finalized during the spring of 2009. These strategies and tactics will specifically focus on the areas of improving chronic care management, promoting health and reducing disease and injury, improving patient safety, and improving efficiency and decreasing cost in the healthcare system. More than 240 public and private stakeholders are involved in the creation of this plan.

**Ohio Health Information Exchange Center:** The Executive Budget provides funding to advance the implementation of health information technology, which is a key element of progress toward health care efficiency and reform. Federal recovery dollars provide an opportunity to leverage state dollars and draw down federal match. For example, an investment of \$5 million for health information technology may draw down more than \$50 million federal dollars. Parts of this goal will be accomplished through continued support of the Ohio Health Information Exchange Center, which is a collection of services and data that bring together the necessary information to create a comprehensive view of the individual patient, thereby improving the overall delivery of healthcare and lowering costs.

## **Create Efficiencies through Enhanced Collaboration & Information Technology**

### **Increased Third Party Liability (TPL) for Health Care**

Approximately twenty percent of Ohio Medicaid enrollees have health care coverage from some other insurance carrier, including Medicare. Medicaid programs are required by Federal law to be the "payer of last resort" for health care services. If another insurer or program has the responsibility to pay for medical costs incurred by a Medicaid-eligible individual, that entity is generally required to pay all or part of the cost of the claim prior to Medicaid making any payment. This is known as "third party liability" or TPL. Examples of third parties liable for health care services include commercial health insurance, Medicare, employer-sponsored health insurance, auto insurance, settlements from a liability insurer, workers' compensation, long-term care insurance, and other State and Federal programs.

The Ohio Medicaid program has implemented an extensive TPL program to assure that Medicaid is only paying for services that are not covered by another insurer. Successful TPL functions rely on several strategies:

- Avoiding costs up front before Medicaid pays, also known as up front "cost avoidance;"
- Collecting payments that have been made in error (also known as "pay and chase"); and
- Capturing and updating insurance coverage information for all Medicaid enrollees. The Federal Deficit Reduction Act of 2005 strengthened the authority of states to obtain commercial insurance coverage files for cross reference with Medicaid enrollment information. Ohio has made great strides in collecting insurance coverage files from commercial insurers, improving up front cost avoidance for Ohio Medicaid.

### **Increasing Automation and Use of Technology**

Medicaid Information Technology System (MITS) offers opportunities for automation and paper reduction. Many Medicaid service providers have already moved to submitting their Medicaid claims in an electronic format via electronic data interchange (EDI). But despite the recent growth in the use of EDI transactions, many aspects of the Ohio Medicaid program still rely on paper being sent back and forth between the state and Medicaid providers and consumers. A large part of the rationale for developing the Medicaid Information Technology System (MITS) was to reduce or eliminate manual and other paper intensive processes. Consequently, many MITS business requirements focus on these goals.

Some previously paper processes have already been converted to electronic means including using the existing Ohio Medicaid web portal to directly enter and submit claims and check Medicaid eligibility for Medicaid consumers. In addition, since July 2007, providers have been able to access Medicaid Remittance Advice online through the Ohio Medicaid web portal at the following internet address: <https://medicaidremit.ohio.gov/default/home.jsf>.

However, once fully implemented, MITS will offer additional opportunities for the Medicaid program to reduce, or in some instances, completely eliminate paper processes. Although MITS will not completely eliminate paper transactions, it will offer many opportunities to move to electronic alternatives. Following are just a few of the opportunities for paper reduction that are available currently or will be expanded or newly available with the implementation of MITS.

- ***Provider Claims Submission:*** Using the current Medicaid web portal (see address above) Medicaid providers using professional claims (on form HCFA 1500) can submit them via direct data entry. Once implemented, MITS will expand this capability to include additional types of Medicaid claims including additional professional, dental and limited institutional claims.
- ***Claims Status and Adjustments / Resubmissions:*** With MITS implementation, Medicaid providers may check the status of any claim submitted regardless of how submitted (paper, web portal, EDI, etc.). Providers may also submit claims adjustments or resubmit corrected claims.
- ***Prior Approval for Medical Services and Equipment:*** With MITS implementation, requests for Medicaid prior approval can be submitted electronically using the Medicaid web portal. The only prior approvals requiring documentation in addition to the online submission will be those requiring submission of a study model or physical exhibit that cannot be submitted in an electronic format.
- ***Submission and Renewal of Provider Applications:*** Medical service providers seeking to participate in the Ohio Medicaid program will be able to complete and submit a provider application on line using the Medicaid web portal. Existing providers whose provider agreements are expiring may also submit application renewals. Independent providers serving Medicaid consumers enrolled in waiver programs will be able to submit their required annual background checks.

### **Electronic Prescribing**

Beginning March 2009, ODJFS will begin offering electronic prescribing (“E-Prescribing”) to all Medicaid providers who prescribe or dispense prescription medications within the traditional fee for service Medicaid system. This system will be voluntary, allowing any eligible provider to request access to the system and personal training to use it. The ODJFS system will have the benefit of offering online access to the individual prescription histories of Medicaid consumers. Consequently, the first target group for implementation will be hospital emergency departments who do not usually have access to patient records. Other provider types will be phased in following hospital emergency departments.

The system will be accessible via the internet and will not require providers to invest in equipment other than a computer with internet access. This program represents a step forward and will be especially useful for those providers that have not yet invested in additional hardware and software, the program that ODJFS will use is a step forward.



Having online, real time records of a patient's prescriptions will help health care providers determine both potential contributors to the illness or reason for emergency department visit and ensure that any medications prescribed will not interact with the patient's current prescriptions.

**Eligibility Suspension for Medicaid Enrollees who are Institutionalized**

Federal Medicaid funds may not be used to pay for health care for individuals incarcerated in government operated facilities or individuals between ages 22 and 64 admitted to a mental health treatment institution. When a Medicaid enrolled Ohioan is admitted to a state prison, youth detention facility, state mental health center, or county and city jail, their Medicaid eligibility is terminated and must be re-established upon their release. ODJFS, in collaboration with other state agencies, is pursuing the option to suspend, rather than terminate, Medicaid eligibility when an enrollee is incarcerated. By reinstating "suspended" Medicaid eligibility, individuals released from facilities may be able to obtain uninterrupted access to medical care, especially prescription drugs to treat mental illness or other chronic medical conditions, when they are released. Reducing this gap in coverage should reduce recidivism.

It should be noted that this policy change will only address individuals who had Medicaid eligibility prior to incarceration and continue to meet eligibility post release. ODJFS is pursuing other initiatives to expedite Medicaid applications for individuals who were not Medicaid enrolled when they were admitted to an institutional setting.

**Conclusion**

Despite the current economic climate the nation is weathering, Governor Strickland remains committed to providing affordable and accessible health care to every Ohioan. The Executive Budget continues the momentum to invest in health care access in pursuit of this goal. Within the Medicaid program, the eligibility expansion for children to 300 percent of the federal poverty level is funded. The Executive Budget also contains provisions that will expand access to approximately 110,000 Ohioans who are uninsured as implementation of the State Coverage and Quality Initiative occurs.

The challenge to fund Medicaid services in a difficult budget environment is bolstered by the temporary availability of federal stimulus resources. Additionally, modifications to a number of the state's existing provider fees will help to leverage more federal resources in support of services.

The Executive Budget continues the momentum of the Unified Long term Care Budget initiative that was created in HB 119. Opportunities for elders to use the PASSPORT program without the development of a waiting list are protected. Policy reform related to nursing facility reimbursement is implemented in accordance with HB 66, and Ohio's Certificate of Need program is revised to enable a better distribution of nursing facility availability throughout the state. Additionally, local collaboration is emphasized in order to connect Ohioans with options for long term care services.

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## Jobs and Economic Development

### Jobs and Economic Development

The Executive Budget promotes the economic growth of the state by focusing resources on Ohio's strengths. Working to bolster existing industries and attract new opportunities to the state, a number of state agencies will collaborate to create a stronger Ohio economy. This will be accomplished by investing in initiatives that target the following areas: encouraging the revitalization of Ohio's urban areas, highlighting green and advanced energy policies, utilizing job development tools, and making use of existing and new workforce development programs.

### Urban Policies

Many opportunities exist in Ohio's urban areas. Urban initiatives are designed to strengthen developed urban areas and revitalize inactive urban areas by capitalizing on existing assets. The state is already investing in a number of urban initiatives, led by the Department of Development, which will be continued in this Executive Budget. Five of those initiatives that will directly benefit urban areas are the Clean Ohio Revitalization Fund which restores formerly unusable Brownfield sites to encourage redevelopment and the revitalization of communities, the Job Ready Sites Program which was created to bolster the state's inventory of available facility locations served by utility and transportation infrastructure, the Industrial Site Improvement Fund which assists geographically and/or economically disadvantaged counties around Ohio in the expansion and modernization of buildings, and the Ohio Historic Preservation Tax Credit Program which provides a tax credit for rehabilitation expenses to owners of historically significant buildings. In the fiscal year 2009-2010 capital budget, \$100 million has been budgeted for the Clean Ohio Revitalization funding and \$30 million has been allocated for the Job Ready Sites and Industrial Site Improvements programs.

In the upcoming biennium, the state will provide additional tools to local governments to continue revitalizing urban areas. Rather than invest resources into urban communities and have them compete with one another for economic growth, the Executive Budget will seek to stabilize and restore the vibrancy of underutilized urban areas while simultaneously developing unified local economic plans so that communities and groups of local governments can cooperatively plan and invest to strengthen their economies, lower their operating costs, and provide higher quality services in a mutually beneficial or synergistic manner.

The Executive Budget encourages local governments and communities to work cooperatively, by funding the Ohio Hubs of Innovation and Opportunity initiative. This initiative will serve as a catalyst for local business development and economic growth by building on the synergies that are generated by the close geographic proximity of valuable resources such as advanced knowledge bases, existing infrastructure, and clustering of mutually beneficial endeavors. By strategically aligning local governments, communities, and regions while at the same time investing in emerging new technologies and industries, regions can leverage these assets into new business development opportunities and job creation.

To enhance Ohio's urban communities the Executive Budget contains \$83 million in federally funded neighborhood stabilization grants to be used to help 17 cities, 12 counties, and 21 regions in Ohio. These grants will improve neighborhoods by purchasing and redeveloping abandoned and foreclosed properties, establishing land banks, and demolishing blighted structures. These initiatives will help preserve, and in some cases, restore the value of housing markets while protecting communities in difficult economic times.

Another tool made available through the Executive Budget are the Catalytic Development Action Teams, or CDAT, which will stimulate economic and community development projects tailored to the specific strengths and needs of local and regional communities. The primary goal of the teams is to serve as catalysts for the communities and to encourage private investment that eventually becomes self-perpetuating. The CDAT will draw from all existing development programs currently in the state's portfolio and match them with the local governments that could realize the greatest impact for the state.

As referenced in the Transportation Bill Special Analysis, the Executive Budget will provide municipal governments and regional organizations with new financing tools called Transportation Innovation Authorities to focus on transit and infrastructure oriented development. Through collaboration with the

Department of Transportation, municipal, county, or township governments, county transit systems or regional transit authorities, metropolitan planning organizations, port authorities or transportation improvement districts will jointly use their existing financing authority or toll collection for appropriate intermodal, roadway, and bridge, public transit and intercity rail projects that span jurisdictions in order to benefit the region as a whole.

### **Green Investments and Energy**

Ohio has long history of energy production, but in the last two years a number of significant steps have been taken to shape Ohio's role in future energy production. Through policy change and research and development investment tools, these steps have created a green foundation which will ensure that advanced energy technologies and green energy investments will be developed and utilized in Ohio. This movement will be accomplished through energy efficiencies and investments in advanced energy production.

The state has moved to improve energy efficiency by requiring energy efficiency increases among state agencies and by beginning the transformation of the state vehicle fleet to more fuel-efficient and flex-fuel vehicles. Also, by providing tax incentives to individuals and businesses and financing opportunities to local governments, the Executive Budget is better preparing Ohio for improved energy consciousness. One such endeavor, supported by the Public Utilities Commission, is the continued work with electric utilities to develop Advanced Metering Infrastructure (AMI). AMI refers to the two-way systems that measure and analyze energy usage. Eventually, consumers will know exactly how much electricity they are using at any given time, and also how much they are being charged for each kilowatt-hour of usage. This information will help citizens and businesses to adjust their energy-usage behavior, while simultaneously helping them save money through energy conservation.

Investments in green energy efficiencies also have positive impacts on local economies. For example, in fiscal year 2008, the School Facilities Commission partnered with local school districts to spend approximately \$1.47 billion dollars improving school facilities throughout the state. These facilities are required to be certified as LEED Silver or better and while providing an improved educational infrastructure to benefit Ohio's children, the combined efforts of the commission and local school districts directly or indirectly created nearly 25,000 jobs. In addition to the commercial and institutional building related jobs that were directly created through the School Facilities Commission's and local school districts' efforts, other job creation was indirectly related and took place in such industries as architectural and engineering services, retail and food establishments, contract security services, and building materials supply. Currently, the School Facilities Commission is experiencing a significant increase in funding as a result of tobacco securitization and work on similar projects will support up to 36,500 jobs annually and spend \$4.11 billion between fiscal year 2008 and fiscal year 2011 building the equivalent of 405 new school buildings.

The state has also become a beacon for green industry by enacting a renewable portfolio standard which will make Ohio one of the largest renewable energy producers in the country when fully implemented. Investing in these emerging green and advanced energy technologies will be a vital area of growth for the state in the upcoming biennium and beyond. Through Executive Budget recommendations, state agencies will support these forward-looking industries and take advantage of green technology enhancements within agencies' operations. For example, the Ohio Air Quality Development Authority will continue to finance both public and private investment in researching and developing advanced energy technologies, prioritizing those projects with the greatest likelihood of commercial application and economic benefit. One such priority, the development of clean coal technology, will maximize the economic benefit of Ohio's abundant coal resources and will seek to secure Ohio as a competitive domestic energy source. Working in concert with the Department of Natural Resources' Division of Geological Survey, the Executive Budget will seek to identify and document Ohio's existing natural geological formations which can be used to demonstrate the benefits of responsible carbon sequestration. Documenting Ohio's carbon sequestration is an integral part of the creation of advanced energy facilities in the state. Coupled with the implementation of the Advanced Energy Job Stimulus program, these investments will help to create jobs in these targeted industries.

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## Jobs and Economic Development

### Job Development Strategy

The Department of Development's strategic plan is geared toward energizing the state's economic and community development climate to increase the competitiveness of Ohio's businesses and communities. The main objectives of the Department of Development's strategic plan are to grow the income of Ohioans, create and retain jobs in Ohio, and increase productivity across industries through innovative means. Initiatives currently underway include the implementation of target industry development teams, the launching of the Ohio Sales Strategy, and the integration of technology-based economic development programs. These three tenets of the strategic plan each lend themselves to promoting job creation in the state in different ways. For instance, target industry development teams are comprised of a diverse mix of regional and statewide stakeholders including experts from industry, regional economic and workforce development organizations, centers of technology and innovation, and academic institutions. These stakeholders are working together to develop specific retention, expansion, and attraction strategies for each target industry. The Ohio Sales Strategy employs a proactive approach aimed at attracting new investment in Ohio through partnerships with the Ohio Business Development Coalition and the alignment, enhancement, and restructuring of the Department of Development's technology-based economic development programs. These partnerships enable the state to provide proper resources at every stage of the technology commercialization process.

In the upcoming biennium, the Department of Development will continue to bring economic development to the state through various programs designed to encourage economic development and job creation. One such program is Ohio Means Home which will use an integrated marketing and communications campaign to persuade former Ohio residents and graduates to return to the state to advance their careers or create new business opportunities. Other programs include Ohio Green Places which promotes the development of programs and policies that advance the goal of making Ohio the leading state of sustainable green development. This program seeks the formation of an advanced energy business sector with a robust supply chain and green building industry. Another economic development program is Check Ohio First, which encourages companies operating in Ohio to maximize the use of Ohio businesses when making purchases by using an on-line directory of Ohio businesses. One other program, Enterprise Appalachia, works to stimulate the economic activity in the Appalachian region by initiating small business attraction and creation campaigns built on the success of entrepreneurship in the region.

Through the use of various strategic proposals, the Executive Budget will enhance the state's business environment and encourage economic development resulting in a more competitive climate. The Executive Budget will provide the Department of Development new and better tools to attract and retain high-paying jobs through tax credit incentives. The Executive Budget will reform the Job Creation & Job Retention Tax Credits to encourage companies offering higher paying jobs to locate in the state. These reforms will give the Department of Development the flexibility to attract quality companies that will contribute to Ohio's economy for generations to come and ensure that the state's largest employers continue to invest in Ohio workers and the economy. Ohio investors will continue to receive a tax credit to invest in qualified, technology-based Ohio companies as a result of increasing the cap on the Technology Investment Tax Credit.

As part of encouraging economic and job development and growth through tax credit initiatives, the Executive Budget proposes two new tax credits, the New Markets Tax Credit and the Ohio Film Tax Credit. The New Markets Tax Credit offers a non-refundable tax credit against the domestic insurance tax for those that invest in low income communities. Investments will be in the form of either an equity investment or long-term debt security issued by a community development entity. The Ohio Film Tax Credit creates a tax credit incentive within the Department of Development to entice investment in Ohio from the cinematic production industry.

### Workforce

The Board of Regents, the Department of Job and Family Services, and the Department of Development recently initiated coordinated strategies for workforce development in order to align employers' needs and workers' skills through innovative and strategic investments in training and education for the long-term economic benefit of the state. Within these strategies, the Board of Regents focuses on providing job

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**Jobs and Economic Development**

training and skills development opportunities, the Department of Job and Family Services concentrates on workforce development relative to individual workers, and the Department of Development focuses on the business and industry portion of workforce development. Through this workforce realignment, employers are served by a streamlined system through which skilled employees assemble the right mix of resources to meet the needs of the employer.

The Ohio Skills Bank is a partnership of agencies that supports business growth and new job creation by filling critical job vacancies through the creation of a regional talent pipeline and by aligning educational efforts with the needs of Ohio's targeted industries. The Ohio Skills Bank will analyze occupational and skill shortages at the regional level, and work toward correcting these shortages. The result of Ohio Skills Bank efforts will be long-lasting, systemic solutions to some of the state's most pressing occupational and skill shortages. The Board of Regents' University System of Ohio will provide the structured higher and post-secondary education training for Ohio's workforce of the future. Through the Ohio Skills Bank planning process, regional employer talent needs will be at the heart of programs and services offered through Ohio's post-secondary education systems from G.E.D. to Ph.D.

The Ohio Means Jobs program, managed by the Department of Job and Family Services, is one way in which employers and job seekers are united. This program identifies and provides job seekers with electronic access to employment opportunities from major commercial job boards, niche industries, national and Ohio Fortune 100 companies, and the State of Ohio. Another service provided to employers and individuals is through the Rapid Response program. Rapid Response provides the quick coordination and immediate delivery of services and aid to employees affected by mass layoffs or plant closings. Services are provided through partnerships with local Workforce Investment Boards, County Departments of Job and Family Services, and One-Stop Centers among others. Rapid Response teams work with employers and employee representatives to maximize the public and private resources dedicated to the situation and minimize the disruptions associated with job loss to companies, affected employees, and communities.

The Ohio Workforce Guarantee, coordinated by the Department of Development, is a commitment from the state to act as a partner in cultivating the skills and talents needed to meet the workforce needs of the state's industries today and into the future. The Ohio Workforce Guarantee includes the consolidation under a single umbrella of programs previously housed in separate agencies throughout state government. Regional workforce directors work with companies to develop comprehensive training solutions. These partnerships will develop policies in support of a demand-driven workforce development system consistent with the current and future demands of employers in targeted, high-growth industries and will also assist with regional and sector-specific talent attraction and retention initiatives.

The combined workforce development efforts of the Board of Regents, the Department of Job and Family Services, and the Department of Development will continue in the upcoming biennium through innovative and strategic investments in training to promote job creation throughout the state and by more effectively aligning employers' needs with skilled employees.

**Fostering Economic Prosperity**

The Executive Budget will foster economic prosperity for Ohio's citizens by directing resources where they will be most beneficial. Urban programs hold the promise of revitalizing underused or blighted areas in Ohio's cities, bringing back economic opportunities and a greater sense of community. Investments made today in green technology and advanced energy hold the key to unlocking benefits which will pay dividends long into the future. Strategic initiatives and tax credit programs will encourage industries and individuals to invest, live, and work in Ohio. Lastly, as job development strategies increase the demand for skilled labor, the state's targeted workforce initiatives will ensure that the supply of skilled laborers keeps pace so that Ohio will remain competitive today and into the future.

### **The Executive Transportation Bill**

The Executive Transportation Bill is committed to ensuring that Ohio's development of infrastructure keeps pace with the changing needs of the economy even during times of economic tumult, realizing that an investment in Ohio's infrastructure is an investment in Ohio's economic growth. Based on the findings outlined in the 2008-2009 Ohio Department of Transportation Business Plan and the Ohio's 21st Century Transportation Priorities Task Force, it is apparent that Ohio needs a continued investment in transportation infrastructure in order to grow Ohio's economy and create jobs. Investments in transportation infrastructure benefit all Ohioans by offering more efficient and safer transportation choices to motorists, citizens, and businesses for travel, commuting and shipping. By developing new financing tools for state and local governments, including various tolling options, the Executive Budget will develop and construct multiple modes of transportation, manage congestion, extend the life of Ohio's existing infrastructure, expand the investment in the Department of Transportation's State Infrastructure Bank, and increase the ability of the state and local governments to partner with the private sector in new infrastructure development opportunities.

### **New State and Local Transportation Tools**

The Department of Transportation's business plan was focused on addressing the shortfall in projected funding relative to the near- and long-term infrastructure needs of Ohio. One of the objectives of the Executive Budget is to provide new revenue streams as means to support these infrastructure development priorities.

At the local level, the Executive Budget will provide the opportunity for any municipal, county, or township government, county transit system or regional transit authority, metropolitan planning organization, port authority or transportation improvement district, in conjunction with the Ohio Department of Transportation (ODOT), to form a Transportation Innovation Authority (TIA). This will allow the new entity to finance much needed transportation projects that will benefit both single political subdivisions as well as the jurisdictions covered by the Authority. This new opportunity will allow local governments and organizations to leverage their financing authorities jointly for appropriate intermodal, roadway, bridge, public transit and intercity rail projects spanning jurisdictions in order to benefit the region as a whole. The Executive Budget will also give these TIAs the ability to partner with the Department of Transportation to use new financing tools, including tolls, to construct new infrastructure projects or move ahead on an existing ODOT project which might have been delayed due to funding constraints.

At the state level, the Executive Budget will give ODOT the ability to use new tools to finance both highway and non-highway modes of transportation across the state. The New Generation Highway and Multi-Modal State Infrastructure Bank will provide funding to local governments and Transportation Innovation Authorities for highway, transit and rail projects across the state. As part of its innovative financing portfolio, the Executive Budget will provide ODOT with the authority to use tolls on new infrastructure capacity to invest in more transportation projects. This authority would only be available for new capacity, not existing roads, bridges or other infrastructure, and would be used to accelerate the infrastructure investments needed for state growth. Through this opportunity, the Department of Transportation will be able to target priority areas in need of new transportation infrastructure for specific industries and urban redevelopment, as referenced in the Jobs and Economic Development Special Analysis.

### **Public Transit, Freight & Passenger Rail, Aviation, and Maritime**

In order to move Ohio forward in the transport of people and goods, the Executive Budget will invest not only in highway infrastructure but also in other modes of transportation including passenger rail, public transit, aviation and marine transport. The strengthening of Ohio's transportation infrastructure will allow the state to effectively link Ohio citizens and businesses to jobs, resources, markets and communities. It will also bolster existing infrastructure by attracting new industries and opportunities to the state.

Through the use of tolling on new highway and other modal capacity, the Executive Budget will accelerate the development of cleaner, safer, more efficient and more affordable transportation options. This opportunity will endow Ohio with a new stable funding stream for investments in transportation which have long been underfunded.

Though once prominent in this state, passenger rail is an unrealized opportunity for Ohio. The Executive Budget will reinvest in passenger rail in the upcoming biennium by building the first phase of Ohio passenger rail connections. Upon completion, Ohioans will be able to affordably travel from Toledo to Cleveland to Cincinnati, via Columbus and Dayton. This investment is only the beginning step toward offering Ohioans transportation options and preserving our existing infrastructure for years to come. Ultimately, this investment in passenger rail will move Ohio towards the development of a Midwest passenger rail network connecting Ohio with surrounding markets and opportunities.

### **Fix-It-First**

The Executive Budget will fully fund the preservation of Ohio's current roadways and bridges, erasing more than a billion dollars in funding shortfalls. Moving forward, the "fix-it-first" prioritization will continue to ensure the highest degree of safety and longevity to the roads and structures Ohioans depend on daily. This priority will ensure that past investments in transportation infrastructure are cared for and the long-term costs of repair are reduced by slowing the deterioration of existing roads.

Well-maintained roads are essential for safe, efficient transportation, for automobiles, commerce, and public transit. Road deterioration contributes to hazardous driving conditions and extracts a significant financial toll on roadway users. Fix-it-first addresses these needs through focused maintenance strategies.

### **Building Ohio Jobs & the Motor Fuel Evaporation Tax Credit**

In June 2008, Governor Strickland and the General Assembly passed the Building Ohio Job Act to provide a capital and development investment that would strengthen the Ohio economy and create jobs. The Executive Budget will amend House Bill 554 to fund the expanded Local Transportation Infrastructure Program (LTIP) at the Ohio Public Works Commission through the proceeds realized by eliminating the Wholesale and Retail Motor Fuel Evaporation Tax Credits. Improved technology has found ways to prevent errant fuel evaporation, benefiting the industry and making the credit unnecessary. Motor fuel tax proceeds may only be spent on a narrow scope of road-related projects, which includes the LTIP. Using the additional motor fuel tax proceeds from the elimination of the evaporation credit, in lieu of the BSF, will allow the Executive Budget to use the BSF for its intended purpose of stabilizing the budget in times of fiscal stress.

Through this change, Ohio will be able to provide local government the resources needed to update their infrastructure and create new investment opportunities and jobs. The remaining funds will be used to preserve existing infrastructure, advance the investments identified by the Transportation Review Advisory Council, and support other priority investments within the state.

### **Investment in Highway Safety**

In order to enhance public safety and provide increased funding for highway safety, the Executive Budget will increase the penalty for seat belt violations from a secondary offense to a primary offense. Similar actions in other states have shown to increase seat belt use and reduce vehicle-related death and injury. Through this change, Ohio will be eligible to receive \$26.7 million from the National Highway Traffic Safety Administration through the state incentives of the Safe, Accountable, Flexible Transportation Equity Act-Legacy for Users (SAFTEA-LU).

### **Department of Public Safety Funding Changes**

The most challenging Department of Public Safety (DPS) funding concern for the fiscal year 2010-2011 biennium is the cash solvency of the Highway Safety Fund, which is the primary source of financial support for the Highway Patrol's operations. The Ohio State Highway Patrol Funding Task Force, a 19

member public - private panel, met in fiscal year 2008 and made a funding recommendation that provides for a durable funding solution for the projected deficit facing the Highway Safety Fund.

The Executive Budget implements the funding recommendation of the task force, which is comprised of the following fee adjustment recommendations:

**Figure D-17: Proposed Department of Public Safety Fee Adjustments**

| <u>Transaction Type</u>   | <u>Current Fee</u>                | <u>Proposed Fee Increase Amount</u> |
|---|-----------------------------------|-------------------------------------|
| Vision Screening  | \$1.00                            | \$1.00                              |
| Passenger Vehicle Registration  | Varies from \$34.50 to \$1,644.50 | \$5.75                              |
| Commercial Truck Registration   | Varies from \$59.50 to \$1,354.50 | \$19.00                             |
| Temporary Tags  | \$10.50                           | \$5.00                              |
| International Registration Plan for Commercial Vehicles from Other States | Varies from \$45 to \$1,340       | 2.5%                                |
| Late Fine for Vehicle Registration and Driver License Renewal             | New Fine                          | \$10.00                             |

Without fee adjustments, the Highway Safety Fund will become insolvent in fiscal year 2010. The fee adjustments proposed by the Ohio State Highway Patrol Funding Task Force are projected to generate an additional \$106 million annually for the fund. This recommendation is a broad-based approach which allows Ohio's fees to remain comparable with other states while adequately funding the vital services provided by the Ohio State Highway Patrol. The recommendation addresses the critical funding issue while providing a practical and lasting solution that is in the best interest of the state, its citizens, and the Ohio State Highway Patrol.

Realizing the limited resources of the general revenue fund (GRF) in these trying economic times, the Executive Budget also will eliminate DPS's need for GRF funding through a fee increase on abstracts. The current fee is two dollars, well below the national average of eight dollars and thirty-five cents. A six dollar fee increase would provide the necessary revenue to remove the Emergency Management Agency, the Investigative Unit, and the Office of Criminal Justice Services from GRF funding, while still keeping Ohio's fee amount below the national average. The abstract revenue will also be used to supplement the funding for the Divisions of Emergency Medical Services and Homeland Security.



### **Government Efficiency and Accountability**

Efficient and effective use of taxpayer dollars is one of the primary responsibilities of state government. This Executive Budget includes several initiatives that are designed to reduce administrative costs through state agency collaborations, thereby freeing resources that can be redirected for services to Ohio's citizens. Four initiatives are outlined in this analysis:

- Office of Accountability and Results—a resource for state agencies to improve efficiencies and track progress;
- Shared Services—a strategy to establish central processing for specific functions currently undertaken separately by all agencies of government;
- Advantage Ohio – Procurement Reform and Strategic Sourcing—a strategy that enables agencies to improve current buying power through enhanced collaboration; and
- Consolidation of the business operations for 28 occupational licensing boards and commissions.

### **Office of Accountability and Results**

The Office of Accountability and Results, housed within the Department of Administrative Services, provides support and guidance to all state agencies to implement the Governor's expectation that agencies manage for results. A summary of the services offered by this office include:

- ***The Ohio Government Accountability Plan:*** This approach allows state agencies to focus on core goals. The office assists the Governor, Chief of Staff and Cabinet Secretary in the creation and monitoring of Flexible Performance Agreements between Cabinet Directors and Governor that identify key departmental goals and metrics to move Ohio forward. Agreements and results are reported at <http://results.ohio.gov>.
- ***Continuous Process Improvement:*** The office encourages, coordinates and tracks statewide process improvement efforts. By providing support to the Governor's Office and state agencies, the office plans, designs and leads efforts to solve problems and reform government services. Facilitated sessions with state agency staff, including process improvement teams and Kaizen events, can achieve dramatic reductions in waste, cycle time, and costs. For example:
  - Through the use of a Kaizen event, the Department of Taxation reduced the amount of time required to resolve taxpayer disputes. It took more than 100 days for agents to process a taxpayer's correspondence, and there was a backlog of more than 16,000 pieces of correspondence, which created a 60 – 90 day delay before the work could even begin. As a result of the improvement efforts, the backlog was eliminated in 60 days and staff reduced the processing time from 100 to 13 days, which is more than a 70 percent decrease in delays for the taxpayer. The department also eliminated work silos, empowered agents to manage their work as a team, and developed a better billing notice to ensure agents get what they need the first time.
  - More than 2,300 suggestions have been collected from state employees statewide who are proposing ways to save state resources and remove steps from bureaucratic processes that may affect the public or business community. To date, the office has acted on nearly 10 percent of those suggestions and many more are under review for action.

The office also researches private sector, non-profit and other governmental practices in the area of performance and productivity in order to identify best practices and innovative approaches to continuously improve. The office serves as a clearinghouse for such information.

- ***Regulatory Reform:*** On February 12, 2008, Governor Strickland signed Executive Order 2008-04S "Common Sense Business Regulation" and called upon state agencies to simplify their rules, treat those affected by the rules as customers and partners, and streamline inefficient and drawn-out regulatory processes. The Executive Order called for an across-the-board review of current regulations,

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## Government Efficiency & Accountability

eliminating those that are unnecessary or needlessly burdensome while establishing regulatory performance standards that will make Ohio a more competitive place to do business.

The Office of Accountability and Results is responsible for coordination and implementation of the Executive Order with regulatory agencies. This includes the development of an implementation process, support of agencies in conducting rigorous regulatory review efforts and documenting progress and results. The office also coordinates a regulatory agency ombudsman program to resolve business concerns and assist agencies to identify and improve regulation enforcement processes that are unnecessarily burdensome, complex or expensive.

- **Ohio Business Gateway:** The office also works with the DAS Office of Information Technology on the transformation of the Ohio Business Gateway into a business portal, creating a one-stop-shop for information and transactional processes between state government and the private sector. There are many fees and applications that may be processed at this website. A phased approach, tied to available resources and the time needed for complex technical changes, is underway to make the information side more robust.

Ohio Business Gateway navigation is being made easier, and registered employers now have access to all resumes on Ohio Means Jobs/Monster.com. Within the next few months, all state contract opportunities and all state contracts larger than \$25,000 will be posted in one location. By fall 2009, a central rule change notification will be launched on the site. Additionally, a new business start-up wizard, central business demographics update and unified sign-on to the portal are in development.

- **Internal Asset Development:** The office coordinates and develops a network of internal employees who provide consulting, coaching and facilitation services throughout state government. These employees work with state agencies to develop the knowledge required to effectively implement the Accountable Government model, including planning, implementation, analysis, improvement, and reporting skills. These internal assets provide services normally purchased through outside consultants and vendors, and not only save considerable taxpayer dollars with their expertise, but are also investments in Ohio government's growth as their value increases as they gain experience.
- **Organizational Development:** The office assists with transforming state government into a high performance organization by providing advice and assistance in areas such as leadership, strategic planning, customer focus, information and analysis, human resource development, process management, and achieving results. A sample of specific duties includes facilitating strategic and operational planning efforts, managing the Efficiency.gov on-line system to collect employee and customer feedback and ideas for improvement, assisting with the development of dashboards and scorecards to collect data and track progress, teaching courses in a variety of topics, and coordinating the <http://results.ohio.gov> website that transparently tracks results.

The mission of the Office of Accountability and Results reflects the goals of the Ohio Government Accountability plan. The Office has already assisted in identifying and capturing millions of dollars in cost savings throughout state government.

### Ohio Shared Services

Although the concept of "shared services" is relatively new to Ohio government, it has a long history of success in the private sector. The concept is to eliminate silos and share a pool of resources among entities in order to make routine processes as efficient and cost effective as possible. This concept will be applied to a number of financial transaction processes during the fiscal year 2010-2011 biennium. Through shared services, state agencies will work with the Office of Budget & Management to consolidate some of their back-office finance processing functions.

Specifically, Ohio Shared Services will streamline such processes as accounts payable, travel reimbursement, general ledger and intra-agency transfers. Each of these processes will be governed by a service level agreement, which is a two-way agreement of commitment for both the agency and Ohio

## Government Efficiency & Accountability

Shared Services. Unlike basic centralization of services, the service level agreement makes sure that both the agency and Ohio Shared Services are meeting their mutually agreed upon goals. It promises to be a relationship of equals that consistently strives for improvement.

State agencies are not required to participate in shared services. Those agencies that have participated in the planning process to date have volunteered to do so. With that said, it is anticipated that participating agencies will be able to use shared services to help operate within reduced funding levels and at the same time continue to perform core agency functions that serve Ohioans.

Ohio Shared Services will make it easier to do business with the State of Ohio. The vendor community will be able to realize the benefits of Ohio Shared Services. In fiscal year 2010, vendors will be able to see the status of their invoices through an online portal. Also, vendors will be able to call one number to inquire on payment issues with any state agency. The greatest benefits for the State will come through the following outcomes:

- Reducing the cost of back-office functions in order to devote more resources for citizen serving programs;
- Consolidating and streamlining business practices and administrative processes;
- Implementation of advanced functionality such as e-government and self-services web applications; and
- Creating the organizational foundation for migration of other state administrative services in the future.

Efficiencies resulting from this project will help save Ohio taxpayers money and will help alleviate some of the staffing shortages that will result from the aging of the workforce in the years ahead. The finance shared services operation will be operational in fiscal year 2011 and is expected to reduce overall agency costs by 10 percent to 15 percent annually for the participating agencies. Following implementation of the finance solution for fiscal year 2010 and 2011, Ohio Shared Services will explore restructuring the state's payroll processes and anticipates reducing costs by a similar percentage in the 2012-2013 biennial budget.

### Advantage Ohio – Procurement Reform

Advantage Ohio is a four-part initiative of Governor Ted Strickland to address Ohio's business climate and reform government operations with the emphasis on the creation of a competitive advantage for Ohio to attract and retain business. By taking steps to reform government operations in the areas of regulatory reform, adjudicative and administrative reform, expansion of the Ohio Business Gateway, and procurement reform, the state can better partner with the private sector to improve the way the state does business.

As a part of Advantage Ohio, a panel of public and private sector procurement officers recommended reforming Ohio's procurement of goods and services in order to realize cost savings. The panel concluded that in order to realize such savings the state's procurement laws and practices must change.

- ***Create a center-led supply organization across state government:*** Today many state agencies operate their purchasing activities independently in an uncoordinated fashion. While all operate under some common rules and practices, there is no single point of management and accountability for agency procurement. The panel recommends a single point of accountability, typically a Chief Procurement Officer or CPO, at the highest level to bring focus, leadership, structure, and change.

“Center-Led” allows current agency organizations to remain in place (decentralized to continue mission-specific performance) while operating under common goals set by the Chief Procurement Officer. Over time the CPO will review operations and the efficacy in centralizing or decentralizing activities. The focus will be on productivity, benefits, and the purchasing needs across the state government.

- ***Maximize state government's purchasing power through leverage:*** Much more can be done to seek economies of scale and to leverage the State's purchasing power for common goods. The opportunity for cost savings through supplier reduction and greater state agency participation is significant. This

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## Government Efficiency & Accountability

also requires strategic sourcing that spans multiple years with major focus on participation. Savings in state agencies alone are estimated at \$34 to \$72 million annually, not including potential savings for higher education or for local governments.

- ***Apply a consistent strategic sourcing process:*** Strategic sourcing is a systematic institutional process that continuously improves and reevaluates the purchasing activities of the organization. The principles of strategic sourcing commonly used in the private-sector are well understood. The benefits to both private and public sector organizations are also well known. These principles should be broadly applied in how the state does business.
- ***Attract, develop and retain a talented corps of supply management professionals:*** The quality of staff is more critical than their number to accomplish the transformation goals we endorse. Best practices in industry suggest improvements in adopting position standards, certification, training, and recruiting. These measures among other personnel-management actions focused on the skills and acumen of the state procurement workforce are necessary.
- ***Set annual targets for key procurement performance metrics across state government:*** A key to achieving the transformation of state procurement is goal setting and measurement. Cost savings should be built into strategic category goals. Every agency should operate under common definitions and metrics. Annual targets, centered on key objectives, should be set. Agencies must be held accountable for the results, which should be periodically reported.
- ***Maximize use of information technology to facilitate the conduct of commerce across the supply chain:*** Technology has advanced significantly in how suppliers interact with buyers, from how they hear about bid opportunities to how orders are placed. This has favorably impacted the speed of orders, lowered the cost of goods sold, and driven down the cost of procurement operations. With minimal investment, the state should adopt practices to take advantage of these advancements and create efficiencies.
- ***Accomplish these objectives without compromising product quality, customer service, or supplier diversity objectives:*** The principles of strategic sourcing have consistently proven to increase value for dollars spent without compromise to the quality of goods and services acquired. It is acknowledged that the state has an on-going obligation and must remain ever mindful of satisfying supplier diversity objectives. In practice, strategic sourcing does take these factors into account and has shown that they are not mutually exclusive.

### Consolidate Support Services for Specific Boards and Commissions

The Strickland Administration has developed a plan to improve efficiency and accountability, while preserving autonomy, in the operations of Ohio's 28 occupational licensing boards and commissions by:

- Sharing resources;
- Reducing duplicative administrative functions; and
- Implementing standardized rules and procedures.

The plan calls for the Central Service Agency within the Department of Administrative Services, in consultation with the Office of Budget & Management, to examine the support services it provides to the 28 boards and commissions and make recommendations regarding the consolidation of finance, human resources, procurement, or other administrative functions in order to achieve administrative cost savings and efficiency. DAS will have the authority under the plan to standardize rules regarding administration, personnel, and procurement for all 28 boards and commissions.

With the implementation of the Executive Budget, Ohio's 28 occupational licensing boards and commissions will improve efficiency and accountability while preserving autonomy in their operations by

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## Government Efficiency & Accountability

sharing resources, reducing duplicative administrative functions, and implementing standardized rules and procedures. The 28 boards and commissions included in the plan have combined budgets of \$36 million for fiscal year 2009, with approximately \$27 million, or 74 percent, for payroll costs.

Three of the projected benefits of this consolidation are:

- The support services of these boards are similar enough that they may be leveraged across all 28 agencies to realize efficiencies and improvements in results and accountability.
- Uniform application of DAS procedures for administration, personnel, and procurement to boards and commissions.
- Creation of a collaborative and consultative environment centered at CSA wherein boards and commissions may improve service delivery and operational efficiency.

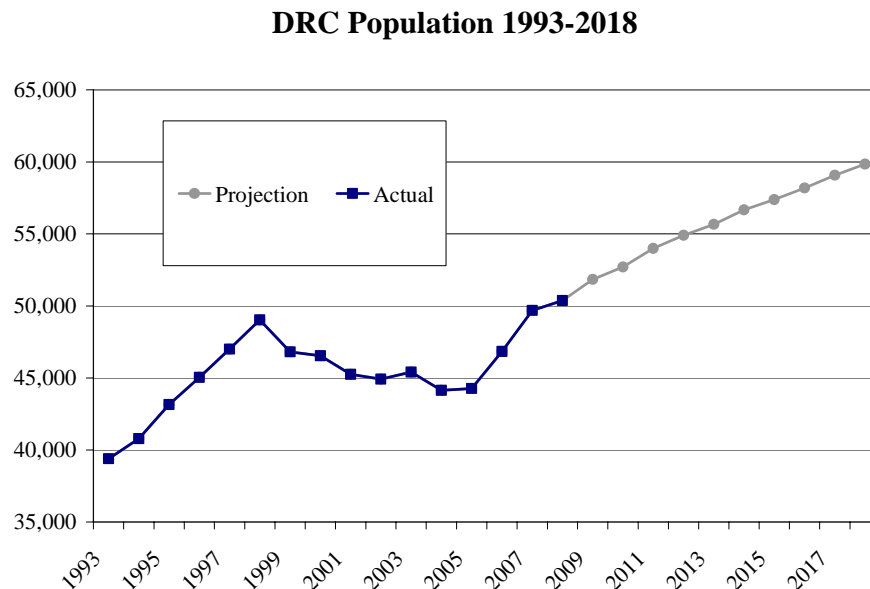
In preserving board autonomy, each participating board or commission will retain all oversight of their respective areas of initial license issuance and regulation. Each will retain an executive director to coordinate these functions and the appointed boards and commissions will remain intact and retain all duties and responsibilities prescribed in Ohio Revised Code.

DAS estimates that once the plan is fully implemented, the plan could save the boards and commissions as much as \$12 million annually on back office support functions. By aligning the 28 boards and commissions with similar purposes and sharing resources, DAS will provide more effective and efficient support services to the boards and commissions than they would enjoy with individual support teams. The plan will improve uniformity and quality in governance and accountability by standardizing rules, procedures, and reporting.

### **Common Sense Sentencing Reform**

The Ohio Department of Rehabilitation and Correction's (DRC) institutional population is at an all-time high and projects to keep growing. In 1971, the institutional population was 9,129. Of every 100,000 Ohio residents, 85 were incarcerated in a state prison. DRC ended calendar year 2008 with a prison population of 50,887, meaning that 443 of every 100,000 Ohio residents (586 out of every 100,000 adult residents) were incarcerated in a state prison. As shown in the chart below, DRC has predicted substantial increases in the prison population over the next ten years, reaching 59,846 in 2018.

**Figure D-18: DRC Population**



Skyrocketing intakes (admissions to the DRC system) from calendar years 2002 to 2008 have been a primary driver of the increase in prison population. The number of prisoners who entered the DRC system a given year increased 25.4 percent, from 21,787 in 2002 to 29,069 in 2008. This increase in the annual intake rate has increased average sentence lengths, continuing to create upward pressure on the prison population. During fiscal year 2008, approximately 57 percent of inmates committed into the DRC system were low-level felony four (F-4) and felony five (F-5) offenders, whose lengths of stay average a little less than one year and cost the state hundreds of millions of dollars per year.

This Executive Budget proposes several reforms to criminal sentencing in Ohio, in an effort to cautiously and judiciously reduce the prison population and the associated substantial costs to taxpayers. The targets of these reforms are low-level, non-violent offenders, who drive the booming prison population. Reversing the current trend of population growth is imperative to the fiscal health of the state.

### **Increase Community Correction Diversions**

In fiscal year 2008, there were 15,485 offenders admitted to Ohio's prison for F-4 and F-5 felonies, which was 57% of the total intake population. Many of these offenders would be eligible candidates for community-based sanctions and programming. DRC currently funds 113 jail diversion programs and 42 prison diversion programs across the state. DRC also provides funding for 18 residential Community-Based Correctional Facilities (CBCFs) statewide. Both CCA and CBCF programs are more cost-effective than jails and prisons and demonstrate a reduction in recidivism.

Community diversion programs provide a wide array of risk-and needs-based supervision and services for offenders, including electronic monitoring/GPS, day reporting, work release, substance abuse and mental health programming, and community service. These programs allow for local punishment while ensuring

the offender remains accountable for employment, paying taxes, paying child support, and other family responsibilities.

The Executive Budget provides for an additional allocation of \$8 million (in addition to the \$2 million allocated for the non-payment of child support CCA programs) to be disbursed in the following manner, thereby creating additional opportunities to divert eligible offenders in CCA jail and prison diversion programs and in CBCFs:

- \$2.8 million to expand existing CCA prison diversion programs that target F-4 and F-5 felonies and probation/community control violators, as well as, supplement local programming needs. Approximately 1,528 additional offenders would be diverted from prison.
- \$1.5 million to expand existing jail diversion programs targeting overcrowded jails. Historically, judges have sentenced offenders to prison if the local jail is consistently overcrowded. Approximately 2,767 additional offenders would be diverted from jails because of this additional funding.
- \$3.7 million to fund 220 CBCF existing, but unused beds. By funding these existing beds, an additional 780 offenders would be diverted from prison.

**Figure D-19: Estimated Savings from Increasing Community Correction Diversions**

| <b>Proposed Sentencing Reform</b> | <b>Annual Beds Saved</b> | <b>Annual Estimated Savings</b> |
|-----------------------------------|--------------------------|---------------------------------|
| CCA Prison Diversion              | 1,374                    | \$5,927,848                     |
| CCA Jail Diversion                | 520                      | \$2,243,436                     |
| CBCF                              | 780                      | \$3,365,154                     |

#### **Raise Felony Theft Threshold**

This proposal would amend several sections of the Revised Code to raise the threshold amount for increased penalties for theft related offenses from \$500 to \$750. This threshold has not been modified since it was raised from \$300 to \$500 in Senate Bill 2 in 1996. The increase in the felony threshold will adjust for inflationary increases since 1996, and will allow more of these low-level, non-violent offenders to be placed in community sanction programs, thereby reserving expensive state prison beds for the truly assaultive, violent, and predatory offenders.

**Figure D-20: Estimated Savings from Raising Felony Theft Threshold**

| <b>Proposed Sentencing Reform</b> | <b>Annual Beds Saved</b> | <b>Annual Estimated Savings</b> |
|-----------------------------------|--------------------------|---------------------------------|
| Raise Theft Felony Threshold      | 300                      | \$1,294,290                     |

#### **Non-Payment of Child Support (Non-Support)**

This proposal would expand current Community Correction Act (CCA) prison diversion non-support sanctioning options and create new sentencing alternatives. In fiscal year 2008, 781 offenders were incarcerated solely for failure to pay child support. An allocation of \$2 million would create programs to divert some offenders from prison into structured programs focusing on employment, cognitive behavioral skill building, parenting classes and most importantly, paying child support. The allocation would provide services to approximately 1,100 eligible offenders in single-county or multi-jurisdictional non-support programs across Ohio.

**Figure D-21: Estimated Savings from Non-Payment of Child Support Reform**

| <b>Proposed Sentencing Reform</b> | <b>Annual Beds Saved</b> | <b>Annual Estimated Savings</b> |
|-----------------------------------|--------------------------|---------------------------------|
| Non-payment of Child Support      | 527                      | \$2,273,636                     |

**Redefine Statute Regarding Parole Violators who Abscond from Supervision**

Under current law, offenders who abscond supervision can be charged with a new offense that can range from an F-1 to an F-5, depending on the severity of the underlying offense. This proposal would allow the Adult Parole Authority to utilize various sanctions pursuant to section 2967.15 of the Revised Code for these offenders, including returning them to prison.

**Figure D-22: Estimated Savings from Redefining a Portion of Parole Violation Statute**

| <b>Proposed Sentencing Reform</b> | <b>Annual Beds Saved</b> | <b>Annual Estimated Savings</b> |
|-----------------------------------|--------------------------|---------------------------------|
| Eliminate Abscond Offense         | 591                      | \$2,549,751                     |

**Seven Days Earned Credit**

Prior to the enactment of Senate Bill 2, prisoners could get both “good time” and “earned credit.” “Good time” was given out simply for behaving while in prison. Additionally, qualified prisoners could earn seven days per month of “earned credit” for each month they productively participated in education, vocational, employment in prison industries, substance abuse, or other constructive programming. This reform would only reinstate the ability to receive seven days of “earned credit” based on monthly program completion, which is a strong enrollment incentive for inmates. The Executive Budget does not include the reinstatement of “good time.” Studies have shown that participation in “earned credit” programs reduce the likelihood of recidivism, thus resulting in future cost savings.

**Figure D-23: Savings from Offering Seven Days Earned Credit**

| <b>Proposed Sentencing Reform</b> | <b>Annual Beds Saved</b> | <b>Annual Estimated Savings</b> |
|-----------------------------------|--------------------------|---------------------------------|
| Earned Credit - 7 days            | 2,644                    | \$11,407,009                    |

**Rebalancing for Long-Term Sustainability**

Currently, DRC operates with a population that is at 132 percent of rated-prison capacity. Without sentencing reforms to reduce the current prison population through shorter sentences for low-level offenders or alternative sanctions, the only method available to reduce the overcrowding problem facing DRC is to build additional prisons. Six 2,000-bed, dormitory style prisons would need to be built just to reach 100 percent of rated capacity with a prison population of 50,887 (assuming zero population growth). The capital costs that would be required to construct six additional prisons of the necessary size would total almost \$1.1 billion, and DRC would require an additional \$250 million dollars annually in general revenue funding to operate the newly-constructed prisons. However, construction is only a short-term solution for overcrowding that fails to address the underlying predicament of population growth.

With the current economic climate and scarce general revenue fund resources, Ohio needs a common sense approach to rebalance its corrections system, positioning it for long-term sustainability. The proposed sentencing reforms, targeting low-level, non-violent offenders, will help the state to live within its means, while simultaneously attacking the rising prison population in an effective, public safety-conscious manner.



### **Leveraging Existing Resources**

The fiscal year 2010-2011 Executive Budget includes three measures to leverage existing resources, in a period of constrained revenues, to help provide for needed state services and investments. The first measure seeks to contain or reduce state employee payroll and related costs. This measure took care to have the minimum possible impact on all state employees and mitigate the number of layoffs that will occur. The second measure restructures certain debt service payments from the upcoming fiscal year 2010-2011 biennium to later biennia. The restructuring plan is carefully sized and crafted to achieve near-term savings in a fiscally responsible manner. A third measure proposes the responsible, but increased use of unclaimed funds. This third measure occurs after sensible analysis to ensure future claims on dormant accounts will be met and recognizes that outreach to return those accounts to the rightful owners will continue uninterrupted. As further presented below, each measure is distinct, but all were carefully developed with the same purpose – to provide much needed resources for critical state services.

### **Human Resources Cost Savings Strategies**

This Executive Budget is historic for many reasons, not the least of which is the inclusion of various measures to contain or reduce state employee payroll and related costs. These measures were developed to achieve the minimum possible impact on all state employees and to mitigate the number of layoffs that will occur. In the past, state employees have been required to forego pay raises and step increases during difficult economic times. As private sector unemployment is on the rise and layoffs are occurring across the state, this Executive Budget will require sacrifices from state employees. The Governor is cognizant of the serious impact of these measures and the sacrifices state employees and their families have made to date to cope with the current financial crisis and its effect on state services. As such, the personnel-related proposals found in the Executive Budget truly represent shared sacrifice, and the implementation of these measures will undoubtedly require a strong partnership with state employees and the state collective bargaining unions to work together to reduce payroll costs, while attempting to preserve as many state jobs as possible in these very challenging economic times. After cautious consideration of all available proposals, the strategies included in this Executive Budget are necessary in order to maintain critical state services to the most vulnerable of Ohio's citizens while protecting our investment in Ohio's future.

### **The Role of the Governor and the Office of Budget and Management**

The Ohio Constitution requires that the Governor control the expenditures of state agencies in order to maintain a balanced budget. It does so by limiting the state's ability to contract for casual deficits or failure in revenue or to create debt, except within constitutionally specified areas. Section 126.05 of the Revised Code requires the Office of Budget and Management (OBM) Director to submit monthly reports to the Governor showing the status of appropriations to enable the Governor to exercise and maintain effective supervision and control over the expenditures of the state. The Governor has the power to manage, supervise, and control the state budget and this statute particularly gives the Governor the authority to issue executive orders necessary to carry out this power.

The Governor exercised this authority on January 31, 2008, requiring OBM to issue directives to the state agencies to implement expenditure reductions and control spending in order to maintain a balanced budget. Three times during the fiscal year 2008-2009 biennium, as the economy soured, revenue estimates were revised downward and agency expenditures were reduced. Each time available expenditures were reduced, state agencies and employees were forced to react quickly, in some cases reducing their workforce. However, with the enactment of the proposed payroll reduction strategies found in this Executive Budget, far fewer workforce reductions will be required, and the citizens of the state can be assured that the state's budget remains in balance.

### **Payroll Reduction Strategies**

The Executive Budget proposes various payroll reduction strategies. For fiscal years 2010 and 2011, \$170 million to \$200 million in payroll-related savings has been budgeted. It also recognizes that these strategies are the subject of collective bargaining with the state unions, but provides that the equivalent of \$170 million to \$200 million in total savings for each fiscal year must be reached in negotiations order to achieve and maintain a balanced budget. Some or all of these options may be pursued in varying degrees in order to achieve the necessary savings. Therefore, should other cost containment strategies be successfully negotiated and should those strategies achieve the necessary savings for each fiscal year, those strategies may be implemented in lieu of the measures discussed below.

- **Reductions in Pay:** In order to maintain as many state jobs as possible throughout the next biennium, this Executive Budget proposes a graduated scale of pay reductions for employees exempt from collective bargaining. Exempt state employee pay will be reduced using a “multi-tiered” approach. Using the state’s E-1 pay table, proposed pay reductions include the following:
  - Exempt employees in pay ranges 1 through 3 will receive no reduction in pay;
  - Exempt employees in pay ranges 4 through 7 will receive a 4% reduction in pay effective July 1, 2009;
  - Exempt employees in pay ranges 8 through 11 will receive a 4.5% reduction in pay effective July 1, 2009; and
  - Exempt employees in pay ranges 12 through 18 will receive a 5% reduction in pay effective July 1, 2009.

In addition to these reductions, employees earning \$125,000 or greater will receive a 6% reduction in pay effective July 1, 2009. The budget assumes that similar reductions in pay, or concessions equivalent to the amount of savings achieved through reductions in pay, will be negotiated with employees represented by the state’s multiple bargaining units or will be achieved for executive branch employees who are paid from either the E-2 pay table or whose compensation is determined by their appointing authority.

- **Increased Employee Share for Dental, Vision, and Life Insurance:** Currently, the State pays 100% of the premiums for dental, vision and basic life insurance for exempt state employees. For bargaining unit employees, the state transmits seventy dollars (\$70) per month to the Union Benefits Trust in order to pay for the employee’s share of the premiums for dental, vision, and basic life insurance. This proposal would reduce the amount of premium costs that the State pays on behalf of employees. The State would require all exempt employees to pay a portion or all of the premium costs for dental, vision and basic life insurance equal to 10% of the premiums. For bargaining unit employees, the State would reduce its seventy dollar (\$70) contribution to the Union Benefits Trust by 10%. Although no statutory change is required, the Department of Administrative Services (DAS) would need to establish notice to employees and hold an open enrollment period, and negotiations with the state’s multiple bargaining unit representatives would need to occur.
- **Furlough Power:** Employee furlough programs generally consist of placing an employee in an inactive pay status or on leave without pay, usually because of funding concerns or in an effort to temporarily reduce payroll costs. These programs can be voluntary or mandatory, and allow employees to reduce their work schedule without reducing certain benefits or requiring employees to exhaust paid leave. While section 124.392 of the Revised Code, and the collective bargaining agreements with the state bargaining representatives, allow the state to implement voluntary furloughs in the form of “voluntary cost savings programs,” currently the Governor lacks the explicit authority to mandate that employees be placed on furlough.

Layoffs of state employees are not a preferred method to maintain a balanced budget. Throughout the last biennium, state agencies took multiple steps to reduce expenditures to achieve budgetary and cash savings, but those steps were still not enough to prevent the layoff of state employees. Other measures, such as mandatory furloughs, would preserve state jobs while reducing spending and ensuring that essential state services for its citizens are preserved. The power to furlough is essential to assuring the State’s ability to maintain a balanced budget throughout the fiscal year 2010-2011 biennium. It gives the Governor the ability to manage unforeseen deficits by immediately reducing payroll costs while preserving as many state jobs as possible.

Through statutory revisions, OBM and the Department of Administrative Services, under the Governor’s authority and at the direction of the Governor, will have the authority to develop furlough plans for state agencies in order to close general government operations for a set period of time. State employees paid by warrant of the OBM Director, regardless of funding source, may be placed on leave without pay or in an inactive pay status. This Executive Budget assumes that at least two unpaid days off, either on holidays or on “furlough” days, will need to be implemented in order to achieve the necessary savings.

- **Mandatory Early Retirement Incentive Trigger:** As an additional cost containment measure, this Executive Budget proposes increasing the statutory trigger for the establishment of a mandatory retirement incentive plan.

Currently, section 145.298 of the Revised Code provides that a state institution or state employing unit is required to establish a retirement incentive plan if the institution or employing unit proposes to layoff, within a six-month period, the lesser of 50 or ten percent of its employees. Revisions to this section would increase the trigger to the lesser of 200 or 30 percent of an institution or employing unit's employees.

### **Calculating and Implementing Cost Containment Measures**

Depending on the outcome of union negotiations that are currently underway, various combinations of measures may be used in order to achieve the cost avoidance detailed in this analysis. When final decisions are made, OBM will have to implement actions that enable the cost avoidance to affect the GRF balance. For each agency, fund, and line item, OBM determined the projected savings at a fund and line item level, taking into account prior payroll data and agencies' proposed staffing plans and funding levels for fiscal years 2010 and 2011. OBM then determined which funds were not appropriate candidates to transfer equivalent cost avoidance amounts to the General Revenue Fund (GRF) to reach the cost savings, including federal funds and certain funds that are constitutionally or statutorily protected. In order to implement these cost containment strategies, OBM will work with the Governor to develop fund-specific transfer estimates for each agency, with input from the agency on payroll information, available cash balances, and historical fund data. Transfers to the GRF will be made within the first month of each fiscal quarter. OBM recognizes that transfer amounts could vary from the estimates based upon significant changes to an agency's payroll. OBM will include these transfers as part of the Monthly Financial Report to the Governor in the second month of each fiscal quarter.

### **Debt Restructuring**

Debt service appropriations in the fiscal year 2010-2011 Executive Budget reflect the restructuring into later biennia of certain debt service payments currently scheduled to be paid from the general revenue fund (GRF). This restructuring frees up approximately \$400 million of GRF resources in the fiscal year 2010-2011 biennium to help provide for core state services and investments in a time of constrained resources. As is typical, the restructuring will be accomplished through the issuance of new refunding bonds, the proceeds of which will be used in place of GRF to defray current debt service expenses, with a maturity schedule that layers the new debt service into later biennia.

### **Ohio's Debt Restructuring Plan**

Ohio's debt restructuring plan lowers net debt service payable from the GRF in the fiscal year 2010-2011 biennium by approximately \$400 million and timely repays that debt service on a proportional basis in fiscal years 2012 through 2021. The overall size of the restructuring is small, comprising less than 5% of the state's current outstanding GRF-backed debt. To achieve these near-term savings in a fiscally responsible manner, the debt restructuring plan is carefully sized and crafted to reflect the following guiding principles:

- Minimize the overall fiscal cost;
- Ensure the final term of the new debt does not exceed the final term of the existing debt;
- Maintain adherence to the fundamental financing principle that the term of the financing be equal to or less than the useful life of the financed assets;
- Maintain rapid amortization of total GRF-backed debt; and
- Preserve existing 'callable' bonds that are eligible to be refunded for savings.

To adhere to these guiding principles, the restructuring targets non-callable general obligation (G.O.) bonds issued for three purposes – i.) common schools, ii.) higher education, and iii.) local infrastructure -- and timely repays the restructured debt service in fiscal years 2012 through 2021. Utilizing G.O. bonds for the restructuring ensures that the new refunding bonds can be sold at the lowest possible interest cost based on the state's full-faith-and-credit pledge. Focusing the restructuring on educational and local infrastructure purposes ensures that the useful life of the financed assets (K-12 and higher education school facilities and roads, bridges, and water/wastewater systems) still significantly exceeds the term of the restructured debt. Finally, focusing on debt issued for just these three purposes, which constitute about 90% of the state's G.O. GRF-backed debt, improves the efficiency and lowers the cost of implementing the restructuring.

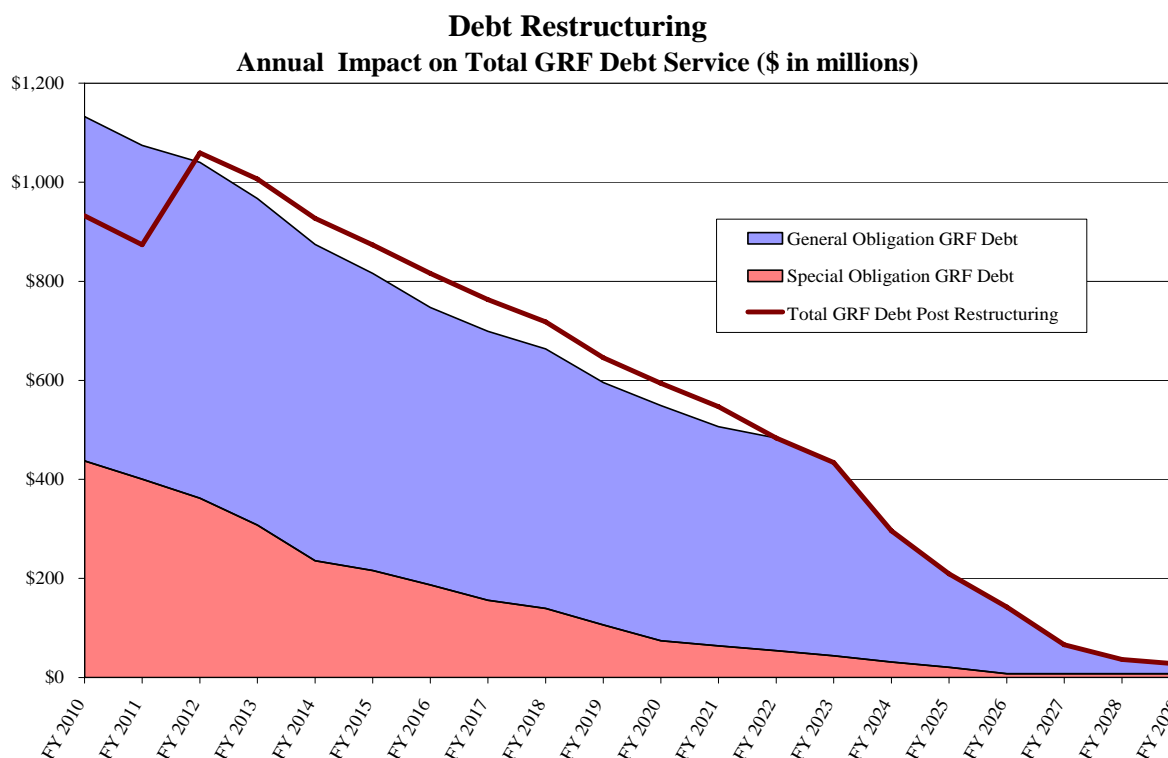
**Figure D-24: Annual Cash-Flow Impact of the Debt Restructuring**

| <b>Fiscal Year</b> | <b>Prior Debt Service</b> | <b>Restructured Debt Service</b> | <b>Cash-Flow Impact</b> | <b>Present Value Cash-Flow Impact*</b> |
|--------------------|---------------------------|----------------------------------|-------------------------|--|
| FY 2009            | \$898,573                 | \$0                              | \$898,573               | \$896,210                              |
| FY 2010            | 207,684,018               | 7,678,958                        | 200,005,059             | 195,666,342                            |
| FY 2011            | 216,036,247               | 15,764,250                       | 200,271,997             | 189,511,075                            |
| FY 2012            |                           | 19,039,000                       | (19,039,000)            | (17,550,456)                           |
| FY 2013            |                           | 39,514,000                       | (39,514,000)            | (35,449,768)                           |
| FY 2014            |                           | 47,239,000                       | (47,239,000)            | (41,095,569)                           |
| FY 2015            |                           | 57,037,375                       | (57,307,375)            | (48,341,932)                           |
| FY 2016            |                           | 68,630,125                       | (68,630,125)            | (56,132,422)                           |
| FY 2017            |                           | 64,167,000                       | (64,167,000)            | (50,865,108)                           |
| FY 2018            |                           | 59,366,000                       | (59,366,000)            | (45,610,243)                           |
| FY 2019            |                           | 50,173,375                       | (50,173,375)            | (37,358,576)                           |
| FY 2020            |                           | 45,195,125                       | (45,195,125)            | (32,616,929)                           |
| FY 2021            |                           | 40,508,000                       | (40,508,000)            | (28,336,568)                           |
| <b>TOTAL</b>       | <b>\$424,618,837</b>      | <b>\$514,582,208</b>             | <b>(\$89,963,371)</b>   | <b>(\$7,283,944)</b>                   |

\* Cash-Flow Impact discounted by the All-In Cost of Borrowing (approximately 3.2%) to April 1, 2009.

As shown in Figure D-24, while the total “gross” cash-flow impact of the restructuring is estimated to be approximately \$90 million, the present value of those future payments (their cost in today’s dollars) is estimated to be just \$7.3 million. The following chart shows the projected impact of the debt restructuring on total GRF debt payments for all future fiscal years.

**Figure D-25: Debt Restructuring, Annual Impact on Total GRF Debt Service**



### Minimal Impact on GRF Debt Amortization

Ohio has a long history of rapid amortization of its outstanding debt obligations and the restructuring maintains this approach. The credit rating agencies have long highlighted Ohio's rapid debt amortization as a credit positive. Moreover, the three issuers of debt backed by state revenue (the Ohio Public Facilities Commission, the Treasurer of State, and the Ohio Building Authority) committed in their comprehensive Debt and Interest Rate Risk Management Policy (adopted December 2006) to amortizing, in the aggregate, at least 50% of GRF-backed debt outstanding at any one time within 10 years or less. Due to the restructuring's relatively small size and short repayment period, its impact on the rate of amortization of the state's GRF-backed debt is small in the short-term and negligible over the medium-to-long term. Figure D-26 shows the percent of GRF-backed debt amortized within 10, 15, and 20 years and illustrates the minimal impact the restructuring will have on this key measure.

**Figure D-26: Impact of Debt Restructuring on GRF Debt Amortization Rates**

| Amortization Period | Pre-Restructuring | Post-Restructuring |
|---------------------|-------------------|--------------------|
| 10-Years            | 71.7%             | 70.6%              |
| 15-Years            | 94.7%             | 94.7%              |
| 20-Years            | 100%              | 100%               |

### **Unclaimed Funds**

The Executive Budget proposes the measured, increased use of unclaimed funds to help provide for needed state services and investments in a time of constrained resources. The responsible use of unclaimed funds proposed is based upon a thorough analysis of unclaimed funds management, accounting, historical and current use, and practices of other states. The analysis was undertaken to ensure future claims will be met as the Ohio Department of Commerce, through its Division of Unclaimed Funds, continues its outreach to return lost funds to the rightful owner.

### **Unclaimed Funds and Its Management**

Common sources of unclaimed funds range from dormant savings and checking accounts and forgotten safe deposit boxes to unpaid insurance policies and undelivered stock dividends. Sources of unclaimed funds also include unreturned rent and utility deposits and unclaimed wages and commissions. Each year, due to death, inadvertence, or forgetfulness, more than 200,000 individuals and organizations lose track of such moneys and intangible property in Ohio. Dating back to 1968, enacted unclaimed funds laws have protected those who lost track of their money and return those funds to the rightful owners. State statute prescribes when funds become unclaimed, based on value and on a period of inactivity that is typically three to five years. Once an account is considered unclaimed, it becomes the responsibility of the state; specifically, the Division of Unclaimed Funds within the Ohio Department of Commerce.

The Division of Unclaimed Funds (the division) is statutorily charged to serve as the custodian for Ohio citizens of inactive accounts at financial institutions and similar entities. The division is responsible for the safekeeping and return of moneys designated as unclaimed and meets its charge by: i.) ensuring compliance and reporting by holders of dormant accounts; ii.) advertising unclaimed accounts to the public; and iii.) returning the moneys once a claim is submitted and verified.

Unclaimed funds are reported and/or remitted to the division by various entities referred to as holders. Examples of holders include banks, insurance and investment companies, corporations, estates, trusts, charitable organizations, and similar entities. As a custodian, the division invests a portion of unclaimed funds through the Ohio Treasurer of State (TOS), while the remainder is retained and invested by certain banks and other financial institutions. All unclaimed funds are credited to the Unclaimed Funds Trust Fund, a rotary fund of the state.

The Unclaimed Funds Trust Fund is estimated to close fiscal year 2009 with a balance of at least \$605 million, up from \$597.5 million at the close of fiscal 2008. As of December 31, 2008, the balance was \$687.4 million, of which nearly \$481 million was invested by TOS in STAR Ohio, the State Treasury Asset Reserve, and approximately \$203 million resided with financial institutions that report to the division. Most of the remaining amount resides in an operational account for cash-flow purposes. The two primary sources of ongoing revenue are newly reported unclaimed funds and investment earnings. The trust fund also receives loan repayments from state programs, as further described below. Trust fund disbursements primarily reflect claims paid to rightful owners, but also legislative transfers and division operating expenses.

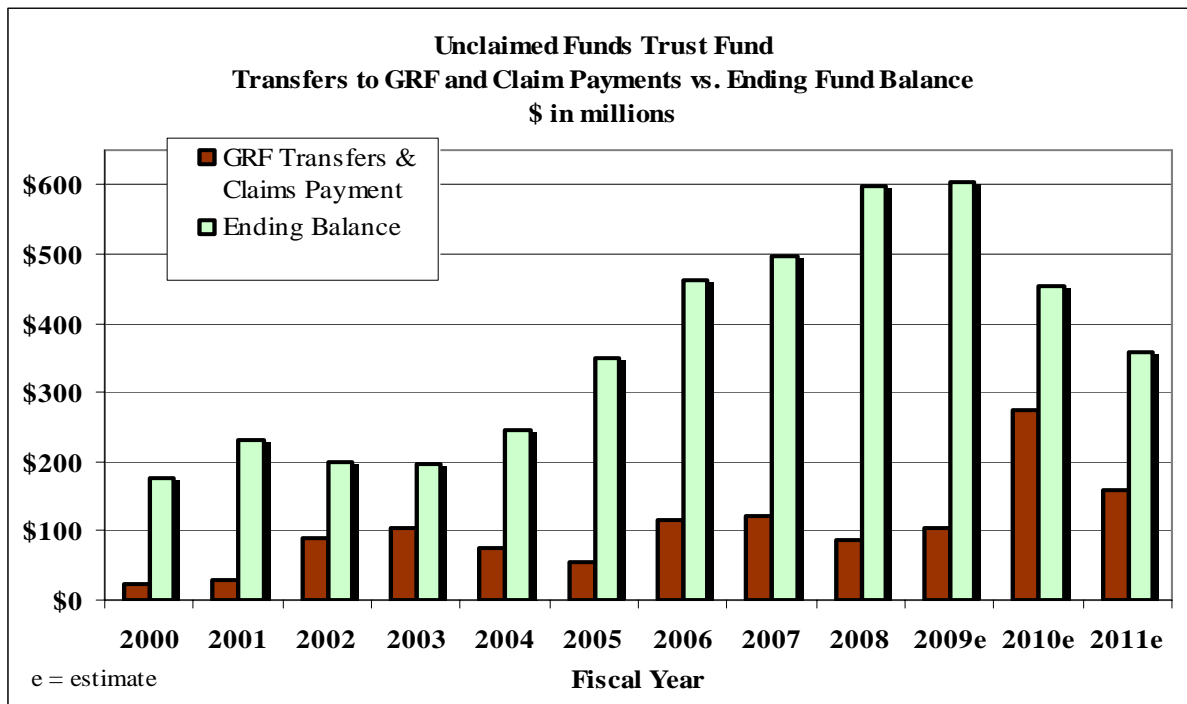
### **Historical and Current Unclaimed Funds Use**

The primary responsibility of the division is to return unclaimed moneys to the rightful owners and since the program's beginning in 1968 through December 2008, approximately \$1.97 billion in unclaimed funds has been reported to the division, with nearly \$661 million returned. In fiscal 2008, just over 44,400 claims were paid, representing almost \$58 million being returned to current or former Ohio residents. Recognizing that a portion of unclaimed funds may never be claimed, regardless of the division's diligence, the state through legislative direction has applied unclaimed funds numerous times to a variety of public purposes, including transfers to the state's general revenue fund (GRF) and to agencies of the state for job development initiatives. Most recently, up to \$60 million is scheduled to be transferred to the GRF during current fiscal 2008-2009 biennium. Unclaimed funds have also long supported two successful programs, the Housing Loan Development Program and the Minority Business Bonding Program, overseen by the Ohio Housing Finance Agency (OHFA) and the Ohio Department of Development, respectively.

The Housing Loan Development Program offers loans to housing developers to support development of low- to moderate-income housing projects. As of December 2008, nearly \$234 million in OHFA administered loans, for more than 350 housing-related projects, remains outstanding. Additionally, up to \$136 million has been reserved with OHFA for loans pending the approval process. Separately, \$2.7 million in unclaimed funds underpin the Minority Business Bonding Program. This program is designed to provide bonding assistance to minority businesses who otherwise cannot obtain needed capital for business investment.

The Executive Budget proposes the measured use of unclaimed funds to help provide for critical state services and investments over the course of fiscal years 2010 and 2011. Specifically, the proposal authorizes transfers of up to \$200 million and \$80 million to the state's GRF in fiscal years 2010 and 2011, respectively, and responsibly balances these transfers against anticipated claims and the continued support for the long-standing programs. As shown in the chart below, the historical and estimated amounts transferred to the state's general revenue fund and used to pay claims on previously lost accounts have had a negligible effect on the trust fund's ending fiscal year balance.

**Figure D-27: Unclaimed Funds Trust Fund Transfers and Ending Fund Balance History**



### Unclaimed Funds and Other States

The governance and use of unclaimed funds is as varied as the number of states. Oversight is entrusted to state treasurers, auditors, and departments of revenue and deposits are made to state special and general revenue funds. Multiple states safeguard several billion in unclaimed funds, yet are able to only return a fraction of the accounts. As such, states commonly apply unclaimed funds to state initiatives, whether through direct program funding or indirectly through the general fund. Once a responsible calculation has been done to ensure claims on dormant accounts can be met, states have used unclaimed funds on programs that range from constructing school buildings to supporting pension systems. Ohioans can reasonably assume that some portion, likely sizable, will not be claimed and can be used to finance an otherwise unmet public need.

### Role and Overview

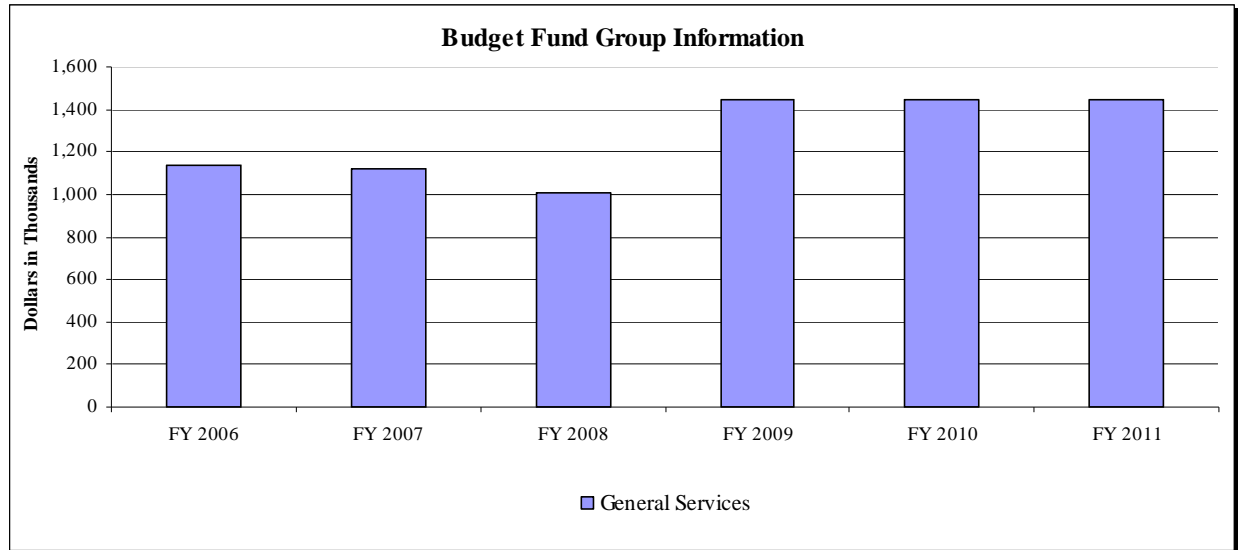
The Accountancy Board (ACC) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to responsibly practice accounting in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. The board's annual budget of slightly more than \$1.4 million supports a staff of 11 in addition to nine board members.

More information about the Accountancy Board is available at <http://acc.ohio.gov/>.

### Agency Priorities

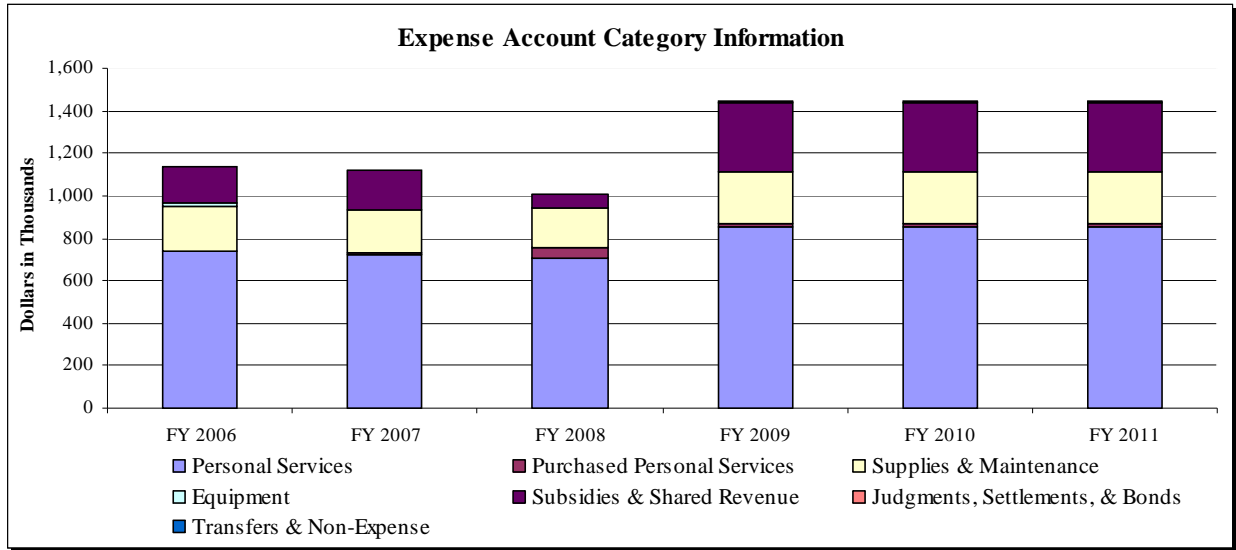
- Ensure that Ohio businesses and individuals in Ohio receive quality public accounting services.
- Set and enforce rules, standards, and guidelines governing certified public accountants and public accountants.
- Administer the board's scholarship program.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|-------------|----------------------|------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Services                    | 1,140        | 1,124        | 1,010        | 1,442         | 42.7        | 1,442                | 0.0        | 1,442        | 0.0        |
| <b>TOTAL</b>                        | <b>1,140</b> | <b>1,124</b> | <b>1,010</b> | <b>1,442</b>  | <b>42.7</b> | <b>1,442</b>         | <b>0.0</b> | <b>1,442</b> | <b>0.0</b> |





| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|-------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 737          | 725          | 710          | 850              | 19.6        | 850                     | 0.0        | 850          | 0.0        |
| Purchased Personal Services                   | 1            | 2            | 46           | 20               | -57.5       | 20                      | 0.0        | 20           | 0.0        |
| Supplies & Maintenance                        | 215          | 208          | 185          | 242              | 30.8        | 242                     | 0.0        | 242          | 0.0        |
| Equipment                                     | 11           | 3            | 5            | 3                | -42.0       | 3                       | 0.0        | 3            | 0.0        |
| Subsidies & Shared Revenue                    | 173          | 184          | 62           | 325              | 422.2       | 325                     | 0.0        | 325          | 0.0        |
| Judgments, Settlements, & Bonds               | 2            | 1            | 0            | 2                | 100.0       | 0                       | -100.0     | 0            | 0.0        |
| Transfers & Non-Expense                       | 0            | 0            | 1            | 0                | -100.0      | 2                       | 100.0      | 2            | 0.0        |
| <b>TOTAL</b>                                  | <b>1,140</b> | <b>1,124</b> | <b>1,010</b> | <b>1,442</b>     | <b>42.7</b> | <b>1,442</b>            | <b>0.0</b> | <b>1,442</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series assures that the services received by Ohio's citizens and businesses from licensed certified public accountants and public accountants will be performed in an ethical and professional manner and to strictly and fairly enforce Ohio's statutes and rules.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Accountancy Board.

#### The Executive Recommendation will fund the following objectives:

- Support the regulation of 3,600 active public accounting firms and approximately 30,000 active licensees including the renewal of approximately 21,700 licenses over the biennium;
- Fund investigative activities and permit the board to properly discipline licensees who violate accountancy laws;
- Enhance the Education Assistance program that provides college scholarships; and
- Allow the board to make use of technology to improve operations.

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**State of Ohio**  
**Accountancy Board**

| FUND              |      |        |                          | RECOMMENDED |           |
|-------------------|------|--------|--------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                 | FY 2010     | FY 2011   |
| GSF               | 4J80 | 889601 | CPA Education Assistance | 325,000     | 325,000   |
| GSF               | 4K90 | 889609 | Operating                | 1,117,000   | 1,117,000 |
| TOTAL FOR PROGRAM |      |        |                          | 1,442,000   | 1,442,000 |

**LINE ITEM SUMMARY - Accountancy Board**

| FUND                           | ALI    | ALI NAME                 | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------|--------|--------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4J80                           | 889601 | Cpa Education Assistance | 173,058           | 184,338           | 62,233            | 325,000             | 325,000                | .0          | 325,000                | 0.0         |
| 4K90                           | 889609 | Operating                | 966,487           | 939,228           | 948,045           | 1,117,000           | 1,117,000              | 0.0         | 1,117,000              | 0.0         |
| <b>TOTAL General Services</b>  |        |                          | <b>1,139,545</b>  | <b>1,123,566</b>  | <b>1,010,278</b>  | <b>1,442,000</b>    | <b>1,442,000</b>       | <b>0.0</b>  | <b>1,442,000</b>       | <b>0.0</b>  |
| <b>TOTAL Accountancy Board</b> |        |                          | <b>1,139,545</b>  | <b>1,123,566</b>  | <b>1,010,278</b>  | <b>1,442,000</b>    | <b>1,442,000</b>       | <b>0.0</b>  | <b>1,442,000</b>       | <b>0.0</b>  |

### **Role and Overview**

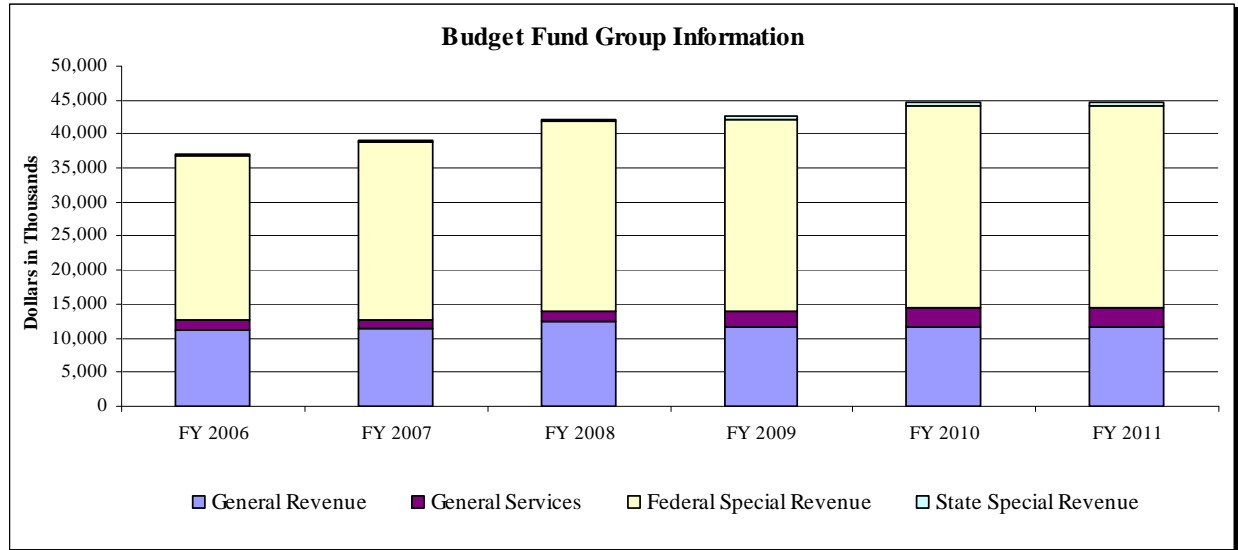
The Adjutant General's Department (ADJ) provides administration, oversight and command-control of the Ohio organized militia which is principally comprised of the Ohio Army and Air National Guard. Current strength level is at 16,300 guard-members. The ADJ has both a federal and state mission. The Governor is the Commander in Chief of the National Guard during peacetime and the National Guard may be called to state active duty to assist during natural disasters or other state emergencies; additionally, units may be called to federal active duty by the President. The department has three main responsibilities: management and oversight, facility maintenance, and maintaining high levels of readiness and preparedness of which recruitment of soldiers and airmen is the key.

The Adjutant General is appointed by the Governor and is a member of the Governor's cabinet. The agency has an annual state-administered operating budget of approximately \$45 million. Of that amount, approximately 25 percent (about \$11.6 million) are State General Revenue Funds (GRF). Over two-thirds are federal funds that are administered through the state budget, and the remainder is special funds generated by programs they support. The agency has approximately 370 full-time state employees, although only 94 are funded exclusively through the GRF. 13 are funded from fees. The remainder is either fully supported by federal funds, or is funded 3:1 or greater federal/state match. The state funds are necessary to complement federal grants for the administration of the Ohio Army and Air National Guard infrastructure support (3.2 million square feet) and employees in support of federal programs. In addition to the state-administered budget, the Ohio Army and Air National Guard receive direct federal funds for readiness that include, payroll of full-time federal employees and guard-members, training and operations, equipment and maintenance/readiness, and federal facilities construction and maintenance. During federal fiscal year 2008, the direct federal funding provided to the Ohio National Guard exceeded \$457 million. Additional information about the Adjutant General is available at <http://ong.ohio.gov/>.

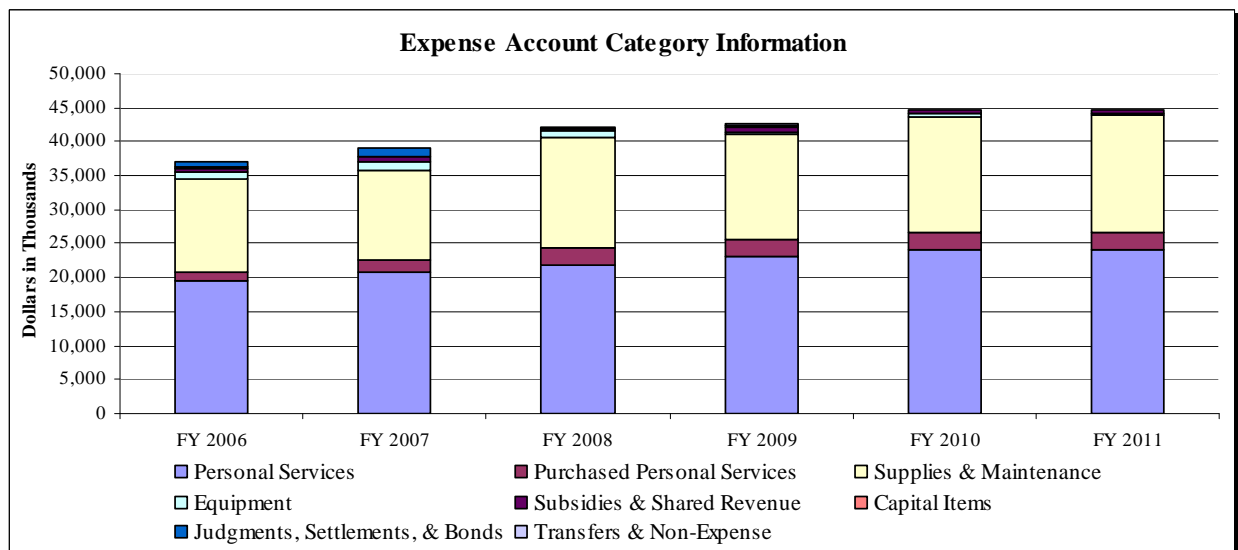
### **Agency Priorities**

- Maintain the highest levels of readiness. Recruit, train, and retain soldiers and airmen that provide a ready response capability to meet national and state mission requirements is the key element to readiness.
- Construct and maintain facilities for the Ohio National Guard that support the assigned force structure and meets new modern equipment stationing requirements to provide a response capable force.
- Maintain and sustain a relevant Department of Defense force structure in the Ohio National Guard that is responsive to the national defense strategy as well as state mission requirements.
- Sustain the National Guard Scholarship program within the Ohio Board of Regents' budget as a key tool in sustaining 110 percent military strength and increasing the number of students in Ohio's colleges and universities.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. CHANGE   |            | RECOMMENDED   |            |               |            |
|-------------------------------------|---------------|---------------|---------------|---------------|------------|---------------|------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09   | FY 2010       | % CHANGE   | FY 2011       | % CHANGE   |
| General Revenue                     | 11,093        | 11,300        | 12,372        | 11,640        | -5.9       | 11,639        | 0.0        | 11,639        | 0.0        |
| General Services                    | 1,642         | 1,503         | 1,600         | 2,307         | 44.2       | 2,773         | 20.2       | 2,773         | 0.0        |
| Federal Special Revenue             | 24,087        | 25,915        | 27,993        | 28,252        | 0.9        | 29,821        | 5.6        | 29,821        | 0.0        |
| State Special Revenue               | 181           | 293           | 288           | 349           | 21.0       | 449           | 28.7       | 474           | 5.7        |
| <b>TOTAL</b>                        | <b>37,003</b> | <b>39,012</b> | <b>42,253</b> | <b>42,547</b> | <b>0.7</b> | <b>44,681</b> | <b>5.0</b> | <b>44,707</b> | <b>0.1</b> |



**State of Ohio**  
**Adjutant General**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED   |             |               |             |
|---|---------------|---------------|---------------|------------------|------------|---------------|-------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                             | 19,504        | 20,743        | 21,771        | 23,164           | 6.4        | 24,069        | 3.9         | 24,069        | 0.0         |
| Purchased Personal Services                   | 1,275         | 1,906         | 2,470         | 2,392            | -3.1       | 2,503         | 4.6         | 2,510         | 0.3         |
| Supplies & Maintenance                        | 13,824        | 13,193        | 16,256        | 15,468           | -4.8       | 17,189        | 11.1        | 17,208        | 0.1         |
| Equipment                                     | 886           | 1,194         | 1,081         | 424              | -60.8      | 445           | 5.0         | 445           | 0.0         |
| Subsidies & Shared Revenue                    | 653           | 833           | 398           | 721              | 81.4       | 471           | -34.8       | 471           | 0.0         |
| Capital Items                                 | 100           | 0             | 1             | 123              | 8,336.1    | 0             | -100.0      | 0             | 0.0         |
| Judgments, Settlements, & Bonds               | 762           | 1,143         | 0             | 0                | 0.0        | 0             | 0.0         | 0             | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 276           | 254              | -8.0       | 4             | -98.3       | 4             | 0.0         |
| <b>TOTAL</b>                                  | <b>37,003</b> | <b>39,012</b> | <b>42,253</b> | <b>42,547</b>    | <b>0.7</b> | <b>44,681</b> | <b>5.0</b>  | <b>44,707</b> | <b>0.1</b>  |

**PROGRAM SERIES 01: Ohio Army National Guard**

This program series provides an organized, trained, and equipped Army National Guard force ready and able to respond to the vital security interests of the communities, state, and nation. The Ohio Army National Guard participates in and promotes activities that add value to Ohio's communities; protects life and property; and preserves peace, order, and public safety.

**Program 01.01: Army National Guard Support**

This program provides staff and facilities for essential troop assembly and training facilities required to develop and sustain ready military units. Support is provided for over 11,000 Army National Guard soldiers who train at 52 armories statewide.

**The Executive Recommendation will fund the following objectives:**

- The Army National Guard force structure necessary to ensure a capability to respond to state natural disasters, homeland defense events, National Command Authority or other emergencies;
- Utility costs and maintenance for upkeep of 6.8 million square feet of facilities; and
- Executive oversight and management of maintenance and repairs and maintenance staff to ensure usable condition of readiness centers for soldier assembly, training and recruiting through 88 FTE personnel.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 745499 | Army National Guard                   | 5,362,921         | 5,362,921         |
| GSF                      | 5340 | 745612 | Armory Improvements                   | 715,696           | 715,696           |
| FED                      | 3420 | 745616 | Army National Guard Service Agreement | 10,044,614        | 10,044,614        |
| SSR                      | 5U80 | 745613 | Community Match Armories              | 320,000           | 345,600           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>16,443,231</b> | <b>16,468,831</b> |

**PROGRAM SERIES 02: Ohio Air National Guard**

This program series provides an organized, equipped, and trained Air National Guard force ready and able to respond to the vital security interests of the communities, state, and nation. The Ohio Air National Guard participates in and promotes activities that add value to Ohio's communities; protects life and property; and preserves peace, order, and public safety.

**Program 02.01: Air National Guard Support**

This program provides operations and maintenance support for four Ohio Air National Guard Wings and three separate operating locations serving more than 5,300 members.

**The Executive Recommendation will fund the following objectives:**

- The Ohio Air National Guard force structure of 5,300 airmen necessary to respond effectively to state natural disasters, homeland defense events, National Command Authority or other emergencies;
- Utility costs and maintenance for upkeep of 1.4 million square feet of facilities for equipment storage, airmen training and assembly; and
- Maintenance and facility support staff to provide on-site support to all Ohio Air National Guard Wings and separate operating locations through 73 FTE personnel.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 745404 | Air National Guard                          | 1,991,606         | 1,992,606         |
|                          |      |        | Air National Guard Operations & Maintenance |                   |                   |
| FED                      | 3E80 | 745628 | Agreement                                   | 8,172,443         | 8,172,443         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>10,164,049</b> | <b>10,165,049</b> |

**Program 02.02: Firefighters and Security Guards**

This program provides fire and security protection services to four Ohio Air National Guard Wings as authorized and funded by federal cooperative agreements.

**The Executive Recommendation will fund the following objectives:**

- Emergency response and protection for civilian and military aircraft operations and community mutual aid assistance upon request at the four Ohio Air National Guard Wing locations through 103 FTE firefighter personnel; and
- 24 hour facility and aircraft protection at the four Air Wing locations in Ohio through 47 FTE security guard personnel.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010           | FY 2011           |
| FED                      | 3410 | 745615 | Air National Guard Base Security            | 2,777,692         | 2,777,692         |
|                          |      |        | Air National Guard Operations & Maintenance |                   |                   |
| FED                      | 3E80 | 745628 | Agreement                                   | 7,876,152         | 7,876,152         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>10,653,844</b> | <b>10,653,844</b> |

**PROGRAM SERIES 03: Services and Training**

This program provides various services, mainly overnight accommodations and event rentals, for use by the military, guard members, and general public.

**Program 03.01: Buckeye Inn**

This program maintains the Buckeye Inn complex, a billeting operation that provides overnight accommodations for military personnel engaged in training or mission activity in central Ohio.

**The Executive Recommendation will fund the following objectives:**

- Provide overnight accommodations for 12,000 military personnel each year at reasonable lodging rates;
- Provide lodging facilities to support accommodations for military personnel required to travel and remain overnight to perform training; and
- Staffing to operate the facility as a rental activity through 3 FTE personnel.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GSF                      | 5360 | 745620 | Camp Perry Clubhouse & Rental | 511,010        | 511,010        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>511,010</b> | <b>511,010</b> |

**Program 03.02: Camp Perry Clubhouse**

This program maintains billeting facilities and the small convention center at the Camp Perry Training Site for overnight accommodations and training activities of military personnel, as well as facilities access for the general public.

**The Executive Recommendation will fund the following objectives:**

- Maintain facility operations to provide rental properties including motels, cottages, hutments, an RV park and banquet facilities to support training for the Ohio National Guard and the civilian community;
- Equip facilities to support the National Rifle and Pistol Matches each year, an activity that draws approximately 8,000 competitors and produces revenue for the local economy of Ottawa County; and
- Staffing to operate the facility for rentals through 9 FTE personnel.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GSF                      | 5360 | 745620 | Camp Perry Clubhouse & Rental | 965,859        | 965,859        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>965,859</b> | <b>965,859</b> |

**Program 03.03: Camp Perry Operations**

This program operates the Camp Perry Training Site complex which provides on-site firing ranges for military qualification training and national event match competitions for the general public. This training site incorporates federal training and billeting facilities for use by the military, as well as state-operated rental facilities.

**The Executive Recommendation will fund the following objectives:**

- Support the Camp Perry complex for training and weapons qualification for the, local, state and federal law enforcement agencies, and the Ohio Army National Guard;
- Maintain the shooting range operations staff to provide care for the ranges, buildings and more than 600 acres of property through 16 FTE personnel;
- Maintain facilities necessary to provide overnight accommodations for military personnel for training ; and
- Support the National Rifle and Pistol Matches held annually in concert with the Civilian Marksmanship Program and the National Rifle Association.

| FUND                     |      |        |                                       | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 745499 | Army National Guard                   | 603,396          | 603,396          |
| GSF                      | 5360 | 745620 | Camp Perry Clubhouse & Rental         | 26,101           | 26,101           |
| FED                      | 3420 | 745616 | Army National Guard Service Agreement | 769,386          | 769,386          |
| SSR                      | 5280 | 745605 | Marksmanship Activities               | 128,600          | 128,600          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>1,527,483</b> | <b>1,527,483</b> |



**Program 03.04: Militia**

This program provides a reserve cadre of military forces capable of being called to duty and trained to defend the state or provide emergency response whenever the Ohio National Guard is ordered into federal service or is otherwise unavailable, leaving the state without adequate defense or emergency response capabilities.

**The Executive Recommendation will fund the following objectives:**

- Fund the cost of meals provided to the Militia during annual training at Camp Perry; and
- Provide miscellaneous supplies for training activities.

| FUND                     |      |        |                                 | RECOMMENDED   |               |
|--------------------------|------|--------|---------------------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010       | FY 2011       |
| GRF                      | GRF  | 745401 | Ohio Military Reserve           | 13,675        | 13,675        |
| GSF                      | 5370 | 745604 | Ohio National Guard Maintenance | 20,000        | 20,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>33,675</b> | <b>33,675</b> |

**PROGRAM SERIES 04 Program Management**

This program series provides executive oversight, management, and administration of the Adjutant General's Department functions and the Ohio Army and Air National Guard.

**Program 04.01: Program Management**

This program provides executive and administrative support services to the Ohio Army and Air National Guard program and department. Support includes executive staff, public relations, human resources, finance operations, purchasing and contracting operations, tuition grant scholarship coordination, and administrative and facility support services.

**The Executive Recommendation will fund the following objectives:**

- Staffing for executive oversight and administrative support of the Ohio Army and Air National Guard programs through 41 FTE personnel;
- Staffing to manage the National Guard Tuition Grant program that provides full college tuition scholarships for guardsmen through 3 FTE personnel; and
- Provide utility and maintenance operating costs for operation of Beightler Armory as the Joint Force Headquarters for the Ohio National Guard and the department.

| FUND                     |      |        |                                       | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 745404 | Air National Guard                    | 19,000           | 18,000           |
| GRF                      | GRF  | 745407 | National Guard Benefits               | 500,000          | 500,000          |
| GRF                      | GRF  | 745409 | Central Administration                | 3,105,784        | 3,105,784        |
| GRF                      | GRF  | 745499 | Army National Guard                   | 42,234           | 42,234           |
| GSF                      | 5340 | 745612 | Armory Improvements                   | 284,304          | 284,304          |
| GSF                      | 5370 | 745604 | Ohio National Guard Maintenance       | 249,826          | 249,826          |
| FED                      | 3420 | 745616 | Army National Guard Service Agreement | 156,050          | 156,050          |
| FED                      | 3R80 | 745603 | Counter Drug Operations               | 25,000           | 25,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>4,382,198</b> | <b>4,381,198</b> |

**LINE ITEM SUMMARY - Adjutant General**

| FUND                                 | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                                  | 745401 | Ohio Military Reserve                                 | 15,155            | 15,194            | 12,200            | 11,878              | 13,675                 | 15.1        | 13,675                 | 0.0         |
| GRF                                  | 745404 | Air National Guard                                    | 1,865,480         | 2,069,410         | 2,283,912         | 2,236,198           | 2,010,606              | -10.1       | 2,010,606              | 0.0         |
| GRF                                  | 745407 | National Guard Benefits                               | 709,229           | 771,122           | 304,330           | 657,250             | 500,000                | -23.9       | 500,000                | 0.0         |
| GRF                                  | 745409 | Central Administration                                | 4,127,157         | 4,375,254         | 4,202,282         | 4,274,211           | 3,105,784              | -27.3       | 3,105,784              | 0.0         |
| GRF                                  | 745499 | Army National Guard                                   | 4,273,188         | 3,964,905         | 5,466,312         | 4,370,647           | 6,008,551              | 37.5        | 6,008,551              | 0.0         |
| GRF                                  | 745502 | Ohio National Guard Unit Fund                         | 102,973           | 104,473           | 102,973           | 89,698              | 0                      | -100.0      | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |   | <b>11,093,182</b> | <b>11,300,358</b> | <b>12,372,010</b> | <b>11,639,882</b>   | <b>11,638,616</b>      | <b>0.0</b>  | <b>11,638,616</b>      | <b>0.0</b>  |
| 5340                                 | 745612 | Armory Improvements                                   | 413,317           | 246,446           | 223,085           | 534,304             | 1,000,000              | 87.2        | 1,000,000              | 0.0         |
| 5360                                 | 745620 | Camp Perry Clubhouse & Rental                         | 1,022,339         | 1,079,119         | 1,224,388         | 1,502,970           | 1,502,970              | 0.0         | 1,502,970              | 0.0         |
| 5370                                 | 745604 | Ohio National Guard Maintenance                       | 206,080           | 177,804           | 152,155           | 269,826             | 269,826                | 0.0         | 269,826                | 0.0         |
| <b>TOTAL General Services</b>        |        |   | <b>1,641,737</b>  | <b>1,503,370</b>  | <b>1,599,628</b>  | <b>2,307,100</b>    | <b>2,772,796</b>       | <b>20.2</b> | <b>2,772,796</b>       | <b>0.0</b>  |
| 3410                                 | 745615 | Air National Guard Base Security                      | 2,036,734         | 2,064,444         | 2,353,146         | 2,729,939           | 2,777,692              | 1.7         | 2,777,692              | 0.0         |
| 3420                                 | 745616 | Army National Guard Service Agreement                 | 9,681,064         | 10,526,741        | 10,970,946        | 10,590,050          | 10,970,050             | 3.6         | 10,970,050             | 0.0         |
| 3E80                                 | 745628 | Air National Guard Operations & Maintenance Agreement | 12,353,046        | 13,315,785        | 14,661,448        | 14,906,820          | 16,048,595             | 7.7         | 16,048,595             | 0.0         |
| 3R80                                 | 745603 | Counter Drug Operations                               | 16,078            | 8,382             | 7,873             | 25,000              | 25,000                 | 0.0         | 25,000                 | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>24,086,921</b> | <b>25,915,352</b> | <b>27,993,412</b> | <b>28,251,809</b>   | <b>29,821,337</b>      | <b>5.6</b>  | <b>29,821,337</b>      | <b>0.0</b>  |
| 5280                                 | 745605 | Marksmanship Activities                               | 118,261           | 120,508           | 122,473           | 128,600             | 128,600                | 0.0         | 128,600                | 0.0         |
| 5DN0                                 | 745618 | Service Medal Production                              | 0                 | 1,405             | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 5U80                                 | 745613 | Community Match Armories                              | 63,165            | 170,776           | 165,689           | 220,000             | 320,000                | 45.5        | 345,600                | 8.0         |
| <b>TOTAL State Special Revenue</b>   |        |   | <b>181,426</b>    | <b>292,690</b>    | <b>288,162</b>    | <b>348,600</b>      | <b>448,600</b>         | <b>28.7</b> | <b>474,200</b>         | <b>5.7</b>  |
| <b>TOTAL Adjutant General</b>        |        |   | <b>37,003,266</b> | <b>39,011,770</b> | <b>42,253,211</b> | <b>42,547,391</b>   | <b>44,681,349</b>      | <b>5.0</b>  | <b>44,706,949</b>      | <b>0.1</b>  |

### **Role and Overview**

The Department of Administrative Services (DAS) was established in 1974 by consolidating specialized support services required to operate a state government into a single agency. The department's 1,066 funded positions provide services to state agencies through the recruitment, selection, and retention of state employees; administration, design, construction, and renovation of state-owned buildings; procurement of goods and services; management of state property; coordination and promotion of equal access to state employment and contracting opportunities; negotiation and interpretation of the state's collective bargaining contracts; and provision of statewide oversight, leadership, and direction for all activities related to information technology.

DAS plays an integral role in lowering the cost of running state government by providing enterprise-wide business services. The agency manages more than 30 program areas that serve its Ohio government customers, which in turn directly serve the interests of Ohio citizens. To provide these services, DAS is organized into five operating divisions: Equal Opportunity, General Services, Human Resources, Collective Bargaining, and the Office of Information Technology (OIT). There is also a division that provides administrative support to the agency.

In the past, both the director of DAS and the director of OIT have been members of the Governor's cabinet. However, the fiscal year 2008-2009 budget included provisions to fully integrate OIT into DAS.

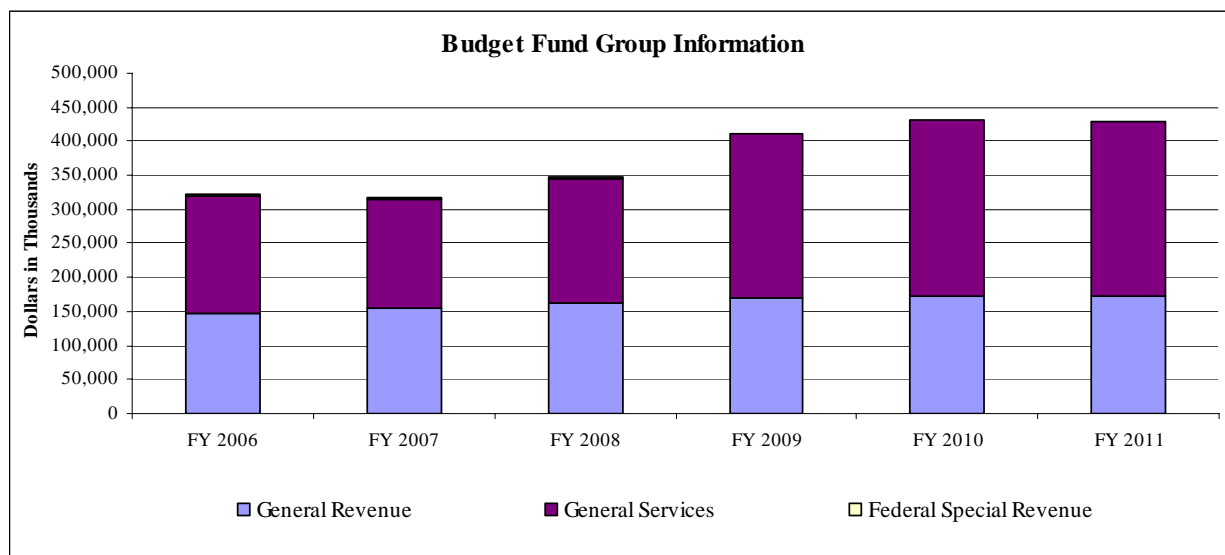
More information regarding DAS is available at <http://www.das.ohio.gov/>.

### **Agency Priorities**

Five goals contained in the DAS Flexible Performance Plan serve to further the DAS mission to provide service, support, and solutions to Ohio government:

- **Serve the State:** Satisfy customers and agency partners by developing and delivering creative solutions to meet their needs for space, products, and services and incorporate customer feedback and customer satisfaction in DAS's planning and decision making process.
- **Service Excellence:** Foster trust through quality service to agencies and focus on sensible centralization of services by providing excellent service and making it easy and cost-effective for state workers to get the necessary supplies and services for use in their work.
- **Think Ohio First:** Foster programs and policies to encourage investment in Ohio's economy by promoting programs that provide access and opportunities to companies and entities that employ Ohioans, and help other agencies conduct similar activities.
- **Attract Human Capital:** Attract and develop human capital through the development of a more effective personnel management process that will integrate with the strategic goals of state government.
- **Accountability:** Assess the potential for improved efficiencies to make state government more effective and responsive to its constituents and, by working with the Governor, eliminate redundancies and unnecessary overlap of services and products.

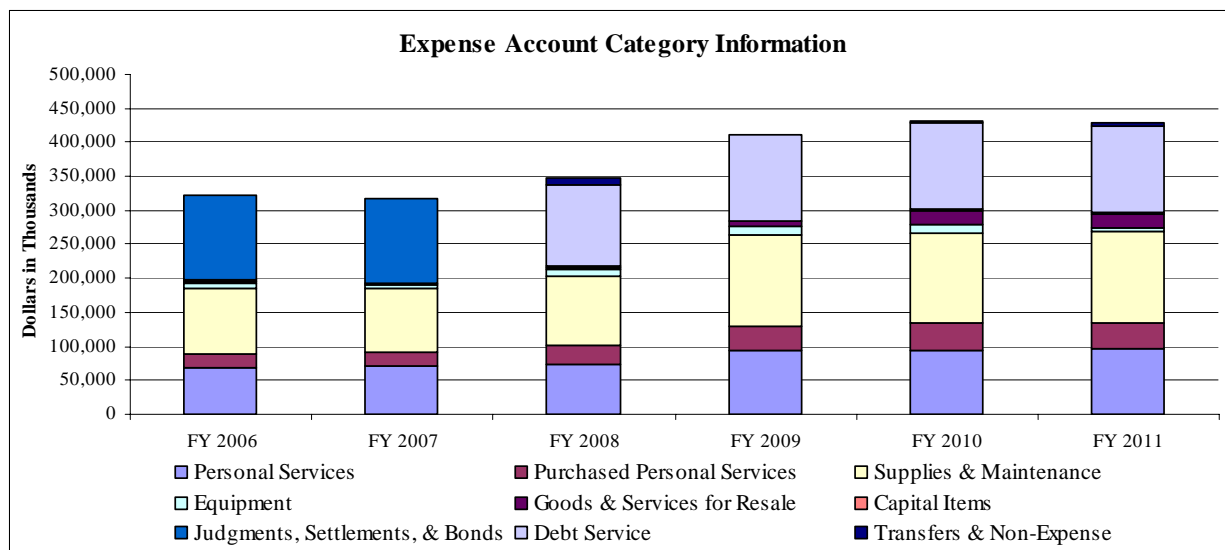
### Summary of Budget History and Recommendations



- To show the core DAS budget in more detail, this figure excludes payment of payroll withholdings for benefits and other contributions totaling \$2.1 billion each in fiscal years 2006 and 2007. These payments were moved to the Employee Benefits Funds (PAY) budget beginning in fiscal year 2008.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |                |             |
|-------------------------------------|----------------|----------------|----------------|------------------|-------------|-------------------------|------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011        | CHANGE      |
| General Revenue                     | 147,574        | 155,913        | 162,332        | 169,691          | 4.5         | 172,449                 | 1.6        | 173,308        | 0.5         |
| General Services                    | 172,860        | 160,001        | 184,045        | 240,833          | 30.9        | 260,209                 | 8.0        | 254,509        | -2.2        |
| Federal Special Revenue             | 699            | 624            | 736            | 0                | -100.0      | 0                       | 0.0        | 0              | 0.0         |
| <b>TOTAL</b>                        | <b>321,133</b> | <b>316,538</b> | <b>347,113</b> | <b>410,524</b>   | <b>18.3</b> | <b>432,657</b>          | <b>5.4</b> | <b>427,817</b> | <b>-1.1</b> |

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- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements & Bonds category in fiscal years 2006 and 2007.
- To show the core DAS budget in more detail, this figure excludes payment of payroll withholdings for benefits and other contributions totaling \$2.1 billion each in fiscal years 2006 and 2007. These payments were moved to the Employee Benefits Funds (PAY) budget beginning in fiscal year 2008.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |                |             |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | %          | FY 2011        | %           |
| Personal Services                             | 67,987         | 70,339         | 72,471         | 93,666           | 29.2        | 94,699                  | 1.1        | 96,614         | 2.0         |
| Purchased Personal Services                   | 20,512         | 19,857         | 29,882         | 36,793           | 23.1        | 39,862                  | 8.3        | 37,995         | -4.7        |
| Supplies & Maintenance                        | 96,176         | 94,069         | 100,389        | 132,337          | 31.8        | 132,496                 | 0.1        | 134,923        | 1.8         |
| Equipment                                     | 8,481          | 6,743          | 9,419          | 13,162           | 39.7        | 13,244                  | 0.6        | 5,111          | -61.4       |
| Goods & Services for Resale                   | 3,463          | 2,765          | 2,589          | 7,377            | 184.9       | 18,566                  | 151.7      | 18,538         | -0.1        |
| Capital Items                                 | 89             | 56             | 0              | 0                | 0.0         | 38                      | 100.0      | 38             | 0.0         |
| Judgments, Settlements, & Bonds               | 124,424        | 122,710        | 2,813          | 1,615            | -42.6       | 2,615                   | 61.9       | 2,615          | 0.0         |
| Debt Service                                  | 0              | 0              | 118,895        | 125,574          | 5.6         | 126,220                 | 0.5        | 127,079        | 0.7         |
| Transfers & Non-Expense                       | 0              | 0              | 10,654         | 0                | -100.0      | 4,918                   | 100.0      | 4,904          | -0.3        |
| <b>TOTAL</b>                                  | <b>321,133</b> | <b>316,538</b> | <b>347,113</b> | <b>410,524</b>   | <b>18.3</b> | <b>432,657</b>          | <b>5.4</b> | <b>427,817</b> | <b>-1.1</b> |

### PROGRAM SERIES 01: General Services Programs

This program series consists of six programs providing various services such as construction management, procurement, printing and copying, vehicle fleets, insurance coverage, and property management to state agencies as customers.

#### Program 01.01: State Architect

The State Architect's Office consists of three functions that provide architectural, engineering, and construction management services, as well as space planning and interior design services for state public improvement projects. (1) Capital Project Management Services manages the design and construction of all projects for any agency, board, commission, or institution that requests its services. Further, it develops and maintains the processes and procedures for the qualifications-based selection of associate architects, engineers, and construction managers on state projects

and produces the protocol used in the “lowest and best bidder” method for state construction contracts. All state agencies except the Departments of Transportation and Natural Resources and certain commissions are subject to DAS oversight of capital projects. The OAKS Capital Improvements module is being implemented as an application to manage the data of state capital improvement projects. (2) Space Planning and Interior Design provides these services for tenants of buildings owned or managed by DAS or the Ohio Building Authority (OBA), as well as for agencies in commercially leased space. Services include maintaining a space density database that includes space plans to ensure that (a) the occupancy plans accurately calculate square footage in DAS and OBA buildings and (b) the plans are reviewed for code compliance. (3) Energy Services facilitates the cost-effective, efficient use of energy in state government operations and facilities through the use of performance-based contracts and capital improvement funds. DAS assists agencies with the integration of energy-efficient measures in the design, construction, renovation, and use of state-owned, -supported, or -leased facilities.

**The Executive Recommendation will fund the following objectives:**

- Provide for the proper management of capital facility development for a large portion of the state’s capital projects and maintain procedures and policies for effective project management for the design and construction of the state’s capital projects;
- Maintain the master contractual requirements for design and construction contracts used in the development of state facilities;
- Provide guidance and support in the competitive selection and bidding process;
- Promote claims avoidance and alternative dispute resolution practices on capital projects;
- Provide direct space planning services to tenants of DAS buildings located in Columbus (includes North High complex, Department of Education building, and DAS’s General Services Division building), OBA buildings (includes James A. Rhodes State Office Tower – Columbus, Vern Riffe Center for Government and the Arts – Columbus, Frank J. Lausche State Office Building – Cleveland, Michael V. DiSalle Government Center – Toledo, and Oliver R. Ocasek Government Center – Akron), and those in commercially leased space;
- Support the development of stacking plans, space and occupancy surveys, and maintenance of a space density database to ensure effective usage of facility space; and
- Allow state government buildings to be more energy efficient through energy audits, retrofit projects, and new design standards, as required by H.B. 251 and Executive Order 2007-02S.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 100421 | OAKS Project Implementation    | 202,500          | 202,500          |
| GRF                      | GRF  | 130321 | State Agency Support Services  | 456,456          | 469,305          |
| GSF                      | 1170 | 100644 | General Services Division-Oper | 1,039,620        | 897,111          |
| GSF                      | 1310 | 100639 | State Architect's Office       | 8,292,759        | 8,331,498        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>9,991,335</b> | <b>9,900,414</b> |

**Program 01.02: Procurement Services**

The Procurement Services Program consists of four functions that provide centralized procurement of supplies and services used in the daily operations of most state agencies. (1) State Purchasing provides term contracts and schedules to state agencies, state colleges and universities, and political subdivisions. In fiscal year 2008, state agencies purchased \$425 million in goods and services from State Purchasing contracts. Responsibilities include registering vendors; developing and distributing bid solicitation documents; evaluating bid responses; preparing contract documents; monitoring activity against contracts; and assisting agencies and vendors in resolving contract compliance issues. Legislation has been approved to reform the procurement processes of the state. This initiative will consolidate and expand the state’s buying power and incorporate best practices and cost saving measures. As part of this, in fiscal year 2009, the procurement functions within OIT were consolidated under this program to improve the efficiency and performance of the state’s procurement function. (2) Cooperative Purchasing prepares procurement contracts used by local governments, school districts, and universities to meet their purchasing needs.

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Cooperative Purchasing provides the contracting expertise of the state that may not be readily available to other public entities and helps realize savings through volume purchases. Some examples of items available through cooperative purchasing are fire engines, fire fighting equipment, school and library furniture, law enforcement equipment, and underground pipe systems. In fiscal year 2008, political subdivisions purchased \$207 million in goods and services from State Purchasing contracts. (3) Competitive Sealed Proposals procures services that are not conducive to traditional bidding on behalf of state agencies—for example, building maintenance services. This procurement method involves issuing Requests for Proposals (RFPs) to solicit bids that State Purchasing evaluates on the basis of price and other factors. (4) Procurement from Community Rehabilitation Programs is responsible for establishing contracts for supplies and services with sheltered work centers serving the developmentally disabled.

**The Executive Recommendation will fund the following objectives:**

- Provide centralized competitive bidding for supplies and services for state agencies;
- Allow over 1,800 Ohio counties, townships, municipalities, school districts, public libraries, regional transit authorities, park districts, and other authorities to buy supplies and services through state government contracts;
- Provide for an alternative competitive process when the competitive sealed bid process is not possible or advantageous to the state;
- Implement strategic sourcing to achieve volume-based savings on contracts for selected commodity groups; and
- Establish contracts for supplies and services with sheltered work centers employing Ohio residents with work-limiting disabilities.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GSF                      | 1170 | 100644 | General Services Division-Oper | 10,314,030        | 10,628,903        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>10,314,030</b> | <b>10,628,903</b> |

**Program 01.03: Printing and Document Management Services**

This program consists of four functions that allow agencies to copy, print, distribute, store, and retrieve written information. (1) Document Reproduction operates a network of five print production facilities that provide a wide range of printing services for state agencies, boards, and commissions. These services include mainframe printing of large variable data projects and fulfillment operations where machines fold and insert documents into envelopes for mailing. (2) Commercial Printing procures printing services on a contract basis from commercial printers on behalf of state agencies when it is not cost-effective for DAS to provide such services through its own copy centers. The program staff are responsible for managing printing projects from design through procurement and production. For each printing project, program staff determine which contract mechanism, term contracts, one-time bids, or direct-purchase quotes will secure the best product at the best cost. (3) Records and Forms Management responsibilities include establishing standards, reviewing disposal requests, and establishing general schedules and guidelines for retaining the records and administering the forms of all state agencies. Records and Forms Management develops policies and procedures to manage the retention and disposal of both paper and electronic records. (4) State Mail Services provides inter-departmental mail delivery, metering, pre-sorting services, and flat-sorting services to state agencies.

**The Executive Recommendation will fund the following objectives:**

- Operate a network of five print production facilities that provide copying, printing, and fulfillment services to state agencies;
- Procure \$28 million to \$30 million worth of commercial printing services for Ohio's state agencies. Printed products include multi-part forms, continuous forms, books, pamphlets, letterheads, envelopes, newsletters, maps, promotional items, and magazines;
- Purchase services and products related to the production of printing such as typesetting and color separations;
- Establish consistent records management standards to be employed by state agencies;

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- Review disposal requests and the development of records retention schedules for all state agencies for paper and electronic documents;
- Fund the processing of 78 million pieces of presort mail and provide mail metering services to customer agencies;
- Support inter-office mail delivery between agencies; and
- Ensure security of statewide mail operations through the use of federally mandated equipment.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| GRF                      | GRF  | 130321 | State Agency Support Services | 922,863           | 948,760           |
| GSF                      | 2100 | 100612 | State Printing                | 17,224,494        | 17,263,080        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>18,147,357</b> | <b>18,211,840</b> |

**Program 01.04: Fleet Management Services**

Fleet Management Services consists of two functions that support the state's motor vehicle fleet management program and provide guidance on vehicle purchases, assignment, usage, maintenance, operation, management analysis, and disposal. (1) Statewide Fleet Services provides customer agencies with an online fleet management information system—named FleetOhio—that provides comprehensive vehicle management reports and vehicle inventory data for all state agencies. Fleet Services also performs a technical review process on all customer requests for the purchase or lease of motor vehicles; develops policies, procedures, and administrative rules; provides fleet oversight; and provides a fleet card for payment of fuel and maintenance expenses that is convenient to agency customers because it is widely accepted by most major oil companies and maintenance vendors. (2) Vehicle Lease and Rental Services maintains a supply of vehicles available for state agency use through long-term leases or short-term rentals.

**The Executive Recommendation will fund the following objectives:**

- Provide vehicle management reports and inventory review to assist DAS and user agencies with the development of agency-specific fleet plans including maintenance management;
- Continue central administration of the state's Voyager Fleet Card Payment program;
- Provide 45 customer agencies with vehicles available for long-term lease or short-term rental and maintain and replace these vehicles;
- Maintain the state's fleet management information system (FleetOhio); and
- Oversee the state's alternative fuel program including monitoring federal activity, providing a credit banking and selling program, and statewide reporting.

| FUND                     |      |        |                  | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010          | FY 2011          |
| GSF                      | 1220 | 100637 | Fleet Management | 2,032,968        | 2,032,968        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>2,032,968</b> | <b>2,032,968</b> |

**Program 01.05: Risk Management Services**

This program consists of two functions that coordinate insurance coverage to protect the state's assets from major loss and to insure agencies against losses that would adversely impact their financial stability. This is accomplished through a combination of self-funding and insurance agreements. (1) Vehicle Liability Services administers the state's self-insured vehicle liability program, which covers a wide variety of vehicles, including emergency units. The program provides vehicle liability insurance for state agencies and acts as a liaison between agencies and private firms to reduce the cost of processing accident claims involving state vehicles. (2) Property, Casualty, and Bonding Services purchases property and casualty insurance coverage through private insurers on behalf of state



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agencies. This program also procures and carries insurance policies for fidelity bonds and other miscellaneous product lines.

**The Executive Recommendation will fund the following objectives:**

- Provide vehicle liability insurance for 16,000 state vehicles and act as a liaison between agencies and private firms to reduce the cost of processing claims against vehicles;
- Recover payments from at-fault parties or their insurance carriers when state vehicles are damaged;
- Administer a statewide property insurance policy that covers over \$5 billion of state-owned building values and 50 million square feet of real property; and
- Provide state agencies with professional risk management services by acquiring property and casualty insurance from private vendors.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GSF                      | 1300 | 100606 | Risk Management Reserve | 5,568,548        | 5,568,548        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>5,568,548</b> | <b>5,568,548</b> |

**Program 01.06: Properties and Facilities Management**

This program consists of six functions that support the activities of state government by providing accommodations for state agencies' space needs and building management services. (1) State and Federal Surplus cost-effectively processes excess and surplus property from state agencies to obtain the maximum benefit to the state. Through this program, excess property (beyond the needs of the state-agency owner) and surplus property (beyond the needs of any state agency) is processed for reuse or disposition. Property that is declared as surplus is generally sold through public auction. (2) Real Estate Services supports most state agencies in real estate matters throughout Ohio's 88 counties. These services include negotiating commercial leases, reviewing appraisals, preparing and processing easements involving state property, and purchasing and selling real property for the state. (3) Security Services provides security officers and electronic monitoring at the following state-owned buildings: 25 South Front Street (Department of Education); 246 North High Street and 35 East Chestnut Street (predominantly Department of Health); 4200 Surface Road (DAS General Services Division); State of Ohio Computer Center (SOCC); and commercially leased space occupied by several state agencies. (4) Facilities Management provides centralized building operations and maintenance services for buildings managed by DAS. (5) Skilled Trades supplies specialized maintenance and repair services such as HVAC, electrical, plumbing, and carpentry to agencies located in DAS-managed building facilities. Skilled Trades also offers a variety of cost-effective minor construction services to other state agencies. (6) Asset Management Services provides guidance on state inventory and capital asset financial reporting. This fulfills the statutory requirement in Ohio Revised Code Section 125.16 to maintain, report, and certify inventories of agencies' state-owned assets.

**The Executive Recommendation will fund the following objectives:**

- Dispose of surplus property through its sale to other state agencies or governmental entities and to private entities;
- Provide for auctioneer services and internet marketing of surplus materials;
- Administer real estate services provided to state agencies, universities, and colleges. Services include real estate appraisal review, commercial leasing, easements, purchasing and selling real estate, and resolving issues related to land and building management;
- Provide safety and security services in five state-owned agency facilities in Columbus through the use of both DAS staff and contracted services based on cost-effectiveness;
- Provide centralized building operations and maintenance services for DAS-owned and -managed buildings. Services provided include custodial, preventive maintenance, HVAC operations, maintenance and repairs,

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major remodeling and renovations, snow removal, and landscaping. These services are provided by both DAS staff and contracted services based on cost-effectiveness;

- Provide services within state-owned buildings at the request of occupant agencies. These services are typically more extensive in scope than those provided through Facilities Management;
- Provide centralized policy and oversight to ensure uniform compliance with the inventory and financial reporting requirements of the Revised Code; and
- Advance efforts to convert agencies from stand-alone asset management systems to the enterprise asset management components of OAKS.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 100734 | Major Maintenance-State Bldg   | 37,800            | 37,800            |
| GRF                      | GRF  | 130321 | State Agency Support Services  | 613,110           | 631,553           |
| GSF                      | 1170 | 100644 | General Services Division-Oper | 704,722           | 718,291           |
| GSF                      | 1320 | 100631 | DAS Building Management        | 10,166,228        | 10,166,228        |
| GSF                      | 4270 | 100602 | Investment Recovery            | 5,683,564         | 5,683,564         |
| GSF                      | 5C30 | 100608 | Skilled Trades                 | 934,982           | 934,982           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>18,140,406</b> | <b>18,172,418</b> |

**Program 01.07: General Services Program Management**

This program provides centralized management of DAS programs in the General Services Program Series.

**The Executive Recommendation will fund the following objectives:**

- Provide for overall management of six General Services programs, including program leadership and oversight, human resources support, and financial management.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 1170 | 100644 | General Services Division-Oper | 2,326,379        | 2,330,317        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>2,326,379</b> | <b>2,330,317</b> |

**PROGRAM SERIES 02: Human Resources**

The Human Resources Program Series consists of four programs designed to meet the human resources needs of state government.

**Program 02.01: State Personnel**

This program provides human resources services to state agencies and, to a more limited degree, counties. Due to the end of GRF support for county human resources services in this program, these functions for counties will transition to a fee-for-service model in the upcoming biennium. (1) The Human Capital Management (HCM) Support Unit processes payroll for state agencies, boards, and commissions; collects and distributes agency and employee contributions to entities such as federal, state, and municipal taxing authorities, retirement programs, credit unions, garnishments, and healthcare and employee benefit providers; and is responsible for annual employee wage reporting. Additionally, the sections within this unit (Position Management, Payroll Processing, Payroll Time and Labor, Garnishments, Reporting, Customer Service, and Payroll Accounting) provide customer service to agencies, dependents, and vendors for all HCM OAKS needs. (2) The Human Resources Support Center provides support and performs personnel functions such as approving position descriptions and personnel actions; maintaining certification eligible lists; and administering civil service exams, provisional tests, and proficiency tests. The center maintains personnel records of state and county agencies. This section also coordinates Ohio's compliance with all provisions of the federal Drug-Free Workplace Act. (3) Compensation and Recruitment

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oversees the creation and maintenance of the employee classification system, performs testing services, and manages the Ohio Performance Review System. This office also assists state agencies with personnel recruitment activities including maintenance of the Ohio Hiring Management System, which is an online hiring tool. (4) The Office of Policy Development administers the five-year rule review process for DAS's Human Resources Division (HRD) pursuant to Ohio Revised Code Section 119.032; provides information and assistance to state agencies and employees related to employment law, legislation affecting public employment in Ohio, and statewide human resources policy and employment; acts as internal legal counsel for HRD and its Deputy Director; and works directly with the Office of Collective Bargaining on bargaining matters, exempt parity, and other issues that impact both union and exempt employees. (5) Training and Development offers educational and development programs such as an administrative and professional support curriculum, supervisory and management development programs, project management, leadership, distance learning opportunities, and skill assessment programs. (6) The Information Resources Center provides updates on human resources policies and procedures through conferences, roundtables, newsletters, and a website.

**The Executive Recommendation will fund the following objectives:**

- Provide for the planning, integration, and implementation of OAKS Human Capital Management application to improve the efficiency and effectiveness of the State of Ohio's human resources and business processes;
- Process the state's payroll, which includes generating an average of 61,000 payroll checks every two weeks, distributing approximately \$4 billion in wages and employee benefits annually, and performing annual employee wage and benefit enrollment data reports;
- Provide centralized recruitment, including an online employment application process and civil service testing of prospective state employees;
- Administer and maintain the job classification and compensation plan;
- Create and maintain certification eligible lists, layoff records, and recall lists and process approvals/disapprovals of personnel actions for centralized and decentralized agencies;
- Issue statewide policies pertaining to human resources and provide information and assistance to agencies and employees related to proposed and current legislation affecting public employment in Ohio;
- Plan, administer, and evaluate the statewide drug testing program;
- Coordinate and offer general and customized training to all state employees focused on enhancing administrative, technical, supervisory, and management/leadership skills; and
- Maintain the official personnel records for employees of state agencies.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GSF                      | 1250 | 100622 | Human Resources Division-Optng | 20,671,347        | 21,477,228        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>20,671,347</b> | <b>21,477,228</b> |

**Program 02.02: Benefits Administration**

This program administers benefits programs for all state employees pursuant to various statutes and collective bargaining agreements. These include health care; long-term care; dental, vision, and life insurance; COBRA; unemployment benefits; dependent care programs; and workers' compensation. Benefits Administration operates a customer support team to assist state agencies and employees with participation in benefit programs. It monitors the performance of health plans and conducts data analysis and research to provide state agencies and employees with the most cost-effective benefit programs. It also manages contracts with all health vendors and supports the annual open enrollment process. This program administers statewide wellness programs, providing resources and guidance to state agencies and employees as well as coordinating special events like conferences and wellness fairs. It oversees a communications program for all employee health, mental health, and substance abuse programs to educate state employees about health care. The Benefits Administration program also administers and adjudicates claims for the disability leave benefit program and oversees absence management activities.

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**The Executive Recommendation will fund the following objectives:**

- Administer benefits programs for state employees including health care; long-term care; dental, vision, and life insurance; dependent care programs; and workers' compensation;
- Handle administration of Consolidated Omnibus Reconciliation Act (COBRA) health care programs;
- Adjudicate claims for the self-insured, state-administered disability leave benefit program;
- Oversee statewide absence management and wellness initiatives; and
- Manage contracts with benefit providers through rate negotiations, vendor performance audits, and analyzing and identifying health care industry trends.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 1250 | 100622 | Human Resources Division-Optng | 5,113,203        | 5,148,418        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>5,113,203</b> | <b>5,148,418</b> |

**Program 02.03: Exempt Employee Educational Programs**

This program provides tuition reimbursement and professional development education and training for employees who are exempt from collective bargaining.

**The Executive Recommendation will fund the following objectives:**

- Provide tuition reimbursement and other professional development education and training for exempt employees.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| GSF                      | 5L70 | 100610 | Professional Development | 3,900,000        | 3,900,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>3,900,000</b> | <b>3,900,000</b> |

**Program 02.04: Non-Exempt Employee Educational Programs**

This program includes five tuition and seminar reimbursement plans created as the result of collective bargaining agreements with the Service Employees International Union (SEIU, District 1199), the State Council of Professional Educators (SCOPE), the Fraternal Order of Police (FOP), and the Ohio State Troopers Association (OSTA). Each plan has negotiated reimbursement levels for approved classes and seminars.

**The Executive Recommendation will fund the following objectives:**

- Provide tuition reimbursement for District 1199, OEA, OSTA (two units), and FOP bargaining unit members.

| FUND                     |      |        |                                 | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010        | FY 2011        |
| GSF                      | 5V60 | 100619 | Employee Educational Developmnt | 936,129        | 936,129        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>936,129</b> | <b>936,129</b> |

**Program 02.05: Human Resources Program Management**

This program provides centralized management of DAS programs in the Human Resources Program Series.

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**The Executive Recommendation will fund the following objectives:**

- Provide for overall management of four Human Resources programs, including program leadership and oversight, human resources support, and financial management.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 1250 | 100622 | Human Resources Division-Optng | 1,377,770        | 1,372,764        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>1,377,770</b> | <b>1,372,764</b> |

**PROGRAM SERIES 03: Collective Bargaining**

The Collective Bargaining Program Series supports the collective bargaining process with union-represented state employees on behalf of the Governor. This program series is responsible for collective bargaining agreements with five unions representing 14 bargaining units. The five unions are OCSEA, SEIU/District 1199, SCOPE, FOP, and OSTA. More than 41,000 state employees are covered by these agreements.

**Program 03.01: Collective Bargaining**

This program provides representation to state agencies in contract negotiations with labor unions. It develops cost estimates of proposed changes to collective bargaining agreements, statistical analyses of labor market trends, labor costs for dispute resolution, contract negotiations, and statewide or agency payroll cost analyses when requested by the Governor, the legislature, or state agencies. The program is responsible for interpreting collective bargaining contract language, providing guidance for statewide consistency in contract administration matters, and providing guidance when contract language may conflict with provisions of the Ohio Revised Code or other law. The program assists state agencies in resolving employee grievances through the selection and scheduling of mediation and arbitration services and provides representation in issues before the State Employment Relations Board. In addition, the Collective Bargaining program provides centralized training activities for agency labor relations and human resources administrators.

**The Executive Recommendation will fund the following objectives:**

- Support administration of six collective bargaining agreements with five unions;
- Support coordination and review of mid-term changes in collective bargaining agreements;
- Ensure effective contract administration by developing and providing training on labor-management cooperatives, arbitration advocacy, supervision, administrative investigations, and pre-disciplinary meetings;
- Represent the state in the resolution of approximately 2,500 employee grievances per year;
- Represent the state before the State Employment Relations Board in approximately 100 unfair labor practice charges and bargaining unit determinations over the biennium;
- Support other statewide elected office holders in negotiations with up to four collective bargaining agreements and three unions that will take place over the biennium; and
- Develop cost estimates for proposed collective bargaining changes, statistical analysis of labor market trends, and labor costs for dispute resolution.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| GSF                      | 1280 | 100620 | Collective Bargaining | 3,662,534        | 3,662,534        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>3,662,534</b> | <b>3,662,534</b> |

**PROGRAM SERIES 04: Equal Opportunity Programs**

The Equal Opportunity Program Series consists of four programs that assist state agencies with the promotion of equal access to state employment and contracting opportunities. These programs help minority and economically disadvantaged vendors gain access to and obtain contracts with the state. These programs also provide services to state employees and minority communities.

**Program 04.01: AA/EEO Compliance**

This program directs and manages the state employee discrimination complaint procedure program. The discrimination complaint procedure provides a vehicle for any state employee to address and resolve perceived employment discrimination issues and ensures complaints are processed in compliance with state and federal laws or regulations governing those activities. The program provides guidelines, procedures, and expertise to state agencies, boards, and commissions in the development and implementation of strategic planning for equal employment opportunity programming within their departments.

**The Executive Recommendation will fund the following objectives:**

- Provide leadership and guidance to state agencies, boards, and commissions to operate equal opportunity programs by managing the state employee discrimination complaint procedure program.

| FUND              |      |        |                             | RECOMMENDED |         |
|-------------------|------|--------|-----------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011 |
| GSF               | 1880 | 100649 | Equal Opportunity Div--Oper | 514,444     | 512,544 |
| TOTAL FOR PROGRAM |      |        |                             | 514,444     | 512,544 |

**Program 04.02: MLK Commission**

The MLK Commission provides liaison services to the Ohio Dr. Martin Luther King Jr. Holiday Commission. The commission has three major programming initiatives: sponsoring the Ohio Dr. Martin Luther King Jr. Commemorative Celebration, publishing a yearly calendar to educate and enlighten Ohioans about equality-related topics and the legacy of Dr. King, and sponsoring a statewide oratorical contest for Ohio youth that promotes awareness of the importance of providing opportunities for equal employment and economic development.

**The Executive Recommendation will fund the following objectives:**

- Provide liaison services, funding, budget preparation, and clerical support to the Ohio Dr. Martin Luther King Jr. Holiday Commission.

| FUND              |      |        |                  | RECOMMENDED |         |
|-------------------|------|--------|------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME         | FY 2010     | FY 2011 |
| GRF               | GRF  | 100451 | Minority Affairs | 50,016      | 50,016  |
| TOTAL FOR PROGRAM |      |        |                  | 50,016      | 50,016  |

**Program 04.03: Construction Compliance**

This program ensures that contractors on state or state-assisted construction projects comply with equal employment opportunity laws and regulations. A major responsibility of the program is issuing certificates of compliance that permit contractors to work on state or state-assisted projects. This certifies that the contractor has not violated any affirmative action program requirements during the last five years.

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**The Executive Recommendation will fund the following objectives:**

- Ensure that contractors on state and state-assisted construction projects comply with laws and regulations pertaining to equal employment opportunity.

| FUND              |      |        |                         | RECOMMENDED |           |
|-------------------|------|--------|-------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                | FY 2010     | FY 2011   |
| GRF               | GRF  | 102321 | Construction Compliance | 1,108,744   | 1,108,744 |
| TOTAL FOR PROGRAM |      |        |                         | 1,108,744   | 1,108,744 |

**Program 04.04: EO Certification Programs**

This program facilitates access to state government contracts and business services for underrepresented Ohio businesses. This program provides certification for Ohio businesses interested in participating in the MBE and EDGE Programs. The MBE Program assists minority businesses in obtaining state government contracts through a set-aside procurement program for goods and services. The EDGE Program is a business development program for small, socially and economically disadvantaged businesses.

**The Executive Recommendation will fund the following objectives:**

- Assist minority businesses with obtaining state government contracts through a set-aside procurement program for goods and services; and
- Provide a business development program for small, socially and economically disadvantaged businesses to facilitate access to state government contracts of various types and business services for EDGE-certified businesses.

| FUND              |      |        |                              | RECOMMENDED |         |
|-------------------|------|--------|------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011 |
| GRF               | GRF  | 100439 | Equal Opportunity Certif Pgm | 712,724     | 712,724 |
| TOTAL FOR PROGRAM |      |        |                              | 712,724     | 712,724 |

**Program 04.05: Equal Opportunity Program Management**

This program provides centralized management of DAS programs in the Equal Opportunity Program Series.

**The Executive Recommendation will fund the following objectives:**

- Provide for overall management of four Equal Opportunity programs, including program leadership and oversight, human resources support, and financial management.

| FUND              |      |        |                             | RECOMMENDED |         |
|-------------------|------|--------|-----------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011 |
| GSF               | 1880 | 100649 | Equal Opportunity Div--Oper | 370,206     | 372,106 |
| TOTAL FOR PROGRAM |      |        |                             | 370,206     | 372,106 |

**PROGRAM SERIES 05: Information Technology**

The Information Technology Program Series is home to the senior leadership and strategic direction-setting body for the State of Ohio on information technology (IT) issues. The program series also includes an enterprise-wide structure for managing policy, planning, and project management to promote cost-effective IT usage by agencies, boards, and commissions. In addition, it provides a variety of services such as network infrastructure, data storage, and maintenance of operating system environments.



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**Program 05.01: Enterprise IT Leadership**

The state chief information officer is responsible for the strategic direction and efficient use of IT across the state and for oversight of state activities related to IT. This program supports planning, research, communication, and collaboration among government entities.

**The Executive Recommendation will fund the following objectives:**

- Fund senior staff and technical experts to make informed, strategic decisions about the current use of and future plans for Ohio's approach to information technology.

| FUND                     |      |        |               | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME      | FY 2010          | FY 2011          |
| GSF                      | 2290 | 100630 | IT Governance | 1,745,113        | 1,765,401        |
| <b>TOTAL FOR PROGRAM</b> |      |        |               | <b>1,745,113</b> | <b>1,765,401</b> |

**Program 05.02: Digital Government**

This program coordinates the state's efforts to deliver online services to the public. Digital Government manages the state's primary web site, Ohio.gov, and provides website hosting to state agencies. This program also oversees the development and operation of the Ohio Business Gateway (OBG), which is a web-based application that allows businesses to file reports for and pay, by the end of fiscal year 2009, 36 different taxes and fees at one Internet location. The system continues to expand to enable other transactions between the state and the public. In fiscal year 2008, the program accepted over \$3.4 billion in electronic payments.

**The Executive Recommendation will fund the following objectives:**

- Provide an internet portal by which businesses can transact business with the State of Ohio, 24 hours a day, seven days a week; and
- Provide funding for the state portal, the host to the state's Ohio.gov Web site, which receives more than 25,000 visits a day.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 100418 | Web Sites And Business Gateway | 2,843,464        | 2,843,466        |
| GSF                      | 2290 | 100630 | IT Governance                  | 1,109,559        | 1,115,198        |
| GSF                      | 5X30 | 100634 | Centralized Gateway Enhancemnt | 3,676,956        | 2,052,308        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>7,629,979</b> | <b>6,010,972</b> |

**Program 05.03: IT Governance and Research Services**

This program provides enterprise-wide management and oversight in the areas of statewide technology policy, planning, and project management to support all state agencies, boards, and commissions in their cost-effective use of IT. Associated responsibilities include developing and managing policies and standards, monitoring the status of large IT projects being conducted statewide, and compiling the state's comprehensive IT plans. This program also provides IT research and advisory services for state agencies. Through contracted services, agencies can receive research, advice and insights to support IT-related decision making.

**The Executive Recommendation will fund the following objectives:**

- Execute statutory and federal rule responsibilities, obligations, and regulatory oversight with regard to the state's \$800 million annual procurement of information technology;
- Align agency investments to the administration's IT priorities;
- Provide IT research and advisory services and investment management services to over 90 state agencies;



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- Offer publications, onsite briefings, conferences, and consulting services (for example, Gartner, Columbus Technology Council, and NOREX) for use by state agencies to address the latest technologies, industry trends, and business challenges; and
- Improve IT decision making through the use of expert advice and the application of proven best practices.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GSF                      | 2290 | 100630 | IT Governance                  | 12,576,739        | 12,862,707        |
| GSF                      | 2290 | 100640 | Leveraged Enterprise Purchases | 10,000,000        | 10,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>22,576,739</b> | <b>22,862,707</b> |

**Program 05.04: Enterprise Computing**

This program offers a wide complement of data center services across various mainframe and open platforms. This program provides computing platforms, associated technology, computer operations, data storage options, technical assistance, and database administration services. In addition, Enterprise Computing provides support and tools enabling customers to develop systems that seamlessly cross platform boundaries. This program operates as a means of providing cost-effective enterprise-wide computing services. Customers benefit by being able to develop applications unique to each agency, while utilizing the economies of enterprise-class hardware and software services. Enterprise Computing has been providing statewide computing services to agencies for decades, beginning and continuing with mainframe system services, multi-platform open systems services, e-mail services, enterprise print services, and database administration support. Enterprise Computing supports the OAKS infrastructure, as well as public assistance, child support, unemployment, job matching, and Medicaid systems to name a few.

**The Executive Recommendation will fund the following objectives:**

- Provide a disaster recovery program to support the state's mission-critical core business applications;
- Consolidate the current, multiple help desk services for each computing platform operating today into a centralized operation;
- Provide various mainframe and open-system platforms and associated technology, computer operations, data storage options, enterprise printing, technical assistance, database administration services, and Exchange/Outlook e-mail service;
- Provide technical support and tools enabling customers to develop systems that seamlessly cross platform boundaries; and
- Provide cost-effective, enterprise-wide computing services to agencies to support agency-specific applications such as welfare, child support and unemployment systems, job matching, and Medicaid systems.

| FUND                     |      |        |                      | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010           | FY 2011           |
| GSF                      | 1330 | 100607 | IT Services Delivery | 39,571,603        | 35,718,705        |
| GSF                      | 4N60 | 100617 | Major IT Purchases   | 8,460,134         | 1,950,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>48,031,737</b> | <b>37,668,705</b> |

**Program 05.05: Unified Network Services**

This program has two major components: Network Administration and the Multi-Agency Radio Communications System (MARCS). Network Administration provides network connectivity, network infrastructure management for wide area and local area network connectivity, video connectivity, and network security. System engineering prepares network design, supports network security functions, and provides recommended solutions to resolve complex network connectivity issues. The program also provides local, long distance, and other associated telephone services for state agencies. Master contracts for services are negotiated at the lowest possible cost. MARCS is a

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computer and communications network that provides voice and data communication statewide across a secure, interference-free radio system to support mobile voice, data, vehicle location services, and computer-aided dispatching for public safety and service entities. Users of the MARCS system in the fiscal year 2010-2011 biennium include the Departments of Highway Safety, Rehabilitation and Correction, Natural Resources, Youth Services, Agriculture, Transportation, and Health; Emergency Management Agency; Attorney General's Bureau of Criminal Identification and Investigation; Supreme Court; local police and fire departments; National Guard; and Life Flight.

**The Executive Recommendation will fund the following objectives:**

- Deliver to 120 state agencies voice, video, and data services of higher quality and lower cost than what state agencies could obtain independently;
- Support management of the state's network backbone, including acting as the state's internet service provider;
- Manage MARCS; and
- Provide the state's data center network infrastructure to deliver critical OIT enterprise services including the state's mainframe, Ohio Business Gateway, OAKS, and other critical agency applications.

| FUND              |      |        |                            | RECOMMENDED |            |
|-------------------|------|--------|----------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                   | FY 2010     | FY 2011    |
| GRF               | GRF  | 100419 | IT Security Infrastructure | 618,442     | 589,713    |
| GSF               | 1330 | 100607 | IT Services Delivery       | 21,200,002  | 24,293,956 |
| GSF               | 5C20 | 100605 | MARCS Administration       | 15,852,314  | 16,363,179 |
| TOTAL FOR PROGRAM |      |        |                            | 37,670,758  | 41,246,848 |

**Program 05.06: Enterprise Shared Services**

Enterprise Shared Services (ESS) supports multi-agency functions and services, including electronic commerce, electronic filing, and geographic information services (GIS). ESS is the service provider for OBG, web hosting services, and the Ohio.gov portal for the Digital Government Program. ESS also manages the state's Central e-Payment Engine for the Office of Budget and Management (OBM), which is used by numerous state agencies. ESS hosts and manages the Enterprise Cognos Business Intelligence and Reporting platform that supports a variety of reporting requirements for OIT, OBM, and OAKS. ESS also houses the state's GIS coordinating body, the Ohio Geographically Referenced Information Program (OGRIP), which oversees the Location Based Response System (LBRS) and the Ohio Statewide Imagery Program (OSIP). These programs support numerous state agencies' applications associated with homeland security, homeland defense, public safety, and economic development. ESS also supports the development of the Mobile Transaction Gateway that will serve as a mechanism for the secure delivery of state data to wireless and mobile devices for state government, citizens, and businesses.

**The Executive Recommendation will fund the following objectives:**

- Provide an enterprise approach for electronic commerce, electronic filing, ePayment, business intelligence and reporting, application integration, data exchange, communication/collaboration, and Geographic Information System (GIS) services and expertise;
- Provide services that streamline government IT operations, provide economies of scale to increase efficiencies, and eliminate redundant IT services and efforts;
- Manage the hardware and software infrastructure and upkeep of the state's web presence for more than 100 agency websites, as service provider for the Ohio Business Gateway and Ohio.gov portal;
- Provide mechanisms to enable Ohio's mobile workforce to interact and communicate with state agency offices and legacy systems; and
- Continue to provide access to spatial data as a foundation to improve demographic, location, and site analysis for infrastructure planning and economic development.

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| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 100419 | IT Security Infrastructure | 592,808          | 621,537          |
| GSF                      | 1330 | 100607 | IT Services Delivery       | 7,802,431        | 7,874,589        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>8,395,239</b> | <b>8,496,126</b> |

**Program 05.07: OAKS IT Application Support**

OAKS is Ohio's enterprise computing system, which replaced numerous stand-alone legacy systems with one integrated computer application used to perform many of the state's primary administrative tasks. This program provides for the application, data management, and other IT functions related to supporting OAKS operations—Financial Management, Human Capital Management, and Asset Management. Included is the functional support of the application and infrastructure, as well as program management of its ongoing implementation and development needs.

**The Executive Recommendation will fund the following objectives:**

- Maintain or ensure OAKS application support for the system's Financial, Human Capital Management, Enterprise Performance Management, and Capital Improvements modules; and
- Support or oversee the application, data management, and other IT functions related to the OAKS system.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| GSF                      | 5EB0 | 100635 | OAKS Support Organization | 15,984,761        | 18,009,192        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>15,984,761</b> | <b>18,009,192</b> |

**Program 05.08: DAS IT Services**

The DAS IT Services program provides development and support of software applications for use by the agency, state boards and commissions, and the Governor's Office. The program provides employees with a well-supported desktop environment that is rich in productivity tools, as well as a local area network and server environment that supports DAS software applications and end-user requirements. In addition, the program provides for the development of IT policy and long-range IT planning for the agency.

**The Executive Recommendation will fund the following objectives:**

- Provide for information technology support of statewide programs housed within DAS, including fleet management, state procurement, labor negotiations, and joint labor-management committees.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| GSF                      | 4P30 | 100603 | DAS Information Services | 4,958,218        | 4,958,218        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>4,958,218</b> | <b>4,958,218</b> |

**Program 05.09: Information Technology Services Program Management**

This program provides centralized management of DAS programs in the Information Technology Program Series.

**The Executive Recommendation will fund the following objectives:**

- Provide centralized management of OIT programs in the Information Technology Program Series.

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| FUND                     |      |        |                      | RECOMMENDED       |                  |
|--------------------------|------|--------|----------------------|-------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010           | FY 2011          |
| GSF                      | 1330 | 100607 | IT Services Delivery | 10,008,912        | 9,180,698        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>10,008,912</b> | <b>9,180,698</b> |

**PROGRAM SERIES 06: State Support Services**

The State Support Services Program Series consists of five programs that provide centralized support services to various entities.

**Program 06.01: Central Service Agency**

The Central Service Agency (CSA) provides accounting, budgeting, personnel, and payroll services for 33 boards and commissions. Use of CSA-provided services allows small agencies to expend their limited resources more efficiently. CSA also supports efforts to bring consistent procedures and a uniform code of conduct to administrative hearings held by agencies, boards, and commissions.

**The Executive Recommendation will fund the following objectives:**

- Continue accounting, budgeting, and payroll services for professional licensing boards and commissions;
- Maintain and coordinate the state's standard license renewal system that is shared by the professional licensing boards; and
- Fund the cost of communication lines and shared office equipment—including a copier, printer, and fax machine—used by boards and commissions located in the Riffe Center.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 130321 | State Agency Support Services | 308,230          | 235,230          |
| GSF                      | 1150 | 100632 | Central Service Agency        | 928,403          | 928,403          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>1,236,633</b> | <b>1,163,633</b> |

**Program 06.02: State Buildings – Rent and Operations**

This program provides for the payment of building debt service, operating, and maintenance costs for the Rhodes Tower, Riffe Center, and SOCC in Columbus and the Lausche Building in Cleveland. It also provides for the payment of operating and maintenance costs for the DiSalle Center in Toledo and the Ocasek Building in Akron. In addition, this program also pays rent for GRF-funded state agencies, veterans groups that occupy space in DAS-owned buildings, vacant space and space undergoing renovation, and tenants relocated due to building renovations, as well as the cost of appraisals and other evaluations.

**The Executive Recommendation will fund the following objectives:**

- Support payment of scheduled debt service for the five state office towers, SOCC, Administrative Building Fund capital projects including the Statehouse and Judicial Center, and estimated debt on new fiscal year 2009-2010 biennium capital appropriations;
- Fund lease payments for OAKS and the Department of Taxation's State Taxation Accounting and Revenue System (STARS); and
- Fund the operation and maintenance of the five state office towers and the computer center.

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| FUND                     |      |        |                                | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010            | FY 2011            |
| GRF                      | GRF  | 100415 | OAKS Rental Payments           | 18,607,000         | 21,728,000         |
| GRF                      | GRF  | 100416 | STARS Lease Rental Payments    | 4,977,600          | 7,638,500          |
| GRF                      | GRF  | 100433 | State Of Ohio Computer Center  | 6,736,752          | 6,736,752          |
| GRF                      | GRF  | 100447 | OBA-Building Rent Payments     | 102,635,400        | 97,712,600         |
| GRF                      | GRF  | 100448 | OBA-Building Operating Paymnts | 25,603,000         | 25,603,000         |
| GRF                      | GRF  | 100449 | DAS-Building Operating Paymnts | 3,271,384          | 3,271,384          |
| GRF                      | GRF  | 130321 | State Agency Support Services  | 559,783            | 575,594            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>162,390,919</b> | <b>163,265,830</b> |

**Program 06.03: Agency Audit Expenses**

This program provides funding for DAS to pay the Auditor of State for state agency audits conducted on a biennial basis. Section 117.13 of the Ohio Revised Code requires that the Auditor of State bill for all audits conducted and specifies who is to be billed for each audit. State agencies that are audited on an annual basis, including all major executive branch agencies, are required to pay for annual audits from their own operating budgets. However, state agencies that are audited on a biennial basis—including state boards, commissions, statewide elected officials, Ohio House, and Ohio Senate—do not pay for their audits. Instead, DAS is statutorily responsible for the payment.

**The Executive Recommendation will fund the following objectives:**

- Support 4,548 audit hours in fiscal year 2010 and 4,224 audit hours in fiscal year 2011 for those state agencies audited on a biennial basis.

| FUND                     |      |        |                       | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010        | FY 2011        |
| GRF                      | GRF  | 100405 | Agency Audit Expenses | 312,075        | 312,075        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>312,075</b> | <b>312,075</b> |

**Program 06.04: Accountability and Results Initiative**

This program coordinates Governor Strickland's Accountability and Results management system, which includes an efficiency and continuous improvement initiative. DAS works with state agencies to achieve outcomes such as improving the business climate of the state, reducing the cost of doing business in Ohio, improving the quality of government services, and conserving resources that can be reallocated to the larger needs of Ohio's citizens.

**The Executive Recommendation will fund the following objectives:**

- Support an estimated 25 one-day process improvement events and six major weeklong events for state agencies in each year of the biennium.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GRF                      | GRF  | 130321 | State Agency Support Services | 402,588        | 388,425        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>402,588</b> | <b>388,425</b> |

**Program 06.05: Office of Administrative Hearings**

This program will provide support for state agencies, boards, and commissions required to conduct hearings under Revised Code Chapter 119. The central office will coordinate training and facilitate these agencies' access to trained resources, such as hearing officers and court reporters.

State of Ohio

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**Department of Administrative Services**

**The Executive Recommendation will fund the following objectives:**

- Establish the Office of Administrative Hearings within DAS.

| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| GSF                      | 5DQ0 | 100638 | Administrative Hearings | 200,000        | 200,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>200,000</b> | <b>200,000</b> |

**PROGRAM SERIES 07: DAS Program Management**

This program series provides centralized shared services, guidance, and oversight to DAS's operating divisions and offices. Services are provided through the Director's Office and the following five specialized support offices: Chief Legal Counsel, Finance, Employee Services, Communications and External Relations, and Legislative Affairs.

**Program 07.01: DAS Program Management**

This program provides services, guidance, and oversight to all of DAS's operating divisions and offices. These services include legal counsel, finance, human resources, communications, and legislative relations.

**The Executive Recommendation will fund the following objectives:**

- Support overall departmental management.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 100418 | Web Sites And Business Gateway | 99,610           | 99,610           |
| GRF                      | GRF  | 130321 | State Agency Support Services  | 776,548          | 790,711          |
| GSF                      | 1120 | 100616 | DAS Administration             | 5,299,427        | 5,299,427        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>6,175,585</b> | <b>6,189,748</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

100635, OAKS Support Organization: In the first biennium of OAKS implementation, DAS received Controlling Board approval to roll forward remaining unused appropriation authority from fiscal year 2008 into fiscal year 2009. In the fiscal year 2010-2011 biennium, the Executive Budget recommendation reflects steady-state funding needs, which results in the 38.8 percent drop in spending from fiscal year 2009 to fiscal year 2010.

100640, Leveraged Enterprise Purchases: This new line item will consist of consolidated information technology purchases by OIT on behalf of participating agencies. The cost of the purchases will be passed through to the purchasing agencies.

## Department of Administrative Services

**LINE ITEM SUMMARY - Department of Administrative Services**

| FUND                         | ALI    | ALI NAME                        | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------|--------|---------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                          | 100403 | Public School Employee Benefits | 74,070             | 548,755            | 271,149            | 644,000             | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 100404 | CRP Procurement Program         | 251,616            | 196,217            | 128,481            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                          | 100405 | Agency Audit Expenses           | 186,857            | 428,245            | 353,028            | 294,904             | 312,075                | 5.8         | 312,075                | 0.0         |
| GRF                          | 100406 | County Human Resources Services | 181,282            | 659,978            | 597,572            | 225,000             | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 100410 | Veterans' Records Conversion    | 58,680             | 17,032             | 31,134             | 38,295              | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 100415 | OAKS Rental Payments            | 0                  | 0                  | 14,075,715         | 14,165,000          | 18,607,000             | 31.4        | 21,728,000             | 16.8        |
| GRF                          | 100416 | STARS Lease Rental Payments     | 0                  | 0                  | 0                  | 0                   | 4,977,600              | .0          | 7,638,500              | 53.5        |
| GRF                          | 100417 | MARCS                           | 198,061            | 0                  | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                          | 100418 | Web Sites and Business Gateway  | 3,978,081          | 3,260,603          | 3,201,034          | 3,212,583           | 2,943,074              | -8.4        | 2,943,076              | 0.0         |
| GRF                          | 100419 | IT Security Infrastructure      | 993,637            | 1,599,795          | 1,330,122          | 953,730             | 1,211,250              | 27.0        | 1,211,250              | 0.0         |
| GRF                          | 100421 | OAKS Project Implementation     | 476,797            | 437,800            | 261,652            | 350,000             | 202,500                | -42.1       | 202,500                | 0.0         |
| GRF                          | 100433 | State of Ohio Computer Center   | 5,190,443          | 5,626,348          | 5,819,871          | 6,707,502           | 6,736,752              | 0.4         | 6,736,752              | 0.0         |
| GRF                          | 100439 | Equal Opportunity Certif Pgm    | 619,033            | 624,574            | 741,882            | 750,236             | 712,724                | -5.0        | 712,724                | 0.0         |
| GRF                          | 100447 | OBA-Building Rent Payments      | 107,241,389        | 113,606,612        | 104,819,524        | 106,476,400         | 102,635,400            | -3.6        | 97,712,600             | -4.8        |
| GRF                          | 100448 | OBA-Building Operating Paymnts  | 21,440,485         | 21,861,767         | 21,597,734         | 25,603,000          | 25,603,000             | 0.0         | 25,603,000             | 0.0         |
| GRF                          | 100449 | DAS-Building Operating Paymnts  | 3,055,002          | 3,589,414          | 3,550,822          | 3,634,871           | 3,271,384              | -10.0       | 3,271,384              | 0.0         |
| GRF                          | 100451 | Minority Affairs                | 50,087             | 43,399             | 37,599             | 52,927              | 50,016                 | -5.5        | 50,016                 | 0.0         |
| GRF                          | 100734 | Major Maintenance-State Bldg    | 88,713             | 55,624             | 0                  | 0                   | 37,800                 | .0          | 37,800                 | 0.0         |
| GRF                          | 102321 | Construction Compliance         | 1,005,415          | 932,143            | 1,024,717          | 1,027,123           | 1,108,744              | 7.9         | 1,108,744              | 0.0         |
| GRF                          | 130321 | State Agency Support Services   | 2,484,003          | 2,424,777          | 4,489,956          | 5,555,163           | 4,039,578              | -27.3       | 4,039,578              | 0.0         |
| <b>TOTAL General Revenue</b> |        |                                 | <b>147,573,651</b> | <b>155,913,083</b> | <b>162,331,992</b> | <b>169,690,734</b>  | <b>172,448,897</b>     | <b>1.6</b>  | <b>173,307,999</b>     | <b>0.5</b>  |
| 1120                         | 100616 | DAS Administration              | 4,375,966          | 4,456,739          | 4,439,240          | 5,299,427           | 5,299,427              | 0.0         | 5,299,427              | 0.0         |
| 1150                         | 100632 | Central Service Agency          | 740,132            | 603,281            | 756,642            | 928,403             | 928,403                | 0.0         | 928,403                | 0.0         |
| 1170                         | 100644 | General Services Division-Oper  | 6,902,794          | 7,711,722          | 9,627,015          | 13,365,372          | 14,384,751             | 7.6         | 14,574,622             | 1.3         |
| 1220                         | 100637 | Fleet Management                | 2,222,037          | 1,376,622          | 1,349,877          | 2,032,968           | 2,032,968              | 0.0         | 2,032,968              | 0.0         |
| 1250                         | 100622 | Human Resources Division-Optng  | 15,795,254         | 16,768,316         | 24,533,132         | 24,846,548          | 27,162,320             | 9.3         | 27,998,410             | 3.1         |
| 1270                         | 100627 | Vehicle Liability Insurance     | 1,770,237          | 1,115,022          | 21,168             | 0                   | 0                      | .0          | 0                      | .0          |
| 1280                         | 100620 | Collective Bargaining           | 2,946,866          | 2,832,867          | 2,837,750          | 3,662,534           | 3,662,534              | 0.0         | 3,662,534              | 0.0         |



## Department of Administrative Services

**LINE ITEM SUMMARY - Department of Administrative Services**

| FUND                                 | ALI    | ALI NAME                        | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 1300                                 | 100606 | Risk Management Reserve         | 205,031            | 155,921            | 3,378,254          | 2,568,548           | 5,568,548              | 116.8       | 5,568,548              | 0.0         |
| 1310                                 | 100639 | State Architect's office        | 5,093,670          | 5,514,496          | 5,350,043          | 7,544,164           | 8,292,759              | 9.9         | 8,331,498              | 0.5         |
| 1320                                 | 100631 | DAS Building Management         | 8,822,695          | 8,773,085          | 8,637,670          | 10,166,228          | 10,166,228             | 0.0         | 10,166,228             | 0.0         |
| 1330                                 | 100607 | IT Services Delivery            | 65,507,431         | 59,057,624         | 58,750,678         | 75,847,949          | 78,582,948             | 3.6         | 77,067,948             | -1.9        |
| 1880                                 | 100649 | Equal Opportunity Div--Oper     | 695,536            | 704,380            | 703,189            | 884,650             | 884,650                | 0.0         | 884,650                | 0.0         |
| 2010                                 | 100653 | General Services Resale Merch   | 1,523,421          | 1,146,674          | 1,068,213          | 1,553,000           | 0                      | -100.0      | 0                      | .0          |
| 2100                                 | 100612 | State Printing                  | 4,907,773          | 4,944,522          | 10,152,571         | 14,736,421          | 17,224,494             | 16.9        | 17,263,080             | 0.2         |
| 2290                                 | 100630 | IT Governance                   | 13,705,158         | 16,170,216         | 16,404,047         | 15,346,474          | 15,431,411             | 0.6         | 15,743,306             | 2.0         |
| 2290                                 | 100640 | Leveraged Enterprise Purchases  | 0                  | 0                  | 0                  | 0                   | 10,000,000             | .0          | 10,000,000             | 0.0         |
| 4270                                 | 100602 | Investment Recovery             | 5,092,615          | 5,196,319          | 5,592,697          | 5,683,564           | 5,683,564              | 0.0         | 5,683,564              | 0.0         |
| 4N60                                 | 100617 | Major IT Purchases              | 1,914,378          | 673,967            | 3,153,051          | 7,495,719           | 8,460,134              | 12.9        | 1,950,000              | -77.0       |
| 4P30                                 | 100603 | DAS Information Services        | 3,803,695          | 4,015,378          | 4,054,414          | 4,958,218           | 4,958,218              | 0.0         | 4,958,218              | 0.0         |
| 5AB0                                 | 100624 | Non-Federal Info Tech Grants    | 241                | 0                  | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 5C20                                 | 100605 | MARCS Administration            | 8,313,206          | 9,317,074          | 10,453,372         | 11,069,291          | 15,852,314             | 43.2        | 16,363,179             | 3.2         |
| 5C30                                 | 100608 | Skilled Trades                  | 723,129            | 655,787            | 605,885            | 934,982             | 934,982                | 0.0         | 934,982                | 0.0         |
| 5D70                                 | 100621 | Workforce Development           | 13,510,855         | 4,494,662          | 189,006            | 0                   | 0                      | .0          | 0                      | .0          |
| 5DQ0                                 | 100638 | Administrative Hearings         | 0                  | 0                  | 0                  | 0                   | 200,000                | .0          | 200,000                | 0.0         |
| 5EB0                                 | 100635 | OAKS Support Organization       | 0                  | 0                  | 7,389,049          | 26,098,527          | 15,984,761             | -38.8       | 18,009,192             | 12.7        |
| 5L70                                 | 100610 | Professional Development        | 3,553,573          | 3,440,364          | 3,622,829          | 3,900,000           | 3,900,000              | 0.0         | 3,900,000              | 0.0         |
| 5L70                                 | 100622 | Human Resources Division-Optng  | 0                  | 0                  | 79                 | 0                   | 0                      | .0          | 0                      | .0          |
| 5V60                                 | 100619 | Employee Educational Developmnt | 734,026            | 876,057            | 812,283            | 936,129             | 936,129                | 0.0         | 936,129                | 0.0         |
| 5X30                                 | 100634 | Centralized Gateway Enhancemnt  | 0                  | 0                  | 163,317            | 974,023             | 3,676,956              | 277.5       | 2,052,308              | -44.2       |
| <b>TOTAL General Services</b>        |        |                                 | <b>172,859,718</b> | <b>160,001,093</b> | <b>184,045,472</b> | <b>240,833,139</b>  | <b>260,208,499</b>     | <b>8.0</b>  | <b>254,509,194</b>     | <b>-2.2</b> |
| 3AJ0                                 | 100623 | Information Technology Grants   | 448,183            | 76,130             | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 3AL0                                 | 100625 | MARCS Grants                    | 154,327            | 133,784            | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 3AM0                                 | 100626 | Homeland Security Grants        | 95,992             | 103,573            | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 3H60                                 | 100609 | Federal Grants OGRIP            | 0                  | 310,819            | 735,901            | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |                                 | <b>698,502</b>     | <b>624,306</b>     | <b>735,901</b>     | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |

## Department of Administrative Services

**LINE ITEM SUMMARY - Department of Administrative Services**

| FUND   | ALI    | ALI NAME                 | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--------------------------|----------------------|----------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 1240   | 995673 | Payroll Deductions       | 2,061,320,554        | 2,145,112,078        | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Agency</b>                                |        |                          | <b>2,061,320,554</b> | <b>2,145,112,078</b> | <b>0</b>           | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| R008   | 100646 | General Services Refunds | 100                  | 0                    | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Holding Account Redistribution</b>        |        |                          | <b>100</b>           | <b>0</b>             | <b>0</b>           | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Department of Administrative Services</b> |        |                          | <b>2,382,452,524</b> | <b>2,461,650,560</b> | <b>347,113,366</b> | <b>410,523,873</b>  | <b>432,657,396</b>     | <b>5.4</b>  | <b>427,817,193</b>     | <b>-1.1</b> |

### **Role and Overview**

The Department of Aging (ODA) works to improve the quality of life for older and disabled citizens with an emphasis on community-based and self-care options that promote active, healthy, and independent living. Day-to-day administration of the department is the responsibility of the director who is advised by an advisory council. Both the director and the council members are appointed by the Governor. The department, with an annual budget of approximately \$635 million and 110 employees, works with the 12 regional Area Agencies on Aging to administer federal and state programs for older and disabled adults throughout Ohio.

In order to enhance consumer choice and better control Medicaid long-term care costs, this budget recommends the creation of a new program, Long-Term Care Services. This program combines funding for PASSPORT, Choices, Assisted Living and the Program of All Inclusive Care for the Elderly (PACE) into one line item to provide the flexibility needed to meet the demand for services in the programs administered by ODA. The creation of this program was recommended by the Unified Budget Workgroup, created by Am. Sub. H.B.119. It supports the state's efforts to move away from an institutional based system to one that is more balanced with an array of home and community-based services and supports. Approximately 82 percent of the department's funding is directed to the Long-Term Services program, which serves approximately 33,500 consumers.

The department houses the Long-Term Care Ombudsman Program to advocate for long-term care consumers and hosts an online consumer guide to assist consumers and professionals in selecting long term care.

The Federal Administration on Aging has designated ODA as the State Unit on Aging for the purpose of administering programs funded by the Older Americans Act and related state programs, e.g., Senior Community Services, Alzheimer's Respite, and Resident Services Coordination. In addition, ODA provides community education and outreach through its publications, conferences, and events.

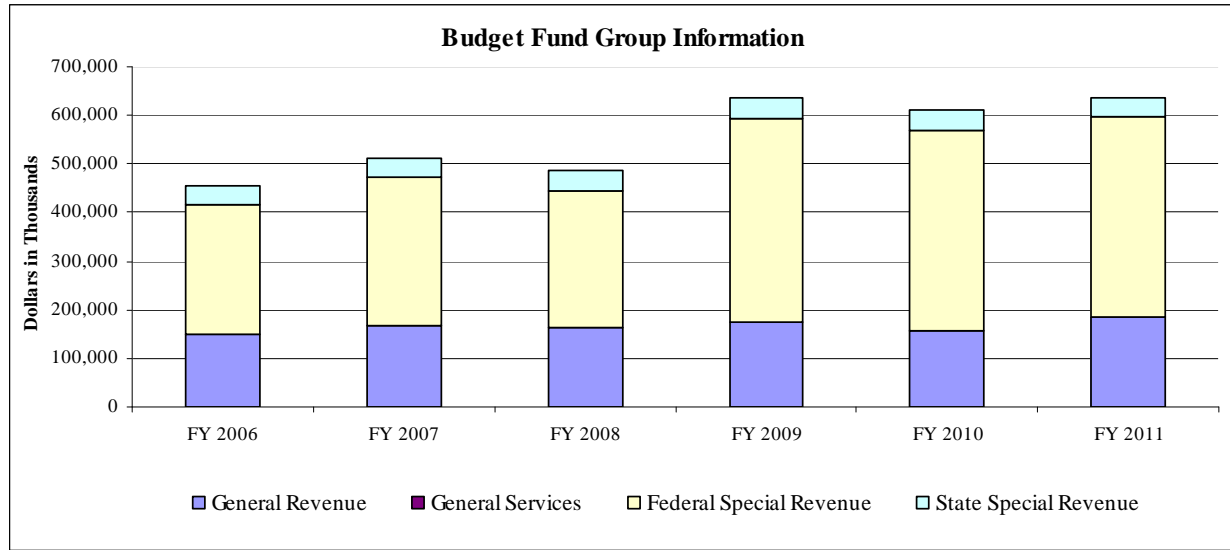
In fiscal year 2009, based on an Executive order, ODA created the Senior Civic Engagement Council. This initiative is designed to support Ohio's economy by working with businesses to hire, retain, and retrain older workers, as well as to encourage volunteerism and life long learning among our seniors. All three efforts promote active aging and will help delay the entry of our elders into the long-term care system.

Additional information regarding ODA is available at [www.aging.ohio.gov](http://www.aging.ohio.gov).

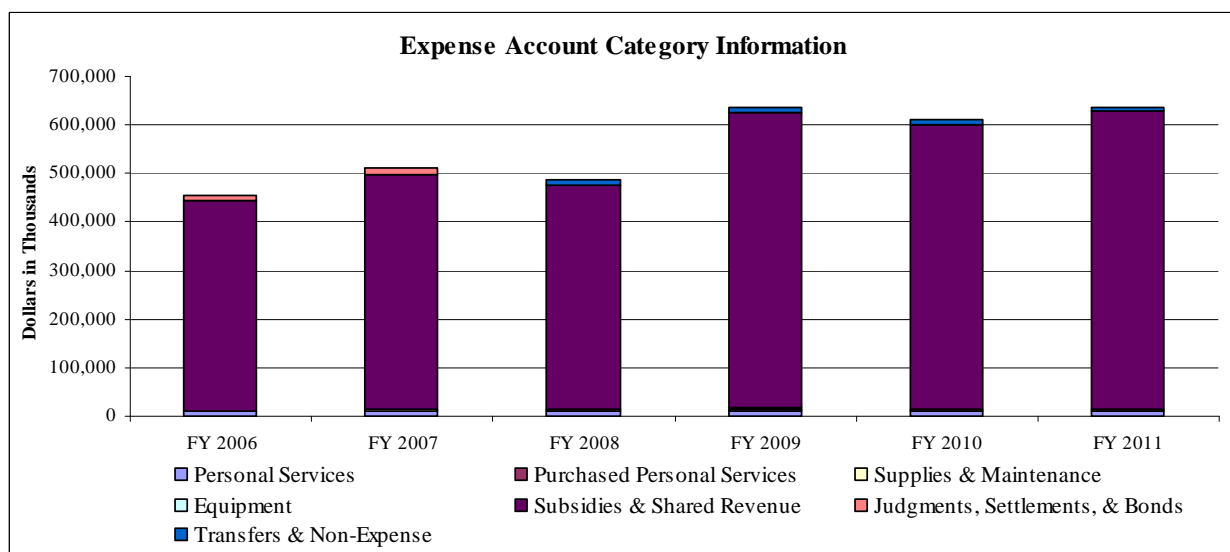
### **Agency Priorities**

- Provide services, both Medicaid and non-Medicaid, to vulnerable Ohioans,
- Rebalance the long-term care system to make greater use of home and community-based services (HCBS), allocating services and service dollars based on need, not on funding source.
- Provide support to informal caregivers by helping them access services, including support, training, and respite care.
- Serve as an advocate for long-term care consumers by seeking resolution of complaints through the Office of the State Long-Term Care Ombudsman.
- Promote opportunities for active aging, including employment, volunteerism, and life-long learning.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. % CHANGE  |             | RECOMMENDED % CHANGE |             |                |            |
|-------------------------------------|----------------|----------------|----------------|----------------|-------------|----------------------|-------------|----------------|------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09    | FY 2010              | FY 2010     | FY 2011        | FY 2011    |
| General Revenue                     | 148,120        | 167,252        | 163,271        | 174,066        | 6.6         | 155,929              | -10.4       | 183,548        | 17.7       |
| General Services                    | 17             | 104            | 60             | 373            | 517.0       | 373                  | 0.0         | 373            | 0.0        |
| Federal Special Revenue             | 269,233        | 304,046        | 282,464        | 420,396        | 48.8        | 412,828              | -1.8        | 411,640        | -0.3       |
| State Special Revenue               | 38,945         | 39,212         | 39,997         | 40,717         | 1.8         | 41,755               | 2.5         | 40,844         | -2.2       |
| <b>TOTAL</b>                        | <b>456,315</b> | <b>510,614</b> | <b>485,793</b> | <b>635,552</b> | <b>30.8</b> | <b>610,885</b>       | <b>-3.9</b> | <b>636,405</b> | <b>4.2</b> |



**State of Ohio**  
**Department of Aging**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED    |             |                |             |
|---|----------------|----------------|----------------|------------------|-------------|----------------|-------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| Personal Services                             | 9,055          | 9,382          | 9,999          | 10,951           | 9.5         | 10,256         | -6.3        | 10,957         | 6.8         |
| Purchased Personal Services                   | 1,000          | 1,545          | 3,098          | 2,651            | -14.4       | 2,276          | -14.2       | 1,981          | -13.0       |
| Supplies & Maintenance                        | 1,798          | 1,764          | 1,773          | 2,197            | 23.9        | 1,722          | -21.6       | 1,803          | 4.7         |
| Equipment                                     | 201            | 179            | 346            | 242              | -30.0       | 409            | 68.8        | 430            | 5.1         |
| Subsidies & Shared Revenue                    | 432,088        | 485,928        | 461,104        | 609,684          | 32.2        | 587,389        | -3.7        | 612,413        | 4.3         |
| Judgments, Settlements, & Bonds               | 12,173         | 11,815         | 0              | 0                | 0.0         | 0              | 0.0         | 0              | 0.0         |
| Transfers & Non-Expense                       | 0              | 0              | 9,473          | 9,826            | 3.7         | 8,833          | -10.1       | 8,822          | -0.1        |
| <b>TOTAL</b>                                  | <b>456,315</b> | <b>510,614</b> | <b>485,793</b> | <b>635,552</b>   | <b>30.8</b> | <b>610,885</b> | <b>-3.9</b> | <b>636,405</b> | <b>4.2</b>  |

**PROGRAM SERIES 01: Senior Independence Services**

This program series contains programs designed to help seniors live with dignity, maximize independence, and facilitate self-direction by providing them with the services and support needed to allow them to remain in the community setting of their choice.

**Program 01.01: Home, Community, and Caregiver Support Services**

This program helps older adults live independently in their own homes and communities and supports the efforts of their family caregivers. A combination of federal, state, and local funds are used to provide services such as congregate and home-delivered meals, chore services, home accessibility modifications, nutrition education, information and referral, volunteer opportunities, and transportation services to older adults who need minimal support and their caregivers. State-funded Senior Community Services and Alzheimer's Respite leverage federal and local funds to provide case-managed services and caregiver services to frail older adults who are at risk of institutionalization, as well as to their families. Senior Community Services can include services such as care coordination, homemaker services, home-delivered meals, adult day services, personal care, chore services or assisted transportation. Older Americans Act federal funds also support programs, such as exercise classes, walking programs, and other wellness activities to help older adults maintain their physical health and prevent or delay the onset of a disabling disease.

**The Executive Recommendation will fund the following objectives:**

- Provide home, community, and caregiver support, along with nutrition and community services, to 200,000 older Ohioans;
- Provide Alzheimer's respite care services to more than 11,000 consumers with Alzheimer's disease and their families (partially using federal stimulus dollars); and
- Allow Area Agencies on Aging flexibility to determine service provisions and allocate funds based on local priorities.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010           | FY 2011           |
| GRF                      | GRF  | 490321 | Operating Expenses                      | 481,139           | 489,925           |
| GRF                      | GRF  | 490411 | Senior Community Services               | 8,434,134         | 8,434,134         |
| GRF                      | GRF  | 490414 | Alzheimer's Respite                     | 3,305,275         | 3,305,275         |
| GRF                      | GRF  | 490625 | Alzheimer's Respite-Federal Stimulus    | 826,320           | 826,320           |
| GSF                      | 4800 | 490606 | Senior Community Outreach and Education | 341,030           | 341,455           |
| FED                      | 3220 | 490618 | Federal Aging Grants                    | 5,479,100         | 5,476,200         |
| FED                      | 3M40 | 490612 | Federal Independence Services           | 62,256,610        | 62,248,359        |
| SSR                      | 5W10 | 490616 | Resident Services Coordinator Program   | 330,000           | 330,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>81,453,608</b> | <b>81,451,668</b> |

**Program 01.02: Residential State Supplement**

This program provides a cash supplement to aged, blind, or disabled Medicaid recipients to help pay for approved living arrangements. These arrangements include adult foster homes, adult care facilities and residential care facilities, rooms or apartments, and residential facilities. Individuals participating in the Residential State Supplement Program (RSS) must meet the criteria for a protective level of care which includes supervision and/or assistance with daily living activities.

**The Executive Recommendation will fund the following objectives:**

- Provide housing subsidies for 1,870 low-income adults age 21 and over in fiscal year 2010; and
- Provide housing subsidies for 1,690 low-income adults age 21 and over in fiscal year 2011.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 490412 | Residential State Supplement          | 7,325,417         | 7,325,417         |
| FED                      | 3C40 | 490623 | Long Term Care Budget                 | 1,196,813         | 1,189,676         |
| SSR                      | 4J40 | 490610 | PASSPORT/Residential State Supplement | 2,835,000         | 2,835,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>11,357,230</b> | <b>11,350,093</b> |

**Program 01.03: Long-Term Care Services**

This program is a system of services designed to support and provide community-based long term care services. The system includes the front door for nursing facility admissions (preadmission review and level of care assessments) a long-term care consultation component, and four Medicaid community based programs provided as an alternative to nursing facility services. Three of the Medicaid programs are home and community-based waiver programs and include the PASSPORT, Choices, and Assisted Living waiver programs. The PASSPORT waiver provides an array of home and community-based services such as personal care, homemaker, adult day care service, home delivered meals, chore services, medical equipment and supplies, independent living assistance, emergency response system, social work counseling, nutrition consultation, transportation, community transition services and minor home modifications as an alternative to nursing facility placement for disabled individuals age 60 and over. The Choices Waiver is a consumer-directed waiver allowing individuals more control and flexibility in planning care, scheduling the delivery of services, and choice of providers. The Assisted Living waiver, for individuals age 21 and over, provides services in the structured setting of a residential care facility. The services assist the individual with daily living activities, medication administration, and social programming. The waiver also provides a transition service to individuals leaving a nursing facility. This service is used to obtain household items needed to establish a basic community residence. The last component of this program is the Program of All Inclusive Care for the Elderly (PACE). The PACE Program is a managed care program for those age 55 and over that is financed by both Medicare and Medicaid. In Ohio, PACE services are available from two PACE providers. Program participants receive all of their needed health care, medical care, and ancillary services in acute, subacute, institutional, and community settings from the PACE providers. PACE providers are allowed to pool all of their resources to pay for whatever services the individual needs, including services not otherwise covered by Medicare or Medicaid. This flexibility enables the providers to be proactive in their efforts to improve the health status of the participants.

**The Executive Recommendation will fund the following objectives:**

- Maintain two PACE locations to serve 880 Ohioans;
- Provide services to 1,800 consumers under the Assisted Living waiver;
- Maintain PASSPORT with no waiting list for an average of 30,200 seniors in fiscal year 2010 and 31,900 seniors in fiscal year 2011;
- Implement key recommendations of the Unified Long-Term Care Budget workgroup; and
- Provide home and community-based services using an additional \$36 million generated by an increase in the Federal Medical Assistance Percentage (FMAP), which increases the amount of Medicaid dollars available.

| FUND                     |      |        |                                    | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010            | FY 2011            |
| GRF                      | GRF  | 490423 | Long Term Care Budget - State      | 132,977,228        | 160,595,819        |
| FED                      | 3C40 | 490623 | Long Term Care Budget              | 328,905,883        | 327,725,526        |
| SSR                      | 4J40 | 490610 | PASSPORT/Residential St Supplement | 30,428,984         | 30,428,984         |
| SSR                      | 4U90 | 490602 | PASSPORT                           | 4,424,969          | 4,424,969          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>496,737,064</b> | <b>523,175,298</b> |

## PROGRAM SERIES 02: Elder Rights

This program series helps to protect the rights of older adults and people with disabilities to health and safety, helps consumers access public benefits, train caregivers, educate policy makers, and provides information regarding long-term care facilities to families of seniors through web and face-to-face interactions.

### Program 02.01: Long-Term Care Ombudsman

This program provides staff and volunteer ombudsmen who field complaints about long-term care services for individuals residing in nursing facilities, assisted living facilities, adult care facilities, or receiving home care. Ombudsmen also voice consumer needs and concerns to policy makers and providers.

#### The Executive Recommendation will fund the following objectives:

- Support the investigation of more than 9,000 complaints;
- Furnish consumers with information on benefits, individual rights, regulation, and assistance with selecting a long-term care service; and
- Advocate for public policies that promote and support quality and choice in all areas of long-term care.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 490410 | Long Term Care Ombudsman          | 535,857          | 535,857          |
| FED                      | 3M40 | 490612 | Federal Independence Services     | 1,398,470        | 1,406,721        |
| SSR                      | 4C40 | 490609 | Regional Long Term Care Ombudsman | 935,000          | 935,000          |
| SSR                      | 5BA0 | 490620 | Ombudsman Support                 | 600,000          | 600,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>3,469,327</b> | <b>3,477,578</b> |

### Program 02.02: Long-Term Care Consumers Guide

The Long-Term Care Consumer Guide provides information about long-term care services available in the state. The guide, located at [www.ltcohio.org](http://www.ltcohio.org), includes information such as size, location, services offered, customer satisfaction, regulatory compliance, performance, and quality measures on all nursing homes and residential care facilities in Ohio. Consumers can easily compare data about facilities from this guide.

#### The Executive Recommendation will fund the following objectives:

- Develop and maintain a comprehensive website to assist consumers in determining the most appropriate long-term care service to meet their needs;
- Initiate effort to include information focused on home and community based care within the guide; and
- Provide funding for three surveys including the nursing home resident satisfaction survey, nursing home family satisfaction survey, and residential care facility satisfaction survey.

State of Ohio  
Department of Aging

| FUND                     |      |        |                                | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010        | FY 2011        |
| SSR                      | 5K90 | 490613 | Long Term Care Consumers Guide | 820,400        | 820,400        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>820,400</b> | <b>820,400</b> |

### PROGRAM SERIES 03: Healthy and Productive Aging

This program series helps to meet the needs of active seniors, caregivers, and the general population by providing counseling, information, and programs about Medicare, insurance, and retirement; prescription drug discounts; employment and volunteer activities; and fitness/wellness programs.

#### Program 03.01: Ohio's Best Rx

The Ohio's Best Rx Prescription Drug Discount program provided savings on prescription medications to people age 60 and older, adults with disabilities, and low income adults and their families lacking prescription insurance. This program will be phased out; ending by January 1, 2010. The Department of Aging will assist consumers in accessing similar drug discount program. The Golden Buckeye Card, a savings program through which merchants offer percentages off retail prices, free products or services, and special savings days, will continue to be offered to nearly 2 million Ohioans.

#### The Executive Recommendation will fund the following objectives:

- Phase out the Ohio's Best Rx Program card by January 1, 2010;
- Provide for a transition period to link current Ohio's Best Rx users to other discount prescription drug programs; and
- Continue the Golden Buckeye Card Program for nearly two million Ohioans.

| FUND                     |      |        |                               | RECOMMENDED      |          |
|--------------------------|------|--------|-------------------------------|------------------|----------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011  |
| GRF                      | GRF  | 490321 | Operating Expenses            | 228,314          | 0        |
| SSR                      | 5AA0 | 490673 | Ohio's Best Rx Administration | 910,801          | 0        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>1,139,115</b> | <b>0</b> |

#### Program 03.02: Senior Community Services Employment Program (SCSEP)

This U.S. Department of Labor funded program offers seniors the opportunity to serve their community and receive job training. The program is available to income-eligible Ohioans age 55 and older. The program, operated by one of six federal contractors in Ohio, places participants in subsidized, part-time community assignments with either non-profit or government agencies. During their assignments, participants are assessed, provided with an individual employment plan, and encouraged to obtain an unsubsidized position.

#### The Executive Recommendation will fund the following objectives:

- Make more than 500 subsidized part-time positions available for seniors in the state.

| FUND                     |      |        |                      | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 490321 | Operating Expenses   | 20,932           | 21,840           |
| FED                      | 3220 | 490618 | Federal Aging Grants | 4,720,900        | 4,723,800        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>4,741,832</b> | <b>4,745,640</b> |



**Program 03.03: National Senior Service Corps**

This program provides a subsidy to support a small portion of the operating expenses for the Corporation for National and Community Service – National Senior Service Corps (NSSC) programs. In Ohio the NSSC is comprised of 25 Retired and Senior Volunteer programs, eight Foster Grandparent programs, and six Senior Companion programs.

**The Executive Recommendation will fund the following objectives:**

- Support the following Corporation for National and Community Service Senior Corps Programs:
  - 25 Retired Senior Volunteer Programs involving 17,232 volunteers;
  - Eight Foster Grandparent Programs involving 1,014 seniors who contribute time to 3,700 children with special needs; and
  - Six Senior Companion Programs with 589 volunteers who enable another 1,300 seniors to remain in their homes by helping with transportation and home care needs.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GRF                      | GRF  | 490506 | National Senior Service Corps | 268,237        | 268,237        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>268,237</b> | <b>268,237</b> |

**PROGRAM SERIES 04: Ohio Community Service Council**

The Ohio Community Service Council (OCSC) administers the federally funded AmeriCorps program in Ohio, including the awarding of subgrants to state and local service organizations. OCSC also develops and implements comprehensive strategies to encourage and expand volunteerism and community service efforts across the state. ODA is currently the statutory fiscal agent for OCSC.

**Program 04.01: AmeriCorps Programs**

All funds in this program are reserved for use only as subsidy payments to AmeriCorps programs operated by state and local service agencies. Grants are awarded and managed in accordance with federal statutes and regulations, under which AmeriCorps members provide a year of service in exchange for an educational award for college or technical training.

**The Executive Recommendation will fund the following objectives:**

- Fund 50 projects across the state to recruit 1,000 AmeriCorps members who will provide 1.3 million hours of community service while earning \$3 million in tuition credits for college; and
- Generate an additional 300,000 hours of service by local volunteers to supplement the service provided by AmeriCorps members.

| FUND                     |      |        |                     | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010          | FY 2011          |
| FED                      | 3R70 | 490617 | AmeriCorps Programs | 8,000,000        | 8,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>8,000,000</b> | <b>8,000,000</b> |

**Program 04.02: AmeriCorps Operations**

This program supports all operations of OCSC including staff, space, equipment, and other expenditures necessary to implement AmeriCorps and other programmatic priorities. Such priorities include Ohio Citizen Corps, which encourages local disaster preparedness across the state; Forging New Links, the annual state-wide conference on volunteerism and service; and Make-A-Difference Day Ohio, the annual statewide day of service.

**The Executive Recommendation will fund the following objectives:**

- Maintain a mandated statewide database of registered volunteers to be called upon for emergency/disaster response through Ohio Citizen Corps and provide volunteer registration services to other state agencies on a contractual basis;
- Support ongoing volunteer recruitment and training activities to expand the number of registered volunteers from 12,000 to 15,000;
- Expand the capacity of local communities to manage volunteer responders to support rather than hamper the efforts of “first responders” such as firefighters, police, and EMTs; and
- Provide staffing and administrative capacity necessary to effectively plan, manage, evaluate, and improve all programs and initiatives of the Ohio Community Service Council.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 490409 | AmeriCorps Operations  | 147,034          | 147,034          |
| FED                      | 3R70 | 490617 | AmeriCorps Programs    | 870,000          | 870,000          |
| SSR                      | 6240 | 490604 | OCSC Community Support | 470,000          | 470,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>1,487,034</b> | <b>1,487,034</b> |

**PROGRAM SERIES 05: Program Support**

This program series contains the non-program specific activities supported in ODA’s central office.

**Program 05.01: Program Support Expenses**

Program support not only provides for staff, space, equipment, and related expenses but also provides for operating costs associated with several federal and state programs that lack managerial funding. Program support provides efficient monitoring of operating expenses and allocation of available funds. This allows the department to develop strategies, manage, enhance, and develop projects that benefit the department’s beneficiaries as well as consider and develop cost containment strategies.

**The Executive Recommendation will fund the following objectives:**

- Allow the department to monitor program activity ensuring public funds are spent efficiently, responsibly, and appropriately;
- Allow the department to develop strategies that will coordinate, manage, enhance, and develop projects that benefit Ohio’s older population; and
- Allow the department to consider and develop cost containment strategies.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 490321 | Operating Expenses                      | 1,379,432        | 1,598,052        |
| GSF                      | 4800 | 490606 | Senior Community Outreach and Education | 31,647           | 31,222           |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,411,079</b> | <b>1,629,274</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Restructuring Analysis**

Line items 490403, PASSPORT; 490421, PACE; and 490422, Assisted Living, are combined into line item 490423, Long Term Care Budget-State. This change allows the Department of Aging increased flexibility in providing long-term care services to all consumers currently served by the three Medicaid waiver programs and PACE. To illustrate changes in funding levels due to this restructuring, estimated fiscal year 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

Line items 490607, PASSPORT; 490621, PACE-Federal; and 490622, Assisted Living-Federal, are combined into line item 490623, Long Term Care Budget. This allows the Department of Aging increased flexibility in providing long-term care services to all consumers currently served by the two Medicaid waiver programs and PACE. To illustrate changes in funding levels due to this restructuring, estimated fiscal year 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

Federal enhanced FMAP dollars of \$36 million will be used to offset GRF expenses. Federal funding is decreasing from fiscal year 2009 to 2010 due to per-member-per-month and program administrative costs being held to fiscal year 2009 levels. GRF funding is increasing from fiscal year 2010 to 2011 due to the enhanced FMAP rate being lower in fiscal year 2011 than fiscal year 2010. Therefore the GRF funding had to be increased to ensure no waiting lists existed on the waiver programs.

|      |        |                             | Estimated   | Recommended |          |             |          |
|------|--------|-----------------------------|-------------|-------------|----------|-------------|----------|
| Fund | ALI    | ALI Title                   | FY 2009     | FY 2010     | % Change | FY 2011     | % Change |
| GRF  | 490423 | Long Term Care Budget-State | 147,851,040 | 132,977,228 | -10.1%   | 160,595,819 | 20.8%    |
| 3C40 | 490623 | Long Term Care Budget       | 337,670,731 | 330,102,696 | -2.2%    | 328,915,202 | -0.4%    |

**LINE ITEM SUMMARY - Department of Aging**

| FUND                          | ALI    | ALI NAME                                | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|---|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                           | 490321 | Operating Expenses                      | 2,583,382          | 2,660,199          | 2,720,160          | 2,367,561           | 2,109,817              | -10.9        | 2,109,817              | 0.0         |
| GRF                           | 490403 | Passport                                | 113,311,739        | 126,065,762        | 121,671,786        | 128,586,661         | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 490405 | Golden Buckeye Card                     | 355,766            | 53,423             | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 490406 | Senior Olympics                         | 15,638             | 15,638             | 14,856             | 14,856              | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 490409 | AmeriCorps Operations                   | 203,468            | 193,644            | 176,052            | 175,062             | 147,034                | -16.0        | 147,034                | 0.0         |
| GRF                           | 490410 | Long-Term Care Ombudsman                | 756,337            | 813,851            | 488,629            | 623,854             | 535,857                | -14.1        | 535,857                | 0.0         |
| GRF                           | 490411 | Senior Community Services               | 10,575,913         | 11,453,272         | 9,995,789          | 9,803,060           | 8,434,134              | -14.0        | 8,434,134              | 0.0         |
| GRF                           | 490412 | Residential State Supplement            | 9,158,400          | 9,127,760          | 7,157,599          | 8,721,824           | 7,325,417              | -16.0        | 7,325,417              | 0.0         |
| GRF                           | 490414 | Alzheimer's Respite                     | 4,031,046          | 4,087,871          | 4,158,042          | 3,935,343           | 3,305,275              | -16.0        | 3,305,275              | 0.0         |
| GRF                           | 490416 | JCFS Community Options                  | 100,000            | 100,000            | 250,000            | 238,125             | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 490419 | Prescription Drug Discount Program      | 1,092              | 0                  | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 490421 | Pace                                    | 6,669,152          | 10,198,399         | 10,217,860         | 9,726,149           | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 490422 | Assisted Living                         | 0                  | 2,129,290          | 4,802,690          | 9,538,230           | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 490423 | Long Term Care Budget - State           | 0                  | 0                  | 0                  | 0                   | 132,977,228            | .0           | 160,595,819            | 20.8        |
| GRF                           | 490440 | Ohio's Best Rx Startup Cost Program     | 0                  | 0                  | 1,282,434          | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 490506 | National Senior Service Corps           | 358,458            | 352,943            | 335,296            | 335,296             | 268,237                | -20.0        | 268,237                | 0.0         |
| GRF                           | 490625 | Alzheimer's Respite-Federal Stimulus    | 0                  | 0                  | 0                  | 0                   | 826,320                | .0           | 826,320                | 0.0         |
| <b>TOTAL General Revenue</b>  |        |   | <b>148,120,391</b> | <b>167,252,052</b> | <b>163,271,193</b> | <b>174,066,021</b>  | <b>155,929,319</b>     | <b>-10.4</b> | <b>183,547,910</b>     | <b>17.7</b> |
| 4800                          | 490606 | Senior Community Outreach and Education | 17,234             | 103,875            | 60,397             | 372,677             | 372,677                | 0.0          | 372,677                | 0.0         |
| <b>TOTAL General Services</b> |        |   | <b>17,234</b>      | <b>103,875</b>     | <b>60,397</b>      | <b>372,677</b>      | <b>372,677</b>         | <b>0.0</b>   | <b>372,677</b>         | <b>0.0</b>  |
| 3220                          | 490618 | Federal Aging Grants                    | 11,186,286         | 12,148,013         | 6,691,514          | 10,200,000          | 10,200,000             | 0.0          | 10,200,000             | 0.0         |
| 3C40                          | 490607 | Passport                                | 201,068,887        | 218,904,447        | 205,224,294        | 301,274,172         | 0                      | -100.0       | 0                      | .0          |
| 3C40                          | 490621 | Pace -Federal                           | 4,619,370          | 14,060,546         | 14,586,134         | 14,586,117          | 0                      | -100.0       | 0                      | .0          |
| 3C40                          | 490622 | Assisted Living-Federal                 | 0                  | 690,578            | 4,121,189          | 21,810,442          | 0                      | -100.0       | 0                      | .0          |
| 3C40                          | 490623 | Long Term Care Budget                   | 0                  | 0                  | 0                  | 0                   | 330,102,696            | .0           | 328,915,202            | -0.4        |
| 3M30                          | 490611 | Federal Aging Nutrition                 | 21,279,412         | 24,170,658         | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| 3M40                          | 490612 | Federal Independence Services           | 24,888,415         | 28,076,036         | 45,481,066         | 63,655,070          | 63,655,080             | 0.0          | 63,655,080             | 0.0         |

**LINE ITEM SUMMARY - Department of Aging**

| FUND                                 | ALI    | ALI NAME                              | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 3R70                                 | 490617 | AmeriCorps Programs                   | 6,190,218          | 5,995,512          | 6,359,542          | 8,870,000           | 8,870,000              | 0.0         | 8,870,000              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |                                       | <b>269,232,588</b> | <b>304,045,789</b> | <b>282,463,739</b> | <b>420,395,801</b>  | <b>412,827,776</b>     | <b>-1.8</b> | <b>411,640,282</b>     | <b>-0.3</b> |
| 4C40                                 | 490609 | Regional Long Term Care Ombudsman     | 426,698            | 1,367,353          | 816,384            | 935,000             | 935,000                | 0.0         | 935,000                | 0.0         |
| 4J40                                 | 490610 | Passport/Residential State Supplement | 33,263,984         | 33,263,984         | 33,491,930         | 33,263,984          | 33,263,984             | 0.0         | 33,263,984             | 0.0         |
| 4U90                                 | 490602 | Passport                              | 3,903,959          | 3,251,959          | 2,993,582          | 3,000,000           | 4,424,969              | 47.5        | 4,424,969              | 0.0         |
| 5AA0                                 | 490673 | Ohio's Best Rx Administration         | 0                  | 0                  | 202,712            | 910,801             | 910,801                | 0.0         | 0                      | -100.0      |
| 5BA0                                 | 490620 | Ombudsman Support                     | 615,000            | 0                  | 600,000            | 600,000             | 600,000                | 0.0         | 600,000                | 0.0         |
| 5CE0                                 | 490624 | Special Projects                      | 350,000            | 225,000            | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 5K90                                 | 490613 | Long Term Care Consumers Guide        | 62,852             | 299,037            | 1,008,192          | 820,400             | 820,400                | 0.0         | 820,400                | 0.0         |
| 5W10                                 | 490616 | Resident Services Coordinator Program | 238,928            | 388,962            | 315,847            | 330,000             | 330,000                | 0.0         | 330,000                | 0.0         |
| 6240                                 | 490604 | OCSC Community Support                | 83,735             | 416,030            | 568,685            | 857,000             | 470,000                | -45.2       | 470,000                | 0.0         |
| <b>TOTAL State Special Revenue</b>   |        |                                       | <b>38,945,156</b>  | <b>39,212,325</b>  | <b>39,997,332</b>  | <b>40,717,185</b>   | <b>41,755,154</b>      | <b>2.5</b>  | <b>40,844,353</b>      | <b>-2.2</b> |
| <b>TOTAL Department of Aging</b>     |        |                                       | <b>456,315,370</b> | <b>510,614,042</b> | <b>485,792,661</b> | <b>635,551,684</b>  | <b>610,884,926</b>     | <b>-3.9</b> | <b>636,405,222</b>     | <b>4.2</b>  |

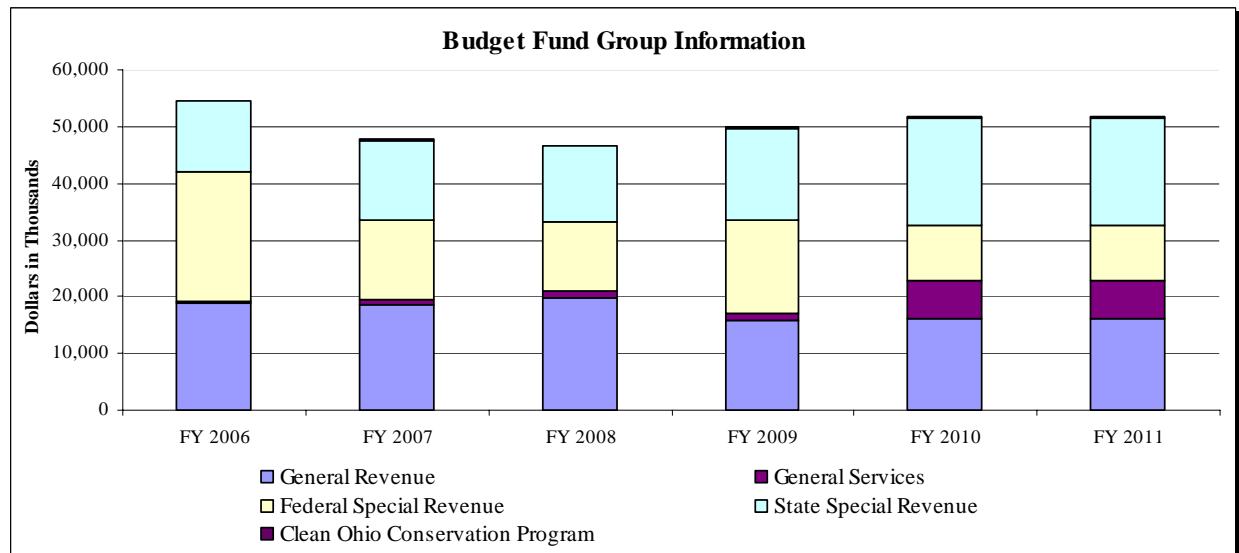
### Role and Overview

The foremost responsibility of the Ohio Department of Agriculture (ODA) is safeguarding the health of Ohio's food supply, consumers, environment, animals and plants. The department does this by providing regulatory protection in the following areas: food including meat and dairy safety; plant pest control; pesticide regulation and other plant industry interests; animal health; amusement ride safety; weights and measures; and oversight of Ohio's large-scale livestock and poultry operations. The department also promotes Ohio's agricultural products in domestic and international markets. The director of the Ohio Department of Agriculture (director) is appointed by the governor. The department has an annual budget of more than \$49 million, including \$16 million in General Revenue funds, which supports the activities of over 400 full-time employees. Additional information regarding the Ohio Department of Agriculture is available at [www.agri.ohio.gov](http://www.agri.ohio.gov).

### Agency Priorities

- Provide food safety and consumer protection through regulatory sampling and testing of food and plant products, and inspecting food processing and storage facilities as well as meat processing facilities to combat disease and dangerous foodborne pathogens.
- Promote and protect livestock and poultry health through regulatory and animal disease surveillance programs.
- Create and maintain jobs by promoting both traditional and new agricultural products in domestic and international markets.
- Develop and promote agri-tourism opportunities.
- Promote and assist landowners in preserving farmland.
- As a result of the passage of Issue 2, the Executive Transportation Bill will revise Amended Substitute House Bill 562 in order to increase the Clean Ohio agricultural easements grant program from \$5 million to \$12.5 million.

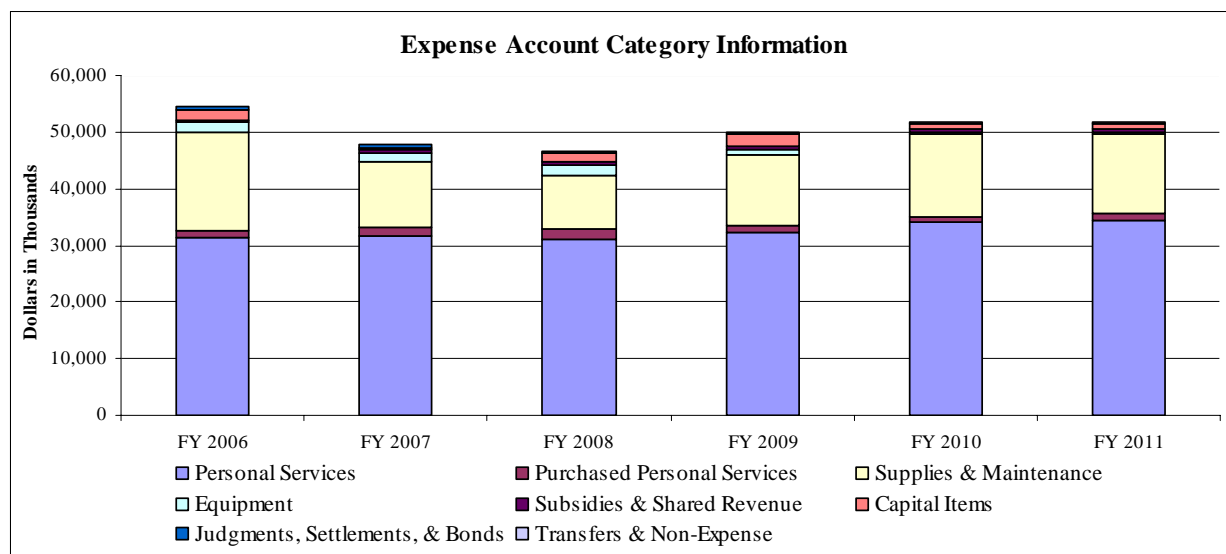
### Summary of Budget History and Recommendations



- By implementing a number of fees on regulated industries, the department will be able to maintain, and in some instances improve, its ability to protect Ohio's consumers, environment, animals, and plants.
- The increase in fee revenue is illustrated by the dramatic increase in State Special Revenue from fiscal year 2009 to fiscal year 2010. The increase in State Special Revenue will allow the department to increase its regulatory efforts, and in doing so, better protect the public.

**State of Ohio**  
**Department of Agriculture**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|-------------------------------------|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| General Revenue                     | 18,932        | 18,495        | 19,776        | 15,985          | -19.2                   | 16,070        | 0.5         | 16,070        | 0.0         |
| General Services                    | 175           | 946           | 1,151         | 1,100           | -4.4                    | 6,813         | 519.4       | 6,813         | 0.0         |
| Federal Special Revenue             | 22,850        | 13,981        | 12,313        | 16,470          | 33.8                    | 9,595         | -41.7       | 9,595         | 0.0         |
| State Special Revenue               | 12,561        | 14,199        | 13,275        | 15,994          | 20.5                    | 19,061        | 19.2        | 19,061        | 0.0         |
| Clean Ohio Conservation Program     | 57            | 46            | 108           | 399             | 270.6                   | 149           | -62.7       | 149           | 0.0         |
| <b>TOTAL</b>                        | <b>54,574</b> | <b>47,667</b> | <b>46,624</b> | <b>49,948</b>   | <b>7.1</b>              | <b>51,687</b> | <b>3.5</b>  | <b>51,687</b> | <b>0.0</b>  |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|---|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                             | 31,305        | 31,762        | 31,210        | 32,256          | 3.4                     | 33,963        | 5.3         | 34,494        | 1.6         |
| Purchased Personal Services                   | 1,412         | 1,408         | 1,660         | 1,143           | -31.2                   | 1,020         | -10.8       | 1,020         | 0.1         |
| Supplies & Maintenance                        | 17,254        | 11,494        | 9,464         | 12,578          | 32.9                    | 14,580        | 15.9        | 14,029        | -3.8        |
| Equipment                                     | 1,657         | 1,646         | 1,884         | 994             | -47.2                   | 388           | -60.9       | 388           | 0.0         |
| Subsidies & Shared Revenue                    | 458           | 447           | 584           | 575             | -1.6                    | 486           | -15.4       | 506           | 4.1         |
| Capital Items                                 | 1,756         | 338           | 1,591         | 2,000           | 25.7                    | 1,000         | -50.0       | 1,000         | 0.0         |
| Judgments, Settlements, & Bonds               | 731           | 571           | 0             | 295             | 100.0                   | 0             | -100.0      | 0             | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 231           | 107             | -53.5                   | 250           | 133.2       | 250           | 0.0         |
| <b>TOTAL</b>                                  | <b>54,574</b> | <b>47,667</b> | <b>46,624</b> | <b>49,948</b>   | <b>7.1</b>              | <b>51,687</b> | <b>3.5</b>  | <b>51,687</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: General Agriculture

This program series includes funding for County Agricultural Societies, the Ohio Farm Loan Program, the Farmland Preservation Program, and the Utility Radiological Safety and Agricultural Terrorism Program.

#### Program 01.01: County Agriculture Society

This program provides funding to reimburse the 94 county and independent agricultural societies throughout Ohio in regard to their junior fair activities. Funds are disbursed in January after the agricultural societies provide a junior fair report of the expenses of their respective fairs. Funding levels determine the reimbursements that each society

receives and thereby the premiums paid to individual participants. Approximately 100,000 junior fair participants exhibit at county and independent fairs in Ohio. Agricultural societies provide educational opportunities for junior fair participants in addition to providing premiums and cash awards.

Also included in this program are tax revenues from para-mutual wagering in Ohio which is collected by the Ohio Department of Taxation and which is then disbursed by the department to the 94 county and independent fairs and the Ohio State Fair to supplement their racing purses.

**The Executive Recommendation will fund the following objectives:**

- Provide funding to reimburse agricultural societies for premiums and cash awarded to junior fair participants that exhibit at county and independent fairs in Ohio.

| FUND                     |      |        |                                    | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 700501 | County Agricultural Societies      | 334,903        | 334,903        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Fed Stimulus | 80,000         | 100,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>414,903</b> | <b>434,903</b> |

**Program 01.02: Ohio Farm Loan**

This program provides funding to support one-time matching funds for projects that will generate economic activity in low-income segments of rural communities and to promote educational and marketing opportunities that support innovative rural agricultural enterprises. The program was funded by congress through the Rural Rehabilitation Corporation Trust Liquidation Act. The fund maintains a principal balance of \$3 million. Revenue is generated by investment earnings on the \$3 million capitalization and periodic principal repayments on loans. The Ohio Rural Rehabilitation Advisory Committee reviews applications and makes funding recommendations to the director.

**The Executive Recommendation will fund the following objectives:**

- Support the granting of low-interest loans to Ohio farmers.

| FUND                     |      |        |                               | RECOMMENDED   |               |
|--------------------------|------|--------|-------------------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010       | FY 2011       |
| FED                      | 3360 | 700617 | Ohio Farm Loan Revolving Fund | 44,679        | 44,679        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>44,679</b> | <b>44,679</b> |

**Program 01.03: Farmland Preservation**

This program assists in maintaining productive farmland, educates the general public on protecting farmland from conversion to non-agricultural uses, administers the Clean Ohio Fund's Agricultural Easement Purchase Program, and assists local officials with farmland protection efforts. The agricultural easement purchase program purchases and records perpetual restrictive use covenants on farmland real estate.

**The Executive Recommendation will fund the following objectives:**

- Fund continuing efforts to maintain farmlands; and
- Administer the Clean Ohio Agricultural Easement Purchase Program.



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| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700409 | Farmland Preservation                      | 200,000          | 200,000          |
| FED                      | 3AB0 | 700641 | Agricultural Easement                      | 1,000,000        | 1,000,000        |
| CLF                      | 7057 | 700632 | Clean Ohio Agricultural Easement Operating | 149,000          | 149,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,349,000</b> | <b>1,349,000</b> |

**Program 01.04: Utility Radiological Safety Board and Agriculture Bio-Security**

The Agro Bio-Security program coordinates and provides recommendations to department divisions and local, state, federal agencies and industry partners concerning Homeland Security, emergency management, food supply defense, bio-security, agro terrorism, infrastructure protection, natural and radiological events. The office develops, coordinates, and implements agency-wide plans, training and exercises for continuity of operations, infrastructure protection, campus safety and security, emergency preparedness, response, and recovery.

The Agro Bio-Security represents and advises the director in matters concerning the Utility Radiological Safety Board (URSB), Ohio Homeland Security Advisory Council (OHSAC), State of Ohio Security Task Force (SOSTF), State Emergency Operations Center (EOC), Strategic Analysis and Information Center (SAIC), Ohio Homeland Security Strategic Plan, and the Multi-State Partnership for Security in Agriculture.

**The Executive Recommendation will fund the following objectives:**

- Continue preparedness efforts to protect Ohio's food chain in the case of a release at a nuclear power plant or acts of agro-terrorism.

| FUND                     |      |        |                             | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010        | FY 2011        |
| SSR                      | 4E40 | 700606 | Utility Radiological Safety | 134,631        | 134,631        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>134,631</b> | <b>134,631</b> |

**PROGRAM SERIES 02: Amusement Ride Safety**

This program series issues licenses to, and provides inspection of, amusement rides to protect those who visit amusement parks, fairs and carnivals. Inspected amusement rides include permanent park rides, mobile carnival rides, inflatable bounce structures, water park rides, climbing walls, and go carts and go cart tracks.

**Program 02.01: Amusement Ride Safety**

This program is responsible for inspecting over 3,000 permanent and portable amusement rides annually. It also licenses and regulates games and sideshows at the state, county, and independent fairs and investigates ride accidents.

**The Executive Recommendation will fund the following objectives:**

- Support the current operation of the inspection program to ensure that the public is protected; and
- Support ten staff, including eight ride inspectors.

| FUND                     |      |        |                      | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010          | FY 2011          |
| SSR                      | 5780 | 700620 | Ride Inspection Fees | 1,000,001        | 1,000,001        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>1,000,001</b> | <b>1,000,001</b> |

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**PROGRAM SERIES 03: Dairy Inspection**

This program series protects consumers by ensuring that milk and other dairy products are produced, transported and processed according to established sanitary standards and safe conditions.

**Program 03.01: Dairy Inspection**

The program provides registered sanitarians to inspect farm dairy operations, dairy processing, transport tankers and manufacturing facilities. Sanitarians verify every stage of milk production and processing, from the source to the distribution facility, for proper sanitation and processing practices. Inspection standards are set to meet or exceed standards of the United States Department of Health and Human Services, the United States Food and Drug Administration, and the United States Department of Agriculture. The program licenses and inspects over 3,300 milk producers, tank trucks and other transporters, processors, and transfer and receiving stations. The program trains, licenses and evaluates weighers, samplers, and testers.

**The Executive Recommendation will fund the following objectives:**

- Support inspection and licensing activities at the current level.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700403 | Milk Lab Program                       | 1,110,277        | 1,110,277        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 63,423           | 63,423           |
| SSR                      | 4R20 | 700637 | Dairy Inspection                       | 1,800,000        | 1,800,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>2,973,700</b> | <b>2,973,700</b> |

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**PROGRAM SERIES 04: Food Safety**

This program series assures that consumers are provided foods, over-the-counter drugs, dietary supplements, and cosmetics that are safe, unadulterated, properly labeled, and honestly presented through regulatory inspections and the evaluation and approval of local health departments' retail food safety establishment inspection programs. Food Safety surveillance testing and response to foodborne illness outbreaks has grown significantly. Food Safety is directly responsible for informing Ohio consumers of contaminated products by way of media alerts and product recalls.

**Program 04.01: Food and Drug Inspection**

This program assures that all food manufacturing firms (bakeries, canneries, snack food, and candy manufactures, egg processors, soft drink and bottle water producers, seafood processors, shellfish re-packers and re-shippers, and food warehouses including fruit and vegetable distributors) are inspected for compliance with sanitation standards. This program conducts regulatory inspections at farm markets (sole proprietors), farmers' markets (multiple vendors), farm product auctions, and retail merchants selling over-the-counter drugs, cosmetics, and medical devices. The program also evaluates and audits the administrative controls of the 132 local health departments approved to inspect retail food establishments for regulatory compliance.

**The Executive Recommendation will fund the following objectives:**

- Support the regulation of food processing plants, wholesale storage and distribution sites, and retail facilities that produce, process, label, store, distribute, and sell food products;
- Allow for improved communications of foodborne outbreak investigations and recall notifications through coordination with local health departments, the Ohio Department of Health, the U.S. Food and Drug Administration, and the U.S. Department of Agriculture; and
- Fund the monitoring of wholesale operations to ensure proper handling of over-the-counter drugs, dietary supplements, and cosmetics.

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| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700407 | Food, Dairies & Drugs | 875,043          | 875,043          |
| SSR                      | 4P70 | 700610 | Food Safety           | 1,099,396        | 1,099,396        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>1,974,439</b> | <b>1,974,439</b> |

### PROGRAM SERIES 05: Agriculture Market Development

This program series markets Ohio grown and processed agricultural and food products worldwide creating and retaining employment opportunities for Ohio citizens.

#### Program 05.01: International and Domestic Marketing

This program provides marketing services to Ohio's food and agricultural industry to promote and provide a competitive advantage for Ohio-based products that are marketed worldwide. Program staff members participate in trade shows, coordinate trade missions, conduct training seminars on exporting, and provide market research information to help promote worldwide development of Ohio-based products. Also included in this program are proceeds from the sale of a specially designed license plate available through the Bureau of Motor Vehicles which will be used to provide grant funds for projects that promote and/or support sustainable agriculture practices and market access. In addition to grants, proceeds from the sale of these license plates will also be used to provide scholarships to students pursuing a degree in large livestock veterinary medicine.

#### The Executive Recommendation will fund the following objectives:

- Continue the support of Ohio's product marketing in domestic and international markets; and
- Promote and support sustainable agriculture practices through grants and scholarships.

| FUND                     |      |        |  | RECOMMENDED    |                |
|--------------------------|------|--------|--|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010        | FY 2011        |
| GRF                      | GRF  | 700411 | International Trade/Market Development | 431,440        | 431,440        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 98,108         | 98,108         |
| SSR                      | 4T70 | 700613 | International Trade                    | 15,000         | 15,000         |
| SSR                      | 5CP0 | 700652 | License Plates -Scholarships           | 20,000         | 20,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>564,548</b> | <b>564,548</b> |

#### Program 05.02: Commodity Marketing

This program oversees three commodity marketing programs: apples, small fruits and vegetables, and sheep and wool. Producers pay assessment amounts that are established by each commodity group which are then deposited into the Commodity Marketing Program Fund. Periodically disbursements are made from this fund to the respective commodity groups for payment of advertising, promotion and brand identity strategies, and activities as selected by each commodity group.

#### The Executive Recommendation will fund the following objectives:

- Allow for the distribution of collected assessments and the provision of oversight to marketing committees.

| FUND                     |      |        |  | RECOMMENDED    |                |
|--------------------------|------|--------|--|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010        | FY 2011        |
| SSR                      | 4940 | 700612 | Agricultural Commodity Marketing Program | 250,000        | 250,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>250,000</b> | <b>250,000</b> |

**Program 05.03: Ohio Proud Marketing**

Ohio Proud is the department's signature marketing program and brand identity. Ohio Proud was originally developed in 1993 and was recently redesigned and reintroduced to improve the effectiveness of the brand. The Ohio Proud program markets Ohio food and agriculture products to increase sales and create jobs for food processing, manufacturing and growers/producers. The brand identity was redesigned to coincide with surveyed consumer purchasing preferences that highlighted purchasing locally grown and produced food products.

**The Executive Recommendation will fund the following objectives:**

- Promote the sale of agricultural products raised, grown, or processed in Ohio.

| FUND                     |      |        |                      | RECOMMENDED    |                |
|--------------------------|------|--------|----------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010        | FY 2011        |
| GRF                      | GRF  | 700404 | Ohio Proud           | 196,895        | 196,895        |
| SSR                      | 4R00 | 700636 | Ohio Proud Marketing | 10,500         | 10,500         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>207,395</b> | <b>207,395</b> |

**Program 05.04: Grape Industries Research and Marketing**

This program seeks to expand Ohio's wine and grape-growing industry through research, marketing and promotion in order to create income-producing agribusiness. Currently, there are approximately 80 licensed and bonded wineries in Ohio. Past research has focused on disease management, pest control, and the development of grape vines that can thrive in the state's cool climate. Revenue to support the program is generated from taxes collected on the sale of wine in Ohio.

**The Executive Recommendation will fund the following objectives:**

- Support marketing initiatives to promote Ohio's wine and grape growing industry; and
- Fund research on grape disease management and pest control.

| FUND                     |      |        |                       | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010        | FY 2011        |
| SSR                      | 4960 | 700626 | Ohio Grape Industries | 849,999        | 849,999        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>849,999</b> | <b>849,999</b> |

**PROGRAM SERIES 06: Plant Industry**

Plant Industry enforces regulations and requirements pertaining to animal livestock feed (animal health) that are related to human health through the food supply chain, protects farmers' grain purchases, and certifies plants and plant products to move in interstate, intrastate and global commerce.

**Program 06.01: Plant Pest Control**

The Plant Pest Control program inspects, certifies, and licenses nursery stock producers and dealers which the green industry to ship products in interstate, intrastate and global commerce. Also included are other plant products such as logs, lumber, grain and other material that could harbor pests.

**The Executive Recommendation will fund the following objectives:**

- Provide for the eradication of harmful new plant infestations, the performance of required laboratory analysis of samples prior to issuing phytosanitary certificates, plant pest containment inspections, and the performance of post entry quarantine inspections of plant material imported from foreign countries.

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| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| SSR                      | 5FC0 | 700648 | Plant Pest Program | 1,000,000        | 1,000,000        |
| SSR                      | 6690 | 700635 | Pesticide Program  | 3,470,000        | 3,470,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>4,470,000</b> | <b>4,470,000</b> |

**Program 06.02: Invasive Species**

The Invasive Species program seeks to minimize the impact of invasive insects and plant diseases upon Ohio's agricultural and green industry while protecting the overall environment. Examples of invasive insects and diseases are the Gypsy Moth, Emerald Ash Borer, Soybean Rust, Sudden Oak Death and Ralstonia. An example is the Gypsy Moth Program which greatly reduced the movement of the pest saving Ohio jobs and Ohio's agricultural and green industry from increased costs involved with a quarantine including the possible destruction of product.

**The Executive Recommendation will fund the following objectives:**

- Fund continuing suppression efforts and activities to slow the spread of the Gypsy Moth and Emerald Ash Borer.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| FED                      | 3R20 | 700614 | Federal Plant Industry | 1,000,000        | 1,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>1,000,000</b> | <b>1,000,000</b> |

**Program 06.03: Pesticide, Fertilizer, and Lime Inspections**

This program contains three components: The pesticide program helps assure that only U. S. EPA registered pesticides are used in Ohio by trained applicators and according to label directions. This component protects human health and the environment by investigating misuse complaints. The fertilizer component licenses pesticide applicators, registers fertilizer distributors, and samples products to help assure accurate label claims. The lime section licenses lime distributors in Ohio and also samples products to help assure accurate label claims.

**The Executive Recommendation will fund the following objectives:**

- Fund the inspection of pesticide manufacturing facilities and the collection of sample products for analysis of label claims;
- Allow for the licensure of all commercial pesticide dealers, pesticide applicators, and pesticide products; and
- Provide for the inspection and testing of pesticide, fertilizer, and lime.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| SSR                      | 4C90 | 700605 | Feed, Fertilizer & Lime Inspection | 2,200,000        | 2,200,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>2,200,000</b> | <b>2,200,000</b> |

**Program 06.04: Grain, Feed, and Seed**

This program consists of three components: The grain section licenses agricultural commodity handlers that purchase grain from Ohio's farmers to prevent loss of grain proceeds. This section monitors financial solvency by conducting unannounced examinations and reviewing financial statements. The program monitors an indemnity fund that reimburses eligible farmers in event of insolvency. The feed component provides consumer protection by assuring products going into feed are wholesome and label analyses are accurate and truthful. This helps alleviate illegal drug residue in meat, milk and eggs and prevents cross contamination of specified risk materials that could

transmit disease to humans. Finally, the seed component monitors seed labels and tests seed to assure truth in labeling and also to prevent prohibited noxious weeds from entering the seed market.

**The Executive Recommendation will fund the following objectives:**

- Fund the licensure and monitoring of 245 grain warehouse companies and provide fiscal relief for farmers harmed by elevators that become insolvent; and
- Provide for the inspection and testing of feed and seed.

| FUND              |      |        |                                       | RECOMMENDED |         |
|-------------------|------|--------|---------------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                              | FY 2010     | FY 2011 |
| SSR               | 4970 | 700627 | Commodity Handlers Regulatory Program | 496,000     | 496,000 |
| TOTAL FOR PROGRAM |      |        |                                       | 496,000     | 496,000 |

**PROGRAM SERIES 07: Weights and Measures**

This program series protects Ohio businesses and consumers through the administration and enforcement of weights and measures laws of Ohio. The series provides training for county and city weights and measures officials to test devices ranging from fuel meters and retail store scanners to vehicle and livestock scales for consistent measuring standards.

**Program 07.01: Weights and Measures**

This program administers and enforces all weights and measures laws of Ohio. The Metrology Lab houses standards of mass, length, and volume for the state. The lab is the only U.S. Department of Commerce-authorized metrology lab in Ohio. The metrology laboratory performs calibration services for over 370 Ohio companies and other Ohio government agencies annually. The program's major responsibility is to inspect, test, and seal each commercial weighing and measuring device used in commerce to ensure that measuring tools for pounds, kilograms, gallons, liters, feet, meters, and other tools provide accurate measurements. The program has consumer package testing and oversight of commodity sales responsibilities. The program trains and certifies over 140 state, county, and city inspectors and provides local jurisdiction support for 90 county and city weights and measures programs throughout the state. The program also trained and registered over 350 service persons last year. Ohio administers one of only four National Type Evaluation Program (NTEP) laboratories in the nation, which tests and evaluates new scale designs and technology.

This program will also administer and enforce fuel quality requirements that are modeled on the uniform laws and regulations of the national institute of standards and technology published in handbook 130 and incorporates standards for motor fuel based on the standards developed by the American Society for Testing and Materials Committee on petroleum products.

In conjunction with the National Institute of Standards and Technology, the Weights and Measures program operates an evaluation program for certification of weighing and measuring devices as part of a national evaluation program. Weights and Measures is funded by fees for services in the certification of devices, for metrology laboratory services, and for device permitting.

**The Executive Recommendation will fund the following objectives:**

- Provide for the inspection, testing, and sealing of each commercial weighing and measuring device as required by statute;
- Support training for county and municipal inspectors and service technicians that work for private scale and meter service companies; and
- Provide for the inspection of motor fuel throughout Ohio.

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| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700412 | Weights And Measures                   | 200,000          | 200,000          |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 700,000          | 500,000          |
| SSR                      | 5FB0 | 700647 | Fuel Quality Testing                   | 25,000           | 25,000           |
| SSR                      | 5H20 | 700608 | Metrology Lab                          | 1,454,006        | 1,454,006        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>2,379,006</b> | <b>2,179,006</b> |

**PROGRAM SERIES 08: Animal Industry**

This program series performs many activities including livestock tampering and exhibition testing, tissue and drug residue investigation, Ohio Egg Quality Assurance Program auditing and inspecting, and animal disease control activities.

**Program 08.01: Animal Disease Control**

This program strives to maintain a disease-free status for Ohio's poultry flocks and livestock herds. It protects livestock and poultry from emerging, foreign, and re-emerging animal diseases, protects consumers from diseases originating in tissue and milk residues, protects livestock and poultry interests, and provides high caliber animal disease diagnostic laboratory services. The state veterinarian is in charge of the program. The program has substantial responsibilities relative to animal agriculture emergency preparedness resulting from foreign animal diseases (such as the Foot and Mouth Disease threat), including surveillance for BSE (Mad Cow Disease), and monitoring and testing for West Nile Virus. The Animal Disease Diagnostic Laboratory (ADDL) is part of the National Animal Health Laboratory Network and is authorized by U.S. Department of Agriculture to provide testing for emergency and foreign animal diseases and has bio-safety level 3 labs registered with the CDC's Select Agent program. ADDL is accredited by the American Association of Veterinary Laboratory Directors. The program participates in the National Animal Identification System and the Animal Disease Incident Plan, prepares Ohio to respond to emergency situations and disease outbreaks. Field staff consists of veterinarians and livestock inspectors. This program also enforces, inspects, and monitors livestock dealers, auction markets, concentration yards, weighers, renderers, collectors, and garbage feeders.

**The Executive Recommendation will fund the following objectives:**

- Fund the enforcement, inspection, and monitoring of livestock dealers, auction markets, concentration yards, weighers, renderers, collectors, and garbage feeders;
- Allow for the maintenance of a disease-free status for Ohio's flocks and herds;
- Support the protection of livestock and poultry from emerging, foreign, and re-emerging diseases;
- Provide protection to consumers from tissue and milk residues; and
- Fund animal disease diagnostic laboratory services.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700401 | Animal Disease Control             | 3,617,777        | 3,617,777        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Fed Stimulus | 75,202           | 116,099          |
| SSR                      | 6520 | 700634 | Laboratory Services                | 1,800,000        | 1,800,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>5,492,979</b> | <b>5,533,876</b> |

**Program 08.02: Poultry Inspection**

This program develops testing methods and disease control initiatives to monitor Ohio's poultry industry. Ohio ranks second in the nation in table egg production and is one of only nine states to enact an egg quality assurance program to voluntarily minimize the risk of *Salmonella Enteritidis* (SE) in eggs. In addition, substantial efforts have



been directed to increase surveillance for Avian Influenza and Exotic Newcastle Disease. The Animal Disease Diagnostic Laboratory conducts over 200,000 tests per year on poultry.

**The Executive Recommendation will fund the following objectives:**

- Support egg safety initiatives, including the Ohio Egg Quality Assurance Program to assess, control, and reduce the threat of *Salmonella Enteritidis* in Ohio eggs.

| FUND                     |      |        |  | RECOMMENDED    |                |
|--------------------------|------|--------|--|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010        | FY 2011        |
| GRF                      | GRF  | 700415 | Poultry Inspection                     | 375,401        | 375,401        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 25,000         | 25,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>400,401</b> | <b>400,401</b> |

**Program 08.03: Livestock Testing and Inspection**

This program supports the testing of exhibition livestock at the state, county, and independent fairs, as well as at other exhibitions. Public concern for a safe food supply, the need to develop residue avoidance awareness in food producers, and the desire to elevate youth exhibitors' skills provide the rationale for the program.

**The Executive Recommendation will fund the following objectives:**

- Continue testing of exhibition livestock at county and independent fairs as well as the Ohio State Fair and other exhibitions.

| FUND                     |      |        |                                 | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010        | FY 2011        |
| GRF                      | GRF  | 700424 | Livestock Testing & Inspections | 120,906        | 120,906        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>120,906</b> | <b>120,906</b> |

**PROGRAM SERIES 09: Meat Inspection**

This program series is a public health regulatory program that protects the consumer by ensuring meat and poultry products are safe, wholesome and truthfully labeled. This program receives 50% matching funds from the federal government.

**Program 09.01: Meat Inspection**

This program helps to assure the safety of meat and poultry products produced and processed in Ohio by providing daily visits to licensed facilities. The primary goal is to protect public health and safety by providing ante-mortem and post-mortem inspections of animals and birds slaughtered and processed for commerce. Animal by animal and bird by bird inspections help to assure the prevention of animal diseases that are transmissible from animals to humans and helps to assure that harmful chemical residues are not present. Meat product labels are reviewed and approved for correctness and program inspectors assure the proper use of those approved labels. In addition, each slaughter facility must annually register for a license to operate.

The state and federally adopted science-based Hazard Analysis Critical Control Points (HACCP) inspection program is designed to eliminate biological, chemical and physical contaminants that may contaminate meat and poultry in a slaughter and processing facility environment. Additionally, to help assure that sanitary conditions are maintained inspectors evaluate a facility's compliance with the national food processing facility protocol i.e. Sanitation Standard Operating Procedures (SSOP).



**The Executive Recommendation will fund the following objectives:**

- Support inspections of meat processing facilities to ensure the quality of meat and poultry products.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010           | FY 2011           |
| GRF                      | GRF  | 700499 | Meat Inspection Match                  | 4,493,066         | 4,493,066         |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 427,860           | 467,860           |
| FED                      | 3260 | 700618 | Meat Inspection Service                | 4,950,000         | 4,950,000         |
| SSR                      | 4T60 | 700611 | Poultry And Meat Inspection            | 153,339           | 153,339           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>10,024,265</b> | <b>10,064,265</b> |

**PROGRAM SERIES 10: Consumer Analytical Laboratory**

This program series helps assure consumer food products are safe and accurately labeled including agricultural products used by Ohio's farmers, and prevents the occurrence of unsafe environmental conditions resulting from the improper use of pesticides and fertilizers.

**Program 10.01: Food and Product Testing**

This program provides chemical analysis and microbiological surveillance testing for food, livestock and poultry feed, and fertilizer to help assure safe food products and verify the accuracy of product labeling of feed and fertilizer to protect consumers and agricultural users. Over 23,000 samples are processed each year including meat, poultry and processed foods, dairy products, livestock feed, fertilizer and pesticides. The Analytical Toxicology Laboratory performs equine testing on samples collected by the Ohio Racing Commission at seven para-mutual commercial race tracks and 94 county and independent fairs. Forensic toxicological analyses are performed to detect the presence of performance enhancing drugs and chemicals in equine and livestock samples. The laboratory is a member of the FDA/USDA Food Emergency Response Network (FERN). Highly pathogenic samples can be processed in a Bio-Safety Level 3 laboratory facility certified by the Center for Disease Control (CDC). The laboratory has Select Agent Registration licensing by the CDC for processing dangerous samples. The laboratory is certified by the FDA and U.S. EPA for food and water testing.

**The Executive Recommendation will fund the following objectives:**

- Support laboratory testing and analysis of food, animal feed, and fertilizer samples; and
- Support testing of equine and livestock samples.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700406 | Consumer Analytical Lab                | 1,162,114        | 1,162,114        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 159,657          | 227,868          |
| SSR                      | 6520 | 700634 | Laboratory Services                    | 2,600,000        | 2,600,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>3,921,771</b> | <b>3,989,982</b> |

**PROGRAM SERIES 11: Large Livestock Regulation**

This program series monitors large livestock operations. With the rural environment in close proximity to urban residents, it is increasingly important to provide acceptable environmental standards for large livestock producers. The goal is to eliminate water quality hazards and to establish acceptable standards to maintain quality surface and ground water in areas of large livestock operations.

**Program 11.01: Large Livestock Regulation**

This program regulates operating and management practices for the handling of manure, including insect and rodent control, and monitors the guidelines for environmental compliance. The program also issues permits to install and 5-year renewable permits to operate large livestock facilities, establishes building standards for new facilities as well as inspection and enforcement of surface and ground water quality, and issues certificates to livestock managers. This program benefits both livestock producers as well as the rural and urban neighbors of these facilities.

**The Executive Recommendation will fund the following objectives:**

- Provide monitoring of large livestock operations; and
- Provide funding for the Concentrated Animal Feeding Facility Advisory Committee.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 700418 | Livestock Regulation Program           | 1,166,494        | 1,166,494        |
| GRF                      | GRF  | 700654 | Agriculture Operating-Federal Stimulus | 156,290          | 187,182          |
| SSR                      | 5L80 | 700604 | Livestock Management                   | 256,286          | 256,286          |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,579,070</b> | <b>1,609,962</b> |

**PROGRAM SERIES 12: Auctioneers**

This program regulates auctions conducted in the State of Ohio. The program oversees the licensing of auctioneers, apprentice auctioneers, auction firms, and auction corporations/partnerships. The program investigates complaints against licensees, issues licenses, administers examinations, and works with the Ohio Auction Commission to set auction school criteria and curriculum requirements.

**Program 12.01: Auctioneer Licensing and Indemnity Fund**

This program administers the auctioneer operating fund, the auction education fund, and the auctioneer recovery fund. Auctioneer license fees fund the auctioneer program. The auction education fund sponsors continuing education and professional development programs for auctioneers and the public. Education funding proposals are submitted to the Ohio Auctioneer Commission for review. The auction recovery fund is an indemnity fund created to protect consumers from actual and direct losses suffered by a consumer as a result of a licensed auctioneer violating Ohio auction law.

**The Executive Recommendation will fund the following objectives:**

- Regulate and license 3,300 auctioneers; and
- Investigate consumer complaints.

| FUND                     |      |        |                   | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME          | FY 2010        | FY 2011        |
| SSR                      | 4D20 | 700609 | Auction Education | 41,000         | 41,000         |
| SSR                      | 5B80 | 700629 | Auctioneers       | 365,390        | 365,390        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                   | <b>406,390</b> | <b>406,390</b> |

**PROGRAM SERIES 13: Program Management**

This program series includes administrative/management activities conducted by the director's office, fiscal services, legal services, communications, and human resources management as well as specialized functions including enforcement of the agency's laws and rules as well as management of a variety of small general agricultural programs.

**Program 13.01: Program Management**

This program encompasses the primary and strategic management of the Department of Agriculture; provides coordination of all other programs and programs series, policy oversight, communications, legal, financial, technological, and personnel support. Included in this program is the director's office, business management, human resources, enforcement, laboratory and building maintenance, information technology, legal, and general agricultural functions including the rural development partnership programs.

Also included in this program is the management and support costs related to the Ohio Department of Health (ODH)/Ohio Environmental Protection Agency (OEPA) facility which resides on the campus of ODA. ODH reimburses, on behalf of ODH/OEPA, to ODA the costs incurred to operate the facility. In addition, this program includes very minor amounts of fee income associated with the livestock brand registration program. Livestock brand registration is valid for five-years and the fee revenue is used to promote agriculture.

**The Executive Recommendation will fund the following objectives:**

- Provide support services and executive management to all Department of Agriculture programs and facilities.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GSF                      | 5DA0 | 700644 | Laboratory Administration Support | 1,100,000        | 1,100,000        |
| GSF                      | 5GH0 | 700655 | Central Support Indirect Cost     | 5,713,404        | 5,713,404        |
| FED                      | 3820 | 700601 | Cooperative Contracts             | 2,000,000        | 2,000,000        |
| FED                      | 3J40 | 700607 | Indirect Cost                     | 600,000          | 600,000          |
| SSR                      | 4900 | 700651 | License Plates -Sustainable Ag    | 20,000           | 20,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>9,433,404</b> | <b>9,433,404</b> |

**State of Ohio**  
**Department of Agriculture**

**LINE ITEM SUMMARY – Department of Agriculture**

| FUND                          | ALI    | ALI NAME                               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                           | 700321 | Operating Expenses                     | 2,612,981         | 2,531,139         | 2,630,371         | 1,965,481           | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 700401 | Animal Disease Control                 | 3,585,521         | 3,562,256         | 3,596,544         | 3,232,099           | 3,617,777              | 11.9         | 3,617,777              | 0.0         |
| GRF                           | 700403 | Milk Lab Program                       | 1,305,561         | 1,299,427         | 1,254,371         | 1,007,076           | 1,110,277              | 10.2         | 1,110,277              | 0.0         |
| GRF                           | 700404 | Ohio Proud                             | 163,218           | 186,686           | 201,367           | 176,758             | 196,895                | 11.4         | 196,895                | 0.0         |
| GRF                           | 700405 | Animal Damage Control                  | 75,559            | 61,621            | 61,143            | 51,423              | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 700406 | Consumer Analytical Lab                | 817,595           | 802,475           | 948,837           | 846,455             | 1,162,114              | 37.3         | 1,162,114              | 0.0         |
| GRF                           | 700407 | Food, Dairies & Drugs                  | 938,190           | 857,671           | 905,954           | 752,813             | 875,043                | 16.2         | 875,043                | 0.0         |
| GRF                           | 700409 | Farmland Preservation                  | 239,225           | 219,039           | 191,336           | 0                   | 200,000                | .0           | 200,000                | 0.0         |
| GRF                           | 700410 | Plant Industry                         | 298,032           | 143,631           | 308,552           | 111,553             | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 700411 | International Trade/market Development | 610,777           | 548,305           | 547,764           | 498,933             | 431,440                | -13.5        | 431,440                | 0.0         |
| GRF                           | 700412 | Weights and Measures                   | 1,095,707         | 1,208,764         | 1,413,355         | 689,460             | 200,000                | -71.0        | 200,000                | 0.0         |
| GRF                           | 700413 | Gypsy Moth Prevention                  | 187,324           | 198,792           | 156,760           | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 700414 | Conc. Animal Feed Fac Adv Comm         | 12,922            | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 700415 | Poultry Inspection                     | 333,878           | 311,207           | 393,431           | 325,499             | 375,401                | 15.3         | 375,401                | 0.0         |
| GRF                           | 700418 | Livestock Regulation Program           | 1,412,230         | 1,429,336         | 1,413,750         | 1,154,603           | 1,166,494              | 1.0          | 1,166,494              | 0.0         |
| GRF                           | 700422 | Emergency Prepare Supply & Equip       | 0                 | 12,144            | 616,728           | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 700424 | Livestock Testing & Inspections        | 122,008           | 104,461           | 122,054           | 104,089             | 120,906                | 16.2         | 120,906                | 0.0         |
| GRF                           | 700499 | Meat Inspection Match                  | 4,766,964         | 4,663,271         | 4,507,376         | 4,578,538           | 4,493,066              | -1.9         | 4,493,066              | 0.0         |
| GRF                           | 700501 | County Agricultural Societies          | 354,379           | 354,415           | 469,018           | 433,807             | 334,903                | -22.8        | 334,903                | 0.0         |
| GRF                           | 700503 | Livestock Exhibition Fund              | 0                 | 0                 | 37,780            | 56,108              | 0                      | -100.0       | 0                      | .0          |
| GRF                           | 700654 | Agriculture Operating-Fed Stimulus     | 0                 | 0                 | 0                 | 0                   | 1,785,540              | .0           | 1,785,540              | 0.0         |
| <b>TOTAL General Revenue</b>  |        |  | <b>18,932,071</b> | <b>18,494,640</b> | <b>19,776,493</b> | <b>15,984,695</b>   | <b>16,069,856</b>      | <b>0.5</b>   | <b>16,069,856</b>      | <b>0.0</b>  |
| 5DA0                          | 700644 | Laboratory Administration Support      | 174,598           | 946,108           | 1,151,192         | 1,100,000           | 1,100,000              | 0.0          | 1,100,000              | 0.0         |
| 5GH0                          | 700655 | Central Support Indirect Cost          | 0                 | 0                 | 0                 | 0                   | 5,713,404              | .0           | 5,713,404              | .0          |
| <b>TOTAL General Services</b> |        |  | <b>174,598</b>    | <b>946,108</b>    | <b>1,151,192</b>  | <b>1,100,000</b>    | <b>6,813,404</b>       | <b>519.4</b> | <b>6,813,404</b>       | <b>0.0</b>  |
| 3260                          | 700618 | Meat Inspection Service                | 5,274,140         | 4,850,134         | 4,488,801         | 4,950,000           | 4,950,000              | 0.0          | 4,950,000              | 0.0         |
| 3360                          | 700617 | Ohio Farm Loan Revolving Fund          | 69,402            | 94,705            | 64,830            | 44,679              | 44,679                 | 0.0          | 44,679                 | 0.0         |

State of Ohio  
Department of Agriculture

**LINE ITEM SUMMARY – Department of Agriculture**

| FUND                                 | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 3820                                 | 700601 | Cooperative Contracts                    | 3,656,487         | 3,534,653         | 3,218,307         | 3,700,000           | 2,000,000              | -45.9        | 2,000,000              | 0.0         |
| 3AB0                                 | 700641 | Agricultural Easement                    | 1,511,510         | 338,084           | 1,591,279         | 2,000,000           | 1,000,000              | -50.0        | 1,000,000              | 0.0         |
| 3J40                                 | 700607 | Indirect Cost                            | 1,632,698         | 1,452,042         | 648,543           | 975,000             | 600,000                | -38.5        | 600,000                | 0.0         |
| 3R20                                 | 700614 | Federal Plant Industry                   | 10,705,258        | 3,711,025         | 2,301,165         | 4,800,000           | 1,000,000              | -79.2        | 1,000,000              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |  | <b>22,849,495</b> | <b>13,980,643</b> | <b>12,312,926</b> | <b>16,469,679</b>   | <b>9,594,679</b>       | <b>-41.7</b> | <b>9,594,679</b>       | <b>0.0</b>  |
| 4900                                 | 700623 | Agro Ohio Fund                           | 26,352            | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 4900                                 | 700651 | License Plates -Sustainable Ag           | 0                 | 0                 | 0                 | 0                   | 20,000                 | .0           | 20,000                 | 0.0         |
| 4940                                 | 700612 | Agricultural Commodity Marketing Program | 221,434           | 219,013           | 203,615           | 250,000             | 250,000                | 0.0          | 250,000                | 0.0         |
| 4960                                 | 700626 | Ohio Grape Industries                    | 1,304,093         | 1,325,122         | 775,087           | 899,999             | 849,999                | -5.6         | 849,999                | 0.0         |
| 4970                                 | 700627 | Commodity Handlers Regulatory Program    | 283,819           | 247,642           | 283,519           | 500,000             | 496,000                | -0.8         | 496,000                | 0.0         |
| 4C90                                 | 700605 | Feed, Fertilizer & Lime Inspection       | 1,647,465         | 1,824,196         | 1,853,076         | 1,850,000           | 2,200,000              | 18.9         | 2,200,000              | 0.0         |
| 4D20                                 | 700609 | Auction Education                        | 20,406            | 20,594            | 27,613            | 24,601              | 41,000                 | 66.7         | 41,000                 | 0.0         |
| 4E40                                 | 700606 | Utility Radiological Safety              | 69,191            | 74,113            | 105,159           | 134,631             | 134,631                | 0.0          | 134,631                | 0.0         |
| 4P70                                 | 700610 | Food Safety                              | 954,727           | 698,136           | 944,889           | 858,096             | 1,099,396              | 28.1         | 1,099,396              | 0.0         |
| 4R00                                 | 700636 | Ohio Proud Marketing                     | 10,054            | 6,116             | 9,797             | 0                   | 10,500                 | .0           | 10,500                 | 0.0         |
| 4R20                                 | 700637 | Dairy Inspection                         | 1,457,650         | 1,482,964         | 1,379,568         | 1,729,267           | 1,800,000              | 4.1          | 1,800,000              | 0.0         |
| 4T60                                 | 700611 | Poultry and Meat Inspection              | 0                 | 53,507            | 123,670           | 140,469             | 153,339                | 9.2          | 153,339                | 0.0         |
| 4T70                                 | 700613 | International Trade                      | 18,471            | 26,732            | 21,332            | 15,000              | 15,000                 | 0.0          | 15,000                 | 0.0         |
| 4V50                                 | 700615 | Animal Industry Lab Fees                 | 30,499            | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 5780                                 | 700620 | Ride Inspection Fees                     | 805,846           | 1,028,477         | 939,977           | 999,951             | 1,000,001              | 0.0          | 1,000,001              | 0.0         |
| 5880                                 | 725633 | Scrap Tire Program                       | 3,955             | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 5B80                                 | 700629 | Auctioneers                              | 246,353           | 297,146           | 325,272           | 365,390             | 365,390                | 0.0          | 365,390                | 0.0         |
| 5CP0                                 | 700652 | License Plates -Scholarships             | 0                 | 0                 | 0                 | 0                   | 20,000                 | .0           | 20,000                 | 0.0         |
| 5FB0                                 | 700647 | Fuel Quality Testing                     | 0                 | 0                 | 0                 | 0                   | 25,000                 | .0           | 25,000                 | 0.0         |
| 5FC0                                 | 700648 | Plant Pest Program                       | 0                 | 0                 | 0                 | 0                   | 1,000,000              | .0           | 1,000,000              | 0.0         |
| 5H20                                 | 700608 | Metrology Lab                            | 177,104           | 188,968           | 265,225           | 702,525             | 1,454,006              | 107.0        | 1,454,006              | 0.0         |
| 5L80                                 | 700604 | Livestock Management                     | 0                 | 0                 | 30,000            | 90,000              | 256,286                | 184.8        | 256,286                | 0.0         |
| 5U10                                 | 700624 | Auction Recovery Fund                    | 12,774            | 0                 | 2,445             | 9,355               | 0                      | -100.0       | 0                      | .0          |

**LINE ITEM SUMMARY – Department of Agriculture**

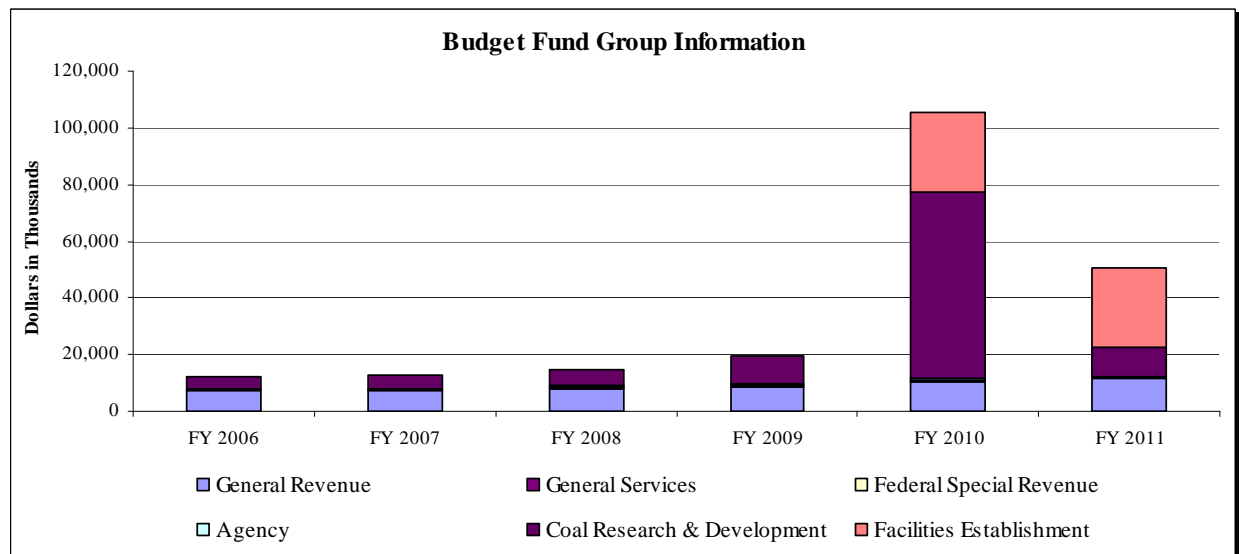
| FUND   | ALI    | ALI NAME                                   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 6520   | 700634 | Laboratory Services                        | 2,488,224         | 3,383,698         | 3,244,606         | 4,300,000           | 4,400,000              | 2.3          | 4,400,000              | 0.0         |
| 6690   | 700635 | Pesticide Program                          | 2,782,426         | 3,322,578         | 2,740,545         | 3,125,000           | 3,470,000              | 11.0         | 3,470,000              | 0.0         |
| <b>TOTAL State Special Revenue</b>           |        |  | <b>12,560,843</b> | <b>14,199,002</b> | <b>13,275,394</b> | <b>15,994,284</b>   | <b>19,060,548</b>      | <b>19.2</b>  | <b>19,060,548</b>      | <b>0.0</b>  |
| 7057   | 700632 | Clean Ohio Agricultural Easement Operating | 56,587            | 46,219            | 107,669           | 399,000             | 149,000                | -62.7        | 149,000                | 0.0         |
| <b>TOTAL Clean Ohio Conservation Program</b> |        |  | <b>56,587</b>     | <b>46,219</b>     | <b>107,669</b>    | <b>399,000</b>      | <b>149,000</b>         | <b>-62.7</b> | <b>149,000</b>         | <b>0.0</b>  |
| <b>TOTAL Department of Agriculture</b>       |        |  | <b>54,573,594</b> | <b>47,666,612</b> | <b>46,623,674</b> | <b>49,947,658</b>   | <b>51,687,487</b>      | <b>3.5</b>   | <b>51,687,487</b>      | <b>0.0</b>  |

### Role and Overview

The Ohio Air Quality Development Authority helps conserve air as a natural resource, prevents or abates air pollution, assists in the financing of air quality facilities for industry, commerce, and research, and encourages the development and deployment of advanced energy technologies to create jobs and protect the environment.

The authority is governed by a seven-member board. Five of the members are public members appointed by the Governor. The other two members are the directors of the Ohio Department of Health and the Ohio Environmental Protection Agency. The day-to-day functions of the authority are performed by a staff of ten. The authority assists businesses in meeting environmental mandates by financing the purchase, construction, or installation of air quality improvement facilities, including advanced energy technologies. These activities are funded through administrative fees charged to the beneficiaries of its bond issues. The authority operates the Ohio Clean Air Ombudsman for the Small Business Program, which is funded by revenue generated by permit fees collected pursuant to Title V of the federal Clean Air Act Amendments of 1990. The authority also operates the Ohio Coal Development Office, whose mission is to encourage research, development, and deployment of clean coal technologies; this program is funded by a combination of general revenue funds and coal research bond proceeds. Finally, the authority supports the Office of the Governor's Energy Advisor including implementation of the advanced energy job stimulus program. These activities are funded by a combination of assessments on other agencies and bond proceeds. Additional information regarding the Ohio Air Quality Development Authority is available at <http://www.ohioairquality.org/>.

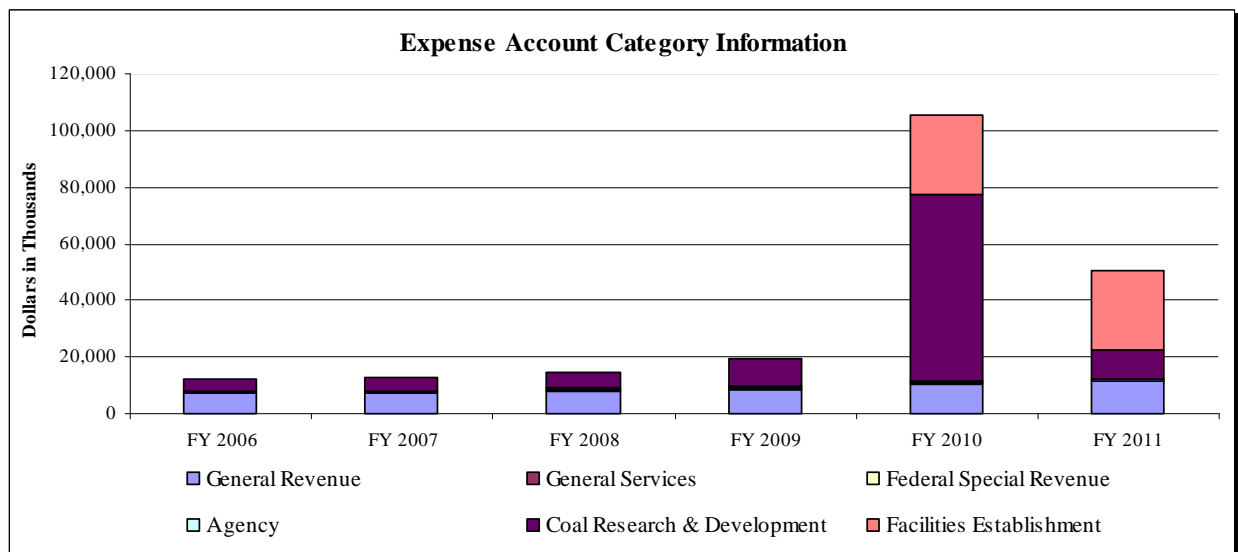
### Summary of Budget History and Recommendations



- The Air Quality Development Authority saw a substantial increase in funding due to Amended Substitute House Bill 554. The bill allocated increased authority for Coal Research & Development funding in fiscal year 2010 as well as increased authority for Advanced Energy Research & Development in fiscal years 2010 and 2011.
- Advanced Energy Research and Development funding seen in fiscal years 2010 and 2011 is appropriated under the Facilities Establishment fund group, which allows the disbursement and repayment of loans and grants.

State of Ohio  
**Air Quality Development Authority**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |               |              |
|-------------------------------------|---------------|---------------|---------------|------------------|-------------|-------------------------|--------------|---------------|--------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011       | CHANGE       |
| General Revenue                     | 7,596         | 7,431         | 8,172         | 8,723            | 6.7         | 10,393                  | 19.1         | 11,371        | 9.4          |
| General Services                    | 0             | 0             | 121           | 307              | 154.3       | 307                     | 0.0          | 307           | 0.0          |
| Federal Special Revenue             | 0             | 38            | 417           | 0                | -100.0      | 0                       | 0.0          | 0             | 0.0          |
| Agency                              | 444           | 497           | 451           | 629              | 39.5        | 629                     | 0.0          | 629           | 0.0          |
| Coal Research & Development         | 4,182         | 4,588         | 5,700         | 10,000           | 75.4        | 66,000                  | 560.0        | 10,000        | -84.8        |
| Facilities Establishment            | 0             | 0             | 0             | 0                | 0.0         | 28,000                  | 100.0        | 28,000        | 0.0          |
| <b>TOTAL</b>                        | <b>12,222</b> | <b>12,553</b> | <b>14,862</b> | <b>19,659</b>    | <b>32.3</b> | <b>105,329</b>          | <b>435.8</b> | <b>50,308</b> | <b>-52.2</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007 and as the Transfers & Non-Expense category in 2008.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |               |              |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|--------------|---------------|--------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011       | CHANGE       |
| Personal Services                             | 666           | 687           | 722           | 905              | 25.2        | 949                     | 4.9          | 959           | 1.1          |
| Purchased Personal Services                   | 73            | 105           | 79            | 108              | 37.4        | 95                      | -12.0        | 115           | 21.1         |
| Supplies & Maintenance                        | 252           | 218           | -10           | 359              | 3,838.4     | 246                     | -31.6        | 215           | -12.4        |
| Equipment                                     | 1             | 0             | 0             | 0                | 0.0         | 0                       | 0.0          | 0             | 0.0          |
| Subsidies & Shared Revenue                    | 4,195         | 4,603         | 7,114         | 10,095           | 41.9        | 94,071                  | 831.9        | 38,071        | -59.5        |
| Judgments, Settlements, & Bonds               | 7,035         | 6,940         | 0             | 0                | 0.0         | 0                       | 0.0          | 0             | 0.0          |
| Debt Service                                  | 0             | 0             | 0             | 8,193            | 100.0       | 9,968                   | 21.7         | 10,947        | 9.8          |
| Transfers & Non-Expense                       | 0             | 0             | 6,956         | 0                | -100.0      | 0                       | 0.0          | 0             | 0.0          |
| <b>TOTAL</b>                                  | <b>12,222</b> | <b>12,553</b> | <b>14,862</b> | <b>19,659</b>    | <b>32.3</b> | <b>105,329</b>          | <b>435.8</b> | <b>50,308</b> | <b>-52.2</b> |

- In fiscal year 2008 the Air Quality Development Authority was reimbursed for previous expenses falling into the Supplies & Maintenance category. As a result the report reflects a negative spending total. As the accounting period is now closed the figure cannot be revised for reporting purposes.



State of Ohio

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**Air Quality Development Authority**

**PROGRAM SERIES 01: Air Quality Development Authority**

This program series combines financing, technical assistance, and research and development support to encourage investment resulting in better air quality. The effort makes environmental protection and economic development mutually compatible and beneficial.

**Program 01.01: Project Development and Financing**

Through the issuance of bonds, the program assists public and private entities in financing air quality improvements, including deployment and manufacture of advanced energy technologies. It oversees administration of those bond issues and educates various constituencies on air quality issues.

**The Executive Recommendation will fund the following objectives:**

- Provide support for the administration and management of \$1.7 billion in outstanding debt;
- Educate potential client base about the program;
- Assist in developing eligible projects and coordinating the application process; and
- Oversee issuance of new project revenue bonds.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| AGY                      | 5700 | 898601 | Operating Expenses | 264,000        | 264,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>264,000</b> | <b>264,000</b> |

**Program 01.02: Clean Air Resource Center**

This program fulfills the federal requirement to provide specific assistance to small businesses which must comply with the Clean Air Act. It provides technical and financing assistance, and fills the role of the Small Business Ombudsman for Clean Air.

**The Executive Recommendation will fund the following objectives:**

- Educate small businesses about the requirements of the Clean Air Act;
- Provide technical advice on rules, regulations, and compliance options such as new technologies and pollution prevention;
- Analyze the financing needs of small businesses as they meet regulatory challenges; and
- Provide financing assistance for small business investment necessary to comply with the Clean Air Act, ranging from new management systems to process changes to new or modified equipment.

| FUND                     |      |        |                           | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010        | FY 2011        |
| AGY                      | 4Z90 | 898602 | Small Business Ombudsman  | 294,290        | 294,290        |
| AGY                      | 5A00 | 898603 | Small Business Assistance | 71,087         | 71,087         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>365,377</b> | <b>365,377</b> |

**Program 01.03: Ohio Coal Development Office (OCDO)**

This program encourages research, development, and deployment of clean coal technologies through awarding grants and loans. Since coal is a prominent Ohio energy source, research is geared toward economic development, environmentally sound coal usage, and sustainability of coal use as a clean energy source. OCDO also supports the Ohio Coal Research Consortium, a network of Ohio universities conducting research in the clean coal technology arena. It implements and administers the coal portion of the Advanced Energy Job Stimulus program.

**The Executive Recommendation will fund the following objectives:**

- Award and administer grants and loans to assist the development and deployment of technologies which will make coal, particularly Ohio coal, an economically and environmentally responsible energy source;
- Provide technical, administrative, and management assistance to grantees;
- Monitor technological advances in the field and strategic policies developed by federal agencies and corporations;
- Work with the Technical Advisory Committee to determine program direction, identify R&D priorities, develop program solicitations, review proposals, and award grants; and
- Support the Ohio Coal Research Consortium.

| FUND                     |      |        |                                      | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010           | FY 2011           |
| GRF                      | GRF  | 898402 | Coal Development Office              | 424,146           | 424,146           |
| GRF                      | GRF  | 898901 | Coal R&D Gen Obligation Debt Service | 9,968,400         | 10,947,000        |
| 046                      | 7046 | 898604 | Coal Research & Development Fund     | 66,000,000        | 10,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>76,392,546</b> | <b>21,371,146</b> |

**Program 01.04: Energy Strategy Development**

This program supports the work of the Governor's Energy Advisor at a general policy level. It also oversees overall implementation and administration of the Advanced Energy Job Stimulus program, designed to create new Ohio jobs by investing in technologies ranging from energy efficiency to renewable energy to new generation nuclear. It specifically administers the non-coal portion of that program. The program also works with delegated personnel from each state agency to identify, categorize, and coordinate all programs that have an impact on state energy policy and works with the delegates to achieve targeted reductions.

**The Executive Recommendation will fund the following objectives:**

- Award and administer grants and loans to assist the deployment and manufacture of advanced energy technologies to create jobs and a globally competitive advanced energy industry in Ohio;
- Provide technical, administrative, and management assistance to recipients;
- Work with stakeholders across the state to guarantee that all interests are understood and considered;
- Develop a comprehensive state energy strategy;
- Coordinate multiagency economic development efforts in advanced energy;
- Identify all programs with an impact on energy issues, and then to coordinate and target implementation of those programs to accomplish established energy policy objectives and implement a common measurement tool to ensure that all state agencies compute and track energy consumption in a consistent manner that allows "apple to apples" comparisons in both owned and leased properties;
- Guide agencies in the use of that tool to achieve an aggregate 15 percent reduction in energy consumption within three state fiscal years and to explore options to economically expand the use of alternative fuel vehicles in the state fleet;
- Build partnerships with Ohio universities, research institutions, utilities and businesses to expand "green energy" opportunities;
- Work with colleges and universities to design and implement the Governor's Higher Education Energy Challenge using teams of staff, faculty, students, and administrators to design innovative strategies for campus energy efficiency and conservation; and
- Continually refine the program to meet new challenges and a changing energy environment.

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State of Ohio  
**Air Quality Development Authority**

| FUND              |      |        |                             | RECOMMENDED |            |
|-------------------|------|--------|-----------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011    |
| GSF               | 5EG0 | 898608 | Energy Strategy Development | 307,000     | 307,000    |
|                   | 7004 | C89800 | Advanced Energy R&D Taxable | 9,000,000   | 9,000,000  |
|                   | 7005 | C89801 | Advanced Energy R&D         | 19,000,000  | 19,000,000 |
| TOTAL FOR PROGRAM |      |        |                             | 28,307,000  | 28,307,000 |

## Air Quality Development Authority

**LINE ITEM SUMMARY - Air Quality Development Authority**

| FUND   | ALI    | ALI NAME                             | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--|--------|--------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|--------------|
| GRF  | 898401 | Future Gen Assistance                | 0                 | 0                 | 1,000,000         | 0                   | 0                      | .0           | 0                      | .0           |
| GRF  | 898402 | Coal Development Office              | 560,032           | 490,260           | 216,236           | 530,183             | 424,146                | -20.0        | 424,146                | 0.0          |
| GRF  | 898901 | Coal R&D Gen Obligation Debt Service | 7,035,492         | 6,940,271         | 6,956,136         | 8,192,500           | 9,968,400              | 21.7         | 10,947,000             | 9.8          |
| <b>TOTAL General Revenue</b>                   |        |                                      | <b>7,595,524</b>  | <b>7,430,531</b>  | <b>8,172,372</b>  | <b>8,722,683</b>    | <b>10,392,546</b>      | <b>19.1</b>  | <b>11,371,146</b>      | <b>9.4</b>   |
| 5EG0   | 898608 | Energy Strategy Development          | 0                 | 0                 | 120,734           | 307,000             | 307,000                | 0.0          | 307,000                | 0.0          |
| <b>TOTAL General Services</b>                  |        |                                      | <b>0</b>          | <b>0</b>          | <b>120,734</b>    | <b>307,000</b>      | <b>307,000</b>         | <b>0.0</b>   | <b>307,000</b>         | <b>0.0</b>   |
| 3BM0   | 898607 | Air Quality Dvlp-Fed/Oxy Fuel        | 0                 | 37,557            | 417,458           | 0                   | 0                      | .0           | 0                      | .0           |
| <b>TOTAL Federal Special Revenue</b>           |        |                                      | <b>0</b>          | <b>37,557</b>     | <b>417,458</b>    | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>    |
| 7004   | C89800 | Advanced Energy R&D Taxable          | 0                 | 0                 | 0                 | 0                   | 9,000,000              | .0           | 9,000,000              | 0.0          |
| 7005   | C89801 | Advanced Energy R&D                  | 0                 | 0                 | 0                 | 0                   | 19,000,000             | .0           | 19,000,000             | 0.0          |
| <b>TOTAL Advanced Energy</b>                   |        |                                      | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>            | <b>28,000,000</b>      | <b>.0</b>    | <b>28,000,000</b>      | <b>0.0</b>   |
| 4Z90   | 898602 | Small Business Ombudsman             | 200,216           | 238,610           | 196,042           | 294,290             | 294,290                | 0.0          | 294,290                | 0.0          |
| 5700   | 898601 | Operating Expenses                   | 231,145           | 253,807           | 252,874           | 264,000             | 264,000                | 0.0          | 264,000                | 0.0          |
| 5A00   | 898603 | Small Business Assistance            | 12,568            | 4,586             | 2,240             | 71,087              | 71,087                 | 0.0          | 71,087                 | 0.0          |
| <b>TOTAL Agency</b>                            |        |                                      | <b>443,928</b>    | <b>497,002</b>    | <b>451,156</b>    | <b>629,377</b>      | <b>629,377</b>         | <b>0.0</b>   | <b>629,377</b>         | <b>0.0</b>   |
| 7046   | 898604 | Coal Research & Development Fund     | 4,182,174         | 4,588,316         | 5,700,184         | 10,000,000          | 66,000,000             | 560.0        | 10,000,000             | -84.8        |
| <b>TOTAL COAL RESEARCH &amp; DEVELOPMENT</b>   |        |                                      | <b>4,182,174</b>  | <b>4,588,316</b>  | <b>5,700,184</b>  | <b>10,000,000</b>   | <b>66,000,000</b>      | <b>560.0</b> | <b>10,000,000</b>      | <b>-84.8</b> |
| <b>TOTAL Air Quality Development Authority</b> |        |                                      | <b>12,221,626</b> | <b>12,553,406</b> | <b>14,861,904</b> | <b>19,659,060</b>   | <b>105,328,923</b>     | <b>435.8</b> | <b>50,307,523</b>      | <b>-52.2</b> |

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**State of Ohio**

**Department of Alcohol and Drug Addiction Services**

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### **Role and Overview**

Since its creation in 1989, the Department of Alcohol and Drug Addiction Services (ODADAS) has been serving Ohio citizens with a comprehensive approach to alcohol and drug addiction prevention and treatment. The department plans, initiates, and coordinates an extensive system of alcohol and drug addiction services designed to prevent abuse and treat Ohio's addicted populations. The department collaborates extensively with other state and local agencies and treatment/prevention professionals throughout the state to ensure a full continuum of care is available and accessible to Ohio citizens.

The director of ODADAS, who is appointed by the Governor, is currently supported by approximately 100 staff members and manages an annual budget of almost \$200 million in state and federal funding. The department distributes state resources and federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds to 50 local Alcohol and Drug Addiction Services and Alcohol, Drug Addiction, and Mental Health Services (ADAS/ADAMHS) Boards. The boards contract with over 1,000 community-based alcohol and other drug addiction prevention and treatment services programs and are required to follow the guidelines established by the department regarding the use of the funds. The department certifies all alcohol and other drug addiction treatment programs and driver intervention programs and is in the process of completing the certification of alcohol and other drug prevention programs operating in Ohio. In addition, ODADAS operates a therapeutic community treatment program at the Pickaway Correctional Institution. The Division of Management Information Services (MIS) collects, maintains and reports data for the department and its programs. MIS has developed several web-based applications for these purposes. These applications capture information, allow for real-time reporting of providers, and allow the department to make well-informed decisions based on data collected. In fiscal year 2008 the department established the Office of Workforce Development and Cultural Competency, which was a significant structural change. This office empowers alcohol and other drug abuse professionals by investing in the solvency and long-term stability of Ohio's substance abuse treatment and prevention field.

Additional information regarding the ODADAS is available at <http://www.odadas.state.oh.us>.

### **Agency Priorities**

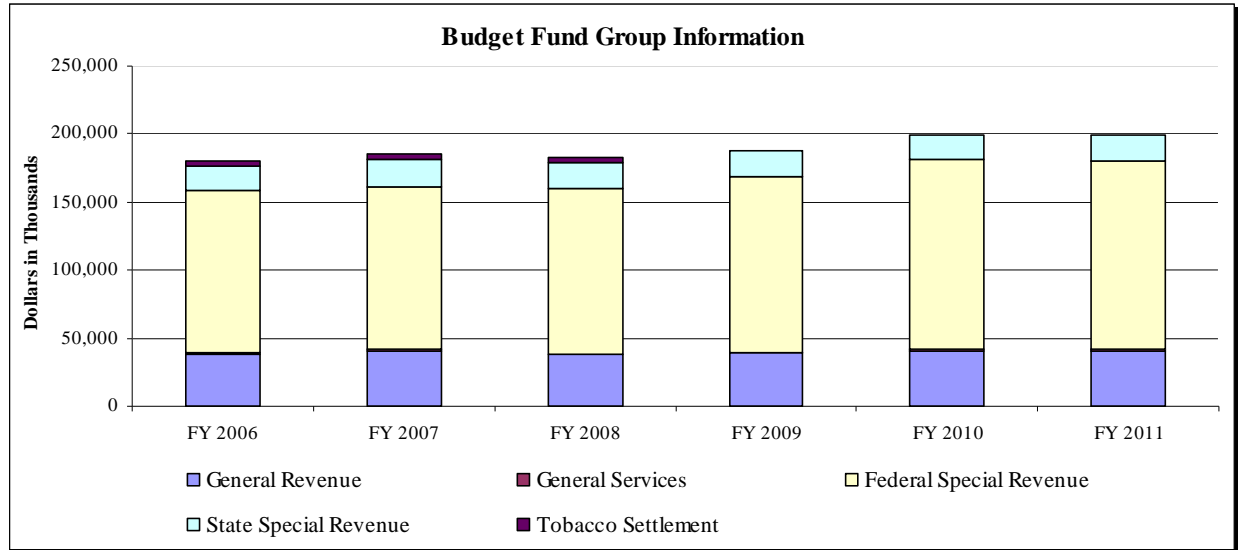
- Provide a full continuum of health care opportunities for Ohioans suffering from alcohol and other drug abuse or addiction.
- Reduce the stigma of addiction and recognize it as a legitimate health care issue with an appropriate and necessary continuum of care.
- Provide statewide leadership for alcohol and other drug addiction prevention, treatment, and recovery support services.
- Make available alcohol and other drug addiction prevention, treatment recovery support services for the health, safety, and productivity of all Ohioans.
- Ensure that prevention, treatment, and recovery support services are accessible and affordable, individual and community-centered, culturally, linguistically, and gender appropriate, and responsive to individual and family needs and differences.
- Demonstrate improved quality, capacity, and effectiveness outcomes for alcohol and other drug prevention, treatment, and recovery support services through better use of data, evidence-based practices, and application of continuous quality improvement practices.
- Empower alcohol and other drug (AoD) workforce by developing pathways for the education, recruitment, retention, training, and advancement of culturally-competent AoD professionals.

State of Ohio

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## Department of Alcohol and Drug Addiction Services

### Summary of Budget History and Recommendations



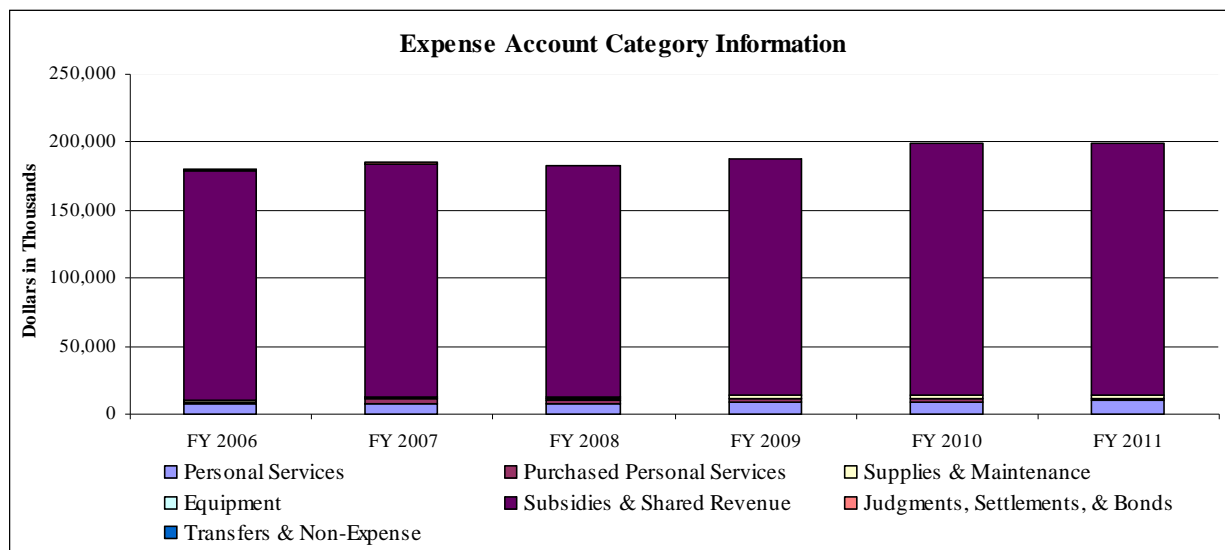
- ADAS/ADAMHS Boards are estimated to receive enhanced federal reimbursement of \$3.2 million in fiscal year 2010 and \$0.8 million in fiscal year 2011.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED    |             |                |             |
|-------------------------------------|----------------|----------------|----------------|-----------------|-------------------------|----------------|-------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        |                 |                         | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| General Revenue                     | 38,620         | 40,640         | 37,886         | 38,746          | 2.3                     | 40,976         | 5.8         | 40,976         | 0.0         |
| General Services                    | 830            | 1,650          | 333            | 335             | 0.6                     | 335            | 0.0         | 335            | 0.0         |
| Federal Special Revenue             | 119,559        | 118,691        | 121,738        | 130,093         | 6.9                     | 139,566        | 7.3         | 139,140        | -0.3        |
| State Special Revenue               | 17,978         | 20,274         | 19,140         | 18,883          | -1.3                    | 18,678         | -1.1        | 18,678         | 0.0         |
| Tobacco Settlement                  | 3,409          | 3,549          | 3,259          | 0               | -100.0                  | 0              | 0.0         | 0              | 0.0         |
| <b>TOTAL</b>                        | <b>180,396</b> | <b>184,805</b> | <b>182,356</b> | <b>188,057</b>  | <b>3.1</b>              | <b>199,555</b> | <b>6.1</b>  | <b>199,128</b> | <b>-0.2</b> |

State of Ohio

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## Department of Alcohol and Drug Addiction Services



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |                |             |
|---|----------------|----------------|----------------|------------------|------------|-------------------------|------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011        | CHANGE      |
| Personal Services                             | 7,368          | 8,052          | 8,225          | 9,363            | 13.8       | 9,444                   | 0.9        | 9,718          | 2.9         |
| Purchased Personal Services                   | 1,046          | 3,346          | 2,385          | 2,226            | -6.6       | 2,288                   | 2.8        | 2,164          | -5.4        |
| Supplies & Maintenance                        | 1,610          | 1,505          | 1,335          | 1,776            | 33.0       | 1,771                   | -0.3       | 1,622          | -8.4        |
| Equipment                                     | 229            | 223            | 162            | 30               | -81.5      | 147                     | 389.6      | 145            | -1.1        |
| Subsidies & Shared Revenue                    | 168,431        | 170,318        | 170,132        | 174,604          | 2.6        | 185,709                 | 6.4        | 185,282        | -0.2        |
| Judgments, Settlements, & Bonds               | 1,712          | 1,360          | 0              | 0                | 0.0        | 0                       | 0.0        | 0              | 0.0         |
| Transfers & Non-Expense                       | 0              | 0              | 117            | 57               | -51.2      | 197                     | 243.2      | 197            | 0.0         |
| <b>TOTAL</b>                                  | <b>180,396</b> | <b>184,805</b> | <b>182,356</b> | <b>188,057</b>   | <b>3.1</b> | <b>199,555</b>          | <b>6.1</b> | <b>199,128</b> | <b>-0.2</b> |

### PROGRAM SERIES 01: Prevention Services

The Division of Prevention Services develops prevention guidelines, reviews and recommends state-funded prevention grants and programs and assists in the implementation of programming. The division facilitates increased public awareness of the consequences of alcohol and other drug addictions and provides resources and consultation to ADAMHS/ADAS Boards and community agencies. The division maintains membership in the National Substance Abuse Prevention Network and acts as liaison with other national, state, and local advocacy groups. Membership allows the division access to proven prevention strategies that increase abstinence from alcohol and illicit drug use, defer the onset of alcohol use, eliminate high-risk use of alcohol and other legal drugs, and impact environmental risk factors related to alcohol, tobacco, and other drugs in Ohio communities.

#### Program 01.01: Local ADAMHS/ADAS Boards - Prevention

Prevention funds are allocated based on a per capita/needs basis to local ADAMHS/ADAS Boards to provide funding to area agencies for the development of prevention programs in their communities. These programs support the provision of evidence-based prevention services at the local level and across the state, reaching Ohioans of all ages.

State of Ohio

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## Department of Alcohol and Drug Addiction Services

**The Executive Recommendation will fund the following objectives:**

- Fund programming to prevent alcohol, tobacco, and other drug use;
- Assist parolees to transition from the criminal justice system to the community through the Circle of Recovery program;
- Fund prevention services for eligible children and families; and
- Fund prevention activities to raise public awareness of the harmful effects of alcohol, tobacco, and other drug use.

| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 038404 | Prevention Services         | 1,162,702         | 1,162,702         |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant | 11,796,936        | 11,796,936        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>12,959,638</b> | <b>12,959,638</b> |

**Program 01.02: Statewide Prevention Services**

This program supports three unique but essential prevention programs. The Ohio Resource Network for Safe Drug Free Schools and Communities acts as a drug and alcohol prevention information clearinghouse, providing technical assistance and training. This program also provides funding for Urban Minority Alcoholism and Drug Abuse Outreach and eight women's programs to assure culturally and gender appropriate services.

**The Executive Recommendation will fund the following objectives:**

- Fund the Ohio Resources Network for Safe Drug-Free Schools and Communities;
- Fund the Urban Minority Alcoholism and Drug Abuse Outreach programs; and
- Fund the Women Services Prevention programs.

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant | 2,948,731        | 2,948,731        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>2,948,731</b> | <b>2,948,731</b> |

**Program 01.03: School and Community Services**

This program area supports prevention services through school and community services programs. Community Prevention allows the Department to support the development of innovative programs meeting local needs. Prevention at Work is a program that helps businesses meet the U.S. Department of Transportation and Bureau of Workers' Compensation conditions to be a drug free workplace. The Safe and Drug-Free Schools and Communities program provides school-age children, their families, and educators opportunities to participate in and learn about effective evidence based prevention programs, strategies and activities. Drug Free Community Coalitions promote grassroots alcohol, tobacco and other drug prevention across disciplines at the local level. These coalitions assist county alcohol and drug boards in determining prevention needs and in developing strategic prevention plans. The Higher Education High Risk Drinking Initiative funds programs at colleges and universities aimed at preventing crime related to underage and adult use of alcohol. Underage Drinking Prevention programs combat underage drinking through a statewide media campaign "Parents Who Host Lose the Most."



State of Ohio

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## Department of Alcohol and Drug Addiction Services

**The Executive Recommendation will fund the following objectives:**

- Fund the Prevention at Work Program;
- Fund Safe and Drug-Free Schools and Community Programs;
- Fund Drug Free Community Coalitions;
- Fund Community Prevention programs;
- Fund Higher Education High-risk Drinking Initiatives; and
- Fund Underage Drinking Prevention programs.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 038404 | Prevention Services                | 52,000           | 52,000           |
| GRF                      | GRF  | 038626 | Local AoD Subsidy-Federal Stimulus | 99,156           | 99,456           |
| FED                      | 3G30 | 038603 | Drug Free Schools                  | 2,200,000        | 2,200,000        |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant        | 2,336,534        | 2,336,534        |
| FED                      | 3H80 | 038609 | Demonstration Grants               | 343,400          | 343,400          |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention   | 250,000          | 250,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>5,281,090</b> | <b>5,281,390</b> |

**Program 01.04: Youth and Family Services**

This program area supports prevention efforts aimed at youth and families. The Youth-Led Prevention Program provides youth with an opportunity to interact with an adult or peer mentor to help them make healthy decisions about alcohol, tobacco, and other drug use. The Fetal Alcohol Spectrum Disorder (FASD) Parent Network provides parents with information and resources around FASD as they move toward ensuring their child's special needs are met. This group not only shares information and resources but provides a supportive environment for parents to share and learn. The Prevention Services Program provides youth with an opportunity to interact with an adult or peer mentor who can guide the youth in making healthy decisions about alcohol, tobacco, and other drug use.

**The Executive Recommendation will fund the following objectives:**

- Fund the Youth-Led Prevention Program;
- Fund the FASD Parent Network Program; and
- Fund Prevention Services Program.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant      | 1,632,674        | 1,632,674        |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention | 250,444          | 250,444          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>1,883,118</b> | <b>1,883,118</b> |

**PROGRAM SERIES 02: Treatment and Recovery Services**

Under this program series, the Division of Treatment and Recovery Services continues ODADAS' role of establishing, promoting, and supporting innovative treatment services for all Ohioans by supporting local alcohol and drug addiction service providers. The division also operates a therapeutic treatment community program at the Pickaway Correctional Institution.

**Program 02.01: Local ADAMHS/ADAS Boards - Treatment**

This program supports treatment services for those abusing alcohol and/or other drugs by distributing subsidy funds to ADAMHS/ADAS Boards to contract with local treatment providers. These funds are used by the ADAMHS/ADAS Boards to purchase alcohol and other drug treatment services for qualifying individuals.

State of Ohio

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## Department of Alcohol and Drug Addiction Services

**The Executive Recommendation will fund the following objectives:**

- Fund allocations to 50 ADAMHS/ADAS Boards across the state to purchase treatment services, including Medicaid services, from local providers.

| FUND                     |      |        |                                    | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 038401 | Alcohol & Drug Addiction Services  | 20,066,442        | 20,066,442        |
| GRF                      | GRF  | 038626 | Local AoD Subsidy-Federal Stimulus | 1,264,819         | 1,264,519         |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant        | 30,297,116        | 30,297,116        |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention   | 2,079,810         | 1,479,810         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>53,708,187</b> | <b>53,107,887</b> |

**Program 02.02: Women's Services Special Grants**

This program funds a statewide network of gender and culturally specific outpatient and residential treatment programs for alcohol and other drug addicted pregnant women, women with dependent children, and female adolescents. Treatment services supported with these funds include detoxification, outpatient, and residential treatment, along with a comprehensive array of support services including housing, childcare, transportation, and case management.

**The Executive Recommendation will fund the following objectives:**

- Fund 83 programs targeted towards women in the areas of alcohol and drug addiction outpatient and residential treatment programs.

| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant | 13,714,560        | 13,714,560        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>13,714,560</b> | <b>13,714,560</b> |

**Program 02.03: Family and Adolescent Treatment**

This program area supports a statewide network for alcohol and other drug abusing youth that provides a comprehensive continuum of care including intervention, outpatient, residential treatment, and aftercare services. These adolescent-specific programs address the need for specialized services for youth. ODADAS, local ADAS/ADAMHS Boards, and community groups consistently identify this population as a priority. Funding in this program helps families who are involved in the child welfare system to receive services that lead to family reunification.

**The Executive Recommendation will fund the following objectives:**

- Fund timely access and quality treatment services for adolescents and their families; and
- Fund priority services for families involved in the child welfare system.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 038401 | Alcohol & Drug Addiction Services  | 5,013,266        | 5,013,266        |
| GRF                      | GRF  | 038626 | Local AoD Subsidy-Federal Stimulus | 3,107,714        | 3,107,714        |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention   | 1,450,000        | 1,450,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>9,570,980</b> | <b>9,570,980</b> |

State of Ohio

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**Department of Alcohol and Drug Addiction Services**

**Program 02.04: Criminal Justice Services**

This program series supports 23 drug courts, 17 Treatment Alternatives to Street Crime programs, and six Therapeutic Communities programs and seven juvenile aftercare programs. These programs leverage the criminal justice system by bringing case managers, parole officers, judges, and treatment providers together on a collaborative basis, to share information and transform substance-abusing offenders into drug-free and crime-free citizens.

**The Executive Recommendation will fund the following objectives:**

- Fund 23 drug courts serving 2,400 offenders;
- Fund seven juvenile aftercare programs serving 2,000 parolees from the Department of Youth Services and serve;
- Fund 17 Treatment Alternatives to Street Crime programs serving 5,600 people;
- Fund programs for adults re-entering their communities through the federally funded Access to Recovery program by serving 5,046 people; and
- Fund six Therapeutic Communities serving 1,200 people;

| FUND                     |      |        |                                    | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 038401 | Alcohol & Drug Addiction Services  | 4,798,280         | 4,798,280         |
| GRF                      | GRF  | 038626 | Local AoD Subsidy-Federal Stimulus | 1,908,242         | 1,908,242         |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant        | 4,642,750         | 4,642,750         |
| FED                      | 3H80 | 038609 | Demonstration Grants               | 5,376,803         | 5,376,803         |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention   | 1,495,323         | 1,495,323         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>18,221,398</b> | <b>18,221,398</b> |

**Program 02.05: Medicaid**

This program addresses the alcohol and other drug treatment needs of eligible Medicaid consumers in Ohio. Ten alcohol and other drug treatment services are covered under the state Medicaid plan, including: ambulatory detoxification, assessment, case management, crisis intervention, group counseling, individual counseling, intensive outpatient, laboratory urinalysis, medical/somatic, and methadone administration.

**The Executive Recommendation will fund the following objectives:**

- Provide Medicaid eligible services to over 34,000 Ohioans.

| FUND                     |      |        |                                    | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 038401 | Alcohol & Drug Addiction Services  | 2,000,000         | 2,000,000         |
| GRF                      | GRF  | 038626 | Local AoD Subsidy-Federal Stimulus | 90,000            | 90,000            |
| FED                      | 3J80 | 038610 | Medicaid                           | 58,213,000        | 57,786,450        |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention   | 4,590,226         | 5,190,226         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>64,893,226</b> | <b>65,066,676</b> |

**Program 02.06: Special Populations**

This program supports the alcohol and other drug treatment needs services of individuals experiencing the co-occurring disorders of alcohol and other drug addiction and severe mental illness, substance abusers at risk for HIV/AIDS.

State of Ohio

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**Department of Alcohol and Drug Addiction Services**

**The Executive Recommendation will fund the following objectives:**

- Promote the advancement of evidence-based practices for those individuals experiencing the co-occurring disorders of alcohol and other drug addiction and severe mental illness;
- Provide outreach services to alcohol and other drug users who are also at high risk of HIV/AIDS; and
- Provide treatment services and education alcohol and other drug users in county boards areas with ten or more cases of HIV/AIDS per 100,000.

| FUND              |      |        |                                   | RECOMMENDED |           |
|-------------------|------|--------|-----------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                          | FY 2010     | FY 2011   |
| GRF               | GRF  | 038401 | Alcohol & Drug Addiction Services | 1,386,606   | 1,386,606 |
| FED               | 3G40 | 038614 | Substance Abuse Block Grant       | 167,063     | 167,063   |
| SSR               | 4750 | 038621 | Statewide Treatment & Prevention  | 350,353     | 350,353   |
| TOTAL FOR PROGRAM |      |        |                                   | 1,904,022   | 1,904,022 |

**Program 02.07: Problem Gambling Initiative**

Through an interagency partnership agreement with the Ohio Lottery Commission, this program supports five pilot projects that address the needs of individuals experiencing alcohol and other drug addiction with the co-occurring disorder of pathological gambling. Services provided under this agreement include education, community awareness, outreach, outpatient alcohol and other drug treatment, staff training, and evaluation.

**The Executive Recommendation will fund the following objectives:**

- Fund five programs that address the needs of individuals with co-occurring alcohol or drug addiction and pathological gambling.

| FUND              |      |        |                           | RECOMMENDED |         |
|-------------------|------|--------|---------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011 |
| GSF               | 5T90 | 038616 | Problem Gambling Services | 325,000     | 325,000 |
| TOTAL FOR PROGRAM |      |        |                           | 325,000     | 325,000 |

**PROGRAM SERIES 03: Planning, Outcomes, and Research**

The Division of Planning, Outcomes and Research is responsible for coordinating and managing the Synar, or Tobacco Law Compliance Program, as required by federal law. The Synar Program inspects and works with retailers of tobacco products to ensure that Ohio stays in compliance with federal law by not selling tobacco products to minors. This division also coordinates the SAPT Block Grant application, development of the ODADAS state plan and the development and review of community plan guidelines (board application for funds), oversight of the ODADAS Outcome Framework, oversight of the Ohio Substance Abuse Monitoring Network and a variety of research and evaluation projects.

The department was granted a federally funded program through the Substance Abuse and Mental Health Substance Abuse Administration for three years beginning in FFY 2007. The purpose of Ohio's Strengthening Treatment Access and Retention – State Implementation (STAR-SI) initiative is to promote state-level implementation of research-based Process Improvement activities to ensure accessible, efficacious treatment services for Ohio citizens. Ohio's plan for strengthening treatment access and retention incorporates and builds upon existing structures, processes, and partnerships to facilitate the coordination and sustainability of both process and outcome continuous quality improvement efforts while making the most efficient use of resources. This arrangement also provides a statewide network to disseminate lessons learned and encourage alcohol and other drug providers to adopt this process.

State of Ohio

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**Department of Alcohol and Drug Addiction Services**

**Program 03.01: Quality and Compliance Assurance**

The purpose of this program is to decrease youth access to tobacco. As a requirement of the SAPT Block Grant that funds alcohol and other drug prevention and treatment services, Ohio must demonstrate an 80 percent or higher compliance rate regarding the sale of tobacco products to minors. Compliance with this requirement is determined through unannounced inspections of retailers that sell tobacco products.

**The Executive Recommendation will fund the following objectives:**

- Fund 17 STAR-SI programs; and
- Provide funding for over 500 tobacco compliance checks to comply with the federal requirement to decrease youth access to tobacco products, a requirement of the SAPT Block Grant with monetary penalties for non-compliance.

| FUND              |      |        |                                  | RECOMMENDED |         |
|-------------------|------|--------|----------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                         | FY 2010     | FY 2011 |
| FED               | 3G40 | 038614 | Substance Abuse Block Grant      | 55,000      | 55,000  |
| FED               | 3H80 | 038609 | Demonstration Grants             | 298,973     | 298,973 |
| SSR               | 4750 | 038621 | Statewide Treatment & Prevention | 159,250     | 159,250 |
| TOTAL FOR PROGRAM |      |        |                                  | 513,223     | 513,223 |

**PROGRAM SERIES 04: Quality Improvement**

This program series sets the standards for alcohol and drug treatment, methadone, prevention and driver intervention programs and conducts on-site reviews to assess compliance with the certification and licensure requirements.

**Program 04.01: Certification**

This program area inspects, certifies, and licenses alcohol and drug addiction treatment programs, methadone programs, prevention and driver intervention programs. The division also develops clinical documentation tools and is responsible for the development of a utilization review of the service system based on the protocols for levels of care placement criteria. Responsibilities also include investigating complaints received from clients, staff, and providers and providing technical assistance and training as part of the certification and licensure site visit.

**The Executive Recommendation will fund the following objectives:**

- Fund the certification and licensure of over 900 alcohol and drug treatment, methadone, prevention, and driver intervention sites.

| FUND              |      |        |                                  | RECOMMENDED |         |
|-------------------|------|--------|----------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                         | FY 2010     | FY 2011 |
| FED               | 3G40 | 038614 | Substance Abuse Block Grant      | 528,257     | 546,043 |
| SSR               | 4750 | 038621 | Statewide Treatment & Prevention | 30,000      | 30,000  |
| TOTAL FOR PROGRAM |      |        |                                  | 558,257     | 576,043 |

**PROGRAM SERIES 05: Program Management**

This program series is responsible for funding the administrative functions of the department.

**Program 05.01: Program Management**

This program management area supports the department's mission to provide statewide leadership for alcohol and other drug addiction prevention and treatment services for health, safety, and productivity of all Ohioans through the Divisions of Management Information Services, Fiscal Services, Human Resources, and Workforce Development and Cultural Competence.

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State of Ohio

**Department of Alcohol and Drug Addiction Services**

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**Fiscal Services**

The Division of Fiscal Services provides fiscal support to the Department, the 50 ADAMHS/ADAS Boards and community alcohol and other drug programs. The Division of Fiscal Services works with other divisions at the department to provide fiscal support and guidance concerning all budgeting and expenditure issues. The division also works with outside agencies, such as the Office of Budget and Management and the Legislative Services Commission (LSC), to provide fiscal information about the department. The division oversees all aspects of the department's financial management, to include budgeting, cash reconciliation, federal Medicaid payments, accounts payable/receivables, financial reporting, grants administration and auditing functions.

**Human Resources**

The Division of Human Resources develops and administers a comprehensive department-wide personnel program including labor relations, personnel, Equal Employment Opportunity education/training coordination, payroll, benefits administration, health and safety activities, fleet management, purchasing, records management/retention, forms management/reduction, mail services, facility coordination, asset management, recruitment posting, leadership library, organizational management, employee of the quarter, job analysis, performance review and appraisal, employee professional development training, and special projects.

**Management Information Systems**

The Division of Management Information Services (MIS) collects, maintains and reports data for the department and its programs. MIS plans and coordinates the department's automation process, provides client data reports from the MACSIS database, processes Medicaid reimbursement through the Community Medicaid Information System, develops and maintains web-based reporting systems, maintains the department's website, and provides other assistance as requested.

**Workforce Development and Cultural Competence**

The most significant structural change at the department was the establishment of the Office of Workforce Development and Cultural Competency in state fiscal year 2008. The division's goal is to empower the alcohol and other drug (AoD) workforce and invest in the solvency and long-term stability of Ohio's substance abuse treatment and prevention field. While we have begun to take significant strides to address the need for greater diversity in Ohio's addiction prevention, treatment and recovery services system – both in terms of the composition of our workforce and the scope of our programming – much work remains to be done. There continues to exist today a distinct disconnect between those who provide services and those who consume services.

Searching for ways to bridge that gap will be a high priority of the Office of Work-Force Development and Cultural Competency. This division has been tasked with developing pathways for the education, recruitment, retention, training and advancement of culturally-competent AoD professionals. In addition to addressing planning and programmatic needs reflective of our consumers, ODADAS staff will work to promote and host dynamic training and workforce development opportunities.

**The Executive Recommendation will fund the following objective:**

- Core administrative functions needed to support the department's mission and statutory responsibilities.

State of Ohio

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**Department of Alcohol and Drug Addiction Services**

| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| GRF                      | GRF  | 038404 | Prevention Services              | 27,000            | 27,000            |
| GSF                      | 5T90 | 038616 | Problem Gambling Services        | 10,000            | 10,000            |
| FED                      | 3G30 | 038603 | Drug Free Schools                | 60,000            | 60,000            |
| FED                      | 3G40 | 038614 | Substance Abuse Block Grant      | 3,380,379         | 3,362,593         |
| FED                      | 3H80 | 038609 | Demonstration Grants             | 1,073,899         | 1,073,899         |
| FED                      | 3N80 | 038611 | Administrative Reimbursement     | 500,000           | 500,000           |
| SSR                      | 4750 | 038621 | Statewide Treatment & Prevention | 7,344,594         | 7,344,594         |
| SSR                      | 5DH0 | 038620 | Fetal Alcohol Spectrum Disorder  | 327,500           | 327,500           |
| SSR                      | 6890 | 038604 | Education And Conferences        | 350,000           | 350,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>13,073,372</b> | <b>13,055,586</b> |

## Department of Alcohol and Drug Addiction Services

**LINE ITEM SUMMARY - Department of Alcohol and Drug Addiction Services**

| FUND   | ALI    | ALI NAME                         | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|----------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 038321 | Operating Expenses               | 1,120,285          | 1,132,614          | 1,003,159          | 24,673              | 0                      | -100.0      | 0                      | .0          |
| GRF  | 038401 | Alcohol & Drug Addiction Svcs    | 36,528,423         | 38,396,524         | 35,919,697         | 37,791,135          | 33,264,594             | -12.0       | 33,264,594             | 0.0         |
| GRF  | 038404 | Prevention Services              | 971,731            | 1,110,424          | 963,294            | 930,146             | 1,241,702              | 33.5        | 1,241,702              | 0.0         |
| GRF  | 038626 | Local Aod Subsidy-Fed Stimulus   | 0                  | 0                  | 0                  | 0                   | 6,469,931              | .0          | 6,469,931              | 0.0         |
| <b>TOTAL General Revenue</b>                                   |        |                                  | <b>38,620,439</b>  | <b>40,639,562</b>  | <b>37,886,151</b>  | <b>38,745,954</b>   | <b>40,976,227</b>      | <b>5.8</b>  | <b>40,976,227</b>      | <b>0.0</b>  |
| 5DG0   | 038622 | Recovery Assistance              | 548,910            | 1,365,120          | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 5T90   | 038616 | Problem Gambling Services        | 280,602            | 285,000            | 333,000            | 335,000             | 335,000                | 0.0         | 335,000                | 0.0         |
| <b>TOTAL General Services</b>                                  |        |                                  | <b>829,512</b>     | <b>1,650,120</b>   | <b>333,000</b>     | <b>335,000</b>      | <b>335,000</b>         | <b>0.0</b>  | <b>335,000</b>         | <b>0.0</b>  |
| 3G30   | 038603 | Drug Free Schools                | 3,316,023          | 2,570,125          | 2,466,497          | 3,500,000           | 2,260,000              | -35.4       | 2,260,000              | 0.0         |
| 3G40   | 038614 | Substance Abuse Block Grant      | 72,708,900         | 73,685,070         | 70,669,264         | 73,000,000          | 71,500,000             | -2.1        | 71,500,000             | 0.0         |
| 3H80   | 038609 | Demonstration Grants             | 4,607,830          | 2,454,840          | 3,133,508          | 7,093,075           | 7,093,075              | 0.0         | 7,093,075              | 0.0         |
| 3J80   | 038610 | Medicaid                         | 38,452,960         | 39,469,396         | 44,959,155         | 46,000,000          | 58,213,000             | 26.6        | 57,786,450             | -0.7        |
| 3N80   | 038611 | Administrative Reimbursement     | 473,350            | 512,051            | 509,882            | 500,000             | 500,000                | 0.0         | 500,000                | 0.0         |
| <b>TOTAL Federal Special Revenue</b>                           |        |                                  | <b>119,559,063</b> | <b>118,691,483</b> | <b>121,738,307</b> | <b>130,093,075</b>  | <b>139,566,075</b>     | <b>7.3</b>  | <b>139,139,525</b>     | <b>-0.3</b> |
| 4750   | 038621 | Statewide Treatment & Preventn   | 17,588,426         | 18,312,773         | 17,882,208         | 18,000,000          | 18,000,000             | 0.0         | 18,000,000             | 0.0         |
| 5BR0   | 038406 | Tobacco Use Prev& Control Prg    | 285,600            | 202,157            | 0                  | 205,000             | 0                      | -100.0      | 0                      | .0          |
| 5DH0   | 038620 | Fetal Alcohol Spectrum Dsrdr     | 0                  | 625,000            | 122,000            | 327,500             | 327,500                | 0.0         | 327,500                | 0.0         |
| 5DV0   | 038624 | Crimjustice Prevnt/trtmt Cllb    | 0                  | 863,610            | 910,823            | 0                   | 0                      | .0          | 0                      | .0          |
| 6890   | 038604 | Education and Conferences        | 103,610            | 270,520            | 224,971            | 350,000             | 350,000                | 0.0         | 350,000                | 0.0         |
| <b>TOTAL State Special Revenue</b>                             |        |                                  | <b>17,977,636</b>  | <b>20,274,060</b>  | <b>19,140,003</b>  | <b>18,882,500</b>   | <b>18,677,500</b>      | <b>-1.1</b> | <b>18,677,500</b>      | <b>0.0</b>  |
| L087   | 038403 | Urban Minority Ada Outrch Prgrms | 500,000            | 500,000            | 457,469            | 0                   | 0                      | .0          | 0                      | .0          |
| L087   | 038405 | Juvenile offndr Aftcrre Prgm     | 2,909,249          | 3,049,286          | 2,801,447          | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>                                |        |                                  | <b>3,409,249</b>   | <b>3,549,286</b>   | <b>3,258,916</b>   | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Department of Alcohol and Drug Addiction Services</b> |        |                                  | <b>180,395,899</b> | <b>184,804,511</b> | <b>182,356,376</b> | <b>188,056,529</b>  | <b>199,554,802</b>     | <b>6.1</b>  | <b>199,128,252</b>     | <b>-0.2</b> |



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State of Ohio

## Board of Examiners of Architects and Landscape Architects

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### Role and Overview

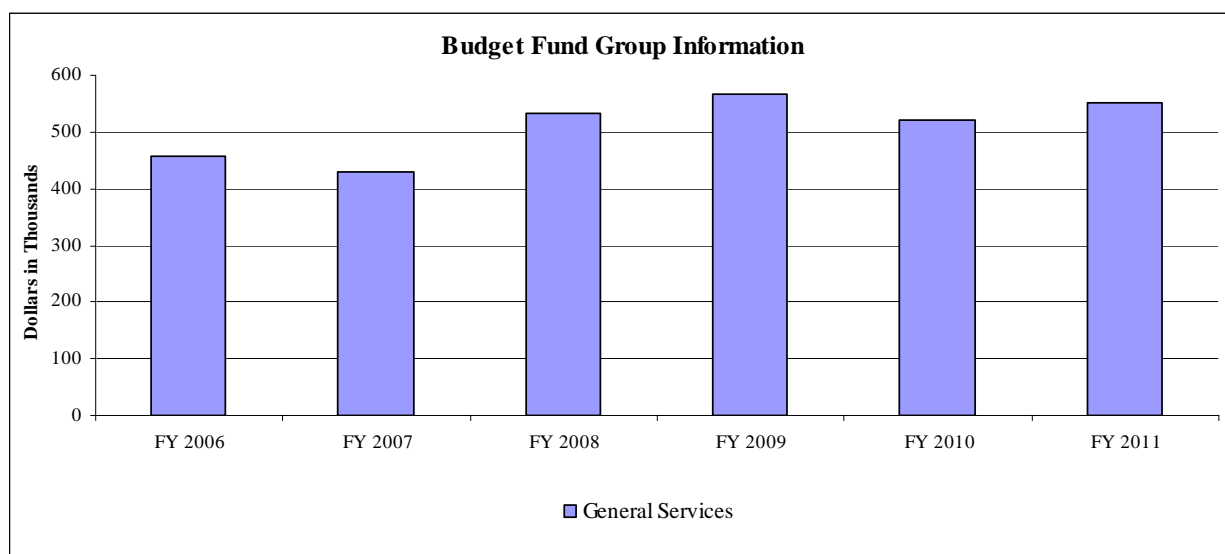
The Ohio State Boards of Examiners of Architects and Landscape Architects (ARC) are two boards operating together with a combined budget and a staff of four. ARC is responsible for examining and licensing architects and landscape architects and for regulating the practice in Ohio. Approximately 9,000 licensed professionals and firms are served by ARC.

Additional information about the Architect Board is available at: <http://www.arc.ohio.gov/>

### Agency Priorities

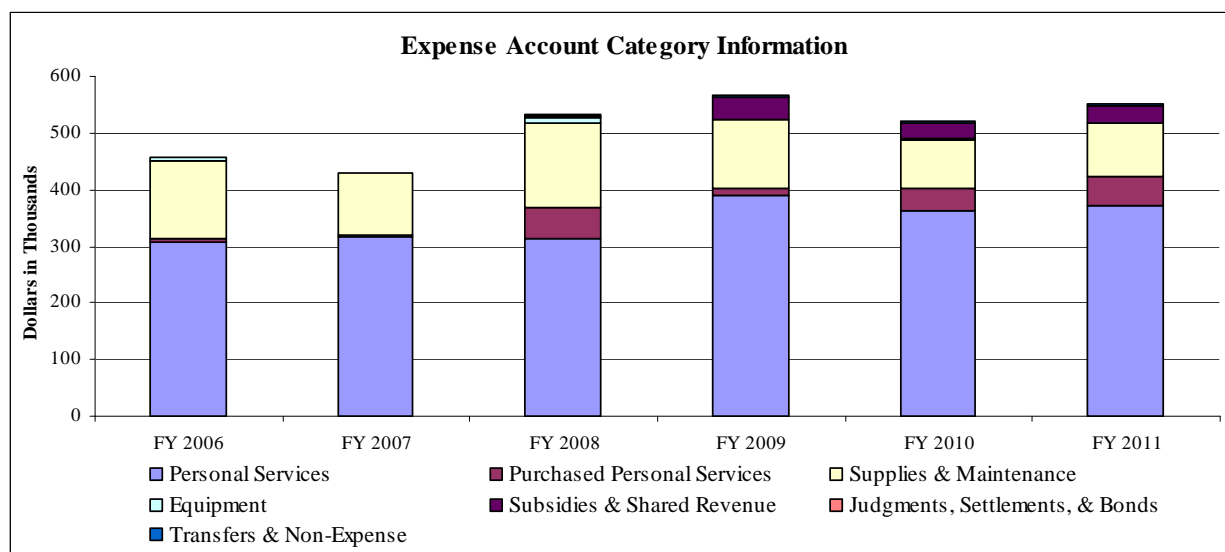
- Work with collateral organizations to encourage graduates of Ohio's professional degree programs to remain in Ohio after graduation.
- Ensure statutes and rules are current and responsive to the ever-changing needs of the profession.
- Work to minimize barriers to reciprocal licensure and make it easier to do business in the State of Ohio.
- Enhance the boards' websites to facilitate ease of access by the public and licensees.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL  |         |         | EST. % CHANGE |          | RECOMMENDED % CHANGE |        |         |        |
|------------------|---------|---------|---------|---------------|----------|----------------------|--------|---------|--------|
|                  | FY 2006 | FY 2007 | FY 2008 | FY 2009       | FY 08-09 | FY 2010              | CHANGE | FY 2011 | CHANGE |
| General Services | 458     | 428     | 532     | 565           | 6.2      | 522                  | -7.6   | 551     | 5.5    |
| TOTAL            | 458     | 428     | 532     | 565           | 6.2      | 522                  | -7.6   | 551     | 5.5    |

## Board of Examiners of Architects and Landscape Architects



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|-------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011    | CHANGE     |
| Personal Services                             | 309        | 317        | 315        | 390              | 23.7       | 362                     | -7.2        | 373        | 3.1        |
| Purchased Personal Services                   | 4          | 2          | 54         | 11               | -79.6      | 39                      | 258.4       | 51         | 29.2       |
| Supplies & Maintenance                        | 137        | 109        | 148        | 123              | -16.8      | 87                      | -28.8       | 93         | 6.1        |
| Equipment                                     | 7          | 0          | 9          | 0                | -100.0     | 1                       | 100.0       | 0          | -100.0     |
| Subsidies & Shared Revenue                    | 0          | 0          | 4          | 38               | 886.8      | 28                      | -25.1       | 30         | 6.8        |
| Judgments, Settlements, & Bonds               | 1          | 0          | 0          | 0                | 0.0        | 0                       | 0.0         | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 3          | 4                | 54.1       | 4                       | 0.0         | 4          | 0.0        |
| <b>TOTAL</b>                                  | <b>458</b> | <b>428</b> | <b>532</b> | <b>565</b>       | <b>6.2</b> | <b>522</b>              | <b>-7.6</b> | <b>551</b> | <b>5.5</b> |

**PROGRAM SERIES 01: Regulation**

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the architect and landscape architect professions.

**Program 01.01: License/Registration/Enforcement**

This program includes all operations of the Boards of Examiners of Architects and Landscape Architects.

**The Executive Recommendation will fund the following objectives:**

- Maintain an education assistance program to provide financial assistance to students enrolled in professional degree programs to enroll in the intern development program.
- Digitize board licensing files in order to ensure their security and continuity of agency functions.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 891609 | Operating | 522,055        | 550,718        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>522,055</b> | <b>550,718</b> |

## Board of Examiners of Architects and Landscape Architects

### LINE ITEM SUMMARY - Board of Examiners of Architects and Landscape Architects

| FUND   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90   | 891609 | Operating | 458,119           | 428,187           | 532,275           | 565,141             | 522,055                | -7.6        | 550,718                | 5.5         |
| <b>TOTAL General Services</b>  |        |           | <b>458,119</b>    | <b>428,187</b>    | <b>532,275</b>    | <b>565,141</b>      | <b>522,055</b>         | <b>-7.6</b> | <b>550,718</b>         | <b>5.5</b>  |
| <b>TOTAL Board of Examiners of Architects and Landscape Architects</b> |        |           | <b>458,119</b>    | <b>428,187</b>    | <b>428,187</b>    | <b>565,141</b>      | <b>522,055</b>         | <b>-7.6</b> | <b>550,718</b>         | <b>5.5</b>  |

### Role and Overview

The Ohio Arts Council (OAC) administers grant programs in the areas of arts learning, individual creativity, arts access, arts innovation, capacity building, sustainability, and international partnerships that provide support to arts organizations and artists, and provides services that enhance the growth of the arts in Ohio. OAC also manages the Riffe Gallery featuring exhibitions and educational programs at the Riffe state government building in Columbus, Ohio, and administers the Percent for Arts Program bringing art to state-funded capital projects.

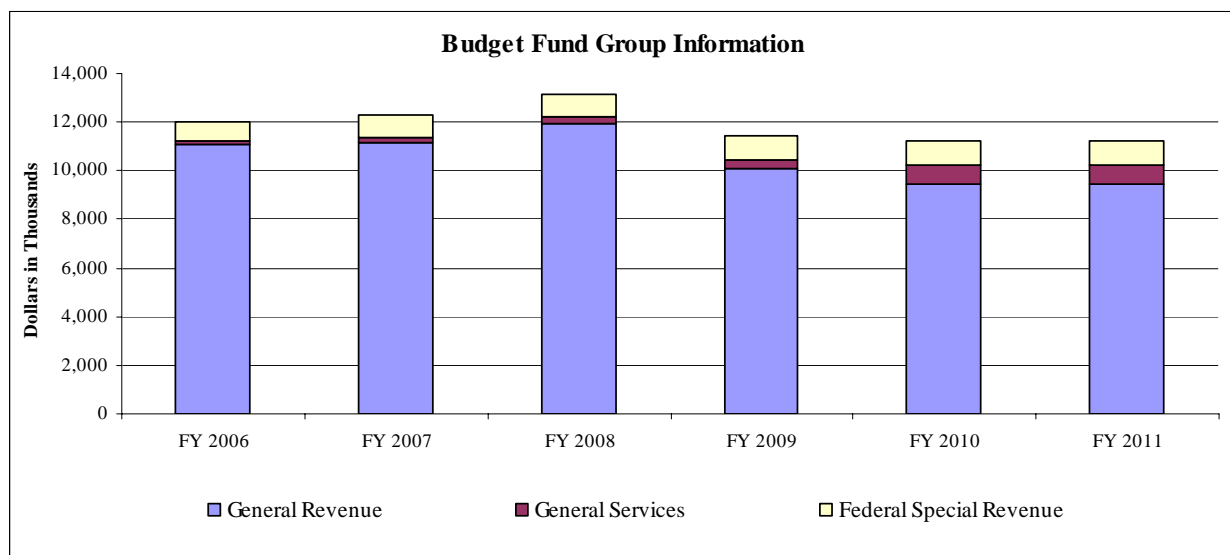
The ART board consists of 19 members. Four non-voting members are appointed by the legislature and 15 voting members are appointed by the Governor. The executive director is appointed by and reports to the ART board. The administrative and program staff of 27 employees report to the executive director. The council's GRF budget is approximately \$9.4 million. Of this amount approximately \$7.3 million, representing 78 percent of the ART budget, is projected to be spent on grants. Competitive grants are annually awarded to ART by the National Endowment for the Arts and other grantors. Percent for Arts appropriations are based on capital projects for state agencies with projects over four million dollars.

Additional information regarding the Ohio Arts Council can be found at <http://www.oac.state.oh.us/>.

### Agency Priorities

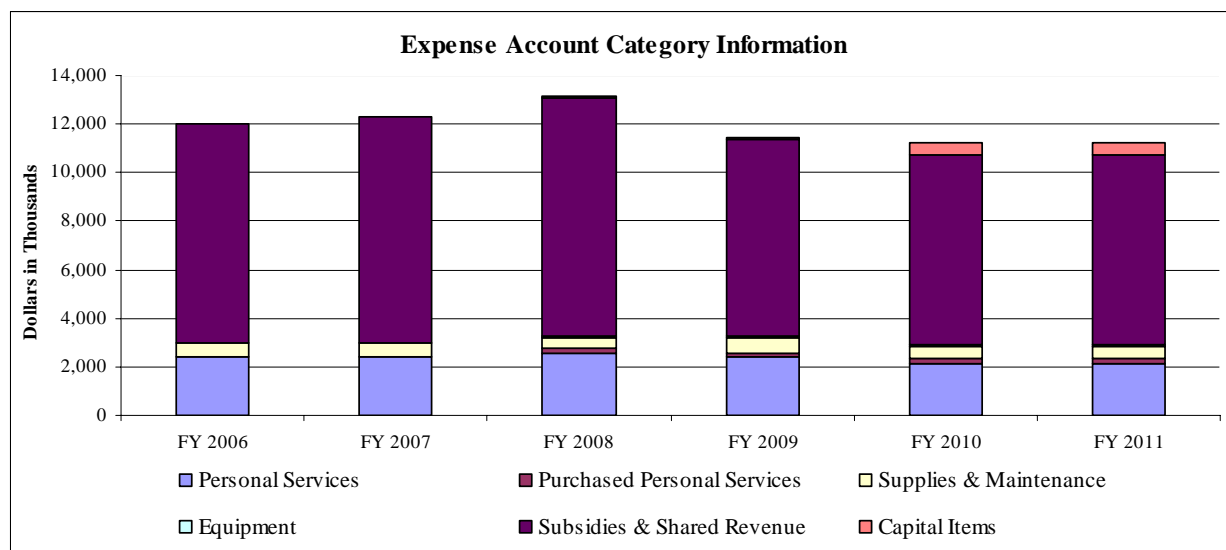
- Operate the Ohio Arts Council with a high level of integrity, customer service, efficiency, and transparency.
- Advance the Governor's economic development and education priorities.
- Provide financial support for arts, education, and cultural organizations through grant programs.
- Cultivate learning in the arts and organizational and artistic development through arts services.
- Continue to emphasize accountability, evaluation, and assessment through all grant programs, services, and professional development resources.
- Manage and maintain the Riffe Gallery.
- Administer the Percent for Arts program for state-funded capital projects.
- Strengthen existing partnerships with the Ohio Department of Education, divisions of the Ohio Department of Development, and the travel industry of Ohio through an agenda focused on the creative economy, cultural heritage and tourism, and education.

### Summary of Budget History and Recommendations



State of Ohio  
**Ohio Arts Council**

| (In Thousands)          | ACTUAL        |               |               | EST.          | %<br>CHANGE  | RECOMMENDED   |             |               |             |
|-------------------------|---------------|---------------|---------------|---------------|--------------|---------------|-------------|---------------|-------------|
| BUDGET FUND GROUP       | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09     | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| General Revenue         | 11,095        | 11,158        | 11,952        | 10,066        | -15.8        | 9,420         | -6.4        | 9,420         | 0.0         |
| General Services        | 144           | 229           | 241           | 371           | 53.9         | 785           | 111.4       | 785           | 0.0         |
| Federal Special Revenue | 773           | 905           | 936           | 1,002         | 7.1          | 1,000         | -0.2        | 1,000         | 0.0         |
| <b>TOTAL</b>            | <b>12,012</b> | <b>12,293</b> | <b>13,129</b> | <b>11,440</b> | <b>-12.9</b> | <b>11,205</b> | <b>-2.0</b> | <b>11,205</b> | <b>0.0</b>  |



- Capital Items refers to the agency's spending based on their Percent for Arts Program. The schedule for securing the funds from the capital projects accounts for the increase in appropriations, rather than a difference in the number of projects.

| (In Thousands)              | ACTUAL        |               |               | EST.          | %<br>CHANGE  | RECOMMENDED   |             |               |             |
|-----------------------------|---------------|---------------|---------------|---------------|--------------|---------------|-------------|---------------|-------------|
| EXPENSE ACCOUNT CATEGORY    | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09     | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services           | 2,396         | 2,394         | 2,578         | 2,439         | -5.4         | 2,121         | -13.0       | 2,097         | -1.1        |
| Purchased Personal Services | 35            | 33            | 169           | 142           | -15.9        | 207           | 45.6        | 246           | 19.0        |
| Supplies & Maintenance      | 544           | 534           | 449           | 651           | 45.0         | 527           | -19.1       | 530           | 0.5         |
| Equipment                   | 15            | 20            | 84            | 68            | -18.4        | 48            | -29.3       | 30            | -38.7       |
| Subsidies & Shared Revenue  | 9,008         | 9,308         | 9,810         | 8,053         | -17.9        | 7,803         | -3.1        | 7,803         | 0.0         |
| Capital Items               | 15            | 4             | 39            | 86            | 119.4        | 500           | 478.9       | 500           | 0.0         |
| <b>TOTAL</b>                | <b>12,012</b> | <b>12,293</b> | <b>13,129</b> | <b>11,440</b> | <b>-12.9</b> | <b>11,205</b> | <b>-2.0</b> | <b>11,205</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: Arts Programming

This program series promotes, encourages, and fosters the arts through grants for programs and services designed to strengthen the arts in Ohio.

#### Program 01.01: Arts Programs

This program supports quality arts experiences through grants. Grant money strengthens Ohio communities culturally, educationally, and economically by directly funding artists, arts organizations, schools, and other entities involved in cultural programming to keep creative enterprises flourishing and by making the arts readily available to

communities throughout Ohio. Funding categories include Arts Learning, Individual Artists, Arts Access, Arts Innovation, Capacity Building, Sustainability, and International Partnership. Grants are distributed to both organizations and individuals through an application and open panel review process.

**The Executive Recommendation will fund the following objectives:**

- Provide approximately \$7.8 million in grants per fiscal year, benefitting community festivals, local arts centers and agencies, symphonic and jazz orchestras, music ensembles, dance companies, museums, literary organizations, small presses, primary and secondary schools, youth-based community organizations, public arts programs at colleges and universities, and vocal and theatre groups;
- Strengthen Ohio's arts, education, and cultural institutions; and
- Use Arts Learning, Arts Access, and Arts Innovation grant categories to foster economic development and excellence in education.

| FUND                     |      |        |                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 370502 | Program Subsidies | 7,347,868        | 7,347,868        |
| FED                      | 3140 | 370601 | Federal Programs  | 455,000          | 455,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                   | <b>7,802,868</b> | <b>7,802,868</b> |

**Program 01.02: Arts Services**

This program offers services and programs that are designed to strengthen the organizations which receive funding. Such programs and services include support for the Ohio Online Visual Artist Registry; ArtsinOhio.com, a free, statewide online calendar of events; Ohio Arts Festivals and Competitions Directory; arts policy research; the Ohio River Border Initiative (ORBI), a partnership with West Virginia to support Appalachian arts and crafts; and international cultural and educational exchanges for the state's artists, arts education, and arts administration professionals. This program also supports the administrative expenses of the Ohio Arts Council, including wages, rent, printing, and technology upkeep.

**The Executive Recommendation will fund the following objectives:**

- Fund wages and benefits for 27 employees, including all arts programming and administrative staff;
- Support arts education in schools and communities, including policy research, online artist registry and directories, and regional cooperative efforts; and
- Provide for building rental, communication, information technology, and operating costs.

| FUND                     |      |        |                     | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010          | FY 2011          |
| GRF                      | GRF  | 370321 | Operating Expense   | 2,072,545        | 2,072,545        |
| GSF                      | 4600 | 370602 | Gifts And Donations | 130,000          | 130,000          |
| FED                      | 3140 | 370601 | Federal Programs    | 545,000          | 545,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>2,747,545</b> | <b>2,747,545</b> |

**Program 01.03: Riffe Gallery**

The Riffe Gallery in Columbus, Ohio, presents and supports the arts in Ohio through exhibitions and special educational programs. The gallery encourages the development of professional artists and curators, shares the collections of Ohio arts institutions, and fosters an awareness of the visual arts among Ohioans. Approximately 11,000 people visit the Riffe Gallery each year.

**The Executive Recommendation will fund the following objectives:**

- Provide four to six exhibitions per year for the general public, focusing on school children and families;
- Support contracted services for exhibition staff and curators; and
- Continue to develop an online registry of exhibitions with images, interviews, and artist statements.

| FUND                     |      |        |                     | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010        | FY 2011        |
| GSF                      | 4600 | 370602 | Gifts And Donations | 155,000        | 155,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>155,000</b> | <b>155,000</b> |

**PROGRAM SERIES 02: Percent for Arts**

This program series administers capital appropriated funds set aside for the acquisition, commissioning, and installation of works of art for new and renovated public buildings.

**Program 02.01: Percent for Arts**

The Percent for the Arts Program provides for the acquisition, commissioning, and installation of works of art for new or renovated public buildings funded with state capital appropriations of more than \$4 million. These administrative costs, and the cost of the artwork, are funded directly through the agency/university capital budget in that one percent of the appropriation for projects is to be used for this purpose.

**The Executive Recommendation will fund the following objectives:**

- Support administrative costs associated with the acquisition, commissioning, and installation of artwork in public buildings;
- Administer the Percent for Arts program for agencies or universities with eligible capital projects; and
- Serve the general public and state and university workers in providing visual artwork for their enjoyment and education.

| FUND                     |      |        |                              | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010        | FY 2011        |
| GSF                      | 4B70 | 370603 | Percent For Art Acquisitions | 500,000        | 500,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>500,000</b> | <b>500,000</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Restructuring Analysis**

Line items 370100, Personal Services; 370200, Maintenance; and 370300, Equipment, are all combined into 370321, Operating Expenses. This change combines all of the operating expenses into one line.

To illustrate changes in funding levels due to this restructuring, estimated FY 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

|      |        |                    | Estimated | Recommended |          |           |          |
|------|--------|--------------------|-----------|-------------|----------|-----------|----------|
| Fund | ALI    | ALI Title          | FY 2009   | FY 2010     | % Change | FY 2011   | % Change |
| GRF  | 370321 | Operating Expenses | 2,215,681 | 2,072,545   | -6.5%    | 2,072,545 | 0.0%     |



**LINE ITEM SUMMARY - Arts Council**

| FUND                                 | ALI    | ALI NAME                     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 370100 | Personal Services            | 1,798,235         | 1,746,986         | 1,848,027         | 1,712,819           | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 370200 | Maintenance                  | 459,745           | 459,747           | 387,084           | 344,471             | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 370300 | Equipment                    | 4,700             | 4,149             | 83,213            | 31,147              | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 370321 | Operating Expenses           | 0                 | 0                 | 0                 | 0                   | 2,072,545              | .0           | 2,072,545              | 0.0         |
| GRF                                  | 370502 | Program Subsidies            | 8,832,125         | 8,947,542         | 9,633,473         | 7,977,969           | 7,347,868              | -7.9         | 7,347,868              | 0.0         |
| <b>TOTAL General Revenue</b>         |        |                              | <b>11,094,805</b> | <b>11,158,424</b> | <b>11,951,797</b> | <b>10,066,406</b>   | <b>9,420,413</b>       | <b>-6.4</b>  | <b>9,420,413</b>       | <b>0.0</b>  |
| 4600                                 | 370602 | Gifts and Donations          | 98,283            | 207,365           | 201,953           | 285,000             | 285,000                | 0.0          | 285,000                | 0.0         |
| 4B70                                 | 370603 | Percent For Art Acquisitions | 45,938            | 21,767            | 39,368            | 86,366              | 500,000                | 478.9        | 500,000                | 0.0         |
| <b>TOTAL General Services</b>        |        |                              | <b>144,221</b>    | <b>229,132</b>    | <b>241,321</b>    | <b>371,366</b>      | <b>785,000</b>         | <b>111.4</b> | <b>785,000</b>         | <b>0.0</b>  |
| 3140                                 | 370601 | Federal Programs             | 773,094           | 905,384           | 935,545           | 1,002,000           | 1,000,000              | -0.2         | 1,000,000              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |                              | <b>773,094</b>    | <b>905,384</b>    | <b>935,545</b>    | <b>1,002,000</b>    | <b>1,000,000</b>       | <b>-0.2</b>  | <b>1,000,000</b>       | <b>0.0</b>  |
| <b>TOTAL Arts Council</b>            |        |                              | <b>12,012,119</b> | <b>12,292,939</b> | <b>13,128,663</b> | <b>11,439,772</b>   | <b>11,205,413</b>      | <b>-2.0</b>  | <b>11,205,413</b>      | <b>0.0</b>  |

### Role and Overview

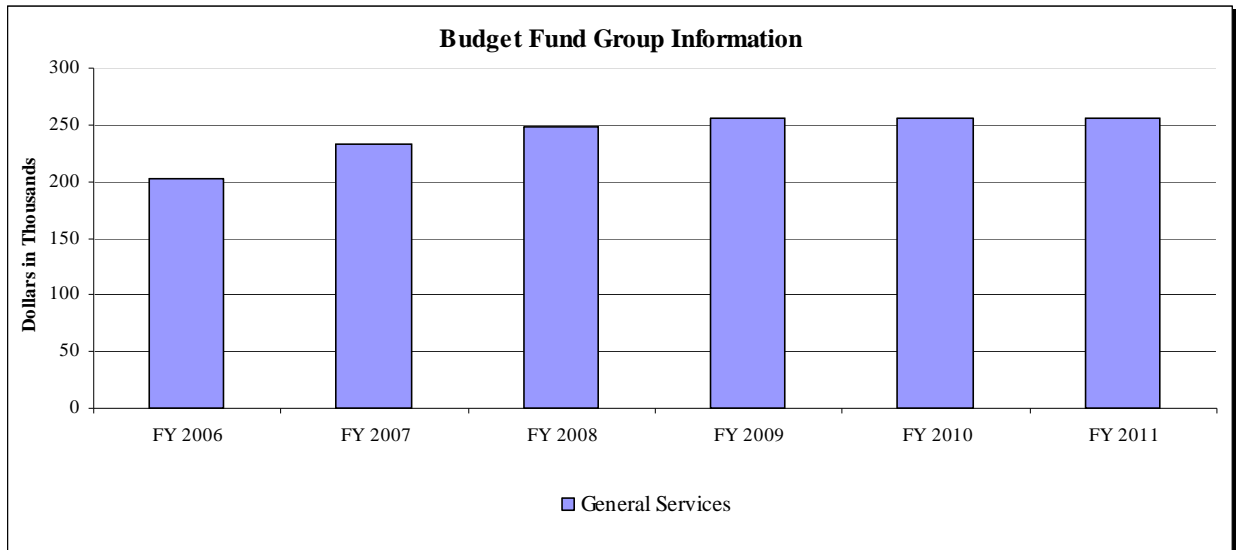
The Athletic Commission (ACO) was established to regulate boxing, mixed martial arts, wrestling, kickboxing, karate, tough person contests, and athlete agents. The board monitors licensees to ensure compliance with the laws and rules of the state. The board's annual budget of approximately \$256,000 supports two full-time employees in addition to five commissioners. ACO has approximately 1,550 licensees.

More information about the Athletic Commission is available at <http://aco.ohio.gov/>.

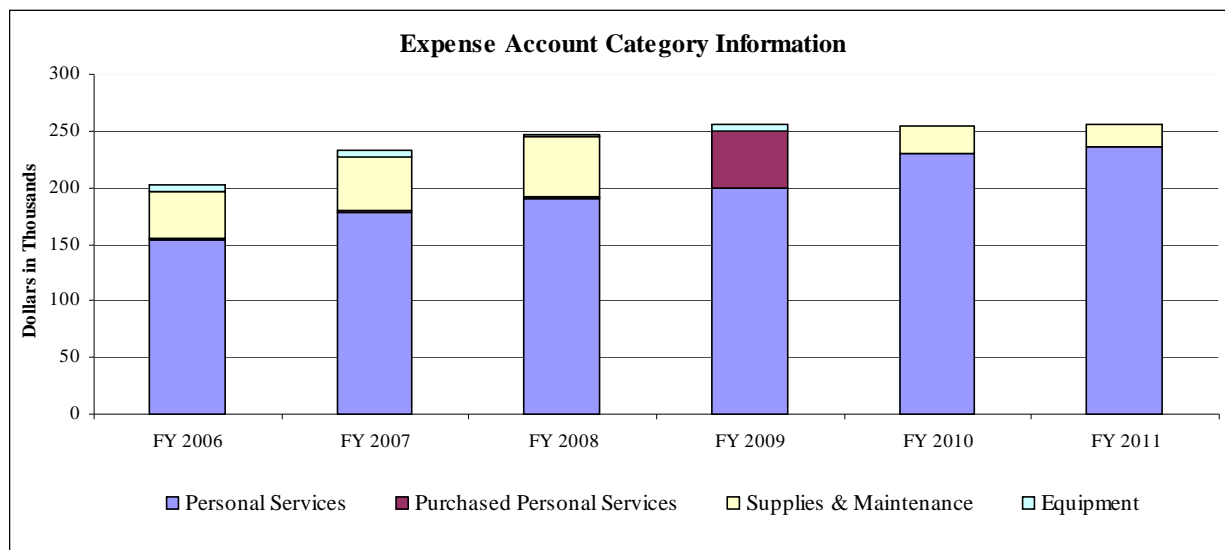
### Agency Priorities

- Place all license forms on-line for all categories of licensing and bonding.
- Continually revise existing and introduce new safety measures and regulations for contestants participating in these sports.
- Set high standards for those competing in tough man and tough person contests by establishing an additional weight class and a senior division for contestants thirty-five years and older.
- Seek legislation to increase fines and penalties to deter serious violations of rules and regulations.
- Improve regulations for the safety of all who compete in the regulated sports.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|---------------|------------|----------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 203        | 233        | 248        | 256           | 3.3        | 256                  | 0.0        | 256        | 0.0        |
| <b>TOTAL</b>                        | <b>203</b> | <b>233</b> | <b>248</b> | <b>256</b>    | <b>3.3</b> | <b>256</b>           | <b>0.0</b> | <b>256</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 154        | 178        | 191        | 200              | 4.9        | 230                     | 15.1       | 236        | 2.2        |
| Purchased Personal Services                   | 1          | 1          | 1          | 50               | 3,914.2    | 0                       | -100.0     | 0          | 0.0        |
| Supplies & Maintenance                        | 42         | 48         | 53         | 0                | -100.0     | 25                      | 100.0      | 20         | -20.2      |
| Equipment                                     | 6          | 6          | 2          | 6                | 145.9      | 0                       | -100.0     | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>203</b> | <b>233</b> | <b>248</b> | <b>256</b>       | <b>3.3</b> | <b>256</b>              | <b>0.0</b> | <b>256</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Athletic Commission.

#### The Executive Recommendation will fund the following objectives:

- Regulate the enforcement of rules for boxing, kickboxing, karate, tough person, and mixed martial arts sporting events;
- Support licensing application and renewal of 1,550 licensees;
- Renew approximately 55 athlete agent licenses over the biennium;
- Increase screening for illicit drug use;
- Continue to improve on rules and regulations to make for a safer and more competitive environment for participating contestants; and
- Conduct officials' seminars.

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**State of Ohio**  
**Athletic Commission**

| FUND              |      |        |                    | RECOMMENDED |         |
|-------------------|------|--------|--------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011 |
| GSF               | 4K90 | 175609 | Operating Expenses | 255,850     | 255,850 |
| TOTAL FOR PROGRAM |      |        |                    | 255,850     | 255,850 |

**LINE ITEM SUMMARY - Athletic Commission**

| FUND                             | ALI    | ALI NAME           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|----------------------------------|--------|--------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                             | 175609 | Operating Expenses | 203,455           | 232,801           | 247,624           | 255,850             | 255,850                | 0.0         | 255,850                | 0.0         |
| <b>TOTAL General Services</b>    |        |                    | <b>203,455</b>    | <b>232,801</b>    | <b>247,624</b>    | <b>255,850</b>      | <b>255,850</b>         | <b>0.0</b>  | <b>255,850</b>         | <b>0.0</b>  |
| <b>TOTAL Athletic Commission</b> |        |                    | <b>203,455</b>    | <b>232,801</b>    | <b>232,801</b>    | <b>255,850</b>      | <b>255,850</b>         | <b>0.0</b>  | <b>255,850</b>         | <b>0.0</b>  |

### **Role and Overview**

The Attorney General (AGO) serves as the state's legal advisor, providing legal representation for the Governor, statewide elected officials, the legislature, and all state departments, agencies, boards, commissions, and state-support universities and colleges. As the state's chief law officer, the Attorney General provides assistance to local and federal law enforcement agencies, as well as acts to protect the citizens of Ohio in a wide variety of areas, including consumer sales practice, predatory lending and environmental concerns.

The Attorney General is a constitutional officer elected to a four-year term. The Attorney General has a staff of about 1,512 employees and an annual budget of approximately \$218 million including roughly \$48 million in general revenue funding. The office provides training and investigative and technical assistance to local law enforcement agencies through the Bureau of Criminal Identification and Investigation, the Ohio Peace Officer Training Academy, and the Ohio Organized Crime Investigations Commission. These sections constitute approximately one-third of the Attorney General's Office.

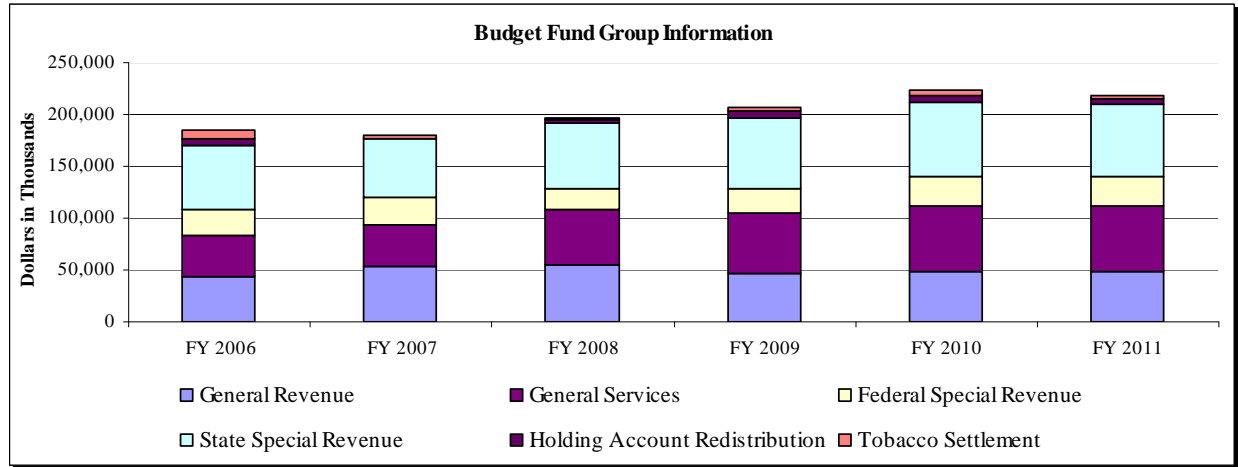
The Attorney General's employees also provide legal counsel and representation, either directly or through the appointment of special counsel, to all state agencies and officers. The Attorney General issues formal legal opinions on questions submitted by elected officials and county prosecutors, and handles approximately 35,000 active legal cases annually with issues ranging from consumer fraud and criminal justice to environmental enforcement and constitutional challenges. The office collects funds owed to the state through its collections enforcement program and from other activities such as Medicaid and workers' compensation fraud programs and antitrust litigation.

Additional information regarding the Attorney General's office is available at <http://www.ag.state.oh.us/default.asp>.

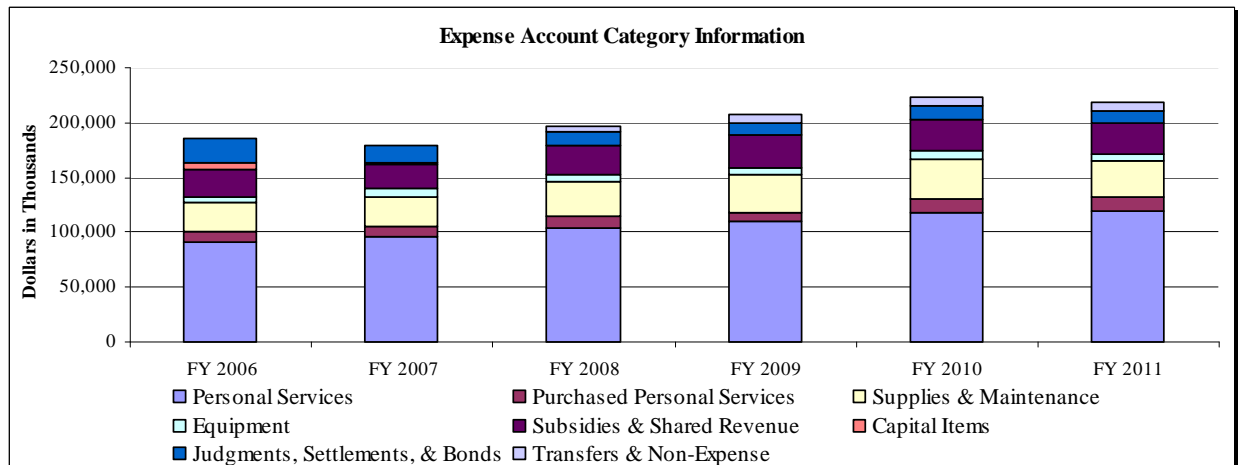
### **Agency Priorities**

- Serve as the state's chief lawyer.
- Protect the people and interests of the state by assisting local law enforcement and demanding accountability for tax dollars.
- Protect Ohio's most vulnerable citizens.
- Protect against fraud, waste, and abuse in the public and the private sectors.
- Fulfill the mandates of the legislature.
- Maintain a transparent system for obtaining the best legal services for the State of Ohio.
- Provide services to local law enforcement through the enhanced use of technology.
- Operate the Office of Attorney General with respect and professionalism to best serve Ohio citizens.

## Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST.           | %<br>CHANGE | RECOMMENDED    |             |                |             |
|-------------------------------------|----------------|----------------|----------------|----------------|-------------|----------------|-------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        |                |             | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| General Revenue                     | 43,668         | 53,728         | 54,230         | 47,101         | -13.1       | 48,089         | 2.1         | 48,089         | 0.0         |
| General Services                    | 38,867         | 40,351         | 53,569         | 57,623         | 7.6         | 64,280         | 11.6        | 62,822         | -2.3        |
| Federal Special Revenue             | 25,592         | 25,137         | 19,879         | 23,723         | 19.3        | 28,427         | 19.8        | 28,427         | 0.0         |
| State Special Revenue               | 62,004         | 57,451         | 63,538         | 68,052         | 7.1         | 71,024         | 4.4         | 70,024         | -1.4        |
| Holding Account Redistribution      | 7,074          | 713            | 3,460          | 6,276          | 81.4        | 6,276          | 0.0         | 6,276          | 0.0         |
| Tobacco Settlement                  | 8,399          | 1,999          | 1,404          | 3,999          | 184.9       | 4,466          | 11.7        | 2,479          | -44.5       |
| <b>TOTAL</b>                        | <b>185,605</b> | <b>179,380</b> | <b>196,080</b> | <b>206,773</b> | <b>5.5</b>  | <b>222,563</b> | <b>7.6</b>  | <b>218,118</b> | <b>-2.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |                |             |
|---|----------------|----------------|----------------|------------------|------------|-------------------------|------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011        | CHANGE      |
| Personal Services                             | 91,405         | 95,177         | 104,208        | 109,358          | 4.9        | 117,813                 | 7.7        | 119,863        | 1.7         |
| Purchased Personal Services                   | 9,406          | 10,566         | 10,557         | 8,954            | -15.2      | 13,460                  | 50.3       | 12,637         | -6.1        |
| Supplies & Maintenance                        | 26,198         | 26,950         | 30,980         | 34,479           | 11.3       | 35,055                  | 1.7        | 33,315         | -5.0        |
| Equipment                                     | 4,967          | 6,484          | 7,147          | 5,770            | -19.3      | 7,609                   | 31.9       | 6,136          | -19.4       |
| Subsidies & Shared Revenue                    | 25,853         | 23,312         | 25,766         | 29,421           | 14.2       | 29,063                  | -1.2       | 27,605         | -5.0        |
| Capital Items                                 | 5,198          | 428            | 89             | 0                | -100.0     | 0                       | 0.0        | 0              | 0.0         |
| Judgments, Settlements, & Bonds               | 22,578         | 16,462         | 13,474         | 11,453           | -15.0      | 12,357                  | 7.9        | 11,357         | -8.1        |
| Transfers & Non-Expense                       | 0              | 0              | 3,859          | 7,339            | 90.2       | 7,205                   | -1.8       | 7,205          | 0.0         |
| <b>TOTAL</b>                                  | <b>185,605</b> | <b>179,380</b> | <b>196,080</b> | <b>206,773</b>   | <b>5.5</b> | <b>222,563</b>          | <b>7.6</b> | <b>218,118</b> | <b>-2.0</b> |

### PROGRAM SERIES 01: Criminal Justice

This program series includes law enforcement activities and victims services, the Attorney General's highest priority programs. The services provided under these programs have the greatest impact on protecting and assisting the citizens of Ohio.

#### Program 01.01: Law Enforcement

The Law Enforcement Program encompasses all functions of the office charged with providing training, investigatory, and technical assistance services to the law enforcement community across the state, as well as those sections providing enforcement related activities, including the pursuit of Medicaid fraud. This is the largest segment of the Attorney General's Office and includes the Bureau of Criminal Identification and Investigations, the Peace Officer Training Academy, the Organized Crime Investigations Commission, and sections for capital crimes and health care fraud. The Drug Abuse Resistance Enforcement (D.A.R.E.) Program and the legislatively mandated pay supplements for county sheriffs and county prosecutors are included in this program.

#### The Executive Recommendation will fund the following objectives:

- Support 495 current staff positions assigned to law enforcement activities;
- Focus on activities in the area of reducing turnaround time and reducing backlogs for various crime scene and laboratory operations;
- Develop and expand the Ohio Law Enforcement Gateway, a secure website designed to provide law enforcement agencies and prosecutors access to a host of crime-fighting databases and to encourage sharing information between jurisdictions;
- Administer the continuing professional training program for Ohio's Peace Officers; and
- Increase emphasis on programs administered by the Bureau of Criminal Identification and Investigation that assist local law enforcement, ranging from DNA and crime lab analysis to internet juvenile crime prevention, undercover narcotics investigations, and detection of methamphetamine labs.



| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 055321 | Operating Expenses                             | 21,791,517        | 22,245,862        |
| GRF                      | GRF  | 055411 | County Sheriffs Pay Supplement                 | 757,921           | 757,921           |
| GRF                      | GRF  | 055415 | County Prosecutors Pay Supplement              | 831,499           | 831,499           |
| GSF                      | 1060 | 055612 | General Reimbursement                          | 30,250,000        | 30,250,000        |
| GSF                      | 1950 | 055660 | Workers' Compensation Section                  | 665,000           | 665,000           |
| GSF                      | 4210 | 055617 | Police Officer Training Academy Fee            | 2,000,000         | 2,000,000         |
| GSF                      | 4Z20 | 055609 | BCI Asset Forfeiture/Cost Reimbursement        | 1,000,000         | 1,000,000         |
| GSF                      | 5900 | 055633 | Peace Officer Private Security Fund            | 98,370            | 98,370            |
| GSF                      | 5L50 | 055619 | Law Assistance Enforcement Program             | 1,457,852         | 0                 |
| GSF                      | 6290 | 055636 | Corrupt Activity Investigation/Prosecution     | 15,000            | 15,000            |
| FED                      | 3060 | 055620 | Medicaid Fraud Control                         | 3,879,672         | 3,879,672         |
| FED                      | 3E50 | 055638 | Attorney General Pass-Through Fund             | 3,030,000         | 3,030,000         |
| FED                      | 3R60 | 055613 | Attorney General Federal Funds                 | 5,115,000         | 5,115,000         |
| SSR                      | 4020 | 055616 | Victims Of Crime                               | 1,068,917         | 1,068,917         |
| SSR                      | 4190 | 055623 | Claims Section                                 | 3,381,295         | 3,381,295         |
| SSR                      | 4L60 | 055606 | DARE Programs                                  | 3,927,962         | 3,927,962         |
| SSR                      | 6590 | 055641 | Solid/Hazardous Waste Background Investigation | 621,159           | 621,159           |
| 090                      | R042 | 055601 | Organized Crime Commission                     | 25,025            | 25,025            |
|                          |      |        | Law Enforcement Technology Training Facility   |                   |                   |
| TSF                      | J087 | 055635 | Enhancement                                    | 1,987,073         | 0                 |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>81,903,262</b> | <b>78,912,682</b> |

#### Program 01.02: Victims Services

This program encompasses all functions charged with assisting victims of crime and with protecting children and the elderly. Crime Victims' Services administers the Ohio Crime Victims Compensation Fund, which awards compensation to eligible victims of violent crime for their unreimbursed economic losses; the Victims' Assistance Program, which provides funding to rape crisis centers and domestic violence shelters; the Missing Children's Clearinghouse; and the Identity Theft Passport Program, which is aimed at assisting victims of stolen identities. In addition, the program supports the Special Prosecutions section by having experienced criminal prosecutors and investigators assist local prosecutors in child support and physical and sexual abuse cases, internet and computer crime investigations, and elder abuse cases.

#### The Executive Recommendation will fund the following objectives:

- Enable the Attorney General to meet the requirements included in legislation regarding the Crime Victims Compensation Law;
- Maintain support to victim assistance programs in each Ohio county; and
- Enable the department to meet the DNA collection and testing requirements as specified in Ohio Revised Code.

| FUND                     |      |        |                          | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010           | FY 2011           |
| FED                      | 3830 | 055634 | Crime Victims Assistance | 16,000,000        | 16,000,000        |
| SSR                      | 4020 | 055616 | Victims Of Crime         | 27,931,083        | 26,931,083        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>43,931,083</b> | <b>42,931,083</b> |

#### PROGRAM SERIES 02: Legal Services

This program series encompasses the broad provision of legal representation to the various clients of the Attorney General's Office. The series includes programs that defend the State of Ohio and its employees against claims, as well as programs that center on protecting citizens and businesses throughout the state.

### Program 02.01: Citizen Protection

This program focuses on protecting the rights of citizens and businesses across the State of Ohio. Consumer protection programs work to educate, protect, and remedy cases where consumer rights have been violated by unscrupulous businesses. Environmental Enforcement strives to ensure Ohio's environmental protection laws are enforced and that business and agricultural communities comply with these laws. The Charitable Law Section, working in conjunction with the Ohio Lottery Commission, regulates charitable gaming in Ohio by licensing, auditing, and investigating gaming establishments, and ensures that organizations are following the laws and players are treated fairly. Antitrust works to foster competition in the marketplace by enforcing laws that prohibit collusive or anticompetitive business practices.

#### The Executive Recommendation will fund the following objectives:

- Increase enforcement of consumer protection statutes and improve public education on consumer issues through the use of technological advancements as well as enhanced outreach initiatives;
- Expand efforts for the development of a near-paperless, web-based database that will allow Ohio's 20,000 charities and nearly 2,000 bingo license applicants the ability to apply, register, and pay required fees electronically; and
- Protect seniors and other citizens vulnerable to corrupt financial practices through Ohio's Predatory Lending Task Force.

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 055321 | Operating Expenses              | 6,595,255         | 6,956,513         |
| GSF                      | 4180 | 055615 | Charitable Foundations          | 7,286,000         | 7,286,000         |
| GSF                      | 4200 | 055603 | Attorney General Antitrust      | 1,750,000         | 1,750,000         |
| GSF                      | 5A90 | 055618 | Telemarketing Fraud Enforcement | 7,500             | 7,500             |
| GSF                      | 6310 | 055637 | Consumer Protection Enforcement | 3,500,000         | 3,500,000         |
| SSR                      | 4190 | 055623 | Claims Section                  | 690,271           | 690,271           |
| SSR                      | 4Y70 | 055608 | Title Defect Recision           | 600,000           | 600,000           |
| 090                      | R004 | 055631 | General Holding Account         | 1,000,000         | 1,000,000         |
| 090                      | R005 | 055632 | Antitrust Settlements           | 1,000             | 1,000             |
| 090                      | R018 | 055630 | Consumer Frauds                 | 750,000           | 750,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>22,180,026</b> | <b>22,541,284</b> |

### Program 02.02: State Agencies

This program provides legal representation to state officials and state agencies. Sixteen sections, including but not limited to, Workers' Compensation, Taxation, Education, Transportation, Civil Rights, Health and Human Services, Constitutional Offices, and Opinions, provide legal advice, contract review, and litigation support to ensure that both tax dollars and the interests of the state are protected. The Collections Enforcement section is responsible for collecting all delinquent debt owed Ohio on behalf of agencies, institutions, universities, and other government entities for taxes, fines, penalties, service fees, loans, and any other debt due.

#### The Executive Recommendation will fund the following objectives:

- Enable the Attorney General to hire and retain qualified legal staff members to reduce the state's special counsel costs;
- Provide a transparent and effective system of outside counsel selection in cases where such counsel is warranted; and
- Continue the progress made in the area of collections resulting in increased revenue to the state.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010           | FY 2011           |
| GRF                      | GRF  | 055321 | Operating Expenses  | 8,793,673         | 9,247,885         |
| GSF                      | 1060 | 055612 | General Reimbursement                                     | 8,500,000         | 8,500,000         |
| GSF                      | 1950 | 055660 | Workers' Compensation Section                             | 7,750,504         | 7,750,504         |
| FED                      | 3810 | 055611 | Civil Rights Legal Service                                | 402,540           | 402,540           |
| SSR                      | 4190 | 055623 | Claims Section  | 20,765,476        | 20,765,476        |
| 090                      | R054 | 055650 | Collection Outside Counsel Payments                       | 4,500,000         | 4,500,000         |
| TSF                      | U087 | 055402 | Tobacco Settlement Oversight/Administration & Enforcement | 2,478,850         | 2,478,850         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>53,191,043</b> | <b>53,645,255</b> |

### PROGRAM SERIES 03: Program Management

This program series supports the functions of the Attorney General's Office.

#### Program 03.01: Program Management

This program provides support operations including information technology, finance, human resources, office services, facilities management, fleet management, library services, records retention, training, internal audit, and communications. This program serves primarily to benefit the overall programs and employees of the Attorney General's Office.

#### The Executive Recommendation will fund the following objectives:

- Provide for existing service levels;
- Support 165 current staff positions; and
- Expand the ability of the Office of Attorney General to effectively leverage federal dollars.

| FUND                     |      |        |                    | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 055321 | Operating Expenses | 9,319,254         | 8,049,439         |
| SSR                      | 4190 | 055623 | Claims Section     | 12,037,958        | 12,037,958        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>21,357,212</b> | <b>20,087,397</b> |

**LINE ITEM SUMMARY - Attorney General**

| FUND                                 | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                                  | 055321 | Operating Expenses                          | 42,068,488        | 52,097,250        | 52,285,032        | 45,515,319          | 46,499,699             | 2.2         | 46,499,699             | 0.0         |
| GRF                                  | 055411 | County Sheriffs Pay Supplement              | 757,091           | 778,594           | 797,008           | 756,010             | 757,921                | 0.3         | 757,921                | 0.0         |
| GRF                                  | 055415 | County Prosecutors Pay Supplement           | 841,950           | 852,644           | 863,311           | 829,403             | 831,499                | 0.3         | 831,499                | 0.0         |
| GRF                                  | 055420 | CWS V Taft                                  | 0                 | 0                 | 284,280           | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |   | <b>43,667,529</b> | <b>53,728,488</b> | <b>54,229,631</b> | <b>47,100,732</b>   | <b>48,089,119</b>      | <b>2.1</b>  | <b>48,089,119</b>      | <b>0.0</b>  |
| 1060                                 | 055612 | General Reimbursement                       | 20,766,820        | 21,213,851        | 30,895,548        | 32,070,196          | 38,750,000             | 20.8        | 38,750,000             | 0.0         |
| 1070                                 | 055624 | Employment Services                         | 733,300           | 714,130           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 1950                                 | 055660 | Workers' Compensation Section               | 7,393,094         | 7,406,204         | 7,602,826         | 8,002,720           | 8,415,504              | 5.2         | 8,415,504              | 0.0         |
| 4180                                 | 055615 | Charitable Foundations                      | 5,356,910         | 5,993,913         | 5,841,579         | 7,064,978           | 7,286,000              | 3.1         | 7,286,000              | 0.0         |
| 4200                                 | 055603 | Attorney General Antitrust                  | 1,127,457         | 1,151,770         | 1,537,465         | 1,750,000           | 1,750,000              | 0.0         | 1,750,000              | 0.0         |
| 4210                                 | 055617 | Police officer Training Academy Fee         | 1,249,541         | 1,688,542         | 1,586,161         | 2,000,000           | 2,000,000              | 0.0         | 2,000,000              | 0.0         |
| 4Z20                                 | 055609 | BCI Asset Forfeiture/cost Reimbursement     | 817,449           | 972,985           | 950,035           | 632,388             | 1,000,000              | 58.1        | 1,000,000              | 0.0         |
| 5900                                 | 055633 | Peace officer Private Security Fund         | 45,189            | 26,140            | 0                 | 98,370              | 98,370                 | 0.0         | 98,370                 | 0.0         |
| 5A90                                 | 055618 | Telemarketing Fraud Enforcement             | 0                 | 0                 | 0                 | 7,500               | 7,500                  | 0.0         | 7,500                  | 0.0         |
| 5L50                                 | 055619 | Law Assistance Enforcement Program          | 0                 | 18,446            | 3,042,148         | 3,481,554           | 1,457,852              | -58.1       | 0                      | -100.0      |
| 6290                                 | 055636 | Corrupt Activity Investigation/ Prosecution | 0                 | 0                 | 0                 | 15,000              | 15,000                 | 0.0         | 15,000                 | 0.0         |
| 6310                                 | 055637 | Consumer Protection Enforcement             | 1,377,686         | 1,165,248         | 2,113,449         | 2,500,000           | 3,500,000              | 40.0        | 3,500,000              | 0.0         |
| <b>TOTAL General Services</b>        |        |   | <b>38,867,446</b> | <b>40,351,227</b> | <b>53,569,211</b> | <b>57,622,706</b>   | <b>64,280,226</b>      | <b>11.6</b> | <b>62,822,374</b>      | <b>-2.3</b> |
| 3060                                 | 055620 | Medicaid Fraud Control                      | 2,823,731         | 2,966,285         | 2,786,030         | 3,296,500           | 3,879,672              | 17.7        | 3,879,672              | 0.0         |
| 3810                                 | 055611 | Civil Rights Legal Service                  | 388,343           | 381,216           | 402,538           | 402,540             | 402,540                | 0.0         | 402,540                | 0.0         |
| 3830                                 | 055634 | Crime Victims Assistance                    | 13,833,396        | 13,951,956        | 13,498,945        | 16,000,000          | 16,000,000             | 0.0         | 16,000,000             | 0.0         |
| 3E50                                 | 055638 | Attorney General Pass-Through Fund          | 4,197,917         | 3,318,121         | 1,068,401         | 1,421,463           | 3,030,000              | 113.2       | 3,030,000              | 0.0         |
| 3R60                                 | 055613 | Attorney General Federal Funds              | 4,348,984         | 4,519,458         | 2,122,982         | 2,602,174           | 5,115,000              | 96.6        | 5,115,000              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>25,592,372</b> | <b>25,137,035</b> | <b>19,878,895</b> | <b>23,722,677</b>   | <b>28,427,212</b>      | <b>19.8</b> | <b>28,427,212</b>      | <b>0.0</b>  |
| 4020                                 | 055616 | Victims of Crime                            | 34,109,690        | 32,883,119        | 29,458,068        | 30,000,000          | 29,000,000             | -3.3        | 28,000,000             | -3.4        |

**LINE ITEM SUMMARY - Attorney General**

| FUND  | ALI    | ALI NAME  | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|---|--------|---|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|--------------|
| 4190  | 055623 | Claims Section  | 23,522,440         | 19,944,968         | 29,631,811         | 32,824,916          | 36,875,000             | 12.3        | 36,875,000             | 0.0          |
| 4L60  | 055606 | Dare Programs   | 3,713,175          | 3,526,896          | 3,521,092          | 3,927,962           | 3,927,962              | 0.0         | 3,927,962              | 0.0          |
| 4Y70  | 055608 | Title Defect Recision                                     | 253,940            | 680,334            | 308,214            | 750,000             | 600,000                | -20.0       | 600,000                | 0.0          |
| 6590  | 055641 | Solid/Hazardous Waste Background Investigation            | 404,684            | 415,388            | 619,205            | 549,482             | 621,159                | 13.0        | 621,159                | 0.0          |
| <b>TOTAL State Special Revenue</b>          |        |   | <b>62,003,929</b>  | <b>57,450,706</b>  | <b>63,538,390</b>  | <b>68,052,360</b>   | <b>71,024,121</b>      | <b>4.4</b>  | <b>70,024,121</b>      | <b>-1.4</b>  |
| R004  | 055631 | General Holding Account                                   | 5,509,277          | 183,471            | 2,152,301          | 1,000,000           | 1,000,000              | 0.0         | 1,000,000              | 0.0          |
| R005  | 055632 | Antitrust Settlements                                     | 0                  | 0                  | 0                  | 1,000               | 1,000                  | 0.0         | 1,000                  | 0.0          |
| R018  | 055630 | Consumer Frauds   | 365,703            | 478,105            | 318,154            | 750,000             | 750,000                | 0.0         | 750,000                | 0.0          |
| R042  | 055601 | Organized Crime Commission                                | 1,199,056          | 51,614             | 989,412            | 25,025              | 25,025                 | 0.0         | 25,025                 | 0.0          |
| R054  | 055650 | Collection Outside Counsel Payments                       | 0                  | 0                  | 0                  | 4,500,000           | 4,500,000              | 0.0         | 4,500,000              | 0.0          |
| <b>TOTAL Holding Account Redistribution</b> |        |   | <b>7,074,035</b>   | <b>713,190</b>     | <b>3,459,867</b>   | <b>6,276,025</b>    | <b>6,276,025</b>       | <b>0.0</b>  | <b>6,276,025</b>       | <b>0.0</b>   |
| J087  | 055635 | Law Enforcement Technology Training Facility Enhancement  | 7,781,154          | 1,178,046          | 435,368            | 1,519,948           | 1,987,073              | 30.7        | 0                      | -100.0       |
| U087  | 055402 | Tobacco Settlement Oversight/Administration & Enforcement | 618,220            | 820,985            | 968,442            | 2,478,850           | 2,478,850              | 0.0         | 2,478,850              | 0.0          |
| <b>TOTAL Tobacco Settlement</b>             |        |   | <b>8,399,375</b>   | <b>1,999,031</b>   | <b>1,403,810</b>   | <b>3,998,798</b>    | <b>4,465,923</b>       | <b>11.7</b> | <b>2,478,850</b>       | <b>-44.5</b> |
| <b>TOTAL Attorney General</b>               |        |   | <b>185,604,686</b> | <b>179,379,678</b> | <b>196,079,803</b> | <b>206,773,298</b>  | <b>222,562,626</b>     | <b>7.6</b>  | <b>218,117,701</b>     | <b>-2.0</b>  |

### **Role and Overview**

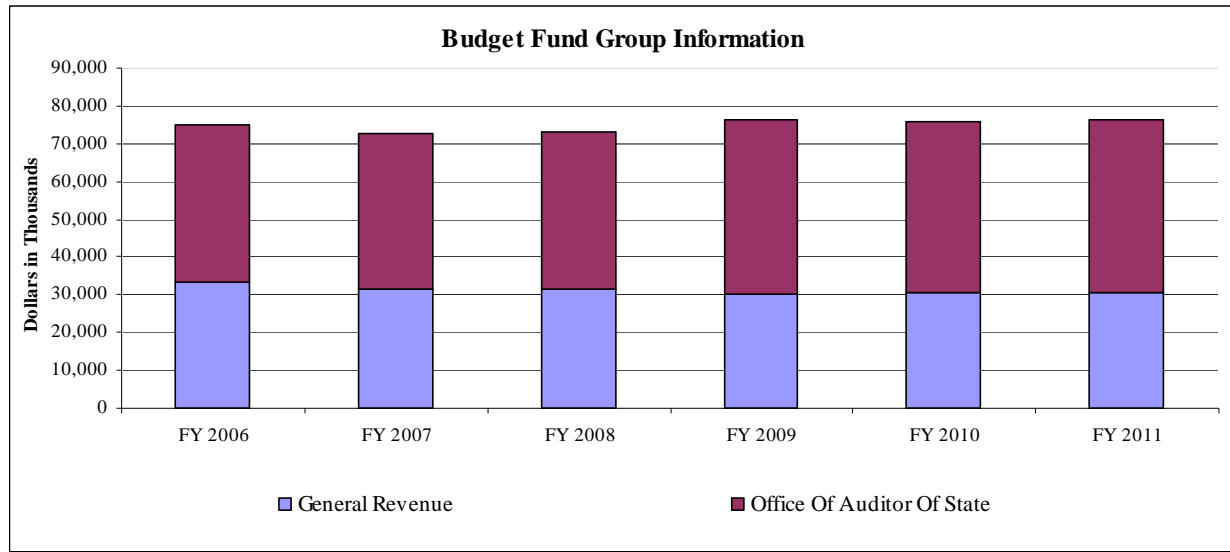
The Auditor of State (AUD), an elected constitutional officer, is responsible for auditing all public offices in Ohio including cities, villages, townships, school districts, universities, and state agencies, boards and commissions. As the chief watchdog of taxpayer dollars, the main priority is to ensure that public funds are spent legally and appropriately by Ohio governments and affiliated entities. This is achieved through financial audits that consist of a review of the methods, accuracy and legality of an entities accounts and financial statements, including a complete review of their internal controls. In addition to financial audits, the Auditor of State conducts performance audits, which include recommendations for management and efficiency improvements to entity operations; Medicaid provider audits to identify noncompliance with federal and state regulations; special audits to identify instances of fraud, waste, and abuse of public funds; and provides financial supervision to schools and local governments placed in fiscal emergency. Further assistance to local governments is provided through accounting and technical services, access to the Uniform Accounting Network, and training to local public officers. The office is made up of three major divisions, the Audit Division, the Legal Division, and the Administration Division. These duties and others are accomplished within an annual budget of nearly \$80 million and with a staff of approximately 900 employees.

Additional information regarding the Auditor of State is available at <http://www.auditor.state.oh.us/>.

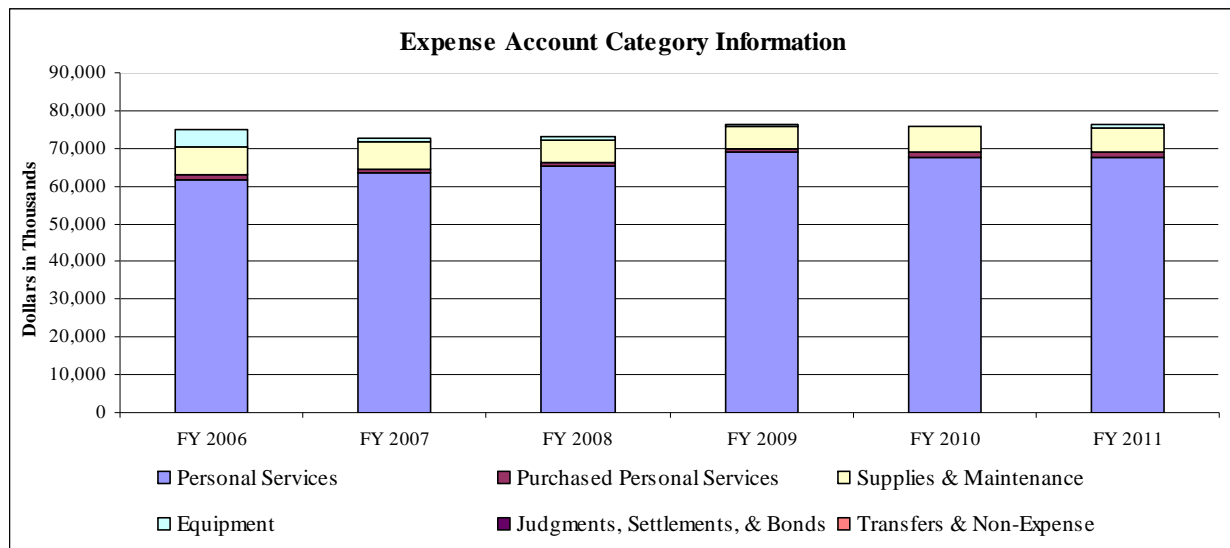
### **Agency Priorities**

- Ensure that all public funds are spent appropriately and in accordance with state and local laws. This is achieved through providing timely, quality and efficient auditing and accounting services to all public offices in Ohio including cities, villages, schools, universities, counties, townships, and state agencies, boards, and commissions.
- Conduct audits of Medicaid providers to identify and report on the overpayment of Medicaid funds, as well as other instances of noncompliance with federal and state rules and regulations. Audit services are provided pursuant to statute and are critical to minimize the state's exposure to fraud, waste, and abuse.
- Continue to monitor the implementation of recommendations from a performance audit of the Medicaid Program as authorized in the 2006-2007 biennial budget.
- Identify fraud, waste, and abuse of public funds through the execution of special audits.
- Support local governments through a variety of services which include conducting performance audits; providing training, technical assistance, consulting services, and continuing education; and the development of recommendations for management and efficiency improvements in an effort to save taxpayer dollars.
- Help restore to financial solvency school districts and local governments in states of fiscal caution, watch, or emergency. Specifically, the Auditor of State serves as financial supervisor to financial planning and supervision commissions. Other relevant services for these entities include performance audits, fiscal emergency determinations, and financial forecasts.

### Summary of Budget History and Recommendations



| (In Thousands)             | ACTUAL        |               |               | EST.          | %<br>CHANGE | RECOMMENDED   |               | %<br>CHANGE | %<br>CHANGE |
|----------------------------|---------------|---------------|---------------|---------------|-------------|---------------|---------------|-------------|-------------|
|                            | FY 2006       | FY 2007       | FY 2008       |               |             | FY 2010       | FY 2011       |             |             |
| <b>BUDGET FUND GROUP</b>   |               |               |               |               |             |               |               |             |             |
| General Revenue            | 33,211        | 31,727        | 31,747        | 29,959        | -5.6        | 30,600        | 30,600        | 0.0         |             |
| Office Of Auditor Of State | 41,682        | 41,042        | 41,500        | 46,421        | 11.9        | 45,327        | 45,552        | 0.5         |             |
| <b>TOTAL</b>               | <b>74,893</b> | <b>72,768</b> | <b>73,247</b> | <b>76,380</b> | <b>4.3</b>  | <b>75,926</b> | <b>76,151</b> | <b>0.3</b>  |             |



**State of Ohio**  
**Auditor of State**

| (In Thousands)<br>EXPENSE<br>CATEGORY | ACCOUNT | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|---------------------------------------|---------|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|                                       |         | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                     |         | 61,718        | 63,465        | 65,143        | 68,792          | 5.6                     | 67,781        | -1.5        | 67,825        | 0.1         |
| Purchased Personal Services           |         | 1,404         | 875           | 905           | 1,122           | 24.0                    | 1,241         | 10.6        | 1,261         | 1.6         |
| Supplies & Maintenance                |         | 7,359         | 7,427         | 6,044         | 6,000           | -0.7                    | 6,886         | 14.8        | 6,079         | -11.7       |
| Equipment                             |         | 4,325         | 994           | 1,153         | 415             | -64.0                   | 5             | -98.8       | 973           | 19,360.0    |
| Judgments, Settlements, & Bonds       |         | 86            | 7             | 0             | 30              | 100.0                   | 0             | -100.0      | 0             | 0.0         |
| Transfers & Non-Expense               |         | 0             | 0             | 3             | 65              | 2066.7                  | 14            | -78.5       | 14            | 0.0         |
| <b>TOTAL</b>                          |         | <b>74,893</b> | <b>72,768</b> | <b>73,247</b> | <b>76,424</b>   | <b>4.3</b>              | <b>75,926</b> | <b>-0.7</b> | <b>76,151</b> | <b>0.3</b>  |

### PROGRAM SERIES 01: Financial Audit Services

This program is responsible for conducting financial audits of all public entities as required by the Ohio Revised Code, Chapter 117.

#### Program 01.01: Financial Audits

This program performs financial audits of over 5,600 public entities in Ohio at least once every two fiscal years or every year for those entities that fall within Federal Schedule guidelines for Single Audits. Generally, these audits entail a review of the methods, accuracy, and legality of accounts, financial reports, records, and files of public entities. These audits also include a compliance component to ascertain the entity's compliance with the laws, rules, ordinances, and orders pertaining to the office and a complete review of the entity's internal controls.

#### The Executive Recommendation will fund the following objectives:

- Ensure the effective use of public funds by providing over 4,000 audits each year;
- Support approximately 600 full-time financial auditors to conduct field audits; and
- Process travel and equipment expenses used by financial auditing to conduct on-site audits.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 070321 | Operating Expenses             | 16,395,930        | 16,406,523        |
| AUS                      | 1090 | 070601 | Public Audit Expense-Intrast   | 5,944,070         | 5,944,070         |
| AUS                      | 4220 | 070602 | Public Audit Expense-Local Gvt | 26,742,200        | 26,784,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>49,082,200</b> | <b>49,134,593</b> |

### PROGRAM SERIES 02: Fraud and Investigative Audit Services

This program series identifies fraud, waste, and abuse of public funds by public and private entities that receive public funds in an effort to protect scarce public resources and minimize the incidence of fraud, waste, and abuse of public funds.

#### Program 02.01: Medicaid/Contract Audit

This program provides audit services that identify and report instances of noncompliance with federal and state rules and regulations. The Auditor develops interoffice agreements intended to help other state agencies meet federal audit requirements. Services include: audits of reimbursement claims submitted by doctors, hospitals, long-term care facilities and other Medicaid providers; audits of cost reports used to set payment rates for providers of Medicaid services; and assessments of controls employed by state agencies to minimize fraud, waste, and abuse. The Medicaid/Contract Audit Program aims to minimize the state's exposure to fraud, waste, and abuse by identifying funds to be recovered that otherwise would have been lost.



**The Executive Recommendation will fund the following objectives:**

- Identify fraud, waste and abuse associated with health care contracts and results in the recovery of state resources;
- Supports a staff of 25 that conduct field-based auditing services; and
- Provides for equipment and travel to conduct on-site audits.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| AUS                      | 1090 | 070601 | Public Audit Expense-Intrast | 2,123,000        | 2,123,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>2,123,000</b> | <b>2,123,000</b> |

**Program 02.02: Special Audits**

This program conducts special audits to investigate allegations of fraud, theft, and misappropriation of public funds by public and private entities that receive public funds. Special audits are initiated based on evaluations of requests from public officials or initiated at the discretion of the Auditor of State pursuant to authority granted in the Ohio Revised Code, Chapter 117. Special audits enable the Auditor to hold accountable those who betray the public's trust and, in so doing, help to restore the public's confidence in those entrusted to manage public resources. During fiscal year 2008, 10 special audits were released with \$7.7 million in findings for recovery identified. Since 2003, special audits have led to the convictions of 77 individuals, with 44 more cases pending. This program operates the Ohio Fraud Reporting System which allows for taxpayers to anonymously report information related to fraud, waste and abuse of public funds through a toll free number or via the Internet. The Auditor's Office has also partnered with local organizations to conduct education and training seminars for law enforcement officials, financial experts, and other professionals from a wide range of disciplines.

**The Executive Recommendation will fund the following objectives:**

- Identify fraud and waste totaling \$7.7 million each year;
- Supports a staff of approximately 13;
- Help bring about the conviction of individuals responsible for fraud and theft; and
- Operate the Ohio Fraud Reporting system to allow for anonymous reporting by the public.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 070321 | Operating Expenses             | 775,740          | 782,047          |
| AUS                      | 1090 | 070601 | Public Audit Expense-Intrast   | 171,500          | 171,500          |
| AUS                      | 4220 | 070602 | Public Audit Expense-Local Gvt | 413,500          | 416,500          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>1,360,740</b> | <b>1,370,047</b> |

**PROGRAM SERIES 03: Performance Audit Services**

This program series conducts performance audits of public entities to help identify and correct inefficient managerial operations and waste of taxpayer dollars, in addition to general oversight and advice to ensure greater operational efficiencies of public offices and the maximization of taxpayer dollars.

**Program 03.01: Performance Audit**

The Performance Audit Section conducts operational audits, which entail a comprehensive review of any program or area of operation in which the Auditor of State believes that greater operational efficiencies or enhanced program results can be achieved. Typically, performance audits identify and help correct inefficient managerial operations and waste of taxpayer dollars, in addition to providing general oversight and advice to ensure efficient operation of public offices and maximization of taxpayer dollars.

The Auditor of State is authorized to conduct performance audits under Chapter 117 of the Ohio Revised Code. Performance audits may also be conducted for any school district or local government entity (counties, townships, villages, etc.) which has been designated as being in a state of fiscal caution (school districts only), watch or emergency pursuant to Section 3316.031 and Chapter 118 of the Ohio Revised Code.

**The Executive Recommendation will fund the following objectives:**

- Support a staff of approximately 40 performance auditors;
- Preserve the public's confidence in government through practical solutions to inefficiencies; and
- Conduct comprehensive field-based audits of operational efficiency.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 070321 | Operating Expenses             | 1,047,476        | 1,047,403        |
| AUS                      | 1090 | 070601 | Public Audit Expense-Intrast   | 2,369,500        | 2,369,500        |
| AUS                      | 4220 | 070602 | Public Audit Expense-Local Gvt | 495,000          | 502,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>3,911,976</b> | <b>3,918,903</b> |

**PROGRAM SERIES 04: Local Government Services**

In an effort to assist local governments throughout Ohio, this program series offers consulting services which include accounting and technical assistance and training for local elected officials, in addition to providing financial and accounting expertise to entities in a state of fiscal watch or fiscal emergency.

**Program 04.01: Local Government Services**

The Local Government Services (LGS) Section provides consulting services and technical assistance (GAAP conversion, financial forecasts, records reconstruction and reconciliation, etc.) to local governments throughout Ohio. In addition to providing financial and accounting expertise to local governments requesting assistance, LGS fulfills the Auditor of State's role as financial supervisor to financial planning and supervision commissions established whenever a local government is declared to be in a state of fiscal emergency, pursuant to the Ohio Revised Code, Chapters 118 and 3316.

LGS also provides a variety of training programs for local and state government officials including: accounting and financial reporting to newly elected township clerks, city auditors, and village clerks and continuing education for village clerks pursuant to the Ohio Revised Code, Section 117.44.

**The Executive Recommendation will fund the following objectives:**

- Support approximately 60 staff that provide accounting services to local governments throughout the state;
- Provide technical assistance to school districts and local governments in fiscal watch and fiscal emergency status; and
- Train newly elected officials in accounting and financial reporting as required by law.

| FUND                     |      |        |                                 | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010          | FY 2011          |
| GRF                      | GRF  | 070321 | Operating Expenses              | 2,166,693        | 2,166,257        |
| GRF                      | GRF  | 070403 | Fiscal Watch/emergency Tech Ast | 570,000          | 570,000          |
| AUS                      | 4220 | 070602 | Public Audit Expense-Local Gvt  | 2,252,500        | 2,245,500        |
| AUS                      | 5840 | 070603 | Training Program                | 181,250          | 181,250          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>5,170,443</b> | <b>5,163,007</b> |

**Program 04.02: Uniform Accounting Network**

The Uniform Accounting Network (UAN), established pursuant to the Ohio Revised Code, Section 117.101, offers an electronic accounting system for townships, villages, libraries, and other local governments. Designed to help political subdivisions properly record and maintain accurate accounting records, the system includes hardware, software, training, and technical support. Approximately 1,750 political subdivisions and public offices currently participate in the Uniform Accounting Network Program.

**The Executive Recommendation will fund the following objectives:**

- Support approximately 20 staff that perform training and technical support to the clients;
- Supply computer equipment for entities in the program; and
- Develop instructional manuals, explanation of software upgrades, and other documents on CD.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| AUS                      | 6750 | 070605 | Uniform Accounting Network | 2,943,880        | 2,943,880        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>2,943,880</b> | <b>2,943,880</b> |

**PROGRAM SERIES 05: Program Management**

This program series provides administrative support functions necessary to allow staff in the various other program areas to focus on fulfilling the Auditor of State's core responsibilities – conducting financial audits of all public offices and providing other auditing/accounting services for state and local entities throughout Ohio.

**Program 05.01: Administration**

This program is the managing arm of the Auditor of State's Office. It is responsible for the day-to-day management and policy decisions of the Office. It is made up of the Auditor, her senior management and support staff, and other support sections including, general services, human resources, information technology, legal, legislative affairs, public affairs, field operations, and fiscal functions not already allocated to the other program.

**The Executive Recommendation will fund the following objectives:**

- Support approximately 100 staff that perform management and administrative functions in support of the Auditor's Office core responsibilities; and
- Provide administrative services that include human resources, general services, records, graphics, information technology, legal, public affairs and fiscal functions not already allocated to the other programs.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 070321 | Operating Expenses             | 9,643,936         | 9,627,545         |
| AUS                      | 1090 | 070601 | Public Audit Expense-Intrast   | 391,930           | 391,930           |
| AUS                      | 4220 | 070602 | Public Audit Expense-Local Gvt | 924,800           | 1,105,000         |
| AUS                      | 6750 | 070605 | Uniform Accounting Network     | 373,456           | 373,456           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>11,334,122</b> | <b>11,497,931</b> |

**LINE ITEM SUMMARY - Auditor of State**

| FUND  | ALI    | ALI NAME                               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF   | 070321 | Operating Expenses                     | 30,220,356        | 29,238,265        | 31,149,359        | 29,365,620          | 30,029,775             | 2.3         | 30,029,775             | 0.0         |
| GRF   | 070403 | Fiscal Watch/Emergency Tech Assistance | 497,842           | 501,957           | 570,000           | 593,002             | 570,000                | -3.9        | 570,000                | 0.0         |
| GRF   | 070405 | Electronic Data Processing-Aud & Admin | 795,925           | 739,171           | 27,782            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF   | 070406 | Uniform Accounting Network             | 1,696,717         | 1,247,147         | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b>                |        |  | <b>33,210,840</b> | <b>31,726,540</b> | <b>31,747,141</b> | <b>29,958,622</b>   | <b>30,599,775</b>      | <b>2.1</b>  | <b>30,599,775</b>      | <b>0.0</b>  |
| R006  | 070604 | Continuous Receipts                    | 0                 | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Holding Account Redistribution</b> |        |  | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 1090  | 070601 | Public Audit Expense-Intrastate        | 9,637,970         | 8,900,349         | 9,293,360         | 10,824,500          | 11,000,000             | 1.6         | 11,000,000             | 0.0         |
| 4220  | 070602 | Public Audit Expense-Local Gov't       | 28,757,459        | 29,612,825        | 29,999,647        | 32,124,800          | 30,828,000             | -4.0        | 31,053,000             | 0.7         |
| 5840  | 070603 | Training Program                       | 182,560           | 169,244           | 155,150           | 154,250             | 181,250                | 17.5        | 181,250                | 0.0         |
| 6750  | 070605 | Uniform Accounting Network             | 3,104,119         | 2,359,097         | 2,052,058         | 3,303,880           | 3,317,336              | 0.4         | 3,317,336              | 0.0         |
| <b>TOTAL Office of Auditor of State</b>     |        |  | <b>41,682,109</b> | <b>41,041,514</b> | <b>41,500,214</b> | <b>46,407,430</b>   | <b>45,326,586</b>      | <b>-2.3</b> | <b>45,551,586</b>      | <b>0.5</b>  |
| <b>TOTAL Auditor of State</b>               |        |  | <b>74,892,949</b> | <b>72,768,054</b> | <b>73,247,356</b> | <b>76,366,052</b>   | <b>75,926,361</b>      | <b>-0.6</b> | <b>76,151,361</b>      | <b>0.3</b>  |

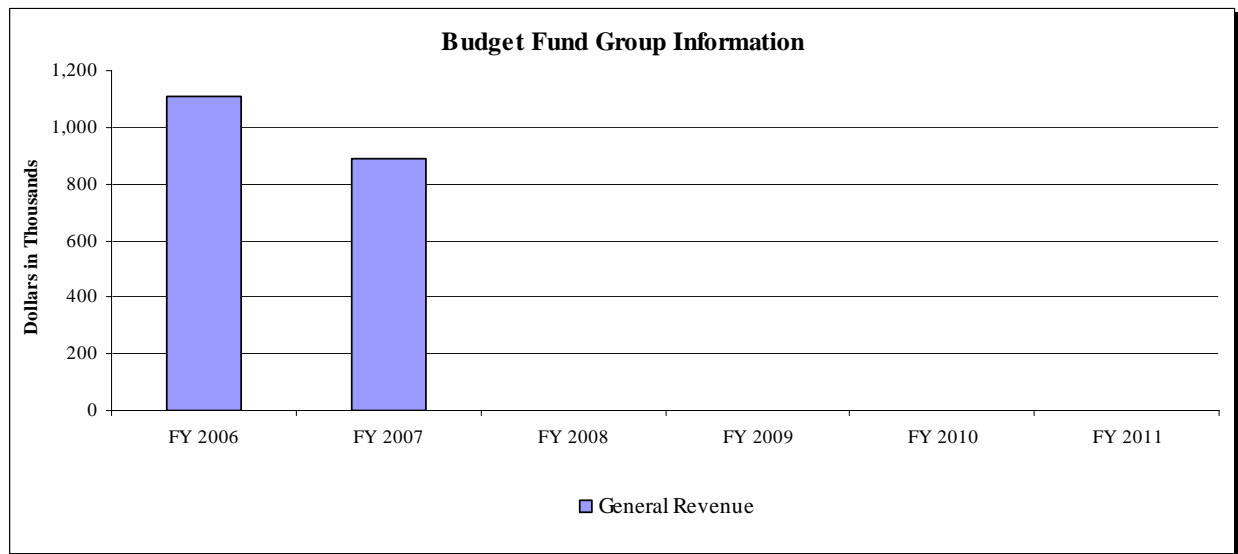
### Role and Overview

The Ballot Board (OBB) prescribes and certifies ballot language for proposed constitutional amendments, initiatives, and referenda. The board also oversees the efforts of the Secretary of State to inform registered voters of the purpose and effect of proposed ballot issues.

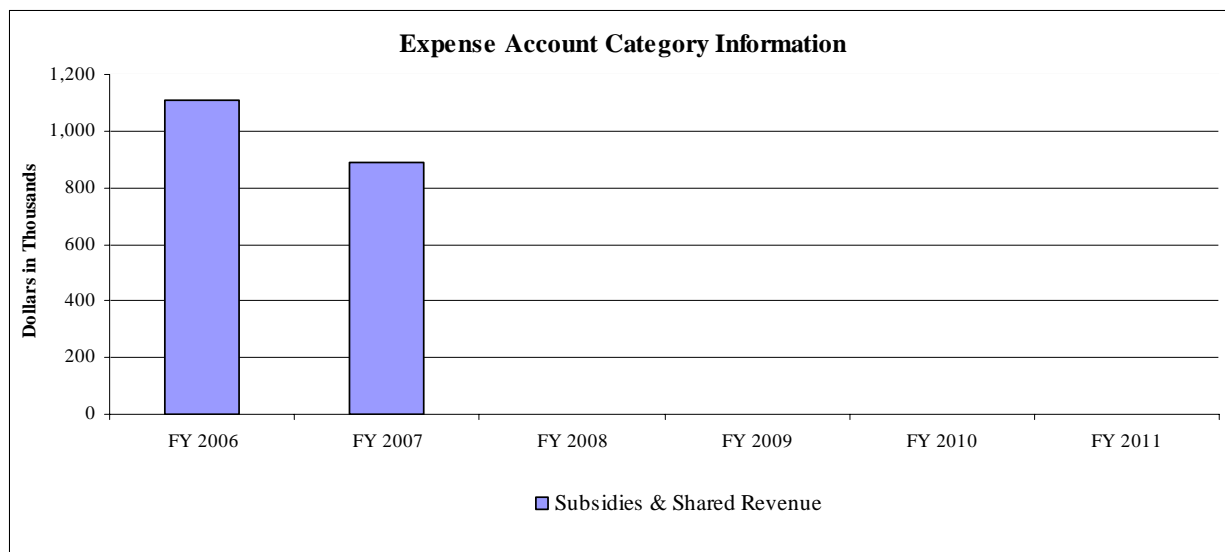
The Secretary of State chairs the board. There are four other members, each appointed by the Senate President and Senate Minority Leader, as well as the Speaker of the House and the House Minority Leader. The board convenes before any statewide issue is placed on the ballot.

The Secretary of State's Office provides the professional, technical, and clerical support for the Ballot Board.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |            |          | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |          |            |
|-------------------------------------|--------------|------------|----------|------------------|------------|-------------------------|------------|----------|------------|
|                                     | FY 2006      | FY 2007    | FY 2008  | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011  | CHANGE     |
| General Revenue                     | 1,107        | 891        | 0        | 0                | 0.0        | 0                       | 0.0        | 0        | 0.0        |
| <b>TOTAL</b>                        | <b>1,107</b> | <b>891</b> | <b>0</b> | <b>0</b>         | <b>0.0</b> | <b>0</b>                | <b>0.0</b> | <b>0</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |            |          | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |          |            |
|---|--------------|------------|----------|------------------|------------|-------------------------|------------|----------|------------|
|   | FY 2006      | FY 2007    | FY 2008  | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011  | CHANGE     |
| Subsidies & Shared Revenue                    | 1,107        | 891        | 0        | 0                | 0.0        | 0                       | 0.0        | 0        | 0.0        |
| <b>TOTAL</b>                                  | <b>1,107</b> | <b>891</b> | <b>0</b> | <b>0</b>         | <b>0.0</b> | <b>0</b>                | <b>0.0</b> | <b>0</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Ballot Board

The Ohio Ballot Board prescribes ballot language for proposed amendments to the Ohio Constitution and, in certain instances when the requisite arguments or explanations have not been timely prepared, must prepare the arguments or explanations or designate a group of persons to do so. Funding prior to FY 2007 was provided for via transfer from the Controlling Board for reimbursement of ballot advertising expenses incurred by each of the 88 counties. Changes made in H.B. 119 and subsequent legislation has transferred the responsibility for statewide ballot advertising from the counties to the Secretary of State's Office.

#### Program 01.01: Ballot Advertising

This program prescribes ballot language for proposed amendments to the Ohio Constitution and, in certain instances when the requisite arguments or explanations have not been timely prepared, must prepare the arguments or explanations or designate a group of persons to do so. Direct funding is not provided to support this program; however, the Secretary of State's office provides technical and administrative assistance to support its activities.

**LINE ITEM SUMMARY - Ballot Board**

| FUND                         | ALI    | ALI NAME                         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------|--------|----------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                          | 052501 | Ballot Advertising Reimbursement | 1,107,156         | 891,388           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b> |        |                                  | <b>1,107,156</b>  | <b>891,388</b>    | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Ballot Board</b>    |        |                                  | <b>1,107,156</b>  | <b>891,388</b>    | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |

### Role and Overview

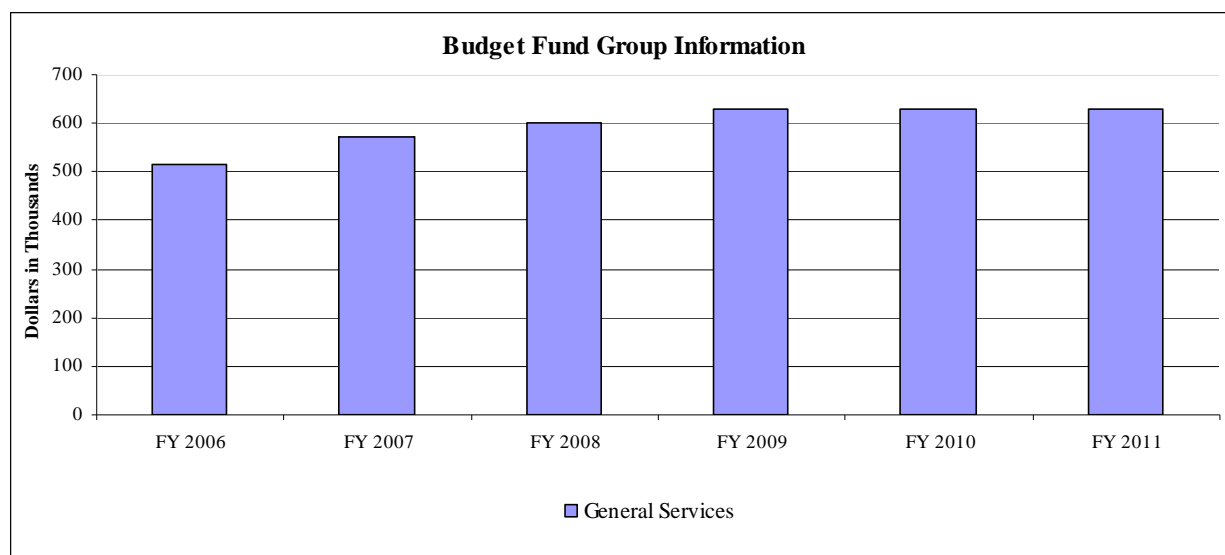
The Ohio State Barber Board (BRB) was established in 1934 to ensure that the consuming public is protected from communicable diseases by requiring that all barbers attend a licensed barber school. They also must pass an examination to determine their ability and competence as well as prove their knowledge of the diseases of the head, face, and neck. With three board members and a staff of seven, the Ohio State Barber Board regulates 9,200 barbers, 3,200 barber shops, 67 teachers, and 18 barber schools.

More information regarding the Barber Board is available at <http://barber.ohio.gov/>.

### Agency Priorities

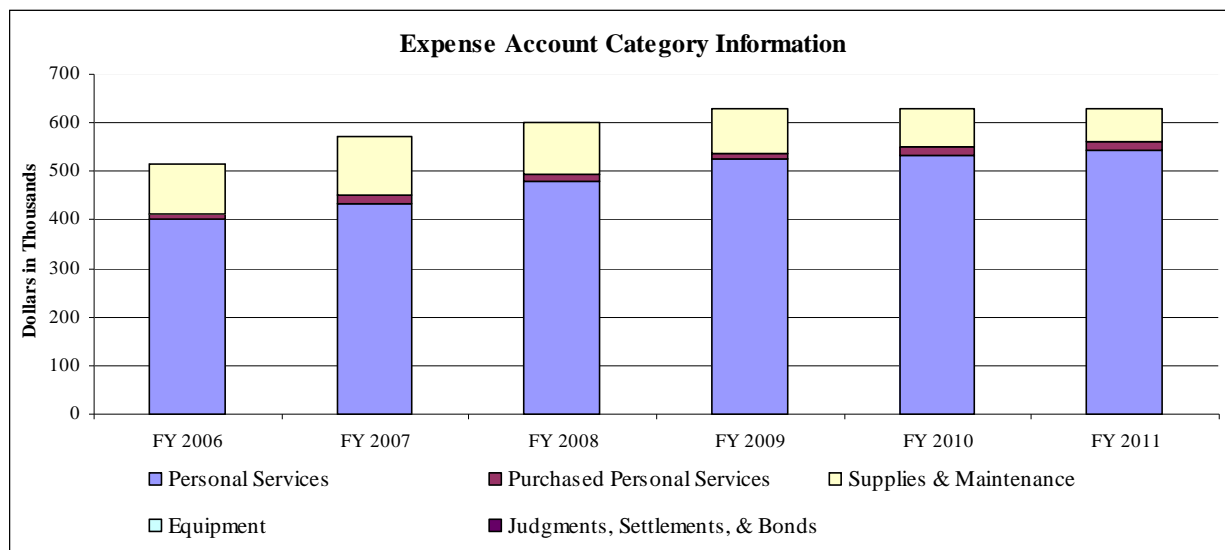
- Continue adding schools and expand existing schools in the areas of the state that have a demand for additional or replacement barbers.
- Provide assistance necessary for multi-culture immigrants to obtain licensure in Ohio.
- Enforce the rules of the board and promote Ohio as a fair and safe environment to work and raise a family.
- Provide barber training in six barber schools within the Department of Rehabilitation and Correction and the Department of Youth Services.
- Track and ensure these inmates have an opportunity to re-enter the work force.
- Maintain the integrity that the licensees and citizens of Ohio deserve.
- Use the resources and leadership provided by state government to enhance the Barber Board's day-to-day operation.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL     |            |            | EST. CHANGE |            | RECOMMENDED |            |            |            |
|------------------|------------|------------|------------|-------------|------------|-------------|------------|------------|------------|
|                  | FY 2006    | FY 2007    | FY 2008    | FY 2009     | FY 08-09   | FY 2010     | CHANGE     | FY 2011    | CHANGE     |
| General Services | 516        | 571        | 601        | 628         | 4.6        | 628         | 0.0        | 628        | 0.0        |
| <b>TOTAL</b>     | <b>516</b> | <b>571</b> | <b>601</b> | <b>628</b>  | <b>4.6</b> | <b>628</b>  | <b>0.0</b> | <b>628</b> | <b>0.0</b> |





| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 403        | 432        | 479        | 525              | 9.6        | 533                     | 1.6        | 542        | 1.7        |
| Purchased Personal Services                   | 9          | 20         | 14         | 12               | -16.5      | 16                      | 33.3       | 20         | 25.0       |
| Supplies & Maintenance                        | 104        | 119        | 106        | 92               | -13.2      | 79                      | -13.7      | 66         | -16.7      |
| Equipment                                     | 1          | 0          | 2          | 0                | -100.0     | 0                       | 0.0        | 0          | 0.0        |
| Judgments, Settlements, & Bonds               | 0          | 1          | 0          | 0                | 0.0        | 0                       | 0.0        | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>516</b> | <b>571</b> | <b>601</b> | <b>628</b>       | <b>4.6</b> | <b>628</b>              | <b>0.0</b> | <b>628</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Ohio State Barber Board.

#### The Executive Recommendation will fund the following objectives:

- Support the operations of the boards and staff;
- Support the regulation of 9,200 barbers, 3,200 barber shops, 18 barber schools, and 65 barber instructors;
- Fund the testing of 300 to 350 barber students per year for initial license issuance and 10 to 12 barber instructors per year for initial license issuance; and
- Finance the enforcement activities including random inspections of each barber shop two to three times per year, resulting in approximately 350 violations being issued and conduct several administrative hearings.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 877609 | Operating | 628,264        | 628,264        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>628,264</b> | <b>628,264</b> |

**LINE ITEM SUMMARY - Barber Board**

| FUND                          | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                          | 877609 | Operating | 516,126           | 571,168           | 600,851           | 628,264             | 628,264                | 0.0         | 628,264                | 0.0         |
| <b>TOTAL General Services</b> |        |           | <b>516,126</b>    | <b>571,168</b>    | <b>600,851</b>    | <b>628,264</b>      | <b>628,264</b>         | <b>0.0</b>  | <b>628,264</b>         | <b>0.0</b>  |
| <b>TOTAL Barber Board</b>     |        |           | <b>516,126</b>    | <b>571,168</b>    | <b>571,168</b>    | <b>628,264</b>      | <b>628,264</b>         | <b>0.0</b>  | <b>628,264</b>         | <b>0.0</b>  |

### **Role and Overview**

The Office of Budget and Management (OBM) ensures that the financial operations of state government are handled in a manner consistent with state laws and policies. OBM develops budgets; monitors, processes, and reports on financial transactions; and reviews and coordinates the financial policies and activities of state agencies. OBM provides financial management services and financial information to the Governor, state agencies, the legislature, municipalities, school districts, and other interested parties.

OBM will implement two new operations—Ohio Shared Services (OSS) and the Internal Control and Audit Oversight section—beginning in fiscal year 2009 and continuing through the fiscal year 2010-2011 biennium. Starting with a few accounts payable functions, OSS will centralize an increasing number of common agency fiscal transactions. Internal Control and Audit Oversight implements the provisions of Am. Sub. H.B. 166 of the 127<sup>th</sup> Ohio General Assembly to ensure accounting controls in state agencies. These two programs will bill agencies for their services. Because of the state's finances due to the troubled economy, implementation of both initiatives has been scaled back from initial plans. Nonetheless, these two new functions will increase staffing by 127 positions and considerably increase OBM's biennial budget.

At the same time, OBM will reduce its payroll checkoff fee charged to state agencies by 15% in the upcoming biennium to provide some rate relief for reduced agency GRF budgets. This fee will drop further in the fiscal year 2012-2013 biennium as OSS moves out of development phase to direct agency charges for its transactional services.

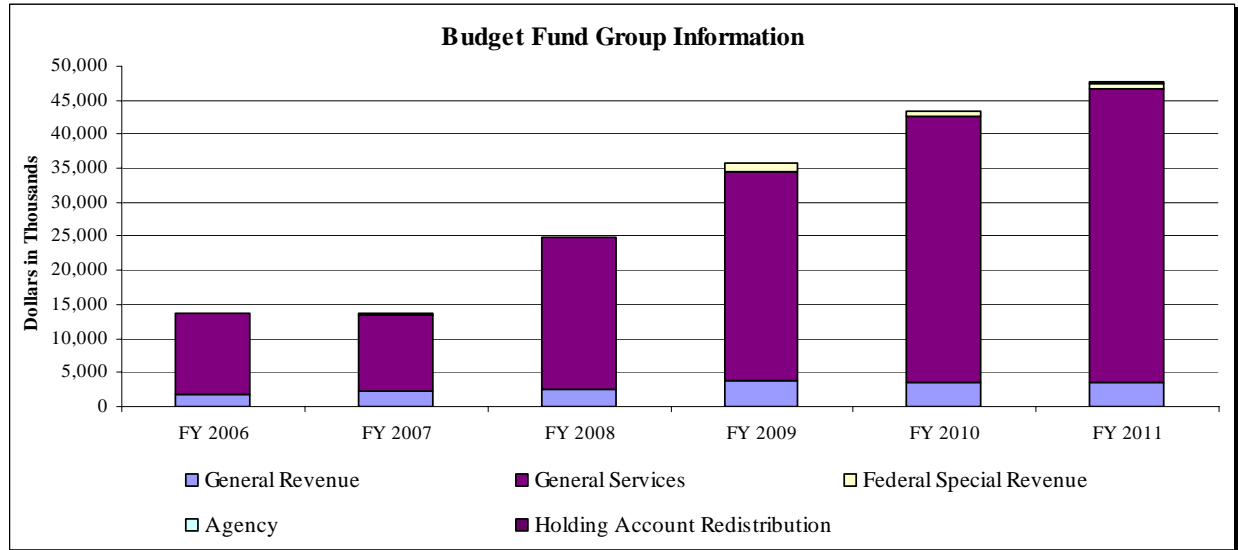
The director of OBM is appointed by the Governor. At the end of fiscal year 2009, the office will employ about 179 people and have an annual budget of approximately \$39.0 million. The sections within OBM deal with accounting, financial reporting, budgeting, shared services, coordinating the issuance of state debt, internal auditing of agencies, and administering the activities of the state Controlling Board.

Additional information regarding the Office of Budget and Management is available at <http://www.obm.ohio.gov/>.

### **Agency Priorities**

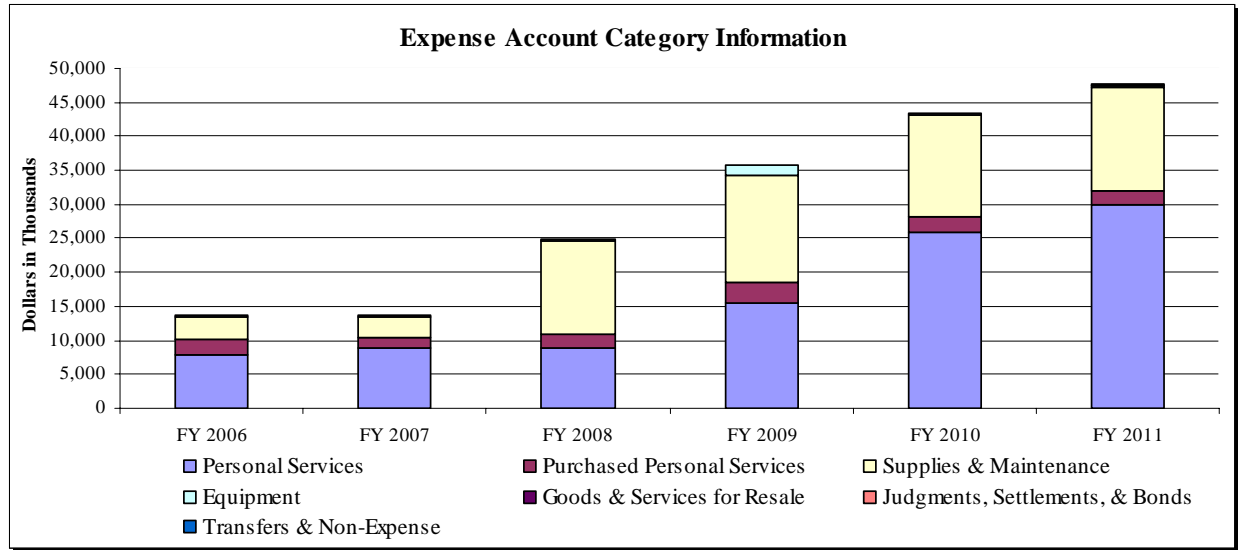
- Develop, implement, and monitor the state's operating and capital budgets.
- Review, process, and report the financial transactions of state agencies.
- Successfully implement Ohio Shared Services and the Internal Control and Audit Oversight programs.

### Summary of Budget History and Recommendations



- OBM's General Services Budget Fund Group (GSF) budget increased in fiscal year 2008 due to the implementation of OAKS, the state's enterprise resource planning system. The agency's payroll checkoff charge pays a portion of OAKS operating costs. OBM's GSF budget continues to increase through fiscal year 2011 due to development and then implementation of OSS and Internal Control and Audit Oversight.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |               |            |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------|----------------------|-------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011       | CHANGE     |
| General Revenue                     | 1,662         | 2,247         | 2,642         | 3,934         | 48.9        | 3,505                | -10.9       | 3,505         | 0.0        |
| General Services                    | 11,964        | 11,323        | 22,310        | 30,482        | 36.6        | 39,190               | 28.6        | 43,306        | 10.5       |
| Federal Special Revenue             | 0             | 0             | 0             | 1,323         | 100.0       | 735                  | -44.4       | 747           | 1.6        |
| Agency                              | 0             | 0             | 15            | 80            | 447.0       | 50                   | -37.5       | 50            | 0.0        |
| Holding Account Redistribution      | 13            | 25            | 0             | 0             | 0.0         | 0                    | 0.0         | 0             | 0.0        |
| <b>TOTAL</b>                        | <b>13,640</b> | <b>13,594</b> | <b>24,967</b> | <b>35,818</b> | <b>43.5</b> | <b>43,480</b>        | <b>21.4</b> | <b>47,608</b> | <b>9.5</b> |



- OBM's Personal Services expenses become a larger portion of total expenditures beginning in fiscal year 2009 because of the implementation of OSS and Internal Control and Audit Oversight.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | %<br>EST. CHANGE |             | RECOMMENDED   |             |               |             |
|---|---------------|---------------|---------------|------------------|-------------|---------------|-------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                             | 7,812         | 8,917         | 8,773         | 15,528           | 77.0        | 25,857        | 66.5        | 29,872        | 15.5        |
| Purchased Personal Services                   | 2,283         | 1,457         | 2,073         | 3,001            | 44.8        | 2,319         | -22.7       | 2,061         | -11.1       |
| Supplies & Maintenance                        | 3,346         | 2,975         | 13,718        | 15,780           | 15.0        | 14,937        | -5.3        | 15,324        | 2.6         |
| Equipment                                     | 184           | 220           | 388           | 1,429            | 268.8       | 317           | -77.8       | 301           | -4.9        |
| Goods & Services for Resale                   | 1             | 1             | 0             | 0                | -100.0      | 0             | 0.0         | 0             | 0.0         |
| Judgments, Settlements, & Bonds               | 13            | 25            | 0             | 80               | 100.0       | 0             | -100.0      | 0             | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 15            | 0                | -100.0      | 50            | 100.0       | 50            | 0.0         |
| <b>TOTAL</b>                                  | <b>13,640</b> | <b>13,594</b> | <b>24,967</b> | <b>35,818</b>    | <b>43.5</b> | <b>43,480</b> | <b>21.4</b> | <b>47,608</b> | <b>9.5</b>  |

### PROGRAM SERIES 01: Budget Development and Implementation Services

This program series oversees the state's financial resources by preparing the operating and capital budgets, coordinating state Controlling Board activities, and managing state debt.

#### Program 01.01: Budget Development

This program evaluates agencies' budget requests and prepares the Governor's operating and capital budget recommendations for submission to the General Assembly. Once budgets are enacted, this program oversees agencies' allotment planning and monitors agencies' spending to ensure it is done in accordance with state law and does not exceed appropriations. This program also prepares economic forecasts and revenue estimates and issues a monthly financial report to the Governor.

#### The Executive Recommendation will fund the following objectives:

- Fund the evaluation, implementation, and monitoring of state agencies' operating and capital budgets;
- Support preparation of economic forecasts and revenue estimates and issuance of a monthly report analyzing economic trends, state General Revenue Fund (GRF) revenues, and GRF spending;
- Fund the National Association of State Budget Officers' (NASBO) annual membership dues;

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- Support a portion of the agency's internal administrative costs; and
- Fund preparation of the Governor's operating and capital budget recommendations.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 042321 | Budget Development & Implement | 1,646,367        | 1,593,920        |
| GRF                      | GRF  | 042410 | National Association Dues      | 30,448           | 31,361           |
| GSF                      | 1050 | 042603 | State Accounting               | 1,642,198        | 1,740,730        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>3,319,013</b> | <b>3,366,011</b> |

**Program 01.02: Controlling Board**

This program coordinates legislative oversight over certain capital and operating expenditures by state agencies and has approval authority over various other state fiscal activities. OBM employees serve as President and Executive Secretary to the Controlling Board and provide administrative support and oversight.

**The Executive Recommendation will fund the following objectives:**

- Fund the administrative functions of the Controlling Board.

| FUND                     |      |        |                                | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010        | FY 2011        |
| GRF                      | GRF  | 042321 | Budget Development & Implement | 285,841        | 284,925        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>285,841</b> | <b>284,925</b> |

**Program 01.03: Debt Management**

This program coordinates the bond sales of all state bond issuers, reviews certain bond documents to ensure they are complete and accurate, keeps track of all debt service payments, projects future state debt service needs, and informs bond rating agencies of the state's debt and overall financial situation. This program also provides administrative support to the Ohio Public Facilities Commission, which is one of the state entities authorized to issue debt.

**The Executive Recommendation will fund the following objectives:**

- Support management of the state's indebtedness including: coordinating all state bond issuances, reviewing certain bond documents, tracking current debt service payments and projecting future payments, and interacting with bond rating agencies; and
- Fund the administrative functions of the Ohio Public Facilities commission.

| FUND                     |      |        |                                | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010        | FY 2011        |
| GRF                      | GRF  | 042321 | Budget Development & Implement | 361,237        | 373,473        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>361,237</b> | <b>373,473</b> |

**PROGRAM SERIES 02: Financial Accounting Services**

This program series manages the state's accounting operations, publishes the state's financial reports, and includes the new internal audit operation.

**Program 02.01: Accounting Operations and Processing**

This program administers the state's appropriation accounting system and certifies the budget and cash capabilities of the state to make payments. The program exercises control over spending to ensure appropriations are not exceeded; reviews all fiscal transactions to ensure compliance with laws, rules, policies, and procedures; maintains the state's vendor database; and manages the payment writing function. This program also supports OBM's information technology needs.

**The Executive Recommendation will fund the following objectives:**

- Fund State Accounting functions including appropriations management, maintaining and controlling spending within legally established appropriations, maintaining the state's vendor database, and calculating and distributing investment earnings;
- Provide assistance to state fiscal personnel through training programs and help desk activities;
- Complete a monthly reconciliation between the state's accounting system and the Treasurer of State;
- Support all management information services needs of OBM, including network administration, database management, programming, and business continuity and disaster recovery planning;
- Issue warrants and electronic funds transfers to state employees, vendors, taxpayers, and other recipients of state payments; and
- Support a portion of the Ohio Administrative Knowledge System (OAKS) and the agency's internal administrative costs.

| FUND                     |      |        |                        | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010           | FY 2011           |
| GRF                      | GRF  | 042413 | Payment Issuance (AUD) | 446,968           | 457,545           |
| GSF                      | 1050 | 042603 | State Accounting       | 18,795,496        | 19,417,067        |
| AGY                      | 5EH0 | 042604 | Forgery Recovery       | 50,000            | 50,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>19,292,464</b> | <b>19,924,612</b> |

**Program 02.02: Electronic Commerce**

This program manages the state's payment card, electronic data interchange, and electronic revenue programs to facilitate electronic payment for certain goods and services or electronic receipt and processing of revenue. This program also prepares and files the Statewide Cost Allocation Plan (SWCAP) annually with the federal government.

**The Executive Recommendation will fund the following objectives:**

- Support management of the state payment card, electronic data interchange, and electronic revenue programs to facilitate efficient financial transactions for selected goods and services and revenue collection; and
- Fund preparation of the annual SWCAP report.

| FUND                     |      |        |                  | RECOMMENDED    |                |
|--------------------------|------|--------|------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010        | FY 2011        |
| GSF                      | 1050 | 042603 | State Accounting | 735,112        | 773,936        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>735,112</b> | <b>773,936</b> |

**Program 02.03: Financial Reporting**

This program compiles and publishes the State of Ohio's *Comprehensive Annual Financial Report* (CAFR), which is prepared in conformity with Generally Accepted Accounting Principles (GAAP). This program also compiles the state's Schedule of Federal Awards and coordinates the annual statewide GAAP audit conducted by the Auditor of State.

**The Executive Recommendation will fund the following objectives:**

- Fund preparation and publication of the *Ohio CAFR* and the *Ohio Budgetary Financial Report*; and
- Support compilation of the state's Schedule of Expenditures of Federal Awards, as required under the federal Single Audit Act, and the coordination of agency corrective action plans.

| FUND              |      |        |                           | RECOMMENDED |           |
|-------------------|------|--------|---------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011   |
| GRF               | GRF  | 042412 | Audit of Auditor of State | 44,528      | 46,309    |
| GSF               | 1050 | 042603 | State Accounting          | 1,256,519   | 1,315,222 |
| TOTAL FOR PROGRAM |      |        |                           | 1,301,047   | 1,361,531 |

**Program 02.04: Internal Control and Audit Oversight**

This new program was authorized by Am. Sub. H.B. 166 of the 127<sup>th</sup> Ohio General Assembly to ensure accounting controls exist to provide reasonable assurance of accountable government. This program offers an independent, objective assurance of and consulting activity to systematically evaluate and improve state agencies' risk management, internal controls, and governance processes. The program complements the Auditor of State financial reporting functions and state agency internal audit functions focusing on management objectives and compliance standards.

**The Executive Recommendation will fund the following objectives:**

- Fund implementation of the Office of Internal Audit including the addition of 48 auditors and support staff and a comprehensive audit management program;
- Fund a statewide risk assessment to prioritize audit processes and the evaluation of agency risk management, control, and governance processes; and
- Fund the internal audit and evaluation of eight cabinet agencies in fiscal year 2010 and 21 cabinet agencies in fiscal year 2011.

| FUND              |      |        |                  | RECOMMENDED |           |
|-------------------|------|--------|------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME         | FY 2010     | FY 2011   |
| GSF               | 1050 | 042603 | State Accounting | 6,033,000   | 6,562,000 |
| TOTAL FOR PROGRAM |      |        |                  | 6,033,000   | 6,562,000 |

**PROGRAM SERIES 03: Governmental Services**

This program series provides financial management services to other governmental entities and coordinates ongoing OAKS improvements and expansions, in coordination with other agencies.

**Program 03.01: Financial Planning and Supervision Commissions**

This program assists municipalities and school districts in fiscal emergency to develop plans to overcome their financial difficulties. The OBM Director or designee serves as a member of each financial planning and supervision commission established upon the occurrence or declaration of a fiscal emergency.

**The Executive Recommendation will fund the following objectives:**

- Fund staffing required by Chapters 118 and 3316 of the Ohio Revised Code regarding the declaration of fiscal emergencies in units of local government and school districts.



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| FUND                     |      |        |                                | RECOMMENDED    |               |
|--------------------------|------|--------|--------------------------------|----------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010        | FY 2011       |
| GRF                      | GRF  | 042321 | Budget Development & Implement | 118,901        | 98,487        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>118,901</b> | <b>98,487</b> |

**Program 03.02: Ohio Administrative Knowledge System**

This program, in conjunction with other partnering agencies, implements on-going improvements and expansions of the OAKS enterprise resource planning system. This OAKS program is currently implementing Ohio Shared Services, which will initially offer state agencies an alternative and efficient centralized accounts payable service to improve vendor payments and save state resources. Research and development of future statewide cost saving opportunities are ongoing.

**The Executive Recommendation will fund the following objectives:**

- Support implementation of the Ohio Shared Services Center to provide consolidated and automated accounts payable services to more than 25 state agencies by the end of fiscal year 2011;
- Add 98 customer service representatives to process nearly 700,000 vouchers annually and coordinate vendor management and client relations;
- Transfer the OAKS General Ledger Functional team to the Shared Services Center to improve the support and coordination of shared services activities; and
- Support a project implementation team to further leverage enterprise resource planning system technology and implement new statewide cost saving services to state agencies.

| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| GSF                      | 1050 | 042603 | State Accounting            | 8,569,651         | 11,397,105        |
| GSF                      | 5N40 | 042602 | OAKS Project Implementation | 2,100,000         | 2,100,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>10,669,651</b> | <b>13,497,105</b> |

**Program 03.03: Executive Medicaid Management Administration**

The Executive Medicaid Management Administration (EMMA) Program coordinates and harmonizes Medicaid policies across all of the state's Medicaid recipient agencies to ensure efficient and cost-effective delivery of federal and state grants and subsidies. The work EMMA will undertake in the fiscal year 2010-2011 biennium will be a first step in removing policy, operational, and technological barriers to achieving a Medicaid program that is efficient, cost-effective, and consumer-friendly.

**The Executive Recommendation will fund the following objectives:**

- Support design and implementation of a comprehensive and coordinated statewide Medicaid management structure to improve the delivery of state and federal Medicaid services.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 042416 | Medicaid Agency Transition | 571,028          | 369,298          |
| GSF                      | 5Z80 | 042608 | Executive Medicaid Admn    | 57,751           | 0                |
| FED                      | 3CM0 | 042606 | Medicaid Transition - Fed  | 734,979          | 747,098          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>1,363,758</b> | <b>1,116,396</b> |

**Program 03.04: Gubernatorial Transition**

This program provides resources to the new gubernatorial administration that could take office during fiscal year 2011. The program is funded every four years and provides payroll, offices, information technology, and basic office supplies needed for a smooth administration transition.

**The Executive Recommendation will fund the following objectives:**

- Fund a possible gubernatorial transition in fiscal year 2011 including payroll, office rent, and office and computing equipment.

| FUND              |      |        |                          | RECOMMENDED |         |
|-------------------|------|--------|--------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                 | FY 2010     | FY 2011 |
| GRF               | GRF  | 042435 | Gubernatorial Transition | 0           | 250,000 |
| TOTAL FOR PROGRAM |      |        |                          | 0           | 250,000 |

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**LINE ITEM SUMMARY - Office of Budget and Management**

| FUND   | ALI    | ALI NAME                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF  | 042321 | Budget Development & Implement | 1,578,963         | 1,892,410         | 2,079,806         | 2,078,881           | 2,412,346              | 16.0         | 2,350,805              | -2.6        |
| GRF  | 042409 | Commission Closures            | 0                 | 0                 | 9,091             | 0                   | 0                      | .0           | 0                      | .0          |
| GRF  | 042410 | National Association Dues      | 27,089            | 27,900            | 28,700            | 29,561              | 30,448                 | 3.0          | 31,361                 | 3.0         |
| GRF  | 042412 | Audit of Auditor of State      | 55,900            | 67,747            | 47,128            | 41,625              | 44,528                 | 7.0          | 46,309                 | 4.0         |
| GRF  | 042413 | Payment Issuance (AUD)         | 0                 | 0                 | 477,452           | 625,000             | 446,968                | -28.5        | 457,545                | 2.4         |
| GRF  | 042416 | Medicaid Agency Transition     | 0                 | 25,535            | 0                 | 1,158,475           | 571,028                | -50.7        | 369,298                | -35.3       |
| GRF  | 042435 | Gubernatorial Transition       | 0                 | 233,154           | 0                 | 0                   | 0                      | .0           | 250,000                | .0          |
| <b>TOTAL General Revenue</b>                 |        |                                | <b>1,661,952</b>  | <b>2,246,746</b>  | <b>2,642,177</b>  | <b>3,933,542</b>    | <b>3,505,318</b>       | <b>-10.9</b> | <b>3,505,318</b>       | <b>0.0</b>  |
| 1050   | 042321 | Budget Development & Implement | 0                 | 0                 | 60,392            | 0                   | 0                      | .0           | 0                      | .0          |
| 1050   | 042603 | State Accounting               | 8,845,315         | 9,320,760         | 20,836,561        | 28,349,495          | 37,031,976             | 30.6         | 41,206,060             | 11.3        |
| 5N40   | 042602 | Oaks Project Implementation    | 3,119,113         | 2,001,790         | 1,259,953         | 2,132,168           | 2,100,000              | -1.5         | 2,100,000              | 0.0         |
| 5Z80   | 042608 | Executive Medicaid Admn        | 0                 | 0                 | 153,254           | 0                   | 57,751                 | .0           | 0                      | -100.0      |
| <b>TOTAL General Services</b>                |        |                                | <b>11,964,427</b> | <b>11,322,551</b> | <b>22,310,160</b> | <b>30,481,663</b>   | <b>39,189,727</b>      | <b>28.6</b>  | <b>43,306,060</b>      | <b>10.5</b> |
| 3CM0   | 042606 | Medicaid Agency Transition-Fed | 0                 | 0                 | 0                 | 1,322,999           | 734,979                | -44.4        | 747,098                | 1.6         |
| <b>TOTAL Federal Special Revenue</b>         |        |                                | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>1,322,999</b>    | <b>734,979</b>         | <b>-44.4</b> | <b>747,098</b>         | <b>1.6</b>  |
| 5EH0   | 042604 | Forgery Recovery               | 0                 | 0                 | 14,624            | 80,000              | 50,000                 | -37.5        | 50,000                 | 0.0         |
| <b>TOTAL Agency</b>                          |        |                                | <b>0</b>          | <b>0</b>          | <b>14,624</b>     | <b>80,000</b>       | <b>50,000</b>          | <b>-37.5</b> | <b>50,000</b>          | <b>0.0</b>  |
| R006   | 070604 | Continuous Receipts            | 13,306            | 24,973            | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Holding Account Redistribution</b>  |        |                                | <b>13,306</b>     | <b>24,973</b>     | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Office of Budget and Management</b> |        |                                | <b>13,639,685</b> | <b>13,594,269</b> | <b>24,966,961</b> | <b>35,818,204</b>   | <b>43,480,024</b>      | <b>21.4</b>  | <b>47,608,476</b>      | <b>9.5</b>  |

## Capitol Square Review and Advisory Board

### Role and Overview

The Capitol Square Review and Advisory Board (CSRAB) provides all educational, maintenance, support, and security services for Capitol Square and its grounds. In addition, the board operates the Statehouse Museum Shop, Statehouse Underground Parking Garage, the Education and Visitors Center, guided Statehouse tours, and administers all special events.

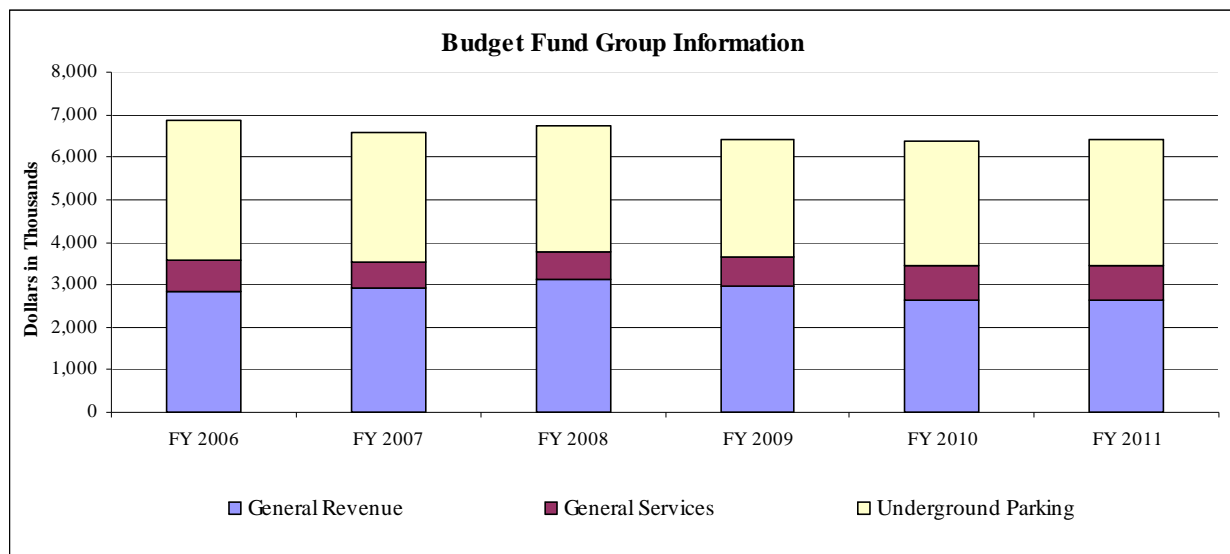
The Capitol Square Review and Advisory Board consist of 13 members, including two members of the Ohio House of Representatives, two members of the Ohio Senate, and the clerks of both the House and Senate. The Governor appoints five members, one each representing the Ohio Historical Society, the Ohio Building Authority, the Ohio Arts Council, the Public-at-Large, and the Governor's Chief of Staff. In addition, the current Speaker of the House can appoint a former Speaker of the House, and the current Senate President can appoint a former Senate President. Daily operations of the board are performed by an executive director and 55 employees with a \$6.7 million budget, including \$2.9 million in General Revenue Funds.

Additional information regarding the Capitol Square Review and Advisory Board is available at <http://www.statehouse.state.oh.us/>.

### Agency Priorities

- Maintain the architecturally and historically significant buildings and grounds of the state Capitol.
- Keep the "People's House" open daily for the work of the Governor, Ohio Senate, and Ohio House of Representatives.
- Collaborate with schools and the private sector to make it easier and less costly for students to visit the Statehouse.

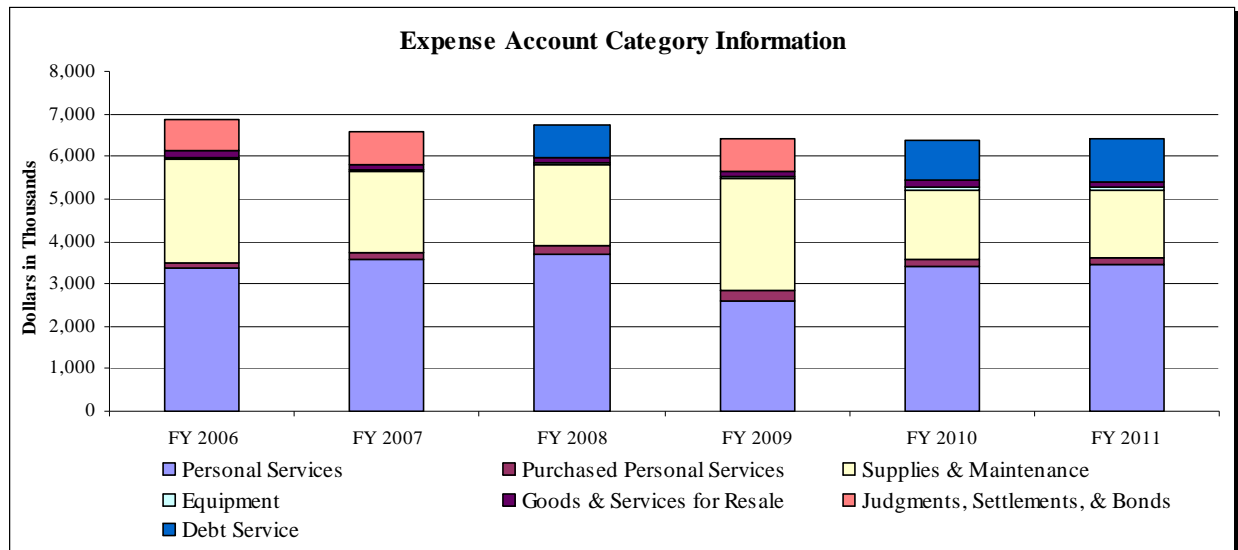
### Summary of Budget History and Recommendations



State of Ohio

## Capitol Square Review and Advisory Board

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED  |             |              |             |
|-------------------------------------|--------------|--------------|--------------|-----------------|-------------------------|--------------|-------------|--------------|-------------|
|                                     | FY 2006      | FY 2007      | FY 2008      |                 |                         | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| General Revenue                     | 2,838        | 2,905        | 3,128        | 2,962           | -5.3                    | 2,626        | -11.3       | 2,626        | 0.0         |
| General Services                    | 724          | 644          | 654          | 702             | 7.3                     | 815          | 16.1        | 810          | -0.7        |
| Underground Parking                 | 3,317        | 3,024        | 2,948        | 2,755           | -6.5                    | 2,923        | 6.1         | 2,980        | 1.9         |
| <b>TOTAL</b>                        | <b>6,879</b> | <b>6,573</b> | <b>6,729</b> | <b>6,418</b>    | <b>-4.6</b>             | <b>6,364</b> | <b>-0.8</b> | <b>6,415</b> | <b>0.8</b>  |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED  |             |              |             |
|---|--------------|--------------|--------------|-----------------|-------------------------|--------------|-------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      |                 |                         | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Personal Services                             | 3,367        | 3,562        | 3,710        | 2,605           | -29.8                   | 3,431        | 31.7        | 3,445        | 0.4         |
| Purchased Personal Services                   | 136          | 164          | 195          | 245             | 25.5                    | 159          | -35.2       | 159          | 0.1         |
| Supplies & Maintenance                        | 2,410        | 1,907        | 1,895        | 2,619           | 38.2                    | 1,627        | -37.9       | 1,604        | -1.4        |
| Equipment                                     | 60           | 43           | 33           | 60              | 83.4                    | 63           | 4.6         | 63           | 0.0         |
| Goods & Services for Resale                   | 149          | 140          | 130          | 115             | -11.6                   | 142          | 23.0        | 145          | 2.0         |
| Judgments, Settlements, & Bonds               | 758          | 757          | 10           | 775             | 7,573.3                 | 0            | -100.0      | 0            | 0.0         |
| Debt Service                                  | 0            | 0            | 757          | 0               | -100.0                  | 943          | 100.0       | 1,000        | 6.0         |
| <b>TOTAL</b>                                  | <b>6,879</b> | <b>6,573</b> | <b>6,729</b> | <b>6,418</b>    | <b>-4.6</b>             | <b>6,364</b> | <b>-0.8</b> | <b>6,415</b> | <b>0.8</b>  |

### PROGRAM SERIES 01: Capitol Square Buildings and Grounds Oversight

This program series supports the educational, security, and maintenance services for Capitol Square buildings and grounds.

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State of Ohio

## Capitol Square Review and Advisory Board

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### Program 01.01: Primary Oversight Function and Maintenance

This program provides funding to maintain the Statehouse buildings and grounds as a workplace for the Ohio state government and a museum and educational center for Ohio's citizens. This includes utility costs, maintenance of the Capitol Square buildings and grounds, and operation of the Statehouse Café. Funding also provides for informational, educational, and marketing materials.

#### The Executive Recommendation will fund the following objectives:

- Support wages and benefits for 36 administrative maintenance and custodial, employees;
- Open the new Ohio Statehouse Museum Education Center with audiovisual media and interactive exhibits;
- Allow for the operation of the Statehouse Café; and
- Provide maintenance for the Ohio Statehouse, Atrium, Ohio Senate Building, and ten-acre public square.

| FUND              |      |        |                               | RECOMMENDED |           |
|-------------------|------|--------|-------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011   |
| GRF               | GRF  | 874100 | Personal Services             | 1,873,368   | 1,873,368 |
| GRF               | GRF  | 874320 | Maintenance & Equipment       | 752,591     | 752,590   |
| GSF               | 4G50 | 874603 | Capitol Square Maint Expenses | 15,000      | 15,000    |
| TOTAL FOR PROGRAM |      |        |                               | 2,640,959   | 2,640,958 |

### Program 01.02: Statehouse and Underground Parking Garage

This program is responsible for the care and maintenance of the Statehouse underground parking garage which is funded entirely by its own revenues. Funding for this program supports the wages of cashiers, fiscal staff, and maintenance workers, as well as utility costs and garage upkeep including the ventilation system and underground pumping system.

#### The Executive Recommendation will fund the following objectives:

- Support wages and benefits for 12 employees of the parking garage office or associated with garage operations;
- Fund the annual bond payment for the debt service of a portion of the Statehouse restoration costs; and
- Provide general maintenance and upkeep for the 1,200-car parking garage.

| FUND              |      |        |                               | RECOMMENDED |           |
|-------------------|------|--------|-------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011   |
| UPG               | 2080 | 874601 | Underground Parking Garage Op | 2,923,224   | 2,979,615 |
| TOTAL FOR PROGRAM |      |        |                               | 2,923,224   | 2,979,615 |

### Program 01.03: Statehouse Goods and Services

This program is responsible for the operation of the Statehouse Museum Shop and the coordination of special events such as legislative receptions, press events, and non-profit activities held at the Statehouse. This program also provides for the purchase and restoration of art/artifacts, special room dedications, and educational projects in conjunction with the Ohio Statehouse Museum Education Center. This program is funded entirely by its own revenue, such as the Statehouse Museum Shop and event fees, or by specific donations.

#### The Executive Recommendation will fund the following objectives:

- Support the wages and benefits of 7 employees associated with Special Events and the Statehouse Museum Shop; and
- Purchase various items for resale in the Statehouse Museum Shop.

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**Capitol Square Review and Advisory Board**

| FUND              |      |        |                             | RECOMMENDED |         |
|-------------------|------|--------|-----------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011 |
| GSF               | 4S70 | 874602 | Statehouse Gift Shop/events | 799,995     | 794,651 |
| TOTAL FOR PROGRAM |      |        |                             | 799,995     | 794,651 |

## Capitol Square Review and Advisory Board

**LINE ITEM SUMMARY - Capitol Square Review and Advisory Board**

| FUND  | ALI    | ALI NAME                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF   | 874100 | Personal Services             | 1,881,326         | 1,923,669         | 2,056,221         | 1,991,246           | 1,873,368              | -5.9         | 1,873,368              | 0.0         |
| GRF   | 874320 | Maintenance & Equipment       | 956,861           | 981,008           | 1,071,782         | 970,301             | 752,591                | -22.4        | 752,590                | 0.0         |
| <b>TOTAL General Revenue</b>                          |        |                               | <b>2,838,187</b>  | <b>2,904,677</b>  | <b>3,128,002</b>  | <b>2,961,547</b>    | <b>2,625,959</b>       | <b>-11.3</b> | <b>2,625,958</b>       | <b>0.0</b>  |
| 4G50  | 874603 | Capitol Square Maint Expenses | 17,556            | 4,615             | 6,845             | 15,000              | 15,000                 | 0.0          | 15,000                 | 0.0         |
| 4S70  | 874602 | Statehouse Gift Shop/events   | 706,338           | 639,629           | 646,887           | 650,484             | 769,606                | 18.3         | 789,643                | 2.6         |
| <b>TOTAL General Services</b>                         |        |                               | <b>723,894</b>    | <b>644,244</b>    | <b>653,732</b>    | <b>665,484</b>      | <b>784,606</b>         | <b>17.9</b>  | <b>809,651</b>         | <b>2.6</b>  |
| 2080  | 874601 | Underground Parking Garage Op | 3,317,101         | 3,023,931         | 2,947,508         | 2,754,993           | 2,923,224              | 6.1          | 2,979,615              | 1.9         |
| <b>TOTAL Underground Parking</b>                      |        |                               | <b>3,317,101</b>  | <b>3,023,931</b>  | <b>2,947,508</b>  | <b>2,754,993</b>    | <b>2,923,224</b>       | <b>6.1</b>   | <b>2,979,615</b>       | <b>1.9</b>  |
| <b>TOTAL Capitol Square Review and Advisory Board</b> |        |                               | <b>6,879,182</b>  | <b>6,572,853</b>  | <b>6,729,243</b>  | <b>6,382,024</b>    | <b>6,333,789</b>       | <b>-0.8</b>  | <b>6,412,720</b>       | <b>1.2</b>  |



### Role and Overview

The Board of Career Colleges and Schools (SCR) monitors and regulates Ohio's career colleges and schools to ensure compliance with standards set by state law. The board provides certificates of registration and program authorization for private, for-profit schools and their agents that meet these standards to operate in Ohio. Currently, 279 schools offering 1,658 programs are registered in Ohio. The board also investigates and resolves student and consumer complaints regarding registered career colleges and schools. In fiscal year 2009, the board's budget was \$572,700 which was fully funded by various registration fees assessed to schools and colleges.

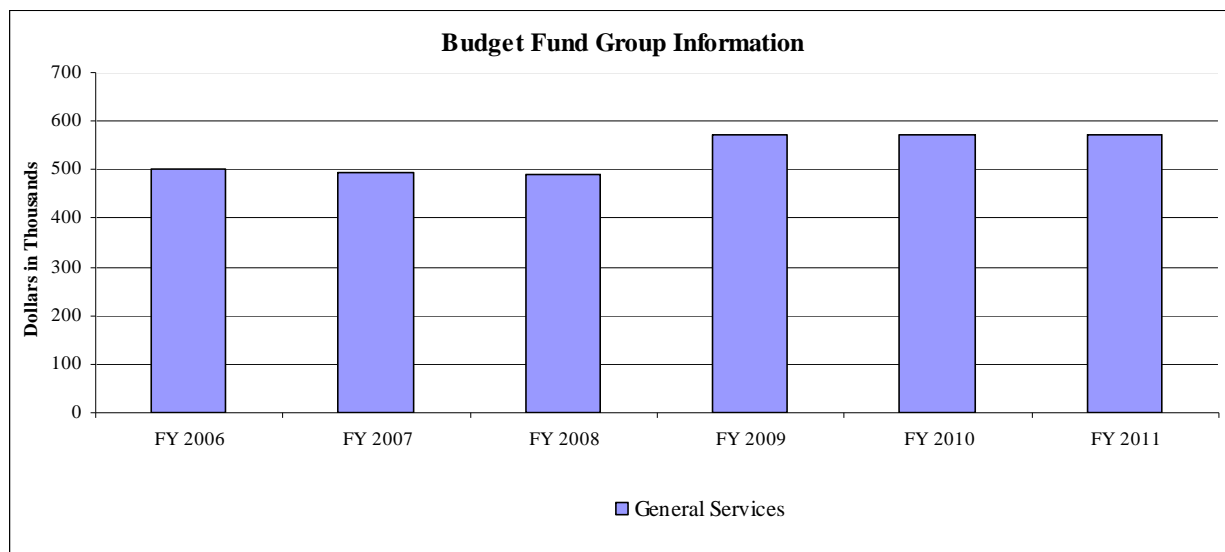
The board consists of eight members: the Superintendent of Public Instruction, and the Chancellor of the Board of Regents, or their designees; and six members appointed by the Governor. Four employees, including an executive director, oversee daily operations and report directly to the board.

More information regarding the Board of Career Colleges and Schools is available at <http://www.scr.ohio.gov/>.

### Agency Priorities

- Promote education and training that improves the operations of career schools and enhances the training programs that schools provide.
- Utilize technology to improve consumer and school access to information and services.
- Provide knowledgeable advisory expertise to career colleges and schools on the "best" career education practices and standards to enhance their effectiveness.
- Enhance and assure the value of career colleges and schools as a quality option for career and workforce training.
- Operate the office of the Board of Career Colleges and Schools with a high level of transparency and accountability to Ohio citizens.

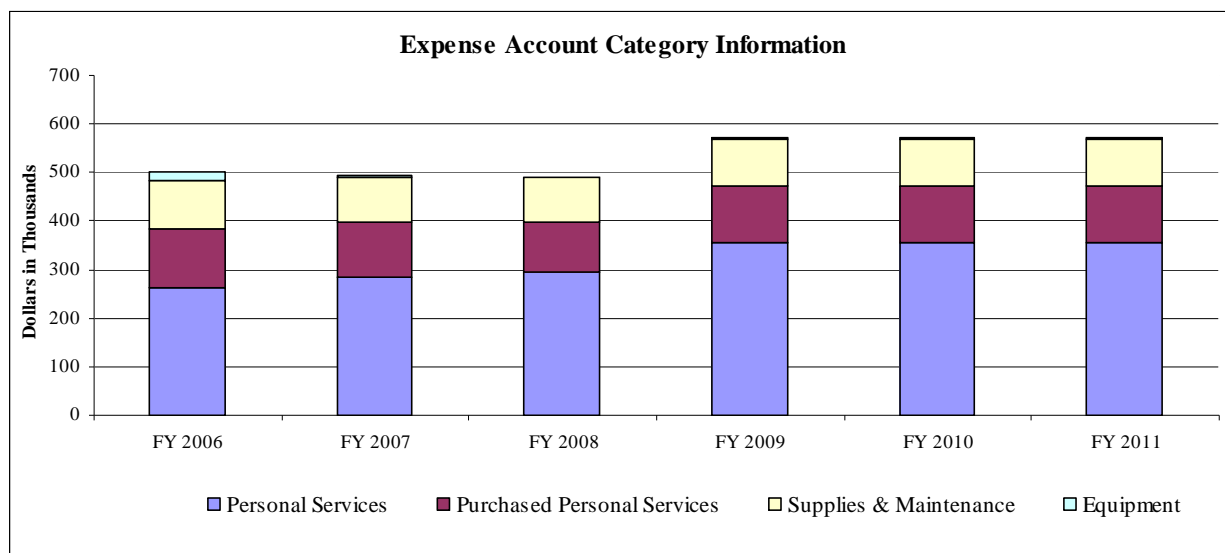
### Summary of Budget History and Recommendations



State of Ohio

## Board of Career Colleges and Schools

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED |             |            |             |
|-------------------------------------|------------|------------|------------|-----------------|-------------------------|-------------|-------------|------------|-------------|
|                                     | FY 2006    | FY 2007    | FY 2008    |                 |                         | FY 2010     | %<br>CHANGE | FY 2011    | %<br>CHANGE |
| General Services                    | 501        | 494        | 490        | 573             | 16.9                    | 573         | 0.0         | 573        | 0.0         |
| <b>TOTAL</b>                        | <b>501</b> | <b>494</b> | <b>490</b> | <b>573</b>      | <b>16.9</b>             | <b>573</b>  | <b>0.0</b>  | <b>573</b> | <b>0.0</b>  |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED |             |            |             |
|---|------------|------------|------------|-----------------|-------------------------|-------------|-------------|------------|-------------|
|   | FY 2006    | FY 2007    | FY 2008    |                 |                         | FY 2010     | %<br>CHANGE | FY 2011    | %<br>CHANGE |
| Personal Services                             | 263        | 285        | 296        | 356             | 20.0                    | 356         | 0.0         | 356        | 0.0         |
| Purchased Personal Services                   | 119        | 112        | 101        | 117             | 15.5                    | 117         | 0.0         | 117        | 0.0         |
| Supplies & Maintenance                        | 102        | 92         | 92         | 95              | 3.6                     | 95          | 0.0         | 95         | 0.0         |
| Equipment                                     | 17         | 5          | 1          | 5               | 834.6                   | 5           | 0.0         | 5          | 0.0         |
| <b>TOTAL</b>                                  | <b>501</b> | <b>494</b> | <b>490</b> | <b>573</b>      | <b>16.9</b>             | <b>573</b>  | <b>0.0</b>  | <b>573</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: Regulation

This program series supports the board's activities to ensure that schools registered in Ohio meet certain standards by monitoring, regulating, and conducting investigations of career colleges and schools in accordance with Ohio Revised Code Chapter 3332.

#### Program 01.01: Regulation

This program funds the board's regulation activities ensuring that registered schools meet certain standards. Activities include monitoring, regulating, and conducting investigations of career colleges and schools.

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State of Ohio

**Board of Career Colleges and Schools**

**The Executive Recommendation will fund the following objectives:**

- Maintenance of the board's current operational capacity;
- Regulation and oversight of career colleges and schools; and
- Establishment of operational and academic standards, the review of program and curricula, and the investigation and resolution of complaints.

| FUND              |      |        |                    | RECOMMENDED |         |
|-------------------|------|--------|--------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011 |
| GSF               | 4K90 | 233601 | Operating Expenses | 572,700     | 572,700 |
| TOTAL FOR PROGRAM |      |        |                    | 572,700     | 572,700 |

## Board of Career Colleges and Schools

**LINE ITEM SUMMARY - Board of Career Colleges and Schools**

| <b>FUND</b>                                       | <b>ALI</b> | <b>ALI NAME</b>    | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|---|------------|--------------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| 4K90  | 233601     | Operating Expenses | 500,771                   | 493,602                   | 490,008                   | 572,700                     | 572,700                        | 0.0                 | 572,700                        | 0.0                 |
| <b>TOTAL General Services</b>                     |            |                    | <b>500,771</b>            | <b>493,602</b>            | <b>490,008</b>            | <b>572,700</b>              | <b>572,700</b>                 | <b>0.0</b>          | <b>572,700</b>                 | <b>0.0</b>          |
| <b>TOTAL Board of Career Colleges and Schools</b> |            |                    | <b>500,771</b>            | <b>493,602</b>            | <b>490,008</b>            | <b>572,700</b>              | <b>572,700</b>                 | <b>0.0</b>          | <b>572,700</b>                 | <b>0.0</b>          |

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State of Ohio

## Chemical Dependency Professionals Board

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### Role and Overview

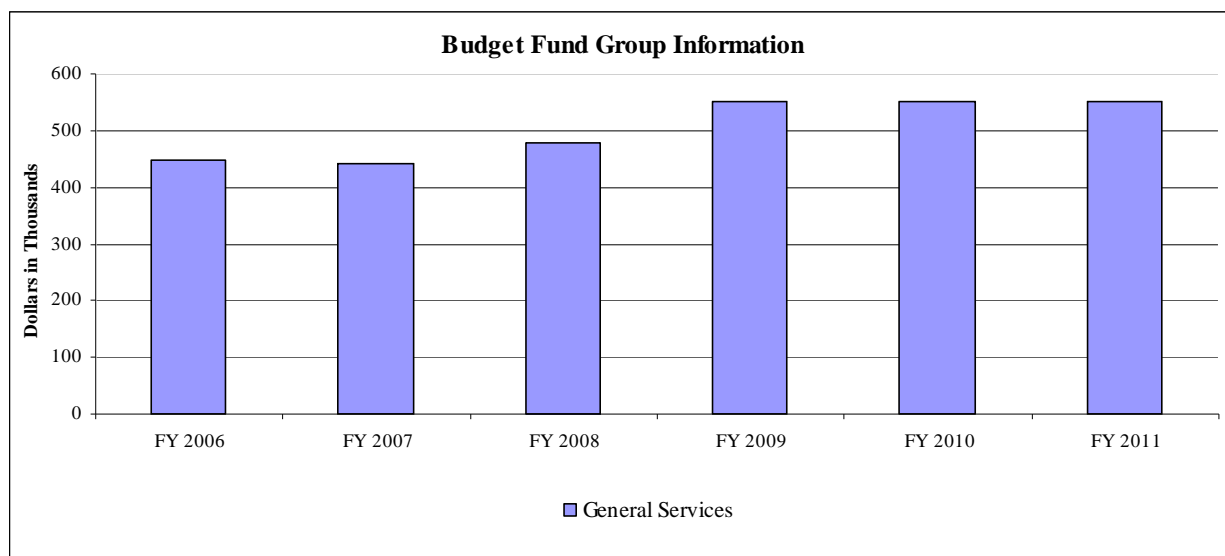
The Ohio Chemical Dependency Professionals Board (CDP) was created in December 2002 when the credentialing authority was separated from the Department of Alcohol and Drug Addiction Services. CDP assures high standards of alcohol and other drug treatment and prevention for all citizens through the assurance of a competent, well-trained, and ethical workforce. With 12 board members and five staff members, CDP currently regulates approximately 8,000 chemical dependency professionals in Ohio.

More information about the Chemical Dependency Professionals Board is available at <http://www.ocdp.ohio.gov/>

### Agency Priorities

- Ensure that the credentialing and ethics review process is completed in a timely manner and to standard.
- Continue to improve services for the board's credentialed professionals.
- Revise the board's credentialing requirements in order to increase access to the field.
- Continue implementation of the board's college and university accreditation program.
- Strengthen the collaboration with other state agencies and related systems.
- Continue working with academic and non-academic educational providers to expand professional development opportunities.

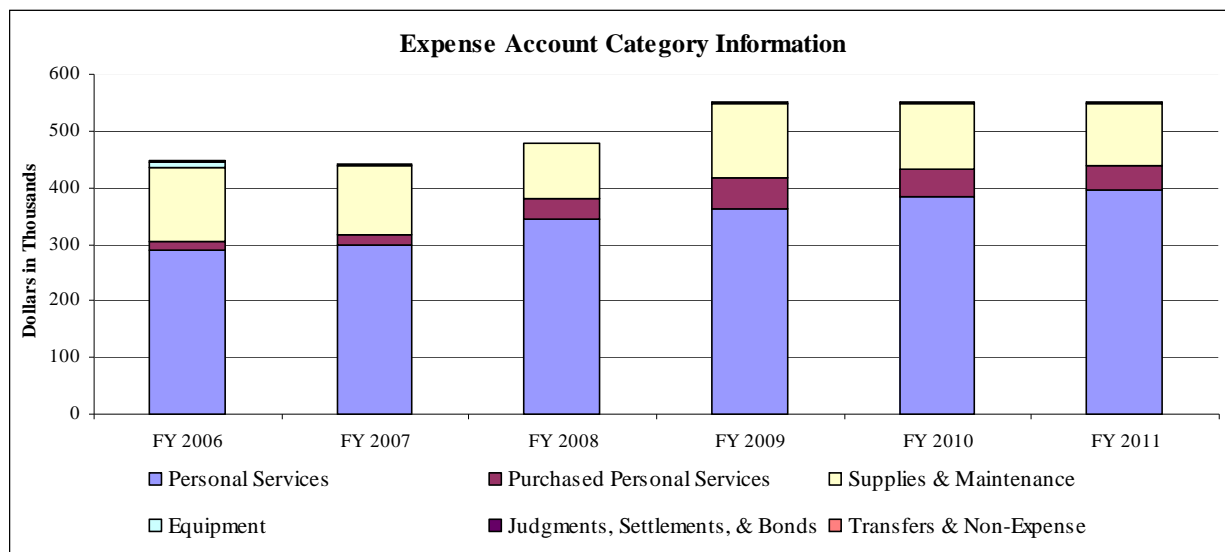
### Summary of Budget History and Recommendations



| (In Thousands)    | ACTUAL  |         |         | EST. % CHANGE |          | RECOMMENDED % CHANGE |        |         |        |
|-------------------|---------|---------|---------|---------------|----------|----------------------|--------|---------|--------|
|                   | FY 2006 | FY 2007 | FY 2008 | FY 2009       | FY 08-09 | FY 2010              | CHANGE | FY 2011 | CHANGE |
| BUDGET FUND GROUP |         |         |         |               |          |                      |        |         |        |
| General Services  | 447     | 442     | 479     | 551           | 15.1     | 551                  | 0.0    | 551     | 0.0    |
| TOTAL             | 447     | 442     | 479     | 551           | 15.1     | 551                  | 0.0    | 551     | 0.0    |

State of Ohio

## Chemical Dependency Professionals Board



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 288        | 298        | 344        | 362              | 5.3         | 385                     | 6.4        | 396        | 2.9        |
| Purchased Personal Services                   | 16         | 20         | 36         | 54               | 48.2        | 48                      | -11.0      | 44         | -9.4       |
| Supplies & Maintenance                        | 132        | 121        | 98         | 133              | 36.5        | 116                     | -13.0      | 109        | -5.7       |
| Equipment                                     | 9          | 2          | 0          | 0                | 0.0         | 0                       | 0.0        | 0          | 0.0        |
| Judgments, Settlements, & Bonds               | 2          | 1          | 0          | 2                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 1          | 0                | -100.0      | 2                       | 100.0      | 2          | 0.0        |
| <b>TOTAL</b>                                  | <b>447</b> | <b>442</b> | <b>479</b> | <b>551</b>       | <b>15.1</b> | <b>551</b>              | <b>0.0</b> | <b>551</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Chemical Dependency Professionals Board.

#### The Executive Recommendation will fund the following objectives:

- Support the operations of the board and staff;
- Enable basic renewal and new application processing for the approximately 8,000 chemical dependency professionals currently regulated;
- Increase efficiency in the renewal and new application processing for chemical dependency professionals; and
- Fund the establishment of the board's college and university accreditation and other related workforce development initiatives that will lead to a five to ten percent growth per year in the number of chemical dependency professionals.

**Chemical Dependency Professionals Board**

| FUND                     |      |        |   | RECOMMENDED    |                |
|--------------------------|------|--------|---|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 930609 | Chemical Dependency Professionals-Operating | 551,146        | 551,146        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>551,146</b> | <b>551,146</b> |

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State of Ohio  
**Chemical Dependency Professionals Board**

**LINE ITEM SUMMARY - Chemical Dependency Professionals Board**

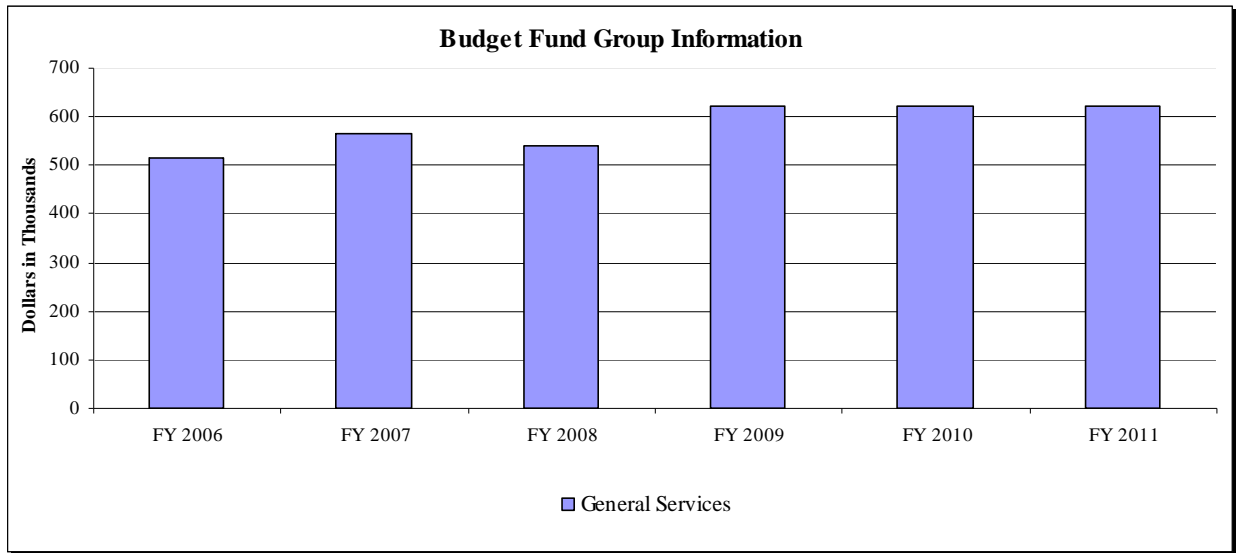
| FUND   | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90   | 930609 | Chemical Dependency Professionals-Operating | 447,024           | 441,981           | 478,799           | 551,146             | 551,146                | 0.0         | 551,146                | 0.0         |
| <b>TOTAL General Services</b>                        |        |   | <b>447,024</b>    | <b>441,981</b>    | <b>478,799</b>    | <b>551,146</b>      | <b>551,146</b>         | <b>0.0</b>  | <b>551,146</b>         | <b>0.0</b>  |
| <b>TOTAL Chemical Dependency Professionals Board</b> |        |   | <b>447,024</b>    | <b>441,981</b>    | <b>478,799</b>    | <b>551,146</b>      | <b>551,146</b>         | <b>0.0</b>  | <b>551,146</b>         | <b>0.0</b>  |



### Role and Overview

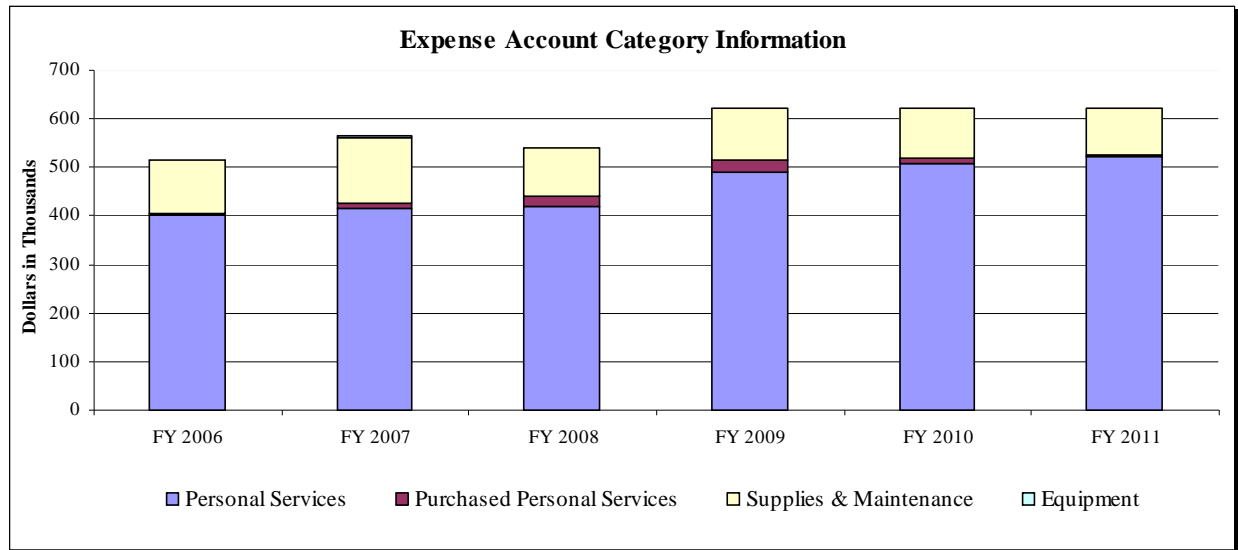
The Board of Chiropractic Examiners (CHR) was established to proactively protect the health and welfare of Ohio's citizens and to regulate the chiropractic profession with vision by setting high standards for licensure. The board monitors licensees to ensure compliance with the laws and rules which govern the profession. The annual budget supports a staff of six in addition to the five board members. CHR has approximately 2,300 licensees and typically adds an additional 125 each year. More information about the Board of Chiropractic Examiners is available at <http://chirobd.ohio.gov/>.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 516        | 565        | 541        | 622              | 14.8        | 622                     | 0.0        | 622        | 0.0        |
| <b>TOTAL</b>                        | <b>516</b> | <b>565</b> | <b>541</b> | <b>622</b>       | <b>14.8</b> | <b>622</b>              | <b>0.0</b> | <b>622</b> | <b>0.0</b> |

State of Ohio  
**Board of Chiropractic Examiners**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 400        | 414        | 421        | 490              | 16.3        | 507                     | 3.4        | 521        | 2.8        |
| Purchased Personal Services                   | 5          | 11         | 21         | 26               | 28.3        | 12                      | -55.2      | 4          | -66.2      |
| Supplies & Maintenance                        | 110        | 135        | 99         | 105              | 5.8         | 103                     | -2.2       | 97         | -6.0       |
| Equipment                                     | 2          | 5          | 0          | 0                | 0.0         | 0                       | 0.0        | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>516</b> | <b>565</b> | <b>541</b> | <b>622</b>       | <b>14.8</b> | <b>622</b>              | <b>0.0</b> | <b>622</b> | <b>0.0</b> |

**PROGRAM SERIES 01: Regulation**

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

**Program 01.01: License/Registration/Enforcement**

This program includes all operations of the Board of Chiropractic Examiners.

**The Executive Recommendation will fund the following objectives:**

- Support the application, licensure, and examination processes;
- Support enforcement and monitoring of licensees subject to disciplinary sanctions such as suspension, probation, fines, and compliance programs; and
- Support approval of approximately 100 continuing education applications and continuing education auditing.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 878609 | Operating | 621,621        | 621,621        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>621,621</b> | <b>621,621</b> |

**LINE ITEM SUMMARY - Board of Chiropractic Examiners**

| FUND   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90   | 878609 | Operating | 516,428           | 564,974           | 541,455           | 621,621             | 621,621                | 0.0         | 621,621                | 0.0         |
| <b>TOTAL General Services</b>                |        |           | <b>516,428</b>    | <b>564,974</b>    | <b>541,455</b>    | <b>621,621</b>      | <b>621,621</b>         | <b>0.0</b>  | <b>621,621</b>         | <b>0.0</b>  |
| <b>TOTAL Board of Chiropractic Examiners</b> |        |           | <b>516,428</b>    | <b>564,974</b>    | <b>564,974</b>    | <b>621,621</b>      | <b>621,621</b>         | <b>0.0</b>  | <b>621,621</b>         | <b>0.0</b>  |

### Role and Overview

The role of the Civil Rights Commission (OCRC) is to investigate complaints and resolve discrimination charges filed by the citizens of Ohio. Specifically, this includes discrimination in employment, housing, public accommodation, credit, and admission to and participation in activities sponsored by institutions of higher learning on the basis of race, color, religion, sex, national origin, disability, age, ancestry, military status, or familial status.

OCRC addresses discrimination cases for the Federal Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development. The commission has statutory authority to initiate investigations of discriminatory practices; formulate policies to effectuate compliance with state and federal laws barring discrimination; make periodic surveys of the existence and effects of discrimination; receive progress reports regarding affirmative action; and prepare an educational program, in conjunction with the Ohio Department of Education, for Ohio's public schools designed to eliminate discrimination.

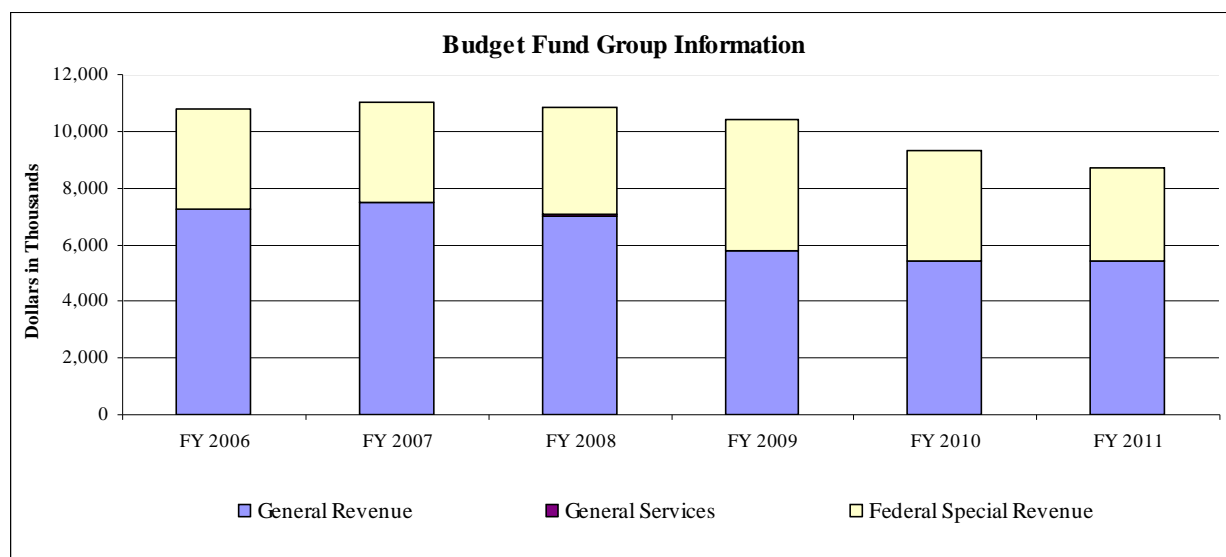
The Governor appoints the commission's five board members to staggered five-year terms. The commission employs an executive director to manage a staff of 115 and an annual budget of approximately \$10 million.

Additional information regarding the Civil Rights Commission is available at <http://crc.ohio.gov/>.

### Agency Priorities

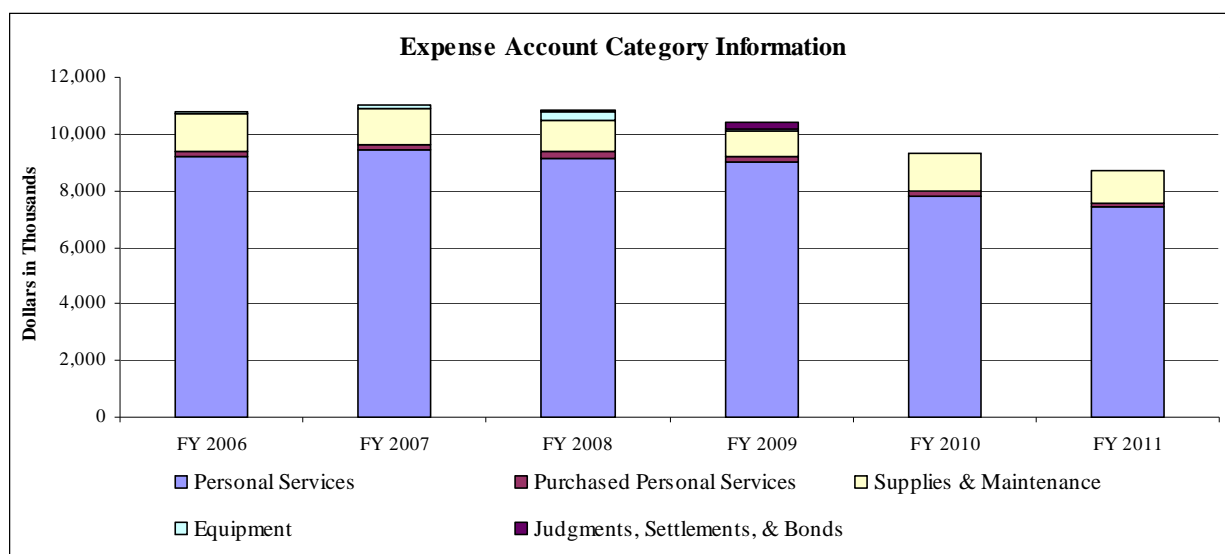
- Conduct fair and efficient investigations and litigation in the enforcement of the Ohio Civil Rights Act.
- Conduct comprehensive education and outreach programs to improve understanding, awareness, and voluntary compliance with the Ohio Civil Rights Act.

### Summary of Budget History and Recommendations



**State of Ohio**  
**Civil Rights Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED  |              |              |             |
|-------------------------------------|---------------|---------------|---------------|-----------------|-------------------------|--------------|--------------|--------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010      | %<br>CHANGE  | FY 2011      | %<br>CHANGE |
| General Revenue                     | 7,253         | 7,471         | 7,012         | 5,759           | -17.9                   | 5,441        | -5.5         | 5,441        | 0.0         |
| General Services                    | 11            | 47            | 59            | 40              | -32.0                   | 8            | -80.0        | 8            | 0.0         |
| Federal Special Revenue             | 3,544         | 3,499         | 3,745         | 4,602           | 22.9                    | 3,877        | -15.8        | 3,282        | -15.3       |
| <b>TOTAL</b>                        | <b>10,807</b> | <b>11,017</b> | <b>10,816</b> | <b>10,401</b>   | <b>-3.8</b>             | <b>9,326</b> | <b>-10.3</b> | <b>8,731</b> | <b>-6.4</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED  |              |              |             |
|---|---------------|---------------|---------------|-----------------|-------------------------|--------------|--------------|--------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010      | %<br>CHANGE  | FY 2011      | %<br>CHANGE |
| Personal Services                             | 9,185         | 9,414         | 9,160         | 9,001           | -1.7                    | 7,784        | -13.5        | 7,405        | -4.9        |
| Purchased Personal Services                   | 207           | 230           | 244           | 170             | -30.3                   | 201          | 18.1         | 170          | -15.3       |
| Supplies & Maintenance                        | 1,329         | 1,289         | 1,065         | 960             | -9.9                    | 1,307        | 36.2         | 1,128        | -13.7       |
| Equipment                                     | 84            | 75            | 340           | 16              | -95.3                   | 33           | 106.7        | 28           | -15.3       |
| Judgments, Settlements, & Bonds               | 2             | 10            | 7             | 254             | 3,358.8                 | 0            | -100.0       | 0            | 0.0         |
| <b>TOTAL</b>                                  | <b>10,807</b> | <b>11,017</b> | <b>10,816</b> | <b>10,401</b>   | <b>-3.8</b>             | <b>9,326</b> | <b>-10.3</b> | <b>8,731</b> | <b>-6.4</b> |

### PROGRAM SERIES 01: Protection of Civil Rights

This program series enables the Ohio Civil Rights Commission to protect the civil rights of Ohio's citizens as well as take a proactive approach through educating, training, and disseminating publications informing the public of their rights.

#### Program 01.01: Investigations and Enforcement

This program receives, investigates, and prosecutes charges of unlawful discriminatory practices in the areas of employment, housing, places of public accommodation, credit, and higher education (disability only). Each year the agency processes approximately 5,000 discrimination charges, which include charge intake, field investigation, conciliation/settlement, case recommendations, public hearings, compliance reviews, and enforcement.

**The Executive Recommendations will fund the following objectives:**

- Fund approximately 95 FTEs of decentralized staffing in four regional offices;
- Help the state's population file discrimination charges, investigations, and resolve more than 5,400 charges;
- Provide Alternative Dispute Resolution services to employers, housing providers, and charging parties; and
- Fund five FTE's in the Attorney General's Office to litigate civil rights cases.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 876321 | Operating Expenses | 5,441,317        | 5,441,317        |
| GSF                      | 2170 | 876604 | Operations Support | 8,000            | 8,000            |
| FED                      | 3340 | 876601 | Federal Programs   | 3,623,280        | 3,066,839        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>9,072,597</b> | <b>8,516,156</b> |

**Program 01.02: Public Affairs/Community Service**

This program provides technical assistance and other community service programs to inform the public about Ohio laws against discrimination. The agency conducts, sponsors, and participates in workshops, seminars, and other types of training in order to educate the public about their rights, as well as to educate the community about their responsibilities to achieve voluntary compliance with anti-discrimination laws. The program also prepares educational materials for use by K-12 schools to eliminate prejudice and foster good will among Ohio's diverse citizenry.

**The Executive Recommendations will fund the following objectives:**

- Conduct comprehensive education and outreach programs to decrease intolerance and prejudice, along with an enhancement of voluntary compliance with non-discrimination laws; and
- Fund programs such as a Best Practices forum for businesses, a Hate Crimes Conference, a Fair Housing education conference, Youth at Work initiatives, and a Disability Services Forum.

| FUND                     |      |        |                  | RECOMMENDED    |                |
|--------------------------|------|--------|------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010        | FY 2011        |
| FED                      | 3340 | 876601 | Federal Programs | 253,220        | 214,661        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>253,220</b> | <b>214,661</b> |

**LINE ITEM SUMMARY - Civil Rights Commission**

| FUND                                 | ALI    | ALI NAME           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--------------------------------------|--------|--------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|--------------|
| GRF                                  | 876321 | Operating Expenses | 7,252,949         | 7,470,793         | 7,012,394         | 5,758,727           | 5,441,317              | -5.5         | 5,441,317              | 0.0          |
| <b>TOTAL General Revenue</b>         |        |                    | <b>7,252,949</b>  | <b>7,470,793</b>  | <b>7,012,394</b>  | <b>5,758,727</b>    | <b>5,441,317</b>       | <b>-5.5</b>  | <b>5,441,317</b>       | <b>0.0</b>   |
| 2170                                 | 876604 | Operations Support | 10,626            | 46,799            | 58,800            | 40,000              | 8,000                  | -80.0        | 8,000                  | 0.0          |
| <b>TOTAL General Services</b>        |        |                    | <b>10,626</b>     | <b>46,799</b>     | <b>58,800</b>     | <b>40,000</b>       | <b>8,000</b>           | <b>-80.0</b> | <b>8,000</b>           | <b>0.0</b>   |
| 3340                                 | 876601 | Federal Programs   | 3,543,634         | 3,499,168         | 3,745,300         | 4,602,185           | 3,876,500              | -15.8        | 3,281,500              | -15.3        |
| <b>TOTAL Federal Special Revenue</b> |        |                    | <b>3,543,634</b>  | <b>3,499,168</b>  | <b>3,745,300</b>  | <b>4,602,185</b>    | <b>3,876,500</b>       | <b>-15.8</b> | <b>3,281,500</b>       | <b>-15.3</b> |
| <b>TOTAL Civil Rights Commission</b> |        |                    | <b>10,807,209</b> | <b>11,016,759</b> | <b>10,816,494</b> | <b>10,400,912</b>   | <b>9,325,817</b>       | <b>-10.3</b> | <b>8,730,817</b>       | <b>-6.4</b>  |

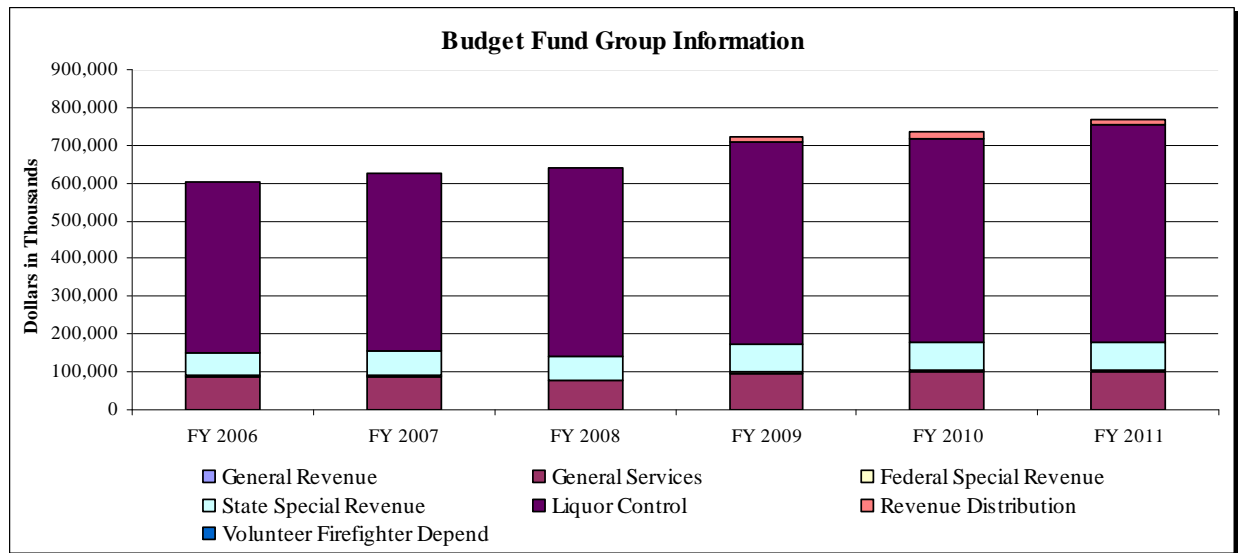
### Role and Overview

The Department of Commerce regulates several industries including securities, financial institutions, liquor, cable, and real estate. The Department also enforces the state building codes, fire codes, and prevailing and minimum wage requirements, and administers the collection and return of unclaimed funds. A director is appointed by the Governor to oversee the operations of approximately 900 employees and manage an annual budget of approximately \$720 million. The department is financed primarily by revenue generated from fees assessed to the regulated communities. Additional information regarding the Department of Commerce is available at <http://www.com.state.oh.us/>.

### Agency Priorities

- Review industry regulations for appropriateness to modernize regulations where practicable and feasible and to commit to fair and efficient regulations that protect consumers without overburdening business.
- Improve accountability and services provided by the department.
- Maintain appropriate response time to customers' needs across the regulated industries.
- Monitor the stability and soundness of state chartered financial institutions serving Ohio's citizens.
- Control administrative expenses in the Liquor Control Division in order to improve net profit rate.
- Improve and enhance the retrieval and distribution of unclaimed funds.

### Summary of Budget History and Recommendations

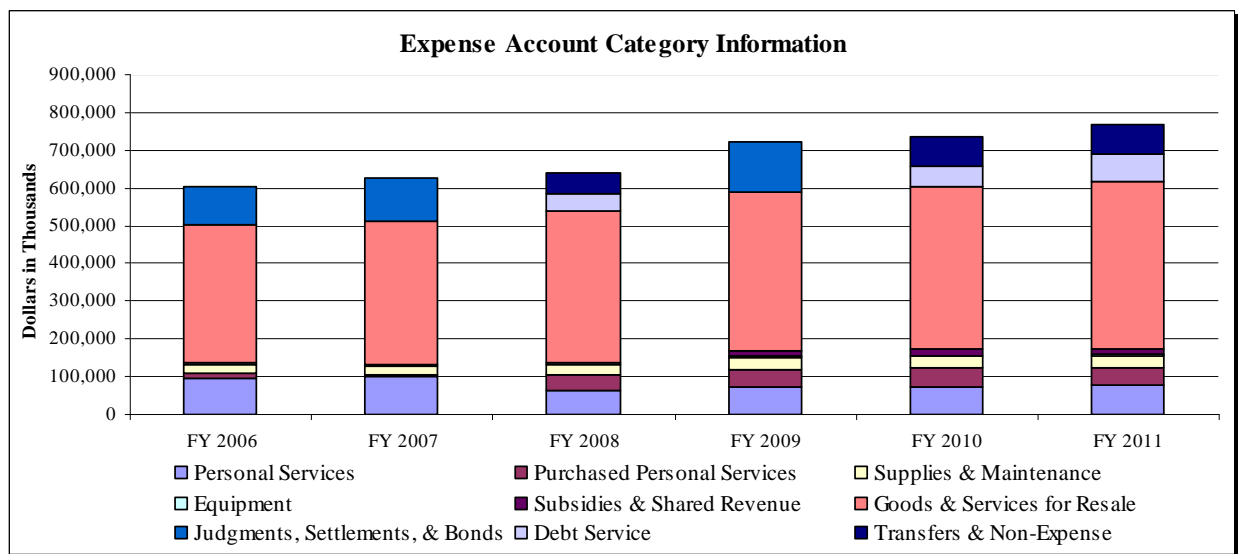


- The department's only general revenue funded program, Labor and Worker Safety (LAWS), shows a significant increase in recommended appropriation between fiscal year 2009 and fiscal year 2010. Considering the difficult economic times for Ohio's workers, it is more important now than ever that the LAWS program is adequately funded.
- The Liquor Control Division accounts for the majority of the increase in total appropriations between fiscal year 2009 and fiscal years 2010 and 2011. Approximately \$300 million in revenue is projected to be transferred from this division to the general revenue fund over the biennium.
- While the department has proposed a number of fee increases, which will improve its ability to regulate financial institutions and ensure industrial compliance, total appropriations of state special revenue are constant between fiscal years 2009 and 2010. Aggregate fee revenue for the department will remain relatively unchanged due to difficult economic conditions.



State of Ohio  
Department of Commerce

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED    |             |                |             |
|-------------------------------------|----------------|----------------|----------------|------------------|-------------|----------------|-------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| General Revenue                     | 1,978          | 1,912          | 2,003          | 1,681            | -16.1       | 2,132          | 26.8        | 2,132          | 0.0         |
| General Services                    | 85,722         | 86,562         | 75,737         | 94,544           | 24.8        | 98,738         | 4.4         | 98,796         | 0.1         |
| Federal Special Revenue             | 1,681          | 1,679          | 1,802          | 2,408            | 33.6        | 2,064          | -14.3       | 2,076          | 0.6         |
| State Special Revenue               | 62,731         | 63,148         | 63,153         | 74,125           | 17.4        | 73,893         | -0.3        | 74,414         | 0.7         |
| Liquor Control                      | 451,423        | 470,984        | 498,205        | 534,654          | 7.3         | 542,467        | 1.5         | 575,519        | 6.1         |
| Revenue Distribution                | 0              | 0              | 0              | 12,500           | 100.0       | 14,100         | 12.8        | 14,100         | 0.0         |
| Volunteer Firefighter Depend        | 0              | 0              | 0              | 0                | 0.0         | 300            | 100.0       | 300            | 0.0         |
| <b>TOTAL</b>                        | <b>603,536</b> | <b>624,285</b> | <b>640,901</b> | <b>719,913</b>   | <b>12.3</b> | <b>733,694</b> | <b>1.9</b>  | <b>767,338</b> | <b>4.6</b>  |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED    |             |                |             |
|---|----------------|----------------|----------------|------------------|-------------|----------------|-------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| Personal Services                             | 95,025         | 99,257         | 63,874         | 73,806           | 15.5        | 73,938         | 0.2         | 75,621         | 2.3         |
| Purchased Personal Services                   | 14,599         | 5,001          | 43,256         | 46,068           | 6.5         | 48,293         | 4.8         | 48,833         | 1.1         |
| Supplies & Maintenance                        | 24,783         | 24,770         | 26,615         | 30,864           | 16.0        | 32,155         | 4.2         | 32,763         | 1.9         |
| Equipment                                     | 2,595          | 2,832          | 2,038          | 2,726            | 33.8        | 2,340          | -14.2       | 1,916          | -18.1       |
| Subsidies & Shared Revenue                    | 1,978          | 1,786          | 1,593          | 14,534           | 812.2       | 15,470         | 6.4         | 15,542         | 0.5         |
| Goods & Services for Resale                   | 365,272        | 379,287        | 401,262        | 421,802          | 5.1         | 428,749        | 1.6         | 443,344        | 3.4         |
| Judgments, Settlements, & Bonds               | 99,284         | 111,353        | 151            | 130,112          | 86,227.1    | 88             | -99.9       | 88             | 0.0         |
| Debt Service                                  | 0              | 0              | 43,882         | 0                | -100.0      | 56,198         | 100.0       | 72,772         | 29.5        |
| Transfers & Non-Expense                       | 0              | 0              | 58,230         | 0                | -100.0      | 76,464         | 100.0       | 76,458         | 0.0         |
| <b>TOTAL</b>                                  | <b>603,536</b> | <b>624,285</b> | <b>640,901</b> | <b>719,913</b>   | <b>12.3</b> | <b>733,694</b> | <b>1.9</b>  | <b>767,338</b> | <b>4.6</b>  |

**PROGRAM SERIES 01: Financial Institutions and Services**

This program series provides for the supervision and regulation of banks, credit unions, money transmitters, savings institutions, securities, securities professionals, and various consumer finance organizations. It also provides education regarding home mortgage lending practices to reduce the number of consumers falling victim to abusive lending practices.

**Program 01.01: Banks**

This program is responsible for the supervision and regulation of state-chartered banks and trust companies including banks, trust-only banks, and bank-trust operations. This program supervises 97 state-chartered commercial banks with over \$80 million in assets. This program does not have jurisdiction over federal thrifts or national banks.

**The Executive Recommendation will fund the following objectives:**

- Regulate over 110 institutions with aggregate assets of over \$92 billion;
- Provide 44 full-time employees to supervise and regulate state-chartered banks and trust; and
- Increase training for the examination staff as consistent with federal regulators.

| FUND              |      |        |          | RECOMMENDED |           |
|-------------------|------|--------|----------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME | FY 2010     | FY 2011   |
| SSR               | 5440 | 800612 | Banks    | 5,891,377   | 5,955,410 |
| TOTAL FOR PROGRAM |      |        |          | 5,891,377   | 5,955,410 |

**Program 01.02: Consumer Affairs**

This program educates Ohioans on how to protect themselves in the mortgage lending process, receives complaints from those who have been victimized, and acts as a referral service to organizations that can assist borrowers. If lending laws have been violated, the office initiates enforcement actions and refers criminal cases for prosecution.

**The Executive Recommendation will fund the following objectives:**

- Provide resources to educate the most vulnerable Ohioans on how to protect themselves against abusive lenders;
- Implement initiatives of the Consumer Finance Education Board;
- Support enforcement actions and referrals for criminal prosecution;
- Maintain 11 full-time employees; and
- Distribute financial assistance to address increasing foreclosure rates.

| FUND              |      |        |                  | RECOMMENDED |         |
|-------------------|------|--------|------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME         | FY 2010     | FY 2011 |
| SSR               | 5530 | 800607 | Consumer Finance | 257,574     | 304,854 |
| TOTAL FOR PROGRAM |      |        |                  | 257,574     | 304,854 |

**Program 01.03: Consumer Finance**

This program is responsible for regulating various consumer finance organizations including check cashing services, check casher lenders, credit service organizations, insurance premium finance companies, mortgage brokers, mortgage broker loan officers, pawnbrokers, precious metals dealers, second mortgage businesses, and small loan businesses.

**The Executive Recommendation will fund the following objectives:**

- Maintain 36 full-time employees to regulate over 16,095 organizations and individuals;
- Conduct over 1,800 examinations of licensees;

State of Ohio  
Department of Commerce

- Issue settlement agreements for continuing education non-compliance;
- Deny or revoke over 300 license applications if necessary; and
- Resolve cases on enforcement issues.

| FUND              |      |        |                        | RECOMMENDED |           |
|-------------------|------|--------|------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011   |
| SSR               | 5530 | 800607 | Consumer Finance       | 5,109,686   | 4,843,848 |
| SSR               | 4X20 | 800619 | Financial Institutions | 744,345     | 740,465   |
| TOTAL FOR PROGRAM |      |        |                        | 5,854,031   | 5,584,313 |

**Program 01.04: Credit Unions**

This program is responsible for the supervision and regulation of 182 state-chartered credit unions with total aggregated assets of \$10.7 billion. It also supervises and co-regulates the private insurer American Share Insurance (ASI), formerly the National Deposit Insurance Corporation (NDIC).

**The Executive Recommendation will fund the following objective:**

- Maintain 21 full-time employees to supervise and regulate activities of state-chartered credit unions.

| FUND              |      |        |                        | RECOMMENDED |           |
|-------------------|------|--------|------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011   |
| SSR               | 5520 | 800604 | Credit Union           | 3,627,390   | 3,627,390 |
| SSR               | 4X20 | 800619 | Financial Institutions | 744,343     | 740,465   |
| TOTAL FOR PROGRAM |      |        |                        | 4,371,733   | 4,367,855 |

**Program 01.05: Money Transmitters**

This program provides for the licensing, supervision, and regulation of 52 money transmitters operating in Ohio including financing networks that may be potential threats to Homeland Security.

**The Executive Recommendation will fund the following objective:**

- Maintain three full-time employees to license and regulate money transmitters.

| FUND              |      |        |          | RECOMMENDED |         |
|-------------------|------|--------|----------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME | FY 2010     | FY 2011 |
| SSR               | 5440 | 800612 | Banks    | 811,876     | 797,844 |
| TOTAL FOR PROGRAM |      |        |          | 811,876     | 797,844 |

**Program 01.06: Savings Institutions**

This program is responsible for the supervision and regulation of 26 state-chartered savings and loan associations and 24 state-chartered savings banks with combined aggregate assets of \$9.7 billion.

**The Executive Recommendation will fund the following objectives:**

- Fund 15 full-time employees for supervision and regulation of savings institutions; and
- Provide training for the examination staff consistent with federal regulators.

State of Ohio  
Department of Commerce

| FUND              |      |        |                      | RECOMMENDED |           |
|-------------------|------|--------|----------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME             | FY 2010     | FY 2011   |
| SSR               | 5450 | 800613 | Savings Institutions | 2,286,615   | 2,307,019 |
| TOTAL FOR PROGRAM |      |        |                      | 2,286,615   | 2,307,019 |

**Program 01.07: Securities**

This program promotes investor education, regulates the sale of securities in Ohio, and licenses securities professionals who sell securities and give advice about investing in securities. It engages in administrative sanctions against those persons and entities violating the securities laws and makes referrals for criminal prosecution.

**The Executive Recommendation will fund the following objectives:**

- Support 38 full-time employees for licensing and regulation of securities professionals;
- Maintain reviews of over 7,087 filings for sale of securities; and
- Sustain licensure of over 137,000 securities professionals.

| FUND              |      |        |                        | RECOMMENDED |           |
|-------------------|------|--------|------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011   |
| SSR               | 5500 | 800617 | Securities             | 4,761,545   | 4,411,545 |
| SSR               | 4X20 | 800619 | Financial Institutions | 744,343     | 740,465   |
| TOTAL FOR PROGRAM |      |        |                        | 5,505,888   | 5,152,010 |

**PROGRAM SERIES 02: Industrial Compliance**

This program series is responsible for code development, inspection, plan review, licensing, and permit services related to the commercial building and construction industry.

**Program 02.01: Building Code Compliance**

This program reviews building plans for new construction, major renovations, additions or alterations for structures, except where local certified building departments have jurisdiction. It also provides for building, electrical, and plumbing inspections of new construction and additions and major alterations of existing structures as well as licensing and certification of plumbing inspectors.

**The Executive Recommendation will fund the following objectives:**

- Support review of nearly 5,000 architectural project plans;
- Continue the database project to automate scheduling and dispatching for field operations;
- Maintain an electronic-commerce initiative for plans, inspections, and reporting processes;
- Support a mobile office initiative;
- Maintain over 40,000 yearly electrical, plumbing, and structural inspections; and
- Sustain regulatory activities of more than 2,000 violations and 2,000 corresponding enforcement actions.

| FUND              |      |        |                       | RECOMMENDED |           |
|-------------------|------|--------|-----------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME              | FY 2010     | FY 2011   |
| SSR               | 5560 | 800615 | Industrial Compliance | 6,495,126   | 6,673,671 |
| TOTAL FOR PROGRAM |      |        |                       | 6,495,126   | 6,673,671 |

**Program 02.02: Operations and Maintenance**

This program provides for proper operations of critical systems including boilers, elevators, and escalators, and inspections of bedding and upholstered furniture. It also provides licensing and certification for steam engineers and boiler operators, ski lift inspections, and roller rink registration.

**The Executive Recommendation will fund the following objectives:**

- Provide inspection of over 14,200 boilers, 51,000 elevators and escalators, and approximately 6,700 pieces of bedding and upholstered furniture articles;
- Provide for licensing and certification of steam engineers and boiler operators including 582 historic steam tractor operators; and
- Perform seven ski lift inspections and complete 100 roller rink registrations.

| FUND              |      |        |                       | RECOMMENDED |           |
|-------------------|------|--------|-----------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME              | FY 2010     | FY 2011   |
| SSR               | 5560 | 800615 | Industrial Compliance | 8,817,523   | 9,132,892 |
| TOTAL FOR PROGRAM |      |        |                       | 8,817,523   | 9,132,892 |

**Program 02.03: Building Code**

This program supports the Board of Building Standards and the Board of Building Appeals. The Board of Building Standards formulates and adopts rules governing building construction and maintenance to ensure building safety. The board also certifies local building code enforcement departments and regulates industrialized units. The Board of Building Appeals reviews appeals of orders issued by the Department's Bureau of Construction Compliance or of a certified city or county building department.

**The Executive Recommendation will fund the following objectives:**

- Support the Board of Building Standards and the Board of Building Appeals;
- Maintain review of more than 660 appeals;
- Sustain the certification of over 3,300 building department personnel, design professionals, and contractors; and
- Fund more than 150 continuing education courses developed and taught by the board's staff.

| FUND              |      |        |                       | RECOMMENDED |           |
|-------------------|------|--------|-----------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME              | FY 2010     | FY 2011   |
| SSR               | 5560 | 800615 | Industrial Compliance | 3,047,446   | 3,187,620 |
| TOTAL FOR PROGRAM |      |        |                       | 3,047,446   | 3,187,620 |

**Program 02.04: Ohio Construction Industry Licensing Board**

This program provides for the testing, licensing, and continuing education for electrical, plumbing, hydraulic, HVAC, and refrigeration contractors.

**The Executive Recommendation will fund the following objectives:**

- Review applications and issue over 19,000 licenses; and
- Provide approval of over 250 training agencies.

| FUND  |      |        |                       | RECOMMENDED |           |
|-------|------|--------|-----------------------|-------------|-----------|
| GROUP | FUND | ALI    | ALI NAME              | FY 2010     | FY 2011   |
| SSR   | 5560 | 800615 | Industrial Compliance | 1,519,160   | 1,569,706 |

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|                   |  |  |           |           |
|-------------------|--|--|-----------|-----------|
| TOTAL FOR PROGRAM |  |  | 1,519,160 | 1,569,706 |
|-------------------|--|--|-----------|-----------|

**Program 02.05: DIC Program Administration**

This program directs, administers, supports, and coordinates the activities of the Industrial Compliance Program Series and serves as a liaison to other government, corporate, and public entities. This program oversees the general management and direction of the programs within the Industrial Compliance Program Series.

**The Executive Recommendation will fund the following objectives:**

- Provide oversight of 270 employees who provide regulatory services to the construction industry;
- Maintain 35 full-time employees to direct, administer, support, and coordinate activities; and
- Provide staff that serve as a liaison to other government, corporate, and public entities.

| FUND              |      |        |                       | RECOMMENDED |           |
|-------------------|------|--------|-----------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME              | FY 2010     | FY 2011   |
| SSR               | 5560 | 800615 | Industrial Compliance | 5,874,407   | 6,149,528 |
| TOTAL FOR PROGRAM |      |        |                       | 5,874,407   | 6,149,528 |

**PROGRAM SERIES 03: Liquor Control**

This program series is responsible for controlling the manufacture, distribution, and sale of all alcoholic beverages in Ohio. The Division of Liquor Control is the state's sole purchaser and distributor of spirituous liquor.

**Program 03.01: Liquor Agency Operations**

This program is responsible for the sale of spirituous liquor by more than 430 private businesses, known as liquor agencies, which are contracted by the division to serve as its sales agents. This program is expected to contribute approximately \$300 million to the general revenue fund over the next biennium.

**The Executive Recommendation will fund the following objectives:**

- Enable the sale of spirituous liquor through more than 430 private liquor agencies; and
- Provide transfer of profits to the general revenue fund to support other state services.

| FUND              |      |        |                          | RECOMMENDED |             |
|-------------------|------|--------|--------------------------|-------------|-------------|
| GROUP             | FUND | ALI    | ALI NAME                 | FY 2010     | FY 2011     |
| LCF               | 7043 | 800601 | Merchandising            | 472,492,696 | 488,434,277 |
| LCF               | 7043 | 800627 | Liquor Control Operating | 3,869,089   | 4,030,064   |
| TOTAL FOR PROGRAM |      |        |                          | 476,361,785 | 492,464,341 |

**Program 03.02: Permit Licensing and Compliance**

This program administers the liquor permitting system for the sale, manufacture, and distribution of all alcoholic beverages. This includes issuance of new permits, renewal and transfer of permits, and the investigative and hearing requirements associated with permit issuance. Permit fees of \$38 million were collected in fiscal year 2008 of which 35 percent was returned to local taxing districts for liquor law enforcement. The program also oversees compliance in the manufacture and distribution of beer, wine, and low-proof mixed beverages.

**The Executive Recommendation will fund the following objectives:**

- Administer the liquor permitting system for alcoholic beverages including issuance of over 10,000 liquor permits and over 23,000 permit renewals; and
- Conduct investigations and hold objection hearings as necessary.

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| FUND              |      |        |                          | RECOMMENDED |            |
|-------------------|------|--------|--------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                 | FY 2010     | FY 2011    |
| LCF               | 7043 | 800627 | Liquor Control Operating | 5,975,021   | 6,240,922  |
| RDF               | 7066 | 800966 | Undivided Liquor Permits | 14,100,000  | 14,100,000 |
| TOTAL FOR PROGRAM |      |        |                          | 20,075,021  | 20,340,922 |

**Program 03.03: Debt Service Payments**

This program provides debt service payments on bonds issued under the authority of Ohio Revised Code, Chapters 166 and 151 to support various economic development initiatives and environmental clean-up initiatives that are appropriated in the Department of Development.

**The Executive Recommendation will fund the following objective:**

- Provide debt service payments for Department of Development programs.

| FUND              |      |        |                             | RECOMMENDED |            |
|-------------------|------|--------|-----------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011    |
| LCF               | 7043 | 800633 | Dev Assistance Debt Service | 40,565,100  | 52,412,800 |
| LCF               | 7043 | 800636 | Revitalization Debt Service | 15,632,800  | 20,359,000 |
| TOTAL FOR PROGRAM |      |        |                             | 56,197,900  | 72,771,800 |

**Program 03.04: Liquor Control Program Administration**

This program provides administrative support for the Liquor Control Program Series and pays administrative costs not specific to other programs. This program provides services that include, but are not limited to, administration, communications, equipment purchase, building rent and utilities, and workers' compensation.

**The Executive Recommendation will fund the following objective:**

- Provide oversight and general management of over 120 employees.

| FUND              |      |        |                          | RECOMMENDED |           |
|-------------------|------|--------|--------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                 | FY 2010     | FY 2011   |
| LCF               | 7043 | 800627 | Liquor Control Operating | 3,932,320   | 4,042,360 |
| TOTAL FOR PROGRAM |      |        |                          | 3,932,320   | 4,042,360 |

**PROGRAM SERIES 04: Real Estate**

This program series licenses, certifies, and registers Ohio real estate brokers, salespersons and brokerages, foreign real estate dealers and salespersons, real property appraisers, and active cemeteries. The program also registers property located outside Ohio but marketed in the state. It investigates complaints and brings enforcement actions against violators of license laws.

**Program 04.01: Real Estate**

This program licenses and regulates real estate brokers and salespersons and supports the work of the Ohio Real Estate Commission. It also licenses and regulates dealers and salespersons engaged in foreign real estate sales and leasing, and registers foreign real estate property. At the end calendar year 2008, the program maintained licenses for 6,504 brokers, 40,715 salespersons, and 4,286 brokerages with 1,201 branch offices. The program also oversaw 196 licensed foreign real estate dealers, salespersons and corporations with 262 foreign property registrations. In addition, the program investigates complaints received against licensees and complaints about unlicensed activity.

In calendar year 2008 there were 514 new complaints assigned for investigation and 823 investigations were finalized.

**The Executive Recommendation will fund the following objectives:**

- Maintain the licensing and regulatory activities of real estate brokers, salespersons, brokerages, foreign real estate dealers, salespersons, and property registrations;
- Enforce compliance of R.C. 4735 through the investigation of complaints and corresponding administrative hearings; and
- Provide these regulatory functions and support for the Ohio Real Estate Commission.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| SSR                      | 5470 | 800603 | Real Estate Education/research | 250,000          | 250,000          |
| SSR                      | 5480 | 800611 | Real Estate Recovery           | 50,000           | 50,000           |
| SSR                      | 5490 | 800614 | Real Estate                    | 3,456,405        | 3,451,694        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>3,756,405</b> | <b>3,751,694</b> |

**Program 04.02: Real Property Appraisers**

This program licenses, certifies, registers and regulates real property appraisers and supports the work of the Ohio Real Estate Appraiser Board. At the end of calendar year 2008, the program maintained the credentials for 3,921 appraisers. In addition, the program investigates complaints received against appraisers. In calendar year 2008 there were 248 new complaints assigned for investigation. The Appraiser Board revoked the credentials of 12 appraisers in 2008 for misleading appraisals often used in predatory lending or other schemes leading to the foreclosure crisis.

**The Executive Recommendation will fund the following objectives:**

- Maintain the licensing, certification, and registration of Ohio's appraisers;
- Enforcement compliance of R.C. 4763 through the investigation of complaints and corresponding administrative hearings; and
- Provide these regulatory functions and support for the Ohio Real Estate Appraiser Board.

| FUND                     |      |        |                                 | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010        | FY 2011        |
| SSR                      | 4B20 | 800631 | Real Estate Appraisal Recovery  | 35,000         | 35,000         |
| SSR                      | 6A40 | 800630 | Real Estate Appraiser-Operating | 664,006        | 664,006        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>699,006</b> | <b>699,006</b> |

**Program 04.03: Cemetery Registration**

This program registers all active cemeteries in Ohio and investigates complaints or disputes involving registered cemeteries. This program also collects fees for burial permits issued in Ohio.

**The Executive Recommendation will fund the following objectives:**

- Register and regulate almost 3,400 registered cemeteries;
- Investigate complaints and disputes involving cemeteries in Ohio; and
- Support the Ohio Cemetery Dispute Resolution Commission.



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| FUND              |      |        |            | RECOMMENDED |         |
|-------------------|------|--------|------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME   | FY 2010     | FY 2011 |
| SSR               | 4H90 | 800608 | Cemeteries | 273,465     | 273,465 |
| TOTAL FOR PROGRAM |      |        |            | 273,465     | 273,465 |

**PROGRAM SERIES 05: State Fire Marshal**

This program series is responsible for training, education, research, regulation, and enforcement in the area of fire safety and fire prevention.

**Program 05.01: Ohio Fire Academy**

This program conducts fire-related training courses for more than 15,000 emergency responders annually. Training, which is conducted at the Academy facilities and on-site throughout the state, includes firefighting, anti-terrorism response, and urban search and rescue.

**The Executive Recommendation will fund the following objectives:**

- Provide over 150 on-campus courses and more than 850 direct delivery classes; and
- Provide specialized weapons of mass destruction courses through homeland security grants.

| FUND              |      |        |              | RECOMMENDED |           |
|-------------------|------|--------|--------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME     | FY 2010     | FY 2011   |
| SSR               | 5460 | 800610 | Fire Marshal | 2,835,646   | 2,826,404 |
| TOTAL FOR PROGRAM |      |        |              | 2,835,646   | 2,826,404 |

**Program 05.02: Code Enforcement**

This program performs fire safety inspections at hotels, motels, hospitals, nursing homes, and other buildings and events. It also enforces the fire code at fireworks facilities, manufacturers, and exhibitions. In fiscal year 2008 this program conducted approximately 15,000 fire safety inspections.

**The Executive Recommendation will fund the following objective:**

- Conduct over 9,500 fire safety inspections and 5,500 re-inspections.

| FUND              |      |        |              | RECOMMENDED |           |
|-------------------|------|--------|--------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME     | FY 2010     | FY 2011   |
| SSR               | 5460 | 800610 | Fire Marshal | 3,130,793   | 3,109,192 |
| TOTAL FOR PROGRAM |      |        |              | 3,130,793   | 3,109,192 |

**Program 05.03: Investigations**

This program is responsible for investigating the cause, origin, and circumstances of fires, explosions, and fireworks incidents in Ohio. It is also responsible for the arrest and prosecution of persons believed to be guilty of arson or similar crimes. In fiscal year 2007 this program determined that 460 of the 1250 incidents investigated were a result of arson. The Fire Explosion Investigation Bureau investigators are the law enforcement arm of the Division of State Fire Marshal, and all investigators are trained sworn peace officers in the State of Ohio.

**The Executive Recommendation will fund the following objectives:**

- Provide approximately 1,000 fire and explosion investigations;
- Support the filing of felony criminal charges if necessary;

- Support 28 arson investigators and supervisors to perform fire and explosion investigations for over 1,200 fire departments; and
- Provide three accelerant detection canine teams to assist in recovering valuable evidence at arson crime scenes.

| FUND                     |      |        |              | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010          | FY 2011          |
| SSR                      | 5460 | 800610 | Fire Marshal | 2,552,148        | 2,582,465        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>2,552,148</b> | <b>2,582,465</b> |

**Program 05.04: Fire Prevention**

This program creates fire safety publications and conducts fire safety education outreach at schools, senior centers, health care facilities, and other locations as requested. This program also promotes the use of fire detectors and distributes free detectors in southeast Ohio. On average, more than 3,600 fire safety-related programs reach 85,000 Ohioans annually.

**The Executive Recommendation will fund the following objective:**

- Maintain fire prevention programs for Ohioans.

| FUND                     |      |        |              | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010          | FY 2011          |
| SSR                      | 5460 | 800610 | Fire Marshal | 1,150,717        | 1,119,001        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>1,150,717</b> | <b>1,119,001</b> |

**Program 05.05: Forensic Lab**

This program provides scientific examinations of ignitable liquids, fire debris, explosives, latent fingerprints, and general examination of physical evidence involved in a suspected arson fire, explosive incident, or other criminal activity for fire and law enforcement agencies throughout the state of Ohio. During fiscal year 2008, the laboratory examined 742 cases consisting of 3,284 pieces of evidence.

**The Executive Recommendation will fund the following objective:**

- Maintain seven full-time employees for the examination of evidence for fire related investigations.

| FUND                     |      |        |              | RECOMMENDED    |                |
|--------------------------|------|--------|--------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010        | FY 2011        |
| SSR                      | 5460 | 800610 | Fire Marshal | 724,627        | 748,012        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>724,627</b> | <b>748,012</b> |

**Program 05.06: Bureau of Underground Storage Tanks**

This program regulates and enforces statutes related to the registration, installation, removal, and clean-up of approximately 23,000 petroleum and hazardous substance underground storage tanks. In fiscal year 2008, the program performed approximately 2,300 inspections of underground storage tank systems to determine compliance with state regulations, initiated 285 administrative enforcement actions, and completed the assessment and cleanup of 895 releases of petroleum into the environment. This program is also responsible for performing the regulatory licensing duties and revenue collection associated with over 33,000 customers. Those licenses include fire protection individuals & companies, underground storage tank (UST) annual registration, UST permits for repair, hotel/motels, UST installers, UST inspectors, storage of explosives, fireworks manufacturers, fireworks wholesalers,

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fireworks out-of-state shippers, fireworks exhibitors, exhibitor assistants, pyrotechnic exhibitors, and flame effect exhibitors. In fiscal year 2008, over \$2.8 million in licensing revenue was processed.

**The Executive Recommendation will fund the following objectives:**

- Support 36 full-time employees for regulation of tanks; and
- Increase inspections to meet new federal requirements.
- Regulate licensure of Underground Storage Tanks.

| FUND              |      |        |                                  | RECOMMENDED |           |
|-------------------|------|--------|----------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                         | FY 2010     | FY 2011   |
| FED               | 3480 | 800622 | Underground Storage Tanks        | 586,128     | 585,782   |
| FED               | 3480 | 800624 | Leaking Underground Storage Tank | 1,477,606   | 1,489,717 |
| SSR               | 5460 | 800610 | Fire Marshal                     | 574,376     | 581,001   |
| SSR               | 6530 | 800629 | UST Registration/Permit Fee      | 1,433,189   | 1,431,831 |
| TOTAL FOR PROGRAM |      |        |                                  | 4,071,299   | 4,088,331 |

**Program 05.07: Fire Department Assistance**

This program provides grants and no-interest loans to local fire departments to offset the cost of training and equipment. In fiscal year 2008, 128 grants were awarded with the average grant award being \$7,677.

**The Executive Recommendation will fund the following objectives:**

- Provide over 100 grants to local fire departments; and
- Provide more than 540 grants for training reimbursements.

| FUND              |      |        |                                      | RECOMMENDED |           |
|-------------------|------|--------|--------------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                             | FY 2010     | FY 2011   |
| SSR               | 5460 | 800639 | Fire Department Grants               | 1,695,198   | 1,698,802 |
| 085               | 7085 | 800985 | Volunteer Firemen's Departments Fund | 300,000     | 300,000   |
| TOTAL FOR PROGRAM |      |        |                                      | 1,995,198   | 1,998,802 |

**Program 05.08: State Fire Marshal Program Administration**

This program directs, administers, supports, and coordinates the activities of the programs of the State Fire Marshal Program Series and serves as a liaison to other government, corporate, and public entities. It provides support for employees who provide regulatory services and support to Ohio's fire service industry. The services provided include, but are not limited to, communications, fiscal administration, legal, quality control, and support services. This program also includes regulation of the fireworks industry.

**The Executive Recommendation will fund the following objectives:**

- Fund 15 full-time employees to oversee over 200 employees of the State Fire Marshal Program Series; and
- Maintain the new dorm and office building for the Academy and State Fire Marshal offices.

| FUND              |      |        |                                  | RECOMMENDED |           |
|-------------------|------|--------|----------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                         | FY 2010     | FY 2011   |
| GSF               | 5F10 | 800635 | Small Government Fire Department | 300,000     | 300,000   |
| SSR               | 5460 | 800610 | Fire Marshal                     | 4,150,366   | 4,225,646 |
| TOTAL FOR PROGRAM |      |        |                                  | 4,450,366   | 4,525,646 |

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**PROGRAM SERIES 06: Unclaimed Funds**

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This program series is responsible for the safekeeping and return of moneys designated as “unclaimed.”

**Program 06.01: Unclaimed Funds**

Each year, due to death, inadvertence, or forgetfulness, more than 400,000 people and organizations lose track of moneys, rights to moneys, and intangible property in Ohio. The funds are remitted to this program by various entities, such as employers, corporations, financial institutions, and insurance companies. The program then acts as the custodian of the funds and returns them to their rightful owners. In fiscal year 2008, \$193.2 million was collected and a total of over \$57.8 million was returned to current or former Ohio residents.

**The Executive Recommendation will fund the following objectives:**

- Increase the number of audits of businesses for reporting of unclaimed funds;
- Advertise unclaimed funds to citizens for collection, including the online Treasure Hunt service;
- Provide for the return of \$75 million or more of unclaimed funds in both fiscal years 2010 and 2011; and
- Maintain the collection and reporting of unclaimed funds from holders.

| FUND              |      |        |                           | RECOMMENDED |            |
|-------------------|------|--------|---------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011    |
| GSF               | 5430 | 800602 | Unclaimed Funds-Operating | 9,948,085   | 9,948,085  |
| GSF               | 5430 | 800625 | Unclaimed Funds-Claims    | 75,000,000  | 75,000,000 |
| TOTAL FOR PROGRAM |      |        |                           | 84,948,085  | 84,948,085 |

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**PROGRAM SERIES 07: Wage, Hour, and Minor Law Enforcement**

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This program series promotes minor safety in the work place and overall compliance with wage laws.

**Program 07.01: Wage, Hour, and Minor Law Enforcement**

This program enforces minimum wage, overtime and minor labor laws. It also enforces Ohio’s prevailing wage law, which is the wage rate that must be paid to employees who work on public improvement construction projects. In fiscal year 2007, this program collected \$1.8 million in prevailing wage back wages, \$250 thousand in minimum and overtime back wages, \$200 thousand in minimum wage damages and \$100 thousand in prevailing wage penalties.

**The Executive Recommendation will fund the following objective:**

- Maintain ability to receive and process complaints regarding the increased minimum wage.

| FUND              |      |        |                         | RECOMMENDED |           |
|-------------------|------|--------|-------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                | FY 2010     | FY 2011   |
| GRF               | GRF  | 800410 | Labor And Worker Safety | 2,132,396   | 2,132,396 |
| SSR               | 5K70 | 800621 | Penalty Enforcement     | 150,000     | 150,000   |
| TOTAL FOR PROGRAM |      |        |                         | 2,282,396   | 2,282,396 |

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**PROGRAM SERIES 08: Program Management**

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This program series provides policy and administrative direction as well as centralized functions for the department.

**Program 08.01: Program Management**

This program directs, administers, supports, and coordinates the activities of the seven program series of the department and serves as a liaison to other government, corporate, and public entities. It provides support services for over 900 state employees including, but not limited to, communications, fiscal administration, human resources,

legal, legislative affairs, quality control, training, and employee development. This program also administers Am. Sub. S.B. 117, the Video Service Authorization Act.

**The Executive Recommendation will fund the following objective:**

- Support approximately 130 full-time employees to provide administration for the seven program series of the department including those employee centralized fiscal and information technology employees under the Division of Administration.

| FUND              |      |        |                            | RECOMMENDED |           |
|-------------------|------|--------|----------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                   | FY 2010     | FY 2011   |
| GSF               | 1630 | 800620 | Division Of Administration | 7,270,049   | 7,411,286 |
| TOTAL FOR PROGRAM |      |        |                            | 7,270,049   | 7,411,286 |

**Program 08.02: Information Technology Group**

This program provides information technology (IT) support services for over 900 employees within the department. These services include, but are not limited to, planning, technical support, hardware/software purchasing advice, infrastructure support for agency-wide IT databases/systems, web development and maintenance of the agency website, and support for the creation and implementation of new technology systems.

**The Executive Recommendation will fund the following objective:**

- Provide planning, technical assistance, procurement, development, and maintenance related to IT for individual programs as well as agency-wide strategies.

| FUND              |      |        |                        | RECOMMENDED |           |
|-------------------|------|--------|------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011   |
| GSF               | 1630 | 800637 | Information Technology | 6,219,734   | 6,137,122 |
| TOTAL FOR PROGRAM |      |        |                        | 6,219,734   | 6,137,122 |

**LINE ITEM SUMMARY - Department of Commerce**

| FUND                                 | ALI    | ALI NAME                         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|----------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 800410 | Labor and Worker Safety          | 1,978,124         | 1,912,407         | 2,003,463         | 1,681,319           | 2,132,396              | 26.8         | 2,132,396              | 0.0         |
| <b>TOTAL General Revenue</b>         |        |                                  | <b>1,978,124</b>  | <b>1,912,407</b>  | <b>2,003,463</b>  | <b>1,681,319</b>    | <b>2,132,396</b>       | <b>26.8</b>  | <b>2,132,396</b>       | <b>0.0</b>  |
| 1630                                 | 800620 | Division of Administration       | 4,056,335         | 4,190,971         | 4,360,188         | 4,478,037           | 7,270,049              | 62.3         | 7,411,286              | 1.9         |
| 1630                                 | 800637 | Information Technology           | 2,831,815         | 2,447,272         | 4,742,261         | 6,715,963           | 6,219,734              | -7.4         | 6,137,122              | -1.3        |
| 5430                                 | 800602 | Unclaimed Funds-Operating        | 14,379,499        | 7,787,347         | 8,695,254         | 8,049,937           | 9,948,085              | 23.6         | 9,948,085              | 0.0         |
| 5430                                 | 800625 | Unclaimed Funds-Claims           | 64,370,418        | 71,886,435        | 57,688,890        | 75,000,000          | 75,000,000             | 0.0          | 75,000,000             | 0.0         |
| 5F10                                 | 800635 | Small Government Fire Department | 84,000            | 250,000           | 250,000           | 300,000             | 300,000                | 0.0          | 300,000                | 0.0         |
| <b>TOTAL General Services</b>        |        |                                  | <b>85,722,067</b> | <b>86,562,025</b> | <b>75,736,594</b> | <b>94,543,937</b>   | <b>98,737,868</b>      | <b>4.4</b>   | <b>98,796,493</b>      | <b>0.1</b>  |
| 3480                                 | 800622 | Underground Storage Tanks        | 190,209           | 195,717           | 341,785           | 558,099             | 586,128                | 5.0          | 585,782                | -0.1        |
| 3480                                 | 800624 | Leaking Underground Storage Tank | 1,491,033         | 1,482,993         | 1,460,669         | 1,850,000           | 1,477,606              | -20.1        | 1,489,717              | 0.8         |
| <b>TOTAL Federal Special Revenue</b> |        |                                  | <b>1,681,242</b>  | <b>1,678,710</b>  | <b>1,802,454</b>  | <b>2,408,099</b>    | <b>2,063,734</b>       | <b>-14.3</b> | <b>2,075,499</b>       | <b>0.6</b>  |
| 4B20                                 | 800631 | Real Estate Appraisal Recovery   | 0                 | 20,000            | 30,000            | 5,000               | 35,000                 | 600.0        | 35,000                 | 0.0         |
| 4H90                                 | 800608 | Cemeteries                       | 260,608           | 270,932           | 235,765           | 273,465             | 273,465                | 0.0          | 273,465                | 0.0         |
| 4X20                                 | 800619 | Financial Institutions           | 2,816,087         | 2,037,593         | 1,764,409         | 2,523,918           | 2,233,031              | -11.5        | 2,221,395              | -0.5        |
| 5440                                 | 800612 | Banks                            | 5,940,081         | 6,599,120         | 5,811,757         | 6,703,254           | 6,703,253              | 0.0          | 6,753,254              | 0.7         |
| 5450                                 | 800613 | Savings Institutions             | 1,740,773         | 1,951,499         | 1,677,396         | 2,286,616           | 2,286,615              | 0.0          | 2,307,019              | 0.9         |
| 5460                                 | 800610 | Fire Marshal                     | 12,441,885        | 11,983,305        | 12,991,182        | 14,082,429          | 15,118,673             | 7.4          | 15,191,721             | 0.5         |
| 5460                                 | 800639 | Fire Department Grants           | 1,905,153         | 1,661,911         | 1,450,282         | 1,647,140           | 1,695,198              | 2.9          | 1,698,802              | 0.2         |
| 5460                                 | 800640 | Homeland Security Grants         | 0                 | 0                 | 0                 | 10,000              | 0                      | -100.0       | 0                      | .0          |
| 5470                                 | 800603 | Real Estate Education/research   | 48,581            | 74,443            | 145,027           | 250,000             | 250,000                | 0.0          | 250,000                | 0.0         |
| 5480                                 | 800611 | Real Estate Recovery             | 40,000            | 84,709            | 17,180            | 50,000              | 50,000                 | 0.0          | 50,000                 | 0.0         |
| 5490                                 | 800614 | Real Estate                      | 3,226,127         | 3,246,126         | 2,998,859         | 3,016,171           | 3,456,405              | 14.6         | 3,451,694              | -0.1        |
| 5500                                 | 800617 | Securities                       | 3,934,455         | 3,786,680         | 3,620,249         | 4,473,094           | 4,761,545              | 6.4          | 4,411,545              | -7.4        |
| 5520                                 | 800604 | Credit Union                     | 2,795,907         | 3,099,992         | 2,669,079         | 3,627,390           | 3,627,390              | 0.0          | 3,627,390              | 0.0         |
| 5530                                 | 800607 | Consumer Finance                 | 3,624,365         | 4,649,178         | 4,550,874         | 5,800,445           | 5,367,260              | -7.5         | 5,148,702              | -4.1        |
| 5560                                 | 800615 | Industrial Compliance            | 22,070,058        | 21,919,827        | 23,555,917        | 27,195,073          | 25,753,662             | -5.3         | 26,713,417             | 3.7         |

**LINE ITEM SUMMARY - Department of Commerce**

| FUND                                      | ALI    | ALI NAME                             | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5K70                                      | 800621 | Penalty Enforcement                  | 34,475             | 0                  | 45,729             | 50,000              | 150,000                | 200.0       | 150,000                | 0.0         |
| 5X60                                      | 800623 | Video Service                        | 0                  | 0                  | 0                  | 0                   | 34,476                 | .0          | 34,476                 | 0.0         |
| 6530                                      | 800629 | UST Registration/permit Fee          | 1,191,688          | 1,187,048          | 1,034,940          | 1,467,160           | 1,433,189              | -2.3        | 1,431,831              | -0.1        |
| 6A40                                      | 800630 | Real Estate Appraiser-Operating      | 660,972            | 575,488            | 554,355            | 664,006             | 664,006                | 0.0         | 664,006                | 0.0         |
| <b>TOTAL State Special Revenue</b>        |        |                                      | <b>62,731,214</b>  | <b>63,147,849</b>  | <b>63,153,002</b>  | <b>74,125,161</b>   | <b>73,893,168</b>      | <b>-0.3</b> | <b>74,413,717</b>      | <b>0.7</b>  |
| 7043                                      | 800601 | Merchandising                        | 401,268,248        | 417,789,497        | 441,616,966        | 464,027,015         | 472,492,696            | 1.8         | 488,434,277            | 3.4         |
| 7043                                      | 800627 | Liquor Control Operating             | 15,990,580         | 14,409,669         | 12,706,854         | 16,326,987          | 13,776,430             | -15.6       | 14,313,346             | 3.9         |
| 7043                                      | 800633 | Dev Assistance Debt Service          | 28,876,375         | 29,647,952         | 31,380,022         | 38,616,800          | 40,565,100             | 5.0         | 52,412,800             | 29.2        |
| 7043                                      | 800636 | Revitalization Debt Service          | 5,288,108          | 9,136,672          | 12,501,618         | 15,683,300          | 15,632,800             | -0.3        | 20,359,000             | 30.2        |
| 7043                                      | 970321 | Operating                            | 0                  | -3                 | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Liquor Control</b>               |        |                                      | <b>451,423,311</b> | <b>470,983,787</b> | <b>498,205,460</b> | <b>534,654,102</b>  | <b>542,467,026</b>     | <b>1.5</b>  | <b>575,519,423</b>     | <b>6.1</b>  |
| 7066                                      | 800966 | Undivided Liquor Permits             | 0                  | 0                  | 0                  | 12,500,000          | 14,100,000             | 12.8        | 14,100,000             | 0.0         |
| <b>TOTAL Revenue Distribution</b>         |        |                                      | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>12,500,000</b>   | <b>14,100,000</b>      | <b>12.8</b> | <b>14,100,000</b>      | <b>0.0</b>  |
| 7085                                      | 800985 | Volunteer Firemen's Departments Fund | 0                  | 0                  | 0                  | 0                   | 300,000                | .0          | 300,000                | 0.0         |
| <b>TOTAL Volunteer Firefighter Depend</b> |        |                                      | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>            | <b>300,000</b>         | <b>.0</b>   | <b>300,000</b>         | <b>0.0</b>  |
| <b>TOTAL Department of Commerce</b>       |        |                                      | <b>603,535,958</b> | <b>624,284,777</b> | <b>640,900,973</b> | <b>719,912,618</b>  | <b>733,694,192</b>     | <b>1.9</b>  | <b>767,337,528</b>     | <b>4.6</b>  |

### **Role and Overview**

The Office of the Ohio Consumers' Counsel (OCC), the state's residential utility advocate, represents the interest of 4.5 million households on issues regarding the services they receive from investor owned electric, gas, telephone, and water utilities. OCC represents consumers in cases before the Public Utilities Commission of Ohio (PUCO), federal regulatory agencies, and state and federal courts. OCC's advocacy provides decision-makers with the residential consumer perspective in regulatory and judicial processes where other stakeholders, such as public utilities and large business customers, are typical participants. The agency may also conduct long-range studies concerning various topics, such as the quality of utility service that consumers receive, programs, and policies that may potentially lower the rates that consumers pay. Each year, the OCC assists thousands of consumers who have inquiries or complaints regarding their utility service through its Consumer Services Division.

The OCC participated in more than 170 state and federal proceedings during 2007. The counsel also educates consumers about utility issues through their website, by the distribution of newsletters, and by making presentations to groups and organizations throughout Ohio - organizations comprised of residential customers including seniors and low-income customers. The OCC has 73 employees and an annual budget of \$8.5 million.

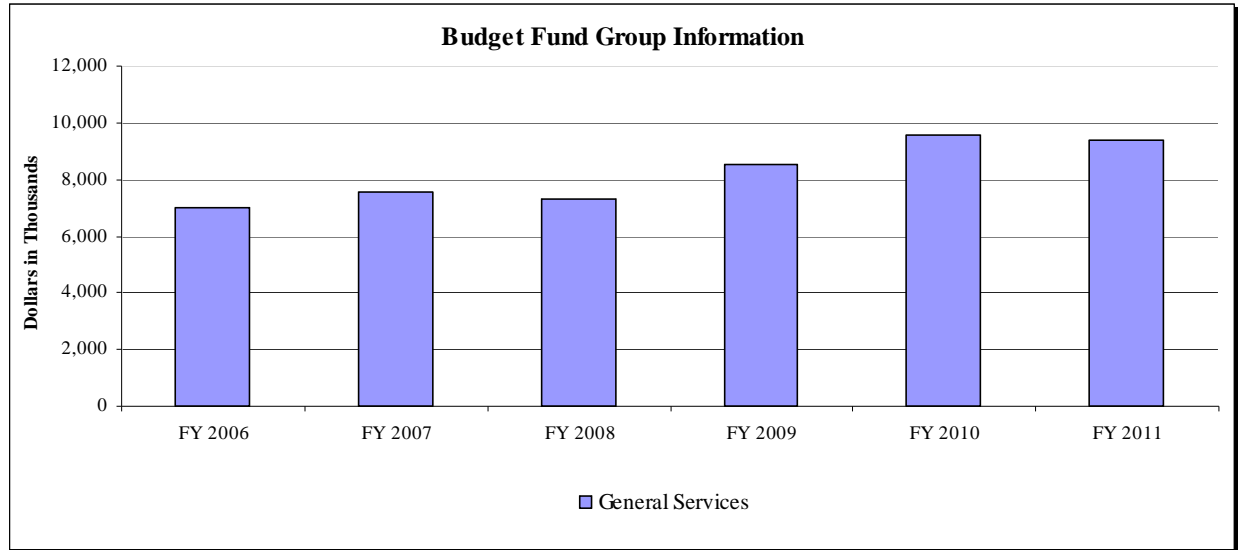
The nine-member governing board of the OCC, appointed by the Ohio Attorney General, is a bi-partisan board whose members serve three-year terms and represents three organized groups: residential consumers, family farmers and labor. The board is responsible for hiring the Consumers' Counsel and the Deputy Consumers' Counsel to run the day-to-day operations of the agency. Additional information regarding the Ohio Consumers' Counsel is available at [www.pickocc.org/](http://www.pickocc.org/).

### **Agency Priorities**

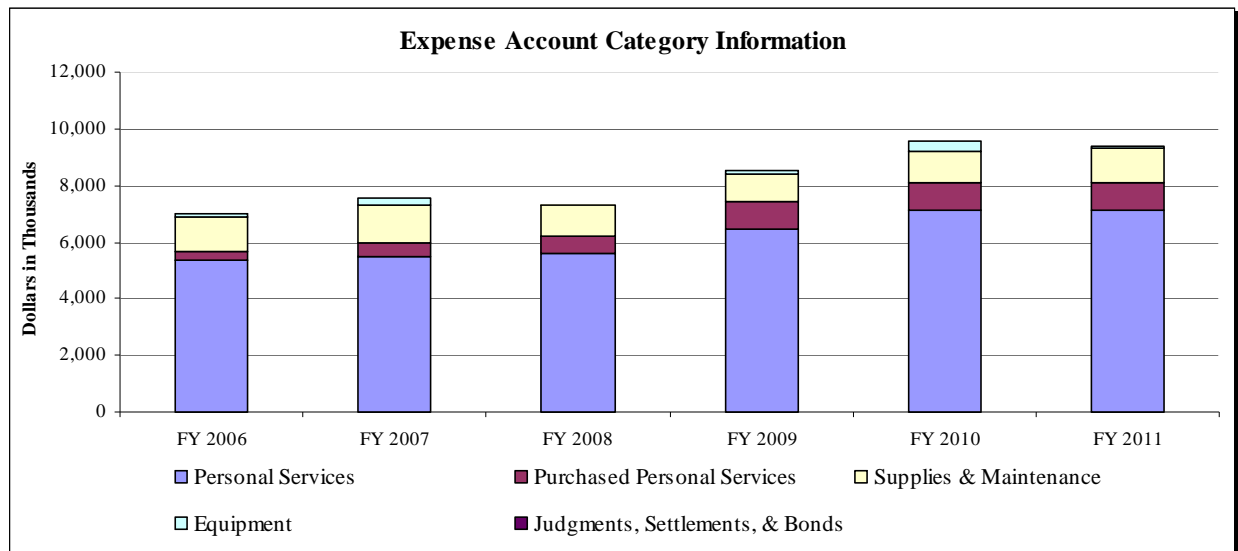
- Serve as the statutory advocate on behalf of Ohio's 4.5 million residential utility households in issues regarding the services they receive from electric, gas, telephone and water utilities.
- Participate on behalf of residential consumers in utility cases before the PUCO and the Ohio Supreme Court and other forums as necessary, including legal proceedings in which public utilities and other stakeholders recommend policy and regulations that affect the affordability, reliability, and quality of service for residential consumers.
- Analyze utility companies' compliance with laws and rules that are intended to ensure adequate service quality and reasonable rates for consumers, and take legal action when necessary to protect Ohioans.
- Continue to be an active voice for residential consumers as Ohio's energy policy is being implemented by the utilities and others, and overseen by the PUCO.
- Educate the state's residential consumers about their utility services and respond to their requests for information.
- Support integrated resource planning by the electric utilities so that they achieve the lowest possible rates for consumers now and into the future through an array of energy options and choices.
- Support and promote energy efficiency programs, governmental aggregation programs, and renewable energy projects through advocacy and cooperative work with other organizations.
- Support measures to assure that affordable choices in telecommunications services are available throughout the state.



### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |              |             |
|-------------------------------------|--------------|--------------|--------------|---------------|-------------|----------------------|-------------|--------------|-------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011      | CHANGE      |
| General Services                    | 7,009        | 7,562        | 7,318        | 8,498         | 16.1        | 9,543                | 12.3        | 9,378        | -1.7        |
| <b>TOTAL</b>                        | <b>7,009</b> | <b>7,562</b> | <b>7,318</b> | <b>8,498</b>  | <b>16.1</b> | <b>9,543</b>         | <b>12.3</b> | <b>9,378</b> | <b>-1.7</b> |



State of Ohio  
**Ohio Consumers' Counsel**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST.         | %<br>CHANGE | RECOMMENDED  |             |              |             |
|---|--------------|--------------|--------------|--------------|-------------|--------------|-------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      |              |             | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Personal Services                             | 5,332        | 5,453        | 5,615        | 6,446        | 14.8        | 7,121        | 10.5        | 7,121        | 0.0         |
| Purchased Personal Services                   | 319          | 516          | 593          | 980          | 65.3        | 992          | 1.2         | 956          | -3.6        |
| Supplies & Maintenance                        | 1,240        | 1,326        | 1,093        | 1,008        | -7.8        | 1,112        | 10.4        | 1,216        | 9.4         |
| Equipment                                     | 116          | 268          | 18           | 64           | 261.9       | 318          | 396.9       | 84           | -73.7       |
| Judgments, Settlements, & Bonds               | 1            | 0            | 0            | 0            | 0.0         | 0            | 0.0         | 0            | 0.0         |
| <b>TOTAL</b>                                  | <b>7,009</b> | <b>7,562</b> | <b>7,318</b> | <b>8,498</b> | <b>16.1</b> | <b>9,543</b> | <b>12.3</b> | <b>9,378</b> | <b>-1.7</b> |

**PROGRAM SERIES 01: Consumer Advocacy**

This program series maintains the general operations of the Consumers' Counsel and provides support for advocacy, representation, complaint resolution, and outreach and education activities on behalf of the residential utility consumers.

**Program 01.01: Consumer Advocacy**

This program supports the operations of the OCC in its role as the residential utility consumer advocate representing the interests of the public through education, legal proceedings, and consumer mediation.

**The Executive Recommendation will fund the following objectives:**

- Allow OCC to continue to represent the interests of residential utility consumers in proceedings before state and federal regulators and in the courts;
- Provide funding for the education of the public in issues concerning utility service for gas, electric, water and telecommunications through presentations, brochures, handbooks, press releases, and other media sources;
- Continue the operation of a call center that provides education and assistance to thousands of consumers to address and resolve their utility questions and complaints; and
- Support agency initiatives that seek to provide the benefits of utility competition, emerging communications technology and energy efficiency while maintaining fair rates, service quality, and consumer protections.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GSF                      | 5F50 | 053601 | Consumers' Council Operating | 9,543,196        | 9,377,610        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>9,543,196</b> | <b>9,377,610</b> |

**LINE ITEM SUMMARY - Ohio Consumers' Counsel**

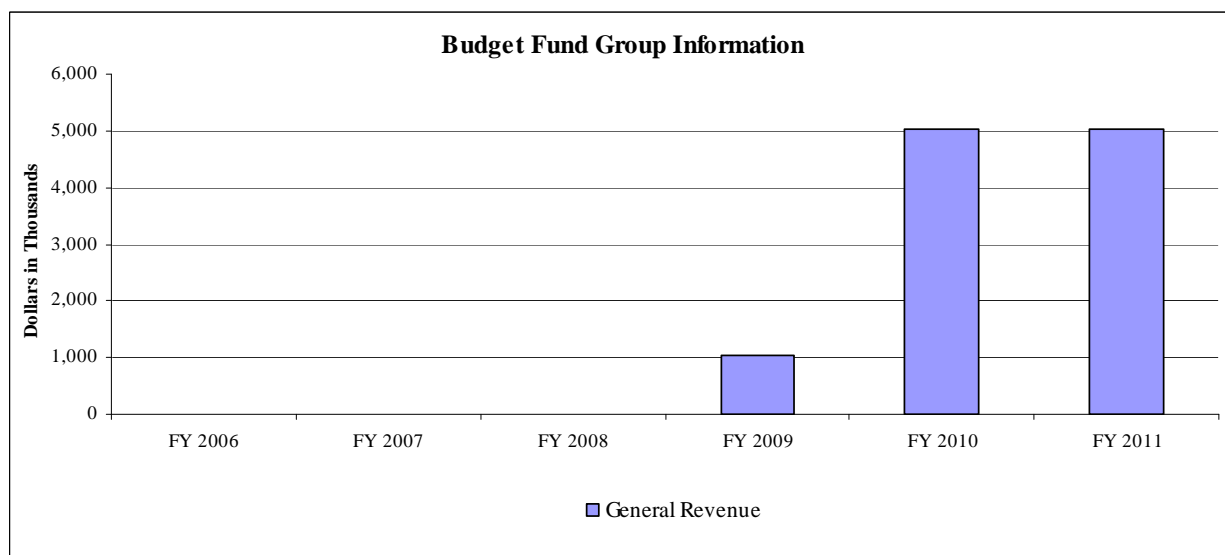
|                                      |        |                                 | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 2010          | %           | FY 2011          | %           |
|--------------------------------------|--------|---------------------------------|------------------|------------------|------------------|------------------|------------------|-------------|------------------|-------------|
| FUND                                 | ALI    | ALI NAME                        | ACTUAL           | ACTUAL           | ACTUAL           | ESTIMATE         | RECOMMENDED      | CHANGE      | RECOMMENDED      | CHANGE      |
| 5F50                                 | 053601 | Consumers' Council<br>Operating | 7,008,857        | 7,562,136        | 7,318,221        | 8,498,000        | 9,543,196        | 12.3        | 9,377,610        | -1.7        |
| <b>TOTAL General Services</b>        |        |                                 | <b>7,008,857</b> | <b>7,562,136</b> | <b>7,318,221</b> | <b>8,498,000</b> | <b>9,543,196</b> | <b>12.3</b> | <b>9,377,610</b> | <b>-1.7</b> |
| <b>TOTAL Ohio Consumers' Counsel</b> |        |                                 | <b>7,008,857</b> | <b>7,562,136</b> | <b>7,318,221</b> | <b>8,498,000</b> | <b>9,543,196</b> | <b>12.3</b> | <b>9,377,610</b> | <b>-1.7</b> |

### Role and Overview

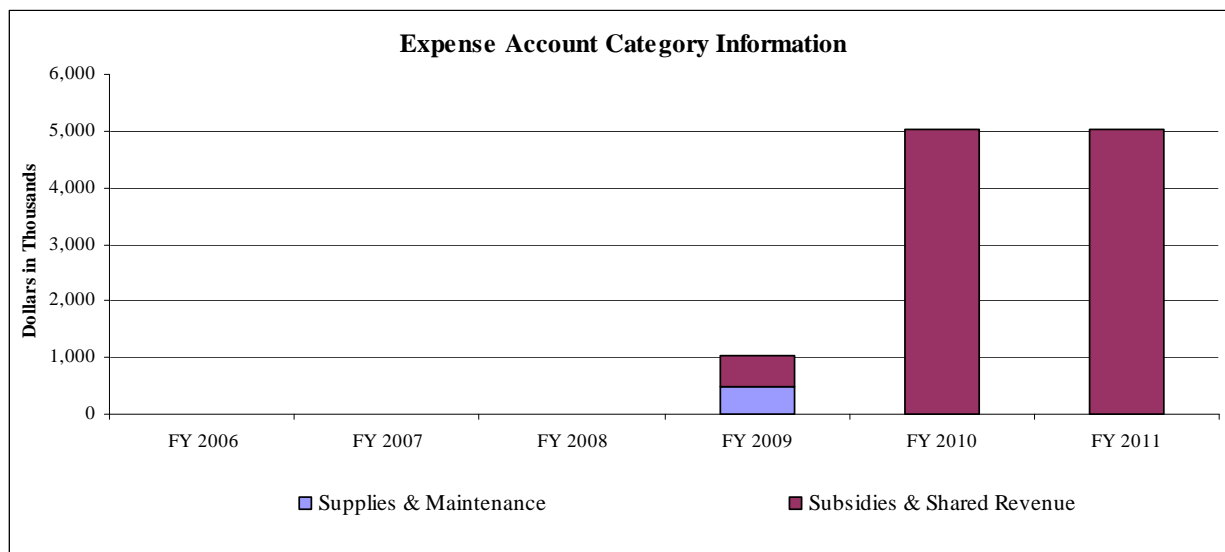
The Controlling Board (CEB) provides legislative oversight of various activities of the executive branch and carries out responsibilities delegated to it by the legislature. For administrative purposes, the Controlling Board is housed within the Office of Budget and Management. It has a staff of two, including the president of the board. The board consists of seven members: the director of Budget and Management, or the director's designee who serves as president of the board; the chairman of the Finance and Appropriations Committee of the House of Representatives; the chairman of the Finance and Financial Institutions Committee of the Senate; two members of the House appointed by the Speaker of the House, one from the majority party and one from the minority party; and two members of the Senate appointed by the President of the Senate, one from the majority party and one from the minority party. The board usually meets every two weeks to consider and vote on requests for action that are submitted to it by state agencies. The board has a number of powers that are delegated by the legislature, including making adjustments to the appropriations of state agencies, waiving competitive selection purchasing requirements, releasing capital appropriations, and approving certain loans and grants made by the Department of Development.

The board does not disburse moneys appropriated to it, but transfers appropriations from the board to other agencies for expenditure. This is the reason the budget tables for the Controlling Board show zero in the "Actual" columns. The record of actual disbursements of appropriations that were made to the board appears in the spending totals of the agencies to which the funds were transferred.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL   |          |          | EST. % CHANGE |              | RECOMMENDED % CHANGE |              |              |            |
|-------------------------------------|----------|----------|----------|---------------|--------------|----------------------|--------------|--------------|------------|
|                                     | FY 2006  | FY 2007  | FY 2008  | FY 2009       | FY 08-09     | FY 2010              | CHANGE       | FY 2011      | CHANGE     |
| General Revenue                     | 0        | 0        | 0        | 1,033         | 100.0        | 5,033                | 387.2        | 5,033        | 0.0        |
| <b>TOTAL</b>                        | <b>0</b> | <b>0</b> | <b>0</b> | <b>1,033</b>  | <b>100.0</b> | <b>5,033</b>         | <b>387.2</b> | <b>5,033</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL   |          |          | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |              |              |            |
|---|----------|----------|----------|------------------|--------------|-------------------------|--------------|--------------|------------|
|   | FY 2006  | FY 2007  | FY 2008  | FY 2009          | FY 08-09     | FY 2010                 | CHANGE       | FY 2011      | CHANGE     |
| Supplies & Maintenance                        | 0        | 0        | 0        | 488              | 100.0        | 0                       | -100.0       | 0            | 0.0        |
| Subsidies & Shared Revenue                    | 0        | 0        | 0        | 545              | 100.0        | 5,033                   | 822.8        | 5,033        | 0.0        |
| <b>TOTAL</b>                                  | <b>0</b> | <b>0</b> | <b>0</b> | <b>1,033</b>     | <b>100.0</b> | <b>5,033</b>            | <b>387.2</b> | <b>5,033</b> | <b>0.0</b> |

### Executive Priorities for the Controlling Board

- Provide appropriation and spending oversight for state agencies;
- Transfer appropriation authority and provide funding to state agencies for unplanned contingencies;
- Provide financial assistance to local governments and school districts for the cost of unfunded state mandates; and
- Provide Emergency Purpose dollars to assist with natural disasters or emergencies.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 911401 | Emergency Purposes/contingenc | 4,000,000        | 4,000,000        |
| GRF                      | GRF  | 911404 | Mandate Assistance            | 545,417          | 545,417          |
| GRF                      | GRF  | 911441 | Ballot Advertising Costs      | 487,600          | 487,600          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>5,033,017</b> | <b>5,033,017</b> |

**LINE ITEM SUMMARY - Controlling Board**

| FUND                           | ALI    | ALI NAME                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------|--------|-------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                            | 911401 | Emergency Purposes/contingenc | 0                 | 0                 | 0                 | 0                   | 4,000,000              | .0           | 4,000,000              | 0.0         |
| GRF                            | 911404 | Mandate Assistance            | 0                 | 0                 | 0                 | 545,417             | 545,417                | 0.0          | 545,417                | 0.0         |
| GRF                            | 911441 | Ballot Advertising Costs      | 0                 | 0                 | 0                 | 487,600             | 487,600                | 0.0          | 487,600                | 0.0         |
| <b>TOTAL General Revenue</b>   |        |                               | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>1,033,017</b>    | <b>5,033,017</b>       | <b>387.2</b> | <b>5,033,017</b>       | <b>0.0</b>  |
| <b>TOTAL Controlling Board</b> |        |                               | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>1,033,017</b>    | <b>5,033,017</b>       | <b>387.2</b> | <b>5,033,017</b>       | <b>0.0</b>  |

### Role and Overview

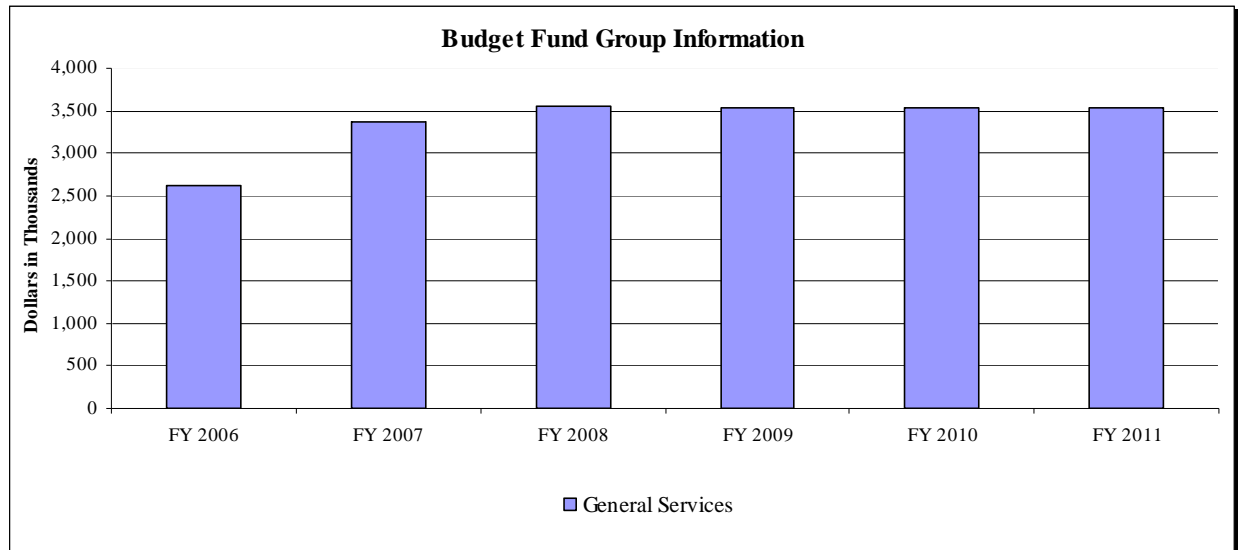
The Ohio State Board of Cosmetology (COS) is responsible for examining and licensing cosmetologists, estheticians, and manicurists for practice in Ohio. The board inspects the indoor tanning industry in the state to ensure that safety and sanitation standards are met. COS also regulates and assists the county career vocational schools that provide cosmetology curriculums through the Department of Education, as well as private cosmetology schools throughout Ohio. Furthermore, continuing education curriculums are approved and audits on licensees are performed by the board to ensure the required hours are completed and documented. COS has nine board members and 41 staff members.

Additional information regarding the Board of Cosmetology is available at <http://www.cos.ohio.gov/>.

### Agency Priorities

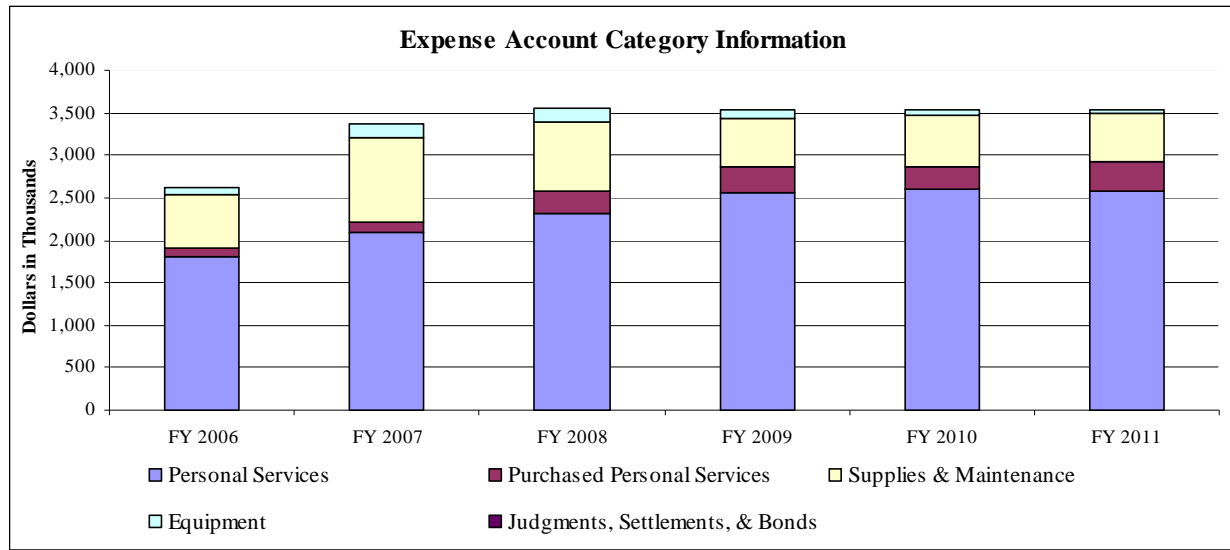
- Expand operations to allow more students to seek licenses in the art and science of cosmetology.
- Revise rules that hold individuals more accountable for violating the public trust through harmful practices.
- Increase awareness of the ability to use on-line technology to receive information from the board.
- Protect the public health through regulation and education while promoting the integrity of the industry.

### Summary of Budget History and Recommendations



| (In Thousands)    | ACTUAL       |              |              | EST.         | %<br>CHANGE | RECOMMENDED  |             |              |             |
|-------------------|--------------|--------------|--------------|--------------|-------------|--------------|-------------|--------------|-------------|
|                   | FY 2006      | FY 2007      | FY 2008      |              |             | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| BUDGET FUND GROUP |              |              |              |              |             |              |             |              |             |
| General Services  | 2,622        | 3,379        | 3,551        | 3,534        | -0.5        | 3,534        | 0.0         | 3,534        | 0.0         |
| <b>TOTAL</b>      | <b>2,622</b> | <b>3,379</b> | <b>3,551</b> | <b>3,534</b> | <b>-0.5</b> | <b>3,534</b> | <b>0.0</b>  | <b>3,534</b> | <b>0.0</b>  |

State of Ohio  
**Board of Cosmetology**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|-------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 1,817        | 2,091        | 2,316        | 2,550            | 10.1        | 2,597                   | 1.9        | 2,580        | -0.7       |
| Purchased Personal Services                   | 82           | 115          | 261          | 317              | 21.7        | 274                     | -13.6      | 348          | 27.1       |
| Supplies & Maintenance                        | 646          | 1,004        | 813          | 571              | -29.8       | 595                     | 4.2        | 567          | -4.8       |
| Equipment                                     | 77           | 168          | 160          | 95               | -40.7       | 67                      | -29.6      | 38           | -43.1      |
| Judgments, Settlements, & Bonds               | 0            | 1            | 0            | 0                | 0.0         | 0                       | 0.0        | 0            | 0.0        |
| <b>TOTAL</b>                                  | <b>2,622</b> | <b>3,379</b> | <b>3,551</b> | <b>3,534</b>     | <b>-0.5</b> | <b>3,534</b>            | <b>0.0</b> | <b>3,534</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the State Board of Cosmetology.

#### The Executive Recommendation will fund the following objectives:

- Enable the board to regulate and assist 88 county career vocational schools and 67 private cosmetology schools throughout Ohio;
- Fund the oversight and regulation of approximately 135,000 individual and business licenses in the fields of cosmetology, esthetics, and manicuring;
- Expand operations center to allow for more candidates to test and become licensed in Ohio; and
- Provide more equitable and consumer safety conscious exam.

| FUND                     |      |        |           | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010          | FY 2011          |
| GSF                      | 4K90 | 879609 | Operating | 3,533,679        | 3,533,679        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>3,533,679</b> | <b>3,533,679</b> |



**LINE ITEM SUMMARY - Board of Cosmetology**

| FUND                              | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-----------------------------------|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                              | 879609 | Operating | 2,622,287         | 3,379,011         | 3,550,510         | 3,533,679           | 3,533,679              | 0.0         | 3,533,679              | 0.0         |
| <b>TOTAL General Services</b>     |        |           | <b>2,622,287</b>  | <b>3,379,011</b>  | <b>3,550,510</b>  | <b>3,533,679</b>    | <b>3,533,679</b>       | <b>0.0</b>  | <b>3,533,679</b>       | <b>0.0</b>  |
| <b>TOTAL Board of Cosmetology</b> |        |           | <b>2,622,287</b>  | <b>3,379,011</b>  | <b>3,379,011</b>  | <b>3,533,679</b>    | <b>3,533,679</b>       | <b>0.0</b>  | <b>3,533,679</b>       | <b>0.0</b>  |

State of Ohio

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## Counselor, Social Worker, and Marriage and Family Therapist Board

### Role and Overview

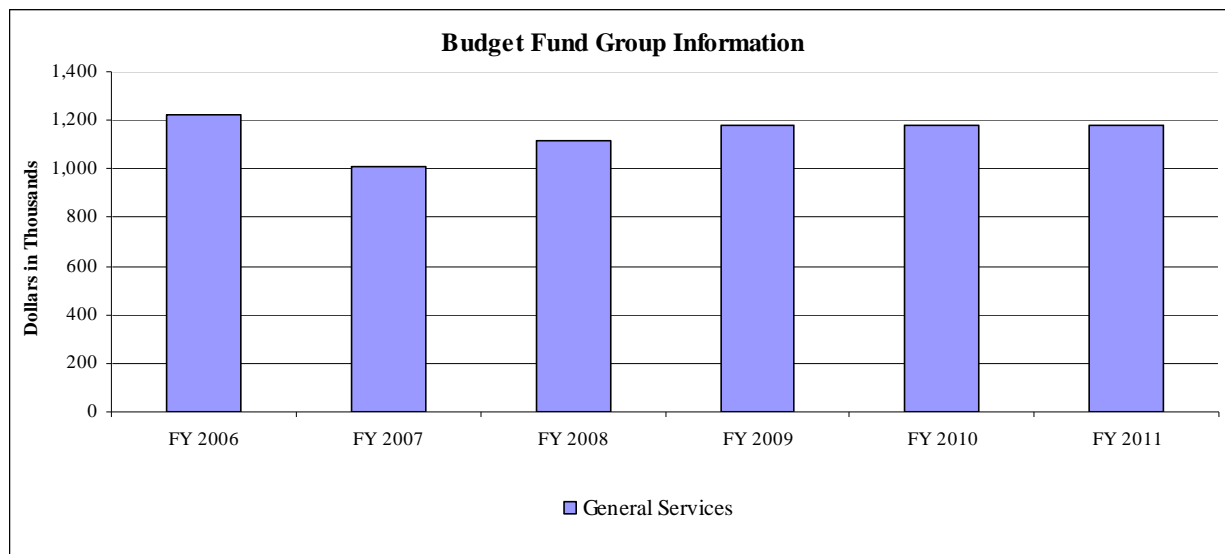
The State of Ohio Counselor, Social Worker and Marriage and Family Therapist Board (CSW) licenses qualified practitioners, establishes standards for counselors, social workers, and marriage and family therapists, and the education programs for those professions, as well as enforcing rules governing the practice. With 15 board members and 12 staff members, CSW regulates more than 29,000 licensees.

More information regarding the Counselor, Social Worker and Marriage and Family Therapist Board is available at <http://www.cswmft.ohio.gov/>

### Agency Priorities

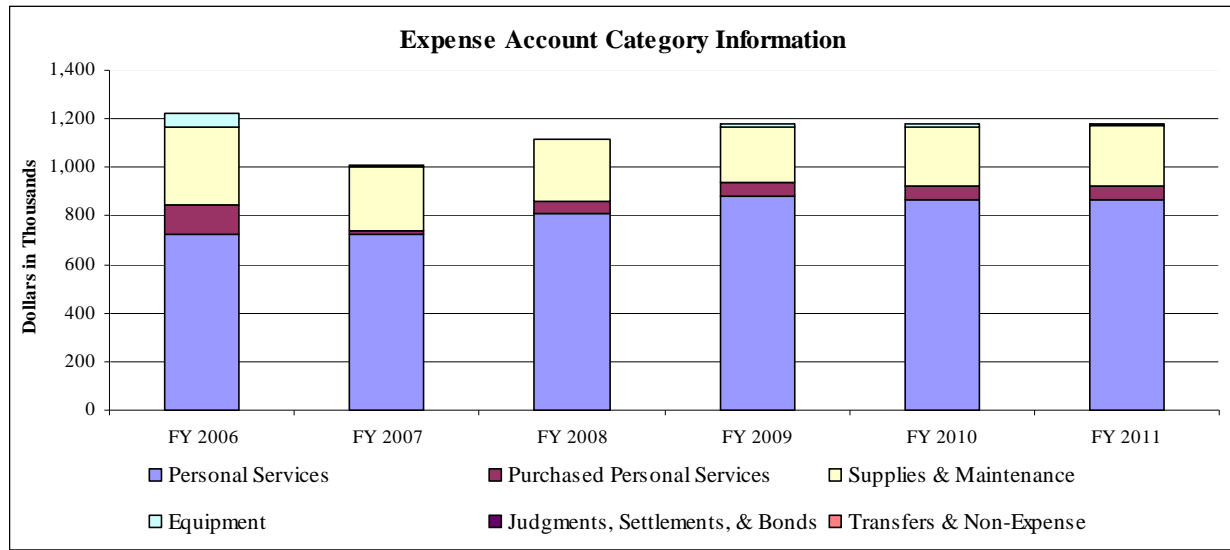
- Protect and serve the citizens of Ohio by effectively and efficiently regulating the licensed practice of counseling, social work, and marriage and family therapy in the State of Ohio through the licensing of qualified practitioners, establishing standards for counselors, social workers, and marriage and family therapists, providing educational programs, and enforcing the laws and rules governing the practice.
- Inform the citizens of Ohio, licensees, and applicants that protection of the public is the primary purpose of the board.
- Process efficiently and effectively new applications for licensure as counselors, social workers, or marriage and family therapists.
- Renew existing licensees efficiently and effectively upon application.
- Protect the public through promulgation of the standards of conduct and investigate all complaints against licensees.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |              |            |
|------------------|--------------|--------------|--------------|---------------|------------|----------------------|------------|--------------|------------|
|                  | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Services | 1,224        | 1,009        | 1,117        | 1,180         | 5.6        | 1,180                | 0.0        | 1,180        | 0.0        |
| <b>TOTAL</b>     | <b>1,224</b> | <b>1,009</b> | <b>1,117</b> | <b>1,180</b>  | <b>5.6</b> | <b>1,180</b>         | <b>0.0</b> | <b>1,180</b> | <b>0.0</b> |

## Counselor, Social Worker, and Marriage and Family Therapist Board



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 726          | 726          | 808          | 881              | 9.0        | 866                     | -1.7       | 866          | 0.0        |
| Purchased Personal Services                   | 123          | 15           | 53           | 54               | 2.4        | 57                      | 4.6        | 57           | 0.0        |
| Supplies & Maintenance                        | 313          | 263          | 256          | 228              | -10.9      | 240                     | 5.4        | 251          | 4.4        |
| Equipment                                     | 61           | 5            | 1            | 17               | 2,141.9    | 17                      | 0.0        | 6            | -64.0      |
| Judgments, Settlements, & Bonds               | 0            | 0            | 0            | 1                | 100.0      | 0                       | -100.0     | 0            | 0.0        |
| Transfers & Non-Expense                       | 0            | 0            | 0            | 0                | -100.0     | 1                       | 100.0      | 1            | 0.0        |
| <b>TOTAL</b>                                  | <b>1,224</b> | <b>1,009</b> | <b>1,117</b> | <b>1,180</b>     | <b>5.6</b> | <b>1,180</b>            | <b>0.0</b> | <b>1,180</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series ensures the health, safety, and general welfare of the citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Counselor, Social Worker, and Marriage and Family Therapist Board.

#### The Executive Recommendation will fund the following objectives:

- Maintain operations of the board with the goal of protection of the public;
- Processing of more than 3,000 new license applications, 14,000 license renewal applications, 700 continuing education program applications, and 300 continuing education provider applications per fiscal year;
- Investigation of more than 200 complaints per fiscal year; and
- Tracking of more than 3,000 licensing examination requests and results, more than 3,000 transcripts, and more than 4,000 supervision documents per fiscal year.

| FUND                     |      |        |           | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010          | FY 2011          |
| GSF                      | 4K90 | 899609 | Operating | 1,179,774        | 1,179,774        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>1,179,774</b> | <b>1,179,774</b> |

## Counselor, Social Worker, and Marriage and Family Therapist Board

### LINE ITEM SUMMARY - Counselor, Social Worker, and Marriage and Family Therapist Board

| FUND   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90   | 899609 | Operating | 1,224,210         | 1,008,984         | 1,117,171         | 1,179,774           | 1,179,774              | 0.0         | 1,179,774              | 0.0         |
| <b>TOTAL General Services</b>  |        |           | <b>1,224,210</b>  | <b>1,008,984</b>  | <b>1,117,171</b>  | <b>1,179,774</b>    | <b>1,179,774</b>       | <b>0.0</b>  | <b>1,179,774</b>       | <b>0.0</b>  |
| <b>TOTAL Counselor, Social Worker, and Marriage and Family Therapist Board</b> |        |           | <b>1,224,210</b>  | <b>1,008,984</b>  | <b>1,117,171</b>  | <b>1,179,774</b>    | <b>1,179,774</b>       | <b>0.0</b>  | <b>1,179,774</b>       | <b>0.0</b>  |

### Role and Overview

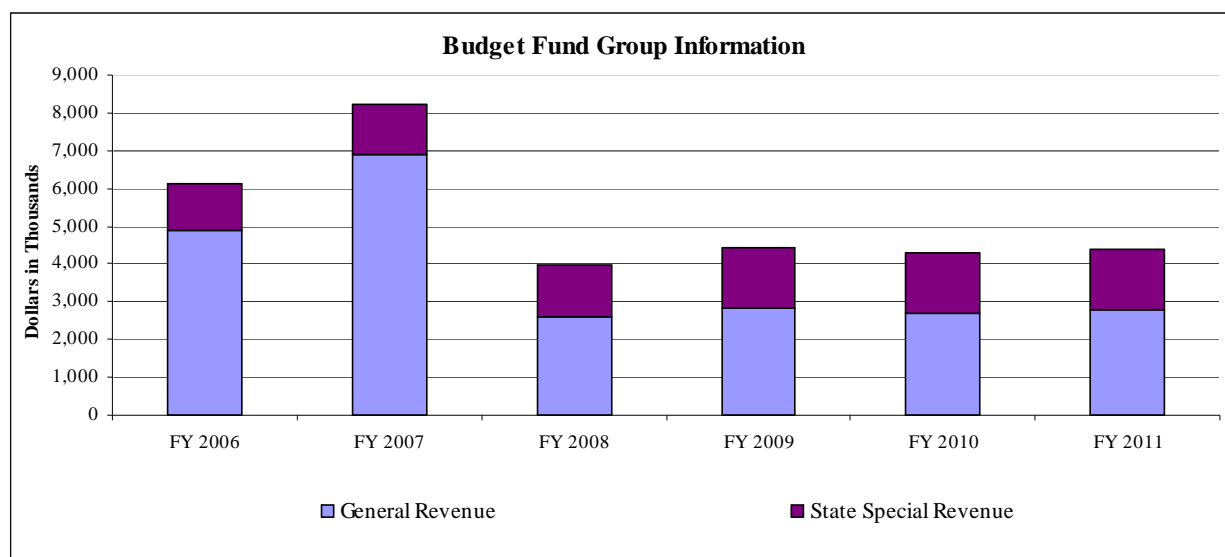
The Court of Claims (CLA) is a statutory court of original jurisdiction that was created to hear and determine all civil actions against the State of Ohio. The Court of Claims also hears and determines appeals from decisions concerning claims filed by victims of crime for awards of reparations, which are initially determined by the Attorney General. The Court of Claims has 29 full-time employees, three part-time retired judges assigned by the Chief Justice, one part-time magistrate appointed by a judge of the Court of Claims, seven part-time commissioners appointed by the Supreme Court, and two part-time law students appointed by the clerk. The annual budget of approximately \$4.4 million includes a GRF operating budget of \$2.8 million. Additional information regarding the Court of Claims is available at <http://www.cco.state.oh.us>.

As required by Section 107.03(B) of the Ohio Revised Code, the Governor has made no alterations to funding requests made by the judicial branch of government. Recommended amounts are as requested.

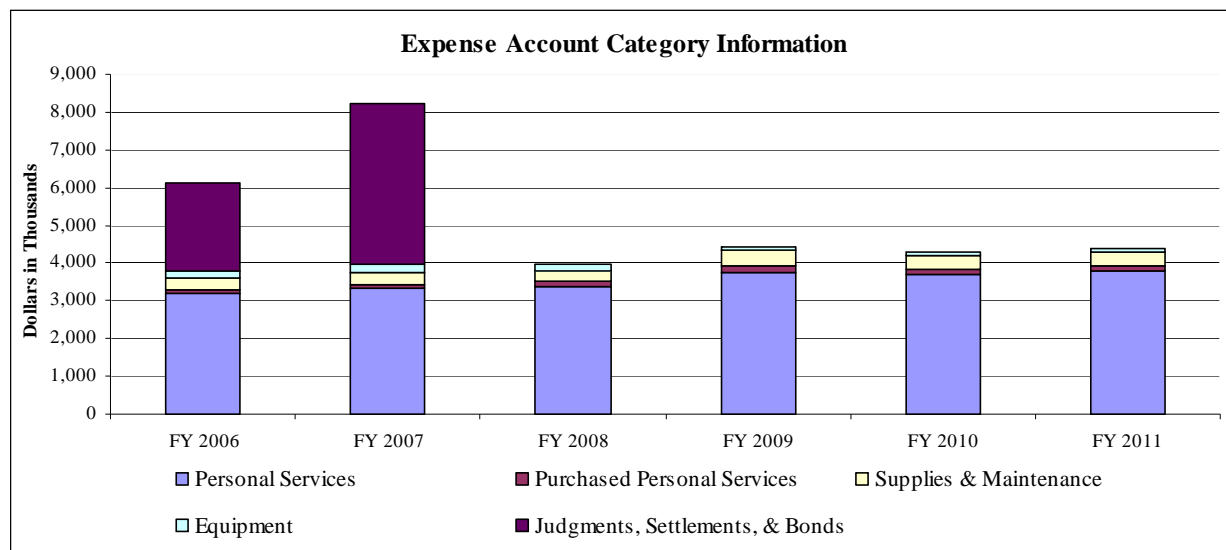
### Agency Priorities

- Hear and determine all civil actions filed against the State of Ohio and state agencies.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|-------------|----------------------|-------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011      | CHANGE     |
| General Revenue                     | 4,906        | 6,878        | 2,603        | 2,841         | 9.2         | 2,699                | -5.0        | 2,780        | 3.0        |
| State Special Revenue               | 1,222        | 1,362        | 1,350        | 1,583         | 17.2        | 1,583                | 0.0         | 1,583        | 0.0        |
| <b>TOTAL</b>                        | <b>6,128</b> | <b>8,240</b> | <b>3,954</b> | <b>4,424</b>  | <b>11.9</b> | <b>4,282</b>         | <b>-3.2</b> | <b>4,363</b> | <b>1.9</b> |



- The Court's GRF Wrongful Imprisonment Compensation line item is not appropriated in the biennial budget bill. Moneys are transferred from the Controlling Board's Emergency Purposes line item on an as-needed basis to pay individuals who have been judged wrongfully imprisoned by the State of Ohio. Upon certification by the Court of Claims (CLA), the Controlling Board transfers the sum necessary to the CLA line item. The Office of Budget and Management then distributes payment to the plaintiff. In fiscal years 2006 and 2007, the State of Ohio settled a total of six wrongful imprisonment lawsuits. This type of expense is reflected in the category of judgments, settlements, and bonds.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |              |            |
|---|--------------|--------------|--------------|------------------|-------------|-------------------------|-------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011      | CHANGE     |
| Personal Services                             | 3,186        | 3,340        | 3,381        | 3,746            | 10.8        | 3,720                   | -0.7        | 3,778        | 1.6        |
| Purchased Personal Services                   | 87           | 85           | 137          | 172              | 25.1        | 132                     | -23.2       | 134          | 1.5        |
| Supplies & Maintenance                        | 354          | 330          | 283          | 421              | 49.1        | 365                     | -13.5       | 370          | 1.4        |
| Equipment                                     | 143          | 225          | 153          | 85               | -44.1       | 66                      | -22.6       | 82           | 24.1       |
| Judgments, Settlements, & Bonds               | 2,358        | 4,260        | 0            | 0                | 0.0         | 0                       | 0.0         | 0            | 0.0        |
| <b>TOTAL</b>                                  | <b>6,128</b> | <b>8,240</b> | <b>3,954</b> | <b>4,424</b>     | <b>11.9</b> | <b>4,282</b>            | <b>-3.2</b> | <b>4,363</b> | <b>1.9</b> |

### PROGRAM SERIES 01: Court of Claims

The Court of Claims is a court of original jurisdiction that was created to hear and determine all civil actions against the State of Ohio. The Court of Claims also hears and determines appeals of decisions concerning claims filed by victims of crime for awards of reparations, which are initially determined by the Attorney General.

#### Program 01.01: Court of Claims

The Court of Claims hears claims that typically involve contract disputes, property damage, personal injury, immunity of state officers and employees, discrimination, and wrongful imprisonment.

#### The Executive Recommendation will fund the following objectives:

- Hear and determine civil actions filed against the State of Ohio and state agencies;

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**State of Ohio**  
**Court of Claims**

- Hear appeals from decisions made by the Attorney General on claims allowed under the Victims of Crime Act; and
- Continue the current level of 29 full-time positions, three part-time retired judges, one part-time magistrate, and seven part-time commissioners.

| FUND              |      |        |                      | RECOMMENDED |           |
|-------------------|------|--------|----------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME             | FY 2010     | FY 2011   |
| GRF               | GRF  | 015321 | Operating Expenses   | 2,699,369   | 2,780,350 |
| SSR               | 5K20 | 015603 | CLA Victims Of Crime | 1,582,684   | 1,582,684 |
| TOTAL FOR PROGRAM |      |        |                      | 4,282,053   | 4,363,034 |

**LINE ITEM SUMMARY - Court of Claims**

| FUND                               | ALI    | ALI NAME                   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------------|--------|----------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                                | 015321 | Operating Expenses         | 2,548,356         | 2,617,810         | 2,603,050         | 2,841,441           | 2,699,369              | -5.0        | 2,780,350              | 3.0         |
| GRF                                | 015402 | Wrongful Imprisonment Fund | 2,357,877         | 4,260,000         | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b>       |        |                            | <b>4,906,233</b>  | <b>6,877,810</b>  | <b>2,603,050</b>  | <b>2,841,441</b>    | <b>2,699,369</b>       | <b>-5.0</b> | <b>2,780,350</b>       | <b>3.0</b>  |
| 5K20                               | 015603 | Cla Victims of Crime       | 1,221,627         | 1,362,490         | 1,350,493         | 1,582,684           | 1,582,684              | 0.0         | 1,582,684              | 0.0         |
| <b>TOTAL State Special Revenue</b> |        |                            | <b>1,221,627</b>  | <b>1,362,490</b>  | <b>1,350,493</b>  | <b>1,582,684</b>    | <b>1,582,684</b>       | <b>0.0</b>  | <b>1,582,684</b>       | <b>0.0</b>  |
| <b>TOTAL Court of Claims</b>       |        |                            | <b>6,127,860</b>  | <b>8,240,300</b>  | <b>3,953,543</b>  | <b>4,424,125</b>    | <b>4,282,053</b>       | <b>-3.2</b> | <b>4,363,034</b>       | <b>1.9</b>  |



### Role and Overview

The Ohio Cultural Facilities Commission (OCFC) oversees capital improvement funds appropriated by the General Assembly and Governor for planning, construction, renovation, and expansion projects at Ohio's non-profit theatres, museums, science and technology centers, historical sites, and publicly owned professional sports venues.

Since 1988, more than \$528 million has been appropriated for over 300 projects of various sizes and complexities. The commission partners with non-profit groups and local governments to administer these community projects.

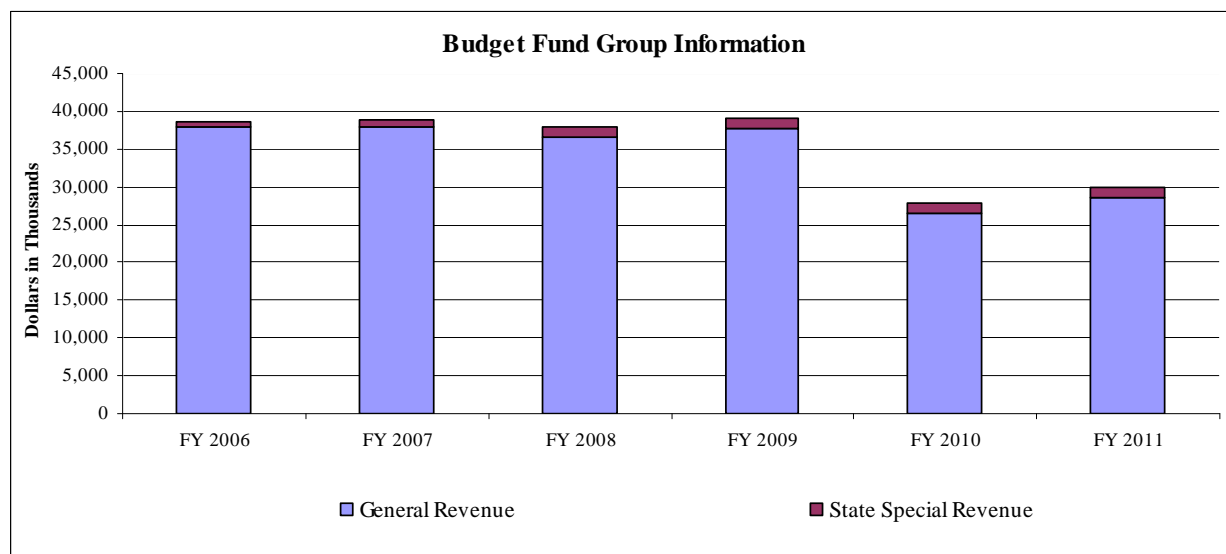
The commission operates with an executive director and staff that provide the oversight for the OCFC's projects. The staff members include professionals trained in landscape architecture, engineering, and project management. The commission has an annual budget of approximately \$39 million, which includes \$37.5 million for debt service payments on capital projects.

Additional information regarding the Ohio Cultural Facilities Commission is available at <http://www.culture.ohio.gov/>.

### Agency Priorities

- Protect public funds through the effective stewardship of more than \$528 million in state capital appropriations for cultural facilities projects.
- Balance the commission's dual role of ensuring that public funds are properly spent, while also adding value to projects through guidance and technical assistance.
- Support the consistent application of quality standards, based upon industry best practices.

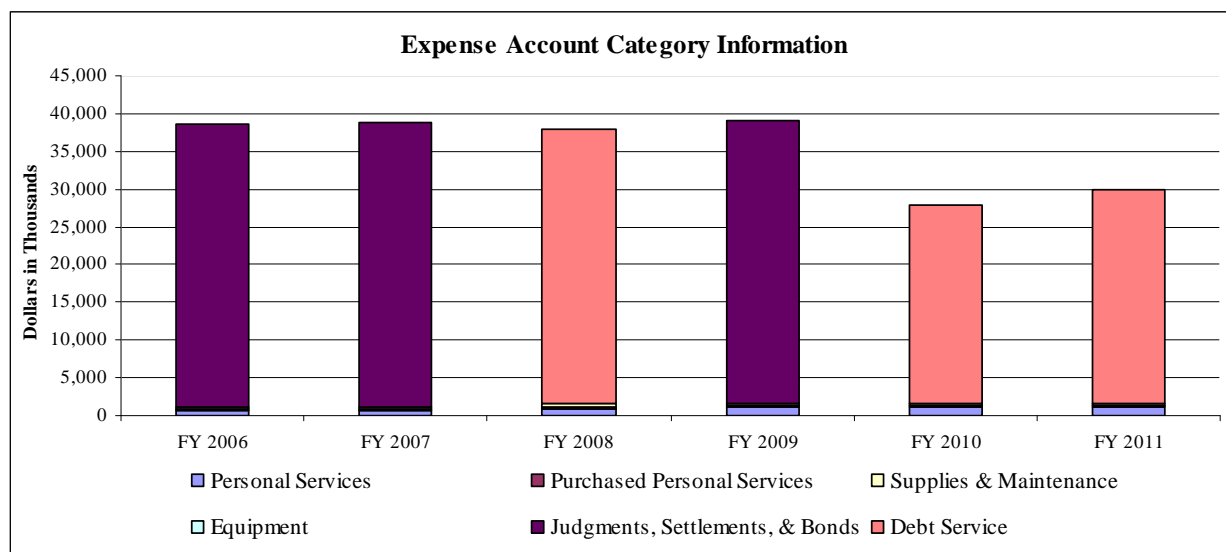
### Summary of Budget History and Recommendations



- Decrease in GRF funding in fiscal years 2010 and 2011 mostly due to reduction in debt service payments.

State of Ohio  
**Ohio Cultural Facilities Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |               |            |
|-------------------------------------|---------------|---------------|---------------|------------------|------------|-------------------------|--------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011       | CHANGE     |
| General Revenue                     | 37,822        | 37,868        | 36,634        | 37,614           | 2.7        | 26,596                  | -29.3        | 28,443        | 6.9        |
| State Special Revenue               | 863           | 877           | 1,384         | 1,384            | 0.0        | 1,384                   | 0.0          | 1,384         | 0.0        |
| <b>TOTAL</b>                        | <b>38,685</b> | <b>38,744</b> | <b>38,018</b> | <b>38,997</b>    | <b>2.6</b> | <b>27,980</b>           | <b>-28.3</b> | <b>29,826</b> | <b>6.6</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |               |            |
|---|---------------|---------------|---------------|------------------|------------|-------------------------|--------------|---------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011       | CHANGE     |
| Personal Services                             | 725           | 735           | 918           | 1,069            | 16.5       | 1,112                   | 4.0          | 1,157         | 4.0        |
| Purchased Personal Services                   | 150           | 186           | 316           | 205              | -35.0      | 162                     | -21.1        | 119           | -26.5      |
| Supplies & Maintenance                        | 158           | 157           | 262           | 229              | -12.8      | 246                     | 7.5          | 244           | -0.8       |
| Equipment                                     | 23            | 5             | 26            | 39               | 50.4       | 5                       | -88.3        | 5             | 0.0        |
| Judgments, Settlements, & Bonds               | 37,629        | 37,662        | 0             | 37,456           | 100.0      | 0                       | -100.0       | 0             | 0.0        |
| Debt Service                                  | 0             | 0             | 36,496        | 0                | -100.0     | 26,455                  | 100.0        | 28,302        | 7.0        |
| <b>TOTAL</b>                                  | <b>38,685</b> | <b>38,744</b> | <b>38,018</b> | <b>38,998</b>    | <b>2.6</b> | <b>27,980</b>           | <b>-28.3</b> | <b>29,826</b> | <b>6.6</b> |

**PROGRAM SERIES 01: Ohio Cultural Facilities Commission Operations**

This program encompasses all of the Ohio Cultural Facilities Commission's activities, which include oversight of cultural facilities projects across the state and making over \$37 million in debt service payments for all current and previous projects that have been placed within their oversight. OCFC also works with the Riffe Theaters located in Columbus to ensure equipment is properly maintained and replaced as necessary.

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State of Ohio  
**Ohio Cultural Facilities Commission**

**Program 01.01: Ohio Cultural Facilities Commission Operations**

OCFC provides oversight to all projects appropriated to the agency in the capital budget. As previously noted, their responsibilities include maintenance of the equipment in the Riffe Theater.

**The Executive Recommendation will fund the following objectives:**

- Support the implementation of existing capital projects totaling over \$524 million per year;
- Provide oversight of 302 on-going capital projects; and
- Ensure responsible oversight of capital projects, providing cultural facility improvements for all Ohioans.

| FUND                     |      |        |                                     | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010          | FY 2011          |
| GRF                      | GRF  | 371321 | Operating Expenses                  | 140,909          | 140,909          |
| SSR                      | 4T80 | 371601 | Riffe Theatre Equipment Maintenance | 81,000           | 81,000           |
| SSR                      | 4T80 | 371603 | Project Administration              | 1,302,866        | 1,302,866        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>1,524,775</b> | <b>1,524,775</b> |

**Program 01.02: Debt Service**

OCFC is responsible for the state's debt service payments on projects appropriated to the agency in the capital budget.

**The Executive Recommendation will fund the following objectives:**

- Fund all debt obligations for capital expenditures for the biennium.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 371401 | Lease Rental Payments | 26,454,900        | 28,301,600        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>26,454,900</b> | <b>28,301,600</b> |

State of Ohio  
Ohio Cultural Facilities Commission

**LINE ITEM SUMMARY - Cultural Facilities Commission**

| FUND  | ALI    | ALI NAME                            | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF   | 371321 | Operating Expenses                  | 193,175           | 205,385           | 138,135           | 158,123             | 140,909                | -10.9        | 140,909                | 0.0         |
| GRF   | 371401 | Lease Rental Payments               | 37,628,895        | 37,662,272        | 36,496,250        | 37,455,500          | 26,454,900             | -29.4        | 28,301,600             | 7.0         |
| <b>TOTAL General Revenue</b>                |        |                                     | <b>37,822,070</b> | <b>37,867,657</b> | <b>36,634,385</b> | <b>37,613,623</b>   | <b>26,595,809</b>      | <b>-29.3</b> | <b>28,442,509</b>      | <b>6.9</b>  |
| 4T80  | 371601 | Riffe Theatre Equipment Maintenance | 4,863             | 10,943            | 55,996            | 81,000              | 81,000                 | 0.0          | 81,000                 | 0.0         |
| 4T80  | 371603 | Project Administration              | 858,094           | 865,561           | 1,327,831         | 1,302,866           | 1,302,866              | 0.0          | 1,302,866              | 0.0         |
| <b>TOTAL State Special Revenue</b>          |        |                                     | <b>862,957</b>    | <b>876,504</b>    | <b>1,383,827</b>  | <b>1,383,866</b>    | <b>1,383,866</b>       | <b>0.0</b>   | <b>1,383,866</b>       | <b>0.0</b>  |
| <b>TOTAL Cultural Facilities Commission</b> |        |                                     | <b>38,685,027</b> | <b>38,744,161</b> | <b>38,018,212</b> | <b>38,997,489</b>   | <b>27,979,675</b>      | <b>-28.3</b> | <b>29,826,375</b>      | <b>6.6</b>  |

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## Proposed Mergers and Consolidations and Former Agencies/Commissions

Ohio Revised Code specifies that actual agency expenses by source of funds during each fiscal year of the previous two biennia be presented in comparative form. This section meets that requirement and identifies proposed agency or commission mergers or consolidations under the fiscal year 2010-2011 Executive Budget.

### **Commission on African American Males**

The responsibilities and appropriations for the Commission on African American Males were transferred to the Ohio State University in October 2007, pursuant to H.B. 119 of the 127<sup>th</sup> General Assembly.

### **Ohioana Library Association**

Although a nonprofit entity, designated as a 501(c)(3), and not a state agency, the Ohioana Library Association (OLA) has historically been presented as an agency in the executive budget recommendation for inclusion in the state operating budget. In an effort to streamline state government and achieve administrative efficiencies, OLA will receive both operating subsidy and rental appropriation as a combined line item within the State Library Board's budget for fiscal years 2010-2011. OLA operations will continue, as its distinct mission is not merged with the State Library of Ohio.

### **Personnel Board of Review**

In an effort to streamline state government and achieve administrative efficiencies, the State Personnel Board of Review (SPBR) will exist as a separate entity within the State Employment Relations Board (SERB) effective July 1, 2009. SPBR's three board members will continue to exercise SPBR's statutory functions regarding appeals of disciplinary actions, layoffs, and other personnel matters in public employment. However, SPBR's employees will become part of SERB and SPBR's board will receive all its services from SERB.

### **Ohio State School for the Blind and the Ohio School for the Deaf**

To promote the better coordination of all of Ohio's primary and secondary educational efforts and to realize greater operating efficiencies, the Governor proposes merging both the Ohio State School for the Blind and the Ohio School for the Deaf with the Ohio Department of Education, effective July 1, 2009. The schools will physically remain at their current locations in north Columbus, but the merger will place the Superintendent of Public Instruction directly in charge of the schools' operations.

### **Tobacco Use Prevention and Control Foundation**

In fiscal year 2008, Substitute House Bill 544 of the 127th General Assembly abolished the Tobacco Use Prevention and Control Foundation, transferred tobacco cessation responsibilities to the Department of Health (ODH), and liquidated the Tobacco Use Prevention Foundation endowment fund. From the liquidation, ODH received \$40 million in support of its efforts to reduce tobacco use by Ohioans, while the remaining proceeds were to be credited to the Jobs Fund, which was created by H.B. 554. In April 2008, the American Legacy Foundation filed a motion in the Franklin County Court of Common Pleas to prevent the transfer to the Jobs Fund and the court enjoined the state from moving forward with the transfer. The matter is still pending before the court.

### **Ohio Tuition Trust Authority**

Although the Ohio Tuition Trust Authority (TTA) is represented as a separate agency in the fiscal year 2010-2011 executive budget, to better illustrate its current function and goals, the executive budget proposes merging TTA into the Ohio Board of Regents (Regents). The proposed merger will provide efficiencies, as the TTA board will serve as an advisory body to the Chancellor of the Regents, who in turn will guide the TTA as it conducts its mission. The line item summary table for TTA is included with the agency narrative.

### **Ohio Veterans Home Agency and the Governor's Office of Veterans Affairs**

Prior to August 2008, the Ohio Veterans Home Agency (OVH) and the Governor's Office of Veterans Affairs (GOVA) were not affiliated. Amended Substitute Senate Bill 289 (SB 289) of the 127th General Assembly combined both agencies into the Department of Veterans Services (DVS). In addition, administrative reorganization added the State Approving Agency (SAA), Troops to Teachers (TTT), and Veterans' Records System programs to DVS's book of business. The merger of agencies also introduced new leadership to the former OVH. The new

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**Proposed Mergers and Consolidations and Former Agencies/Commissions**

leadership is focused on the expansion of the former GOVA functions (outreach) under the mandates established by SB 289. GOVA is not represented in the line item summary table below because appropriations are not made directly to GOVA, but rather as part of the Governor's Office budget.

## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - Commission on African American Males

| FUND  | ALI    | ALI NAME                           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF   | 036100 | Personal Services                  | 219,782           | 219,946           | 65,487            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF   | 036200 | Maintenance                        | 39,019            | 36,144            | 9,885             | 0                   | 0                      | .0          | 0                      | .0          |
| GRF   | 036300 | Equipment                          | 822               | 988               | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF   | 036501 | CAAM Awards & Scholarships         | 1,000             | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF   | 036502 | Community Projects                 | 20,000            | 21,000            | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b>                      |        |                                    | <b>280,623</b>    | <b>278,078</b>    | <b>75,371</b>     | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 4H30  | 036601 | African American Male-Gifts/Grants | 19,538            | 14,706            | 9,125             | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>                |        |                                    | <b>19,538</b>     | <b>14,706</b>     | <b>9,125</b>      | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Commission on African American Males</b> |        |                                    | <b>300,161</b>    | <b>292,784</b>    | <b>84,496</b>     | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |

## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - Ohioana Library Association

| FUND                                     | ALI    | ALI NAME        | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------------|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF                                      | 355501 | Library Subsidy | 200,000           | 200,000           | 196,000           | 170,569             | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Revenue</b>             |        |                 | <b>200,000</b>    | <b>200,000</b>    | <b>196,000</b>    | <b>170,569</b>      | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Ohioana Library Association</b> |        |                 | <b>200,000</b>    | <b>200,000</b>    | <b>196,000</b>    | <b>170,569</b>      | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |



## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - State Personnel Board of Review

| FUND   | ALI    | ALI NAME             | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|----------------------|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF  | 124321 | Operating            | 1,091,975         | 1,145,801         | 1,117,055         | 1,201,643           | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Revenue</b>                 |        |                      | <b>1,091,975</b>  | <b>1,145,801</b>  | <b>1,117,055</b>  | <b>1,201,643</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 6360   | 124601 | Transcript and Other | 5,038             | 4,087             | 8,737             | 15,000              | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Services</b>                |        |                      | <b>5,038</b>      | <b>4,087</b>      | <b>8,737</b>      | <b>15,000</b>       | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL State Personnel Board of Review</b> |        |                      | <b>1,097,013</b>  | <b>1,149,888</b>  | <b>1,125,792</b>  | <b>1,216,643</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |

## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - Ohio State School for the Blind

| FUND   | ALI    | ALI NAME                                     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF  | 226100 | Personal Services                            | 6,394,206         | 6,577,320         | 6,945,159         | 7,004,416           | 0                      | -100.0        | 0                      | .0          |
| GRF  | 226200 | Maintenance                                  | 767,299           | 695,158           | 818,684           | 653,739             | 0                      | -100.0        | 0                      | .0          |
| GRF  | 226300 | Equipment                                    | 45,954            | 19,072            | 83,289            | 45,000              | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Revenue</b>                 |        |  | <b>7,207,459</b>  | <b>7,291,550</b>  | <b>7,847,133</b>  | <b>7,703,155</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 4H80   | 226602 | Education Reform Grants                      | 21,410            | 31,661            | 30,495            | 37,514              | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Services</b>                |        |  | <b>21,410</b>     | <b>31,661</b>     | <b>30,495</b>     | <b>37,514</b>       | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 3100   | 226626 | Coordinating Unit                            | 2,144,000         | 2,164,724         | 2,118,233         | 1,991,056           | 0                      | -100.0        | 0                      | .0          |
| 3P50   | 226643 | Medicaid Professional Services Reimbursement | 26,830            | 0                 | 0                 | 50,000              | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b>         |        |  | <b>2,170,830</b>  | <b>2,164,724</b>  | <b>2,118,233</b>  | <b>2,041,056</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 4M50   | 226601 | Work Study & Technology Invest               | 99,456            | 135,511           | 176,821           | 217,397             | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>           |        |  | <b>99,456</b>     | <b>135,511</b>    | <b>176,821</b>    | <b>217,397</b>      | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Ohio State School for the Blind</b> |        |  | <b>9,499,154</b>  | <b>9,623,445</b>  | <b>10,172,682</b> | <b>9,999,122</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |

## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - Ohio School for the Deaf

| FUND                                  | ALI    | ALI NAME                                     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---------------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF                                   | 221100 | Personal Service                             | 8,023,205         | 8,189,072         | 8,776,102         | 8,816,255           | 0                      | -100.0        | 0                      | .0          |
| GRF                                   | 221200 | Maintenance                                  | 1,238,601         | 1,111,515         | 1,111,743         | 856,654             | 0                      | -100.0        | 0                      | .0          |
| GRF                                   | 221300 | Equipment                                    | 442,030           | 367,124           | 179,477           | 50,000              | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Revenue</b>          |        |  | <b>9,703,836</b>  | <b>9,667,711</b>  | <b>10,067,322</b> | <b>9,722,909</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 4M10                                  | 221602 | Education Reform Grants                      | 35,248            | 36,990            | 30,186            | 38,000              | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Services</b>         |        |  | <b>35,248</b>     | <b>36,990</b>     | <b>30,186</b>     | <b>38,000</b>       | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 3110                                  | 221625 | Coordinating Unit                            | 1,508,354         | 2,386,383         | 1,761,164         | 1,653,250           | 0                      | -100.0        | 0                      | .0          |
| 3AD0                                  | 221604 | VREAL Ohio                                   | 134,188           | 12,069            | 0                 | 0                   | 0                      | .0            | 0                      | .0          |
| 3R00                                  | 221684 | Medicaid Professional Services Reimbursement | 63,295            | 1,304             | 0                 | 34,999              | 0                      | -100.0        | 0                      | .0          |
| 3Y10                                  | 221686 | Early Childhood Grant                        | 219,718           | 297,211           | 261,155           | 250,000             | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b>  |        |  | <b>1,925,555</b>  | <b>2,696,967</b>  | <b>2,022,320</b>  | <b>1,938,249</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 4M00                                  | 221601 | Educational Program Expenses                 | 43,504            | 87,717            | 55,046            | 95,000              | 0                      | -100.0        | 0                      | .0          |
| 5H60                                  | 221609 | Even Start Fees & Gifts                      | 41,155            | 69,382            | 30,020            | 125,358             | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>    |        |  | <b>84,659</b>     | <b>157,099</b>    | <b>85,066</b>     | <b>220,358</b>      | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Ohio School for the Deaf</b> |        |  | <b>11,749,298</b> | <b>12,558,767</b> | <b>12,204,895</b> | <b>11,919,516</b>   | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |

## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - Tobacco Use, Prevention, and Control Foundation

| FUND   | ALI    | ALI NAME               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5M80   | 940601 | Operating Expenses-TUP | 1,435,122         | 1,498,837         | 1,344,425         | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>                              |        |                        | <b>1,435,122</b>  | <b>1,498,837</b>  | <b>1,344,425</b>  | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Tobacco Use, Prevention, and Control Foundation</b> |        |                        | <b>1,435,122</b>  | <b>1,498,837</b>  | <b>1,344,425</b>  | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |

## Proposed Mergers and Consolidations and Former Agencies/Commissions

### LINE ITEM SUMMARY - Veterans' Home Agency

| FUND                                 | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                                  | 430100 | Personal Services                        | 21,399,054        | 21,798,476        | 22,157,126        | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                                  | 430200 | Maintenance                              | 7,209,106         | 6,705,290         | 7,030,147         | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                                  | 430402 | Hall of Fame                             | 0                 | 0                 | 106,697           | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |  | <b>28,608,160</b> | <b>28,503,766</b> | <b>29,293,970</b> | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 4840                                 | 430603 | Rental and Service Revenue               | 670,378           | 544,122           | 570,179           | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Services</b>        |        |  | <b>670,378</b>    | <b>544,122</b>    | <b>570,179</b>    | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 3190                                 | 430785 | Emergency Generator, Fire Alarm-Security | 1,179,527         | 1,010,955         | 27,887            | 0                   | 0                      | .0          | 0                      | .0          |
| 3BX0                                 | 430609 | Medicare Services                        | 0                 | 528,010           | 717,343           | 0                   | 0                      | .0          | 0                      | .0          |
| 3L20                                 | 430601 | Federal Grants                           | 13,336,970        | 13,191,523        | 14,252,275        | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |  | <b>14,516,496</b> | <b>14,730,489</b> | <b>14,997,504</b> | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 4E20                                 | 430602 | Veterans Home Operating                  | 8,520,652         | 8,198,331         | 7,965,698         | 0                   | 0                      | .0          | 0                      | .0          |
| 6040                                 | 430604 | Veterans Home Improvement                | 700,018           | 338,478           | 640,248           | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>   |        |  | <b>9,220,670</b>  | <b>8,536,809</b>  | <b>8,605,947</b>  | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Veterans' Home Agency</b>   |        |  | <b>53,015,704</b> | <b>52,315,185</b> | <b>53,467,601</b> | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |

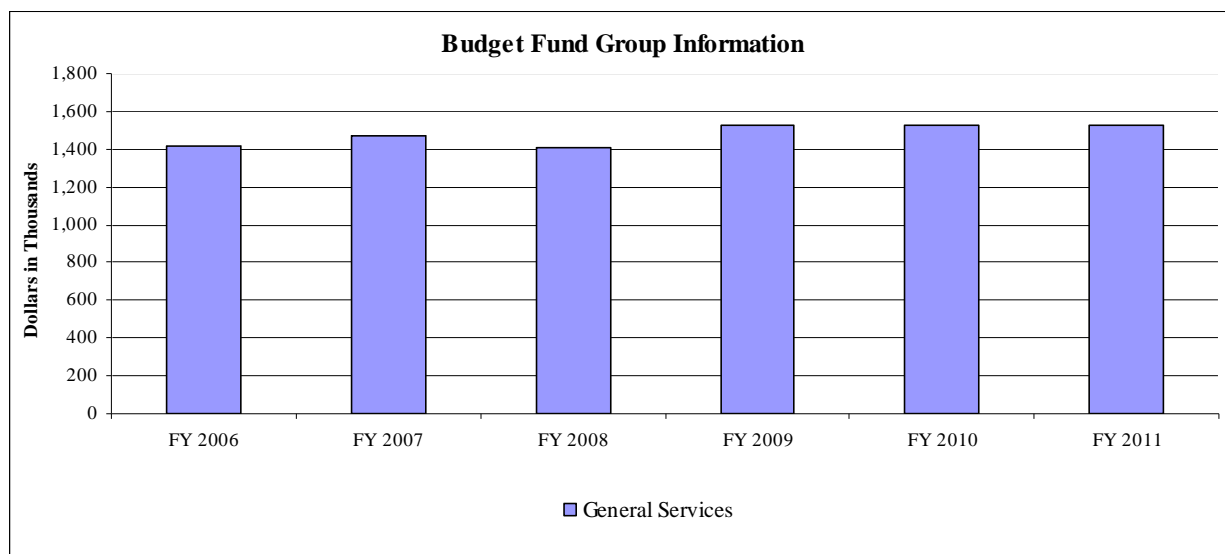
### Role and Overview

The Ohio State Dental Board (DEN) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice dentistry in Ohio. The board monitors those licensees to ensure compliance with the laws in the Ohio Revised Code. The Ohio State Dental Board regulates 6,902 dentists, 7,231 dental hygienists, and 10,135 dental assistant radiographers. Additional information regarding the Dental Board is available at: <http://dental.ohio.gov/>.

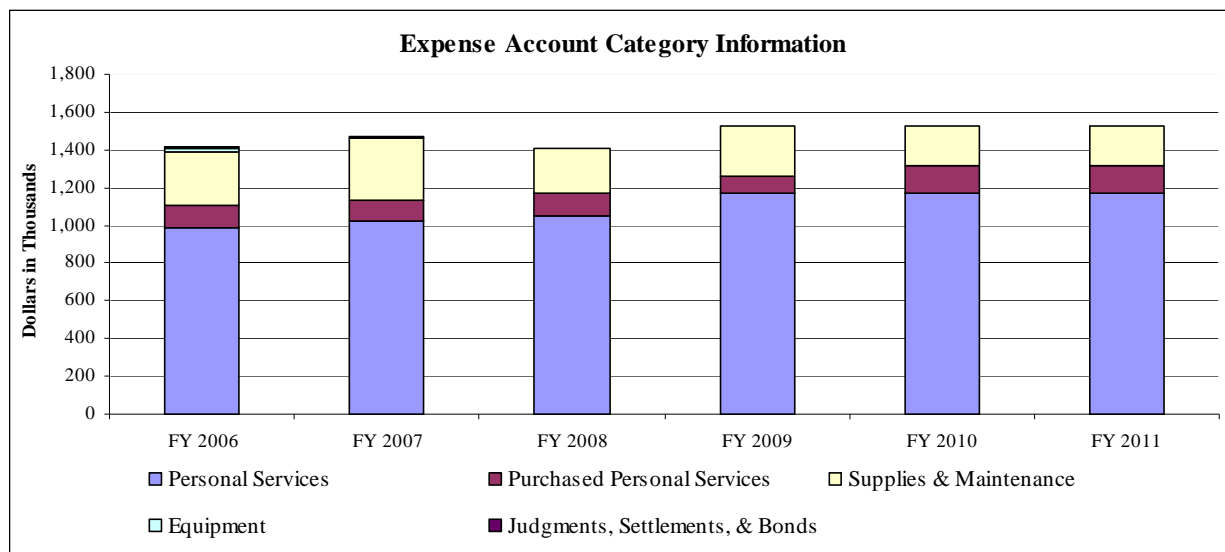
### Agency Priorities

- Ensure that qualified, competent applicants receive licenses to practice their chosen professional discipline in a timely fashion, with relative ease and efficiency in the process.
- Maintain, regulate, and enforce the rules, standards, and guidelines governing the practice of dentistry, dental hygiene, expanded function dental assisting, and dental assistant radiography.
- Promote prompt application and subsequent processing of all licensure and renewal requests.
- Continue to protect the public health, welfare, and safety through regulation and education while promoting the highest standards for the profession.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |              |            |
|------------------|--------------|--------------|--------------|---------------|------------|----------------------|------------|--------------|------------|
|                  | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Services | 1,420        | 1,473        | 1,410        | 1,529         | 8.4        | 1,529                | 0.0        | 1,529        | 0.0        |
| <b>TOTAL</b>     | <b>1,420</b> | <b>1,473</b> | <b>1,410</b> | <b>1,529</b>  | <b>8.4</b> | <b>1,529</b>         | <b>0.0</b> | <b>1,529</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 991          | 1,023        | 1,048        | 1,173            | 11.9       | 1,173                   | 0.0        | 1,173        | 0.0        |
| Purchased Personal Services                   | 115          | 114          | 124          | 90               | -27.7      | 146                     | 62.2       | 146          | 0.0        |
| Supplies & Maintenance                        | 279          | 329          | 237          | 266              | 12.5       | 210                     | -21.0      | 210          | 0.0        |
| Equipment                                     | 22           | 6            | 0            | 0                | -100.0     | 0                       | 0.0        | 0            | 0.0        |
| Judgments, Settlements, & Bonds               | 13           | 0            | 0            | 0                | 0.0        | 0                       | 0.0        | 0            | 0.0        |
| <b>TOTAL</b>                                  | <b>1,420</b> | <b>1,473</b> | <b>1,410</b> | <b>1,529</b>     | <b>8.4</b> | <b>1,529</b>            | <b>0.0</b> | <b>1,529</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes the operations of regulating the dentistry profession including issuing and renewing licenses, monitoring continuing education requirements, and investigating complaints filed with the board.

#### The Executive Recommendation will fund the following objectives:

- Support the operations of the board and staff;
- Enable basic renewal and new application processing for the approximately 6,900 dentists, 7,200 dental hygienists, and 10,000 dental assistant radiographers currently regulated; and
- Fund investigation of over 1,200 complaints per fiscal year.

| FUND                     |      |        |           | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010          | FY 2011          |
| GSF                      | 4K90 | 880609 | Operating | 1,528,749        | 1,528,749        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>1,528,749</b> | <b>1,528,749</b> |

**LINE ITEM SUMMARY - Ohio State Dental Board**

| FUND                                 | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                                 | 880609 | Operating | 1,420,325         | 1,472,877         | 1,409,944         | 1,528,749           | 1,528,749              | 0.0         | 1,528,749              | 0.0         |
| <b>TOTAL General Services</b>        |        |           | <b>1,420,325</b>  | <b>1,472,877</b>  | <b>1,409,944</b>  | <b>1,528,749</b>    | <b>1,528,749</b>       | <b>0.0</b>  | <b>1,528,749</b>       | <b>0.0</b>  |
| <b>TOTAL Ohio State Dental Board</b> |        |           | <b>1,420,325</b>  | <b>1,472,877</b>  | <b>1,409,944</b>  | <b>1,528,749</b>    | <b>1,528,749</b>       | <b>0.0</b>  | <b>1,528,749</b>       | <b>0.0</b>  |



### Role and Overview

The State Board of Deposit (BDP) designates the depositories of the public moneys of the state and implements the Uniform Depository Act as it applies to the state.

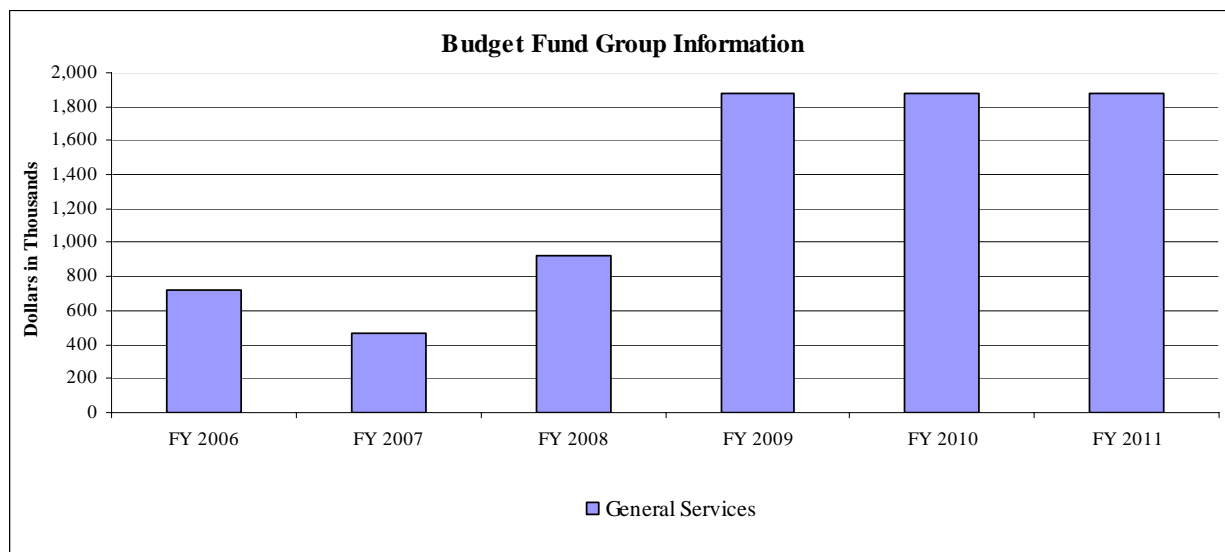
The Board of Deposit is made up of three elected officials: the State Treasurer, the State Auditor, and the Attorney General, or their designees. The Treasurer serves as the board's chairperson. The Cashier of the State Treasury serves as the board's secretary. The board's fiscal year 2009 budget is approximately \$1.9 million. The board's funding is used to pay for expenses related to the operation of the State Treasurer's Regular Bank Account and two auxiliary accounts, the Consolidated Check Clearing Account and the Treasurer's Custodial Contingency Account.

Additional information regarding the Board of Deposit is available at <http://ohioboardofdeposit.org/>.

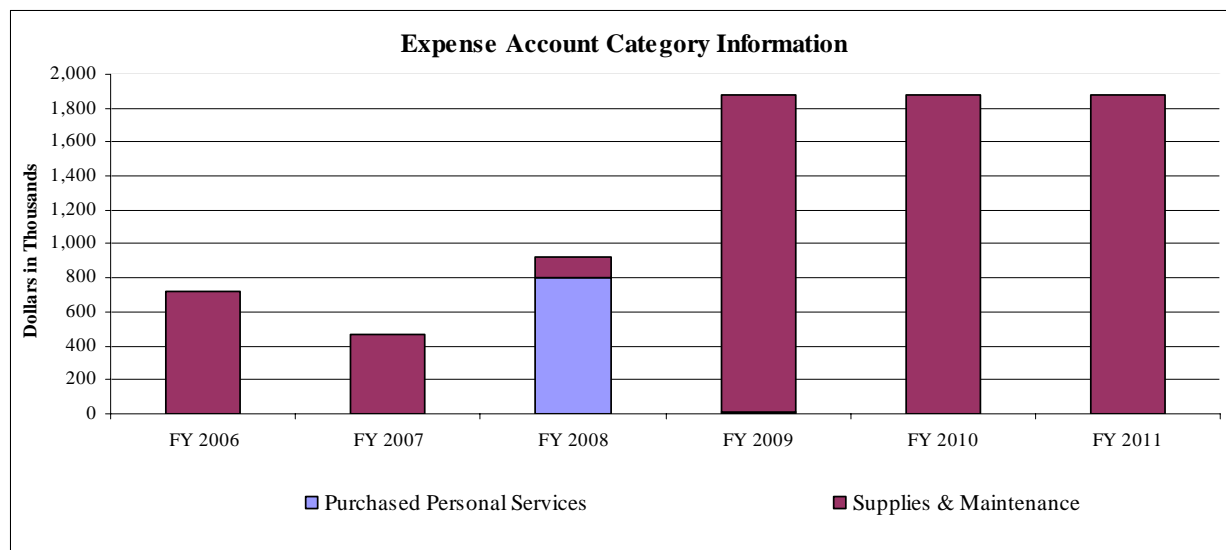
### Agency Priorities

- Designate the depositories of the public moneys of the state.
- Implement the Uniform Depository Act.
- Pay banking fees and charges for the State Treasurer's bank accounts.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL     |            |            | EST. % CHANGE |              | RECOMMENDED % CHANGE |            |              |            |
|------------------|------------|------------|------------|---------------|--------------|----------------------|------------|--------------|------------|
|                  | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09     | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Services | 718        | 463        | 928        | 1,876         | 102.2        | 1,876                | 0.0        | 1,876        | 0.0        |
| <b>TOTAL</b>     | <b>718</b> | <b>463</b> | <b>928</b> | <b>1,876</b>  | <b>102.2</b> | <b>1,876</b>         | <b>0.0</b> | <b>1,876</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | %<br>EST. CHANGE |              | RECOMMENDED  |             |              |             |
|---|------------|------------|------------|------------------|--------------|--------------|-------------|--------------|-------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09     | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Purchased Personal Services                   | 0          | 0          | 799        | 13               | -98.4        | 0            | -100.0      | 0            | 0.0         |
| Supplies & Maintenance                        | 718        | 463        | 129        | 1,863            | 1,341.9      | 1,876        | 0.7         | 1,876        | 0.0         |
| <b>TOTAL</b>                                  | <b>718</b> | <b>463</b> | <b>928</b> | <b>1,876</b>     | <b>102.2</b> | <b>1,876</b> | <b>0.0</b>  | <b>1,876</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: State Treasury Account Management

This program series designates the depositories of public moneys and provides for the payment of associated banking fees.

#### Program 01.01: State Treasury Account Management

This program designates the depositories of public moneys and provides for the payment of the State Treasurer's expenses.

#### The Executive Recommendation will fund the following objectives:

- Pay banking and trust service fees for the State Treasurer's bank accounts, which include all of the state's electronic tax payments, electronic receipt of all federal revenue received by the state, and trust service fees for the state's regular portfolio, as well as the Deferred Prizes Trust Fund for the Ohio Lottery Commission; and
- Award active moneys to and among eligible state depositories.

| FUND                     |      |        |                  | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010          | FY 2011          |
| GSF                      | 4M20 | 974601 | Board Of Deposit | 1,876,000        | 1,876,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>1,876,000</b> | <b>1,876,000</b> |

**LINE ITEM SUMMARY - Board of Deposit**

| FUND                          | ALI    | ALI NAME         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4M20                          | 974601 | Board of Deposit | 718,406           | 463,346           | 927,892           | 1,876,000           | 1,876,000              | 0.0         | 1,876,000              | 0.0         |
| <b>TOTAL General Services</b> |        |                  | <b>718,406</b>    | <b>463,346</b>    | <b>927,892</b>    | <b>1,876,000</b>    | <b>1,876,000</b>       | <b>0.0</b>  | <b>1,876,000</b>       | <b>0.0</b>  |
| <b>TOTAL Board of Deposit</b> |        |                  | <b>718,406</b>    | <b>463,346</b>    | <b>927,892</b>    | <b>1,876,000</b>    | <b>1,876,000</b>       | <b>0.0</b>  | <b>1,876,000</b>       | <b>0.0</b>  |

### Role and Overview

Our mission at the Ohio Department of Development is to change the trajectory of Ohio's economy by purposefully redesigning the business climate to increase the global competitiveness of Ohio's businesses, resulting in prosperity for all Ohioans. To accomplish this we must: grow the income of Ohioans; create and retain jobs for Ohioans; and expand productivity through innovation. Working with our partners across business, state and local governments, academia, and the non-profit sector, the Department works to attract, create, grow, and retain businesses through competitive incentives, targeted investments, and aggressive marketing. The Department administers funding for community development and housing programs, electric utility service payment assistance, home weatherization and energy conservation, international trade, technology and innovation, economic development, minority business development, workforce and talent development and training, small business development and entrepreneurship, urban development, and travel and tourism promotion. The department also provides funding for public infrastructure improvements and for private capital investments that create employment opportunities and retain employees. With approximately 450 employees and a network of international trade offices, the department has an annual budget of nearly \$1.3 billion, of which approximately 72 percent is distributed through loans and grants.

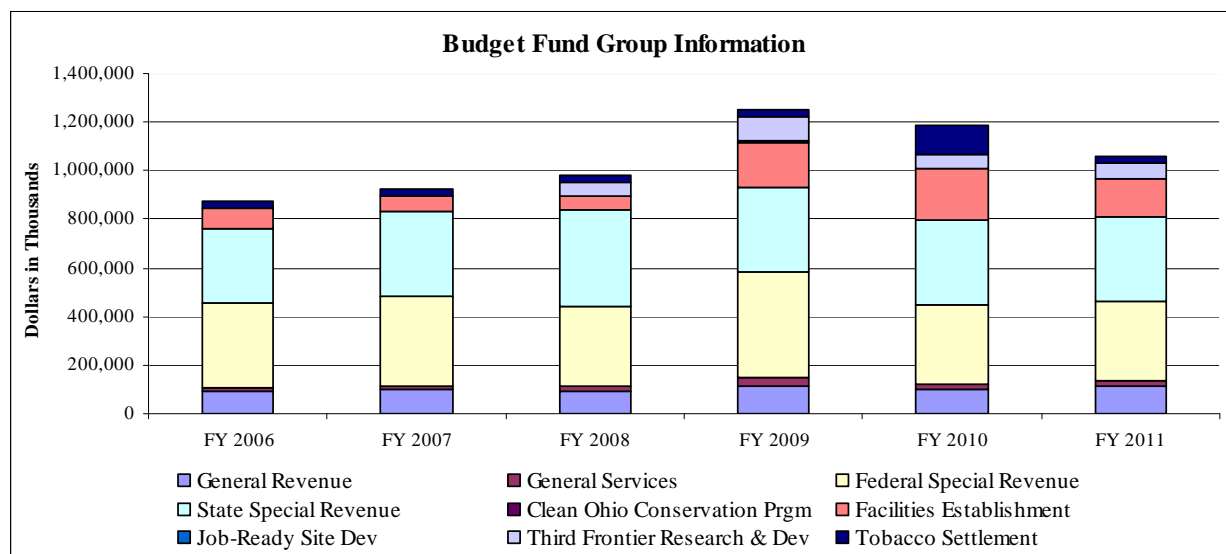
More information regarding the Department of Development is available at <http://development.ohio.gov>.

### Agency Priorities

- Continue implementation of the Department's Strategic Plan: *Ohio, Home of Innovation and Opportunity*.
- Continue to invest in core industries that have made Ohio strong, while working to grow new and emerging industries that are becoming the cornerstones of a globally-competitive economic future for our state through continued support for our economic development incentives portfolio.
- Build Ohio's regional economies and globally competitive industries, spur small- and mid-size business growth, support emerging entrepreneurs in the urban core, and foster innovation.
- Continue to have flexibility in competing for capital investments and job creation for our state.
- Support workforce and talent initiatives that give Ohio's incumbent workers access to world-class training and education that is flexible, affordable, and demand-driven by businesses.
- Facilitate partnerships between employers, training providers, and other system stakeholders to meet the workforce, education, training, and placement needs of Ohio's businesses through a continued commitment to a business-focused Workforce and Talent Division that links all the state's economic development programs and services.
- Target former Ohio residents and graduates living elsewhere through the launch of Ohio Means Home, a new integrated marketing and communications campaign.
- Maintain the marketing and public relations efforts that promote Ohio as a destination generating additional visitation while also supporting business development and workforce recruitment efforts by demonstrating Ohio's quality of life and instilling pride amongst its residents.
- Commit to the renewal and improvement of the Ohio Third Frontier program, currently funded through 2012, with a continued focus on supporting the five stages of commercialization.
- Integrate our technology-based economic development programs and align the Edison Centers and Edison Incubators with our targeted industries and technological focus of the Ohio Third Frontier.
- Develop Ohio Hubs of Innovation and Opportunity to leverage our regional strengths to create targeted geographical intersections of our physical and human capital assets. These Ohio Hubs will serve as knowledge intersections where our targeted industries and core research and technology competencies feed off one another.
- Match the supply needs of Ohio's large companies with the product and services of Ohio's smaller businesses through Check Ohio First, a new website and program.
- Continue to support and develop Advanced Energy initiatives, through a number of programs, to ensure that Ohio is a leader in this rapidly growing industry.
- Maintain and broaden existing Clean Ohio Fund programs.

- As a result of the passage of Issue 2, the Executive Transportation Bill will revise Amended Substitute House Bill 562 in order to increase the Clean Ohio Revitalization program from \$32 million to \$80 million and the Clean Ohio Assistance program from \$8 million to \$20 million.
- Develop and implement new urban revitalization initiatives and execute the Historic Preservation Tax Credit program.
- Establish the urban entrepreneurship initiative to provide a comprehensive business assistance model designed to enhance the growth, scale, and infrastructure of minority-owned and operated businesses.
- Grow and support minority- and women-owned enterprises and small businesses.
- Develop country specific strategies that focus on key opportunities in our targeted industries through our Global Markets Division and their international network of offices.
- Commit to better accountability and focus on our customers. To do so, we must improve the transparency and accountability of economic development investments, respond to our customers with speed and agility, and strengthen collaboration with our state partners with initiatives like the Ohio Economic Growth Cabinet.
- Implement the Ohio Neighborhood Recovery Program to tackle the negative results of foreclosure and long-term tax delinquency.
- Support regional collaboration to further statewide and regional economic development goals.

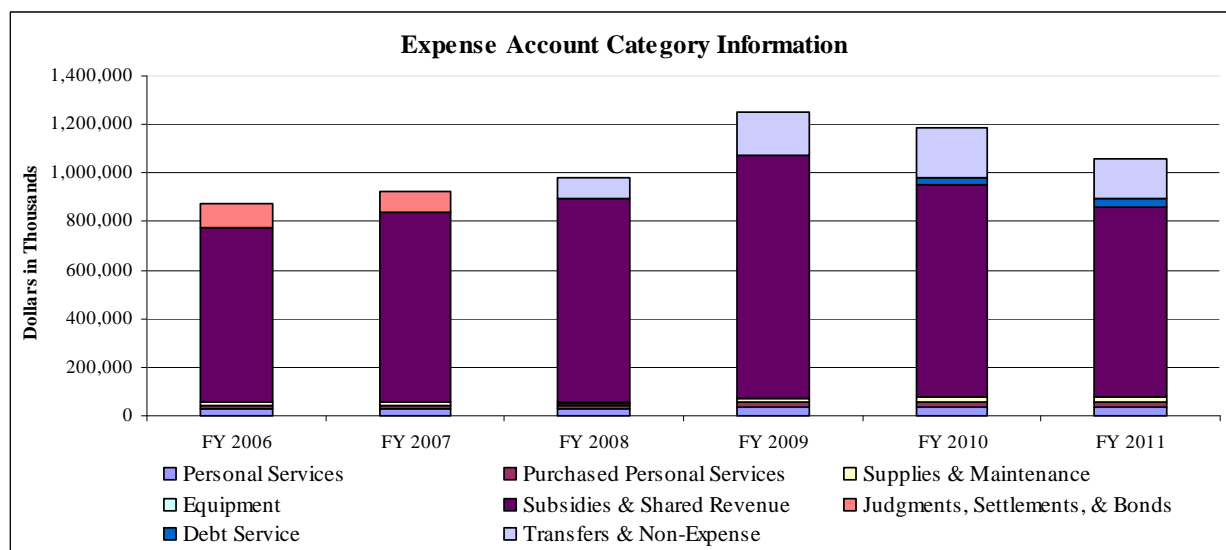
### Summary of Budget History and Recommendations



- Agency budget, including federal revenue, does not include federal stimulus funding.
- Tobacco settlement includes Building Ohio Jobs stimulus dollars.

State of Ohio  
Department of Development

| (In Thousands)                        | ACTUAL         |                |                | EST.             | %           | RECOMMENDED      |             |                  |              |
|---------------------------------------|----------------|----------------|----------------|------------------|-------------|------------------|-------------|------------------|--------------|
| BUDGET FUND GROUP                     | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010          | %           | FY 2011          | %            |
|                                       |                |                |                |                  | CHANGE      |                  | CHANGE      |                  | CHANGE       |
| General Revenue                       | 92,295         | 98,951         | 91,047         | 111,468          | 22.4        | 99,613           | -10.6       | 112,092          | 12.5         |
| General Services                      | 16,381         | 15,238         | 19,599         | 40,531           | 106.8       | 20,933           | -48.4       | 20,955           | 0.1          |
| Federal Special Revenue               | 345,008        | 371,636        | 327,594        | 431,558          | 31.7        | 328,665          | -23.8       | 327,465          | -0.4         |
| State Special Revenue                 | 304,529        | 343,134        | 396,989        | 350,095          | -11.8       | 346,581          | -1.0        | 346,548          | 0.0          |
| Clean Ohio Conservation Program       | 208            | 207            | 335            | 550              | 64.2        | 964              | 75.3        | 953              | -1.1         |
| Facilities Establishment              | 90,045         | 63,840         | 59,889         | 184,000          | 207.2       | 209,000          | 13.6        | 159,000          | -23.9        |
| Job-Ready Site Development            | 0              | 412            | 166            | 1,246            | 651.6       | 1,246            | 0.0         | 1,246            | 0.0          |
| Third Frontier Research & Development | 0              | 3,736          | 53,369         | 101,932          | 91.0        | 61,000           | -40.2       | 61,000           | 0.0          |
| Tobacco Settlement                    | 22,997         | 26,957         | 33,784         | 32,000           | -5.3        | 121,257          | 278.9       | 31,260           | -74.2        |
| <b>TOTAL</b>                          | <b>871,463</b> | <b>924,111</b> | <b>982,771</b> | <b>1,253,381</b> | <b>27.5</b> | <b>1,189,259</b> | <b>-5.1</b> | <b>1,060,519</b> | <b>-10.8</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)                  | ACTUAL         |                |                | EST.             | %           | RECOMMENDED      |             |                  |              |
|---------------------------------|----------------|----------------|----------------|------------------|-------------|------------------|-------------|------------------|--------------|
| EXPENSE ACCOUNT CATEGORY        | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010          | %           | FY 2011          | %            |
|                                 |                |                |                |                  | CHANGE      |                  | CHANGE      |                  | CHANGE       |
| Personal Services               | 28,883         | 29,885         | 29,362         | 37,728           | 28.5        | 38,323           | 1.6         | 38,563           | 0.6          |
| Purchased Personal Services     | 12,447         | 12,749         | 11,623         | 17,673           | 52.1        | 19,233           | 8.8         | 19,379           | 0.8          |
| Supplies & Maintenance          | 13,708         | 13,629         | 12,129         | 16,823           | 38.7        | 19,102           | 13.5        | 19,125           | 0.1          |
| Equipment                       | 984            | 806            | 224            | 414              | 84.5        | 1,015            | 145.4       | 693              | -31.7        |
| Subsidies & Shared Revenue      | 719,112        | 780,427        | 842,113        | 1,002,095        | 19.0        | 873,015          | -12.9       | 781,200          | -10.5        |
| Judgments, Settlements, & Bonds | 96,327         | 86,615         | 0              | 331              | 100.0       | 0                | -100.0      | 0                | 0.0          |
| Debt Service                    | 0              | 0              | 22             | 19               | -12.7       | 26,634           | 140,151.2   | 39,614           | 48.7         |
| Transfers & Non-Expense         | 0              | 0              | 87,299         | 178,298          | 104.2       | 211,938          | 18.9        | 161,947          | -23.6        |
| <b>TOTAL</b>                    | <b>871,463</b> | <b>924,111</b> | <b>982,771</b> | <b>1,253,381</b> | <b>27.5</b> | <b>1,189,259</b> | <b>-5.1</b> | <b>1,060,519</b> | <b>-10.8</b> |

**PROGRAM SERIES 01: Economic Development**

This program series supports economic development in Ohio through competitive incentives, targeted investments, funding for public infrastructure improvements, aggressive marketing, workforce and talent development and training, and development of minority-owned and small business and entrepreneurship to stimulate private capital investments that create employment opportunities and retain employees.

**Program 01.01: Business Development**

This program supports the retention, expansion, and attraction of private business investment directly leading to job creation and/or retention; and supports public sector creation and maintenance of roadwork infrastructure which directly supports business activities. This program, serving in a lead sales capacity for Ohio economic development activities, facilitates the offering of business incentives such as grants, loans, and tax credits as negotiation tools. This program also maintains a web-based, searchable inventory of industrial sites across the state for use in site selection activities.

**The Executive Recommendation will fund the following objectives:**

- Administer financial incentive grant and loan programs;
- Implement new collaborative model for economic development in Ohio;
- Support sales force for Ohio economic development activities which facilitate capital investment, job creation and retention, and regional collaboration;
- Ensure that recipients of grants and loans meet the conditions to receive funding; and
- Support the Development Finance Advisory Council.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195415 | Regional Offices / Economic Development | 2,175,631        | 2,174,326        |
| 012                      | 7012 | 195688 | Job Ready Site - Operating              | 213,498          | 214,803          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>2,389,129</b> | <b>2,389,129</b> |

**Program 01.02: Grants & Tax Incentives**

This program provides grants to private companies and local communities to assist with capital investment and infrastructure improvement projects that increase Ohio's attractiveness as a business location. The program's investment in economic development endeavors is targeted toward projects that will create or retain high-wage jobs. This program also provides tax incentives directly tied to job creation and/or significant job retention.

**The Executive Recommendation will fund the following objectives:**

- Increase capital investment in the State of Ohio through the Rapid Outreach Grants, Roadwork Development Grants, Rural Development Initiative Grants, Industrial Site Improvement Grants, and Economic Development Contingency Grants;
- Provide assistance for infrastructure improvements, land development, building construction, and machinery and equipment purchases; and
- Stimulate additional private investment in new or expanded business facilities, primarily by helping companies reduce their upfront costs of locating new operations in the state.

**State of Ohio**  
**Department of Development**

| FUND                     |      |        |                                    | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 195412 | Business Development Grants        | 9,000,000         | 9,000,000         |
| GRF                      | GRF  | 195912 | Job Ready Site Development-GO Debt | 5,685,400         | 10,601,900        |
| GSF                      | 5AD0 | 195677 | Economic Development Contingency   | 4,000,000         | 4,000,000         |
| SSR                      | 4S00 | 195630 | Enterprise Zone Operating          | 650,800           | 650,800           |
| SSR                      | 4W00 | 195629 | Roadwork Development               | 18,699,900        | 18,699,900        |
| 012                      | 7012 | 195688 | Job Ready Site - Operating         | 644,553           | 626,956           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>38,680,653</b> | <b>43,579,556</b> |

**Program 01.03: Loans & Servicing**

This program provides long-term, low-interest loans to businesses, local communities, and non-profit organizations that leverage significant private investment and demonstrate the ability to retain and create high paying jobs in the State of Ohio. The loan proceeds may be used to finance a variety of costs including but not limited to machinery and equipment, land and buildings, research and development equipment, industrial parks, speculative buildings, and software development costs. Interest rates and loan repayment terms are tailored to fit the specific needs of a project. This program also provides back-office servicing of loans, to include receipt of principal and interest payments, management of amortization information, and Uniform Commercial Code filings. This program also manages oversight of regional (field-based) loan programs.

**The Executive Recommendation will fund the following objectives:**

- Fund the Innovation Ohio Loan Program, Research and Development Loan Program, 166 Direct Loan Program, Urban Redevelopment Loan Program, and Rural Industrial Park Loan Program; and
- Provide long-term, low-interest loans to businesses, local communities, private developers, and nonprofit organizations.

| FUND                     |      |        |   | RECOMMENDED        |                    |
|--------------------------|------|--------|---|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                  | FY 2010            | FY 2011            |
| SSR                      | 4510 | 195625 | Economic Development Financing Operating  | 3,433,311          | 3,433,311          |
| 037                      | 4Z60 | 195647 | Rural Industrial Park Loan                | 3,000,000          | 3,000,000          |
| 037                      | 5D20 | 195650 | Urban Redevelopment Loans                 | 5,000,000          | 5,000,000          |
| 037                      | 5S80 | 195627 | Rural Development Initiative              | 3,000,000          | 3,000,000          |
| 037                      | 7008 | 195698 | Logistics And Distribution Infrastructure | 75,000,000         | 25,000,000         |
| 037                      | 7009 | 195664 | Innovation Ohio                           | 20,000,000         | 20,000,000         |
| 037                      | 7010 | 195665 | Research & Development                    | 35,000,000         | 35,000,000         |
| 037                      | 7037 | 195615 | Facilities Establishment                  | 65,000,000         | 65,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>209,433,311</b> | <b>159,433,311</b> |

**Program 01.04: Ohio Energy Office**

This program connects companies and communities to financial and technical resources to deploy advanced energy technologies and energy efficiency measures. This program includes funding through the Advanced Energy Fund, the Alternative Fuel Transportation Grant Fund, and the U.S. Department of Energy State Energy Plan.

**The Executive Recommendation will fund the following objectives:**

- Provide a more secure energy future for Ohio by conducting industrial energy assessments;
- Award grants for renewable energy installations;
- Weatherize homes for low-income households to reduce energy consumption and costs;
- Provide households with energy efficiency retrofits or education on demand-side energy management; and
- Assist in financing energy projects.



**State of Ohio**  
**Department of Development**

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 195498 | State Energy Match                    | 96,820            | 96,820            |
| FED                      | 3080 | 195618 | Energy Federal Grants                 | 3,400,000         | 3,400,000         |
| FED                      | 3350 | 195610 | Oil Overcharge                        | 1,800,000         | 1,100,000         |
| SSR                      | 5CG0 | 195679 | Alternative Fuel Transportation       | 1,000,000         | 1,000,000         |
| SSR                      | 5M50 | 195660 | Energy Efficiency Revolving Loan Fund | 17,000,000        | 17,000,000        |
| SSR                      | 5X10 | 195651 | Exempt Facility Inspection            | 8,000             | 0                 |
| SSR                      | 6170 | 195654 | Volume Cap Administration             | 200,000           | 200,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>23,504,820</b> | <b>22,796,820</b> |

**Program 01.05: Strategic Business Investment - Administration**

This program oversees all operations of the Department's business retention, attraction, and expansion programs. It also oversees management of federal and state funds for commercial advanced energy and energy efficiency programs, as well as the Advanced Energy Fund. Oversight focuses on several areas, including: financial management, process design and management, personnel management, and management of key economic development projects.

**The Executive Recommendation will fund the following objectives:**

- Oversight of key economic development programs and priorities;
- Support negotiations with key economic development prospects and projects; and
- Provide policy input and direction on a variety of economic development issues.

| FUND                     |      |        |                                       | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010        | FY 2011        |
| GRF                      | GRF  | 195415 | Regional Offices/economic Development | 213,498        | 214,803        |
| 012                      | 7012 | 195688 | Job Ready Site - Operating            | 388,104        | 404,396        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>601,602</b> | <b>619,199</b> |

**Program 01.06: Regionalization of Economic Development**

This program consists of 12 regional offices that assist industry and the community by facilitating state government responses to business and community concerns. Staff in the regional offices assists in retaining, expanding, and creating new employment opportunities in the state and serve as liaisons between their region and state government.

**The Executive Recommendation will fund the following objectives:**

- Fund administrative costs for 12 regional offices to focus on Ohio's strengths by building on Ohio's regional economies;
- Provide assistance to local governments, businesses, and professional economic development agencies for the retention, expansion, and creation of new businesses and employment opportunities in Ohio;
- Support liaison activity between regional constituents and state government; and
- Partner with the Ohio Board of Regents and the Ohio Department of Job and Family Services to continue to implement the Ohio Skills Bank.

| FUND                     |      |        |                                       | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195415 | Regional Offices/economic Development | 3,293,000        | 3,293,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>3,293,000</b> | <b>3,293,000</b> |

**Program 01.07: Workforce & Talent**

This program enhances the competitiveness of Ohio's businesses through the cultivation of top talent and the development of workers' skills and abilities. The program provides for the delivery and administration of workforce and talent development grants to Ohio businesses and business-focused services to employers. Development staff provides administrative and technical support to the federally-mandated Governor's Workforce Policy Advisory Board which oversees the development of workforce and talent development program policies and coordinates various federal and state workforce development initiatives.

**The Executive Recommendation will fund the following objectives:**

- Administer the Ohio Workforce Guarantee Training Program which assists businesses in educating and training Ohio's workforce;
- Attract workforce to the state through initiatives such as Ohio Means Home which will market Ohio opportunities to people with Ohio ties living outside the state;
- Support efforts to better link workforce training and education to economic development priorities and coordinate with the Governor's Jobs Strike Force to retain and grow jobs in Ohio; and
- Support the Governor's Workforce Policy Board.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 195415 | Regional Offices/economic Development | 200,000           | 200,000           |
| GRF                      | GRF  | 195434 | Industrial Training Grants            | 11,334,893        | 11,334,893        |
| GRF                      | GRF  | 195436 | Labor/management Cooperation          | 752,603           | 752,603           |
| GRF                      | GRF  | 195522 | Targeted Industry Training Grants     | 3,800,000         | 3,800,000         |
| GRF                      | GRF  | 195523 | Workforce Retention & Attraction      | 500,000           | 500,000           |
| FED                      | 3AE0 | 195643 | Workforce Development Initiatives     | 17,000,000        | 16,500,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>33,587,496</b> | <b>33,087,496</b> |

**Program 01.08: Entrepreneurship & Small Business**

This program supports the unique needs and concerns of Ohio entrepreneurs and small businesses to assist them in starting and growing sustainable, healthy, and profitable businesses. The primary delivery system consists of 37 Small Business Development Centers which provide free counseling and low-cost training to business start-ups and expansions, facilitating job creation and retention. Specialty centers focus on manufacturers and international trade, as well as areas affected by plant closures and high unemployment.

**The Executive Recommendation will fund the following objectives:**

- Administer the Small Business Development Center Program, which supports a variety of services including a network of regional direct-service offices, the eVantage in-depth counseling and training program, and international trade assistance for new exporters and small business register (regulatory alert system);
- Support Small Business Roundtables in soliciting the concerns and priorities of small business owners;
- Provide women business resource programs;
- Provide procurement opportunities through programs like Check Ohio First;
- Support small business incubators; and
- Provide financing assistance through programs such as the Ohio Lender Participation Program.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195404 | Small Business Development    | 1,565,770        | 1,565,770        |
| FED                      | 3080 | 195609 | Small Business Administration | 4,411,381        | 4,411,381        |
| SSR                      | 4F20 | 195639 | State Special Projects        | 400,000          | 400,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>6,377,151</b> | <b>6,377,151</b> |

**Program 01.09: Minority Business Enterprise**

This program offers financial and technical assistance to support the growth and expansion of minority and socially and economically disadvantaged businesses in Ohio and emerging entrepreneurs in our cities' urban core. Program resources include grants, loans, surety bonds, and services to increase the capacity of these businesses to create and retain jobs, maintain stability, improve competitiveness, and obtain contracts. The program provides federal contract procurement assistance to Ohio companies becoming vendors to the federal government.

**The Executive Recommendation will fund the following objectives:**

- Support the operation of the Minority Contractors Business Assistance Program, an eight-office network which annually provides management and technical assistance counseling sessions to Ohio minority-owned, small and disadvantaged business;
- Provide specialized contract procurement assistance to Ohio businesses through the federally funded Ohio Procurement Technical Assistance Center network;
- Expand the Capital Access Program and continue other public-private financing to provide loans to minority-owned, small and disadvantaged businesses;
- Continue to support the Minority Business Development Organization network and the EDGE Mentor-Protégé Program; and
- Drive the implementation of a public-private surety bond guaranty program which provides bid, performance, and payment bonds allowing state-certified disadvantaged business enterprises to pursue contracting opportunities.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195405 | Minority Business Development     | 1,238,528        | 1,238,528        |
| GSF                      | 4W10 | 195646 | Minority Business Enterprise Loan | 2,580,597        | 2,580,597        |
| FED                      | 3080 | 195609 | Small Business Administration     | 600,000          | 600,000          |
| SSR                      | 4500 | 195624 | Minority Bus Bond Program Admin   | 53,967           | 53,967           |
| 037                      | 5S90 | 195628 | Capital Access Loan Program       | 3,000,000        | 3,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>7,473,092</b> | <b>7,473,092</b> |

**PROGRAM SERIES 02: Appalachian Development**

This program series works to promote the advantage of Ohio's 32 Appalachian counties by supporting local, regional, state, and federal initiatives which contribute to the economic, educational, and community prosperity of the people of Ohio's Appalachian region.

**Program 02.01: Appalachian Development**

This program aims to improve the standard of living for residents of the 32 Ohio counties designated as part of Appalachia. The economic and community development-related activities of the program include grants supported by state and federal funding. These are administered with the help of four local development district offices located in Marietta, Cambridge, Waverly, and Youngstown.

**The Executive Recommendation will fund the following objectives:**

- Continue state support of Appalachian development activities, including participation in federal Appalachian Regional Commission efforts;
- Increase job opportunities and per capita income in Appalachia to reach parity with the nation;
- Strengthen the capacity of the people of Appalachia to compete in the global economy; and
- Support efforts to develop and improve Appalachia's infrastructure to make the region more economically competitive, including extending affordable broadband to remote areas.

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| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195416 | Governor's Office Of Appalachia        | 4,508,741        | 4,508,741        |
| GRF                      | GRF  | 195501 | Appalachian Local Development District | 391,482          | 391,482          |
| GRF                      | GRF  | 195502 | Appalachian Regional Commission Dues   | 221,924          | 221,924          |
| FED                      | 3080 | 195602 | Appalachian Regional Commission        | 475,000          | 475,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>5,597,147</b> | <b>5,597,147</b> |

### PROGRAM SERIES 03: Technology and Innovation

This program series supports economic development through the research, development, and commercialization of advanced systems, processes, and products.

#### Program 03.01: Thomas Edison Program

This program supports economic development in Ohio by funding a network of non-profit organizations around the state that provide technical and business assistance to meet the needs of innovative companies in key existing and emerging technology and advanced manufacturing industry sectors. The services are delivered by the *Edison Technology Centers* and the *Edison Technology Incubators* which help to expand the capacity of Ohio's technology and manufacturing sectors, increase their market share, and realize measurable productivity improvements, as well as support the formation, growth, and attraction of new technology-oriented companies.

#### The Executive Recommendation will fund the following objectives:

- Support up to seven Edison Centers and twelve Edison Incubators to assist new and existing businesses in product-based technology, bringing new and improved products to market, and improving efficient processes;
- Provide operational support for the assistance to small- and medium-sized technology based businesses through Ohio's Technology Investment Tax Credit Program; and
- Provide operational support for the Ohio Venture Capital Authority and the Governor's Aerospace and Defense Advisor.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 195401 | Thomas Edison Program | 15,796,751        | 15,796,751        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>15,796,751</b> | <b>15,796,751</b> |

#### Program 03.02: Third Frontier Program

This program supports competitive grants focused in the following areas: research and commercialization (five technology platforms are targeted: biomedical; advanced/alternative energy; instruments, controls, and electronics; advanced materials; and advanced propulsion), entrepreneurial assistance projects; pre-seed funds; fuel cell projects; advanced energy projects; technology-related internships; and technology-based industry attraction. Program grants support the creation of technology-based jobs, companies, and income in Ohio, as well as the attraction of additional research dollars, third-party equity investments, license income, product sales, new companies, and highly skilled researchers and entrepreneurs into Ohio.

#### The Executive Recommendation will fund the following objectives:

- Maintain support for competitive grants in the following areas: Research & Commercialization Projects, Wright Projects, Entrepreneurial Assistance Projects, Pre-Seed Funds, Fuel Cell Projects, Advanced Energy Projects, Ohio Research Commercialization Grant Program, Ohio Third Frontier Internship Program, and Technology-based Industry Attraction Program;

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- Provide operational support for the Ohio Third Frontier Commission and the Ohio Third Frontier Advisory Boards; and
- Provide early stage capital and entrepreneurial assistance to small- and medium-sized innovative businesses.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010           | FY 2011           |
| GRF                      | GRF  | 195422 | Technology Action                               | 3,500,000         | 3,500,000         |
| GRF                      | GRF  | 195905 | Third Frontier Research & Cm-GO                 | 20,948,300        | 29,011,600        |
| 011                      | 7011 | 195687 | Third Frontier Research & Development Projects  | 55,000,000        | 55,000,000        |
| 011                      | 7014 | 195692 | Third Frontier R&D Tax Bond                     | 6,000,000         | 6,000,000         |
|                          |      |        | Biomedical Research / Technology Transfer Trust |                   |                   |
| TSF                      | M087 | 195435 | Fund  | 1,257,363         | 1,259,563         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>86,705,663</b> | <b>94,771,163</b> |

**Program 03.03: Biomedical/Bioproducts Job Stimulus**

This program includes the Biomedical Job Stimulus Fund and the Bioproducts Job Stimulus Fund. Both funds provide competitive grants to projects that have high job creation potential through either industry attraction or expansion opportunities that accelerate the growth of Ohio's biomedical industry cluster and bioproduct industry cluster. The program focuses its investments on companies that enable the commercialization of technologies in specific areas of Ohio strength. In addition, the program supports the development of industry-enabling infrastructure/support opportunities that accelerate the growth of these two industry clusters.

**The Executive Recommendation will fund the following objectives:**

- Provide support for growth and attraction of biomedical companies and industry-enabling infrastructure that have near-term employment potential;
- Provide support for growth and attraction of bioproducts companies and industry-enabling infrastructure that have near-term employment potential; and
- Support the biomedical advisory group and bioproducts advisory group in collaboration with the Department of Agriculture.

| FUND                     |      |        |                | RECOMMENDED        |                   |
|--------------------------|------|--------|----------------|--------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME       | FY 2010            | FY 2011           |
| TSF                      | 5Z30 | 195694 | JF Bioproducts | 40,000,000         | 10,000,000        |
| TSF                      | 5Z30 | 195695 | JF Biomedical  | 80,000,000         | 20,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                | <b>120,000,000</b> | <b>30,000,000</b> |

**Program 03.04: Technology Programs—Other**

This program includes the Manufacturing Extension Partnership Program (MEP) under the Department's technology division. The MEP program provides services to small- and medium-size manufacturing firms in engineering and technology, market development, and workforce development to enhance productivity, technological performance, and strengthen global competitiveness.

**The Executive Recommendation will fund the following objectives:**

- Manage federal funds and provide federally required state cost share for the state-wide Manufacturing Extension Partnership Program through Edison Technology Centers; and
- Expand the Manufacturing Extension Partnership Program delivery mechanisms to include specific focus on the targeted industry sectors of the Ohio Department of Development's Strategic Plan.

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| FUND                     |      |        |                  | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010          | FY 2011          |
| FED                      | 3080 | 195605 | Federal Projects | 5,000,000        | 5,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>5,000,000</b> | <b>5,000,000</b> |

#### **PROGRAM SERIES 04: Community Development**

This program series consists of various state and federal programs benefitting low- and moderate-income individuals and families. Among other functions, programs support local economic development activities to create and retain jobs, rehabilitate communities and neighborhoods through infrastructure improvements, and provide weatherization services, energy conservation incentives, and homeless assistance.

##### **Program 04.01: Local Housing Support**

This program provides funding to rehabilitate/repair/construct affordable housing, maintain affordable housing, operate emergency shelters, prevent homelessness, complete emergency home repairs/accessibility modifications, provide down payment assistance/homebuyer counseling, and help elderly and disabled low-income residents of rental housing identify and obtain services and benefits offered in the local community.

##### **The Executive Recommendation will fund the following objectives:**

- Assist approximately 1.6 million low- and moderate-income persons;
- Provide 23,800 households with rental assistance;
- Rehabilitate/repair/construct 7,400 owner-occupied homes;
- Rehabilitate 5,300 rental units;
- Provide homebuyer/counseling/education to 20,200 households;
- Provide 5,745 households with homeless prevention assistance; and
- Provide 2,100 people with referral to community-based services.

| FUND                     |      |        |                                     | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010            | FY 2011            |
| GRF                      | GRF  | 195497 | CDBG Operating Match                | 211,215            | 211,215            |
| FED                      | 3080 | 195603 | Housing & Urban Development         | 6,000,000          | 6,000,000          |
| FED                      | 3K80 | 195613 | Community Development Block Grant   | 13,000,000         | 13,000,000         |
| FED                      | 3V10 | 195601 | HOME Program                        | 40,000,000         | 40,000,000         |
| SSR                      | 6460 | 195638 | Low & Moderate Income Housing Trust | 50,350,000         | 50,350,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>109,561,215</b> | <b>109,561,215</b> |

##### **Program 04.02: Services to Alleviate Poverty**

This program supports activities that address unmet home energy costs, unemployment and underemployment, inadequate education, inefficient and/or ineffective use of income, inadequate housing, inability to meet emergency needs, incomplete use of available programs and services, and starvation and malnutrition. Funds are provided to community action agencies serving all 88 Ohio counties.

##### **The Executive Recommendation will fund the following objectives:**

- Improve the lives of low-income households by providing energy assistance to one million families during the biennium; and
- Provide funding to Community Action Agencies to assist 400,000 low-income families to become more self-sufficient, improve their living conditions, and provide workforce development/displaced worker training.

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| FUND                     |      |        |                                    | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010            | FY 2011            |
| FED                      | 3K90 | 195611 | Home Energy Assistance Block Grant | 115,743,608        | 115,743,608        |
| FED                      | 3L00 | 195612 | Community Services Block Grant     | 25,235,000         | 25,235,000         |
| SSR                      | 4F20 | 195699 | Utility Provided Funds             | 500,000            | 500,000            |
| SSR                      | 5M40 | 195659 | Universal Service Fund (USF)       | 230,000,000        | 230,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>371,478,608</b> | <b>371,478,608</b> |

**Program 04.03: Energy Efficiency**

This program consists of several activities that promote energy efficiency and assist low-income Ohioans with energy conservation, weatherization services, and meeting high costs of home heating. The Electric Partnership Program provides targeted energy efficiency and customer education services to eligible low-income households by: performing in-home energy audits and installing appropriate electric-base load and thermal energy efficiency measures; and educating low-income households about energy consumption reduction.

**The Executive Recommendation will fund the following objectives:**

- Weatherize 147,000 homes for low-income households to reduce energy consumption and costs; and
- Provide 18,000 households with energy efficiency retrofits or education on demand side energy management.

| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| GSF                      | 5DU0 | 195689 | Energy Projects              | 840,000           | 840,000           |
| FED                      | 3080 | 195605 | Federal Projects             | 17,000,000        | 17,000,000        |
| FED                      | 3K90 | 195614 | HEAP Weatherization          | 22,000,000        | 22,000,000        |
| SSR                      | 5M40 | 195659 | Universal Service Fund (USF) | 15,000,000        | 15,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>54,840,000</b> | <b>54,840,000</b> |

**Program 04.04: Local Community Development**

This program provides low-interest, long-term financing for housing and economic development projects that revitalize low- and moderate-income communities; improves and expands public works facilities and infrastructure to prevent the deterioration of property and neighborhoods and eliminate health hazards; stabilizes central business districts; creates/retains permanent private-sector jobs; develops small businesses; provides public improvements directly related to business development; provides fair housing educational outreach; and provides training and technical assistance to build the capacity of nonprofit organizations.

**The Executive Recommendation will fund the following objectives:**

- Assist approximately 7.2 million low- and moderate-income persons;
- Install/improve 2.4 million linear feet of sidewalks, streets, walkways, curbs, water and sewer lines, public utility infrastructure and flood and drainage infrastructure;
- Rehabilitate/construct 18 water/sewer facilities;
- Create/retain 1,730 jobs;
- Install/repair/purchase 5,000 pieces of machinery/equipment;
- Acquire/rehabilitate/improve/construct 1,700,000 square feet of structure;
- Improve 240 central business district building facades;
- Rehabilitate/repair/construct 130 commercial buildings;
- Rehabilitate/repair/construct 100 senior centers/neighborhood facilities/community centers/fire stations;
- Rehabilitate/repair/construct 490 housing units;
- Assist 110 businesses; and



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- Offer 50 fair housing educational/training opportunities.

| FUND                     |      |        |                                     | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010           | FY 2011           |
| GRF                      | GRF  | 195497 | CDBG Operating Match                | 844,860           | 844,860           |
| GRF                      | GRF  | 195520 | Ohio Main Street Program            | 575,000           | 75,000            |
| FED                      | 3K80 | 195613 | Community Development Block Grant   | 52,000,000        | 52,000,000        |
| SSR                      | 4440 | 195607 | Water & Sewer Commission Loans      | 500,000           | 500,000           |
| SSR                      | 6110 | 195631 | Water & Sewer Administration        | 10,000            | 10,000            |
| SSR                      | 6460 | 195638 | Low & Moderate Income Housing Trust | 2,650,000         | 2,650,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>56,579,860</b> | <b>56,079,860</b> |

### PROGRAM SERIES 05: Global Markets

This program series promotes Ohio exports and Ohio as a business location for foreign direct investment.

#### Program 05.01: Global Markets

This program aims to strengthen Ohio's global competitiveness by providing customized consulting services to Ohio companies to assist them to increase the exports of their products and services, and to market Ohio as a premier business location for direct investment by foreign-owned companies. The program operates a network of international trade and investment offices and independent contractors around the globe; and supports the organization of business development trips, trade missions, and staff-led export-focused missions.

#### The Executive Recommendation will fund the following objectives:

- Expand exports for Ohio companies through customized and comprehensive consulting services provided by staff members in Ohio and the international offices;
- Support efforts to develop leads for new and expanded foreign direct investment in Ohio by marketing Ohio to prospective and current investors;
- Develop country specific strategies that focus on key opportunities in our targeted industries;
- Develop and maintain multilingual marketing materials and web portals to share the Ohio Story around the world;
- Fund the planning and execution of business missions to key global markets; and
- Continue to support the Ohio Global Markets Advisory Group.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195432 | International Trade               | 3,889,566        | 3,889,566        |
| SSR                      | 5W60 | 195691 | International Trade Co-Op Project | 25,000           | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>3,914,566</b> | <b>3,889,566</b> |

### PROGRAM SERIES 06: Ohio Tourism

This program series promotes Ohio as a destination for tourism, and as a location for film and video production.

#### Program 06.01: Ohio Tourism

This program consists of integrated destination marketing campaigns and initiatives including print, television, online, outdoor, social media, radio advertising, regional and national public relations, multicultural tourism initiatives, the DiscoverOhio.com website, travel publications, fulfillment center, and the 1-800-BUCKEYE call center. The program includes a multitude of leveraged partnership opportunities for local and regional travel



industry businesses and organizations. The program also consists of targeted grants for the marketing of specific tourism destinations. In addition, the Tourism Division houses and supports the efforts of the Ohio Film Office.

**The Executive Recommendation will fund the following objectives:**

- Continue to develop and implement effective integrated marketing campaigns that “Share the Ohio Story” while generating a high return on investment in visitor spending among both primary regional and multicultural audiences;
- Maintain the marketing and public relations efforts that promote Ohio as a visitor destination generating additional visitation while also supporting business development and workforce recruitment efforts by demonstrating Ohio’s quality of life and instilling pride among its residents; and
- Support the ongoing efforts of the Ohio Film Office and the Ohio Film Advisory Group to promote film production in Ohio.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195407 | Travel And Tourism            | 1,399,410        | 1,399,410        |
| GRF                      | GRF  | 195507 | Travel And Tourism Grants     | 500,000          | 500,000          |
| GRF                      | GRF  | 195521 | Discover Ohio!                | 6,800,903        | 6,800,903        |
| GSF                      | 5W50 | 195690 | Travel & Tourism Coop Project | 350,000          | 350,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>9,050,313</b> | <b>9,050,313</b> |

**PROGRAM SERIES 07: Brownfield Redevelopment & Urban Revitalization**

This program series provides assistance to communities and public and private entities to clean up former industrial or commercial properties and renovate historic properties to bring them back into productive use and spur urban redevelopment.

**Program 07.01: Clean Ohio & Urban Revitalization**

This program provides both grants and loans to public entities (townships, municipalities, counties, port authorities and park/conservancy districts) to remediate brownfield properties. This assistance can be used on private or public lands for cleanup and remediation, demolition, minimal infrastructure improvements necessary for economic viability, environmental assessments, and acquisition. This program also provides tax credits for the restoration of historic properties, enabling the rehabilitation and cleanup required to create economic impact in key redevelopment areas.

**The Executive Recommendation will fund the following objectives:**

- Support the Urban Development Division’s administration of the Clean Ohio Revitalization Fund on behalf of the Clean Ohio Council which to local governments for eligible brownfield redevelopment activities including acquisition, remediation, demolition, and the minimum amount of infrastructure required to make a property economically viable;
- Support the implementation and administration of the Clean Ohio Assistance Fund Program;
- Support the implementation and administration of the Ohio Historic Preservation Tax Credit program and urban revitalization initiatives; and
- Fund the development of a data management system and other tools that provide for improved financial and programmatic administration of the Clean Ohio and urban revitalization programs.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| GRF                      | GRF  | 195426 | Clean Ohio Implementation | 168,365          | 168,365          |
| CLF                      | 7003 | 195663 | Clean Ohio - Operating    | 964,200          | 953,300          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>1,132,565</b> | <b>1,121,665</b> |

**Program 07.02: Brownfield Revolving Loan Fund**

This program provides low interest loans to private and public borrowers, and sub grants to non-profit and public entities to complete brownfield projects including demolition, cleanup, and remediation. Funded through competitive United States Environmental Protection Agency grants, Ohio has one of the largest Brownfield Revolving Loan Fund programs in the nation.

**The Executive Recommendation will fund the following objectives:**

- Provide low-interest loans and sub-grants to eligible entities for the cleanup of brownfield properties as well as implementation and administration of current Brownfield Revolving Loan Fund projects;
- Support Clean Ohio brownfield and urban revitalization initiatives by providing gap financing for projects in need of additional cleanup dollars; and
- Support future requests for funding from the United States Environmental Protection Agency.

| FUND                     |      |        |                  | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010          | FY 2011          |
| FED                      | 3080 | 195605 | Federal Projects | 5,000,000        | 5,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>5,000,000</b> | <b>5,000,000</b> |

**PROGRAM SERIES 08: Communications & Marketing**

This program series promotes the department's programs and services, our diverse state, different regional economies and assets, a broad portfolio of technologies and globally competitive products and services, and a redesigned business climate that enables companies to win globally. This includes work with the Ohio Business Development Coalition in the development of a state brand, the implementation of a regional marketing program designed to generate business leads and promote Ohio's regions, and the Ohio Sales Strategy.

**Program 08.01: Communications & Marketing**

This program supports the execution of all aspects of internal and external communication that originate from the department. This program also supports all graphics and photography work required by the department and the production of collateral print and electronic materials needed by all divisions within the department to promote numerous programs and services. This program also supports the promulgation of the Ohio brand to other state departments and Ohio partners.

**The Executive Recommendation will fund the following objectives:**

- Provide funding to assist with the operations of the Ohio Business Development Coalition to generate business leads, develop a statewide brand, and support regional marketing programs;
- Fund the Office of Communications and Marketing which drives earned media for department programs and services; provides marketing consulting services to department divisions and offices, including graphic and photography services, web design and maintenance, and marketing strategies; and plans and executes department announcements, special events and promotions; and
- Support the Ohio Sales Strategy, a comprehensive, coordinated, and targeted state-level sales plan designed to refine the statewide lead management process and improve the quality and delivery of information to site selection consultants and corporate location executives.

| FUND                     |      |        |                     | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010          | FY 2011          |
| GSF                      | 1350 | 195684 | Supportive Services | 1,233,400        | 1,213,400        |
| SSR                      | 4F20 | 195676 | Promote Ohio        | 6,100,000        | 6,100,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>7,333,400</b> | <b>7,313,400</b> |

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**PROGRAM SERIES 09: Program Management**

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This program series provides centralized administrative services to the department.

**Program 09.01: Program Management**

This program provides centralized services within the department including legal support, human resources, budget and financial management, auditing, information technology maintenance and development, facilities management, government relations, and strategic planning and research.

**The Executive Recommendation will fund the following objectives:**

- Support centralized services within the department including legal support, human resources, budget and financial management, auditing, information technology maintenance and development, facilities management, government relations, and strategic planning and research; and
- Support the Build-IT initiative of the department's strategic plan to provide application development investments such as business-need assessments, process reengineering, and information systems development designed to optimize the department's processes, reduce complexity and improve performance and customer service.

| FUND                     |      |        |                        | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010           | FY 2011           |
| GSF                      | 1350 | 195684 | Supportive Services    | 10,929,044        | 10,971,044        |
| GSF                      | 6850 | 195636 | General Reimbursements | 1,000,000         | 1,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>11,929,044</b> | <b>11,971,044</b> |

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**LINE ITEM SUMMARY - Department of Development**

| FUND | ALI    | ALI NAME                                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 195321 | Operating Expenses                      | 2,861,990         | 2,734,583         | 34,784            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 195401 | Thomas Edison Program                   | 16,116,787        | 19,579,172        | 15,912,879        | 16,143,229          | 15,796,751             | -2.1        | 15,796,751             | 0.0         |
| GRF  | 195404 | Small Business Development              | 1,805,268         | 1,592,355         | 1,600,819         | 1,561,822           | 1,565,770              | 0.3         | 1,565,770              | 0.0         |
| GRF  | 195405 | Minority Business Development           | 1,534,912         | 1,420,785         | 1,340,358         | 1,235,405           | 1,238,528              | 0.3         | 1,238,528              | 0.0         |
| GRF  | 195407 | Travel and Tourism                      | 7,658,407         | 7,194,877         | 3,019,427         | 1,414,820           | 1,399,410              | -1.1        | 1,399,410              | 0.0         |
| GRF  | 195410 | Defense Conversion Assistance           | 269,746           | 174,445           | 516,440           | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 195412 | Business Development Grants             | 6,881,988         | 7,365,197         | 7,855,952         | 9,525,000           | 9,000,000              | -5.5        | 9,000,000              | 0.0         |
| GRF  | 195414 | First Frontier Match                    | 20,608            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 195415 | Regional Offices / Economic Development | 5,565,715         | 5,804,035         | 4,941,557         | 4,671,426           | 5,882,129              | 25.9        | 5,882,129              | 0.0         |
| GRF  | 195416 | Governor's Office of Appalachia         | 3,967,931         | 3,585,043         | 2,823,884         | 4,253,845           | 4,508,741              | 6.0         | 4,508,741              | 0.0         |
| GRF  | 195417 | Urban / Rural Initiative                | 364,513           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 195422 | Technology Action                       | 16,080,768        | 17,574,919        | 11,693,182        | 14,512,274          | 3,500,000              | -75.9       | 3,500,000              | 0.0         |
| GRF  | 195426 | Clean Ohio Implementation               | 303,005           | 289,299           | 162,193           | 167,940             | 168,365                | 0.3         | 168,365                | 0.0         |
| GRF  | 195432 | International Trade                     | 4,161,739         | 4,065,767         | 4,259,097         | 3,758,915           | 3,889,566              | 3.5         | 3,889,566              | 0.0         |
| GRF  | 195434 | Industrial Training Grants              | 8,350,493         | 7,551,599         | 10,741,912        | 11,646,095          | 11,334,893             | -2.7        | 11,334,893             | 0.0         |
| GRF  | 195436 | Labor / Management Cooperation          | 624,196           | 758,529           | 725,303           | 750,705             | 752,603                | 0.3         | 752,603                | 0.0         |
| GRF  | 195497 | CDBG Operating Match                    | 1,040,956         | 1,036,171         | 1,076,748         | 955,205             | 1,056,075              | 10.6        | 1,056,075              | 0.0         |
| GRF  | 195498 | State Energy Match                      | 97,580            | 90,290            | 99,366            | 86,918              | 96,820                 | 11.4        | 96,820                 | 0.0         |
| GRF  | 195501 | Appalachian Local Development District  | 380,080           | 380,080           | 389,204           | 391,482             | 391,482                | 0.0         | 391,482                | 0.0         |
| GRF  | 195502 | Appalachian Regional Commission Dues    | 119,385           | 246,803           | 143,197           | 195,000             | 221,924                | 13.8        | 221,924                | 0.0         |
| GRF  | 195507 | Travel and Tourism Grants               | 1,251,875         | 1,161,250         | 1,041,875         | 1,050,971           | 500,000                | -52.4       | 500,000                | 0.0         |
| GRF  | 195515 | Economic Development Contingency        | 10,471,972        | 2,035,960         | 3,950,276         | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 195516 | Shovel Ready Sites                      | 2,365,000         | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 195520 | Ohio Main Street Program                | 0                 | 0                 | 250,000           | 238,125             | 575,000                | 141.5       | 75,000                 | -87.0       |
| GRF  | 195521 | Discover Ohio!                          | 0                 | 0                 | 3,168,875         | 6,153,346           | 6,800,903              | 10.5        | 6,800,903              | 0.0         |
| GRF  | 195522 | Targeted Industry Training Grants       | 0                 | 0                 | 0                 | 0                   | 3,800,000              | .0          | 3,800,000              | 0.0         |
| GRF  | 195523 | Workforce Retention & Attraction        | 0                 | 0                 | 0                 | 0                   | 500,000                | .0          | 500,000                | 0.0         |
| GRF  | 195905 | Third Frontier Research & Cm-Go         | 0                 | 10,854,369        | 11,723,870        | 24,523,400          | 20,948,300             | -14.6       | 29,011,600             | 38.5        |
| GRF  | 195912 | Job Ready Site Development-Go Debt      | 0                 | 3,455,505         | 3,575,305         | 8,232,500           | 5,685,400              | -30.9       | 10,601,900             | 86.5        |

State of Ohio  
Department of Development

**LINE ITEM SUMMARY - Department of Development**

| FUND                                 | ALI    | ALI NAME                           | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| <b>TOTAL General Revenue</b>         |        |                                    | <b>92,294,914</b>  | <b>98,951,033</b>  | <b>91,046,501</b>  | <b>111,468,423</b>  | <b>99,612,660</b>      | <b>-10.6</b> | <b>112,092,460</b>     | <b>12.5</b> |
| 1350                                 | 195684 | Supportive Services                | 6,878,928          | 7,108,048          | 10,299,575         | 11,257,444          | 12,162,444             | 8.0          | 12,184,444             | 0.2         |
| 4W10                                 | 195646 | Minority Business Enterprise Loan  | 712,120            | 424,054            | 852,044            | 2,583,597           | 2,580,597              | -0.1         | 2,580,597              | 0.0         |
| 5AD0                                 | 195667 | Investment In Training Expansion   | 7,164,354          | 4,818,371          | 3,815,780          | 0                   | 0                      | .0           | 0                      | .0          |
| 5AD0                                 | 195668 | Worker Guarantee Program           | 76,593             | 101,430            | 516,172            | 0                   | 0                      | .0           | 0                      | .0          |
| 5AD0                                 | 195669 | Wright Operating Grants            | 1,085,166          | 2,230,061          | 1,798,926          | 0                   | 0                      | .0           | 0                      | .0          |
| 5AD0                                 | 195677 | Economic Development Contingency   | 0                  | 97,239             | 1,426,743          | 24,400,000          | 4,000,000              | -83.6        | 4,000,000              | 0.0         |
| 5DU0                                 | 195689 | Energy Projects                    | 0                  | 196,937            | 452,808            | 1,140,000           | 840,000                | -26.3        | 840,000                | 0.0         |
| 5W50                                 | 195690 | Travel & Tourism Coop Project      | 0                  | 0                  | 20,643             | 350,000             | 350,000                | 0.0          | 350,000                | 0.0         |
| 6850                                 | 195636 | General Reimbursements             | 464,067            | 262,179            | 416,742            | 800,000             | 1,000,000              | 25.0         | 1,000,000              | 0.0         |
| <b>TOTAL General Services</b>        |        |                                    | <b>16,381,228</b>  | <b>15,238,319</b>  | <b>19,599,433</b>  | <b>40,531,041</b>   | <b>20,933,041</b>      | <b>-48.4</b> | <b>20,955,041</b>      | <b>0.1</b>  |
| 3080                                 | 195602 | Appalachian Regional Commission    | 469,301            | 381,521            | 228,117            | 475,000             | 475,000                | 0.0          | 475,000                | 0.0         |
| 3080                                 | 195603 | Housing & Urban Development        | 4,534,008          | 3,407,495          | 3,744,109          | 6,000,000           | 6,000,000              | 0.0          | 6,000,000              | 0.0         |
| 3080                                 | 195605 | Federal Projects                   | 21,089,483         | 17,852,940         | 22,025,113         | 27,000,000          | 27,000,000             | 0.0          | 27,000,000             | 0.0         |
| 3080                                 | 195609 | Small Business Administration      | 3,735,205          | 4,203,636          | 3,928,571          | 4,696,381           | 5,011,381              | 6.7          | 5,011,381              | 0.0         |
| 3080                                 | 195618 | Energy Federal Grants              | 2,134,318          | 2,086,973          | 2,114,282          | 3,400,000           | 3,400,000              | 0.0          | 3,400,000              | 0.0         |
| 3350                                 | 195610 | Oil Overcharge                     | 2,141,012          | 3,226,902          | 1,675,174          | 2,200,000           | 1,800,000              | -18.2        | 1,100,000              | -38.9       |
| 3AE0                                 | 195643 | Workforce Development Initiatives  | 3,932,678          | 4,036,504          | 3,193,784          | 10,805,000          | 17,000,000             | 57.3         | 16,500,000             | -2.9        |
| 3BJ0                                 | 195685 | TANF Heating Assistance            | 60,199,406         | 59,800,376         | 45,000,000         | 15,002,801          | 0                      | -100.0       | 0                      | .0          |
| 3K80                                 | 195613 | Community Development Block Grant  | 62,477,593         | 71,350,791         | 48,019,941         | 65,000,000          | 65,000,000             | 0.0          | 65,000,000             | 0.0         |
| 3K90                                 | 195611 | Home Energy Assistance Block Grant | 114,291,904        | 117,746,825        | 122,579,174        | 209,743,608         | 115,743,608            | -44.8        | 115,743,608            | 0.0         |
| 3K90                                 | 195614 | HEAP Weatherization                | 15,985,255         | 19,545,607         | 24,746,195         | 22,000,000          | 22,000,000             | 0.0          | 22,000,000             | 0.0         |
| 3L00                                 | 195612 | Community Services Block Grant     | 24,283,402         | 27,125,204         | 22,953,793         | 25,235,000          | 25,235,000             | 0.0          | 25,235,000             | 0.0         |
| 3V10                                 | 195601 | Home Program                       | 29,734,897         | 40,857,772         | 27,385,313         | 40,000,000          | 40,000,000             | 0.0          | 40,000,000             | 0.0         |
| 3X30                                 | 195619 | TANF Housing                       | 0                  | 13,903             | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |                                    | <b>345,008,462</b> | <b>371,636,450</b> | <b>327,593,566</b> | <b>431,557,790</b>  | <b>328,664,989</b>     | <b>-23.8</b> | <b>327,464,989</b>     | <b>-0.4</b> |

**State of Ohio**  
**Department of Development**

**LINE ITEM SUMMARY - Department of Development**

| FUND   | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4440   | 195607 | Water & Sewer Commission Loans           | 1,598,180          | 0                  | 29,628             | 0                   | 500,000                | .0          | 500,000                | 0.0         |
| 4500   | 195624 | Minority Bus Bond Program Admin          | 48,615             | 29,809             | 29,597             | 52,167              | 53,967                 | 3.5         | 53,967                 | 0.0         |
| 4510   | 195625 | Economic Development Financing Operating | 2,555,525          | 1,997,556          | 1,924,557          | 3,233,311           | 3,433,311              | 6.2         | 3,433,311              | 0.0         |
| 4F20   | 195639 | State Special Projects                   | 1,388,597          | 98,895             | 24,411             | 518,393             | 400,000                | -22.8       | 400,000                | 0.0         |
| 4F20   | 195676 | Promote Ohio                             | 7,654,388          | 5,143,081          | 4,356,424          | 875,000             | 6,100,000              | 597.1       | 6,100,000              | 0.0         |
| 4F20   | 195699 | Utility Provided Funds                   | 0                  | 0                  | 0                  | 0                   | 500,000                | .0          | 500,000                | 0.0         |
| 4H40   | 195641 | First Frontier                           | 20,608             | 0                  | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 4S00   | 195630 | Enterprise Zone Operating                | 182,995            | 178,171            | 367,020            | 650,800             | 650,800                | 0.0         | 650,800                | 0.0         |
| 4S10   | 195634 | Job Creation Tax Credit Operating        | 386,241            | 310,159            | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 4W00   | 195629 | Roadwork Development                     | 14,068,140         | 13,340,329         | 11,299,302         | 18,699,900          | 18,699,900             | 0.0         | 18,699,900             | 0.0         |
| 5AR0   | 195674 | Industrial Site Improvements             | 1,528,560          | 2,805,790          | 1,903,557          | 4,500,000           | 0                      | -100.0      | 0                      | .0          |
| 5CG0   | 195679 | Alternative Fuel Transportation          | 77,325             | 243,528            | 567,216            | 1,000,000           | 1,000,000              | 0.0         | 1,000,000              | 0.0         |
| 5CV0   | 195680 | Defense Conversion Assistance            | 215,000            | 235,000            | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 5CY0   | 195682 | Lung Cancer & Lung Disease Res           | 30,000             | 1,078,266          | 1,565,202          | 0                   | 0                      | .0          | 0                      | .0          |
| 5M40   | 195659 | Universal Service Fund (USF)             | 230,179,458        | 266,139,656        | 310,821,757        | 245,000,000         | 245,000,000            | 0.0         | 245,000,000            | 0.0         |
| 5M50   | 195660 | Energy Efficiency Revolving Loan Fund    | 3,380,041          | 5,512,012          | 8,268,581          | 17,000,000          | 17,000,000             | 0.0         | 17,000,000             | 0.0         |
| 5W60   | 195691 | International Trade Co-Op Project        | 0                  | 75,000             | 66,667             | 300,000             | 25,000                 | -91.7       | 0                      | -100.0      |
| 5X10   | 195651 | Exempt Facility Inspection               | 0                  | 0                  | 0                  | 10,000              | 8,000                  | -20.0       | 0                      | -100.0      |
| 5X50   | 195693 | Family Homelessness Prevention Pilot     | 0                  | 0                  | 727,200            | 40,000              | 0                      | -100.0      | 0                      | .0          |
| 5Y60   | 195648 | Economic Development Contingency         | 530,343            | 0                  | 4,493,242          | 5,000,000           | 0                      | -100.0      | 0                      | .0          |
| 6110   | 195631 | Water & Sewer Administration             | 13,319             | 13,108             | 14,131             | 15,713              | 10,000                 | -36.4       | 10,000                 | 0.0         |
| 6170   | 195654 | Volume Cap Administration                | 98,731             | 149,333            | 113,941            | 200,000             | 200,000                | 0.0         | 200,000                | 0.0         |
| 6460   | 195638 | Low & Moderate Income Housing Trust      | 40,572,494         | 45,784,304         | 50,416,504         | 53,000,000          | 53,000,000             | 0.0         | 53,000,000             | 0.0         |
| <b>TOTAL State Special Revenue</b>           |        |  | <b>304,528,560</b> | <b>343,133,997</b> | <b>396,988,937</b> | <b>350,095,284</b>  | <b>346,580,978</b>     | <b>-1.0</b> | <b>346,547,978</b>     | <b>0.0</b>  |
| 7003   | 195663 | Clean Ohio - Operating                   | 207,808            | 207,089            | 334,906            | 550,000             | 964,200                | 75.3        | 953,300                | -1.1        |
| <b>TOTAL Clean Ohio Conservation Program</b> |        |  | <b>207,808</b>     | <b>207,089</b>     | <b>334,906</b>     | <b>550,000</b>      | <b>964,200</b>         | <b>75.3</b> | <b>953,300</b>         | <b>-1.1</b> |
| 4Z60   | 195647 | Rural Industrial Park Loan               | 3,276,000          | 1,000,000          | 1,794,771          | 3,000,000           | 3,000,000              | 0.0         | 3,000,000              | 0.0         |

State of Ohio  
Department of Development

**LINE ITEM SUMMARY - Department of Development**

| FUND   | ALI    | ALI NAME   | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--|--------|--|--------------------|--------------------|--------------------|----------------------|------------------------|--------------|------------------------|--------------|
| 5CA0   | 195678 | Shovel Ready Sites                                   | 5,000,000          | 5,000,000          | 0                  | 0                    | 0                      | .0           | 0                      | .0           |
| 5D20   | 195650 | Urban Redevelopment Loans                            | 1,076,832          | 14,555,530         | 1,559,961          | 5,000,000            | 5,000,000              | 0.0          | 5,000,000              | 0.0          |
| 5H10   | 195652 | Family Farm Loan                                     | 68,344             | 182,624            | 0                  | 0                    | 0                      | .0           | 0                      | .0           |
| 5S80   | 195627 | Rural Development Initiative                         | 2,452,625          | 823,375            | 1,125,000          | 3,000,000            | 3,000,000              | 0.0          | 3,000,000              | 0.0          |
| 5S90   | 195628 | Capital Access Loan Program                          | 1,366,677          | 1,532,296          | 1,471,007          | 3,000,000            | 3,000,000              | 0.0          | 3,000,000              | 0.0          |
| 7008   | 195698 | Logistics and Distribution Infrastructure            | 0                  | 0                  | 0                  | 50,000,000           | 75,000,000             | 50.0         | 25,000,000             | -66.7        |
| 7009   | 195664 | Innovation Ohio                                      | 6,914,446          | 6,059,245          | 13,020,052         | 20,000,000           | 20,000,000             | 0.0          | 20,000,000             | 0.0          |
| 7010   | 195665 | Research & Development                               | 28,989,064         | 5,654,230          | 9,267,226          | 35,000,000           | 35,000,000             | 0.0          | 35,000,000             | 0.0          |
| 7037   | 195615 | Facilities Establishment                             | 40,900,858         | 29,032,279         | 31,650,840         | 65,000,000           | 65,000,000             | 0.0          | 65,000,000             | 0.0          |
| <b>TOTAL Facilities Establishment</b>                  |        |  | <b>90,044,846</b>  | <b>63,839,578</b>  | <b>59,888,857</b>  | <b>184,000,000</b>   | <b>209,000,000</b>     | <b>13.6</b>  | <b>159,000,000</b>     | <b>-23.9</b> |
| 7012   | 195688 | Job Ready Site - Operating                           | 0                  | 412,181            | 165,805            | 1,246,155            | 1,246,155              | 0.0          | 1,246,155              | 0.0          |
| <b>TOTAL Job-Ready Site Development</b>                |        |  | <b>0</b>           | <b>412,181</b>     | <b>165,805</b>     | <b>1,246,155</b>     | <b>1,246,155</b>       | <b>0.0</b>   | <b>1,246,155</b>       | <b>0.0</b>   |
| 7011   | 195686 | Third Frontier Operating                             | 0                  | 1,489,792          | 1,572,763          | 1,932,056            | 0                      | -100.0       | 0                      | .0           |
| 7011   | 195687 | Third Frontier Research & Development Project        | 0                  | 1,863,133          | 23,028,670         | 72,000,000           | 55,000,000             | -23.6        | 55,000,000             | 0.0          |
| 7014   | 195692 | Third Frontier R&D Tax Bond                          | 0                  | 382,895            | 28,767,105         | 28,000,000           | 6,000,000              | -78.6        | 6,000,000              | 0.0          |
| <b>TOTAL Third Frontier Research &amp; Development</b> |        |  | <b>0</b>           | <b>3,735,820</b>   | <b>53,368,539</b>  | <b>101,932,056</b>   | <b>61,000,000</b>      | <b>-40.2</b> | <b>61,000,000</b>      | <b>0.0</b>   |
| 5Z30   | 195694 | Building Ohio Jobs - Bioproducts                     | 0                  | 0                  | 0                  | 0                    | 40,000,000             | .0           | 10,000,000             | -75.0        |
| 5Z30   | 195695 | Building Ohio Jobs -Biomedical                       | 0                  | 0                  | 0                  | 0                    | 80,000,000             | .0           | 20,000,000             | -75.0        |
| M087   | 195435 | Biomedical Research / Technology Transfer Trust Fund | 22,997,113         | 26,956,899         | 33,784,147         | 32,000,000           | 1,257,363              | -96.1        | 1,259,563              | 0.2          |
| <b>TOTAL Tobacco Settlement</b>                        |        |  | <b>22,997,113</b>  | <b>26,956,899</b>  | <b>33,784,147</b>  | <b>32,000,000</b>    | <b>121,257,363</b>     | <b>278.9</b> | <b>31,259,563</b>      | <b>-74.2</b> |
| <b>TOTAL Department of Development</b>                 |        |  | <b>871,462,930</b> | <b>924,111,365</b> | <b>982,770,692</b> | <b>1,253,380,749</b> | <b>1,189,259,386</b>   | <b>-5.1</b>  | <b>1,060,519,486</b>   | <b>-10.8</b> |

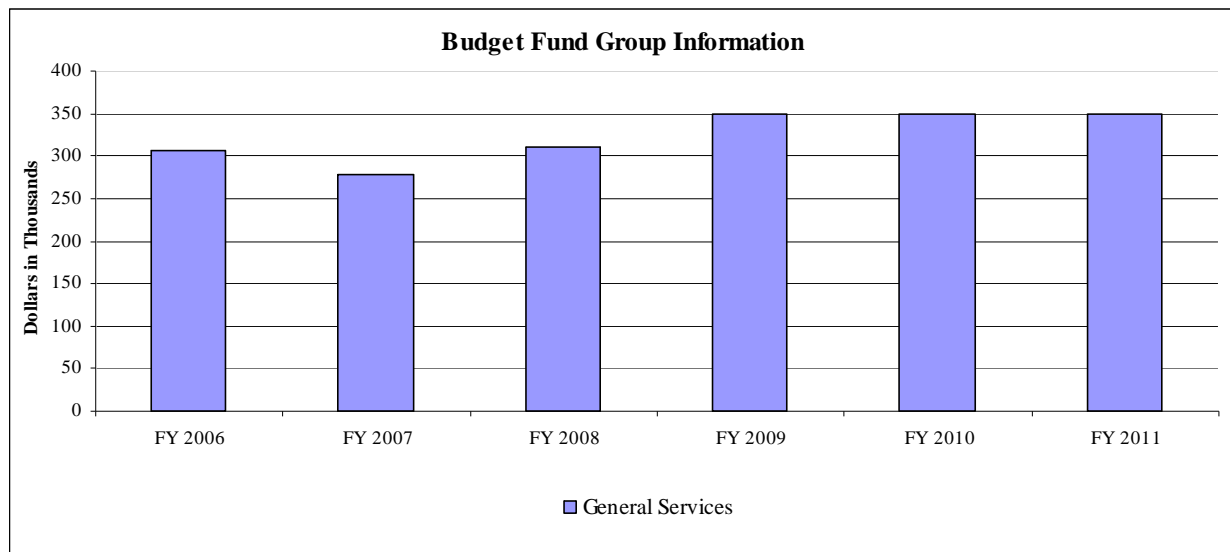
### Role and Overview

The Ohio Board of Dietetics (OBD) was established in 1987 to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice dietetics in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules which govern the profession. OBD licenses over 3,100 dietitians, 43 limited permit holders, and 961 dietitians who hold inactive licenses. Additional information regarding the Board of Dietetics is available at <http://www.dietetics.ohio.gov/>.

### Agency Priorities

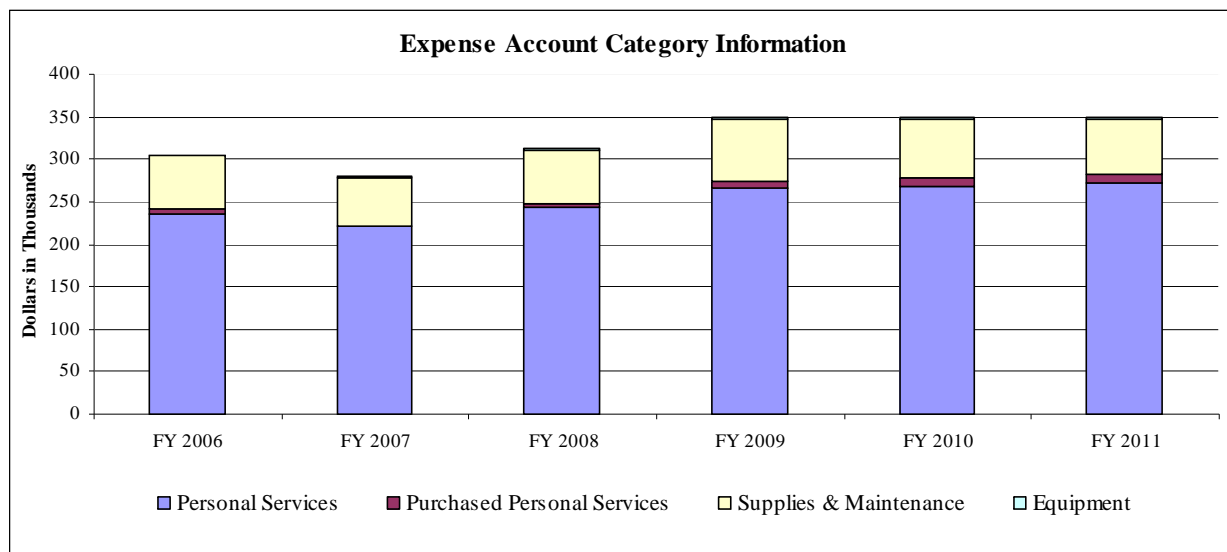
- Maintain the quality standards for persons who may practice nutrition and dietetics and continue to educate licensees and the public about the practice of dietetics in Ohio.
- Improve service activities and access to the agency through enhancing the website, development of on-line license renewal services, and implementation of credit card payment options.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | %<br>EST. CHANGE |             | RECOMMENDED |            |            |            |
|-------------------------------------|------------|------------|------------|------------------|-------------|-------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010     | CHANGE %   | FY 2011    | CHANGE %   |
| General Services                    | 306        | 279        | 311        | 349              | 12.2        | 349         | 0.0        | 349        | 0.0        |
| <b>TOTAL</b>                        | <b>306</b> | <b>279</b> | <b>311</b> | <b>349</b>       | <b>12.2</b> | <b>349</b>  | <b>0.0</b> | <b>349</b> | <b>0.0</b> |





| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 236        | 221        | 244        | 265              | 8.6         | 268                     | 1.1        | 272        | 1.5        |
| Purchased Personal Services                   | 5          | 0          | 4          | 10               | 166.9       | 10                      | 1.0        | 10         | -0.5       |
| Supplies & Maintenance                        | 64         | 57         | 62         | 72               | 17.0        | 69                      | -4.2       | 65         | -5.8       |
| Equipment                                     | 0          | 2          | 2          | 2                | 20.6        | 2                       | 0.0        | 2          | 0.0        |
| <b>TOTAL</b>                                  | <b>306</b> | <b>279</b> | <b>311</b> | <b>349</b>       | <b>12.2</b> | <b>349</b>              | <b>0.0</b> | <b>349</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Board of Dietetics.

#### The Executive Recommendation will fund the following objectives:

- Support licensing application and renewal of over 3,200 licensees;
- Allow the board to begin development of an online licensing renewal process and initial application;
- Support response to and investigation of over 100 complaints received annually;
- Support regulation of the practice of dietetics including hearings, adjudication, and discipline; and
- Support education of dietetics students and the general public regarding regulation of the practice of dietetics.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 860609 | Operating | 348,964        | 348,964        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>348,964</b> | <b>348,964</b> |

**LINE ITEM SUMMARY - State Board of Dietetics**

| FUND                           | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                           | 860609 | Operating | 306,208           | 279,473           | 311,067           | 348,964             | 348,964                | 0.0         | 348,964                | 0.0         |
| TOTAL General Services         |        |           | 306,208           | 279,473           | 311,067           | 348,964             | 348,964                | 0.0         | 348,964                | 0.0         |
| TOTAL State Board of Dietetics |        |           | 306,208           | 279,473           | 311,067           | 348,964             | 348,964                | 0.0         | 348,964                | 0.0         |

### **Role and Overview**

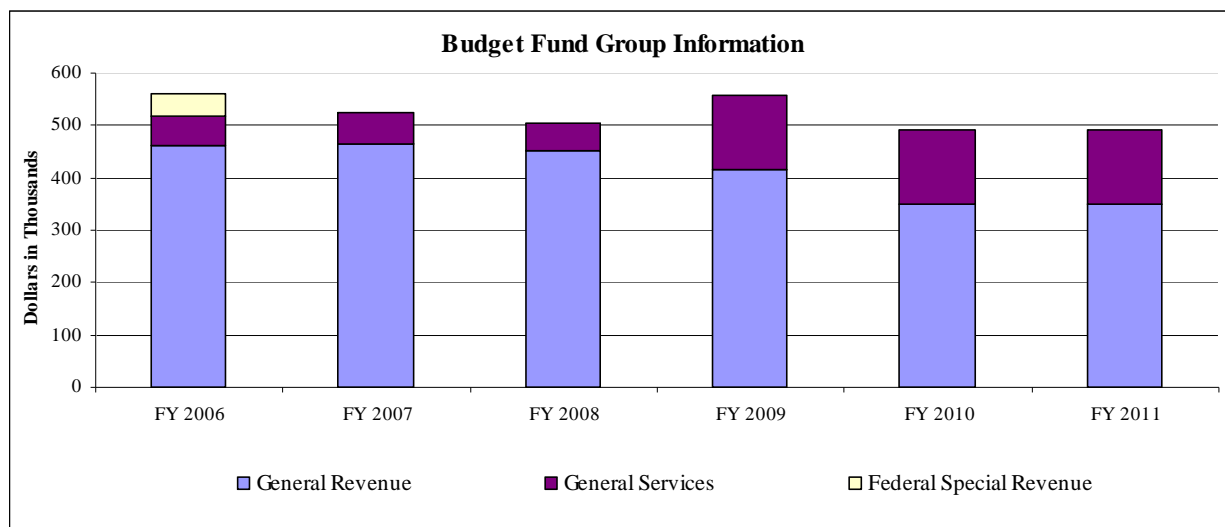
The Commission on Dispute Resolution (CDR) provides dispute resolution and conflict management resources, training, and direct services to schools, communities, courts, and state and local governments. The overall goal of the commission is to assist Ohioans in resolving disputes in the most efficient way while reducing the chance of violence, building positive relationships, and helping disputants reach win-win solutions. The commission is governed by 12 volunteer commissioners appointed by all three branches of state government. Its nationally and internationally recognized programs are unique to state government. The commission has six employees with an annual operating budget of nearly \$556,250 which includes a GRF operating budget of \$416,242.

More information regarding the Commission on Dispute Resolution is available at <http://disputeresolution.ohio.gov/>

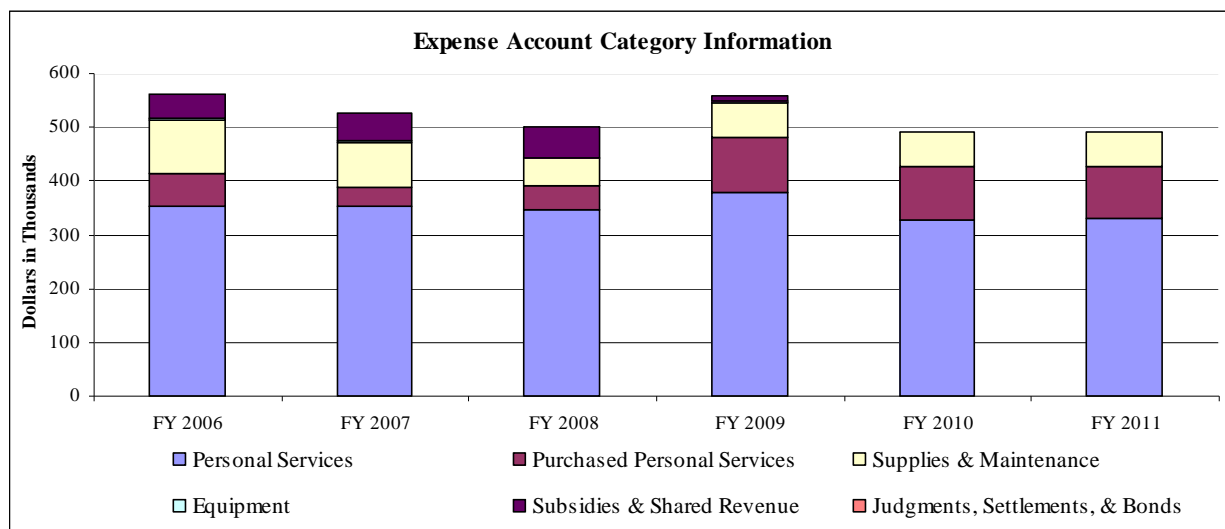
### **Agency Priorities**

- Promote safe school environments conducive to quality teaching and high academic achievement by providing Ohio students, teachers, administrators, and staff (pre-K–16) with constructive, nonviolent conflict management and problem solving skills.
- Improve teacher satisfaction and retention by providing innovative, high quality conflict management and problem solving materials and training to current and future Ohio teachers through pre-service and in-service education.
- Increase attendance and reduce tardiness in Ohio's public elementary, middle, and high schools through truancy mediation prevention programs.
- Provide state and local government officials with dispute resolution services, training and service referrals in partnership with the County Commissioners' Association of Ohio, the Ohio Township Trustees, the Ohio Municipal League, the Ohio Judicial Conference, the Supreme Court of Ohio, and other local government entities.
- Provide all state employees with an informal, cost effective, confidential forum for resolving non-contract workplace disputes through the Ohio Workplace Mediation Program.
- Serve as a resource for Ohio employers by providing dispute resolution and conflict management information, programs, and services.
- Promote 21<sup>st</sup> century skills in schools, communities, courts, and state and local government for youth and adults to attain high paying jobs.
- Support high quality early care and education by teaching the life skills necessary for a child to enter school ready to learn.
- Give teachers the tools they need to stimulate student creativity and to grow and improve constructive, nonviolent problem solving skills.
- Expand online and distance learning opportunities for broader distribution of materials and training.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |             | RECOMMENDED % CHANGE |              |            |            |
|-------------------------------------|------------|------------|------------|---------------|-------------|----------------------|--------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09    | FY 2010              | CHANGE       | FY 2011    | CHANGE     |
| General Revenue                     | 463        | 466        | 453        | 416           | -8.0        | 350                  | -16.0        | 350        | 0.0        |
| General Services                    | 56         | 59         | 50         | 140           | 181.3       | 140                  | 0.0          | 140        | 0.0        |
| Federal Special Revenue             | 42         | 0          | 0          | 0             | 0.0         | 0                    | 0.0          | 0          | 0.0        |
| <b>TOTAL</b>                        | <b>561</b> | <b>525</b> | <b>502</b> | <b>556</b>    | <b>10.7</b> | <b>490</b>           | <b>-12.0</b> | <b>490</b> | <b>0.0</b> |



State of Ohio

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## Commission on Dispute Resolution

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST.       | %<br>CHANGE | RECOMMENDED |              |            |             |
|---|------------|------------|------------|------------|-------------|-------------|--------------|------------|-------------|
|   | FY 2006    | FY 2007    | FY 2008    |            |             | FY 2010     | %<br>CHANGE  | FY 2011    | %<br>CHANGE |
| Personal Services                             | 352        | 354        | 347        | 379        | 9.1         | 327         | -13.6        | 329        | 0.6         |
| Purchased Personal Services                   | 61         | 35         | 44         | 103        | 133.5       | 99          | -3.6         | 97         | -2.2        |
| Supplies & Maintenance                        | 101        | 82         | 51         | 64         | 25.5        | 64          | 0.1          | 64         | 0.5         |
| Equipment                                     | 3          | 3          | 1          | 3          | 200.0       | 0           | -100.0       | 0          | 0.0         |
| Subsidies & Shared Revenue                    | 43         | 51         | 59         | 8          | -86.5       | 0           | -100.0       | 0          | 0.0         |
| Judgments, Settlements, & Bonds               | 1          | 0          | 0          | 0          | 0.0         | 0           | 0.0          | 0          | 0.0         |
| <b>TOTAL</b>                                  | <b>561</b> | <b>525</b> | <b>502</b> | <b>556</b> | <b>10.7</b> | <b>490</b>  | <b>-12.0</b> | <b>490</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: Commission on Dispute Resolution

The commission's work is organized into three program areas: schools, communities and courts, and state and local government.

#### Program 01.01: School Programs

This program provides public schools, grades pre-K-12, and Ohio colleges and universities with conflict resolution training, professional development, resource materials, and technical assistance to create safe school environments conducive to quality teaching and high academic achievement. Conflict resolution is a spectrum of processes such as negotiation and mediation, and a set of creative and analytic skills that assist individuals and groups to better understand and deal with conflict as it arises in their lives.

#### The Executive Recommendation will fund the following objectives:

- Provide Ohio school students (grades pre-K-12), teachers, staff, and administrators, with constructive, nonviolent conflict management training and problem solving skills;
- Increase teacher satisfaction and retention by providing innovative, high quality conflict management and problem solving materials and training to current and future Ohio teachers through pre-service and in-service education;
- Implement building and district-wide conflict management programs in public elementary, middle, and high schools; and
- Integrate conflict management and dispute resolution training and skill building in Ohio Department of Youth Services facilities and county juvenile detention facilities statewide.

| FUND                     |      |        |   | RECOMMENDED    |                |
|--------------------------|------|--------|---|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 145401 | Commission On Dispute Resolution/Management | 110,333        | 110,219        |
| GSF                      | 4B60 | 145601 | Gifts And Grants                            | 58,334         | 58,334         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>168,667</b> | <b>168,553</b> |

#### Program 01.02: Community and Court Programs

These programs include the Truancy Prevention through Mediation Program, community-based dispute resolution programs, and collaborative efforts to establish court-connected dispute resolution programs. The commission provides technical assistance to communities to initiate and expand dispute resolution programs and services. It builds partnerships among schools, local governments, police, and other civic and neighborhood organizations to raise awareness and to leverage resources. It works with schools and juvenile courts to provide truancy mediation services to improve attendance in elementary, middle, and high schools.

**State of Ohio**  
**Commission on Dispute Resolution**

**The Executive Recommendation will fund the following objectives:**

- Increase attendance and reduce tardiness in over 500 Ohio public elementary, middle, and high schools through the Truancy Prevention Through Mediation program; and
- Provide technical assistance, resource materials, and training to schools, communities, and local courts in 31 Ohio counties to establish and maintain dispute resolution programs, including the Truancy Prevention Through Mediation program.

| FUND                     |      |        |   | RECOMMENDED    |                |
|--------------------------|------|--------|---|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 145401 | Commission On Dispute Resolution/Management | 112,027        | 112,255        |
| GSF                      | 4B60 | 145601 | Gifts And Grants                            | 23,333         | 23,333         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>135,360</b> | <b>135,588</b> |

**Program 01.03: State and Local Government Programs**

These programs provide training, mediation, and facilitation as well as consultation and technical assistance with design, implementation, and evaluation of state-sponsored dispute resolution programs. The commission responds to requests from state and local governments for third-party neutrals such as mediators and facilitators. Under this program the commission administers the Workplace Mediation Program, the Public Disputes Program, and Conflict Resolution Services for Government Officials.

**The Executive Recommendation will fund the following objectives:**

- Provide, in partnership with the County Commissioners' Association of Ohio, the Ohio Township Trustees, the Ohio Municipal League, the Ohio Judicial Conference, and other local government entities, state and local government officials in all 88 counties, dispute resolution services, training, and service referrals;
- Provide all state employees with an informal, cost effective, confidential forum for resolving workplace disputes through the Ohio Workplace Mediation program; and
- Serve as a resource for Ohio employers by providing dispute resolution and conflict management information, programs, and services.

| FUND                     |      |        |   | RECOMMENDED    |                |
|--------------------------|------|--------|---|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 145401 | Commission On Dispute Resolution/Management | 127,240        | 127,126        |
| GSF                      | 4B60 | 145601 | Gifts And Grants                            | 58,333         | 58,333         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>185,573</b> | <b>185,459</b> |

## Commission on Dispute Resolution

**LINE ITEM SUMMARY - Commission on Dispute Resolution and Conflict Management**

| FUND  | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF   | 145401 | Commission On Dispute Resolution/Management | 462,510           | 466,360           | 452,596           | 416,242             | 349,600                | -16.0        | 349,600                | 0.0         |
| <b>TOTAL General Revenue</b>  |        |   | <b>462,510</b>    | <b>466,360</b>    | <b>452,596</b>    | <b>416,242</b>      | <b>349,600</b>         | <b>-16.0</b> | <b>349,600</b>         | <b>0.0</b>  |
| 4B60  | 145601 | Gifts and Grants                            | 55,925            | 58,758            | 49,777            | 140,000             | 140,000                | 0.0          | 140,000                | 0.0         |
| <b>TOTAL General Services</b>   |        |   | <b>55,925</b>     | <b>58,758</b>     | <b>49,777</b>     | <b>140,000</b>      | <b>140,000</b>         | <b>0.0</b>   | <b>140,000</b>         | <b>0.0</b>  |
| 3S60  | 145602 | Dispute Resolution: Federal                 | 42,284            | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b>                                  |        |   | <b>42,284</b>     | <b>0</b>          | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Commission on Dispute Resolution and Conflict Management</b> |        |   | <b>560,719</b>    | <b>525,118</b>    | <b>502,372</b>    | <b>556,242</b>      | <b>489,600</b>         | <b>-12.0</b> | <b>489,600</b>         | <b>0.0</b>  |

### **Role and Overview**

The Department of Education's vision is higher achievement for all students, regardless of race, ethnicity, income level, language background, disability status, or gender. The department seeks to ensure all students graduate well prepared for success. To achieve this vision the State Board of Education has identified the following three objectives:

- Teach 21<sup>st</sup> century knowledge and skills for real-world success;
- Effectively deliver support for a high quality education; and
- Provide sufficient resources which are effectively managed.

The department oversees an education system comprised of 613 public school districts, 49 joint vocational school districts, 66 educational service centers, and 328 community schools. Each public school district is governed by a locally elected school board that exercises taxing authority subject to voter approval. The department has a full time staff of approximately 620 and a fiscal year 2009 budget of approximately \$11.3 billion, in state and federal funds, of which more than 99 percent is distributed to local schools and educational organizations. The department also oversees the chartering of nonpublic schools.

The department is governed by a 19-member State Board of Education. Eleven of the board members are elected by the citizens, one from each of 11 districts composed of three contiguous Ohio Senate districts. Eight board members are appointed by the Governor. Day-to-day administration of the department is the responsibility of the Superintendent of Public Instruction, who is hired by the State Board of Education.

More information regarding the Department of Education is available at <http://www.ode.state.oh.us>.

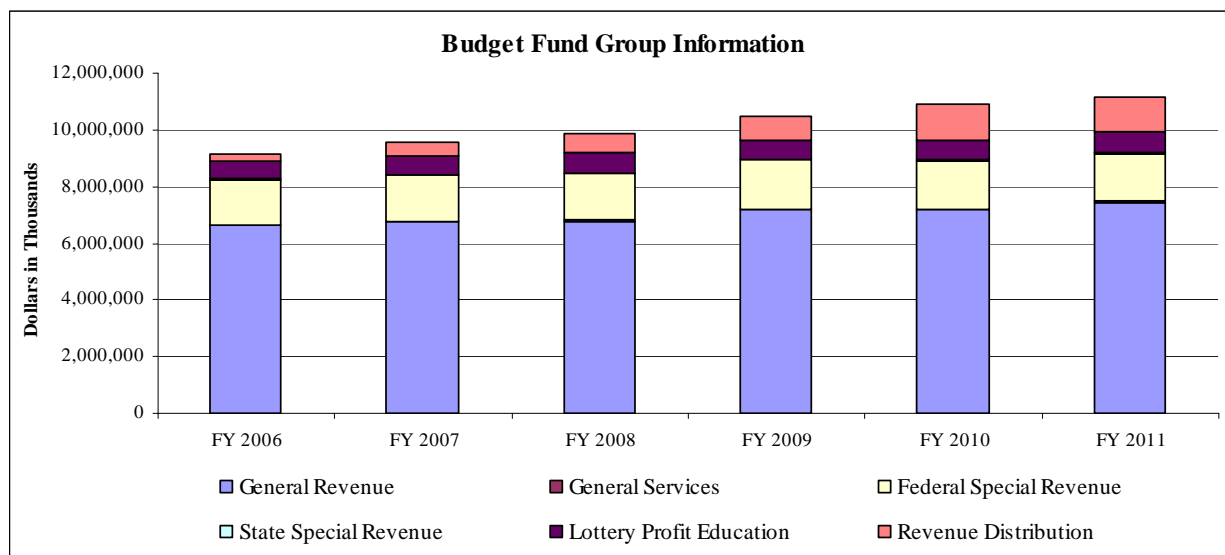
### **Agency Priorities**

- Provide sufficient resources, which are effectively managed.
- Provide the basic education funding necessary to support student success and achievement;
- Offer early learning programs to promote school readiness;
- Support student intervention programs that offer those students who are performing below expectations a chance to succeed;
- Initiate school improvement programs, which include high school improvement measures and targeted assistance to schools and districts, that improve the school learning environment and engage parents in the learning process;
- Assist districts to effectively and efficiently manage resources and help improve financial practices;
- Provide focused, high quality professional development for educators;
- Implement academic standards, which are the cornerstone of a strong educational system, and set the expectation for what all students should know and be able to do;
- Align student assessments through development of achievement tests with the academic content standards to determine whether a student is meeting the expectations embodied in the standards; and
- Hold educators and students accountable for performance, but also provide data that are used to inform educational decisions.

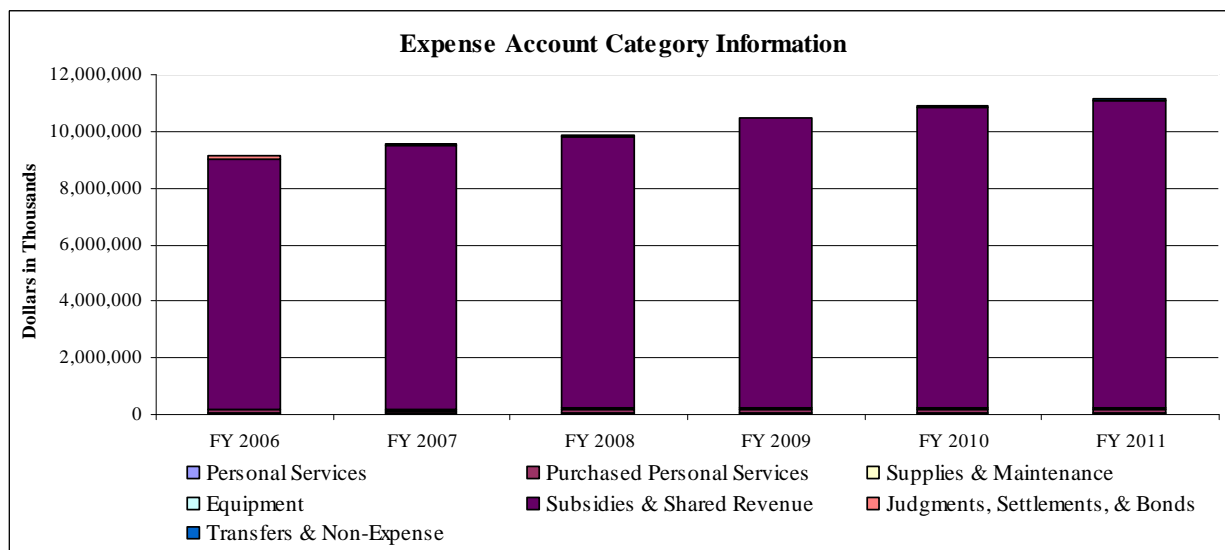
For more information on the Governor's Proposed Education and School Funding Reform Initiatives, please see the Blue Book special analysis, *Developing a P-16 Statewide System*.



### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL           |                  |                  | EST.              | %<br>CHANGE | RECOMMENDED       |             |                   |             |
|-------------------------------------|------------------|------------------|------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|
|                                     | FY 2006          | FY 2007          | FY 2008          | FY 2009           | FY 08-09    | FY 2010           | %<br>CHANGE | FY 2011           | %<br>CHANGE |
| General Revenue                     | 6,615,751        | 6,736,168        | 6,773,255        | 7,168,865         | 5.8         | 7,181,813         | 0.2         | 7,443,391         | 3.6         |
| General Services                    | 12,233           | 31,541           | 22,273           | 33,566            | 50.7        | 32,866            | -2.1        | 32,866            | 0.0         |
| Federal Special Revenue             | 1,614,516        | 1,610,777        | 1,645,277        | 1,727,462         | 5.0         | 1,672,961         | -3.2        | 1,666,758         | -0.4        |
| State Special Revenue               | 39,428           | 45,337           | 46,287           | 51,260            | 10.7        | 50,599            | -1.3        | 49,899            | -1.4        |
| Lottery Profit Education            | 637,900          | 637,900          | 688,900          | 667,900           | -3.0        | 705,000           | 5.6         | 711,000           | 0.9         |
| Revenue Distribution                | 193,121          | 520,307          | 706,305          | 854,440           | 21.0        | 1,241,331         | 45.3        | 1,241,331         | 0.0         |
| <b>TOTAL</b>                        | <b>9,112,949</b> | <b>9,582,030</b> | <b>9,882,298</b> | <b>10,503,493</b> | <b>6.3</b>  | <b>10,884,570</b> | <b>3.6</b>  | <b>11,145,245</b> | <b>2.4</b>  |



State of Ohio  
Department of Education

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST. %<br>CHANGE  |            | RECOMMENDED       |             |                   |             |
|---|------------------|------------------|------------------|-------------------|------------|-------------------|-------------|-------------------|-------------|
|   | FY 2006          | FY 2007          | FY 2008          | FY 2009           | FY 08-09   | FY 2010           | %<br>CHANGE | FY 2011           | %<br>CHANGE |
| Personal Services                             | 54,203           | 58,591           | 60,183           | 66,214            | 10.0       | 85,121            | 28.6        | 87,033            | 2.2         |
| Purchased Personal Services                   | 102,825          | 86,239           | 117,782          | 118,044           | 0.2        | 107,441           | -9.0        | 103,181           | -4.0        |
| Supplies & Maintenance                        | 38,507           | 43,698           | 39,029           | 48,630            | 24.6       | 43,904            | -9.7        | 42,344            | -3.6        |
| Equipment                                     | 2,450            | 3,317            | 1,671            | 932               | -44.2      | 1,830             | 96.3        | 1,397             | -23.6       |
| Subsidies & Shared Revenue                    | 8,838,478        | 9,314,958        | 9,608,172        | 10,230,895        | 6.5        | 10,596,918        | 3.6         | 10,860,340        | 2.5         |
| Judgments, Settlements, & Bonds               | 76,486           | 75,226           | 1                | 0                 | -100.0     | 0                 | 0.0         | 0                 | 0.0         |
| Transfers & Non-Expense                       | 0                | 0                | 55,460           | 38,778            | -30.1      | 49,356            | 27.3        | 50,949            | 3.2         |
| <b>TOTAL</b>                                  | <b>9,112,949</b> | <b>9,582,030</b> | <b>9,882,298</b> | <b>10,503,493</b> | <b>6.3</b> | <b>10,884,570</b> | <b>3.6</b>  | <b>11,145,245</b> | <b>2.4</b>  |

### PROGRAM SERIES 01: Curricula, Assessment, and Accountability

This program series includes clear and rigorous academic content standards for what students should know and be able to do. Student assessments are aligned with academic content standards to determine whether students meet the expectations embodied in the standards. The many purposes of the assessments include: accounting for individual student progress (achievement tests); identifying areas of strength and weakness (diagnostic tests); certifying individual student readiness for high school graduation (Ohio Graduation Tests, the implementation of a college-readiness exam for all high school students in combination with other types of assessments); determining the status and progress of districts and schools (Local Report Card); providing feedback on program strengths and weaknesses (school improvement); and measuring the effectiveness of school, district, and statewide efforts to improve student achievement in Ohio (accountability). Ohio's accountability system measures and reports the results of the assessments to students, parents, educators, administrators, and policymakers. This system not only holds educators and students accountable for performance, but also provides data that are used to inform educational decisions.

#### Program 01.01: Academic Content Standards and Model Curricula

Academic content standards describe what Ohio expects all of its students to know and be able to do as they progress from preschool through elementary, middle, and high school. Tools such as *Standards Guides for Families* are developed and made available to every student's family. Training is provided for educators in the effective use of the latest standards-based tools. Model curricula are model lesson plans created at the state level for use by school districts to develop local courses of study that are aligned to the academic content standards. The models were developed by committees of educators, parents, and business and community leaders.

#### The Executive Recommendation will fund the following objectives:

- Support the development of an updated set of rigorous, coherent, and focused academic standards that are benchmarked against the highest performing states and nations. The standards will address the skills required for the 21<sup>st</sup> century, wellness literacy, financial and economic literacy, service learning, and interdisciplinary project based learning; and
- Fund training for personnel and professional associations in the effective use of standards-based tools.

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 200427 | Academic Standards          | 5,789,861        | 5,789,861        |
| FED                      | 3CF0 | 200644 | Foreign Language Assistance | 25,000           | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>5,814,861</b> | <b>5,789,861</b> |

#### Program 01.02: Student Assessments

This program provides for the development and administration (printing, distributing, collecting, scoring, and reporting) of achievement and graduation tests. The achievement tests, as mandated by state and federal law in grades 3-8, determine whether students are making progress as expected at each grade level and identify students

who need intervention. The diagnostic tests are administered in grades K-3 and provide a tool for teachers to check the progress of students toward meeting the academic content standards. The Ohio Graduation Tests (OGTs) has been used up until now to ensure that students who graduate have demonstrated achievement at the high school level. The Ohio Graduation Tests will be phased-out in the upcoming biennium and replaced with a new measure of achievement, work-readiness, and college-readiness. This new measure will be used in combination with other assessments that determine successful student outcomes.

**The Executive Recommendation will fund the following objectives:**

- Fund the distribution, collection, scoring, and reporting of more than 4 million achievement tests, 45,000 alternate assessments, and 30,000 Ohio Test of English Language Acquisition (OTELA) in each year of the biennium;
- Support the development of a set of streamlined performance based assessments in grades K-8 and elimination of the Ohio Graduation Test that will be replaced with end-of-course exams, service learning projects, senior thesis or capstone, and college readiness exams;
- Support the administration of the Ohio Graduation Test during the phase-out period;
- Provide 27,250 special versions of the OGT assessments and provide resource materials to an estimated 900,000 parents;
- Provide for the Kindergarten Readiness Assessment to determine the entry-level literacy skills of children;
- Provide the teacher training and parental communication necessary to connect the expectations of the academic standards with the assessments;
- Fund the implementation of a statewide college-readiness assessment for all high school students;
- Fund the development and implementation of multiple measures that may be used to determine successful student outcomes;
- Provide access to college readiness exams for all high school juniors;
- Participate in college readiness pretesting and preparation programs; and
- Support for advanced placement testing and teacher preparation.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200437 | Student Assessment                    | 71,909,814        | 71,909,814        |
| GRF                      | GRF  | 200447 | GED Testing/Adult High School         | 1,250,353         | 1,250,353         |
| FED                      | 3Z20 | 200690 | State Assessments                     | 12,883,799        | 12,883,799        |
| FED                      | 3Z70 | 200697 | General Supervision Enhancement Grant | 840,567           | 0                 |
| SSR                      | 4540 | 200610 | Guidance & Testing                    | 400,000           | 400,000           |
| SSR                      | 5U20 | 200685 | National Education Statistics         | 150,000           | 150,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>87,434,533</b> | <b>86,593,966</b> |

**Program 01.03: Education Accountability**

An effective accountability system assigns responsibility, reports results and rewards successes. At the heart of that system is the need to collect, analyze, and report data to communicate appropriate information to a variety of audiences. Policy makers want information to help inform decisions. Administrators need data to give guidance about how their programs can operate more effectively. Educators and the general public want information to gauge the performance of their students and the fiscal effectiveness of their school district. Ohio's accountability system is built around both a data collection infrastructure and a set of programs that analyze and report information.

**The Executive Recommendation will fund the following objectives:**

- Compile information for the State Report Card;
- Support value-added methodology that tracks and measures student growth over time; and
- Support an Advisory Taskforce that will assist in setting performance audit scope and staff the Ohio Evidence-Based Model refresh group.

**State of Ohio**  
**Department of Education**

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 200424 | Policy Analysis               | 1,056,687        | 1,056,687        |
| GRF                      | GRF  | 200439 | Accountability/report Cards   | 6,828,650        | 6,828,650        |
| FED                      | 3BK0 | 200628 | Longitudinal Data Systems     | 100,000          | 0                |
| SSR                      | 5U20 | 200685 | National Education Statistics | 150,000          | 150,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>8,135,337</b> | <b>8,035,337</b> |

**Program 01.04: Education Management Information System**

The Education Management Information System (EMIS) is the Department's primary system for collecting student, staff, course, program, and financial data from Ohio's public schools. The data collected via EMIS are used to determine both state and federal performance accountability designations, to produce the Local Report Cards, to calculate and administer state funding to school districts, to determine federal funding allocations, and to meet federal reporting requirements.

**The Executive Recommendation will fund the following objectives:**

- Provide subsidy support to information technology centers for the administration and collection of EMIS data, distributed using a per-pupil formula based on the enrollment of member districts;
- Provide subsidy support to districts, joint vocational school districts, educational service centers (ESCs), and County Boards of Mental Retardation and Developmental Disabilities for the administration and collection of EMIS data based on their student enrollment;
- Fund the development and implementation of data standards and the design, development, and implementation of a data exchange system to replace the current EMIS; and
- Support payroll and training for data administration managers, programmers, information technology consultants, and database administrators.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200446 | Education Management Information System | 15,621,135        | 15,621,135        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>15,621,135</b> | <b>15,621,135</b> |

**PROGRAM SERIES 02: Educator Quality**

This program prepares caring, competent and qualified educators for Ohio's schools. The State Board of Education is responsible for: 1) establishing standards and courses of study for the preparation of teachers; 2) providing for the onsite evaluation of colleges and universities desiring to prepare teachers; 3) approving institutions that maintain satisfactory programs; and 4) licensing the graduates of approved programs. Prospective teachers are tested in professional knowledge and teaching content area prior to licensure.

**Program 02.01: Educator Preparation**

This program supports colleges and universities to ensure that teachers understand Ohio's academic content standards and are able to increase student achievement. The Educator Standards Board involves practitioners in the development and implementation of statewide standards for professional practice by Ohio's teachers and principals. This program also provides for the implementation and monitoring of the educator standards for teachers, principals, and professional development; implementation of career ladder programs; development and implementation of guidelines for the evaluation of teachers and principals; program approval of higher education teacher preparation programs; technical assistance to low-performing institutions of higher education; and institutional report cards.

**The Executive Recommendation will fund the following objectives:**

- Support the Educator Standards Board's efforts to develop and recommend standards for educator training and standards for entrance and continuation in teacher and school leadership positions;
- Support a subcommittee of the Educator Standards Board, which will be charged to develop standards for superintendents, treasurers, and school business officials, which incorporate education standards, systems theory, and effective management principles;
- Support the training and professional development of school district treasurers, school administrators, and school business officials; and
- Support the Educator Standards Board's efforts to develop and recommend new teacher and principal standards on collaborative learning environments, service learning, and interdisciplinary project based learning.

| FUND                     |      |        |                      | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 200448 | Educator Preparation | 2,030,000        | 2,030,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>2,030,000</b> | <b>2,030,000</b> |

### Program 02.02: Educator Recruitment and Retention

The goal of this program is to create a quality workforce and reduce critical shortages and turnover of highly qualified educators, especially in areas of mathematics, science, and building administration. How the state and school districts recognize and reward teachers and principals is critical. Research indicates that using approaches that are based on standards and include options for tiered-career paths contribute to teacher retention.

#### The Executive Recommendation will fund the following objectives:

- Fund the Ohio Teach program, which will recruit Ohioans for careers in the teaching profession;
- Support the Troops to Teachers Program, which supports outreach and recruitment to encourage military personnel to enter the teaching profession utilizing the alternative teacher license; and
- Continue administration of a federal grant that supports the development of systems that reward teachers and building administrators for excellence in student learning and build different models of compensation based on role assignment rather than years of experience.

| FUND                     |      |        |                    | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200100 | Personal Services  | 200,000            | 200,000            |
| GRF                      | GRF  | 200550 | Foundation Funding | 117,594,799        | 119,737,445        |
| GRF                      | GRF  | 200555 | Ohio Teach         | 6,100,000          | 6,100,000          |
| FED                      | 3740 | 200647 | Troops To Teachers | 100,000            | 100,000            |
| FED                      | 3CG0 | 200646 | Teacher Incentive  | 3,007,975          | 1,157,834          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>127,002,774</b> | <b>127,295,279</b> |

### Program 02.03: Professional Licensure and Conduct

This program is supported by teacher licensure fees and supports the processing of licensure applications. The program also includes the administration of the teacher disciplinary process.

#### The Executive Recommendation will fund the following objectives:

- Provide the oversight necessary to issue nearly 100,000 certificates and licenses annually;
- Support the Connected Ohio Records for Educators (CORE) system that allows educators to apply and pay for licenses;
- Support a full review for educators applying for licensure that receive a background check with a negative result; and

- Manage the teacher licensure investigation/revocation process and the provision of products and services that improve stakeholder awareness, understanding, and practice of professional conduct.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GSF                      | 4L20 | 200681 | Teacher Certification & Licensure | 6,323,994        | 6,323,994        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>6,323,994</b> | <b>6,323,994</b> |

#### Program 02.04: Educator Training

This program is designed to help educators increase student achievement. It includes the Entry Year Program for new teachers and intensive training in the mathematics, science, and literacy standards. It also provides continued support for training school administrators. This program provides funding for educator training at the school district/building level, targeted toward increasing teacher knowledge of the academic content standards and building the capacity of educators to implement best practice instructional strategies and techniques. Training is aligned with high-quality educator training standards.

#### The Executive Recommendation will fund the following objectives:

- Provide training and professional development for school administrators, treasurers, and business officials;
- Support the Ohio Evidence-Based Model formula, which distributes resources to professional development programs in school districts for high quality professional development that are targeted and credit-bearing;
- Administer federal funding to develop and provide high quality professional development focused on improving the content knowledge and skills of educators. It also supports systemic school improvement strategies focused on improving student achievement and comprehensive strategies focused on attracting and retaining high quality educators; and
- Continue work funded by the Wallace Foundation to support the development of high performing building leadership teams, creation of the Ohio Superintendent Evaluation System, and the development of two licensure endorsements: urban principal and teacher leader.

| FUND                     |      |        |                                       | RECOMMENDED        |                    |
|--------------------------|------|--------|---------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200455 | Community Schools                     | 10,496,742         | 11,180,788         |
| GRF                      | GRF  | 200550 | Foundation Funding                    | 117,594,799        | 119,737,445        |
| FED                      | 3Y60 | 200635 | Improving Teacher Quality             | 101,778,397        | 101,778,400        |
| SSR                      | 5BB0 | 200696 | State Action for Education Leadership | 1,250,000          | 600,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>231,119,938</b> | <b>233,296,633</b> |

#### Program 02.05: Math and Science Educator Training

This program supports math and science initiatives, which include professional development, teacher preparation programs; and programs for students in primary and secondary levels. This program provides intensive training in mathematics and science through a statewide system. The goal of the training is to assist teachers in developing strong mathematics and science content knowledge and pedagogy. The program prepares teachers to more effectively teach mathematics and science by providing research-based professional development.

#### The Executive Recommendation will fund the following objectives:

- Provide funding to increase student achievement in mathematics and science by improving the skills and knowledge of teachers through partnerships between institutions of higher education science, technology, engineering, and mathematics faculty, and high-need school districts.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| FED                      | 3D20 | 200667 | Honors Scholarship Program | 5,175,000        | 5,180,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>5,175,000</b> | <b>5,180,000</b> |

#### **Program 02.06: Literacy Educator Training**

This program uses scientific, research-based reading instruction plans, staff development, required assessments and technology, and appropriate materials to target the lowest-performing, highest-poverty schools.

#### **The Executive Recommendation will fund the following objectives:**

- Continue to provide reading instruction to approximately 18,000 students from low-performing, high-poverty schools and provide professional development to about 1,500 teachers; and
- The GRF funding for this program is being redirected to support the Ohio Evidence Based Model.

| FUND                     |      |        |               | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME      | FY 2010           | FY 2011           |
| FED                      | 3Y40 | 200632 | Reading First | 27,366,373        | 24,455,172        |
| <b>TOTAL FOR PROGRAM</b> |      |        |               | <b>27,366,373</b> | <b>24,455,172</b> |

#### **PROGRAM SERIES 03: Academic Improvement**

This program series provides additional assistance to districts, buildings, and students most in need of academic improvement. This includes targeting districts and buildings in Academic Emergency and Academic Watch, redesigning high schools, improving urban schools, improving the school environment for learning, and engaging parents in the learning process.

#### **Program 03.01: School Improvement**

Raising expectations for what students should know and be able to do while closing the gaps between the lowest- and highest-performing students requires intensive work. The Department provides support to district and instructional leaders through the statewide regional system as they build their capacity to plan and implement school improvement processes.

#### **The Executive Recommendation will fund the following objectives:**

- Provide school districts with the necessary resources so that they may implement the Ohio School Climate guidelines and create optimal learning environments;
- Support the Educational Regional Service System (ERSS) through the State Support Teams (SST) that provide support and technical assistance with high quality needs assessments and focused plans for schools and districts in improvement status;
- Help support professional development opportunities for schools and communities on best practices in alcohol prevention, drug abuse prevention, and school safety;
- Provide grants to schools in school improvement status to implement school improvement strategies;
- Reduce the incidence of violence, discipline problems, and alcohol, tobacco, and other drug use on school property through education and prevention activities in schools and parental involvement; and
- Support competitive grants to school districts to teach students to behave in ethically responsible ways; and
- Administer a grant for the coordination of school health, physical activity, nutrition, and tobacco prevention programs in schools and districts.



**State of Ohio**  
**Department of Education**

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200100 | Personal Services                           | 992,101           | 992,101           |
| GRF                      | GRF  | 200421 | Alternative Education Programs              | 252,856           | 252,856           |
| GRF                      | GRF  | 200431 | School Improvement Initiatives              | 9,700,161         | 9,714,280         |
| GRF                      | GRF  | 200578 | Violence Prevention & School Safety         | 1,384,924         | 1,384,924         |
| FED                      | 3AN0 | 200671 | School Improvement Grants                   | 17,909,676        | 17,936,675        |
| FED                      | 3AX0 | 200698 | Improving Health & Education Outcomes of YP | 630,954           | 630,954           |
| FED                      | 3BV0 | 200636 | Character Education                         | 700,000           | 0                 |
| FED                      | 3D10 | 200664 | Drug Free Schools                           | 13,347,966        | 13,347,966        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>44,918,638</b> | <b>44,259,756</b> |

**Program 03.02: High School/ Middle School Improvement**

This program assists districts in transforming their high schools to become schools where all students can be successful and where students are prepared for the global economy and postsecondary education.

**The Executive Recommendation will fund the following objectives:**

- Support STEM focused programming targeted for instruction and professional development;
- Support the High Schools that Work and Making Middle Grades Work initiatives, which provide high expectations for all students, rigorous career-technical and academic studies, relevant work-based learning, comprehensive guidance and advisement, extra time and help for students, and accountability for students and educators based on data;
- Provide grants to school districts that combine classroom instruction and community service for at-risk youth; and
- Extend Advanced Program courses to minority and low-income students by administering a federal grant used to offset part of schools' Advanced Placement testing costs for eligible students.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 200431 | School Improvement Initiatives          | 159,836          | 145,717          |
| GRF                      | GRF  | 200457 | STEM Initiatives                        | 2,000,000        | 4,500,000        |
| GRF                      | GRF  | 200545 | Career-Technical Education Enhancements | 2,488,269        | 2,524,096        |
| FED                      | 3700 | 200624 | Education Of Exceptional Children       | 305,000          | 396,000          |
| FED                      | 3780 | 200660 | Learn And Serve                         | 619,211          | 619,211          |
| SSR                      | 4V70 | 200633 | Interagency Operational Support         | 143,202          | 145,931          |
| SSR                      | 5X90 | 200911 | NGA STEM                                | 50,000           | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>5,765,518</b> | <b>8,330,955</b> |

**Program 03.03: Student Intervention**

The program provides opportunities for students who are struggling and those who require alternative strategies to succeed in their education. Included are initiatives that provide additional assistance to students in academic need.

**The Executive Recommendation will fund the following objectives:**

- Fund student intervention through the Ohio Evidence-Based Model for every school district.
- Target school funding through the Ohio Instructional Quality Index, which directs additional funds to those districts that have high student poverty, low community wealth, and low college degree attainment by the community residents;
- Provide funding to support intervention services such as tutoring and summer school services;
- Support Limited English Proficiency education;



- Provide funding to school districts to support Health and Wellness initiatives for students by funding one nurse's aid per building and one registered nurse for every school district;
- Support students and their families through additional resource allocation to support a family liaison or student advocate;
- Provide funding to alternative education programs to implement successful, innovative practices in alternative education;
- Administer a federal grant to provide opportunities for communities to establish or expand activities in community learning centers that provide for academic enrichment, including tutorial services to help students attending low-performing schools; and
- Administer a federal grant that provides assistance to school districts in meeting the special language needs of national origin minority and limited English proficient students.

| FUND                     |      |        |  | RECOMMENDED        |                    |
|--------------------------|------|--------|--|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200421 | Alternative Education Programs         | 9,548,896          | 9,548,896          |
| GRF                      | GRF  | 200455 | Community Schools                      | 29,966,488         | 30,689,664         |
| GRF                      | GRF  | 200550 | Foundation Funding                     | 188,930,178        | 195,588,085        |
| FED                      | 3Y20 | 200688 | 21st Century Community Learning Center | 28,700,000         | 28,700,000         |
| FED                      | 3Y70 | 200689 | English Language Acquisition           | 8,000,000          | 8,000,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>265,145,562</b> | <b>272,526,645</b> |

#### PROGRAM SERIES 04: School Choice

The purpose of the School Choice program is to meet the diverse educational needs of Ohio students by promoting and supporting educational options and choices. This program includes community schools, the Cleveland Scholarship and Tutoring Program, and the Educational Choice Scholarship Program. The Ohio Department of Education provides oversight, monitoring, and technical assistance for these programs.

##### Program 04.01: Community Schools

Community schools, also referred to as charter schools, are independent public schools operated according to a contract negotiated with a sponsor. A sponsor can be a school district, a joint vocational school board, an educational service center, a state university board of trustees, or a qualifying tax-exempt entity. There are two types of community schools- new start-ups or conversions. All or a part of a public school in Ohio can be converted to a community school.

#### The Executive Recommendation will fund the following objectives:

- Implements the Community Schools Ohio Evidence-Based Model;
- Support the educational costs for more than 80,000 students at more than 300 community schools throughout Ohio; and
- Provide training to community school sponsors.

| FUND                     |      |        |                        | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200455 | Community Schools      | 342,966,656        | 367,941,417        |
| FED                      | 3T40 | 200613 | Public Charter Schools | 14,212,922         | 14,212,922         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>357,179,578</b> | <b>382,154,339</b> |

##### Program 04.02: Cleveland Scholarships and Tutoring Program

This program provides scholarships for students residing in the Cleveland Metropolitan School District to attend private schools or public schools in adjacent school districts. The Cleveland Scholarship and Tutoring program

serves kindergarten through high school students, giving priority to students from low-income families. The 1996-1997 academic year was the first year of operation for grades K-3. The program has since been expanded to include all grades through high school.

**The Executive Recommendation will fund the following objectives:**

- Continue the current level of service to more than 6,000 participating students;
- Provide for a portion of Cleveland's Evidence Based Model funding to flow to private schools participating in the Cleveland Scholarship and Tutoring program participants; and
- Support direct subsidy from the state to the Cleveland Scholarship and Tutoring program.

| FUND                     |      |        |                    | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200455 | Community Schools  | 1,308,661         | 1,308,661         |
| GRF                      | GRF  | 200550 | Foundation Funding | 22,334,748        | 22,334,748        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>23,643,409</b> | <b>23,643,409</b> |

**Program 04.03: Educational Choice Scholarships**

The Educational Choice Scholarship program began in school year 2006-2007 and provides scholarships to students from persistently underperforming public schools. Scholarships are provided through a deduction from the student's district of residence and payments are made to each recipient student's parent/guardian to pay tuition at the participating chartered nonpublic school of their choice.

**The Executive Recommendation will fund the following objectives:**

- Administer 14,000 scholarships to pay nonpublic tuition for participating students.

| FUND                     |      |        |                    | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200550 | Foundation Funding | 50,084,310        | 49,692,354        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>50,084,310</b> | <b>49,692,354</b> |

**PROGRAM SERIES 05: Basic Aid Support**

This program series is the major source of unrestricted aid for the general operation of school districts, community schools, and education service centers (ESCs). This program series also provides funding for chartered nonpublic schools and local property tax supplements.

**Program 05.01: Formula Aid**

Formula aid is the main source of state foundation payments to all public school districts in the state. This funding helps support the general operating expenses of school districts and other educational entities. Base cost funding, the largest portion of formula aid, is based on a methodology that promotes funding equity among districts and includes a required local share. Funds for base cost are supplemented with support from the Lottery Profits Education Funds.

**The Executive Recommendation will fund the following objectives:**

- Provide support for school districts through the Ohio Evidence-Based Model, which uses research to defines educational components that result in an adequate education;
- Identifies components that are research based and define an adequate education and result in a child's educational success;

- Implements an Ohio Instructional Quality (Ohio IQ) Index that will target funding to the districts that need it most;
- Hold districts harmless to formula changes in fiscal year 2010 by promising 100% guarantee of prior year funding and 98% of the prior year in fiscal year 2011;
- Decreases the charge-off from 23-mills to 20-mills increasing state support for local districts;
- Provides support for Educational Service Centers and redirects \$4.7 million for performance audits of the ESC system. During the biennium, ESCs will be studied to establish performance benchmarks to ensure ongoing high quality services for contracting school districts; and
- Equalize, to the statewide average, the half-mill maintenance requirement to assist districts with maintaining their new or renovated school buildings under the Ohio School Facilities Commission program.

| FUND                     |      |        |                                    | RECOMMENDED          |                      |
|--------------------------|------|--------|------------------------------------|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010              | FY 2011              |
| GRF                      | GRF  | 200550 | Foundation Funding                 | 3,125,722,956        | 3,027,703,935        |
| GRF                      | GRF  | 200551 | Foundation Funding Fed Stimulus    | 328,314,076          | 583,179,525          |
| SSR                      | 5BJ0 | 200626 | Half-Mill Maintenance Equalization | 10,700,000           | 10,700,000           |
| LPE                      | 7017 | 200612 | Foundation Funding                 | 705,000,000          | 711,000,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>4,169,737,032</b> | <b>4,332,583,460</b> |

#### **Program 05.02: Nonpublic School Payments**

This item provides financial assistance to chartered nonpublic schools for required administrative activities, secular materials, and services on the same basis as those provided to public school students.

#### **The Executive Recommendation will fund the following objectives:**

- Provide financial assistance for nonpublic chartered schools to purchase secular services and materials; and
- Reimburse costs incurred by nonpublic chartered schools for auxiliary services and mandated administrative services.

| FUND                     |      |        |                                    | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200511 | Auxiliary Services                 | 131,740,457        | 131,740,457        |
| GRF                      | GRF  | 200532 | Nonpublic Admin Cost Reimbursement | 59,810,517         | 59,810,517         |
| SSR                      | 5980 | 200659 | Auxiliary Services Reimbursement   | 1,328,910          | 1,328,910          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>192,879,884</b> | <b>192,879,884</b> |

#### **Program 05.03: Local Tax Supplement**

This program includes statutory payments to school districts that reduce local taxpayers' tax bills for education.

#### **The Executive Recommendation will fund the following objectives:**

- Provide funding for direct hold harmless payments to school districts and joint vocational school districts that have will experienced valuation reductions due to the phase-out of assessment rates on certain business tangible property; and
- Provide funding for direct hold harmless payments to select school districts and joint vocational school districts that had reductions in utility property valuations as the result of utility deregulation legislation.

| FUND                     |      |        |  | RECOMMENDED          |                      |
|--------------------------|------|--------|--|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010              | FY 2011              |
| RDF                      | 7047 | 200909 | School Dist Prop Tax Replace-Bus         | 1,150,207,366        | 1,150,207,366        |
| RDF                      | 7053 | 200900 | School District Property Tax Replacement | 91,123,523           | 91,123,523           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,241,330,889</b> | <b>1,241,330,889</b> |

### PROGRAM SERIES 06: School Operation Support

This program series provides funding and support to school districts and other educational entities for various building and maintenance operations including pupil transportation, finance and management services, information technology support, and school food services.

#### Program 06.01: Pupil Transportation

Funding for pupil transportation partially reimburses districts for the operating costs of transporting public (including community school students) and nonpublic school students to and from school as well as provides partial funding for purchasing school buses. Pupil transportation service is required for all students in kindergarten through 8th grade who live more than two miles from their school. Many districts also provide transportation service for students in grades 9-12.

#### The Executive Recommendation will fund the following objectives:

- Fund a new transportation formula that better aligns funding to actual service levels while also providing extra funding for exceeding efficiency targets, having greater logistical challenges relative to other districts, and transporting students not required under statute which improves student safety; and
- Provide funding to assist districts and MR/DDs in purchasing school buses to provide safe transportation for school-age children.

| FUND                     |      |        |                        | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200502 | Pupil Transportation   | 438,222,619        | 438,222,619        |
| GRF                      | GRF  | 200503 | Bus Purchase Allowance | 10,850,000         | 10,850,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>449,072,619</b> | <b>449,072,619</b> |

#### Program 06.02: Finance and Management Services

This program provides financial information and technical assistance to help school districts, community schools, and nonpublic schools manage their fiscal resources. The program assists school districts in restoring and maintaining fiscal solvency and implementing good management practices. The accountability system will be enhanced in the upcoming biennium by additional tools for districts and their local communities to assist in their understanding of how taxpayer dollars are used. Additionally, the state will commit to conducting and funding performance audits for all school districts, educational service centers, joint vocational school districts and community schools on a five-year cycle.

#### The Executive Recommendation will fund the following objectives:

- Provide assistance to districts in fiscal distress, especially those districts in fiscal emergency that require a Financial Planning and Supervision Commission to help bring the district back to fiscal solvency;
- Fund performance audits conducted by the Auditor of State for districts in Fiscal Caution, Fiscal Watch, or Fiscal Emergency;
- Support audits of all school districts, community schools, joint vocational school districts, and education service centers on a five-year cycle;

- Fund local academic performance and fiscal reports for all public schools and districts compiling student performance indicators;
- Compile information for the State Report Cards;
- Support an Advisory Taskforce that will assist in setting performance audit scope and staff the Ohio Evidence-Based Model refresh group;
- Support the ongoing research and development for the education fiscal data pilot;
- Fund the development of performance audit metrics to be used on a statewide basis for all school districts, educational service centers, and joint-vocational school districts;
- Support the Cleveland Municipal School District's Early Adopter Technical Assistance Pilot;
- Support planning, coordination, funding simulation, and analysis for districts; and
- Provide advancements to school districts to enable them to remain solvent and grants to school districts that suffer an unforeseen catastrophic event that severely depletes the district's financial resources.

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200422 | School Management Assistance    | 20,904,572        | 22,490,572        |
| GSF                      | 5H30 | 200687 | School District Solvency Assist | 18,000,000        | 18,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>38,904,572</b> | <b>40,490,572</b> |

#### **Program 06.03: Ohio Education Networks**

This program provides support for the Ohio Education Computer Network (OECN), which consists of 23 Information Technology Centers (ITCs), seven large urban districts that act as their own ITC, and other technology support for school districts. These ITCs provide services to facilitate the use of computers and information in both administrative and instructional settings for member school districts.

#### **The Executive Recommendation will fund the following objectives:**

- Provide ongoing support for ITC connectivity to the Ohio K-12 Network, subsidy for school district connectivity to the internet, and support for the operation of the K-12 Network as part of the OSCnet;
- Fund INFOhio and Union Catalogue, which in conjunction with other state-funded library networks of OPLIN (public libraries) and OhioLINK (colleges and universities), provides information access for the K-12 population;
- Support the ITC sites and the administration and collection of Education Management Information System (EMIS) data for school districts; and
- Provide administrative software for school district accounting, payroll, and inventory.

| FUND                     |      |        |                                   | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200426 | Ohio Educational Computer Network | 27,411,025        | 27,411,025        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>27,411,025</b> | <b>27,411,025</b> |

#### **Program 06.04: School Food Services**

Federal entitlement, state funds, and commodity foods are resources given to participating public and nonprofit private schools to provide a nutritious breakfast, lunch, and after-school snack for school-age children. In addition, public and private nonprofit schools, agencies, and sponsoring sites that provide meals in the summer or during extended school vacations are eligible to receive commodity foods.

**The Executive Recommendation will fund the following objectives:**

- Provide subsidized lunches and breakfast to low-income students at public and nonprofit private schools, camps, and institutions;
- Distribute commodity foods to more than 1,100 participating schools and agencies.

| FUND                     |      |        |                          | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200505 | School Lunch Match       | 11,798,025         | 11,798,025         |
| FED                      | 3L60 | 200617 | Federal School Lunch     | 252,660,325        | 252,079,265        |
| FED                      | 3L70 | 200618 | Federal School Breakfast | 72,208,118         | 72,208,119         |
| SSR                      | 4550 | 200608 | Commodity Foods          | 24,000,000         | 24,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>360,666,468</b> | <b>360,085,409</b> |

**Program 06.05: Child and Adult Care Programs**

Eligible institutions with children or functionally impaired adults in nonresidential day care centers, children in family child care homes, after-school care programs, and children in residential emergency shelters receive cash reimbursement for lunch, breakfast, snack, and supper through this program.

**The Executive Recommendation will fund the following objectives:**

- Provide meals to children or adults enrolled at participating day care centers, after-school programs, or adult day care centers.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| FED                      | 3L80 | 200619 | Child And Adult Care Programs | 75,159,405        | 75,159,405        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>75,159,405</b> | <b>75,159,405</b> |

**Program 06.06: Nutrition Programs and Support**

This program includes the administrative support and monitoring of federally-funded school food programs. Also supported through this program are federally-funded meals provided to children during extended school vacations and summer school.

**The Executive Recommendation will fund the following objectives:**

- Continue the Summer Foods Program; and
- Continue the Summer Foods, Special Milk, and Fruit and Vegetable Consumption programs.

| FUND                     |      |        |                      | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010           | FY 2011           |
| FED                      | 3670 | 200607 | School Food Services | 6,088,737         | 6,088,738         |
| FED                      | 3L60 | 200617 | Federal School Lunch | 10,411,007        | 10,992,067        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>16,499,744</b> | <b>17,080,805</b> |

**PROGRAM SERIES 07: Special Education**

The federal Individuals with Disabilities Education Act (IDEA) ensures a free and appropriate public education for all students with disabilities. The general principles include raising the expectations for children with disabilities, ensuring access to and progress in the general curriculum, and strengthening the role of parents so that families have meaningful opportunities to participate in their child's education. The program series provides special education and

related services, aides and supports in the regular classroom when appropriate, and builds the capacity of school districts to meet the academic and behavioral needs of students with disabilities and other at-risk learners.

#### **Program 07.01: Special Education Funding**

Special education students represent about 14% of Ohio's total student population and require an Individualized Education Program (IEP) that specifies additional services the student needs to make progress in the general curriculum. In addition to base cost funding, weighted funding is distributed to school districts (including community schools and joint vocational schools) based on the severity of the disabling condition. Per-pupil funding for students with disabilities is also distributed to the state institutions and County Boards of Mental Retardation and Developmental Disabilities. These boards operate educational programs in public schools and in separate educational facilities for students with disabilities. Usually, MR/DDs serve students with more severe disabilities. All funding is distributed on a weighted per pupil basis.

#### **The Executive Recommendation will fund the following objectives:**

- Increases the funding for Special Education Enhancements and eliminates earmarks;
- Continue special education funding for special education students served by school districts, joint vocational school districts and county boards of MR/DD; and
- Provide federal Individuals with Disabilities Education Act (IDEA) funding to school districts, county boards of MR/DD, the Department of Youth Services, community schools, and chartered nonpublic schools. This funding is used to provide special education services to students with disabilities.

| FUND                     |      |        |   | RECOMMENDED          |                      |
|--------------------------|------|--------|---|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010              | FY 2011              |
| GRF                      | GRF  | 200455 | Community Schools                           | 54,131,571           | 58,873,647           |
| GRF                      | GRF  | 200540 | Special Education Enhancements              | 43,991,834           | 44,893,070           |
| GRF                      | GRF  | 200541 | Special Education Fed Stimulus              | 186,610,180          | 186,610,180          |
| GRF                      | GRF  | 200550 | Foundation Funding                          | 342,522,387          | 377,746,198          |
| FED                      | 3M20 | 200680 | Individuals with Disabilities Education Act | 405,000,000          | 405,000,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,032,255,972</b> | <b>1,073,123,095</b> |

#### **Program 07.02: Special Education Target Funding**

This item includes additional funding for specific special education services. The largest components provide catastrophic aid to districts for high-cost special education students and scholarships for the parents of autistic children to seek alternate special education services for their children in place of those offered by their school district. The autism scholarship program allows services to be provided by registered private providers, including nonpublic schools.

#### **The Executive Recommendation will fund the following objectives:**

- Reimburse school districts, community schools, and joint vocational school districts part of their costs incurred for serving special education cases that are financially catastrophic in nature. Funding totals \$10 million in each fiscal year;
- Maintain funding of \$2.9 million in each fiscal year to reimburse districts for half of their costs to provide home instruction to three types of special education students – severe behavioral handicapped, orthopedic, and health impaired; and
- Partner with the Ohio Rehabilitative Services Commission to develop products and processes that can be used to improve the postsecondary success of students with disabilities in Ohio.



**State of Ohio**  
**Department of Education**

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200540 | Special Education Enhancements  | 5,588,003         | 5,588,003         |
| GRF                      | GRF  | 200550 | Foundation Funding              | 10,000,000        | 10,000,000        |
| SSR                      | 4V70 | 200633 | Interagency Operational Support | 465,537           | 465,537           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>16,053,540</b> | <b>16,053,540</b> |

**PROGRAM SERIES 08: Early Childhood Education**

This program series includes developmental and educational services for preschool children. A decade of national research identifies the essential components of quality early education settings, including: early learning standards aligned to an assessment system, qualified and competent teachers, and program standards connected to job-embedded educator training, parental support, and linkages to health and developmental services. Quality early learning experiences are becoming a prerequisite for children, particularly for children at risk.

**Program 08.01: Early Learning Programs**

The Department of Education administers early childhood programs that provide educational services for three- and four-year old children from income-eligible families.

**The Executive Recommendation will fund the following objectives:**

- Provide all-day, everyday kindergarten services to children through the Ohio Evidence-Based Model;
- Provide services through the Early Childhood Education program in the upcoming biennium;
- Provide educational services for three- and four-year-old children; and
- Administer federal funding for the coordination of federal, state, and local policies to support a coordinated early care and education system.

| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200408 | Early Childhood Education        | 34,768,341        | 34,768,341        |
| FED                      | 3H90 | 200605 | Head Start Collaboration Project | 225,000           | 225,000           |
| SSR                      | 5W20 | 200663 | Early Learning Initiative        | 2,200,000         | 2,200,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>37,193,341</b> | <b>37,193,341</b> |

**Program 08.02: Preschool Special Education**

Preschool special education services are provided to meet the needs of children with disabilities aged three through five. Districts are mandated under federal law to provide a free and appropriate public education to these children and are required to develop Individual Education Plans (IEP) for them.

**The Executive Recommendation will fund the following objectives:**

- Supports preschool special education units in the FY 2010-2011 biennium.

| FUND                     |      |        |                                | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200540 | Special Education Enhancements | 85,856,415         | 87,528,467         |
| FED                      | 3C50 | 200661 | Early Childhood Education      | 14,189,711         | 14,554,749         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>100,046,126</b> | <b>102,083,216</b> |



**Program 08.03: Child Care Licensing**

The Department of Education licenses and monitors preschool and school-age child care programs to ensure basic safety and health standards. This responsibility includes all preschool and school-age child care programs operated by public schools, County Boards of Mental Retardation and Developmental Disabilities, and eligible chartered nonpublic schools.

**The Executive Recommendation will fund the following objectives:**

- Fund the licensure and inspection of more than 1,900 child care programs, addressing health and safety standards.

| FUND                     |      |        |                                 | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010          | FY 2011          |
| GRF                      | GRF  | 200442 | Child Care Licensing            | 1,302,495        | 1,302,495        |
| SSR                      | 4V70 | 200633 | Interagency Operational Support | 111,950          | 111,950          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>1,414,445</b> | <b>1,414,445</b> |

**PROGRAM SERIES 09: Career-Technical Education**

Ohio's career-technical system offers a sequence of career-technical courses (grades 9-12) that support the academic and technical knowledge and skills needed to prepare for further education and careers in current and emerging employment sectors. Career-technical education also includes programs and services designed to help Ohio's students develop career plans, identify initial educational and career goals and develop the skills necessary to make informed career and educational choices throughout life.

**Program 09.01: Joint Vocational School Basic Funding**

This funding supports the educational cost for career-technical students attending a JVS.

**The Executive Recommendation will fund the following objectives:**

- Support JVS's over the biennia with a 1.9% increase in funding in each fiscal year while the JVS system undergoes performance audits and a taskforce determines a new funding model that incorporates the concepts of the Ohio Evidence-Based Model used in public schools, community schools, and internet-based schools.

| FUND                     |      |        |                    | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200550 | Foundation Funding | 147,216,235        | 149,554,570        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>147,216,235</b> | <b>149,554,570</b> |

**Program 09.02: Secondary Workforce Development**

Secondary workforce development programs and technical and academic curricula are based on technical and academic curricula aligned with business, industry and labor expectations, and provide credentialing opportunities as a means to improving Ohio's economic development. Programs are a combination of academic and technical courses or experiences in sixteen career fields, such as agriculture and environmental systems, business and administrative services, engineering and science technologies, health science, information technology, law and public safety, and manufacturing technologies. A goal of the programs is to establish seamless pathways for students to transition from secondary education to postsecondary education. The Ohio Evidence Based Funding model identifies career-technical education as an essential component in an adequate education. As such, the model provides funding for this category through specialized instruction.

**The Executive Recommendation will fund the following objectives:**

- Provides funding to support career-technical education as part of the Ohio Evidence Based funding model in both public schools and community schools.

| FUND                     |      |        |                    | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200455 | Community Schools  | 3,868,534          | 4,219,473          |
| GRF                      | GRF  | 200550 | Foundation Funding | 174,334,699        | 178,949,609        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>178,203,233</b> | <b>183,169,082</b> |

**Program 09.03: Career-Based Intervention**

The Career-Based Intervention Program (CBIP) helps disadvantaged students overcome barriers to career and academic success. The program includes academic instruction for credit or remediation and paid work experience or other work-based learning such as service learning.

**The Executive Recommendation will fund the following objectives:**

- Provides funding to support career-technical education as part of the Ohio Evidence Based funding model in both public schools and community schools.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200545 | Career-Technical Education Enhancements | 2,448,405         | 2,448,405         |
| GRF                      | GRF  | 200550 | Foundation Funding                      | 9,741,364         | 9,964,987         |
| SSR                      | 4V70 | 200633 | Interagency Operational Support         | 148,099           | 145,370           |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>12,337,868</b> | <b>12,558,762</b> |

**Program 09.04: Work and Family Studies**

The Work and Family Studies Program teaches knowledge and skills that foster adolescent transition into the adult roles of worker, family member, and community member. Students learn the core competencies of solving problems, making decisions, reflective thinking, managing resources, communicating effectively, and developing leadership skills. They also learn about nutrition and wellness, family and worker relationships, parenting and child development, life planning, and career development.

**The Executive Recommendation will fund the following objectives:**

- Provides funding to support career-technical education as part of the Ohio Evidence Based funding model in both public schools and community schools.

| FUND                     |      |        |                    | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200550 | Foundation Funding | 12,060,736        | 12,337,603        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>12,060,736</b> | <b>12,337,603</b> |

**Program 09.05: College-Based Career-Technical Education**

College-based career-technical education programs, also referred to as Tech Prep, extend career paths from the high school to the postsecondary level. Students enroll in a seamless career-technical program that begins in high school and continues through an associate's degree in college and beyond. The Department of Education and the Ohio Board of Regents co-administer this program.

**The Executive Recommendation will fund the following objectives:**

- Provide support to maintain a quality Tech Prep system that includes a 23 consortia network (23 community and technical colleges and 91 career-technical planning districts) necessary to ensure Tech Prep program design and expansion; and
- Administer competitive grants to support Tech Prep enrollment expansion and new Tech Prep programming in school districts.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 200425 | Tech Prep Consortia Support                | 1,594,373        | 1,594,373        |
| GRF                      | GRF  | 200545 | Career-Technical Education Enhancements    | 2,359,356        | 2,359,356        |
| FED                      | 3690 | 200616 | Career-Tech Education Federal Enhancements | 5,000,000        | 4,990,960        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>8,953,729</b> | <b>8,944,689</b> |

**Program 09.06: Career-Technical Special Programs and Support**

Career-Technical programs prepare students for postsecondary education and careers as well as help students identify initial educational and career goals and develop the skills necessary to make informed career and educational decisions throughout life. Skills are developed through integrated academic and technical instruction and application. All students in Ohio have access to career-technical education.

**The Executive Recommendation will fund the following objectives:**

- Administer federal funding to support the development of academic, vocational, and technical skills of secondary and postsecondary students who enroll in vocational and technical programs.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200416 | Career-Technical Education Match        | 2,233,195         | 2,233,195         |
| GRF                      | GRF  | 200545 | Career-Technical Education Enhancements | 456,632           | 470,842           |
| GSF                      | 5960 | 200656 | Ohio Career Information System          | 529,761           | 529,761           |
| FED                      | 3680 | 200614 | Veterans' Training                      | 745,892           | 745,892           |
| FED                      | 3L90 | 200621 | Career-Tech Education Basic Grant       | 48,029,701        | 48,029,701        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>51,995,181</b> | <b>52,009,391</b> |

**PROGRAM SERIES 10: Gifted Education**

Gifted education focuses on identifying and serving students who perform, or show potential for performing, at remarkably high levels of accomplishment compared to others of their age, experience or environment. Services include resource rooms, self-contained classrooms, or accelerated coursework. Services are provided by local coordinators and intervention specialists and are funded by both state and local funds. Instruction is based on the identified needs of students and a written education plan. Gifted education requires modifications, such as a differentiated curriculum, more open-ended and abstract tasks, an emphasis on analytical thought and problem solving, and increased emphasis on multidisciplinary and research-focused study. An estimated 16 percent of Ohio students are identified as gifted.

**Program 10.01: Gifted Pupil and Enrichment Funding**

Gifted pupil and enrichment funding provides gifted services above those services provided in the general education classroom. Additional funding also assists districts with the purchase of test materials and equipment, in-service, and staff training, and employment of additional personnel required to identify students who are gifted.

**The Executive Recommendation will fund the following objectives:**

- Increase the funding for Gifted Education and Student Enrichment Activities from \$33.4 million in fiscal year 2009 to \$74.9 million and \$75.8 in fiscal years 2010 and 2011, respectively; and
- Maintain flexibility in funding for Student Enrichment Activities so they may be used for gifted instruction, post-secondary enrollment option, advanced placement, or activities that will enrich the educational experience of all students within a school building or the district.

| FUND                     |      |        |                    | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200455 | Community Schools  | 5,049,140         | 5,402,583         |
| GRF                      | GRF  | 200550 | Foundation Funding | 69,863,155        | 70,379,666        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>74,912,295</b> | <b>75,782,249</b> |

**Program 10.02: Gifted Pupil Special Program**

This program supports the development of research-based, high quality professional development modules for individuals that impact the education of gifted high school students, but who are not gifted specialists. This program also administers the Robert C. Byrd Honors Scholarship to outstanding high school graduates who show promise of continued excellence.

**The Executive Recommendation will fund the following objectives:**

- Redirect resources into the Ohio Evidence-Based Model.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| FED                      | 3700 | 200624 | Education Of Exceptional Children | 454,000          | 454,000          |
| FED                      | 3D20 | 200667 | Honors Scholarship Program        | 1,490,000        | 1,485,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>1,944,000</b> | <b>1,939,000</b> |

**PROGRAM SERIES 11: Students At Risk**

This program series helps districts and schools improve the teaching and learning of children who are failing, or most at risk of failing, to meet state academic standards. The single largest funding source is the federal Title I program for low-income students. This item includes state funds for children in poverty through funding poverty-driven components of the Ohio Evidence-Based Model such as additional tutors for targeted intervention, summer school, and student and family supports such as family liaisons and student advocates. This program series also includes students from migrant and homeless families, students in local institutions for neglected and delinquent children, and students from families with low incomes.

**Program 11.01: Title I Disadvantaged Students**

The purpose of Title I is to enable schools to provide opportunities for disadvantaged children to acquire the knowledge and skills in the state's academic content standards. Nearly all districts receive basic grants based on the state's per-pupil expenditure for education and the number of school-age children from low-income families. Concentration grants, target grants, and education finance incentive grants allocate additional funds to districts with higher proportions of children from low-income families.

**The Executive Recommendation will fund the following objectives:**

- Support instruction for students that are identified to be at-risk as determined by the percentage and concentration of students qualifying for free and reduced priced lunches through the federal Elementary and Secondary Act;

- Provide federal grants to nearly all districts in Ohio for increased opportunities for disadvantaged students; and
- Support a portion of administrative costs associated with distribution of grants to districts.

| FUND                     |      |        |                             | RECOMMENDED        |                    |
|--------------------------|------|--------|-----------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010            | FY 2011            |
| FED                      | 3090 | 200601 | Educationally Disadvantaged | 8,405,512          | 8,405,512          |
| FED                      | 3M00 | 200623 | ESEA Title 1A               | 514,000,000        | 514,000,000        |
| FED                      | 3Y80 | 200639 | Rural And Low Income        | 1,500,000          | 1,500,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>523,905,512</b> | <b>523,905,512</b> |

### Program 11.02: Poverty Based Programs

This program provides funds to school districts that incur elevated educational costs because of high concentrations of economically disadvantaged students. The state's poverty based assistance program targets funding to those school districts. In addition, the Ohio Instructional Quality Index reflects community factors that serve as impediment to providing quality education. These factors include a district's percentage of students in poverty, community wealth, and the educational attainment of the community. The index has a range of 0.9 to 1.65 and is used to target instructional funds.

A portion of funding within this program is supported by the anticipated 2009 Federal Stimulus Package (Subsection C – Title I). These funds are used in an effort to maintain state support for poverty driven programs to local school districts during state FY 2010 and FY 2011. The programs funded through these dollars will support additional teachers, intervention specialists, and student and family advocates for those children most at-risk.

#### The Executive Recommendation will fund the following objectives:

- Allocate additional funding provided by the federal government through Section 2 to districts as supplemental grants for targeted instruction and intervention;
- Support students in poverty through the Ohio Evidence-Based Model by directing funding through Title XIII of the Federal Stimulus package;
- Provide additive funding and redirection of existing funding to those districts that have the highest percentage of students living in poverty, lowest community wealth, and lowest educational attainment of the adults residing within the school district boundaries; and
- Support the continued goals of targeting resources where they are needed most.

| FUND                     |      |        |                              | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010            | FY 2011            |
| GRF                      | GRF  | 200455 | Community Schools            | 49,616,592         | 54,070,306         |
| GRF                      | GRF  | 200550 | Foundation Funding           | 500,190,770        | 508,185,381        |
| GRF                      | GRF  | 200609 | Poverty Funding Fed Stimulus | 223,665,157        | 223,665,157        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>773,472,519</b> | <b>785,920,844</b> |

### Program 11.03: Innovative Education Programs

Two federal grants compose the majority of this program. One provides districts with reimbursement for administrative costs associated with providing services to Medicaid-eligible students. The second federal grant helps districts and schools integrate technology into the English language arts and mathematics academic content standards in grades K-8.

**The Executive Recommendation will fund the following objectives:**

- Reimburse districts for administrative costs associated with providing services to Medicaid-eligible students; and
- Provide formula and competitive grants to districts for hardware, software, professional development, web-based curriculum management tools, and other resources to integrate technology into content standards.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| FED                      | 3AF0 | 200603 | Schools Medicaid Admin Claims | 639,000          | 639,000          |
| FED                      | 3M10 | 200678 | Innovative Education          | 250,000          | 0                |
| FED                      | 3S20 | 200641 | Education Technology          | 5,000,000        | 5,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>5,889,000</b> | <b>5,639,000</b> |

**PROGRAM SERIES 12: Adult Education**

Adult education programs teach basic skills and improve the knowledge and skills of the adult workforce. These programs are delivered through a network of 118 Adult Basic and Literacy Education (ABLE) providers, 58 adult full-service centers and more than 720 approved schools and training agencies for veterans.

Most of the funding for Adult Education will be moved to the Board of Regents during FY 2009 as directed by H.B. 119 of the 127<sup>th</sup> General Assembly. Adult Workforce Education and Adult Literacy Education will be incorporated as part of the Ohio Board of Regents' University System of Ohio Plan. The following programs will be retained by the Department and are represented in other program areas as indicated:

- Align funding and projects targeted to retool Ohio's adult workforce by transferring this program to the Board of Regents;
- Maintain funding for the Adult High School at the Department of Education but funding moved to the Student Intervention program in the Academic Improvement program series; and
- Maintain funding for Adult Assessment (or GED Testing) at the Department but move the funding to the Student Assessment program in the Curricula, Assessments, and Accountability program series.

**PROGRAM SERIES 13: State Administration and Infrastructure Support**

This program series includes functions that support agency operations and administration. This includes fiscal administration, human resources, facilities and fleet management, document processing, organizational development, and technology infrastructure.

**Program 13.01: Administrative Support**

This program includes funding for the administrative functions not directly related to one program, such as human resources, accounting, board relations, policy analysis, and communications. This program also includes support for the five administrative centers: Curriculum and Assessment; School Improvement; Teaching Profession; Students, Families and Communities; and School Options and Finance.

**The Executive Recommendation will fund the following objectives:**

- Support the ongoing administrative leadership, program support, and technical assistance provided by the department; and
- Provide administrative support through fiscal, human resources, and a variety of other services that allow the agency to operate efficiently and effectively.
- Support the work of the School Employees Healthcare Board.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200100 | Personal Services                     | 10,961,046        | 10,961,046        |
| GRF                      | GRF  | 200320 | Maintenance & Equipment               | 3,495,350         | 3,495,350         |
| GRF                      | GRF  | 200421 | Alternative Education Programs        | 214,133           | 214,133           |
| GRF                      | GRF  | 200458 | School Employee Health Care Board     | 1,128,600         | 1,128,600         |
| GSF                      | 4520 | 200638 | Miscellaneous Revenue                 | 275,000           | 275,000           |
| FED                      | 3Z30 | 200645 | Consolidated Fed Grant Administration | 8,499,279         | 8,499,280         |
| SSR                      | 4R70 | 200695 | Indirect Operational Support          | 5,810,464         | 5,810,464         |
| SSR                      | 6200 | 200615 | Educational Improvement Grants        | 3,000,000         | 3,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>33,383,872</b> | <b>33,383,873</b> |

### Program 13.02: Information Technology Infrastructure

This program includes the development and implementation of new information technologies for meeting the strategic needs of the agency's business centers, making the department's information accessible and enhancing the agency's internet and intranet services. The interactive Local Report Card, interactive continuous improvement planning, and other online applications also are included.

#### The Executive Recommendation will fund the following objectives:

- Support the ongoing administrative leadership, program support, and technical assistance provided by the department; and
- Support the information technology services to department programs, which include development and maintenance of the network infrastructure and software, purchase of all computer hardware and software, project management, and programming services.

| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 200420 | Computer/app/Network Develop | 5,394,826         | 5,394,826         |
| GSF                      | 1380 | 200606 | Computer Services            | 7,600,091         | 7,600,091         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>12,994,917</b> | <b>12,994,917</b> |

### PROGRAM SERIES 14: Ohio School for the Blind

This program series supports the implementation of educational, residential, outreach, and administrative services at the Ohio State School for the Blind.

#### Program 14.01: Ohio School for the Blind

This program supports the operation of the Ohio State School for the Blind. This involves supporting the educational needs of the school's specialized population of blind and visually-impaired children, including those who are developmentally handicapped or multi-handicapped; providing residential and support services for the students enrolled in the school program, including dormitory living with a variety of recreation, food, and health services; providing outreach services available to local school districts statewide to assist in meeting the educational needs of the blind and visually-impaired students that are being served in their home communities; and providing administrative support for the operation of the school and residential programs.

#### The Executive Recommendation will fund the following objectives:

- Maintain services at a level similar to that of fiscal year 2009.

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| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 226100 | Personal Services                            | 7,326,155         | 7,326,155         |
| GRF                      | GRF  | 226200 | Maintenance                                  | 688,363           | 688,363           |
| GRF                      | GRF  | 226300 | Equipment                                    | 72,783            | 72,783            |
| GSF                      | 4H80 | 226602 | Education Reform Grants                      | 61,000            | 61,000            |
| FED                      | 3100 | 226626 | Coordinating Unit                            | 2,527,105         | 2,527,105         |
| FED                      | 3P50 | 226643 | Medicaid Professional Services Reimbursement | 50,000            | 50,000            |
| SSR                      | 4M50 | 226601 | Work Study & Technology Invest               | 250,000           | 250,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>10,975,406</b> | <b>10,975,406</b> |

**PROGRAM SERIES 15: Ohio School for the Deaf**

This program series supports the implementation of educational, residential, outreach, and administrative services at the Ohio School for the Deaf.

**Program 15.01: Ohio School for the Deaf**

This program series supports the operation of the Ohio School for the Deaf. This involves supporting the on-site education program – a comprehensive and sequential educational service in preschool, elementary, secondary, and vocational education to deaf and hard-of-hearing learners with differing levels of ability, achievement, hearing loss, and communication capacity; providing learners with a homelike atmosphere in the dormitories, including a variety of recreation, food, and student health services; providing outreach services to deaf and hard-of-hearing learners enrolled in Ohio's public schools; and providing administrative support for the operation of the school and residential programs.

**The Executive Recommendation will fund the following objectives:**

- Maintain services at a level similar to that of fiscal year 2009.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 221100 | Personal Service                             | 8,713,704         | 8,713,704         |
| GRF                      | GRF  | 221200 | Maintenance                                  | 905,035           | 905,035           |
| GRF                      | GRF  | 221300 | Equipment                                    | 78,650            | 78,650            |
| GSF                      | 4M10 | 221602 | Education Reform Grants                      | 76,000            | 76,000            |
| FED                      | 3110 | 221625 | Coordinating Unit                            | 2,460,135         | 2,460,135         |
| FED                      | 3AD0 | 221604 | VREAL Ohio                                   | 25,000            | 25,000            |
| FED                      | 3R00 | 221684 | Medicaid Professional Services Reimbursement | 35,000            | 35,000            |
| FED                      | 3Y10 | 221686 | Early Childhood Grant                        | 300,000           | 300,000           |
| SSR                      | 4M00 | 221601 | Educational Program Expenses                 | 190,000           | 190,000           |
| SSR                      | 5H60 | 221609 | Even Start Fees & Gifts                      | 250,716           | 250,716           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>13,034,240</b> | <b>13,034,240</b> |



**LINE ITEM SUMMARY - Department of Education**

| FUND | ALI    | ALI NAME                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|--------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 200100 | Personal Services              | 9,678,768         | 10,619,729        | 10,965,857        | 10,441,153          | 12,153,147             | 16.4        | 12,153,147             | 0.0         |
| GRF  | 200320 | Maintenance & Equipment        | 3,935,862         | 4,327,162         | 3,249,029         | 4,117,959           | 3,495,350              | -15.1       | 3,495,350              | 0.0         |
| GRF  | 200408 | Early Childhood Education      | 19,016,392        | 19,049,845        | 26,300,099        | 34,726,409          | 34,768,341             | 0.1         | 34,768,341             | 0.0         |
| GRF  | 200410 | Educator Training              | 19,282,518        | 17,361,197        | 17,480,059        | 16,651,758          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 200416 | Career-Technical Educ Match    | 2,224,309         | 2,197,730         | 2,222,373         | 2,233,195           | 2,233,195              | 0.0         | 2,233,195              | 0.0         |
| GRF  | 200420 | Computer/app/netwk Develop     | 4,170,219         | 5,372,361         | 5,469,042         | 4,930,871           | 5,394,826              | 9.4         | 5,394,826              | 0.0         |
| GRF  | 200421 | Alternative Education Programs | 13,344,759        | 13,568,896        | 14,202,349        | 12,228,069          | 10,015,885             | -18.1       | 10,015,885             | 0.0         |
| GRF  | 200422 | School Management Assistance   | 2,593,664         | 2,748,203         | 2,835,048         | 2,837,639           | 20,904,572             | 636.7       | 22,490,572             | 7.6         |
| GRF  | 200424 | Policy Analysis                | 542,419           | 487,926           | 553,530           | 504,634             | 1,056,687              | 109.4       | 1,056,687              | 0.0         |
| GRF  | 200425 | Tech Prep Consortia Support    | 2,054,232         | 2,030,486         | 1,877,773         | 1,767,878           | 1,594,373              | -9.8        | 1,594,373              | 0.0         |
| GRF  | 200426 | Ohio Educational Computr Ntwrk | 30,447,712        | 29,884,187        | 29,522,184        | 25,834,891          | 27,411,025             | 6.1         | 27,411,025             | 0.0         |
| GRF  | 200427 | Academic Standards             | 9,701,755         | 11,215,594        | 6,631,605         | 6,402,102           | 5,789,861              | -9.6        | 5,789,861              | 0.0         |
| GRF  | 200431 | School Improvement Initiatives | 19,302,813        | 20,685,757        | 22,117,158        | 18,466,893          | 9,859,997              | -46.6       | 9,859,997              | 0.0         |
| GRF  | 200433 | Literacy Impv/prof Development | 10,015,501        | 17,528,155        | 8,887,598         | 10,832,393          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 200437 | Student Assessment             | 59,230,269        | 52,700,972        | 77,355,688        | 68,751,186          | 71,909,814             | 4.6         | 71,909,814             | 0.0         |
| GRF  | 200439 | Accountability/report Cards    | 3,451,844         | 7,359,947         | 5,961,160         | 6,671,859           | 6,828,650              | 2.4         | 6,828,650              | 0.0         |
| GRF  | 200442 | Child Care Licensing           | 879,059           | 1,235,498         | 1,206,189         | 1,109,435           | 1,302,495              | 17.4        | 1,302,495              | 0.0         |
| GRF  | 200445 | Ohioreads Admin/volunteer Supt | 3,708,349         | 3,904,035         | 200               | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 200446 | Education Management Infosystm | 15,563,949        | 15,548,432        | 15,596,195        | 15,188,924          | 15,621,135             | 2.8         | 15,621,135             | 0.0         |
| GRF  | 200447 | Ged Testing/adult High School  | 1,828,630         | 1,579,680         | 1,705,269         | 1,382,302           | 1,250,353              | -9.5        | 1,250,353              | 0.0         |
| GRF  | 200448 | Educator Preparation           | 1,235,277         | 1,274,668         | 1,134,104         | 870,889             | 2,030,000              | 133.1       | 2,030,000              | 0.0         |
| GRF  | 200452 | Educator Standards & Prep      | 34,057            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 200455 | Community Schools              | 1,488,759         | 2,043,515         | 1,294,728         | 1,372,725           | 497,404,384            | 36134.8     | 533,686,539            | 7.3         |
| GRF  | 200457 | Stem Initiatives               | 0                 | 0                 | 7,030,632         | 8,313,729           | 2,000,000              | -75.9       | 4,500,000              | 125.0       |
| GRF  | 200458 | School Employee Health Care Bd | 0                 | 0                 | 0                 | 0                   | 1,128,600              | .0          | 1,128,600              | 0.0         |
| GRF  | 200501 | Base Cost Funding              | 23,550,182        | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 200502 | Pupil Transportation           | 412,170,713       | 420,622,316       | 424,762,211       | 429,030,948         | 438,222,619            | 2.1         | 438,222,619            | 0.0         |
| GRF  | 200503 | Bus Purchase Allowance         | 14,400,931        | 16,109,986        | 8,976,862         | 12,568,237          | 10,850,000             | -13.7       | 10,850,000             | 0.0         |
| GRF  | 200505 | School Lunch Match             | 8,986,466         | 8,897,804         | 8,721,172         | 8,561,013           | 11,798,025             | 37.8        | 11,798,025             | 0.0         |

**State of Ohio**  
**Department of Education**

**LINE ITEM SUMMARY - Department of Education**

| FUND                         | ALI    | ALI NAME                       | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------|--------|--------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| GRF                          | 200509 | Adult Literacy Education       | 8,437,205            | 8,679,969            | 8,438,881            | 8,243,654            | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 200511 | Auxiliary Services             | 127,733,752          | 127,531,874          | 131,763,597          | 129,247,268          | 131,740,457            | 1.9         | 131,740,457            | 0.0         |
| GRF                          | 200513 | Student Intervention Services  | 7,377,644            | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| GRF                          | 200514 | Postscndry Adult Car-Tech Edu  | 19,608,189           | 19,501,218           | 17,854,650           | 15,740,360           | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 200520 | Disadvantaged Pupil Impact Aid | 818,731              | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| GRF                          | 200521 | Gifted Pupil Program           | 47,239,110           | 47,305,135           | 46,923,339           | 48,008,613           | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 200532 | Nonpublic Admin Cst Reimbrsmnt | 56,716,592           | 56,377,950           | 59,787,682           | 58,678,602           | 59,810,517             | 1.9         | 59,810,517             | 0.0         |
| GRF                          | 200536 | Ohio Core Support              | 0                    | 15,881,589           | 20,368,588           | 12,392,222           | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 200540 | Special Education Enhancements | 129,035,206          | 131,414,829          | 135,221,043          | 140,006,839          | 135,436,252            | -3.3        | 138,009,540            | 1.9         |
| GRF                          | 200541 | Special Edu - Fed Stimulus     | 0                    | 0                    | 0                    | 0                    | 186,610,180            | .0          | 186,610,180            | 0.0         |
| GRF                          | 200545 | Career-Technical Eduenhancmnts | 10,276,505           | 8,582,080            | 9,428,283            | 9,373,926            | 7,752,662              | -17.3       | 7,802,699              | 0.6         |
| GRF                          | 200550 | Foundation Funding             | 5,500,523,243        | 5,619,372,878        | 5,628,394,728        | 6,029,943,246        | 4,888,191,136          | -18.9       | 4,851,912,026          | -0.7        |
| GRF                          | 200551 | Foundation Funding-Fed Stimulu | 0                    | 0                    | 0                    | 0                    | 328,314,076            | .0          | 583,179,525            | 77.6        |
| GRF                          | 200552 | Cty Mr/dd Bds Vehcle Purchse   | 473,500              | 52,500               | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| GRF                          | 200555 | Ohio Teach                     | 0                    | 0                    | 0                    | 0                    | 6,100,000              | .0          | 6,100,000              | 0.0         |
| GRF                          | 200558 | Emergency Loan Interest Subsdy | 1,265,594            | 651,401              | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| GRF                          | 200566 | Literacy Impv-Clsrm Grants     | 12,345,523           | 11,221,225           | 8,139,406            | 10,305,709           | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 200578 | Violence Prev & Sch Safety     | 1,060,932            | 1,241,196            | 876,749              | 1,127,251            | 1,384,924              | 22.9        | 1,384,924              | 0.0         |
| GRF                          | 200609 | Poverty Funding-Federal Stimul | 0                    | 0                    | 0                    | 0                    | 223,665,157            | .0          | 223,665,157            | 0.0         |
| GRF                          | 221100 | Personal Service               | 0                    | 0                    | 0                    | 0                    | 8,713,704              | .0          | 8,713,704              | 0.0         |
| GRF                          | 221200 | Maintenance                    | 0                    | 0                    | 0                    | 0                    | 905,035                | .0          | 905,035                | 0.0         |
| GRF                          | 221300 | Equipment                      | 0                    | 0                    | 0                    | 0                    | 78,650                 | .0          | 78,650                 | 0.0         |
| GRF                          | 226100 | Personal Services              | 0                    | 0                    | 0                    | 0                    | 7,326,155              | .0          | 7,326,155              | 0.0         |
| GRF                          | 226200 | Maintenance                    | 0                    | 0                    | 0                    | 0                    | 688,363                | .0          | 688,363                | 0.0         |
| GRF                          | 226300 | Equipment                      | 0                    | 0                    | 0                    | 0                    | 72,783                 | .0          | 72,783                 | 0.0         |
| <b>TOTAL General Revenue</b> |        |                                | <b>6,615,751,134</b> | <b>6,736,167,925</b> | <b>6,773,255,061</b> | <b>7,168,864,781</b> | <b>7,181,813,385</b>   | <b>0.2</b>  | <b>7,443,391,204</b>   | <b>3.6</b>  |
| 1380                         | 200606 | Computer Services              | 5,344,347            | 6,138,590            | 6,014,921            | 7,600,091            | 7,600,091              | 0.0         | 7,600,091              | 0.0         |
| 4520                         | 200638 | Miscellaneous Revenue          | 216,526              | 175,125              | 122,830              | 279,992              | 275,000                | -1.8        | 275,000                | 0.0         |

**LINE ITEM SUMMARY - Department of Education**

| FUND                          | ALI    | ALI NAME                        | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|---------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4D10                          | 200602 | Ohio Prevention/ed Resrce Ctr   | 0                 | 1,464,919         | 191,108           | 832,000             | 0                      | -100.0      | 0                      | .0          |
| 4H80                          | 226602 | Education Reform Grants         | 0                 | 0                 | 0                 | 0                   | 61,000                 | .0          | 61,000                 | 0.0         |
| 4L20                          | 200681 | Teacher Certification & Licensu | 6,206,888         | 6,574,157         | 5,378,295         | 6,323,994           | 6,323,994              | 0.0         | 6,323,994              | 0.0         |
| 4M10                          | 221602 | Education Reform Grants         | 0                 | 0                 | 0                 | 0                   | 76,000                 | .0          | 76,000                 | 0.0         |
| 5960                          | 200656 | Ohio Career Information System  | 423,879           | 251,115           | 186,240           | 529,761             | 529,761                | 0.0         | 529,761                | 0.0         |
| 5H30                          | 200687 | School District Solvncy Assist  | 41,000            | 16,937,000        | 10,380,000        | 18,000,000          | 18,000,000             | 0.0         | 18,000,000             | 0.0         |
| <b>TOTAL General Services</b> |        |                                 | <b>12,232,640</b> | <b>31,540,905</b> | <b>22,273,394</b> | <b>33,565,838</b>   | <b>32,865,846</b>      | <b>-2.1</b> | <b>32,865,846</b>      | <b>0.0</b>  |
| 3090                          | 200601 | Educationally Disadvantaged     | 17,427,258        | 17,193,802        | 7,113,727         | 8,750,000           | 8,405,512              | -3.9        | 8,405,512              | 0.0         |
| 3100                          | 226626 | Coordinating Unit               | 0                 | 0                 | 0                 | 0                   | 2,527,105              | .0          | 2,527,105              | 0.0         |
| 3110                          | 221625 | Coordinating Unit               | 0                 | 0                 | 0                 | 0                   | 2,460,135              | .0          | 2,460,135              | 0.0         |
| 3660                          | 200604 | Adult Basic Education           | 19,422,071        | 17,656,390        | 17,718,504        | 20,396,250          | 0                      | -100.0      | 0                      | .0          |
| 3670                          | 200607 | School Food Services            | 11,328,887        | 12,683,836        | 4,773,354         | 6,088,737           | 6,088,737              | 0.0         | 6,088,738              | 0.0         |
| 3680                          | 200614 | Veterans' Training              | 473,220           | 501,101           | 575,736           | 745,892             | 745,892                | 0.0         | 745,892                | 0.0         |
| 3690                          | 200616 | Career-Tech Edufedenhancements  | 5,138,035         | 4,416,592         | 4,256,622         | 5,000,000           | 5,000,000              | 0.0         | 4,990,960              | -0.2        |
| 3700                          | 200624 | Education of Exceptionl Chldrn  | 2,531,559         | 2,741,782         | 3,223,785         | 2,912,389           | 2,664,000              | -8.5        | 2,755,000              | 3.4         |
| 3710                          | 200631 | Eeo Title Iv                    | 150,600           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 3740                          | 200647 | Troops To Teachers              | 729,412           | 395,519           | 64,989            | 100,000             | 100,000                | 0.0         | 100,000                | 0.0         |
| 3780                          | 200660 | Learn and Serve                 | 1,156,939         | 895,283           | 590,893           | 1,561,954           | 619,211                | -60.4       | 619,211                | 0.0         |
| 3AD0                          | 221604 | Vreal Ohio                      | 0                 | 0                 | 0                 | 0                   | 25,000                 | .0          | 25,000                 | 0.0         |
| 3AF0                          | 200603 | Schools Medicaid Admin Claims   | 158,138           | 121,447           | 406,992           | 639,000             | 639,000                | 0.0         | 639,000                | 0.0         |
| 3AN0                          | 200671 | School Improvement Grnts        | 0                 | 0                 | 0                 | 17,972,270          | 17,909,676             | -0.3        | 17,936,675             | 0.2         |
| 3AX0                          | 200698 | Imprvng Hlth&edu Outcms of Yp   | 0                 | 0                 | 0                 | 630,954             | 630,954                | 0.0         | 630,954                | 0.0         |
| 3BK0                          | 200628 | Longitudinal Data Systems       | 28,437            | 483,819           | 2,215,850         | 3,014,160           | 100,000                | -96.7       | 0                      | -100.0      |
| 3BV0                          | 200636 | Character Education             | 0                 | 488,565           | 623,690           | 700,000             | 700,000                | 0.0         | 0                      | -100.0      |
| 3C50                          | 200661 | Early Childhood Education       | 20,878,918        | 17,712,883        | 15,527,118        | 18,989,779          | 14,189,711             | -25.3       | 14,554,749             | 2.6         |
| 3CF0                          | 200644 | Foreign Language Assistance     | 0                 | 16,449            | 45,715            | 285,000             | 25,000                 | -91.2       | 0                      | -100.0      |
| 3CG0                          | 200646 | Teacher Incentive               | 0                 | 1,744,980         | 2,690,248         | 3,994,338           | 3,007,975              | -24.7       | 1,157,834              | -61.5       |
| 3D10                          | 200664 | Drug Free Schools               | 11,780,533        | 10,015,443        | 8,891,238         | 13,347,966          | 13,347,966             | 0.0         | 13,347,966             | 0.0         |

**LINE ITEM SUMMARY - Department of Education**

| FUND                                 | ALI    | ALI NAME                        | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| 3D20                                 | 200667 | Honors Scholarship Program      | 4,382,981            | 5,828,589            | 6,536,976            | 13,893,465           | 6,665,000              | -52.0       | 6,665,000              | 0.0         |
| 3H90                                 | 200605 | Head Start Collaboration Prjct  | 215,260              | 278,858              | 204,356              | 275,000              | 225,000                | -18.2       | 225,000                | 0.0         |
| 3L60                                 | 200617 | Federal School Lunch            | 213,086,518          | 222,970,704          | 273,778,314          | 263,071,332          | 263,071,332            | 0.0         | 263,071,332            | 0.0         |
| 3L70                                 | 200618 | Federal School Breakfast        | 54,584,745           | 58,400,591           | 75,154,805           | 72,208,119           | 72,208,118             | 0.0         | 72,208,119             | 0.0         |
| 3L80                                 | 200619 | Child and Adult Care Programs   | 64,685,266           | 67,715,739           | 77,927,338           | 75,159,405           | 75,159,405             | 0.0         | 75,159,405             | 0.0         |
| 3L90                                 | 200621 | Career-Tech Education Bsc Grnt  | 48,314,233           | 47,012,761           | 44,653,541           | 48,029,701           | 48,029,701             | 0.0         | 48,029,701             | 0.0         |
| 3M00                                 | 200623 | Esea Title 1a                   | 396,584,110          | 398,580,031          | 412,094,549          | 514,000,000          | 514,000,000            | 0.0         | 514,000,000            | 0.0         |
| 3M10                                 | 200678 | Innovative Education            | 7,089,449            | 5,354,405            | 4,058,134            | 5,363,706            | 250,000                | -95.3       | 0                      | -100.0      |
| 3M20                                 | 200680 | Ind W/disabilities Educatn Act  | 487,004,020          | 495,052,028          | 491,536,833          | 405,000,000          | 405,000,000            | 0.0         | 405,000,000            | 0.0         |
| 3P50                                 | 226643 | Medicaid Professnal Svcs Reimb  | 0                    | 0                    | 0                    | 0                    | 50,000                 | .0          | 50,000                 | 0.0         |
| 3R00                                 | 221684 | Medicaid Propressnal Svcs Reimb | 0                    | 0                    | 0                    | 0                    | 35,000                 | .0          | 35,000                 | 0.0         |
| 3S20                                 | 200641 | Education Technology            | 17,839,465           | 11,729,808           | 8,698,894            | 12,000,000           | 5,000,000              | -58.3       | 5,000,000              | 0.0         |
| 3T40                                 | 200613 | Public Charter Schools          | 21,450,613           | 23,863,760           | 13,720,602           | 14,212,922           | 14,212,922             | 0.0         | 14,212,922             | 0.0         |
| 3U20                                 | 200662 | Teacher Quality Enhancemnt Grt  | 748,843              | 365,628              | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3X50                                 | 200684 | School Renovation IDEA          | 723,700              | 761,942              | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3Y10                                 | 221686 | Early Childhood Grant           | 0                    | 0                    | 0                    | 0                    | 300,000                | .0          | 300,000                | 0.0         |
| 3Y20                                 | 200688 | 21st Century Comnity Lrng Ctr   | 30,657,423           | 26,754,565           | 25,997,234           | 30,681,554           | 28,700,000             | -6.5        | 28,700,000             | 0.0         |
| 3Y40                                 | 200632 | Reading First                   | 46,375,143           | 29,297,851           | 19,976,156           | 31,215,798           | 27,366,373             | -12.3       | 24,455,172             | -10.6       |
| 3Y50                                 | 200634 | 06 Community Service Grants     | 307,092              | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3Y60                                 | 200635 | Improving Teacher Quality       | 106,161,716          | 105,647,135          | 93,926,689           | 103,998,246          | 101,778,397            | -2.1        | 101,778,400            | 0.0         |
| 3Y70                                 | 200689 | English Language Acquisition    | 7,035,380            | 7,171,908            | 6,744,789            | 8,000,000            | 8,000,000              | 0.0         | 8,000,000              | 0.0         |
| 3Y80                                 | 200639 | Rural and Low Income            | 1,132,432            | 988,519              | 1,498,581            | 1,500,000            | 1,500,000              | 0.0         | 1,500,000              | 0.0         |
| 3Z20                                 | 200690 | State Assessments               | 8,539,937            | 9,053,883            | 11,208,740           | 12,883,799           | 12,883,799             | 0.0         | 12,883,799             | 0.0         |
| 3Z30                                 | 200645 | Consolidated Fed Grnt Admn      | 6,393,174            | 6,880,355            | 8,842,418            | 10,000,000           | 8,499,279              | -15.0       | 8,499,280              | 0.0         |
| 3Z70                                 | 200697 | Gener Supervis Enhancemnt Grnt  | 0                    | 0                    | 0                    | 840,567              | 840,567                | 0.0         | 0                      | -100.0      |
| <b>TOTAL Federal Special Revenue</b> |        |                                 | <b>1,614,515,506</b> | <b>1,610,776,953</b> | <b>1,645,277,412</b> | <b>1,727,462,303</b> | <b>1,672,960,767</b>   | <b>-3.2</b> | <b>1,666,757,861</b>   | <b>-0.4</b> |
| 4540                                 | 200610 | Guidance & Testing              | 595,473              | 262,427              | 388,015              | 400,000              | 400,000                | 0.0         | 400,000                | 0.0         |
| 4550                                 | 200608 | Commodity Foods                 | 16,809,035           | 17,803,172           | 17,953,139           | 24,000,000           | 24,000,000             | 0.0         | 24,000,000             | 0.0         |

**LINE ITEM SUMMARY - Department of Education**

| FUND                                  | ALI    | ALI NAME                       | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE   | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---------------------------------------|--------|--------------------------------|----------------------|----------------------|----------------------|-----------------------|------------------------|-------------|------------------------|-------------|
| 4M00                                  | 221601 | Educational Program Expenses   | 0                    | 0                    | 0                    | 0                     | 190,000                | .0          | 190,000                | 0.0         |
| 4M50                                  | 226601 | Work Study & Technology Invest | 0                    | 0                    | 0                    | 0                     | 250,000                | .0          | 250,000                | 0.0         |
| 4R70                                  | 200695 | Indirect Operational Support   | 4,959,055            | 5,321,833            | 5,252,847            | 5,810,464             | 5,810,464              | 0.0         | 5,810,464              | 0.0         |
| 4V70                                  | 200633 | Interagency Operational Suppor | 648,381              | 1,305,405            | 1,725,065            | 983,734               | 868,788                | -11.7       | 868,788                | 0.0         |
| 5980                                  | 200659 | Auxiliary Services Reimbursmnt | 1,012,663            | 972,624              | 1,375,001            | 1,328,910             | 1,328,910              | 0.0         | 1,328,910              | 0.0         |
| 5BB0                                  | 200696 | State Action For Eduleadership | 1,225,110            | 1,161,120            | 960,564              | 2,050,000             | 1,250,000              | -39.0       | 600,000                | -52.0       |
| 5BJ0                                  | 200626 | Half-Mill Maintenance Equalztn | 0                    | 14,793,868           | 15,221,933           | 10,700,000            | 10,700,000             | 0.0         | 10,700,000             | 0.0         |
| 5H60                                  | 221609 | Even Start Fees & Gifts        | 0                    | 0                    | 0                    | 0                     | 250,716                | .0          | 250,716                | 0.0         |
| 5U20                                  | 200685 | National Education Statistics  | 162,488              | 139,270              | 137,073              | 300,000               | 300,000                | 0.0         | 300,000                | 0.0         |
| 5W20                                  | 200663 | Early Learning Initiative      | 12,729,277           | 2,251,165            | 1,223,295            | 2,200,000             | 2,200,000              | 0.0         | 2,200,000              | 0.0         |
| 5X90                                  | 200911 | Nga Stem                       | 0                    | 0                    | 94,950               | 250,000               | 50,000                 | -80.0       | 0                      | -100.0      |
| 6200                                  | 200615 | Educational Imprv Grants       | 1,286,579            | 1,326,447            | 1,737,240            | 3,237,000             | 3,000,000              | -7.3        | 3,000,000              | 0.0         |
| 6210                                  | 200910 | Pre-School Foreign Language    | 0                    | 0                    | 218,106              | 0                     | 0                      | .0          | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>    |        |                                | <b>39,428,062</b>    | <b>45,337,329</b>    | <b>46,287,226</b>    | <b>51,260,108</b>     | <b>50,598,878</b>      | <b>-1.3</b> | <b>49,898,878</b>      | <b>-1.4</b> |
| 7017                                  | 200612 | Foundation Funding             | 606,208,300          | 606,296,800          | 666,198,000          | 667,900,000           | 705,000,000            | 5.6         | 711,000,000            | 0.9         |
| 7017                                  | 200682 | Lease Rental Paymts Reimburse  | 31,691,700           | 31,603,200           | 22,702,000           | 0                     | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Lottery Profit Education</b> |        |                                | <b>637,900,000</b>   | <b>637,900,000</b>   | <b>688,900,000</b>   | <b>667,900,000</b>    | <b>705,000,000</b>     | <b>5.6</b>  | <b>711,000,000</b>     | <b>0.9</b>  |
| 7047                                  | 200909 | Sch Dist Prop Tax Replace-Bus  | 67,143,154           | 418,161,375          | 620,818,733          | 763,316,819           | 1,150,207,366          | 50.7        | 1,150,207,366          | 0.0         |
| 7053                                  | 200900 | School District Prpty Tax Rplc | 125,978,243          | 102,145,402          | 85,486,475           | 91,123,523            | 91,123,523             | 0.0         | 91,123,523             | 0.0         |
| <b>TOTAL Revenue Distribution</b>     |        |                                | <b>193,121,397</b>   | <b>520,306,776</b>   | <b>706,305,208</b>   | <b>854,440,342</b>    | <b>1,241,330,889</b>   | <b>45.3</b> | <b>1,241,330,889</b>   | <b>0.0</b>  |
| <b>TOTAL Department of Education</b>  |        |                                | <b>9,112,948,739</b> | <b>9,582,029,889</b> | <b>9,882,298,301</b> | <b>10,503,493,372</b> | <b>10,884,569,765</b>  | <b>3.6</b>  | <b>11,145,244,678</b>  | <b>2.4</b>  |

### Role and Overview

The Ohio Elections Commission (ELC) oversees political party spending, campaign finance laws, and corporate political activity; and investigates and hears cases involving unlawful campaign practices and false statements.

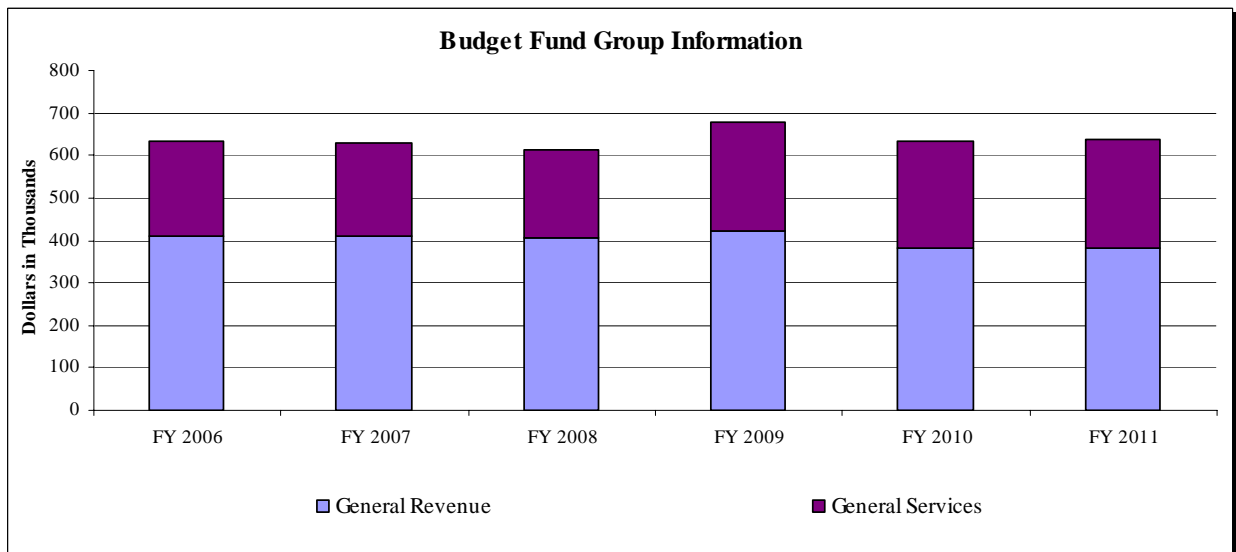
Six of the commission's seven members are appointed by the Governor upon the recommendation of the Democratic and Republican caucuses of the Ohio legislature with the seventh being appointed by the six partisan members of the ELC. The ELC acts on campaign finance-related complaints filed by individuals, local boards of election, or the Secretary of State. The commission holds regular meetings to hear these complaints and to decide whether a violation has occurred. If so, the ELC can impose fines, refer complaints to the appropriate county prosecutor, or issue a letter of reprimand. The ELC also can issue advisory opinions and make recommendations to the Ohio General Assembly on certain areas of law, which are within the commission's jurisdiction. The commission has a staff of three and an annual budget of approximately \$631,000.

More information regarding the Ohio Elections Commission is available at <http://elc.ohio.gov/>.

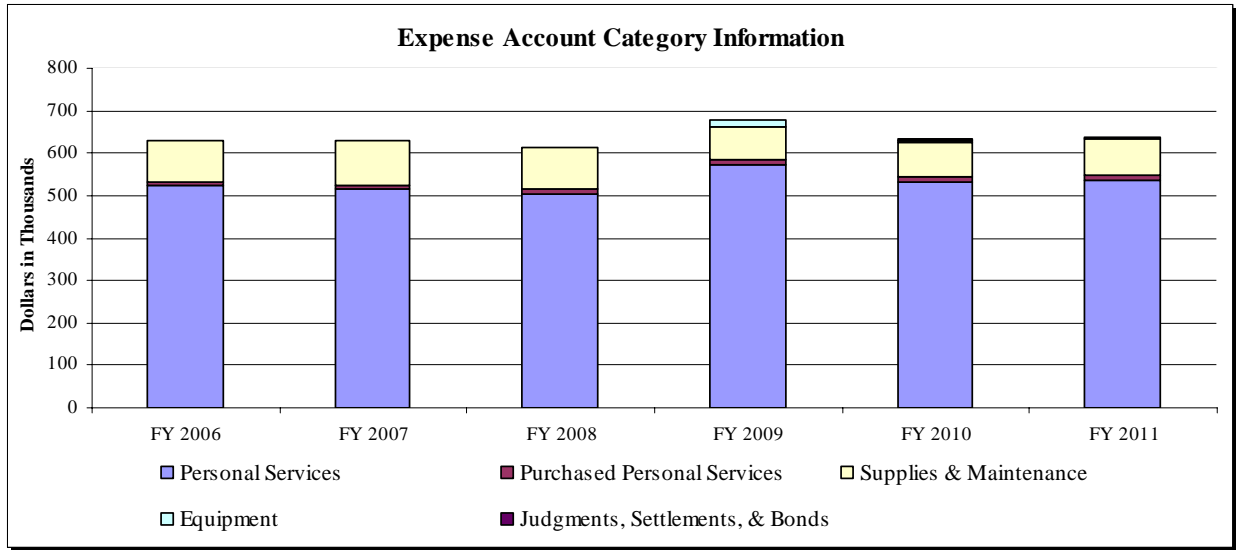
### Agency Priority

- Enforce Ohio's campaign finance, false statement, political disclaimer, and corporate electoral activity laws.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |            |            |
|-------------------------------------|------------|------------|------------|------------------|-------------|-------------------------|-------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011    | CHANGE     |
| General Revenue                     | 411        | 410        | 407        | 424              | 4.1         | 382                     | -10.0       | 382        | 0.0        |
| General Services                    | 221        | 220        | 207        | 255              | 23.2        | 250                     | -2.0        | 255        | 2.0        |
| <b>TOTAL</b>                        | <b>632</b> | <b>630</b> | <b>614</b> | <b>679</b>       | <b>10.5</b> | <b>632</b>              | <b>-7.0</b> | <b>637</b> | <b>0.8</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|-------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011    | CHANGE     |
| Personal Services                             | 522        | 515        | 503        | 572              | 13.7        | 530                     | -7.3        | 535        | 0.9        |
| Purchased Personal Services                   | 10         | 7          | 13         | 13               | -6.0        | 15                      | 16.1        | 15         | 0.0        |
| Supplies & Maintenance                        | 99         | 107        | 98         | 78               | -20.6       | 82                      | 5.2         | 82         | 0.0        |
| Equipment                                     | 0          | 0          | 0          | 16               | 100.0       | 4                       | -72.8       | 4          | 0.0        |
| Judgments, Settlements, & Bonds               | 0          | 0          | 0          | 1                | 100.0       | 1                       | 0.0         | 1          | 0.0        |
| <b>TOTAL</b>                                  | <b>632</b> | <b>630</b> | <b>614</b> | <b>679</b>       | <b>10.5</b> | <b>632</b>              | <b>-7.0</b> | <b>637</b> | <b>0.8</b> |

### PROGRAM SERIES 01: Regulation

This program series ensures and enforces compliance with Ohio's elections law (Ohio Revised Code sections 3517.08 to 3517.13, 3517.17, 3517.18, 3517.20 to 3517.22, 3599.03) by candidates for public office. The commission hears, considers, and makes determinations regarding complaints filed by individuals or organizations and employees at the state and local levels of government.

#### Program 01.01: Compliance, Investigation, and Enforcement

The commission issues advisory opinions on campaign finance related subjects and hears complaints of wrongdoing filed. The majority of complaints deal with candidates, campaign committees, political action committees, or corporations that are either late in filing or fail to file the required campaign finance reports. Other cases heard and considered by the commission concern the inclusion or exclusion of disclaimers on political literature, corporate activities in the political arena, or the inclusion of allegedly false statements in campaign materials.

#### The Executive Recommendation will fund the following objectives:

- Provide oversight of political party spending, campaign finance laws, and corporate political activity;
- Investigate, review, and determine 800 to 1,000 cases involving unlawful campaign practices and false statements;
- Support the development of advisory opinions by the commission that offer guidance to ensure conformity and adherence to state and federal elections laws; and
- Support three staff members' salaries and statutorily established compensation to the commission's seven members.

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State of Ohio  
**Ohio Elections Commission**

| FUND              |      |        |                           | RECOMMENDED |         |
|-------------------|------|--------|---------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011 |
| GRF               | GRF  | 051321 | Operating Expenses        | 381,578     | 381,578 |
| GSF               | 4P20 | 051601 | Ohio Elections Commission | 250,000     | 255,000 |
| TOTAL FOR PROGRAM |      |        |                           | 631,578     | 636,578 |



**LINE ITEM SUMMARY - Ohio Elections Commission**

| FUND                                   | ALI    | ALI NAME                  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|---------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                    | 051321 | Operating Expenses        | 411,176           | 410,043           | 407,212           | 423,975             | 381,578                | -10.0        | 381,578                | 0.0         |
| <b>TOTAL General Revenue</b>           |        |                           | <b>411,176</b>    | <b>410,043</b>    | <b>407,212</b>    | <b>423,975</b>      | <b>381,578</b>         | <b>-10.0</b> | <b>381,578</b>         | <b>0.0</b>  |
| 4P20                                   | 051601 | Ohio Elections Commission | 220,954           | 219,580           | 207,037           | 255,000             | 250,000                | -2.0         | 255,000                | 2.0         |
| <b>TOTAL General Services</b>          |        |                           | <b>220,954</b>    | <b>219,580</b>    | <b>207,037</b>    | <b>255,000</b>      | <b>250,000</b>         | <b>-2.0</b>  | <b>255,000</b>         | <b>2.0</b>  |
| <b>TOTAL Ohio Elections Commission</b> |        |                           | <b>632,130</b>    | <b>629,623</b>    | <b>629,623</b>    | <b>678,975</b>      | <b>631,578</b>         | <b>-7.0</b>  | <b>636,578</b>         | <b>0.8</b>  |

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State of Ohio

## Board of Embalmers and Funeral Directors

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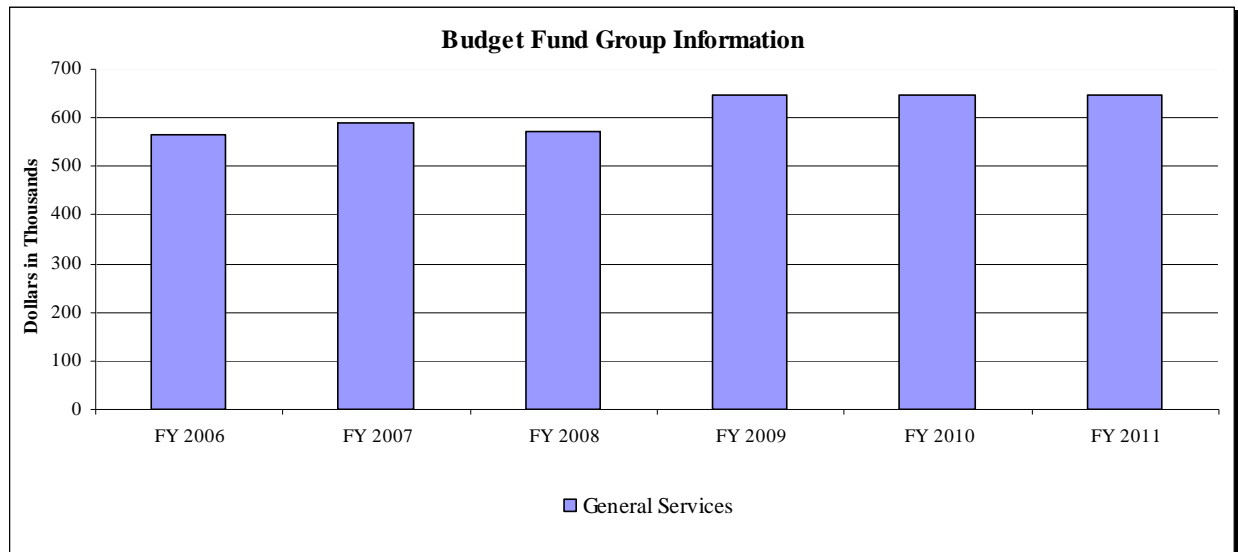
### Role and Overview

The Board of Embalmers and Funeral Directors (FUN) was established to ensure that those who are licensed by the board meet certain minimum criteria to do business in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. FUN licenses approximately 2,330 embalmers and funeral directors. More information about the Board of Embalmers and Funeral Directors is available at <http://www.funeral.ohio.gov/>.

### Agency Priorities

- Guarantee quality standards to license and regulate competent embalmers, funeral directors, and reliable crematory facilities, embalming facilities, and funeral homes.
- Expand website to include educational materials for consumers and licensees.
- Improve process to resolve consumer complaints involving funeral service, payment, and pre-need.
- Create online forms for applications and documents.
- Continue development of item bank for creation of computer-based examination.

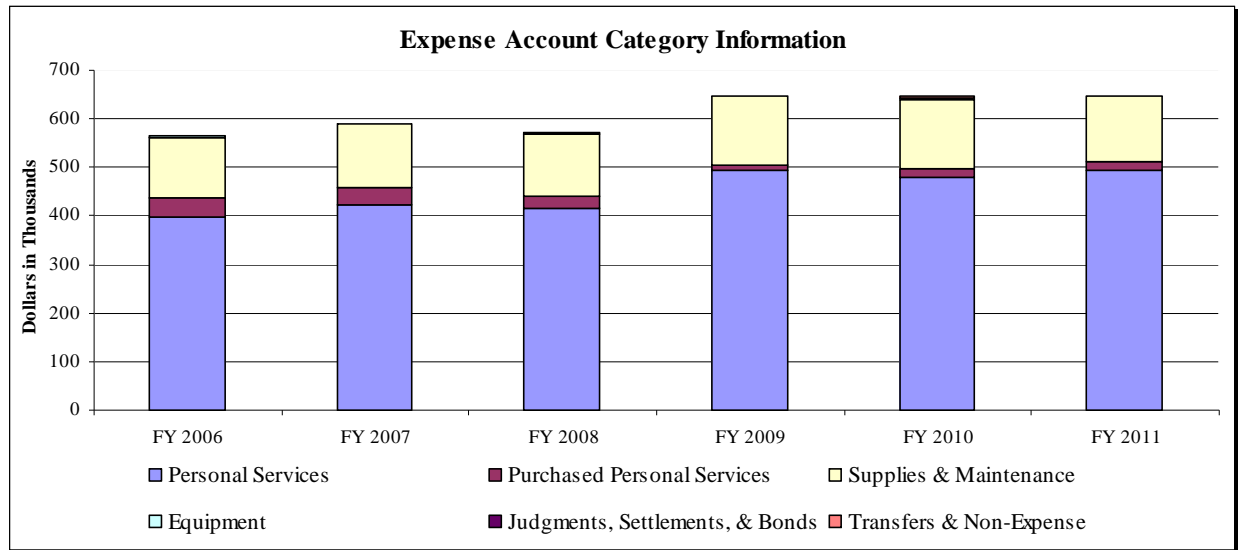
### Summary of Budget History and Recommendations



| (In Thousands)    | ACTUAL  |         |         | EST. %  |          | RECOMMENDED |     |         |     |
|-------------------|---------|---------|---------|---------|----------|-------------|-----|---------|-----|
|                   | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 08-09 | FY 2010     | %   | FY 2011 | %   |
| BUDGET FUND GROUP |         |         |         |         |          |             |     |         |     |
| General Services  | 565     | 590     | 572     | 647     | 13.0     | 646         | 0.0 | 647     | 0.0 |
| TOTAL             | 565     | 590     | 572     | 647     | 13.0     | 646         | 0.0 | 647     | 0.0 |

State of Ohio

## Board of Embalmers and Funeral Directors



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 397        | 423        | 416        | 493              | 18.5        | 481                     | -2.5       | 494        | 2.7        |
| Purchased Personal Services                   | 40         | 34         | 24         | 12               | -51.5       | 16                      | 39.7       | 16         | -3.1       |
| Supplies & Maintenance                        | 125        | 132        | 130        | 141              | 8.5         | 144                     | 2.3        | 135        | -5.9       |
| Equipment                                     | 3          | 0          | 1          | 1                | -29.4       | 3                       | 230.0      | 0          | -100.0     |
| Judgments, Settlements, & Bonds               | 1          | 1          | 0          | 1                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 1          | 0                | -100.0      | 3                       | 100.0      | 2          | -20.0      |
| <b>TOTAL</b>                                  | <b>565</b> | <b>590</b> | <b>572</b> | <b>647</b>       | <b>13.0</b> | <b>646</b>              | <b>0.0</b> | <b>647</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Board of Embalmers and Funeral Directors.

#### The Executive Recommendation will fund the following objectives:

- Support annual inspections for 1,300 crematory facilities, embalming facilities, and funeral homes, processing of 509 applicants for embalmer and funeral director registration, and monitoring of apprentices;
- Provide for disciplinary activities including investigations and administrative hearings;
- Provide for the processing of approximately 120 complaints annually; and
- Allow staff to process 2,400 annual pre-need reports.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 881609 | Operating | 646,414        | 646,562        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>646,414</b> | <b>646,562</b> |

## Board of Embalmers and Funeral Directors

**LINE ITEM SUMMARY - Board of Embalmers and Funeral Directors**

| FUND  | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90  | 881609 | Operating | 565,011           | 589,583           | 572,159           | 646,602             | 646,414                | 0.0         | 646,562                | 0.0         |
| <b>TOTAL General Services</b>                         |        |           | <b>565,011</b>    | <b>589,583</b>    | <b>572,159</b>    | <b>646,602</b>      | <b>646,414</b>         | <b>0.0</b>  | <b>646,562</b>         | <b>0.0</b>  |
| <b>TOTAL Board of Embalmers and Funeral Directors</b> |        |           | <b>565,011</b>    | <b>589,583</b>    | <b>572,159</b>    | <b>646,602</b>      | <b>646,414</b>         | <b>0.0</b>  | <b>646,562</b>         | <b>0.0</b>  |

### Role and Overview

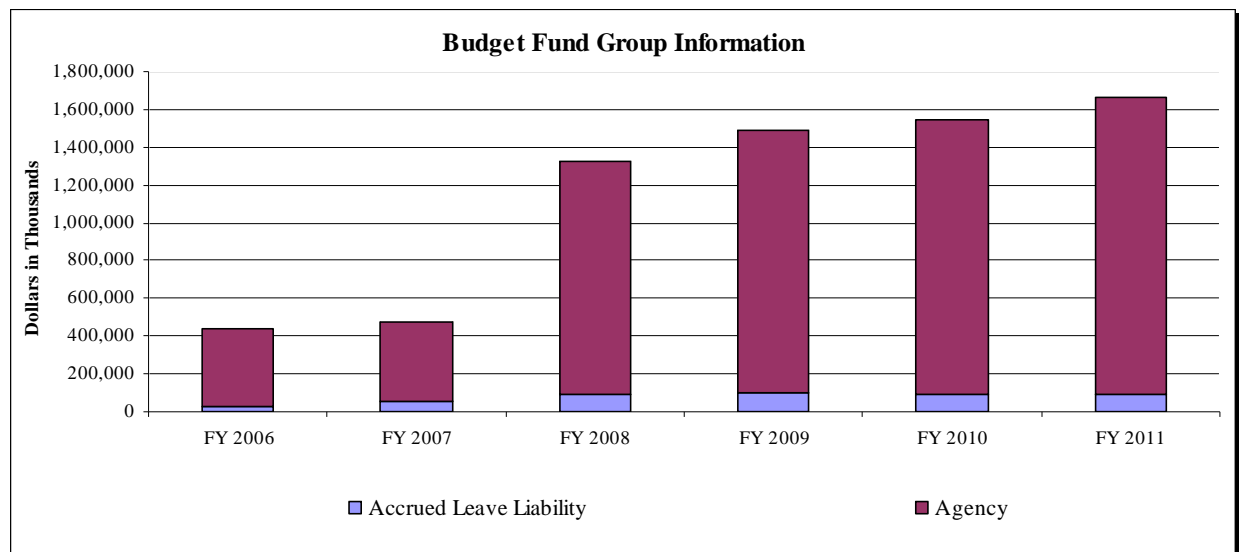
Employee Benefits Funds (PAY) is a budget presentation convention that deals with eight separate funds. These funds account for various transactions related to the benefits of state employees. The fiscal year 2008-2009 biennium budget presentation changed the name of this agency from “Accrued Leave Liability Fund Group” to “Employee Benefits Funds.” The name change was made because Employee Benefits Funds no longer accounts solely for the accrued leave liabilities of the state, but also accounts for the cost of other state employee benefits.

The eight funds shown on the budget tables for PAY are appropriated to and administered by the Department of Administrative Services (DAS). The funds are shown here rather than in the DAS budget in order to highlight the role they play in the centralized payment and accounting of these benefits. The funds receive revenue from agency payroll accounts, or from eligible participants, when payrolls are processed. The amounts received are based on payroll charges and payroll deductions. Disbursements are made from the health and life insurance funds to service providers, insurance providers, third-party administrators, and consultants such as auditors and actuaries. Disbursements from the leave funds and spending accounts are made primarily to eligible employees. Disbursements from the Disability Leave Fund include benefits to recipients and payments to actuarial and medical consultants who review disability claims. Disbursements from the payroll deductions fund include payments for various employee benefits and taxes owed to federal, state, and local taxing jurisdictions.

### Agency Priorities

- Ensure that adequate revenues to fund all benefit programs are collected via charges to agencies and employees.
- Ensure that all required payments are made to vendors, employees, retirement programs, and taxing authorities on a timely basis.

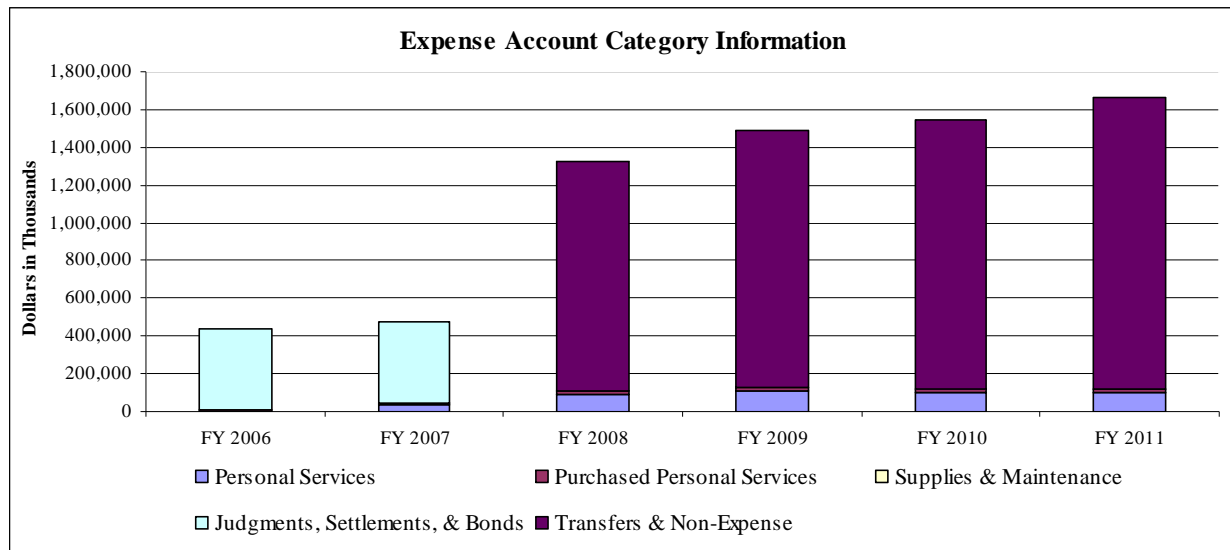
### Summary of Budget History and Recommendations



- PAY’s Agency Budget Fund Group expenses increased in fiscal year 2008 because the payment of payroll withholdings for benefits and other contributions moved to the PAY budget from DAS.

**State of Ohio**  
**Employee Benefits Funds**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                  | EST.<br>FY 2009  | %<br>CHANGE<br>FY 08-09 | RECOMMENDED      |             |                  |             |
|-------------------------------------|----------------|----------------|------------------|------------------|-------------------------|------------------|-------------|------------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008          |                  |                         | FY 2010          | %<br>CHANGE | FY 2011          | %<br>CHANGE |
| Accrued Leave Liability             | 26,765         | 57,917         | 87,745           | 99,554           | 13.5                    | 92,600           | -7.0        | 95,300           | 2.9         |
| Agency                              | 410,867        | 421,513        | 1,235,711        | 1,390,702        | 12.5                    | 1,451,446        | 4.4         | 1,563,126        | 7.7         |
| <b>TOTAL</b>                        | <b>437,633</b> | <b>479,430</b> | <b>1,323,456</b> | <b>1,490,255</b> | <b>12.6</b>             | <b>1,544,046</b> | <b>3.6</b>  | <b>1,658,426</b> | <b>7.4</b>  |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category expenditures have been aggregated and reported as the Judgments, Settlements, & Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                  | EST.<br>FY 2009  | %<br>CHANGE<br>FY 08-09 | RECOMMENDED      |             |                  |             |
|---|----------------|----------------|------------------|------------------|-------------------------|------------------|-------------|------------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008          |                  |                         | FY 2010          | %<br>CHANGE | FY 2011          | %<br>CHANGE |
| Personal Services                             | 36             | 32,069         | 93,251           | 106,808          | 14.5                    | 99,845           | -6.5        | 102,645          | 2.8         |
| Purchased Personal Services                   | 7,423          | 10,089         | 12,381           | 18,272           | 47.6                    | 18,626           | 1.9         | 19,271           | 3.5         |
| Supplies & Maintenance                        | 14             | 1              | 2                | 8                | 259.9                   | 8                | 0.0         | 8                | 0.0         |
| Judgments, Settlements, & Bonds               | 430,160        | 437,270        | 0                | 0                | 0.0                     | 0                | 0.0         | 0                | 0.0         |
| Transfers & Non-Expense                       | 0              | 0              | 1,217,821        | 1,365,167        | 12.1                    | 1,425,567        | 4.4         | 1,536,502        | 7.8         |
| <b>TOTAL</b>                                  | <b>437,633</b> | <b>479,430</b> | <b>1,323,456</b> | <b>1,490,255</b> | <b>12.6</b>             | <b>1,544,046</b> | <b>3.6</b>  | <b>1,658,426</b> | <b>7.4</b>  |

### PROGRAM SERIES 01: Health Insurance Benefits

The Health Insurance Benefits Program Series consists of seven programs that provide medical, dental, vision, and life insurance coverage for current and former state employees. Claims costs for all programs in this series are paid from the State Employee Health Benefit Fund.

#### Program 01.01: Ohio Med – Self-Insured PPO

This program pays the claims costs of the state's self-insured, preferred provider organization (PPO) health insurance program known as Ohio Med. This plan is administered by Medical Mutual of Ohio. Approximately 30,000 employees are currently enrolled in Ohio Med.

**State of Ohio**  
**Employee Benefits Funds**

**The Executive Recommendation will fund the following objectives:**

- Pay state employee health insurance claims and administrative costs for state employees enrolled in the Ohio Med PPO; and
- Continue the Population Health Management strategy implemented in fiscal year 2008. Program goals include reducing the upward cost trend of employee health care coverage, reducing employee absence and disability, increasing the perceived value of health care benefits, increasing success in attracting and retaining employees, and increasing the return on investment of health care dollars.

| FUND                     |      |        |                               | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010            | FY 2011            |
| AGY                      | 8080 | 995668 | State Employee Health Benefit | 265,603,830        | 287,958,430        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>265,603,830</b> | <b>287,958,430</b> |

**Program 01.02: Self-Insured HMOs**

This program pays the claims costs of the state's four self-insured health maintenance organization (HMO) health insurance programs from which state employees can select. Currently available plans are administered by Aetna, The Health Plan, Paramount, and United Healthcare. During the most recent open enrollment period, 12,064 employees enrolled with the Aetna HMO plan, 8,490 employees enrolled with the United HealthCare HMO plan, 896 employees enrolled in Paramount, and 818 employees enrolled in The Health Plan.

**The Executive Recommendation will fund the following objectives:**

- Pay state employee health insurance claims and administrative costs for those enrolled in one of the self-funded HMO programs; and
- Continue the Population Health Management strategy implemented in fiscal year 2008. Program goals include reducing the upward cost trend of employee health care coverage, reducing employee absence and disability, increasing the perceived value of health care benefits, increasing success in attracting and retaining employees, and increasing the return on investment of health care dollars.

| FUND                     |      |        |                               | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010            | FY 2011            |
| AGY                      | 8080 | 995668 | State Employee Health Benefit | 176,247,250        | 191,261,500        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>176,247,250</b> | <b>191,261,500</b> |

**Program 01.03: Dental Insurance**

This program pays the benefits costs for the state's two dental insurance programs for state employees not covered by the Ohio Civil Service Employees Association (OCSEA) benefits trust. Currently available plans are provided by Delta Dental.

**The Executive Recommendation will fund the following objectives:**

- Pay the cost of dental insurance for state employees not covered by the Ohio Civil Service Employees Association benefits trust.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| AGY                      | 8080 | 995668 | State Employee Health Benefit | 12,403,750        | 13,472,400        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>12,403,750</b> | <b>13,472,400</b> |

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**State of Ohio**  
**Employee Benefits Funds**

**Program 01.04: Vision Insurance**

This program pays the benefits costs for the state's two vision insurance programs for state employees not covered by the OCSEA benefits trust. Currently available plans are provided by Vision Service Plan and EyeMed Vision Care. Currently, 14,310 exempt employees have enrolled in Vision Service Plan, and 1,209 exempt employees are enrolled in the EyeMed plan.

**The Executive Recommendation will fund the following objectives:**

- Pay the cost of vision insurance for state employees not covered by the Ohio Civil Service Employees Association benefits trust.

| FUND              |      |        |                               | RECOMMENDED |           |
|-------------------|------|--------|-------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011   |
| AGY               | 8080 | 995668 | State Employee Health Benefit | 3,671,000   | 3,983,000 |
| TOTAL FOR PROGRAM |      |        |                               | 3,671,000   | 3,983,000 |

**Program 01.05: Managed Mental Health**

Separate from the individual health plans, this program pays the premiums for the state's carve-out insurance program for mental health and substance abuse services. This plan is administered by United Behavioral Health.

**The Executive Recommendation will fund the following objectives:**

- Pay the cost of insurance for mental health and substance abuse services for state employees.

| FUND              |      |        |                               | RECOMMENDED |            |
|-------------------|------|--------|-------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011    |
| AGY               | 8080 | 995668 | State Employee Health Benefit | 11,681,000  | 12,621,000 |
| TOTAL FOR PROGRAM |      |        |                               | 11,681,000  | 12,621,000 |

**Program 01.06: COBRA**

This program pays the claims costs for former state employees who opt to continue their health insurance, while paying the full monthly premium, for up to 18 months following the end of their state service. The COBRA medical coverage program currently has 284 individuals enrolled, with 115 individuals participating in the vision and dental care programs as well.

**The Executive Recommendation will fund the following objectives:**

- Pay state employee health insurance claims and administrative costs, pursuant to federal law, for those extending their state coverage at their own cost for up to 18 months following the end of their state service.

| FUND              |      |        |                               | RECOMMENDED |         |
|-------------------|------|--------|-------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011 |
| AGY               | 8080 | 995668 | State Employee Health Benefit | 12,000      | 12,000  |
| TOTAL FOR PROGRAM |      |        |                               | 12,000      | 12,000  |

**Program 01.07: Prescription Benefits**

This program pays the benefits costs for the state's self-insured, carve-out prescription drug program for eligible state employees who have elected health care benefits. The contracted pharmacy benefits manager, Catalyst Rx, administers this program for the state.



State of Ohio  
**Employee Benefits Funds**

**The Executive Recommendation will fund the following objectives:**

- Pay the cost of prescription benefits for state employees who are covered by any one of the health insurance plans offered by the state.

| FUND              |      |        |                               | RECOMMENDED |            |
|-------------------|------|--------|-------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011    |
| AGY               | 8080 | 995668 | State Employee Health Benefit | 82,176,750  | 89,335,100 |
| TOTAL FOR PROGRAM |      |        |                               | 82,176,750  | 89,335,100 |

**PROGRAM SERIES 02: Life Insurance Benefits**

The Life Insurance Benefits Program Series consists of one program that provides life insurance coverage for state employees who are exempt from collective bargaining.

**Program 02.01: Life Insurance Benefits**

The Life Insurance Investment Fund is used to pay the premiums for the state's group life insurance benefit program for exempt employees. Approximately 16,000 employees are currently enrolled in the plan.

**The Executive Recommendation will fund the following objectives:**

- Pay the premium for the state's group life insurance benefit program for exempt employees.

| FUND              |      |        |                           | RECOMMENDED |           |
|-------------------|------|--------|---------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011   |
| AGY               | 8100 | 995670 | Life Insurance Investment | 2,229,834   | 2,229,834 |
| TOTAL FOR PROGRAM |      |        |                           | 2,229,834   | 2,229,834 |

**PROGRAM SERIES 03: Paid Leave Funds/Programs**

The Paid Leave Funds/Programs Program Series consists of three programs that provide for accrued, disability, and parental leave payments for eligible State of Ohio employees.

**Program 03.01: Accrued Leave**

Upon termination from state service due to retirement or separation, the Accrued Leave Liability Fund provides for the payment to employees of accrued vacation, sick, and personal leave. In addition, payments for certain amounts of unused sick and personal leave are made to active employees, at their option, during an annual December conversion opportunity.

**The Executive Recommendation will fund the following objectives:**

- Make payments to fund state employees' accrued leave cash outs.

| FUND              |      |        |               | RECOMMENDED |            |
|-------------------|------|--------|---------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME      | FY 2010     | FY 2011    |
| ALF               | 8060 | 995666 | Accrued Leave | 65,200,000  | 67,200,000 |
| TOTAL FOR PROGRAM |      |        |               | 65,200,000  | 67,200,000 |

State of Ohio  
**Employee Benefits Funds**

**Program 03.02: Disability Leave**

The State Employee Disability Leave Benefit Fund provides disability and income protection for non-job related disabilities to eligible state employees. During fiscal year 2008, 3,431 employees received disability benefits.

**The Executive Recommendation will fund the following objectives:**

- Make payments to fund state employees' disability leave benefits.

| FUND              |      |        |                 | RECOMMENDED |            |
|-------------------|------|--------|-----------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME        | FY 2010     | FY 2011    |
| ALF               | 8070 | 995667 | Disability Fund | 27,400,000  | 28,100,000 |
| TOTAL FOR PROGRAM |      |        |                 | 27,400,000  | 28,100,000 |

**Program 03.03: Parental Leave**

The Parental Leave Benefit Fund is used to make payments to eligible employees using parental leave to care for newborn or adopted children. A total of 1,710 state employees utilized this program in fiscal year 2008.

**The Executive Recommendation will fund the following objectives:**

- Make payments to fund state employees' parental leave benefits, by which eligible employees receive a percentage of their pay for four weeks after an initial 14-day waiting period immediately following the birth or adoption of a child.

| FUND              |      |        |                        | RECOMMENDED |           |
|-------------------|------|--------|------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011   |
| AGY               | 8110 | 995671 | Parental Leave Benefit | 3,900,000   | 4,000,000 |
| TOTAL FOR PROGRAM |      |        |                        | 3,900,000   | 4,000,000 |

**PROGRAM SERIES 04: Health and Dependent Care Spending Accounts**

The Health and Dependent Care Spending Accounts Program Series consists of two programs that provide for the pre-tax deduction and subsequent repayment for health care and dependent care expenses to eligible employees who elect to participate.

**Program 04.01: Dependent Care Spending Account**

The Dependent Care Spending Account Fund enables eligible employees to set aside pre-tax money for work-related dependent care expenses. Funds are deducted from employees' wages each pay period. Account holders can then withdraw their funds on a tax-free basis as often as every two weeks. A qualifying dependent may be any child under the age of 13, a disabled child of any age who requires care, a parent requiring care and living in the employee's home, or a spouse or relative who is physically and/or mentally incapable of self-care. As of June 2008, nearly 700 employees were participating in this program.

**The Executive Recommendation will fund the following objectives:**

- Make transfer payments to fund state employees' tax-exempt dependent care expenses.

| FUND              |      |        |                              | RECOMMENDED |           |
|-------------------|------|--------|------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011   |
| AGY               | 8090 | 995669 | Dependent Care Spending Acct | 2,969,635   | 2,969,635 |
| TOTAL FOR PROGRAM |      |        |                              | 2,969,635   | 2,969,635 |

**Program 04.02: Health Care Spending Account**

The Health Care Spending Account Fund enables eligible employees to set aside pre-tax money for out-of-pocket health care expenses not covered by insurance. Funds are deducted from employees' wages each pay period. Account holders can then withdraw their funds on a tax-free basis as they incur eligible expenses. During calendar year 2008, 3,715 state employees were enrolled in this program.

**The Executive Recommendation will fund the following objectives:**

- Make transfer payments to fund state employees' tax-exempt health care expenses paid from wage deductions of up to \$3,000 per participant each calendar year.

| FUND              |      |        |                              | RECOMMENDED |            |
|-------------------|------|--------|------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011    |
| AGY               | 8130 | 995672 | Health Care Spending Account | 8,977,689   | 12,000,000 |
| TOTAL FOR PROGRAM |      |        |                              | 8,977,689   | 12,000,000 |

**PROGRAM SERIES 05: Payroll Deductions**

The Payroll Deductions Program Series provides a centralized mechanism for collecting and disbursing a number of state agency and employee payroll deductions. The series was new to PAY in the 2008-2009 Executive Budget, having been moved from the DAS Human Resources Program Series.

**Program 05.01: Payroll Deductions**

In the state's payroll deductions process, deductions for self-insured employee benefit programs; credit unions; union dues; and tax payments to federal, state, and local governments as well as school districts are sent either directly to the vendor or taxing entity or into funds set up for health, dental, and vision benefit programs; life insurance; flexible spending accounts; parental leave; and accrued leave. However, approximately 30 of the 1,000 different payroll deductions administered by the state are collected into this program's consolidated fund for retirement and other miscellaneous deductions for subsequent distribution.

**The Executive Recommendation will fund the following objectives:**

- Administer a pass-through fund to centralize the payment of selected state agency and employee payroll deductions, including retirement contributions and deferred compensation.

| FUND              |      |        |                    | RECOMMENDED |             |
|-------------------|------|--------|--------------------|-------------|-------------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011     |
| AGY               | 1240 | 995673 | Payroll Deductions | 881,573,000 | 943,283,110 |
| TOTAL FOR PROGRAM |      |        |                    | 881,573,000 | 943,283,110 |

State of Ohio  
**Employee Benefits Funds**

**LINE ITEM SUMMARY - Employee Benefits Funds**

| FUND                                 | ALI    | ALI NAME                       | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--------------------------------|--------------------|--------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| 8060                                 | 995666 | Accrued Leave                  | 24,032,450         | 44,372,568         | 62,907,471           | 76,038,787           | 65,200,000             | -14.3       | 67,200,000             | 3.1         |
| 8070                                 | 995667 | Disability Fund                | 2,732,975          | 13,544,074         | 24,837,446           | 23,515,086           | 27,400,000             | 16.5        | 28,100,000             | 2.6         |
| <b>TOTAL Accrued Leave Liability</b> |        |                                | <b>26,765,425</b>  | <b>57,916,643</b>  | <b>87,744,917</b>    | <b>99,553,873</b>    | <b>92,600,000</b>      | <b>-7.0</b> | <b>95,300,000</b>      | <b>2.9</b>  |
| 1240                                 | 995673 | Payroll Deductions             | 0                  | 0                  | 742,781,252          | 823,900,000          | 881,573,000            | 7.0         | 943,283,110            | 7.0         |
| 8080                                 | 995668 | State Employee Health Benefit  | 404,783,595        | 413,021,117        | 479,894,606          | 550,922,742          | 551,795,580            | 0.2         | 598,643,430            | 8.5         |
| 8090                                 | 995669 | Dependent Care Spending Acctnt | 2,664,591          | 2,521,023          | 2,370,986            | 2,969,635            | 2,969,635              | 0.0         | 2,969,635              | 0.0         |
| 8100                                 | 995670 | Life Insurance Investment      | 1,922,909          | 1,986,238          | 1,897,445            | 2,229,834            | 2,229,834              | 0.0         | 2,229,834              | 0.0         |
| 8110                                 | 995671 | Parental Leave Benefit         | 181,691            | 1,599,228          | 3,741,587            | 3,962,718            | 3,900,000              | -1.6        | 4,000,000              | 2.6         |
| 8130                                 | 995672 | Health Care Spending Account   | 1,314,554          | 2,385,381          | 5,024,944            | 6,716,576            | 8,977,689              | 33.7        | 12,000,000             | 33.7        |
| <b>TOTAL Agency</b>                  |        |                                | <b>410,867,340</b> | <b>421,512,987</b> | <b>1,235,710,819</b> | <b>1,390,701,505</b> | <b>1,451,445,738</b>   | <b>4.4</b>  | <b>1,563,126,009</b>   | <b>7.7</b>  |
| <b>TOTAL Employee Benefits Funds</b> |        |                                | <b>437,632,764</b> | <b>479,429,630</b> | <b>1,323,455,736</b> | <b>1,490,255,378</b> | <b>1,544,045,738</b>   | <b>3.6</b>  | <b>1,658,426,009</b>   | <b>7.4</b>  |

### **Role and Overview**

The State Employment Relations Board (SERB) administers Ohio Revised Code Section 4117, which governs collective bargaining relationships between all Ohio public employers and employees including schools, universities, the state, and its political subdivisions. The board acts as a neutral, quasi-judicial body in conducting representation elections; certifying exclusive bargaining representatives; monitoring and enforcing statutory dispute resolution procedures; resolving unfair labor practice charges; determining unauthorized strike claims; and providing collective bargaining data to assist parties in resolving negotiation issues.

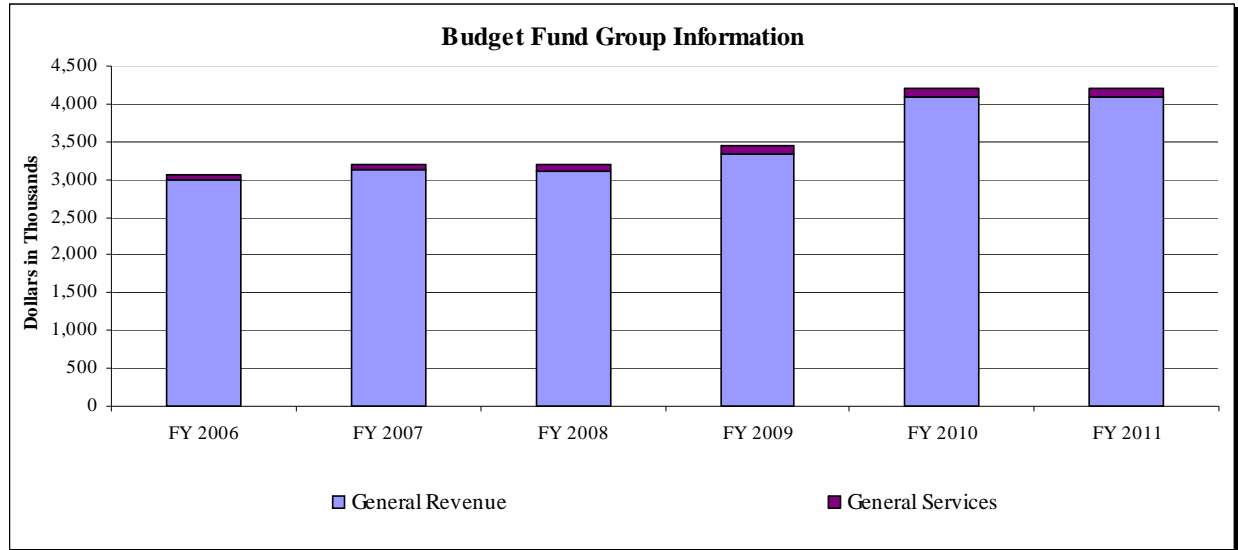
In the fiscal year 2010-2011 biennium, the State Personnel Board of Review (SPBR) will be consolidated into SERB to achieve administrative cost savings. However, SPBR's three-member board will continue to exist as a separate entity within SERB to continue to perform its statutory duties to hear appeals from classified employees and monitor and assist Ohio's approximately 220 municipal civil service commissions and personnel boards.

The three-member boards of both SERB and SPBR are appointed by the Governor for staggered six-year terms. A consolidated staff of 33 employees will assist the boards, with an annual budget of \$4.2 million. Additional information regarding SERB is available at <http://www.serb.state.oh.us/> and at <http://pbr.ohio.gov/> for SPBR.

### **Agency Priorities**

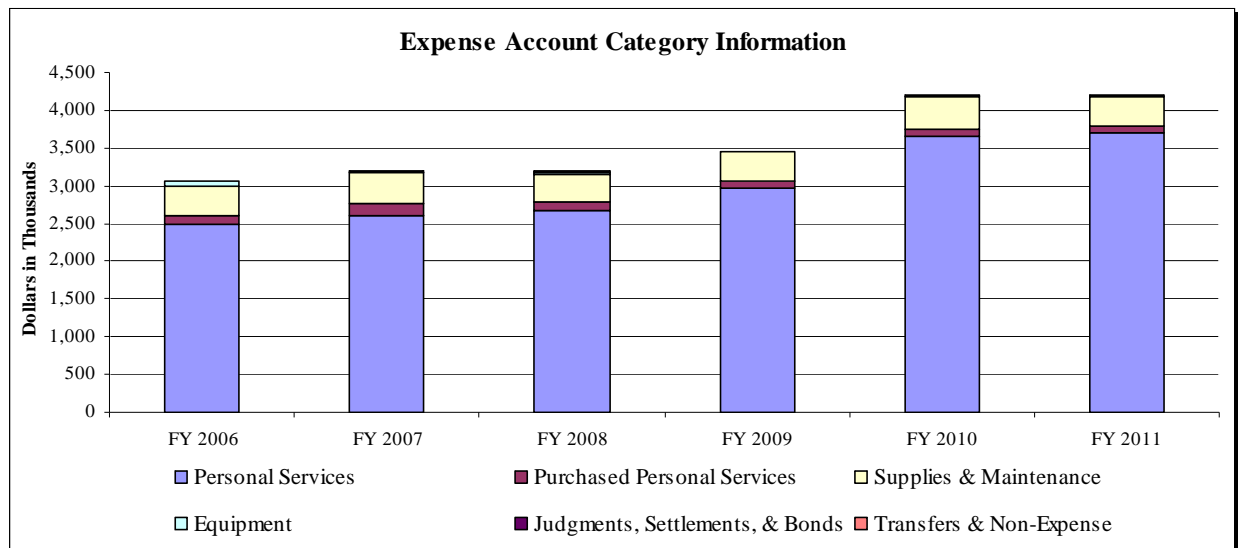
- Promote orderly and constructive relationships between all public employers and employees.
- Maximize efforts to foster collaborative employer-employee relationships by emphasizing mediation processes and training.
- Promote efficiency and public information availability by continuing comprehensive information technology initiatives and building on the current, high level of accessibility that includes online access to clearinghouse data and distribution of the annual *Report on Health Insurance Costs*.
- Administer and enforce the provisions governing collective bargaining in public employment.
- Ensure that the citizens of the State of Ohio are provided with an efficient and high quality civil service system, as contemplated by Article 15, Section 10 of the Ohio Constitution.
- Provide all parties appearing before SPBR with a fair, comprehensive, and impartial review of their respective claims, consistent with Ohio Revised Code Chapters 124 and 4167.
- Monitor and assist Ohio's approximately 220 municipal civil service commissions to ensure the uniform application of Ohio's civil service laws at the municipal level.

### Summary of Budget History and Recommendations



- In fiscal year 2010, the SERB and SPBR budgets will be consolidated into SERB to achieve administrative cost savings. This is why SERB's budget increases in the fiscal year 2010-2011 biennium. The consolidated General Revenue Fund budget represents a 10.3 percent decrease from fiscal year 2009.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |             |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|------------|----------------------|-------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | % CHANGE    | FY 2011      | % CHANGE   |
| General Revenue                     | 3,003        | 3,123        | 3,106        | 3,344         | 7.7        | 4,091                | 22.3        | 4,091        | 0.0        |
| General Services                    | 52           | 85           | 87           | 107           | 22.6       | 105                  | -1.6        | 105          | 0.0        |
| <b>TOTAL</b>                        | <b>3,055</b> | <b>3,208</b> | <b>3,193</b> | <b>3,451</b>  | <b>8.1</b> | <b>4,196</b>         | <b>21.6</b> | <b>4,196</b> | <b>0.0</b> |



State of Ohio  
**State Employment Relations Board**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST.         | %<br>CHANGE | RECOMMENDED  |             |              |             |
|---|--------------|--------------|--------------|--------------|-------------|--------------|-------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      |              |             | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Personal Services                             | 2,483        | 2,602        | 2,675        | 2,966        | 10.9        | 3,646        | 22.9        | 3,694        | 1.3         |
| Purchased Personal Services                   | 116          | 171          | 109          | 90           | -17.8       | 94           | 4.3         | 94           | 0.0         |
| Supplies & Maintenance                        | 386          | 392          | 368          | 394          | 7.2         | 436          | 10.7        | 386          | -11.6       |
| Equipment                                     | 69           | 44           | 17           | 0            | -100.0      | 10           | 100.0       | 12           | 26.3        |
| Judgments, Settlements, & Bonds               | 0            | 0            | 22           | 0            | -100.0      | 0            | 0.0         | 0            | 0.0         |
| Transfers & Non-Expense                       | 0            | 0            | 1            | 0            | -100.0      | 10           | 100.0       | 10           | 0.0         |
| <b>TOTAL</b>                                  | <b>3,055</b> | <b>3,208</b> | <b>3,193</b> | <b>3,451</b> | <b>8.1</b>  | <b>4,196</b> | <b>21.6</b> | <b>4,196</b> | <b>0.0</b>  |

**PROGRAM SERIES 01: Collective Bargaining Act Administration**

This program series administers the Ohio Public Employees' Collective Bargaining Act by performing interfacing functions of investigation, adjudication, education, mediation, and dispute resolution. The board stresses and utilizes mediation at all phases of its work including pre-probable cause findings, elections, and in the hearing process. The program series also includes SPBR duties to hear civil service appeals and monitor and assist municipal civil service commissions and personnel boards.

**Program 01.01: Labor Disputes**

This program assists parties with active labor issues by mediating contract negotiations, investigating and attempting to mediate alleged unfair labor practices, and processing petitions to resolve questions concerning representation. The program also includes SPBR functions to adjudicate civil service appeals from employees of state agencies, state universities, county agencies, and general health districts, as well as monitor and assist municipal civil service commissions and personnel boards.

**The Executive Recommendation will fund the following objectives:**

- Present cases to the SERB board for action within 150 days of filing with the Investigations Section;
- Allow the SERB board to place representation cases on the agenda within 180 days of filing;
- Fund dispute prevention work to avert costly, lengthy negotiations and strikes;
- Support mediation to intervene in contract negotiations as required by statute;
- Allow SPBR to adjudicate hundreds of cases per year filed by employees who have been displaced by removal, layoff, and reorganization;
- Allow SPBR to assist in maintaining the integrity of the civil service system; and
- Allow SPBR to assist municipal civil service commissions to ensure the uniform application of Ohio's civil service laws at the municipal level

| FUND                     |      |        |                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 125321 | Operating Expense | 3,410,133        | 3,410,133        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                   | <b>3,410,133</b> | <b>3,410,133</b> |

**Program 01.02: Research and Training**

This program helps avoid costly public sector labor disputes by gathering, analyzing, and providing information relating to conditions of employment of public employees throughout the state. SERB fulfills statutory requirements to provide public employer and employee organizations working at all levels of government in Ohio with the information and training needed to comply with the Ohio Public Employees' Collective Bargaining Act and to successfully negotiate collective bargaining agreements.

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State of Ohio  
**State Employment Relations Board**

**The Executive Recommendation will fund the following objectives:**

- Continue to provide training programs and seminars;
- Fund a basic system for electronic submission of contracts and contract information; and
- Analyze public employer labor contracts for information on over 100 separate categories of employment terms.

| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| GRF                      | GRF  | 125321 | Operating Expense       | 680,743        | 680,743        |
| GSF                      | 5720 | 125603 | Training & Publications | 105,000        | 105,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>785,743</b> | <b>785,743</b> |



## State Employment Relations Board

**LINE ITEM SUMMARY - State Employment Relations Board**

| FUND  | ALI    | ALI NAME                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF   | 125321 | Operating Expense       | 3,002,700         | 3,123,032         | 3,105,963         | 3,343,775           | 4,090,876              | 22.3        | 4,090,876              | 0.0         |
| <b>TOTAL General Revenue</b>                  |        |                         | <b>3,002,700</b>  | <b>3,123,032</b>  | <b>3,105,963</b>  | <b>3,343,775</b>    | <b>4,090,876</b>       | <b>22.3</b> | <b>4,090,876</b>       | <b>0.0</b>  |
| 5720  | 125603 | Training & Publications | 51,975            | 85,447            | 87,075            | 106,741             | 105,000                | -1.6        | 105,000                | 0.0         |
| <b>TOTAL General Services</b>                 |        |                         | <b>51,975</b>     | <b>85,447</b>     | <b>87,075</b>     | <b>106,741</b>      | <b>105,000</b>         | <b>-1.6</b> | <b>105,000</b>         | <b>0.0</b>  |
| <b>TOTAL State Employment Relations Board</b> |        |                         | <b>3,054,675</b>  | <b>3,208,479</b>  | <b>3,193,038</b>  | <b>3,450,516</b>    | <b>4,195,876</b>       | <b>21.6</b> | <b>4,195,876</b>       | <b>0.0</b>  |

State of Ohio

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## State Board of Registration for Engineers and Surveyors

### Role and Overview

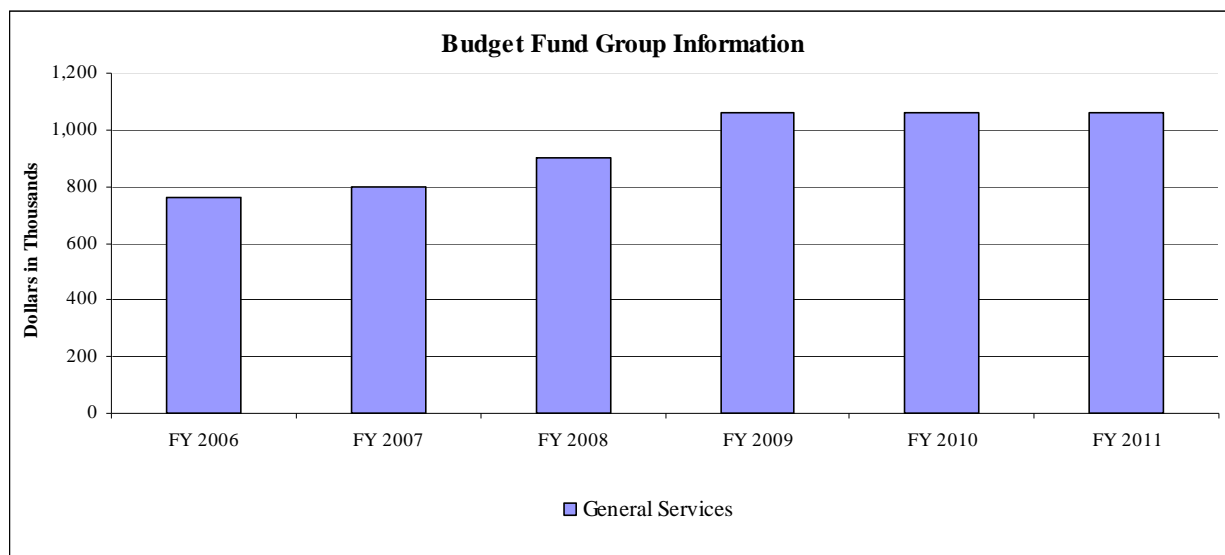
The State Board of Registration for Engineers and Surveyors (ENG) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria for practicing engineering and surveying in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. ENG issues and maintains nearly 35,000 licensees.

Additional information about the State Board of Registration for Engineers and Surveyors is available at <http://www.ohiopeps.org/>.

### Agency Priorities

- Protect the safety and welfare of the citizens of Ohio by administering Chapter 4733 of the Revised Code to ensure that only qualified individuals with specialized knowledge and skills engage in the practice of engineering and surveying.
- Enforce established standards for licensure and registration of professional engineers and surveyors through examination, investigation, and continuing education.
- Continue communication with accredited engineering and surveying programs at Ohio universities in partnership with the National Council of Examiners for Engineering and Surveying (NCEES).
- Implement electronic payment of license renewal, expedite examination scoring through coordination with NCEES, and continue website enhancement to provide users with on-line applications, verifications, and instructions.

### Summary of Budget History and Recommendations

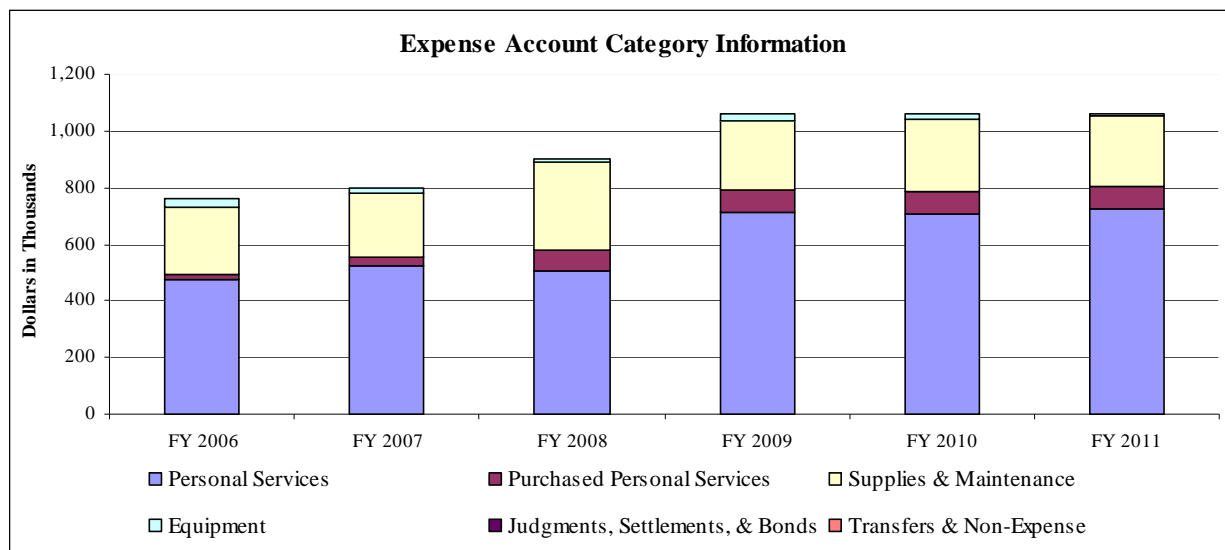


| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL  |         |         | EST. %<br>CHANGE |          | RECOMMENDED %<br>CHANGE |        |         |        |
|-------------------------------------|---------|---------|---------|------------------|----------|-------------------------|--------|---------|--------|
|                                     | FY 2006 | FY 2007 | FY 2008 | FY 2009          | FY 08-09 | FY 2010                 | CHANGE | FY 2011 | CHANGE |
| General Services                    | 761     | 796     | 903     | 1,059            | 17.3     | 1,059                   | 0.0    | 1,059   | 0.0    |
| TOTAL                               | 761     | 796     | 903     | 1,059            | 17.3     | 1,059                   | 0.0    | 1,059   | 0.0    |

State of Ohio

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## State Board of Registration for Engineers and Surveyors



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |              |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|--------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 477        | 523        | 505        | 710              | 40.6        | 705                     | -0.6       | 724          | 2.8        |
| Purchased Personal Services                   | 19         | 31         | 74         | 80               | 8.1         | 80                      | -0.5       | 80           | 0.0        |
| Supplies & Maintenance                        | 236        | 223        | 311        | 247              | -20.6       | 258                     | 4.3        | 249          | -3.4       |
| Equipment                                     | 29         | 19         | 13         | 20               | 57.8        | 14                      | -28.6      | 4            | -75.5      |
| Judgments, Settlements, & Bonds               | 0          | 0          | 0          | 2                | 100.0       | 0                       | -100.0     | 0            | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 0          | 0                | -100.0      | 2                       | 100.0      | 2            | 0.0        |
| <b>TOTAL</b>                                  | <b>761</b> | <b>796</b> | <b>903</b> | <b>1,059</b>     | <b>17.3</b> | <b>1,059</b>            | <b>0.0</b> | <b>1,059</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the State Board of Registration for Engineers and Surveyors.

#### The Executive Recommendation will fund the following objectives:

- Support the continued operations of the eight member board and four staff;
- Provide for continued evaluation of professional credentials, administration of examinations and monitoring of continuing educational achievement; and
- Fund over 100 investigations per fiscal year.

| FUND                     |      |        |           | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010          | FY 2011          |
| GSF                      | 4K90 | 892609 | Operating | 1,058,881        | 1,058,881        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>1,058,881</b> | <b>1,058,881</b> |

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State Board of Registration for Engineers and Surveyors
**LINE ITEM SUMMARY - State Board of Registration for Engineers and Surveyors**

| FUND   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90   | 892609 | Operating | 760,986           | 795,832           | 902,772           | 1,058,881           | 1,058,881              | 0.0         | 1,058,881              | 0.0         |
| <b>TOTAL General Services</b>  |        |           | <b>760,986</b>    | <b>795,832</b>    | <b>902,772</b>    | <b>1,058,881</b>    | <b>1,058,881</b>       | <b>0.0</b>  | <b>1,058,881</b>       | <b>0.0</b>  |
| <b>TOTAL State Board of Registration for Engineers and Surveyors</b> |        |           | <b>760,986</b>    | <b>795,832</b>    | <b>902,772</b>    | <b>1,058,881</b>    | <b>1,058,881</b>       | <b>0.0</b>  | <b>1,058,881</b>       | <b>0.0</b>  |

### **Role and Overview**

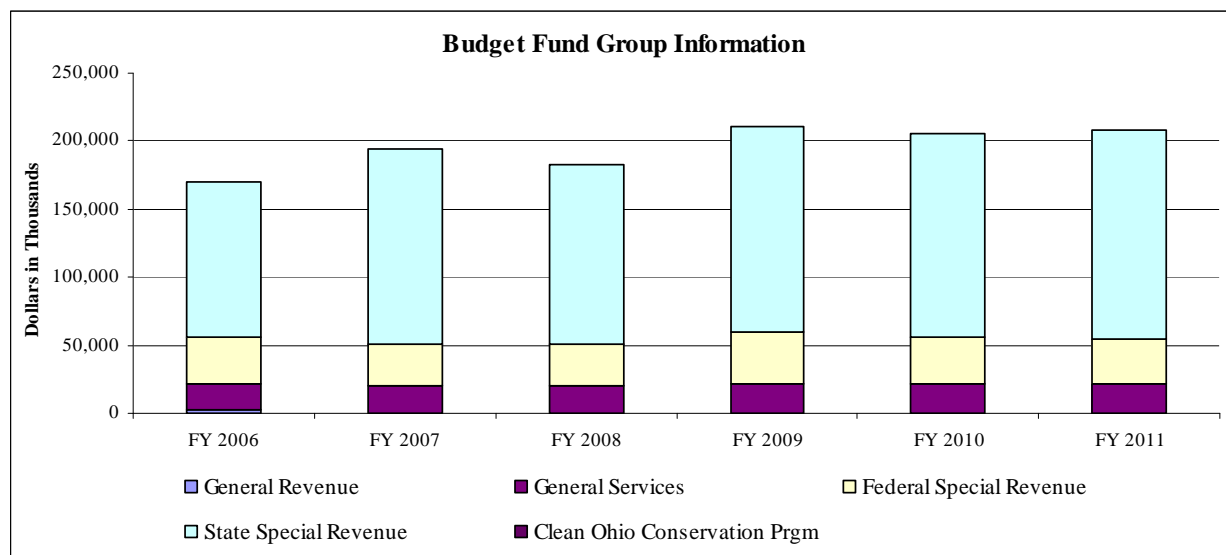
The Ohio Environmental Protection Agency (Ohio EPA) protects human health and the environment by establishing and enforcing standards for air quality, drinking water and stream water quality, wastewater treatment, and solid, infectious and hazardous waste treatment and disposal. To carry out these regulatory functions, Ohio EPA: issues permits that govern installation and operation of pollution sources; provides oversight through inspections and sampling; monitors and reports on environmental quality; provides compliance assistance and environmental education to industry and the general public; helps businesses prevent pollution; and takes enforcement actions against violators. Ohio EPA also provides grants to local governments and organizations for air pollution control, environmental education, diesel school bus retrofits and projects that protect the environment and improve water quality. In addition, Ohio EPA works with the Ohio Water Development Authority to provide low-interest loans to local communities for waste water and drinking water infrastructure projects.

Ohio EPA's director, who is appointed by the governor, oversees about 1,225 employees, a reduction of 50 employees over the last 5 years. Current employees include field staff in five district offices throughout the state. District employees draft permits, conduct inspections, monitor environmental conditions, collect samples, initiate enforcement, respond to emergencies and provide information to the regulated community and citizens. Ohio EPA has an annual operating budget of approximately \$206 million. In conjunction with the Department of Natural Resources, Ohio EPA is requesting increases in the Municipal Solid Waste and Construction and Demolition Debris tipping fees. The proposed fee increases will help support 15 Ohio EPA programs including air pollution control and 401 wetlands permitting and provide subsidies for local air and water planning agencies. Ohio EPA is also seeking a fee on the sale of new tires to fund the motor vehicle emissions testing program. Additional information regarding the Ohio EPA is available at <http://www.epa.state.oh.us/>.

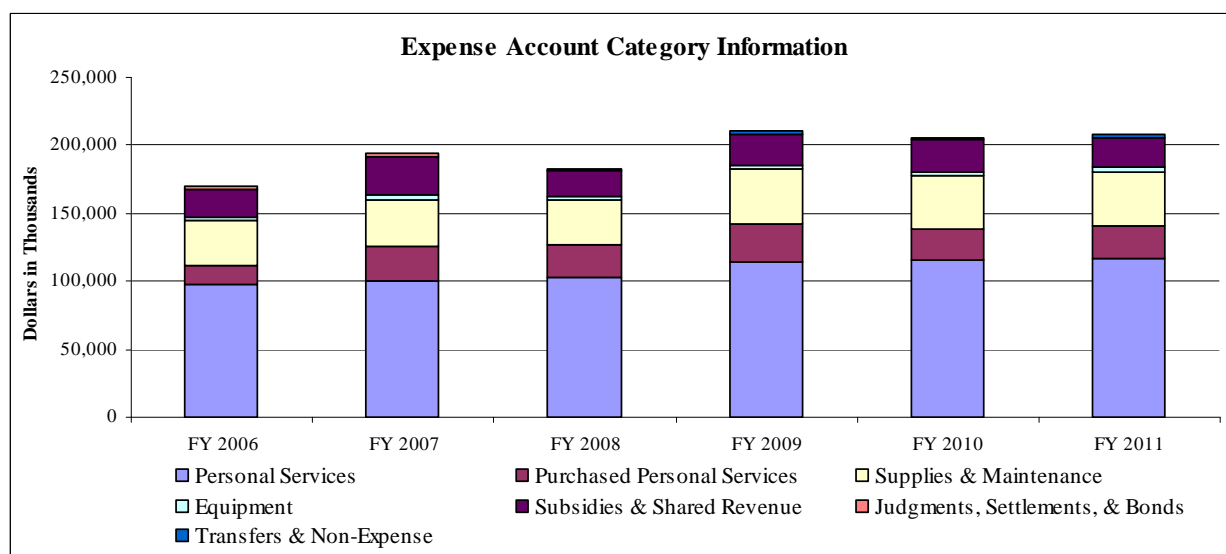
### **Agency Priorities**

- Make Ohio attractive to business and families by ensuring compliance with environmental laws to provide a clean and healthy environment in which to work and live.
- Work closely with business to provide timely issuance of permits that govern installation and operation of pollution sources and limit the type and amount of pollution that is released into the environment.
- Provide technical assistance to help businesses comply with environmental laws and reduce the amount of pollution they generate.
- Focus on alternative energy by providing compliance assistance and processing environmental permits for alternative energy facilities in a timely and efficient manner.
- Monitor air and water quality through sampling and laboratory analysis.
- Investigate complaints, conduct inspections and enforce environmental laws.
- Educate Ohio's citizens about environmental issues.
- Make grants to local governments and non-profit organizations to restore and protect Ohio's lakes, streams, and watersheds.
- Restore land to economic use by overseeing and funding contaminated site cleanup, including Brownfields, scrap tire piles and emergency spills.
- Respond 24 hours a day, seven days a week to sudden releases of hazardous materials, petroleum, radioactive materials, and other pollutants to protect human health and the environment.
- Offer \$600 million per year in low-interest loans, resulting in awards of approximately \$365 million per year to build and expand Ohio's infrastructure for drinking water and wastewater treatment and promote economic growth. Additional funding may also be made available through the federal economic stimulus bill.

## Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. % CHANGE  |             | RECOMMENDED % CHANGE |             |                |            |
|-------------------------------------|----------------|----------------|----------------|----------------|-------------|----------------------|-------------|----------------|------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09    | FY 2010              | CHANGE      | FY 2011        | CHANGE     |
| General Revenue                     | 2,582          | 0              | 0              | 0              | 0.0         | 0                    | 0.0         | 0              | 0.0        |
| General Services                    | 18,628         | 19,706         | 20,021         | 21,844         | 9.1         | 21,292               | -2.5        | 21,998         | 3.3        |
| Federal Special Revenue             | 34,873         | 31,650         | 31,084         | 37,246         | 19.8        | 34,007               | -8.7        | 33,033         | -2.9       |
| State Special Revenue               | 114,135        | 142,302        | 132,078        | 151,086        | 14.4        | 150,388              | -0.5        | 152,774        | 1.6        |
| Clean Ohio Conservation Prgm        | 91             | 149            | 190            | 208            | 9.6         | 291                  | 39.9        | 291            | 0.0        |
| <b>TOTAL</b>                        | <b>170,309</b> | <b>193,807</b> | <b>183,373</b> | <b>210,384</b> | <b>14.7</b> | <b>205,978</b>       | <b>-2.1</b> | <b>208,096</b> | <b>1.0</b> |



State of Ohio  
**Environmental Protection Agency**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |                |            |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|-------------|----------------|------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011        | CHANGE     |
| Personal Services                             | 97,302         | 99,685         | 102,180        | 114,465          | 12.0        | 114,897                 | 0.4         | 117,052        | 1.9        |
| Purchased Personal Services                   | 14,319         | 26,052         | 24,374         | 27,472           | 12.7        | 23,464                  | -14.6       | 23,540         | 0.3        |
| Supplies & Maintenance                        | 33,513         | 34,398         | 33,610         | 40,899           | 21.7        | 39,010                  | -4.6        | 39,920         | 2.3        |
| Equipment                                     | 1,921          | 3,056          | 1,853          | 2,922            | 57.6        | 3,113                   | 6.5         | 3,478          | 11.7       |
| Subsidies & Shared Revenue                    | 20,931         | 28,416         | 19,708         | 22,399           | 13.7        | 23,258                  | 3.8         | 21,826         | -6.2       |
| Judgments, Settlements, & Bonds               | 2,323          | 2,199          | 0              | 0                | 0.0         | 0                       | 0.0         | 0              | 0.0        |
| Transfers & Non-Expense                       | 0              | 0              | 1,649          | 2,227            | 35.1        | 2,237                   | 0.5         | 2,279          | 1.9        |
| <b>TOTAL</b>                                  | <b>170,309</b> | <b>193,807</b> | <b>183,373</b> | <b>210,384</b>   | <b>14.7</b> | <b>205,978</b>          | <b>-2.1</b> | <b>208,096</b> | <b>1.0</b> |

### PROGRAM SERIES 01: Air Pollution Control

This program series supports the Division of Air Pollution Control's activities designed to attain and maintain the air quality at a level that will protect the environment. The Division of Air Pollution Control and the nine affiliated local air agencies strive to implement programs to reduce air emissions. Recommended appropriation levels for programs within this series include funding for implementation of several new federal clean air mandates.

#### Program 01.01: National Ambient Air Quality Standards

This program ensures that Ohio meets the National Ambient Air Quality Standards, which are established by U.S. EPA to protect public health and the environment. To meet this goal, Ohio EPA creates Statewide Implementation Plans (SIPS) to implement the requirements of the Clean Air Act and other programs adopted by the U.S. EPA that limit emissions of air pollution. The appropriated levels include funding for the development of plans and implementation of programs to bring Ohio's counties into attainment with the national standards for ozone and fine particulates. Ohio EPA also operates an air quality monitoring network that provides the data to determine whether the standards are being achieved and whether public health and the environment are being protected.

#### The Executive Recommendation will fund the following objectives:

- Continue improvement in ambient air quality levels and design plans to meet more stringent eight-hour ozone and particulate matter standards;
- Implement new federal requirements for regional haze, the interstate transport rule, and transportation conformity;
- Administer grants to local air agencies; and
- Work with U.S. EPA to administer the NOx emission-trading program.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3570 | 715619 | Air Pollution Control            | 1,678,159        | 1,684,669        |
| SSR                      | 4T30 | 715659 | Clean Air Title V Permit Program | 2,286,964        | 2,355,504        |
| SSR                      | 5BC0 | 715622 | Local Air Pollution Control      | 269,940          | 269,940          |
| SSR                      | 5BC0 | 715672 | Air Pollution Control            | 1,172,157        | 1,173,337        |
| SSR                      | 6960 | 715643 | Air Pollution Control Admin      | 165,867          | 166,073          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>5,573,087</b> | <b>5,649,523</b> |

#### Program 01.02: Air Emission Authorization and Evaluation

This program issues the following permits for sources of air pollution: permit to install (PTI), permit to operate (PTO), federally enforceable state operating permit, and Title V permit. The program includes the implementation of a combined permit system, where a PTI and state PTO are issued at the same time as a combined Permit to Install

**State of Ohio**  
**Environmental Protection Agency**

and Permit to Operate. DAPC regulates more than 73,000 individual sources of air pollution at 13,000 facilities. DAPC also monitors the compliance of more than 1,400 major sources of air pollution to determine if facilities are operating in compliance with their Title 5 permits. This program also includes the operation of an enforcement program that strives to resolve violations in a fair and efficient manner when they are identified.

**The Executive Recommendation will fund the following objectives:**

- Regulate 73,000 sources of air pollution at 13,000 facilities statewide;
- Upgrade the STARS computer program to assist industrial facilities;
- Implement the New Source Review Reform program; and
- Issue approximately 1,000 permits to install for new industrial projects annually;
- Support ten additional positions for permitting and climate change that will be reallocated from other Ohio EPA programs; and
- Provide an additional \$800,000 in FY 2010 and \$1,000,000 in FY 2011 to Local Air Agencies for ongoing work including air permitting.

| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| FED                      | 3570 | 715619 | Air Pollution Control            | 3,864,823         | 3,883,819         |
| SSR                      | 4K20 | 715648 | Clean Air-Non Title V            | 3,110,635         | 3,228,458         |
| SSR                      | 4T30 | 715659 | Clean Air Title V Permit Program | 14,243,291        | 14,549,412        |
| SSR                      | 5BC0 | 715622 | Local Air Pollution Control      | 1,483,440         | 1,691,440         |
| SSR                      | 5BC0 | 715672 | Air Pollution Control            | 5,497,281         | 5,834,099         |
| SSR                      | 6960 | 715643 | Air Pollution Control Admin      | 524,133           | 523,927           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>28,723,603</b> | <b>29,711,155</b> |

**Program 01.03: Right to Know**

This program encompasses the activities of the Right to Know Program, a Chemical Inventory Reporting Program under which over 7,000 facilities file reports summarizing the locations and quantities of hazardous chemicals stored on-site. These reports are used for emergency planning activities, which Ohio EPA coordinates with the Ohio Emergency Management Agency (OEMA), the State Emergency Response Commission, and 87 Local Emergency Planning Committees (LEPCs). The fees from facilities filing reports support the emergency planning activities of the LEPCs and the administrative activities of Ohio EPA and OEMA.

**The Executive Recommendation will fund the following objectives:**

- Support the State Emergency Response Commission;
- Provide training and outreach to local emergency planning agencies; and
- Distribute \$2.5 million in grants to local emergency planning agencies.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| SSR                      | 5BC0 | 715672 | Air Pollution Control | 256,892          | 256,894          |
| SSR                      | 6790 | 715636 | Emergency Planning    | 2,623,395        | 2,628,647        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>2,880,287</b> | <b>2,885,541</b> |

**Program 01.04: Air Toxics**

This program addresses air toxic compounds, which are emissions that create a public health concern because they have the potential to cause cancer or other detrimental health problems. In the 1990 Clean Air Act Amendments, an increased emphasis was placed on air toxics, the evaluation of risk, and additional control requirements to reduce risk. Ohio EPA continues to monitor air toxics in Ohio cities, as well as respond to special requests for localized air



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toxic studies. Other Ohio EPA programs that assist with air toxic control include the Toxic Release Inventory Program and the Risk Management Planning Program.

**The Executive Recommendation will fund the following objectives:**

- Identify and characterize air toxics through monitoring and inventory;
- Reduce air toxics through regulatory and voluntary efforts;
- Evaluate and manage risk management plans for unexpected releases of air pollution; and
- Implement the new mercury emissions rules.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3570 | 715619 | Air Pollution Control            | 739,795          | 741,715          |
| SSR                      | 4K20 | 715648 | Clean Air-Non Title V            | 345,626          | 358,718          |
| SSR                      | 4T30 | 715659 | Clean Air Title V Permit Program | 802,000          | 825,292          |
| SSR                      | 5420 | 715671 | Risk Management Reporting        | 146,188          | 146,188          |
| SSR                      | 5BC0 | 715622 | Local Air Pollution Control      | 73,620           | 73,620           |
| SSR                      | 5BC0 | 715672 | Air Pollution Control            | 342,670          | 342,670          |
| SSR                      | 6780 | 715635 | Air Toxic Release                | 174,600          | 179,746          |
| SSR                      | 6960 | 715643 | Air Pollution Control Admin      | 60,000           | 60,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>2,684,499</b> | <b>2,727,949</b> |

**Program 01.05: Mobile Sources Control**

This program consists of Ohio EPA's oversight of the contractor-operated motor vehicle emissions inspection program, known as E-Check, in the Cleveland and Akron areas. This program encourages motorists to routinely maintain the emission control equipment on their vehicles, thereby reducing the release of pollutants that lead to the formation of ground level ozone. Funding is requested to extend the current program for 6 months and fund a new contract through June 30, 2011 based on the outcome of a request for proposal issued by the Department of Administrative Services. The continuation of this program is necessary because the air quality in the Cleveland and Akron areas exceed the national ozone standard to such a degree that federal law requires the operation of an emission testing program. A fee of \$2.30 per tire sold in Ohio is proposed to pay for the contract and Agency oversight. The fee will replace the GRF cash transfers that currently fund the program.

**The Executive Recommendation will fund the following objectives:**

- Provide a motor vehicle emissions testing program in the Cleveland and Akron areas; and
- Monitor contractors to ensure that tests are properly conducted.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| SSR                      | 5920 | 715627 | Anti-Tampering Settlement | 6,707             | 6,707             |
| SSR                      | 5BY0 | 715681 | Auto Emissions Test       | 14,385,892        | 14,803,470        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>14,392,599</b> | <b>14,810,177</b> |

**PROGRAM SERIES 02: Emergency Response and Remedial Response**

This program series is involved in the cleanup of Ohio's contaminated sites. The Division of Emergency and Remedial Response assesses potentially contaminated sites and achieves cleanups through responding to spills, supporting the federal Superfund cleanup program, requiring responsible parties to conduct cleanups, providing a voluntary cleanup program, handling technical analysis on state-funded Clean Ohio Fund projects and assisting communities with redevelopment efforts.

**Program 02.01: Emergency Response (ER)**

This statewide program responds 24 hours a day, seven days a week to sudden releases of hazardous materials, petroleum, radioactive materials, and other pollutants to protect human health and the environment. This program is also prepared to assist in response to biological, chemical, and radiological terrorist attacks. ER personnel staff the Emergency Operations Center when activated during large scale emergencies to coordinate response. Approximately 5,500 spill reports are received per year, of which approximately 1,250 result in an emergency response. ER responded to 177 reports of mercury spillage or potential exposure in fiscal year 2008 recovering and disposing of over 1,500 pounds of elemental mercury. The emergency response program has also referred to USEPA and supported 367 time critical pollutant removals since 1991.

**The Executive Recommendation will fund the following objectives:**

- Respond to sudden releases of hazardous materials and petroleum;
- Operate the Emergency Response hotline which receives approximately 10,000 calls per year;
- Partner with local and state emergency management officials to minimize and prevent releases into the environment; and
- Administer radiation safety program relating to nuclear power plants including the training, drilling and equipping the radiation assessment team.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3F30 | 715632 | Fed Supported Cleanup & Response | 8,805            | 8,870            |
| SSR                      | 5000 | 715608 | Immediate Removal Special Acnt   | 643,903          | 643,903          |
| SSR                      | 5050 | 715623 | Hazardous Waste Cleanup          | 2,146,345        | 2,188,950        |
| SSR                      | 5BC0 | 715678 | Corrective Action                | 690,267          | 690,267          |
| SSR                      | 6440 | 715631 | ER Radiological Safety           | 286,114          | 286,114          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>3,775,434</b> | <b>3,818,104</b> |

**Program 02.02: Voluntary Action**

This program provides regulatory processes and cleanup standards for volunteers to remediate contaminated sites. Typically, Ohio's brownfield sites are cleaned using this program. The program certifies the 108 professionals and 19 laboratories implementing the cleanups. Since its inception in 1994, the VAP has received 343 No Further Action Letters and issued cleanup certifications (CNS) at 237 sites.

**The Executive Recommendation will fund the following objectives:**

- Provide volunteers with processes and technical assistance to clean up polluted sites and return them to productive use. Since 1994, 237 cleanups have been certified;
- Certify 19 laboratories and 108 professionals annually who provide cleanup and analysis services to program applicants; and
- Review voluntary clean up plans and audit 25 percent of completed projects.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3F30 | 715632 | Fed Supported Cleanup & Response | 47,300           | 47,300           |
| SSR                      | 4R90 | 715658 | Voluntary Action Program         | 1,032,098        | 1,032,098        |
| SSR                      | 5050 | 715623 | Hazardous Waste Cleanup          | 1,271,615        | 1,287,835        |
| SSR                      | 5BC0 | 715678 | Corrective Action                | 489,733          | 489,733          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>2,840,746</b> | <b>2,856,966</b> |

**Program 02.03: Clean Ohio**

This program assists the Ohio Department of Development (ODOD) with the management of the Clean Ohio Fund. It provides technical assistance to applicants, reviews applications, and reviews completed cleanups for compliance with applicable standards. The Clean Ohio Revitalization Fund (CORF) has funded 65 projects, of which 48 cleanups are ongoing and 16 are complete. The Clean Ohio Assistance Fund (COAF) has funded a total of 106 projects; 35 are cleanup grants of which 10 have been completed and approved, and 6 more are complete with approval pending. The remaining 71 grants are for site assessment of which 54 are complete.

**The Executive Recommendation will fund the following objectives:**

- Assist Ohio Department of Development with policy development for expenditure of program funds; and
- Review applications and oversee implementation of projects. Since the program's inception, 160 projects have been reviewed and 127 funded, encompassing over 2,300 formerly unusable acres.

| FUND                     |      |        |                                 | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010          | FY 2011          |
| SSR                      | 5050 | 715674 | Clean Ohio Environmental Review | 109,725          | 109,725          |
| SSR                      | 5BC0 | 715617 | Clean Ohio                      | 741,000          | 741,000          |
| CLF                      | 5S10 | 715607 | Clean Ohio Operating            | 291,174          | 291,174          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>1,141,899</b> | <b>1,141,899</b> |

**Program 02.04: Remedial Response**

This program requires parties responsible for pollution to clean up contaminated sites that present a threat to humans or the environment. Remedial Response oversees the clean up via orders under state law and in conjunction with U.S. EPA under federal law. The program seeks public input on investigation results and clean up plans which increases the likelihood of community acceptance and support of the cleanup project. Since 1989 the remedial program has overseen 48 site-wide cleanups, including 18 led by U.S. EPA, 6 led by the U.S. Departments of Energy or Defense and 24 led by the State of Ohio. The remedial program has also overseen 70 focused stabilization or partial cleanup actions (IAs).

**The Executive Recommendation will fund the following objectives:**

- Evaluate approximately ten sites contaminated with hazardous substances annually and initiate cleanup when required;
- Administer and oversee over 150 ongoing cleanup projects and over 100 completed cleanups in the operations and maintenance stage;
- Secure federal commitments to cleanup critical sites, including approximately ten removal actions that Ohio refers to U.S. EPA each year, the approximately 40 NPL (National Priorities List) sites in Ohio, and several discretionary remedial cleanups that U.S. EPA typically undertakes in Ohio each year;
- Leverage federal funds to enhance and support Ohio's programs, including brownfield revitalization and site assessment; and
- Administer the orphan drum program, which addresses over 100 abandoned/unknown small scale incidents per year.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3CS0 | 715688 | Federal NRD Settlements          | 100,000          | 100,000          |
| FED                      | 3F30 | 715632 | Fed Supported Cleanup & Response | 474,927          | 474,927          |
| SSR                      | 5050 | 715623 | Hazardous Waste Cleanup          | 8,998,738        | 9,152,505        |
| SSR                      | 5410 | 715670 | Site Specific Cleanup            | 34,650           | 34,650           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>9,608,315</b> | <b>9,762,082</b> |

### Program 02.05: Federal Facilities Oversight

This program provides oversight to the investigation, clean up, and reuse of Department of Energy (DOE) and Department of Defense (DOD) sites in Ohio. Components of this program include: technical oversight; working with the DOE, DOD, and U.S. EPA; active environmental monitoring; accelerating the cleanup process; public involvement; and cleanup levels based on future land use. Federal cleanup sites will receive proper oversight and monitoring to ensure that they are safe for specific future use. The program seeks public input on investigation results and clean up plans which increases the likelihood of community acceptance and support of the cleanup project.

#### The Executive Recommendation will fund the following objectives:

- Oversee investigation, cleanup, and reuse of federal Department of Energy and Department of Defense sites.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| FED                      | 3K40 | 715634 | DOD Monitoring & Oversight | 729,130          | 732,280          |
| FED                      | 3N40 | 715657 | DOE Monitoring & Oversight | 878,578          | 884,050          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>1,607,708</b> | <b>1,616,330</b> |

### Program 02.06: Brownfield and Site Assessment

This program facilitates the expansion or redevelopment of abandoned, idled, or under-used industrial and commercial facilities when complicated by real or perceived environmental contamination. The program also completes or facilitates assessment of sites that pose potential threats to human health and the environment and directs them to the appropriate program for final disposition.

#### The Executive Recommendation will fund the following objectives:

- Assist in the revitalization of Ohio's cities and towns by reaching out to communities with blighted and contaminated properties, raising awareness of the assistance available for brownfields renewal and providing access to free technical assistance and assessment;
- Leverage federal funds to enhance and support Ohio's programs, including brownfields revitalization and site assessment; and
- Assess potential problems sites and set them up to be addressed as required.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3F30 | 715632 | Fed Supported Cleanup & Response | 1,628,454        | 1,628,454        |
| SSR                      | 5050 | 715623 | Hazardous Waste Cleanup          | 100,000          | 100,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>1,728,454</b> | <b>1,728,454</b> |

## PROGRAM SERIES 03: Hazardous Waste Management

This program series implements Ohio's delegated hazardous waste management regulatory program under the authority of Subtitle C of the federal Resource Conservation and Recovery Act of 1976 (RCRA) and Chapter 3734 of the Ohio Revised Code. The program series also implements the Cessation of Regulated Operations (CRO) program, a state regulatory program.

### Program 03.01: Hazardous Waste Management

This program regulates facilities that generate, transport, treat, store, or dispose of hazardous waste and used oil. Activities include: conducting inspections; pursuing appropriate enforcement; responding to 400 to 800 complaints annually; reviewing and approving closure/post closure plans and corrective action plans and reports; reviewing and

issuing final actions on renewal and modification permit applications; adopting new and revised rules; seeking additional program authorization; and providing technical assistance and educational outreach to the regulated community and the public on regulatory compliance and pollution prevention. DHWM shares the corrective action workload with U.S. EPA.

**The Executive Recommendation will fund the following objectives:**

- Administer regulatory program for facilities that generate, transport, treat, store and dispose of hazardous wastes, consisting of 44 permitted treatment, storage, and disposal facilities, 1,100 large quantity generators, 9,701 small quantity generators, and 7,756 conditionally exempt small quantity generators, and 646 facilities that are subject to RCRA corrective action requirements.
- Provide technical assistance and outreach to the regulated community and the public on compliance and pollution prevention, and environmental sustainability.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| FED                      | 3540 | 715614 | Hazardous Waste Management    | 4,193,000         | 4,193,000         |
| SSR                      | 4P50 | 715654 | Cozart Landfill               | 100,000           | 100,000           |
| SSR                      | 5030 | 715621 | Hazardous Waste Facility Mgmt | 11,215,448        | 11,318,132        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>15,508,448</b> | <b>15,611,132</b> |

**Program 03.02: Cessation of Regulated Operations**

This program prevents threats to human health and the environment that may be created when businesses that produce, use, store or handle hazardous substances close or are abandoned. The program ensures that an individual associated with the facility that is closing properly removes hazardous substances from the site and manages it in a safe manner, thus avoiding spills, releases, or exposures. The universe of facilities subject to CRO requirements fluctuates in accordance with business decisions that are made on a daily basis. The program, on average, conducts 55 inspections per year, processes certifications and extension requests, and responds to requests for information and guidance. Enforcement actions are taken when necessary.

**The Executive Recommendation will fund the following objectives:**

- Ensure that companies responsibly handle and remove hazardous substances upon closure through providing compliance assistance, oversight, and conducting inspections and enforcement activities.

| FUND                     |      |        |                 | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME        | FY 2010        | FY 2011        |
| SSR                      | 5BC0 | 715675 | Hazardous Waste | 116,000        | 116,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                 | <b>116,000</b> | <b>116,000</b> |

**PROGRAM SERIES 04: Solid and Infectious Waste**

This program series administers the following waste disposal regulatory programs: solid waste landfills, transfer facilities, incinerators and composting facilities; infectious waste transporters, generators, and treatment facilities; scrap tire transporters, landfills, storage facilities, processing facilities, and recovery facilities; and construction and demolition debris landfills.

**Program 04.01: Solid Waste Management**

This program ensures proper management of approximately 33 million tons of solid waste generated annually in Ohio, of which nearly 13 million tons are recycled/reused each year. This program involves oversight of 55 operating landfills, 60 transfer facilities, and 427 composting facilities. All facilities are required to be permitted,

licensed, and/or registered, depending on the type of facility. Ohio EPA shares compliance, monitoring, and enforcement authority with local health districts. Ohio EPA provides technical assistance to approved health districts and performs annual surveys to ensure programs are in compliance.

**The Executive Recommendation will fund the following objectives:**

- Review and issue facility permits, licenses, and registrations;
- Oversee 55 operating landfills, 60 transfer facilities, and 427 composting facilities;
- Perform inspections and complaint investigations of different types of solid waste facilities such as landfills, incinerators, transfer stations, and compost facilities, and pursue enforcement actions when necessary;
- Update the State Solid Waste Management Plan;
- Review and issue local solid waste management district plans; and
- Provide review and oversight of the implementation of approved local solid waste management district plans.

| FUND                     |      |        |             | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME    | FY 2010           | FY 2011           |
| SSR                      | 4K30 | 715649 | Solid Waste | 14,704,195        | 15,167,390        |
| <b>TOTAL FOR PROGRAM</b> |      |        |             | <b>14,704,195</b> | <b>15,167,390</b> |

**Program 04.02: Infectious Waste Management**

This program regulates the generation, treatment, packaging, storage, transportation, and disposal of infectious waste. Specific activities include processing registrations, reviewing requests for approval of infectious waste alternative treatment technologies, and providing technical assistance to regulated entities. Ohio EPA shares compliance, monitoring, and enforcement authority, and a portion of license and registration fees, with local health districts. Ohio EPA also provides technical assistance to approved health districts and performs annual surveys to ensure programs are in compliance.

**The Executive Recommendation will fund the following objectives:**

- Minimize potential transmission of infectious diseases by limiting exposure to and providing labeling of infectious wastes;
- Oversee 83 transporters and 106 facilities that manage and treat waste from 3,490 generators;
- Perform inspections and complaint investigations, and pursue enforcement actions when necessary;
- Review and issue permits, registrations, and certifications; and
- Review alternative treatment technologies to render waste non-infectious.

| FUND                     |      |        |                              | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010        | FY 2011        |
| SSR                      | 4K30 | 715649 | Solid Waste                  | 472,368        | 480,967        |
| SSR                      | 6600 | 715629 | Infectious Wastes Management | 100,000        | 100,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>572,368</b> | <b>580,967</b> |

**Program 04.03: Construction and Demolition Debris Management**

This program regulates the disposal of construction and demolition debris (C&DD) and provides oversight and technical assistance to 56 C&DD landfills. All landfills are required to be licensed. Local health districts also may be approved to administer the C&DD Program within their jurisdictions. Ohio EPA provides ongoing technical assistance to approved health districts and performs annual surveys to ensure programs are in compliance.

**The Executive Recommendation will fund the following objectives:**

- License facilities that accept construction and demolition debris to deter hazards associated with roadside dumping of debris;
- Oversee 56 C&DD landfills, which accept 5 million tons of debris annually;
- Perform inspections and complaint investigations of C&DD facilities, and pursue enforcement actions when necessary; and
- Enforce Ohio Revised Code regulations at illegal dump sites.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| SSR                      | 4K30 | 715649 | Solid Waste                      | 367,660          | 391,833          |
| SSR                      | 4U70 | 715660 | Construction & Demolition Debris | 888,970          | 885,554          |
| SSR                      | 5BT0 | 715679 | C & DD Groundwater Monitoring    | 200,000          | 203,800          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>1,456,630</b> | <b>1,481,187</b> |

**Program 04.04: Scrap Tire Management**

This program provides oversight and technical assistance to 33 scrap tire facilities, four mobile recovery facilities, and 62 transporters. While scrap tires are considered solid waste, additional requirements exist. All facilities are required to be permitted, licensed, and/or registered, depending on the type of facility. Transporters are also required to be registered. Ohio EPA also oversees contracts for cleanup of illegal tire dumps through its scrap tire abatement program and seeks cost recovery whenever possible from the person(s) responsible for causing or allowing the tire accumulations to occur.

**The Executive Recommendation will fund the following objectives:**

- Regulate proper disposal of scrap tires through oversight of 33 scrap tire facilities and 62 transporters;
- Oversee cost-effective management of scrap tire abatement projects;
- Review and issue facility permits, licenses, and registrations;
- Perform inspections and complaint investigations of scrap tire collections, storage, recovery, and monofill facilities as well as scrap tire transporters, and pursue enforcement actions when necessary;
- Enforce Ohio Revised Code regulations at illegal dumps; and
- Transfer \$1 million annually to the Department of Natural Resources for the Market Development Grant Program and up to \$500,000 annually for ODNR to award grants for scrap tire amnesty and cleanup events.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| SSR                      | 4R50 | 715656 | Scrap Tire Management | 5,125,000        | 5,125,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>5,125,000</b> | <b>5,125,000</b> |

**PROGRAM SERIES 05: Drinking and Groundwater Protection**

This program series protects human health and the environment by characterizing and protecting ground water quality and ensuring Ohio's public water systems provide adequate supplies of safe drinking water.

**Program 05.01: Public Drinking Water Supply Supervision**

This program ensures that Ohio's citizens and businesses are provided adequate supplies of safe drinking water from public water systems that comply with all federal and state drinking water laws. There are approximately 5,150 public water systems in Ohio including about 1,275 community public water systems serving cities, villages, rural



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communities, and mobile home parks; 860 non-transient non-community systems such as schools and factories; and 3,000 transient non-community systems such as restaurants, campgrounds, and churches. The federal Safe Drinking Water Act (SDWA) of 1974 as amended in 1986 and 1996 establishes requirements for states and public water systems.

**The Executive Recommendation will fund the following objectives:**

- Oversee 5,150 public water systems to ensure they comply with state and federal safe drinking water laws and provide safe drinking water;
- Review and process over 100,000 sample submission reports to ensure compliance with chemical and bacteriological standards;
- Conduct over 2,100 inspections of public water systems annually to provide technical assistance and ensure compliance with design, operation, and maintenance requirements; and
- Ensure that all Ohio community water systems have contingency plans for provision of safe drinking water under a variety of emergency conditions, provide technical assistance during emergencies, and offer up to \$200,000 in zero interest loans to address emergencies.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| FED                      | 3530 | 715612 | Public Water Supply       | 2,635,815         | 2,637,931         |
| SSR                      | 4K50 | 715651 | Drinking Water Protection | 4,738,955         | 4,916,002         |
| SSR                      | 5BC0 | 715673 | Drinking Water            | 3,339,233         | 3,324,027         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>10,714,003</b> | <b>10,877,960</b> |

**Program 05.02: Public Drinking Water Systems Plan Review**

This program ensures that water treatment facilities are properly designed and constructed to provide adequate quantities of safe drinking water through review and approval of engineering plans and new technologies for Ohio's public water systems. This number is anticipated to increase as public water systems need to make improvements to meet new treatment and water quality requirements resulting from the 1996 amendments to the federal SDWA and subsequent state rules. All of Ohio's 5,150 public water systems are required to meet plan approval requirements.

**The Executive Recommendation will fund the following objectives:**

- Review and approve engineering plans for new public water systems and upgrades to existing systems, totaling 1,400 plans annually;
- Review and approve new and innovative treatment technologies not previously approved in Ohio and approve higher production rates for existing technologies; and,
- Protect public drinking water from contamination resulting from cross-connections with sewage, industrial fluids, or lower quality water.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| SSR                      | 4K50 | 715651 | Drinking Water Protection | 1,587,564        | 1,601,545        |
| SSR                      | 5BC0 | 715673 | Drinking Water            | 260,399          | 275,554          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>1,847,963</b> | <b>1,877,099</b> |

**Program 05.03: Drinking and Wastewater Operator Certification**

This program ensures that qualified personnel are operating Ohio's water and wastewater treatment plants. The federal SDWA requires U.S. EPA to issue guidelines specifying minimum standards for the certification (and re-certification) of operators of drinking water systems. This program ensures that operators are familiar with federal



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and state requirements and know how to operate the plants properly. Effective implementation of this program ensures proper operation of Ohio's drinking water and wastewater facilities. This program must be implemented in accordance with federal guidelines.

**The Executive Recommendation will fund the following objectives:**

- Ensure Ohio's public water systems and wastewater treatment facilities are operated by properly trained and certified individuals;
- Certify 9,000 operators of public drinking water and wastewater systems
- Process applications and administer multiple exams for 2,000 prospective operators annually;
- Process renewal applications for approximately 4,500 certified operators annually; and
- Review and approve training courses for continuing education credit.

| FUND                     |      |        |                           | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010        | FY 2011        |
| FED                      | 3530 | 715612 | Public Water Supply       | 297,997        | 303,351        |
| SSR                      | 4K50 | 715651 | Drinking Water Protection | 471,058        | 479,454        |
| SSR                      | 5BC0 | 715673 | Drinking Water            | 35,000         | 35,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>804,055</b> | <b>817,805</b> |

**Program 05.04: Pubic Drinking Water Laboratory Certification**

This program ensures data relied upon to make decisions is accurate and reliable by ensuring laboratories testing public drinking water samples have trained analysts, correct equipment, and use proper analytical methods. Proper analysis of drinking water enables Ohio EPA and public water systems to reliably determine the quality of drinking water and effectiveness of treatment systems. Ohio's drinking water laboratories rely on Ohio certification to meet state and federal requirements, and laboratory performance is improved through compliance reviews and inspections, review of quality assurance plans, education, and enforcement.

**The Executive Recommendation will fund the following objectives:**

- Provide funding and support to the Division of Environmental Services to certify and provide oversight of laboratories and analysts conducting analyses of public drinking water.

| FUND                     |      |        |                           | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010        | FY 2011        |
| SSR                      | 4K50 | 715651 | Drinking Water Protection | 570,842        | 582,231        |
| SSR                      | 5BC0 | 715673 | Drinking Water            | 203,368        | 203,419        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>774,210</b> | <b>785,650</b> |

**Program 05.05: Ground Water Characterization and Protection**

This program ensures the protection of human health and the environment by characterizing and protecting the quality of Ohio's ground water supply, which is used by nearly 95 percent of all public water systems and over a million additional homes through private wells to supply their daily water needs. The federal Clean Water Act requires states to determine and report on the status of the quality of water resources and to identify the waters that are not meeting their intended environmental or public health use. The Ohio Revised Code requires Ohio EPA to collect, study, and interpret all available information, statistics, and data pertaining to the ground water and surface water in coordination with other state agencies.

**The Executive Recommendation will fund the following objectives:**

- Collect, compile, and analyze data to characterize ground water quality conditions in Ohio, document ground water contamination, and identify causes and effects of ground water contamination;
- Collect ground water quality samples from 210 wells statewide to define background water quality conditions in Ohio's major aquifers;
- Update information for 500 facilities with ground water contamination with a goal of evaluating all facilities with ground water contamination by 2011;
- Review hydro geologic and ground water monitoring reports relative to the siting, operation, closure, and remediation of Ohio's regulated waste treatment, storage, and disposal facilities to ensure they are not impacting ground water; and
- Review approximately 3,000 documents annually from waste handling facilities to ensure compliance with ground water related regulatory requirements.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| FED                      | 3BU0 | 715684 | Water Quality Protection | 650,000          | 650,000          |
| SSR                      | 5BC0 | 715667 | Groundwater              | 1,563,976        | 1,563,976        |
| SSR                      | 5H40 | 715664 | Groundwater Support      | 1,872,193        | 1,884,247        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>4,086,169</b> | <b>4,098,223</b> |

**Program 05.06: Underground Injection Control**

This program ensures the protection of Ohio's ground water supply through regulation of Class I, IV, and V underground injection control wells. The program is also engaged in state and national efforts to evaluate the use of deep injection wells, including permitting such wells, to sequester carbon dioxide, thereby reducing greenhouse gas emissions. Class I wells inject fluids into deep geologic formations and are strictly regulated to prevent migration of fluids into an underground source of drinking water. There are ten active permitted Class I wells located at three facilities. Class V wells are typically shallow disposal systems that place a variety of non-hazardous fluids below the ground surface into or above an underground source of drinking water. Ohio EPA has inventoried over 32,000 Class V wells, and estimates that an additional 10,000 to 20,000 exist. Class IV wells inject hazardous materials into or above an underground source of drinking water, and therefore, such wells are prohibited.

**The Executive Recommendation will fund the following objectives:**

- Issue permits, conduct field inspections, witness tests, review operating and monitoring reports, and track compliance of Ohio's ten Class I deep underground injection wells for the disposal of hazardous and non-hazardous fluids;
- Conduct inspections, review operating and monitoring reports, track compliance, and maintain information on 16,000 known active Class V shallow underground injection wells used to dispose of a variety of non-hazardous fluids into or above underground sources of drinking water; and
- Investigate complaints concerning Class IV wells and takes appropriate actions to close these wells if they are discovered.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| FED                      | 3620 | 715605 | Underground Injection Control | 111,874        | 111,874        |
| SSR                      | 4J00 | 715638 | Underground Injection Control | 448,579        | 456,714        |
| SSR                      | 5BC0 | 715667 | Groundwater                   | 30,024         | 30,024         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>590,477</b> | <b>598,612</b> |

### Program 05.07: Drinking Water Source Protection

This program ensures the long-term availability of adequate supplies of safe drinking water through assessment and protection of sources of drinking water from contamination. Ohio's Source Water Assessment and Protection and Wellhead Protection Programs have completed source water assessment reports for all 5,150 public water systems as required by the Safe Drinking Water Act. The program promotes and supports initiatives at the state and local level to implement protection strategies for sources that are determined most susceptible to contamination.

#### The Executive Recommendation will fund the following objectives:

- Promote and provide assistance to public water systems developing local source water protection plans and implementing strategies to prevent contamination of sources of drinking water for current and future users;
- Work with other State regulatory programs to promote recognition of source water protection areas and adoption of statewide protective strategies; and
- Complete assessment for new sources of drinking water.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| FED                      | 3T30 | 715669 | Drinking Water SRF        | 1,122,814        | 1,143,050        |
| SSR                      | 4K50 | 715651 | Drinking Water Protection | 118,779          | 119,775          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>1,241,593</b> | <b>1,262,825</b> |

### Program 05.08: Drinking Water Assistance Fund

In 1996, amendments to the federal SDWA established a Drinking Water State Revolving Loan Program to provide below-market rate loans for the planning, design, and construction of new or improved community and nonprofit non-community public water systems to provide safe water to their customers. This program administers Ohio's loan program, as required by the 1996 amendments, using the Water Supply Revolving Loan Account to support the financial capability of Ohio's public water systems to provide safe drinking water to Ohio's citizens. Since 1998, the program has issued loans for over \$592 million.

#### The Executive Recommendation will fund the following objectives:

- In coordination with the Division of Environmental Financial Assistance and the Ohio Water Development Authority administer the Water Supply Revolving Loan Account providing below market interest rate loans for the planning, design, and construction of new public water systems.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| FED                      | 3T30 | 715669 | Drinking Water SRF | 1,116,034        | 1,130,273        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>1,116,034</b> | <b>1,130,273</b> |

### PROGRAM SERIES 06: Surface Water Programs

The Division of Surface Water is responsible for restoring and maintaining the quality of Ohio's rivers and streams for human and industrial uses. The division promulgates water quality standards, monitors and assesses Ohio's surface waters, regulates wastewater treatment dischargers, and provides incentive-based pollution control measures and grants. DSW administers the Total Maximum Daily Load (TMDL) program by developing and implementing plans to restore impaired streams. It also oversees the state's water quality management plan used to control water pollution in defined geographic areas of the state. The division also coordinates efforts to protect Lake Erie, regulates the discharge of storm water into Ohio streams as well as the dredging, filling and relocation of streams and wetlands.

**Program 06.01: Water Quality**

This program protects water quality using the following major elements: codifying water quality standards into Ohio rules and regulations; monitoring and assessing the condition of Ohio's surface waters; Total Maximum Daily Load development (TMDLs are a stakeholder-involved process and data analysis for watershed restoration plans); and field response and investigation of pollution spills and complaints about surface water quality. More than two-thirds of Ohio's watersheds are listed as impaired and about 15 to 20 TMDLs are being developed annually.

**The Executive Recommendation will fund the following objectives:**

- Establish water quality standards, monitor and assess the condition of Ohio's surface waters, and prepare total maximum daily load (TMDL) analyses to determine appropriate measures to restore water quality;
- Issue Sport Fish Consumption Advisories;
- Prepare technical development and update the annual State Water Quality Management Plan; and
- Investigate and respond to pollution spills and other complaints.
- Provide subsidy to six local Areawide Planning Agencies serving 24 counties.

| FUND                     |      |        |                                | RECOMMENDED       |                  |
|--------------------------|------|--------|--------------------------------|-------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011          |
| FED                      | 3BU0 | 715684 | Water Quality Protection       | 2,380,000         | 2,255,000        |
| FED                      | 3F50 | 715641 | Nonpoint Source Pollution Mgmt | 1,600,000         | 970,000          |
| SSR                      | 4K40 | 715650 | Surface Water Protection       | 455,000           | 355,000          |
| SSR                      | 5BC0 | 715624 | Surface Water                  | 3,564,000         | 4,508,000        |
| SSR                      | 5BC0 | 715687 | Areawide Planning Agencies     | 450,000           | 450,000          |
| SSR                      | 5Y30 | 715685 | Surface Water Improvement      | 2,000,000         | 500,000          |
| SSR                      | 6990 | 715644 | Water Pollution Control Admin  | 750,000           | 750,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>11,199,000</b> | <b>9,788,000</b> |

**Program 06.02: Nonpoint Source Pollution Control**

This program supports clean water by funding incentive-based pollution control efforts to restore impaired streams and reduce unregulated polluted runoff that goes into streams. Ohio receives \$6 million in federal Section 319 funding annually. Approximately \$3 million is passed through to local and state agencies, universities, and watershed groups resulting in 40 to 60 multi-year projects active at any given time. This program also conducts analyses of nonpoint source loadings to watersheds and coordinates resources for watershed planning and restoration.

**The Executive Recommendation will fund the following objectives:**

- Award and distribute \$4.5 million annually to local and state agencies, universities, and environmental groups for nonpoint source pollution control implementation plans and projects;
- Conduct site visits to provide technical and fiscal assistance; and
- Conduct outreach workshops to communities and sub grantees.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| FED                      | 3F50 | 715641 | Nonpoint Source Pollution Mgmt | 5,280,000        | 5,125,000        |
| SSR                      | 5BC0 | 715624 | Surface Water                  | 290,000          | 460,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>5,570,000</b> | <b>5,585,000</b> |

**Program 06.03: Storm Water Pollution Prevention**

This program regulates the discharge of storm water into Ohio streams through permitting, compliance, enforcement, and technical assistance at over 16,000 sites. Discharges are controlled through the implementation of

land management and treatment practices from municipalities, construction activities, and certain industrial facilities. This program is implemented under a two-phase approach. Phase I requires storm water permits for the larger municipalities and construction sites. Phase II extends regulatory requirements to smaller urban areas and construction sites.

**The Executive Recommendation will fund the following objectives:**

- Minimize introduction of pollutants into storm water discharges that enter surface waters; and
- Issue and enforce 3,000 permits, review 200 prevention plans, and perform approximately 300 municipal storm water management annual audits.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| FED                      | 3BU0 | 715684 | Water Quality Protection | 335,000          | 335,000          |
| SSR                      | 4K40 | 715650 | Surface Water Protection | 980,000          | 1,355,000        |
| SSR                      | 5BC0 | 715624 | Surface Water            | 500,000          | 170,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>1,815,000</b> | <b>1,860,000</b> |

**Program 06.04: National Pollutant Discharges Elimination System (NPDES)**

This program establishes pollution discharge limits for over 3,000 wastewater treatment facilities. In addition to the technical review and drafting of the NPDES permits, this program includes compliance and enforcement functions to address and prevent unauthorized discharges and permit violations. Program staff members also perform inspections and computer tracking of permit holders and their compliance, and provide technical assistance to small communities to improve operations and help bring them into compliance. The program also regulates the disposal of sewage sludge generated from the treatment of municipal wastewater and the beneficial use of other waste materials.

**The Executive Recommendation will fund the following objectives:**

- Seek to meet water quality goals by permitting point sources of pollution;
- Issue permits for 100 major facilities and 1,100 minor facilities;
- Implement sewage sludge program to minimize nuisance odors and pollution from the land application sites; and
- Conduct inspections to ensure appropriate operation of wastewater treatment facilities and initiate appropriate enforcement actions.

| FUND                     |      |        |                          | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010           | FY 2011           |
| FED                      | 3BU0 | 715684 | Water Quality Protection | 1,865,000         | 2,065,000         |
| SSR                      | 4K40 | 715650 | Surface Water Protection | 4,065,000         | 4,700,000         |
| SSR                      | 5BC0 | 715624 | Surface Water            | 4,620,000         | 3,890,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>10,550,000</b> | <b>10,655,000</b> |

**Program 06.05: Section 401 Certification/Wetlands Permitting**

This program regulates activities in wetlands and streams at approximately 150 sites per year. These activities include dredging, relocating streams, and filling wetlands. These waters include those that fall under the jurisdiction of the Clean Water Act and are regulated through Section 401 water quality certifications, as well as those wetlands that are isolated from waters of the U.S. and are regulated through the State of Ohio Isolated Wetland Permits. The 401/Wetlands Program also includes the development of technical field methods to assess wetland quality and potential impacts. This program also has the responsibility of conducting follow-up reviews of wetland and stream mitigation statewide.

**The Executive Recommendation will fund the following objectives:**

- Minimize impacts of development on wetlands and other waters through regulatory activities;
- Issue 200 permits annually; and
- Develop technical field methods to assess wetland quality and potential impacts to water quality from new developments; and
- Continue support for four additional permitting positions that were transferred into the Section 401 Certification/Wetlands Permitting Program from other programs in FY 2009.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| FED                      | 3BU0 | 715684 | Water Quality Protection | 140,000          | 200,000          |
| SSR                      | 4K40 | 715650 | Surface Water Protection | 605,000          | 605,000          |
| SSR                      | 5BC0 | 715624 | Surface Water            | 1,665,000        | 1,670,000        |
| SSR                      | 5N20 | 715613 | Dredge And Fill          | 45,000           | 45,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>2,455,000</b> | <b>2,520,000</b> |

**Program 06.06: Lake Erie Restoration and Resource Management**

This program focuses on protecting and restoring water quality for near-shore acres of Lake Erie. The program implements the bi-national Great Lakes Water Quality Agreement and the Great Lakes Critical Programs Act, an amendment to the Clean Water Act. Technical and coordination expertise is provided to federal, state, and local partners on protection and restoration efforts for areas with significant environmental impairment. The program also works with public and private sectors on a bi-national lake wide management plan. State of Ohio priorities for the lake are addressed through support to the Lake Erie Commission and the Lake Erie Protection & Restoration Plan.

**The Executive Recommendation will fund the following objectives:**

- Protect and restore the areas of concern for the Maumee, Black, Cuyahoga, and Ashtabula rivers as well as the Lake Erie watershed;
- Coordinate remedial dredging on the Ashtabula River; and
- Provide technical and coordination expertise to federal, state, and local partners on Lake Erie water quality protection efforts and restoration for near shore areas of significant environmental impairment.

| FUND                     |      |        |                          | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010        | FY 2011        |
| FED                      | 3BU0 | 715684 | Water Quality Protection | 500,000        | 320,000        |
| SSR                      | 5BC0 | 715624 | Surface Water            | 140,000        | 220,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>640,000</b> | <b>540,000</b> |

**Program 06.07: Wastewater Construction Plan Approvals**

This program protects water quality by ensuring that sewage and industrial wastewater treatment systems are adequate and operating in a manner protective of human health and the environment. This program implements the Permit to Install (PTI) requirements for the construction of wastewater systems for municipalities, industries, and commercial operations (includes sewer extensions, treatment plants, pump stations, and storage tanks). Approximately 2,000 PTIs are issued annually. Staff in this program also oversees the water quality issues related to animal feeding operations while the Ohio Department of Agriculture regulates construction and operational issues.

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**The Executive Recommendation will fund the following objectives:**

- Review permits to install for proposed wastewater treatment and disposal systems in order to minimize negative impacts to water quality;
- Conduct inspections, fieldwork, permitting, and enforcement related to animal feeding operations; and
- Provide technical assistance to communities, new industries, and developments.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| SSR                      | 4K40 | 715650 | Surface Water Protection | 1,860,000        | 1,900,000        |
| SSR                      | 5BC0 | 715624 | Surface Water            | 2,255,000        | 2,280,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>4,115,000</b> | <b>4,180,000</b> |

**PROGRAM SERIES 07: Environmental Education**

This program series administers the Ohio Environmental Education Fund (OEEF) and Clean Diesel School Bus Fund (CDSBF). The OEEF provides approximately \$850,000 annually in grants for environmental education projects. This program targets the regulated community, the general public and pre-school to university students and teachers. The CDSBF provides \$550,000 in grants to help Ohio school districts retrofit diesel buses with pollution control equipment to reduce student exposure to harmful pollutants in diesel exhaust.

**Program 07.01: Environmental Education Grants**

This program provides 18 to 20 large grants (up to \$50,000) and 20 to 25 smaller grants (up to \$5,000) annually to applicants across Ohio, funded by one-half the civil penalties collected for violations of Ohio's air and water pollution laws. Grants support projects such as storm water education programs that municipalities must provide under federal mandates; water quality monitoring by schools and watershed groups; programs on improving energy efficiency and reducing vehicle fleet emissions; mercury thermometer exchanges; and educational tools to help farmers and small businesses comply with environmental regulations. The program also provides \$50,000 annually for 18 scholarships to environmental science and engineering students at Ohio universities.

**The Executive Recommendation will fund the following objectives:**

- Provide grants primarily to local governments and schools for environmental education projects that emphasize sound science and help Ohio students, the general public and regulated community understand technical aspects of environmental issues;
- Provide approximately 145 local presentations annually reaching 5,500 citizens, teachers, students and regulated entities about environmental subjects, including technical training in water quality monitoring methods, published articles and grant writing workshops; and
- Encourage Ohio students to pursue professional careers in environmental science and engineering by providing \$50,000 annually in scholarships at Ohio colleges and universities, and support for middle and high school environmental science career programs.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| SSR                      | 6A10 | 715645 | Environmental Education | 1,500,000        | 1,500,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>1,500,000</b> | <b>1,500,000</b> |

**Program 07.02: Clean Diesel School Bus Grants**

This program uses penalties collected by Ohio EPA's enforcement programs to reduce student exposure to pollutants in diesel exhaust. Grants (up to \$100,000) are awarded to Ohio school districts to install filters and catalysts on school buses. Priority is given to school districts in counties not meeting national air quality standards,



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and districts that have anti-idling policies in place for their bus fleets. In 2008, the program retrofitted 268 school buses and eliminated more than four tons of air pollution. This fund also provides the required state match that successfully leveraged \$590,460 from a US EPA grant for additional school bus retrofits in FY 2009-2010.

**The Executive Recommendation will fund the following objectives:**

- Provide grants to retrofit school buses with pollution control equipment to reduce risks to students' health and reduce pollution in areas of the state not meeting federal air quality standards for fine particulates.

| FUND                     |      |        |                           | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010        | FY 2011        |
| FED                      | 3V70 | 715606 | Agency-Wide Grants        | 150,000        | 150,000        |
| SSR                      | 5CD0 | 715682 | Clean Diesel School Buses | 600,000        | 600,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>750,000</b> | <b>750,000</b> |

**PROGRAM SERIES 08: Compliance Assistance and Pollution Prevention**

This program series provides free one-on-one assistance to over 5,000 businesses and other external customers annually to help them comply with environmental regulations to reduce pollution through source reduction and recycling. The program series helps businesses reduce costs and their impact on Ohio's environment by reducing the amount of waste they generate.

**Program 08.01: Compliance Assistance and Pollution Prevention**

This program assists Ohio businesses and provides free technical assistance to help them increase understanding and compliance with various environmental regulations and pollution prevention. The Office of Compliance Assistance and Pollution Prevention (OCAPP) helps over 600 businesses and other external customers develop and implement pollution prevention initiatives that effectively reduce pollutants in Ohio through source reduction and environmentally sound recycling. OCAPP also provides technical assistance to an additional 4,400 businesses, government, and other external customers regarding environmental regulations and permitting; and assists Ohio businesses to become more competitive and reduce operating and waste disposal costs.

**The Executive Recommendation will fund the following objectives:**

- Publish and distribute information, including materials in a plain-English format, about regulations, permit requirements and pollution prevention to over 2,000 businesses and 3,000 additional external customers;
- Perform over 200 site visits to help Ohio companies complete permit applications and identify opportunities for pollution prevention;
- Conduct free on-site audits upon request to small businesses who could not otherwise afford environmental consulting services;
- Maintain an on-line Web catalogue of publications and other helpful resources and assists the Agency in administering key customer service Web tools, including Ohio EPA's Permit Wizard and Answer Place;
- Conduct or participate in over 30 environmental training events annually, including providing assistance in coordinating several large Ohio EPA compliance assistance training events for regulated entities.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| SSR                      | 4K30 | 715649 | Solid Waste                      | 275,674          | 277,416          |
| SSR                      | 4T30 | 715659 | Clean Air Title V Permit Program | 340,842          | 342,896          |
| SSR                      | 5BC0 | 715676 | Assistance And Prevention        | 775,000          | 775,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>1,391,516</b> | <b>1,395,312</b> |



**PROGRAM SERIES 09: Environmental Financial Assistance**

This program series delivers technical and financial assistance to Ohio communities, private entities, the U.S.EPA, and the Ohio Power Siting Board. It provides low interest loans for wastewater and drinking water treatment system improvements and nonpoint source pollution control projects. The program will make \$600 million in loans available in FY 2010 and FY 2011 which is expected to result in actual loan awards of approximately \$365 million per year. The division assists Ohio applicants in the development of technical content and administration of their projects, and in the preparation of their application materials. Its efforts are concentrated on reviewing projects that will improve local water supply and water quality facilities and nonpoint source water pollution control.

**Program 09.01: Water Pollution Control Loans Fund**

This program has provided \$4.1 billion for more than 2,600 projects since 1989. It awards low- interest loans for wastewater treatment system improvements and for a variety of nonpoint source pollution control actions. The Fund uses traditional and innovative financing mechanisms to assist such actions as the planning, design and construction of large and small public sewers and treatment plants, the remediation of brownfields sites, and the restoration of sub-standard water bodies. For example, it provides linked deposits to participating banks so they may offer reduced interest rates for the implementation of agricultural management practices that will reduce nonpoint source water pollution and for the elimination of public health threats caused by failing septic systems. The program also supports U.S. EPA in the award of special annual appropriation grants to Ohio entities from the federal budget. These environmental infrastructure projects are evaluated and approved by the Division according to applicable federal / state technical and administrative standards before they receive the special appropriation grant awards.

**The Executive Recommendation will fund the following objectives:**

- Provide approximately \$300 million per year in financing for public health and water quality;
- Save 160 Ohio communities \$128 million in interest expense;
- Assist the protection and restoration of 20 water bodies with \$30 million in no-repayment financing;
- Assist ten communities in accessing federal grants for up to 55 percent of their total project costs; and
- Contingent upon passage of the federal economic stimulus bill, make available about \$337 million in additional "use it or lose it" waste water treatment loans in SFY 2009-10.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| FED                      | 3F20 | 715630 | Revolving Loan Fund-Operating      | 1,129,696        | 907,543          |
| SSR                      | 6760 | 715642 | Water Pollution Control Loan Admin | 4,220,529        | 4,442,682        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>5,350,225</b> | <b>5,350,225</b> |

**Program 09.02: Water Supply Revolving Loan Account**

This program provides low-interest loans to Ohio municipalities and other owners of community water supply systems to prevent public health risks and to meet the requirements of the Safe Drinking Water Act. Changes in drinking water standards will reduce the allowable levels of certain substances. Public water systems will be required to add treatment capability in order to meet the new standards. The availability of incentive financing will encourage the owners of public water systems to construct the necessary improvements in an expedient manner. Since 1998, the program has financed more than 200 projects for over \$589 million.

**The Executive Recommendation will fund the following objectives:**

- Provide approximately \$65 million per year in financing for public health and Safe Drinking Water Act compliance;
- Save 58 Ohio water systems \$29 million in interest expense;
- Provide ten economically disadvantaged water systems \$5 million to reduce the costs of their construction projects;

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- Assist 12 communities in accessing federal grants for up to 55 percent of their total project cost; and
- Contingent upon passage of the draft federal economic stimulus bill, make available about \$59 million in additional "use it or lose it" drinking water treatment loans in SFY 2009-10.

| FUND                     |      |        |                                    | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010        | FY 2011        |
| SSR                      | 6760 | 715642 | Water Pollution Control Loan Admin | 325,000        | 325,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>325,000</b> | <b>325,000</b> |

**Program 09.03: Ohio Power Siting Board Reviews**

This program enables the Division of Environmental and Financial Assistance to perform environmental impact assessments of applications received by the Ohio Power Siting Board (OPSB), and to coordinate comments on OPSB applications from Ohio EPA. Under the ORC, the chairman of OPSB may request assistance from Ohio EPA to conduct studies, investigate applications, and prepare reports. This ensures that all relevant environmental factors are taken into account in the board's review of the applications, and that project modifications are recommended that either will reduce or avoid environmental impacts. Costs are reimbursed by the Ohio Power Siting Board.

**The Executive Recommendation will fund the following objectives:**

- Produce 45 environmental impact assessments of major power utility infrastructure construction actions annually.

| FUND                     |      |        |                                    | RECOMMENDED   |               |
|--------------------------|------|--------|------------------------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010       | FY 2011       |
| SSR                      | 6760 | 715642 | Water Pollution Control Loan Admin | 65,000        | 65,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>65,000</b> | <b>65,000</b> |

**PROGRAM SERIES 10: Special Investigations**

This program series conducts investigations into alleged environmental violations that potentially involve criminal activities. The Office of Special Investigation (OSI) is unique in that it is the only group within the Ohio EPA expressly formed to handle complex environmental criminal investigations in all program areas.

**Program 10.01: Special Investigations**

This program investigates potential criminal violations of environmental laws and regulations. In addition, members of the Office of Special Investigation (OSI) serve on Ohio EPA's Weapons of Mass Destruction Evidence Response Team and are trained to work as first responders in hazardous environments. OSI has been recognized as one of the top environmental criminal investigative programs in the nation, developing hundreds of cases resulting in over 275 convictions. Typical violations investigated include: burying solid/hazardous wastes; illegal disposal of wastes; illegal bypassing of wastewater treatment systems; open burning; illegal hazardous waste abandonment; and falsification of wastewater and drinking water documents.

**The Executive Recommendation will fund the following objectives:**

- Investigate and prosecute criminal violators of environmental laws and regulations, resulting in approximately 30 convictions per year; and
- Participate in weapons of mass destruction evidence response team (ERT), which trains with federal, state and local first responders and is prepared to respond to a terrorist incident throughout Ohio.

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| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| SSR                      | 5050 | 715623 | Hazardous Waste Cleanup | 1,410,640        | 1,410,640        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>1,410,640</b> | <b>1,410,640</b> |

**PROGRAM SERIES 11: Environmental Laboratory Services**

This program series supports the agency's mission of protecting the environment and public health by providing the scientific data needed for agency staff to make well-informed decisions, and by providing inspection, certification and technical assistance services to external laboratories which also produce data used by Ohio EPA. Laboratory test results are used by agency staff to develop accurate standards, issue permits and licenses to operate for drinking water and wastewater treatment facilities, industries, landfills and other regulated entities, and to develop solutions to environmental problems that are both appropriate and cost-effective.

**Program 11.01: Analytical Laboratory Services**

This program provides analyses of over 9,300 samples in various matrices, including surface, drinking and ground waters; wastewater effluents; sediment, soil and sludge; manure; air filters and canisters; and fish, plant, and turtle tissue. These samples, from site-specific monitoring conducted by Ohio EPA field staff, are analyzed for toxic pollutants such as metals (lead and mercury, for example), nutrients (such as cyanide, phenols and orthophosphates), and organic compounds (including pesticides, herbicides and PCBs). The laboratory also conducts microbiological testing and toxicity studies of wastewater effluents and sediments. The analytical data are used to quantify environmental conditions and ensure that pollutants do not pose a problem for human health or the environment.

**The Executive Recommendation will fund the following objectives:**

- Provide laboratory services primarily to divisions within Ohio EPA, and limited services to other public entities; and
- Provide capacity to analyze 9,300 samples and generate over 280,000 inorganic and organic test results, and conduct 220 bioassay and chlorophyll tests annually.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| GSF                      | 1990 | 715602 | Laboratory Services       | 188,294          | 225,380          |
| SSR                      | 4K40 | 715686 | Environmental Lab Service | 2,132,000        | 2,132,000        |
| SSR                      | 5BC0 | 715677 | Laboratory                | 1,284,622        | 1,284,622        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>3,604,916</b> | <b>3,642,002</b> |

**Program 11.02: Laboratory Certification and Assistance**

This program includes Voluntary Action Program (VAP) and drinking water laboratory certification activities. To ensure the safety of water from public water systems, approximately 450 inspections of drinking water laboratories are completed each year; these laboratories are certified as having proper equipment, adequate facilities, and trained staff that use proper analytical techniques. This program also coordinates U.S. EPA's proficiency testing program for wastewater laboratories; based on these test results, performance audit inspections of wastewater laboratories are conducted. DES staff members also respond to 6,400 requests annually to provide training and technical assistance within and outside Ohio EPA.

**The Executive Recommendation will fund the following objectives:**

- Certify 350 laboratories statewide to perform drinking water testing;
- Inspect and recommend laboratories for certification under the Voluntary Action Program (currently 21 labs participate);

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- Respond to 3,200 drinking water technical questions, and 3,200 non-drinking water and VAP questions annually; and
- Coordinate U.S. EPA's Discharge Monitoring Report-Quality Assurance proficiency testing program for wastewater laboratories in Ohio.

| FUND                     |      |        |                     | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010        | FY 2011        |
| GSF                      | 1990 | 715602 | Laboratory Services | 747,613        | 758,549        |
| SSR                      | 5BC0 | 715677 | Laboratory          | 169,378        | 169,378        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>916,991</b> | <b>927,927</b> |

### **PROGRAM SERIES 12: Program Management**

This program series includes five district and nine central support offices that provide services to external stakeholders and the agency's environmental programs. Program Management establishes and coordinates the strategic direction of the agency and provides centralized and regional infrastructure for the agency's efforts to protect the environment and public health.

#### **Program 12.01: Program Management**

This program includes the Director's Office, which manages all agency programs and provides direct services including coordination of enforcement efforts and liaison activities with the legislature, industry, and government. The district offices provide facilities, equipment, and local program coordination for all of Ohio EPA's environmental programs. Program Management provides information technology database and network administration; public information, including coordination of hundreds of public meetings and thousands of press releases each year; fiscal administration; personnel, labor, and equal employment opportunity services; legal assistance; and facilities management.

#### **The Executive Recommendation will fund the following objectives:**

- Provide infrastructure administration and management for the agency, including the Director's Office, five district offices, and seven administrative offices;
- Provide information technology services including systems development, database, and network administration;
- Respond to public inquiries, organize and moderate public meetings, and educate the public about environmental issues as well as the agency's goals and objectives; and
- Provide fiscal, personnel, legal, facilities management, and equal employment opportunity services.

| FUND                     |      |        |                          | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010           | FY 2011           |
| GSF                      | 2190 | 715604 | Central Support Indirect | 16,625,314        | 17,282,762        |
| GSF                      | 4A10 | 715640 | Operating Expenses       | 3,731,000         | 3,731,000         |
| FED                      | 3V70 | 715606 | Agency-Wide Grants       | 350,000           | 350,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>20,706,314</b> | <b>21,363,762</b> |

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**LINE ITEM SUMMARY - Environmental Protection Agency**

| FUND                          | ALI    | ALI NAME                         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|----------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                           | 715403 | Clean Ohio                       | 96,058            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 715501 | Local Air Pollution Control      | 128,297           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 717321 | Surface Water                    | 1,130,222         | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 718321 | Groundwater                      | 161,106           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 719321 | Air Pollution Control            | 311,771           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 721321 | Drinking Water                   | 350,412           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 723321 | Hazardous Waste                  | 12,606            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 724321 | Pollution Prevention             | 88,032            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 725321 | Laboratory                       | 153,463           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                           | 726321 | Corrective Actions               | 149,688           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Revenue</b>  |        |                                  | <b>2,581,655</b>  | <b>0</b>          | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 1990                          | 715602 | Laboratory Services              | 992,519           | 1,019,248         | 966,203           | 1,173,574           | 935,907                | -20.3       | 983,929                | 5.1         |
| 2190                          | 715604 | Central Support Indirect         | 14,761,963        | 15,528,935        | 15,718,301        | 17,000,962          | 16,625,314             | -2.2        | 17,282,762             | 4.0         |
| 4A10                          | 715640 | Operating Expenses               | 2,873,070         | 3,157,454         | 3,336,872         | 3,669,731           | 3,731,000              | 1.7         | 3,731,000              | 0.0         |
| <b>TOTAL General Services</b> |        |                                  | <b>18,627,552</b> | <b>19,705,637</b> | <b>20,021,377</b> | <b>21,844,267</b>   | <b>21,292,221</b>      | <b>-2.5</b> | <b>21,997,691</b>      | <b>3.3</b>  |
| 3520                          | 715611 | Wastewater Pollution             | 340,063           | 384,653           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 3530                          | 715612 | Public Water Supply              | 2,767,072         | 3,469,841         | 2,976,449         | 3,388,618           | 2,933,812              | -13.4       | 2,941,282              | 0.3         |
| 3540                          | 715614 | Hazardous Waste Management       | 4,246,385         | 4,168,622         | 4,202,196         | 4,203,891           | 4,193,000              | -0.3        | 4,193,000              | 0.0         |
| 3570                          | 715619 | Air Pollution Control            | 7,440,234         | 5,763,735         | 6,153,640         | 6,823,950           | 6,282,777              | -7.9        | 6,310,203              | 0.4         |
| 3620                          | 715605 | Underground Injection Control    | 107,028           | 103,074           | 105,335           | 111,874             | 111,874                | 0.0         | 111,874                | 0.0         |
| 3BU0                          | 715684 | Water Quality Protection         | 0                 | 0                 | 6,044,756         | 6,310,000           | 5,870,000              | -7.0        | 5,825,000              | -0.8        |
| 3CS0                          | 715688 | Federal NRD Settlements          | 0                 | 0                 | 0                 | 0                   | 100,000                | .0          | 100,000                | 0.0         |
| 3F20                          | 715630 | Revolving Loan Fund-Operating    | 30,703            | 0                 | 89,505            | 775,600             | 1,129,696              | 45.7        | 907,543                | -19.7       |
| 3F30                          | 715632 | Fed Supported Cleanup & Response | 1,631,701         | 2,022,051         | 1,774,591         | 2,550,000           | 2,159,486              | -15.3       | 2,159,551              | 0.0         |
| 3F40                          | 715633 | Water Quality Management         | 580,608           | 499,804           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 3F50                          | 715641 | Nonpoint Source Pollution Mgmt   | 7,700,002         | 6,624,758         | 6,547,554         | 7,595,000           | 6,880,000              | -9.4        | 6,095,000              | -11.4       |
| 3J10                          | 715620 | Urban Stormwater                 | 218,580           | 198,604           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |

## Environmental Protection Agency

**LINE ITEM SUMMARY - Environmental Protection Agency**

| FUND                                 | ALI    | ALI NAME                         | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|----------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 3K20                                 | 715628 | Clean Water Act 106              | 4,652,836         | 4,434,508         | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 3K40                                 | 715634 | DOD Monitoring & Oversight       | 629,796           | 619,579           | 570,570           | 898,825             | 729,130                | -18.9       | 732,280                | 0.4         |
| 3K60                                 | 715639 | Remedial Action Plans            | 315,608           | 368,458           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| 3N40                                 | 715657 | DOE Monitoring & Oversight       | 1,687,559         | 863,623           | 680,202           | 1,110,270           | 878,578                | -20.9       | 884,050                | 0.6         |
| 3T30                                 | 715669 | Drinking Water SRF               | 2,185,565         | 1,992,805         | 1,824,943         | 2,977,998           | 2,238,848              | -24.8       | 2,273,323              | 1.5         |
| 3V70                                 | 715606 | Agency-Wide Grants               | 339,597           | 136,144           | 113,988           | 500,000             | 500,000                | 0.0         | 500,000                | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |                                  | <b>34,873,337</b> | <b>31,650,260</b> | <b>31,083,730</b> | <b>37,246,026</b>   | <b>34,007,201</b>      | <b>-8.7</b> | <b>33,033,106</b>      | <b>-2.9</b> |
| 4J00                                 | 715638 | Underground Injection Control    | 355,685           | 348,961           | 383,676           | 458,418             | 448,579                | -2.1        | 456,714                | 1.8         |
| 4K20                                 | 715648 | Clean Air-Non Title V            | 2,117,793         | 2,356,874         | 3,613,456         | 4,066,558           | 3,456,261              | -15.0       | 3,587,176              | 3.8         |
| 4K30                                 | 715649 | Solid Waste                      | 12,297,703        | 12,850,519        | 13,146,218        | 14,282,845          | 15,819,897             | 10.8        | 16,317,606             | 3.1         |
| 4K40                                 | 715650 | Surface Water Protection         | 9,277,070         | 11,063,466        | 10,491,272        | 13,815,000          | 7,965,000              | -42.3       | 8,915,000              | 11.9        |
| 4K40                                 | 715686 | Environmental Lab Service        | 0                 | 0                 | 0                 | 0                   | 2,132,000              | .0          | 2,132,000              | 0.0         |
| 4K50                                 | 715651 | Drinking Water Protection        | 5,670,354         | 7,410,173         | 7,039,885         | 8,867,732           | 7,487,198              | -15.6       | 7,699,007              | 2.8         |
| 4P50                                 | 715654 | Cozart Landfill                  | 42,094            | 45,103            | 38,876            | 149,728             | 100,000                | -33.2       | 100,000                | 0.0         |
| 4R50                                 | 715656 | Scrap Tire Management            | 4,641,634         | 8,107,947         | 7,544,036         | 6,000,000           | 5,125,000              | -14.6       | 5,125,000              | 0.0         |
| 4R90                                 | 715658 | Voluntary Action Program         | 1,022,490         | 932,747           | 852,141           | 1,032,098           | 1,032,098              | 0.0         | 1,032,098              | 0.0         |
| 4T30                                 | 715659 | Clean Air Title V Permit Program | 15,725,148        | 17,229,557        | 16,699,500        | 18,833,584          | 17,673,097             | -6.2        | 18,073,104             | 2.3         |
| 4U70                                 | 715660 | Construction & Demolition Debris | 632,135           | 779,421           | 958,266           | 1,076,561           | 888,970                | -17.4       | 885,554                | -0.4        |
| 5000                                 | 715608 | Immediate Removal Special Acnt   | 319,629           | 353,069           | 437,798           | 573,903             | 643,903                | 12.2        | 643,903                | 0.0         |
| 5030                                 | 715621 | Hazardous Waste Facility Mgmt    | 9,600,083         | 9,583,715         | 8,887,756         | 12,200,240          | 11,215,448             | -8.1        | 11,318,132             | 0.9         |
| 5050                                 | 715623 | Hazardous Waste Cleanup          | 12,295,942        | 14,352,586        | 11,955,989        | 14,147,498          | 13,927,338             | -1.6        | 14,139,930             | 1.5         |
| 5050                                 | 715674 | Clean Ohio Environmental Review  | 0                 | 0                 | 11,327            | 109,725             | 109,725                | 0.0         | 109,725                | 0.0         |
| 5410                                 | 715670 | Site Specific Cleanup            | 1,020,205         | 7,092,992         | 25,359            | 34,650              | 34,650                 | 0.0         | 34,650                 | 0.0         |
| 5420                                 | 715671 | Risk Management Reporting        | 124,378           | 139,063           | 135,964           | 146,188             | 146,188                | 0.0         | 146,188                | 0.0         |
| 5920                                 | 715627 | Anti-Tampering Settlement        | 1,477             | 930               | 5,654             | 9,707               | 6,707                  | -30.9       | 6,707                  | 0.0         |
| 5BC0                                 | 715617 | Clean Ohio                       | 646,387           | 691,103           | 690,322           | 741,646             | 741,000                | -0.1        | 741,000                | 0.0         |
| 5BC0                                 | 715622 | Local Air Pollution Control      | 898,071           | 1,026,368         | 1,026,368         | 1,026,369           | 1,827,000              | 78.0        | 2,035,000              | 11.4        |
| 5BC0                                 | 715624 | Surface Water                    | 7,247,297         | 8,834,896         | 8,621,952         | 8,997,413           | 13,034,000             | 44.9        | 13,198,000             | 1.3         |

## Environmental Protection Agency

**LINE ITEM SUMMARY - Environmental Protection Agency**

| FUND   | ALI    | ALI NAME                               | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5BC0   | 715667 | Groundwater                            | 953,707            | 1,077,449          | 1,063,910          | 1,093,741           | 1,594,000              | 45.7        | 1,594,000              | 0.0         |
| 5BC0   | 715672 | Air Pollution Control                  | 4,026,801          | 5,029,059          | 4,997,281          | 5,199,290           | 7,269,000              | 39.8        | 7,607,000              | 4.6         |
| 5BC0   | 715673 | Drinking Water                         | 2,230,864          | 2,497,566          | 2,392,515          | 2,550,250           | 3,838,000              | 50.5        | 3,838,000              | 0.0         |
| 5BC0   | 715675 | Hazardous Waste                        | 88,240             | 95,050             | 100,845            | 100,847             | 116,000                | 15.0        | 116,000                | 0.0         |
| 5BC0   | 715676 | Assistance and Prevention              | 585,335            | 650,800            | 661,791            | 700,302             | 775,000                | 10.7        | 775,000                | 0.0         |
| 5BC0   | 715677 | Laboratory                             | 1,053,158          | 1,223,505          | 1,206,665          | 1,216,333           | 1,454,000              | 19.5        | 1,454,000              | 0.0         |
| 5BC0   | 715678 | Corrective Action                      | 1,028,719          | 1,181,094          | 1,177,922          | 1,179,775           | 1,180,000              | 0.0         | 1,180,000              | 0.0         |
| 5BC0   | 715687 | Areawide Planning Agencies             | 0                  | 0                  | 0                  | 0                   | 450,000                | .0          | 450,000                | 0.0         |
| 5BT0   | 715679 | C &DD Groundwater Monitoring           | 0                  | 0                  | 790                | 693,267             | 200,000                | -71.2       | 203,800                | 1.9         |
| 5BY0   | 715681 | Auto Emissions Test                    | 6,939,966          | 14,486,349         | 13,045,621         | 15,057,814          | 14,385,892             | -4.5        | 14,803,470             | 2.9         |
| 5CD0   | 715682 | Clean Diesel School Buses              | 0                  | 698,241            | 905,285            | 600,000             | 600,000                | 0.0         | 600,000                | 0.0         |
| 5DW0   | 715683 | Auto Mercury Switch Prog               | 0                  | 49,278             | 54,768             | 60,000              | 0                      | -100.0      | 0                      | .0          |
| 5H40   | 715664 | Groundwater Support                    | 1,844,077          | 1,947,257          | 2,064,103          | 2,715,340           | 1,872,193              | -31.1       | 1,884,247              | 0.6         |
| 5N20   | 715613 | Dredge and Fill                        | 29,610             | 29,022             | 29,833             | 30,000              | 45,000                 | 50.0        | 45,000                 | 0.0         |
| 5Y30   | 715685 | Surface Water Improvement              | 0                  | 0                  | 0                  | 2,000,000           | 2,000,000              | 0.0         | 500,000                | -75.0       |
| 6020   | 715626 | Motor Vehicle Inspection & Maintenance | 1,182,496          | 36,977             | 28,367             | 128,876             | 0                      | -100.0      | 0                      | .0          |
| 6440   | 715631 | ER Radiological Safety                 | 232,256            | 249,540            | 247,983            | 286,114             | 286,114                | 0.0         | 286,114                | 0.0         |
| 6600   | 715629 | Infectious Wastes Management           | 152,008            | 81,275             | 69,544             | 100,000             | 100,000                | 0.0         | 100,000                | 0.0         |
| 6760   | 715642 | Water Pollution Control Loan Admin     | 4,561,679          | 4,524,725          | 4,692,244          | 4,964,625           | 4,610,529              | -7.1        | 4,832,682              | 4.8         |
| 6780   | 715635 | Air Toxic Release                      | 181,131            | 164,439            | 164,072            | 210,622             | 174,600                | -17.1       | 179,746                | 2.9         |
| 6790   | 715636 | Emergency Planning                     | 2,566,757          | 2,435,982          | 2,508,011          | 2,628,647           | 2,623,395              | -0.2        | 2,628,647              | 0.2         |
| 6960   | 715643 | Air Pollution Control Admin            | 679,592            | 583,864            | 1,498,984          | 750,000             | 750,000                | 0.0         | 750,000                | 0.0         |
| 6990   | 715644 | Water Pollution Control Admin          | 460,309            | 779,248            | 685,233            | 750,000             | 750,000                | 0.0         | 750,000                | 0.0         |
| 6A10   | 715645 | Environmental Education                | 1,403,032          | 1,281,725          | 1,916,683          | 1,500,000           | 1,500,000              | 0.0         | 1,500,000              | 0.0         |
| <b>TOTAL State Special Revenue</b>           |        |  | <b>114,135,312</b> | <b>142,301,936</b> | <b>132,078,264</b> | <b>151,085,706</b>  | <b>150,387,782</b>     | <b>-0.5</b> | <b>152,774,200</b>     | <b>1.6</b>  |
| 5S10   | 715607 | Clean Ohio Operating                   | 91,449             | 148,801            | 190,001            | 208,174             | 291,174                | 39.9        | 291,174                | 0.0         |
| <b>TOTAL Clean Ohio Conservation Prgm</b>    |        |  | <b>91,449</b>      | <b>148,801</b>     | <b>190,001</b>     | <b>208,174</b>      | <b>291,174</b>         | <b>39.9</b> | <b>291,174</b>         | <b>0.0</b>  |
| <b>TOTAL Environmental Protection Agency</b> |        |  | <b>170,309,305</b> | <b>193,806,633</b> | <b>183,373,372</b> | <b>210,384,173</b>  | <b>205,978,378</b>     | <b>-2.1</b> | <b>208,096,171</b>     | <b>1.0</b>  |

**Environmental Protection Agency****LINE ITEM SUMMARY - Environmental Protection Agency**

| FUND | ALI | ALI NAME | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010     | %      | FY 2011     | %      |
|------|-----|----------|---------|---------|---------|----------|-------------|--------|-------------|--------|
|      |     |          | ACTUAL  | ACTUAL  | ACTUAL  | ESTIMATE | RECOMMENDED | CHANGE | RECOMMENDED | CHANGE |



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State of Ohio

## Environmental Review Appeals Commission

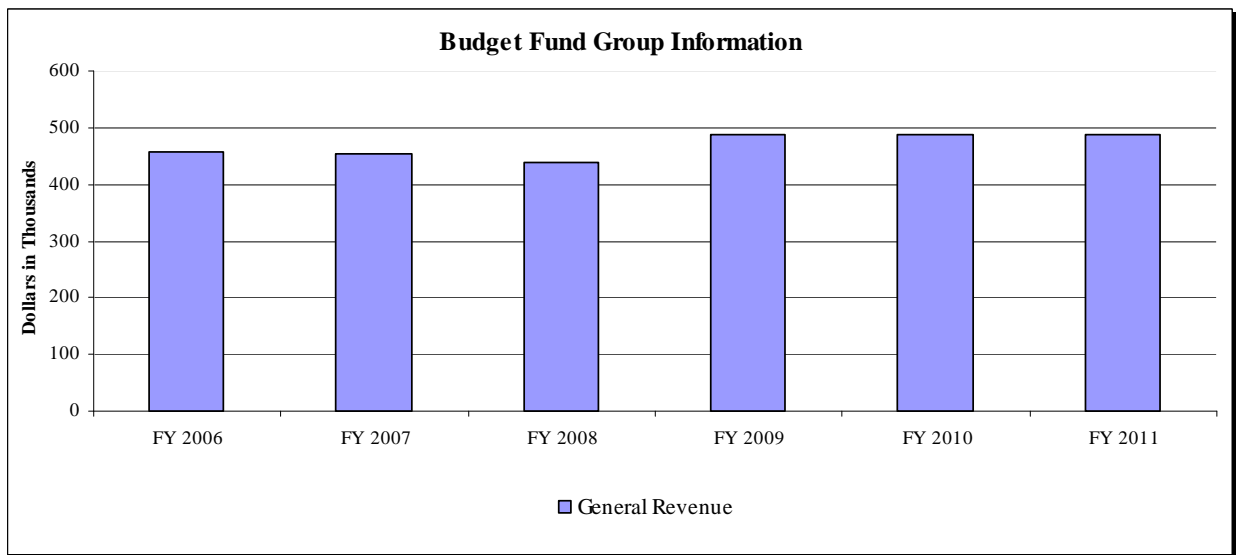
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### Role and Overview

The Environmental Review Appeals Commission (ERAC) hears and resolves appeals resulting from various technical and legal final actions taken by the Ohio Environmental Protection Agency, the Ohio Department of Agriculture, the State Fire Marshal's Office, the State Emergency Response Commission, and county and local boards of health. The commission has statewide jurisdiction and is the highest level of administrative appeal for final actions of the agencies listed above. The appeals heard by the commission generally are highly technical and legal in nature. Decisions of the commission may be appealed to the Franklin County Court of Appeals, or, if the appeal arises from an alleged violation of a law or regulation, to the court of appeals for the district in which the violation is alleged to have occurred.

The commission consists of three members appointed by the Governor for staggered six-year terms. Each member must have extensive experience in the fields of pollution control and abatement technology, ecology, public health, environmental law, and economics of natural resource development. An executive secretary and one other full-time employee perform the day-to-day functions of the commission. The annual operating budget of the general revenue-funded commission is approximately \$487,000.

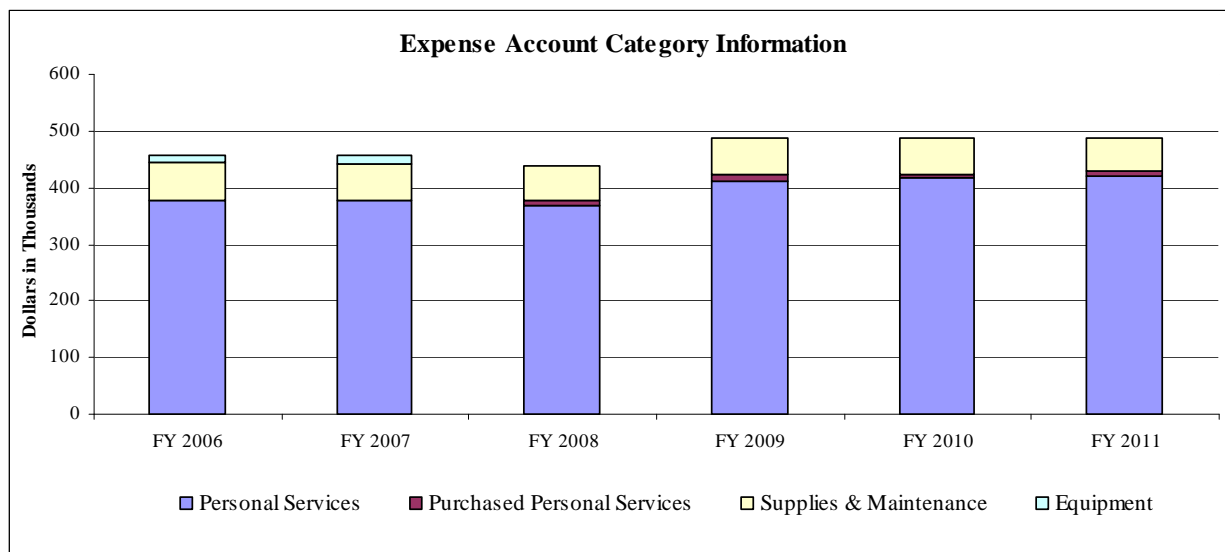
### Summary of Budget History and Recommendations



| (In Thousands)    | ACTUAL  |         |         | EST. % CHANGE |          | RECOMMENDED % CHANGE |        |         |        |
|-------------------|---------|---------|---------|---------------|----------|----------------------|--------|---------|--------|
|                   | FY 2006 | FY 2007 | FY 2008 | FY 2009       | FY 08-09 | FY 2010              | CHANGE | FY 2011 | CHANGE |
| BUDGET FUND GROUP |         |         |         |               |          |                      |        |         |        |
| General Revenue   | 456     | 455     | 439     | 487           | 10.9     | 487                  | 0.0    | 487     | 0.0    |
| TOTAL             | 456     | 455     | 439     | 487           | 10.9     | 487                  | 0.0    | 487     | 0.0    |

State of Ohio

## Environmental Review Appeals Commission



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 379        | 378        | 370        | 412              | 11.3        | 416                     | 1.1        | 421        | 1.0        |
| Purchased Personal Services                   | 0          | 1          | 9          | 11               | 28.4        | 7                       | -36.4      | 7          | 0.0        |
| Supplies & Maintenance                        | 66         | 64         | 61         | 63               | 4.4         | 64                      | 1.0        | 59         | -6.8       |
| Equipment                                     | 11         | 13         | 0          | 1                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>456</b> | <b>455</b> | <b>439</b> | <b>487</b>       | <b>10.9</b> | <b>487</b>              | <b>0.0</b> | <b>487</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Environmental Review Appeals Commission

This program series supports the Environmental Review Appeals Commission's duties to hear and resolve environmental appeals in accordance with Ohio Revised Code.

#### Program 01.01: Hearing/Determination Process

The commission hears appeals of final environmental legal actions taken by several state and local governmental agencies and makes determinations based on legal and technical aspects of each case. The decision in many cases establishes statewide legal precedents.

#### The Executive Recommendation will fund the following objectives:

- Continued funding of the day-to-day operations of the Commission; and
- Retention of the two current Commission staff members.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 172321 | Operating Expenses | 487,000        | 487,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>487,000</b> | <b>487,000</b> |

**Environmental Review Appeals Commission****LINE ITEM SUMMARY - Environmental Review Appeals Commission**

| <b>FUND</b>  | <b>ALI</b> | <b>ALI NAME</b>    | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|--|------------|--------------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| GRF  | 172321     | Operating Expenses | 455,655                   | 455,217                   | 438,997                   | 487,000                     | 487,000                        | 0.0                 | 487,000                        | 0.0                 |
| <b>TOTAL General Revenue</b>                         |            |                    | <b>455,655</b>            | <b>455,217</b>            | <b>438,997</b>            | <b>487,000</b>              | <b>487,000</b>                 | <b>0.0</b>          | <b>487,000</b>                 | <b>0.0</b>          |
| <b>TOTAL Environmental Review Appeals Commission</b> |            |                    | <b>455,655</b>            | <b>455,217</b>            | <b>438,997</b>            | <b>487,000</b>              | <b>487,000</b>                 | <b>0.0</b>          | <b>487,000</b>                 | <b>0.0</b>          |

### **Role and Overview**

The eTech Ohio Commission is responsible for providing the leadership and support that promotes access to and the use of all of the forms of educational technology needed to advance the education and to accelerate the learning of the citizens of Ohio. To this end, it offers professional development and other forms of support (e.g. funding, consulting on obtaining federal E-Rate funds and assistance with technology planning) to K-12 teachers, administrators, and technology staff. eTech Ohio also supports lifelong learning through its support for public radio and television stations and radio reading services for the visually disabled. The agency also manages a statewide telecommunications infrastructure that links together Ohio K-12 classrooms, public broadcasting affiliates, and other educational entities. The commission has approximately 80 employees and an annual operating budget of \$23.3 million.

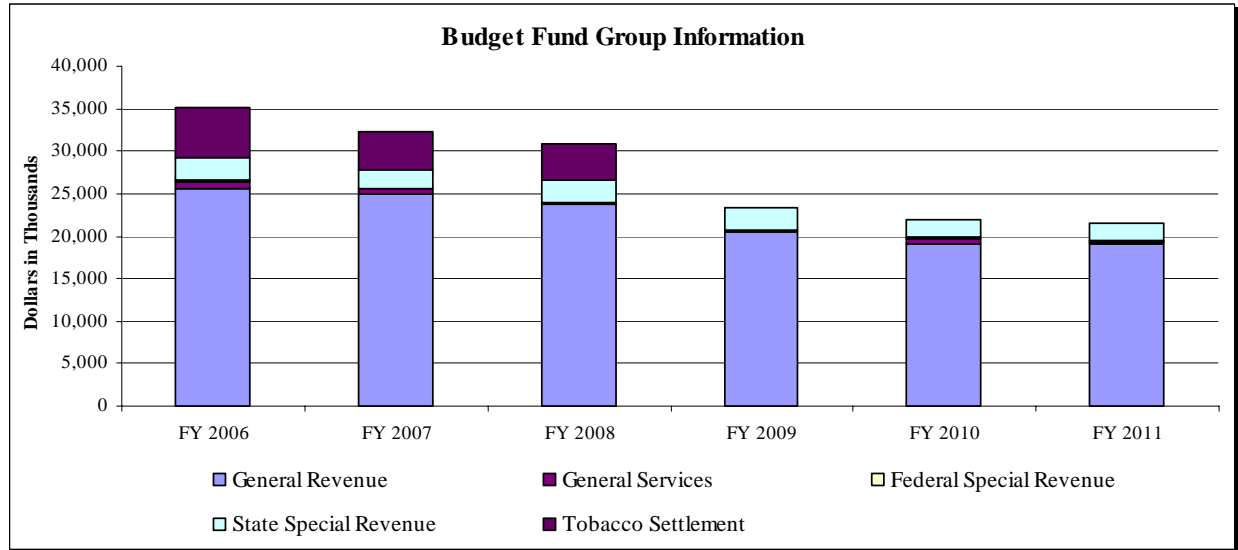
In the fiscal year 2008-2009 biennium, the agency, among other projects, provided assistance to school districts in developing federally mandated technology plans needed to receive E-Rate funding (resulting in districts receiving more than \$60 million per year), expanded eTech Ohio's broadcast automation systems to enable public television stations to operate more efficiently, and created a technology toolkit for the Ohio School Facilities Commission to advise K-12 administrators on how to ensure that technology needs are met during the design of new school buildings.

More information regarding the eTech Ohio Commission is available at <http://www.etech.ohio.gov/>.

### **Agency Priorities**

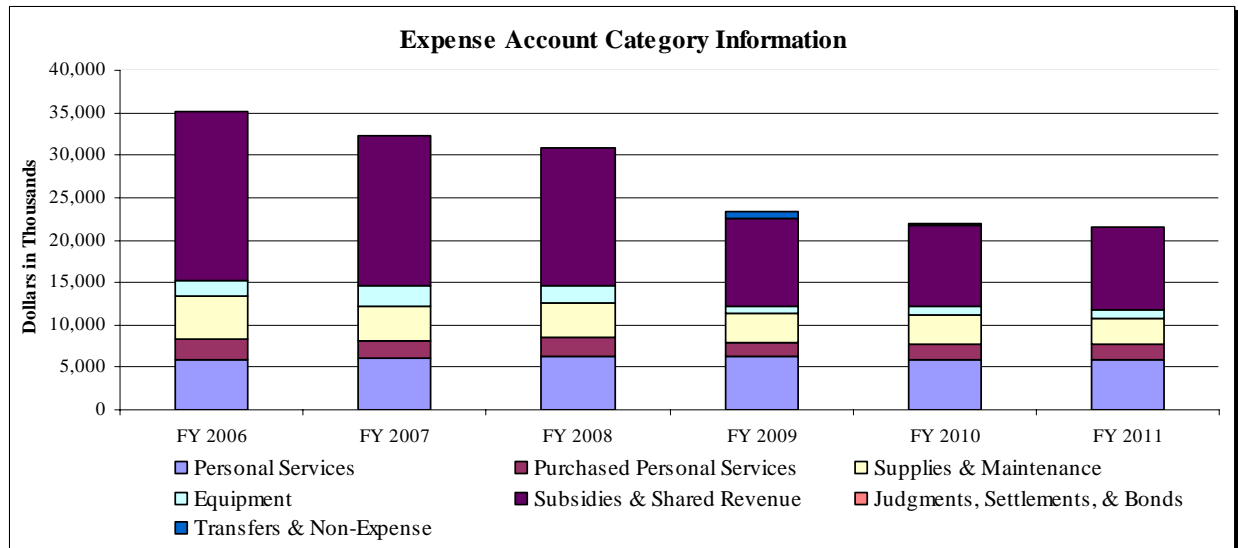
- Continue the process of creating a new strategic plan for the agency.
- Promote the efficient use of resources by expanding collaboration with other educational technology agencies and programs (e.g., OARnet and INFOhio). This will help ensure the continuation of a high quality of services to eTech Ohio's constituents and will support the creation of an integrated K-16 technology infrastructure as detailed in the strategic plan for higher education.
- Develop a new model for the delivery of professional development programs that promotes the use of educational technology in K-12 schools. A major priority of eTech Ohio's strategic plan will be to find new ways to expand professional development programs by developing less expensive and more personalized online on-demand programs.
- Leverage the capabilities of the organizations to which it provides subsidies (i.e., educational technology centers, public radio and television stations, Ohio Government Telecommunications, and the Statehouse News Bureau) and the capabilities of other organizations, such as the Ohio Resource Center for Mathematics, Science and Reading, to collect and create electronic information resources for use by Ohio's K-12 teachers.

### Summary of Budget History and Recommendations



- Tobacco settlement funding has not been available since fiscal year 2008 due to the House Bill 119 authorized securitization of tobacco payments.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. % CHANGE |              | RECOMMENDED % CHANGE |             |               |             |
|-------------------------------------|---------------|---------------|---------------|---------------|--------------|----------------------|-------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09     | FY 2010              | CHANGE      | FY 2011       | CHANGE      |
| General Revenue                     | 25,677        | 25,067        | 23,777        | 20,511        | -13.7        | 19,169               | -6.5        | 19,169        | 0.0         |
| General Services                    | 679           | 441           | 67            | 20            | -70.3        | 475                  | 2,274.9     | 75            | -84.2       |
| Federal Special Revenue             | 336           | 171           | 141           | 144           | 2.1          | 182                  | 26.6        | 163           | -10.4       |
| State Special Revenue               | 2,462         | 2,209         | 2,696         | 2,619         | -2.9         | 2,020                | -22.9       | 2,023         | 0.1         |
| Tobacco Settlement                  | 6,071         | 4,320         | 4,217         | 0             | -100.0       | 0                    | 0.0         | 0             | 0.0         |
| <b>TOTAL</b>                        | <b>35,225</b> | <b>32,207</b> | <b>30,897</b> | <b>23,294</b> | <b>-24.6</b> | <b>21,846</b>        | <b>-6.2</b> | <b>21,430</b> | <b>-1.9</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |             |               |             |
|---|---------------|---------------|---------------|------------------|--------------|-------------------------|-------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09     | FY 2010                 | CHANGE      | FY 2011       | CHANGE      |
| Personal Services                             | 5,930         | 6,080         | 6,299         | 6,285            | -0.2         | 5,931                   | -5.6        | 5,988         | 1.0         |
| Purchased Personal Services                   | 2,390         | 2,111         | 2,260         | 1,632            | -27.8        | 1,738                   | 6.5         | 1,694         | -2.5        |
| Supplies & Maintenance                        | 4,997         | 4,078         | 3,959         | 3,552            | -10.3        | 3,524                   | -0.8        | 3,117         | -11.6       |
| Equipment                                     | 1,942         | 2,375         | 2,199         | 791              | -64.0        | 1,082                   | 36.8        | 1,079         | -0.3        |
| Subsidies & Shared Revenue                    | 19,781        | 17,555        | 16,171        | 10,377           | -35.8        | 9,552                   | -7.9        | 9,552         | 0.0         |
| Judgments, Settlements, & Bonds               | 184           | 8             | 0             | 0                | 0.0          | 19                      | 100.0       | 0             | -100.0      |
|   |               |               |               |                  | 6,931.       |                         |             |               |             |
| Transfers & Non-Expense                       | 0             | 0             | 9             | 656              | 0            | 0                       | -100.0      | 0             | 0.0         |
| <b>TOTAL</b>                                  | <b>35,225</b> | <b>32,207</b> | <b>30,897</b> | <b>23,294</b>    | <b>-24.6</b> | <b>21,846</b>           | <b>-6.2</b> | <b>21,430</b> | <b>-1.9</b> |

## PROGRAM SERIES 01: Information Technology

### Program 01.01: Information Technology

In addition to meeting the agency's daily IT support requirements, this program is responsible for the purchase of the computer hardware and software, and for the development of new software needed for eTech Ohio's educational technology initiatives.

#### The Executive Recommendation will fund the following objectives:

- Supports software development, hardware and software acquisitions, software maintenance and support, and provides general tech support for agency staff;
- Program benefits agency staff, eTech Ohio affiliates, other funded entities, and K-12 teachers, administrators and technology coordinators; and
- Support 9.6 full-time equivalent employees.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935412 | Information Technology | 1,387,062        | 1,350,394        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>1,387,062</b> | <b>1,350,394</b> |

## PROGRAM SERIES 02: Content Purchase, Development, and Distribution

### Program 02.01: Development

This program is comprised of funding for the provision of multimedia classroom materials as well as funding for Ohio Government Telecommunications (OGT) and the Statehouse News Bureau (SNB).

#### The Executive Recommendation will fund the following objectives:

- Provide funding for the collection and development of instructional resources; and
- Distribute operating subsidies to the Statehouse News Bureau and OGT.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935401 | Statehouse News Bureau       | 219,960          | 219,960          |
| GRF                      | GRF  | 935402 | Ohio Gov't Telecom Studio    | 716,417          | 716,417          |
| GRF                      | GRF  | 935410 | Content Dev, Acq & Dist      | 1,134,222        | 1,134,222        |
| GSF                      | 4T20 | 935605 | Gov't Television/telecomm Op | 25,000           | 25,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>2,095,599</b> | <b>2,095,599</b> |

### Program 02.02: Distribution

This program series provides operating subsidies, consolidates purchasing, and provides financial support to eTech Ohio's affiliated public television stations, public radio stations, and radio reading services.

#### The Executive Recommendation will fund the following objectives:

- Provide operating subsidies to public television, public radio, and radio reading services for the visually impaired to support school-based instruction and lifelong learning;
- Benefits eight public television stations, 12 public radio stations and eight radio reading service stations; and
- Support 1.3 full-time equivalent employees.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935410 | Content Dev, Acq & Dist | 3,003,084        | 3,004,022        |
| GSF                      | 4F30 | 935603 | Affiliate Services      | 50,000           | 50,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>3,053,084</b> | <b>3,054,022</b> |

## PROGRAM SERIES 03: Technical Operations

### Program 03.01: Broadcasting Support

eTech Ohio provides technical services to Ohio's public television and radio stations that help them share and distribute audio and video materials. eTech Ohio significantly increases the efficiency and improves the quality of the technical infrastructure for Ohio's public broadcasters through this program.

**The Executive Recommendation will fund the following objectives:**

- Support the broadcast network infrastructure, which enables the archiving and delivery of public television, radio, and radio reading service programming to public broadcasters; and
- Support 13.2 full-time equivalent employees.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935409 | Technology Operations | 1,574,840        | 1,580,253        |
| GSF                      | 4F30 | 935603 | Affiliate Services    | 400,000          | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>1,974,840</b> | <b>1,580,253</b> |

**Program 03.02: Networking**

eTech Ohio provides network and connectivity support to the Ohio K-12 network, the eight public television stations, 12 public radio, eight radio reading services, and the Ohio Government Telecommunications for the purpose of transmitting internet, data, voice, and video applications.

**The Executive Recommendation will fund the following objectives:**

- Manage and provide Network Operation Center (NOC) services for the telecommunication network that connects public schools and public broadcasters to each other and the internet using OARnet;
- Consolidate network funding sources to enable greater efficiencies in operating, purchasing, and maintaining the network infrastructure for eTech Ohio customers; and
- Support 4.2 full-time equivalent employees.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935409 | Technology Operations | 1,532,922        | 1,534,755        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>1,532,922</b> | <b>1,534,755</b> |

**Program 03.03: Videoconferencing**

eTech Ohio provides video conferencing and related media services and support to the Ohio K-12 network, the public and radio television stations, higher education institutions and state agencies.

**The Executive Recommendation will fund the following objectives:**

- Support the statewide video conferencing network which provides video services to the Ohio K-12 network, public broadcasters, Ohio's state agencies, and higher education institutions; and
- Support 3 full-time equivalent employees.

| FUND                     |      |        |                             | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 935409 | Technology Operations       | 486,742        | 487,438        |
| SSR                      | 5FK0 | 935608 | Video Conferencing Services | 300,000        | 300,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>786,742</b> | <b>787,438</b> |



## PROGRAM SERIES 04: Educational Technology

### Program 04.01: Services for Teachers

eTech Ohio's Educational Technology Services for Teachers program is comprised of a variety of services and funding opportunities that combine to build the technology knowledge and technology integration skills of Ohio's teachers. The program includes online distance learning for teachers, professional development grants, and support for the federal Enhancing Education Through Technology (EETT) grant.

#### The Executive Recommendation will fund the following objectives:

- Develop and maintain low-cost face-to-face and online on-demand professional development for teachers;
- Offer online instructional content, management, and delivery for teacher's resources;
- Provide an online community environment for teachers to network and share technology integration ideas and resources;
- Provide free access to a library of the State of Ohio's (eTech Ohio) technology integration and educational resources;
- Support several dozen new and continuation federal Enhancing Education Through Technology (EETT) competitive grants to improve student achievement through the use of technology; and
- Support 9.7 full-time equivalent employees.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935411 | Tech Integration & Professional Development | 2,935,021        | 2,940,824        |
| FED                      | 3S30 | 935606 | Enhancing Education Tech                    | 163,000          | 163,000          |
| SSR                      | 4W90 | 935630 | Telecommunity                               | 25,000           | 25,000           |
| SSR                      | 4X10 | 935634 | Distance Learning                           | 23,734           | 24,150           |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>3,146,755</b> | <b>3,152,974</b> |

### Program 04.02: Services for IT Staff

This program includes several eTech Ohio initiatives that collectively support school district technology staff. These initiatives give district technical staff the opportunity to acquire the necessary technical skills to effectively support and manage their districts' technology systems. eTech Ohio leverages statewide pricing for hands-on, highly focused technical courses conducted by certified technical trainers and online technical reference publications. In addition, district IT staff is provided access to peer-based interviews, presentations, and networking opportunities as well as general research, templates, and sample technical planning documents and policies.

#### The Executive Recommendation will fund the following objectives:

- Provide an online environment for school district technology staff to share resources and ideas;
- Offer online instructional content, management, and delivery for technology staff resources;
- Support technology training, which is attended by over 500 district technical personnel each year;
- Provide free access to an online knowledge database, a library of the State of Ohio's (eTech Ohio) technology integration resources, and reference materials designed to support district technology staff; and
- Support 2 full-time equivalent employees.

| FUND                     |      |        |   | RECOMMENDED    |                |
|--------------------------|------|--------|---|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 935411 | Tech Integration & Professional Development | 643,701        | 645,117        |
| SSR                      | 5D40 | 935640 | Conference/Special Purposes                 | 30,000         | 30,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>673,701</b> | <b>675,117</b> |

**Program 04.03: Services for Administrators**

This program series includes several eTech Ohio programs to support school administrators as they make decisions about the acquisition and use of technology within their districts. These programs include distance learning courses, training on the total cost of ownership, collaborative resources developed with the Ohio School Facilities Commission, and E-Rate support.

**The Executive Recommendation will fund the following objectives:**

- Train superintendents and principals in using technology and data to improve academic performance;
- Offer online instructional content, management, and delivery for administrators resources;
- Support consulting services related to the federal E-Rate programs, which provide schools with approximately \$65 million per year and libraries with approximately \$3.6 million per year in telecommunications discounts; and
- Support 10.5 full-time equivalent employees.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935411 | Tech Integration & Professional Development | 808,863          | 815,580          |
| SSR                      | 5D40 | 935640 | Conference/Special Purposes                 | 45,000           | 45,000           |
| SSR                      | 5T30 | 935607 | Gates Foundation                            | 200,000          | 200,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,053,863</b> | <b>1,060,580</b> |

**Program 04.04: State Conference**

The eTech Ohio Educational Technology Conference is Ohio's premier technology professional development event for Ohio educators. The Conference provides high quality professional development opportunities to: K-12 teachers, technology integration staff, curriculum coordinators, technology coordinators and administrators. eTech Ohio's Education Technology Conference ranks as one of the top education conferences in the nation in terms of number of attendees, number of concurrent sessions, quality of speakers, number of vendors and quality of professional development.

**The Executive Recommendation will fund the following objectives:**

- Support the eTech Ohio Educational Technology Conference, Ohio's premiere education technology professional development event;
- Provide a forum for over 6,500 participants to receive training and share best practices regarding new and emerging educational tools and techniques;
- Provides a networking opportunity for P-20 education professionals; and
- Supports 5.5 full-time equivalent employees.

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| SSR                      | 5D40 | 935640 | Conference/Special Purposes | 1,396,396        | 1,398,527        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>1,396,396</b> | <b>1,398,527</b> |

**Program 04.05: Educational Technology Centers**

This program series provides funding for Ohio's regional educational technology centers. These organizations work with their local public television stations to provide educational multimedia content, professional development, and distance learning opportunities to schools in their regions.

**The Executive Recommendation will fund the following objectives:**

- Provide instructional resources, professional development and distance learning opportunities related to educational technology to Ohio teachers, administrators and technology staff through the educational technology centers;
- Benefit eight educational technology centers which serve different regions of Ohio; and
- Supports 0.4 full-time equivalent employees.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935411 | Tech Integration & Professional Development | 2,575,641        | 2,575,966        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>2,575,641</b> | <b>2,575,966</b> |

**PROGRAM SERIES 05: Operations**

**Program 05.01: Operations**

This program represents a wide variety of costs associated with the efficient operation of eTech Ohio. The services associated with this program include salary for operations and support staff members, utilities, office equipment and supplies, building maintenance, and various fees to the Department of Administrative Services.

**The Executive Recommendation will fund the following objectives:**

- Support the daily operations of the agency, including salaries, utilities, building maintenance, office equipment and supplies, and office space; and
- Support 19.6 FTEs.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 935408 | General Operations | 2,150,917        | 2,164,444        |
| FED                      | 3X80 | 935604 | IDEA               | 18,892           | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>2,169,809</b> | <b>2,164,444</b> |

**Appropriation Line Item Analysis for Fiscal Year 2010 and 2011**

**Line Item Restructuring Analysis**

A portion of line item 935321, Operations, is renamed 935408, General Operations. This change is designed to increase transparency and reflect ETC's actual operating structure.

A portion of 935321, Operations, and all of 935403, Technical Operations, are combined into 935409, Technology Operations. This change is designed to increase transparency and reflect ETC's actual operating structure.

Portions of 935321, Operations, 935406, Technical and Instructional Professional Development, and 935539, Educational Technology, and all of 935404, Telecommunications Operating Subsidy, are combined into 935410, Content Development, Acquisition, and Distribution. This change is designed to increase transparency and reflect ETC's actual operating structure.

Portions of 935321, Operations; 935406, Technical and Instructional Professional Development; and 93539, Educational Technology, are combined into 935411, Technology Integration and Professional Development. This change is designed to increase transparency and reflect ETC's actual operating structure.

Portions of 935321, Operations; and 935406, Technical and Instructional Professional Development, are combined into 935412, Information Technology. This change is designed to increase transparency and reflect ETC's actual operating structure.

To illustrate changes in funding levels due to this restructuring, estimated FY 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

|      |        |                             | Estimated | Recommended |          |           |          |
|------|--------|-----------------------------|-----------|-------------|----------|-----------|----------|
| Fund | ALI    | ALI Title                   | FY 2009   | FY 2010     | % Change | FY 2011   | % Change |
| GRF  | 935408 | General Operations          | 2,499,387 | 2,150,917   | -13.9%   | 2,164,444 | 0.6%     |
| GRF  | 935409 | Technology Operations       | 3,622,002 | 3,594,504   | -0.8%    | 3,602,446 | 0.2%     |
| GRF  | 935410 | Content Dev, Acq & Dist     | 4,409,363 | 4,137,306   | -6.2%    | 4,138,244 | 0.0%     |
| GRF  | 935411 | Tech Integration & Prof Dev | 7,741,021 | 6,963,226   | -10.0%   | 6,977,487 | 0.2%     |
| GRF  | 935412 | Information Technology      | 1,398,813 | 1,387,062   | -0.8%    | 1,350,394 | -2.6%    |

**LINE ITEM SUMMARY - eTech Ohio Commission**

| FUND                                 | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--------------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|--------------|
| GRF                                  | 935321 | Operations                                  | 7,042,529         | 6,332,602         | 6,814,434         | 5,624,814           | 0                      | -100.0        | 0                      | .0           |
| GRF                                  | 935401 | Statehouse News Bureau                      | 244,400           | 244,400           | 219,960           | 197,465             | 219,960                | 11.4          | 219,960                | 0.0          |
| GRF                                  | 935402 | Ohio Government Telecom Studio              | 716,417           | 716,417           | 716,417           | 643,150             | 716,417                | 11.4          | 716,417                | 0.0          |
| GRF                                  | 935403 | Technical Operations                        | 1,760,074         | 2,045,579         | 3,038,176         | 2,889,773           | 0                      | -100.0        | 0                      | .0           |
| GRF                                  | 935404 | Telecom Operating Subsidy                   | 3,632,413         | 3,632,413         | 3,273,672         | 2,856,594           | 0                      | -100.0        | 0                      | .0           |
| GRF                                  | 935406 | Technical & Instructional P D               | 5,998,988         | 6,192,639         | 5,870,741         | 4,938,149           | 0                      | -100.0        | 0                      | .0           |
| GRF                                  | 935408 | General Operations                          | 0                 | 0                 | 0                 | 0                   | 2,150,917              | .0            | 2,164,444              | 0.6          |
| GRF                                  | 935409 | Technology Operations                       | 0                 | 0                 | 0                 | 0                   | 3,594,504              | .0            | 3,602,446              | 0.2          |
| GRF                                  | 935410 | Content Dev, Acq & Dist                     | 0                 | 0                 | 0                 | 0                   | 4,137,306              | .0            | 4,138,244              | 0.0          |
| GRF                                  | 935411 | Tech Integration & Professional Development | 0                 | 0                 | 0                 | 0                   | 6,963,226              | .0            | 6,977,487              | 0.2          |
| GRF                                  | 935412 | Information Technology                      | 0                 | 0                 | 0                 | 0                   | 1,387,062              | .0            | 1,350,394              | -2.6         |
| GRF                                  | 935539 | Educational Technology                      | 6,282,004         | 5,902,531         | 3,843,226         | 3,361,256           | 0                      | -100.0        | 0                      | .0           |
| <b>TOTAL General Revenue</b>         |        |   | <b>25,676,825</b> | <b>25,066,581</b> | <b>23,776,626</b> | <b>20,511,201</b>   | <b>19,169,392</b>      | <b>-6.5</b>   | <b>19,169,392</b>      | <b>0.0</b>   |
| 4F30                                 | 935603 | Affiliate Services                          | 678,770           | 440,836           | 67,392            | 20,000              | 450,000                | 2150.0        | 50,000                 | -88.9        |
| 4T20                                 | 935605 | Government Television/telecomm Op           | 0                 | 0                 | 0                 | 1                   | 25,000                 | 2499900.0     | 25,000                 | 0.0          |
| <b>TOTAL General Services</b>        |        |   | <b>678,770</b>    | <b>440,836</b>    | <b>67,392</b>     | <b>20,001</b>       | <b>475,000</b>         | <b>2274.9</b> | <b>75,000</b>          | <b>-84.2</b> |
| 3S30                                 | 935606 | Enhancing Education Tech                    | 336,001           | 170,652           | 140,740           | 143,666             | 163,000                | 13.5          | 163,000                | 0.0          |
| 3X80                                 | 935604 | Idea  | 0                 | 0                 | 0                 | 0                   | 18,892                 | .0            | 0                      | -100.0       |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>336,001</b>    | <b>170,652</b>    | <b>140,740</b>    | <b>143,666</b>      | <b>181,892</b>         | <b>26.6</b>   | <b>163,000</b>         | <b>-10.4</b> |
| 4W90                                 | 935630 | Telecommunity                               | 188               | 0                 | 0                 | 1                   | 25,000                 | 2499900.0     | 25,000                 | 0.0          |
| 4X10                                 | 935634 | Distance Learning                           | 277,005           | 306,357           | 17,539            | 50,000              | 23,734                 | -52.5         | 24,150                 | 1.8          |
| 5D40                                 | 935640 | Conference/Special Purposes                 | 1,673,150         | 1,868,011         | 2,675,339         | 2,128,866           | 1,471,396              | -30.9         | 1,473,527              | 0.1          |
| 5FK0                                 | 935608 | Video Conferencing Services                 | 0                 | 0                 | 0                 | 240,000             | 300,000                | 25.0          | 300,000                | 0.0          |
| 5T30                                 | 935607 | Gates Foundation                            | 511,789           | 34,748            | 3,000             | 200,000             | 200,000                | 0.0           | 200,000                | 0.0          |
| <b>TOTAL State Special Revenue</b>   |        |   | <b>2,462,133</b>  | <b>2,209,116</b>  | <b>2,695,878</b>  | <b>2,618,867</b>    | <b>2,020,130</b>       | <b>-22.9</b>  | <b>2,022,677</b>       | <b>0.1</b>   |

**LINE ITEM SUMMARY - eTech Ohio Commission**

| FUND                               | ALI    | ALI NAME                          | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------------|--------|-----------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| S087                               | 935602 | Educational Technology Trust Fund | 6,071,296         | 4,319,504         | 4,216,532         | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>    |        |                                   | <b>6,071,296</b>  | <b>4,319,504</b>  | <b>4,216,532</b>  | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL eTech Ohio Commission</b> |        |                                   | <b>35,225,025</b> | <b>32,206,689</b> | <b>30,897,167</b> | <b>23,293,735</b>   | <b>21,846,414</b>      | <b>-6.2</b> | <b>21,430,069</b>      | <b>-1.9</b> |

### Role and Overview

The Ohio Ethics Commission, an independent state oversight agency, is charged with interpreting and administering the Ohio Ethics Law and promoting ethics in public service to strengthen the public's confidence that Government business is conducted with impartiality and integrity. The Commission has jurisdiction over the majority of Ohio's public officials and employees at the state and local levels of government, estimated to be over 590,000 in public service in Ohio.

In 1973, the Ohio legislature enacted Ohio's Ethics Law, Chapter 102 of the Ohio Revised Code, creating the Ethics Commission and a series of statutory provisions to protect against personal and business conflicts of interest in public contracts and decisions, and other unethical activity within the public sector. As an integral part of the law, the General Assembly created an independent, bi-partisan Commission, composed of six gubernatorial appointees, to execute its provisions. These appointees are subject to confirmation by the Senate, and serve six-year, staggered terms. The Ethics Law requires the Commission to provide ethics education, oversee financial disclosure, investigate unethical conduct that can lead to criminal prosecution, and advise the General Assembly on ethics-related legislation. The Commission is authorized to issue legal advisory opinions that provide protection to the requestor before action is taken. The Commission appoints an Executive Director who supervises a staff of 22 employees to administer the Ethics Law and related statutes.

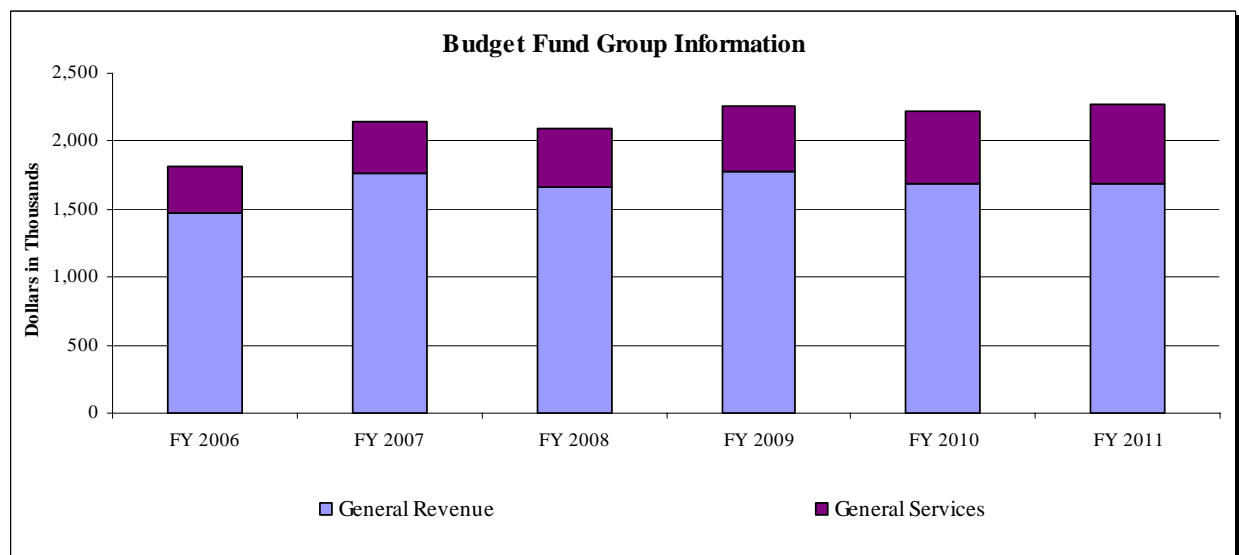
The Commission's annual budget of approximately \$2.3 million is 80% funded by the General Revenue Fund; 20% of funding is derived from the collection of financial disclosure filing fees from public officials and occasional court-ordered restitution payments.

More information regarding the Ethics Commission is available at <http://www.ethics.ohio.gov/>.

### Agency Priority

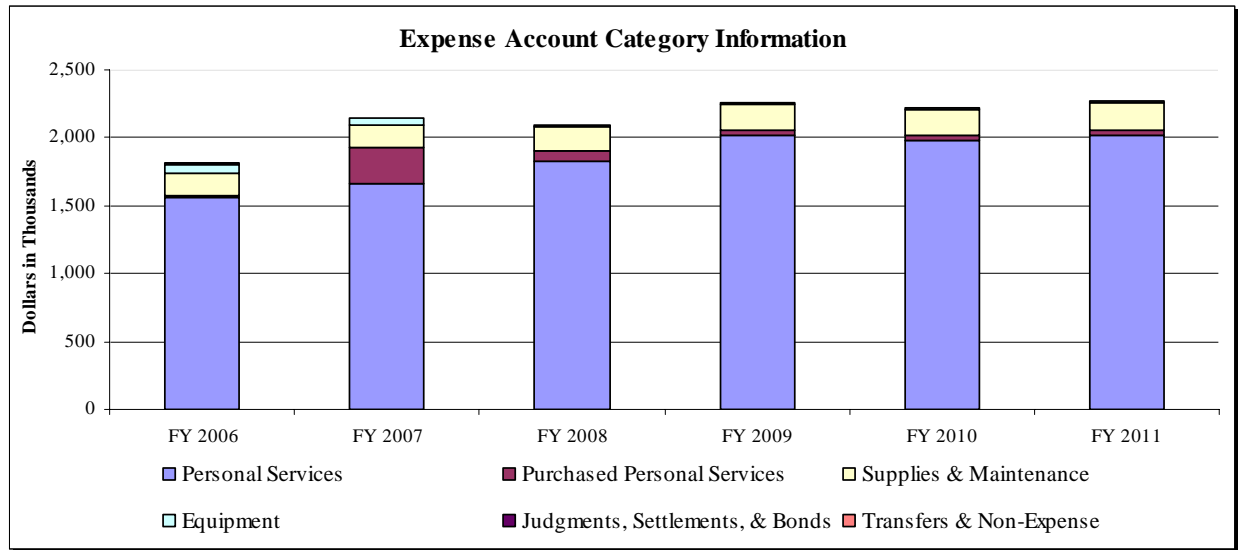
- Promote and enforce ethical conduct in public service to strengthen the public's confidence that state and local government business is conducted with impartiality and integrity.

### Summary of Budget History and Recommendations



State of Ohio  
**Ohio Ethics Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |              |            |
|-------------------------------------|--------------|--------------|--------------|------------------|------------|-------------------------|-------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011      | CHANGE     |
| General Revenue                     | 1,476        | 1,761        | 1,659        | 1,780            | 7.3        | 1,682                   | -5.5        | 1,682        | 0.0        |
| General Services                    | 335          | 389          | 440          | 478              | 8.5        | 545                     | 14.0        | 589          | 8.2        |
| <b>TOTAL</b>                        | <b>1,810</b> | <b>2,150</b> | <b>2,099</b> | <b>2,258</b>     | <b>7.5</b> | <b>2,227</b>            | <b>-1.4</b> | <b>2,271</b> | <b>2.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|-------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011      | CHANGE     |
| Personal Services                             | 1,563        | 1,664        | 1,826        | 2,023            | 10.8       | 1,976                   | -2.3        | 2,016        | 2.0        |
| Purchased Personal Services                   | 10           | 260          | 80           | 36               | -54.5      | 38                      | 5.0         | 44           | 15.8       |
| Supplies & Maintenance                        | 166          | 169          | 180          | 183              | 1.3        | 194                     | 6.3         | 193          | -0.5       |
| Equipment                                     | 69           | 56           | 11           | 14               | 30.7       | 16                      | 6.9         | 16           | 0.0        |
| Judgments, Settlements, & Bonds               | 2            | 2            | 0            | 0                | 0.0        | 0                       | 0.0         | 0            | 0.0        |
| Transfers & Non-Expense                       | 0            | 0            | 2            | 2                | -26.7      | 3                       | 66.7        | 3            | 0.0        |
| <b>TOTAL</b>                                  | <b>1,810</b> | <b>2,150</b> | <b>2,099</b> | <b>2,258</b>     | <b>7.5</b> | <b>2,227</b>            | <b>-1.4</b> | <b>2,271</b> | <b>2.0</b> |

### PROGRAM SERIES 01: Ethics Oversight

This program series administers the Ohio Ethics Law (R.C. Chapter 102 and Sections 2921.42 and 2921.43) for public officials and employees at both the state and all local levels of government. The Commission's major program areas are advisory services, including the issuance of legal advisory opinions; education and public information; financial disclosure; and investigations/enforcement, including referrals for prosecution.

#### Program 01.01: Advisory Services

This program increases awareness and understanding of the Ethics Law by the public, public officials and employees, and entities doing business with government entities to ensure compliance with the state's Ethics Law. The Advisory Services Program implements the Commission's authority to render legal advisory opinions with regard to questions concerning ethics, conflicts of interest, and financial disclosure. The advisory process allows those who have potential conflicts or otherwise need ethics advice to obtain guidance before they act. The



Commission issues written legal advisory opinions that apply the Ethics Law and related statutes for state and local public officials and employees; gives telephone guidance to public servants facing conflicts of interest; and provides Ethics Law information to the public and media. When the Commission provides written legal advice, the individual to whom the opinion is directed (or an individual who is similarly situated) is immune from criminal prosecution, civil suit, or removal from office or position for an alleged ethics violation, if such advice is heeded. The law thereby encourages officials to ask questions before they take action. In 2007, the Commission closed 245 written requests and responded to 3,447 telephone inquiries for guidance with a staff of only three attorneys for state and local responsibility.

**The Executive Recommendation will fund the following objectives:**

- Provide for the commission to prepare approximately 150 advisory opinions and handle over 3,000 telephone calls each year to interpret the ethics law and related statutes on behalf of public officials, employees, the general public, and the media.
- Support three advisory attorneys and their efforts to provide proper advice and guidance that will ensure compliance with the state's ethics law and avoidance of ethics violations; and
- Allow the commission and government entities to avoid costs related to unethical behavior, the investigation thereof, and resulting penalties to the public agency, by decreasing the likelihood that unethical behavior will occur if advice is sought and followed.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 146321 | Operating Expenses | 198,626        | 207,478        |
| GSF                      | 4M60 | 146601 | Operating Expenses | 56,657         | 57,594         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>255,283</b> | <b>265,072</b> |

**Program 01.02: Education**

This program meets the statutory mandate that the Commission provide continuing education and materials concerning the provisions of Ohio's Ethics Law, conflicts of interest, and financial disclosure. Educational sessions and informational materials increase public awareness of the application of Ohio's Ethics Law and, thereby, decrease the potential for costly ethics violations. Ethics education is offered through the development and distribution of informational materials, correspondence, educational sessions, internet and DVD usage, telephone assistance, and the Commission's website. Each year Commission staff conducts educational presentations and provides helpful answers to general questions throughout the state, conducting 253 first-hand presentations in 2007 alone, to more than 20,000 public servants and individuals. This program also incorporates the Commission's statutory responsibility to review and recommend ethics-related legislation to the General Assembly. The Commission conducts this effort with only two educational staff.

**The Executive Recommendation will fund the following objectives:**

- Support the commission's efforts to provide more than 150 sessions each year and thereby increase public understanding of Ohio's Ethics Law and related statutes and reduce the occurrence of ethics violations;
- Fund three staff members responsible for this program and scheduling, coordinating, and conducting ethics presentations and legal education seminars on ethics and conflicts of interest each year; and
- Fund the creation, updating, printing, and distribution of public information materials, the maintenance of mailing and email notification lists, and the development and distribution of public service announcements and press releases regarding the financial disclosure requirements and applicable deadlines.

**State of Ohio**  
**Ohio Ethics Commission**

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 146321 | Operating Expenses | 241,597        | 246,423        |
| GSF                      | 4M60 | 146601 | Operating Expenses | 828            | 2,053          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>242,425</b> | <b>248,476</b> |

**Program 01.03: Financial Disclosure**

This program administers and enforces the financial disclosure requirements of the Ohio Revised Code, which mandates that over 11,000 elected state, county and city officeholders, candidates for those offices, upper-level state administrative appointees and employees, and many state board and Commission members and their executive directors, from over 1,300 different political subdivisions and public agencies, annually disclose their sources of income and investments. The purpose of the disclosure is to remind the filer and make the public and Commission aware of potential conflicts of interests. The Commission secures a greater than 99% compliance rate for public disclosure with an FDS staff of only three employees.

**The Executive Recommendation will fund the following objectives:**

- Enable the commission to administer nearly 11,000 statements per year and individually review more than 2,500 of these for specific potential conflicts of interest each year; and
- Support three staff who coordinate filing requirements for officials and employees in 1,333 public entities, collect filing fees, make statements available in response to public records requests, and maintain the recently updated financial disclosure information database.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 146321 | Operating Expenses | 297,462        | 301,787        |
| GSF                      | 4M60 | 146601 | Operating Expenses | 76,160         | 77,010         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>373,622</b> | <b>378,797</b> |

**Program 01.04: Investigations**

This program implements the statutory requirement upon the Commission to confidentially investigate allegations or complaints of ethics violations against public officials and employees and those with whom they do business. Because such allegations raise questions of potential criminal misconduct, the Ethics Commission reports its findings to the appropriate prosecuting authority and when violations (penalized as either criminal felonies or misdemeanors) are evidenced. When most egregious, as white-collar criminal actions, investigations require objective and factual review, first-person interviews, subpoenaed documents and records. The Commission investigates allegations of ethical wrongdoing involving public officials and employees, and private parties who interact with them, at every level of government, including state departments, boards and Commissions, counties, cities, villages, townships, school districts, and other public entities. In 2007, the Commission received 498 allegations and conducted 136 active investigations. Investigative efforts by the Commission have led to dozens of public corruption convictions and court-ordered restitution to the public, in addition to hundreds of enforcement cases as Special Prosecutors in 21 separate cases in 12 different counties over the past dozen years. The Commission has only three attorneys, six investigators and one support staff to conduct its state-wide investigative mandate.

**The Executive Recommendation will fund the following objectives:**

- Enable the ten Ethics Commission staff assigned to this program to receive, review, and analyze allegations and initiate complaints against or investigations (when substantiated) of those under its authority subject to the ethics law and related statutes;

- Allow the commission to pursue and secure criminal investigations, including the compulsory subpoenas for the production of documents and witnesses and preparation of cases for the criminal adjudicatory processes when probable cause presents a potential criminal violation and where objective evidence ultimately supports criminal misconduct. Commission staff will continue to be available to assist prosecutors as such cases proceed through the justice system; and
- Support the application of alternative resolution to violations of the Ohio Ethics Law under Ohio Revised Code 102.06, where traditional prosecution does not serve to adequately remedy the misconduct. These efforts will hold public officials and employees accountable for violations of the ethics law, assure compliance with the law, and maintain a uniform and objective standard of public ethics oversight.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 146321 | Operating Expenses | 847,167          | 831,934          |
| GSF                      | 4M60 | 146601 | Operating Expenses | 250,719          | 246,758          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>1,097,886</b> | <b>1,078,692</b> |

#### **Program 01.05: Program Management**

This program provides general shared operating and administrative support costs needed to support all other program areas within the Ohio Ethics Commission such as human resources, information technology, and fiscal management. With its Executive Director, one IT Administrator, combined HR/Fiscal Manager, Fiscal Specialist and Receptionist, the Commission has only five additional support staff for its entire operation.

#### **The Executive Recommendation will fund the following objectives:**

- Provide funding for the shared (overhead) costs of all the program areas, such as office space, equipment, maintenance, and supplies.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 146321 | Operating Expenses | 97,168         | 94,498         |
| GSF                      | 4M60 | 146601 | Operating Expenses | 160,179        | 205,528        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>257,347</b> | <b>300,026</b> |

**LINE ITEM SUMMARY - Ethics Commission**

| FUND                           | ALI    | ALI NAME           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------|--------|--------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                            | 146321 | Operating Expenses | 1,475,573         | 1,761,183         | 1,659,310         | 1,780,138           | 1,682,020              | -5.5        | 1,682,120              | 0.0         |
| <b>TOTAL General Revenue</b>   |        |                    | <b>1,475,573</b>  | <b>1,761,183</b>  | <b>1,659,310</b>  | <b>1,780,138</b>    | <b>1,682,020</b>       | <b>-5.5</b> | <b>1,682,120</b>       | <b>0.0</b>  |
| 4M60                           | 146601 | Operating Expenses | 334,642           | 389,015           | 440,086           | 477,543             | 544,543                | 14.0        | 588,943                | 8.2         |
| <b>TOTAL General Services</b>  |        |                    | <b>334,642</b>    | <b>389,015</b>    | <b>440,086</b>    | <b>477,543</b>      | <b>544,543</b>         | <b>14.0</b> | <b>588,943</b>         | <b>8.2</b>  |
| <b>TOTAL Ethics Commission</b> |        |                    | <b>1,810,215</b>  | <b>2,150,198</b>  | <b>2,150,198</b>  | <b>2,257,681</b>    | <b>2,226,563</b>       | <b>-1.4</b> | <b>2,271,063</b>       | <b>2.0</b>  |

### Role and Overview

The Expositions Commission (Expo) produces the annual state fair with emphasis on youth participation, education, and promotion of agriculture, Ohio products, Ohio tourism, and economic development, and operates the state-owned Expo Center year-round for publicly acceptable and fiscally responsible events in a clean, safe, and economical manner.

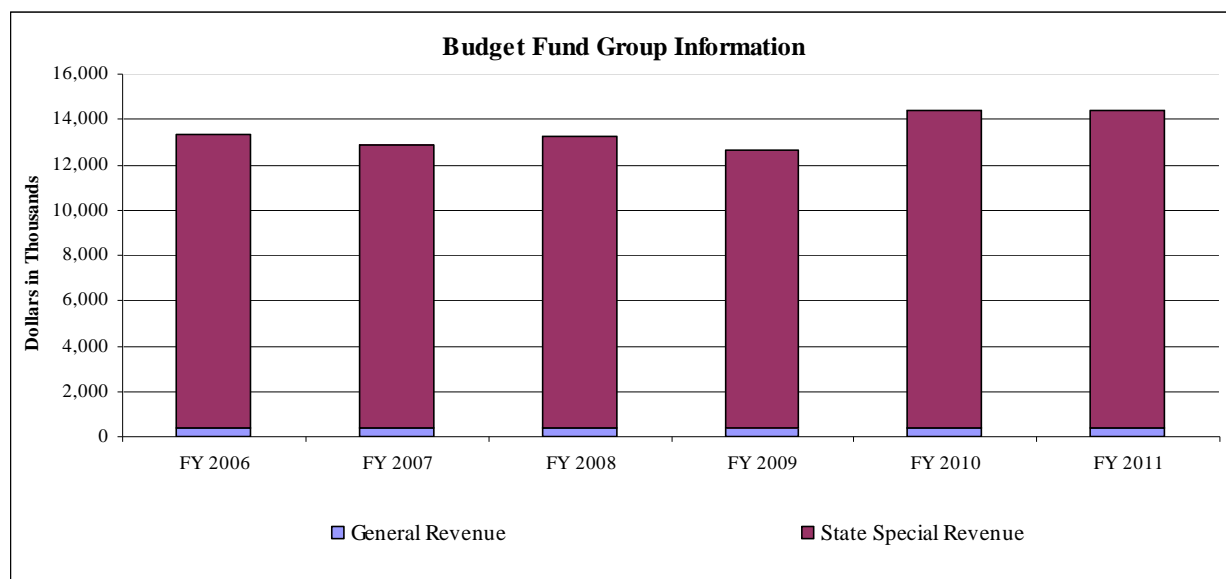
The Expositions Commission is composed of 13 members, which include the directors of the Department of Agriculture and the Department of Development, nine people appointed by the Governor, and the chairs of the House and Senate Agriculture Committees.

A general manager, hired by the commission, oversees 66 employees. The commission has an annual budget of approximately \$14.7 million. Additional information about the Expositions Commission is available at <http://www.ohioexpocenter.com/>.

### Agency Priorities

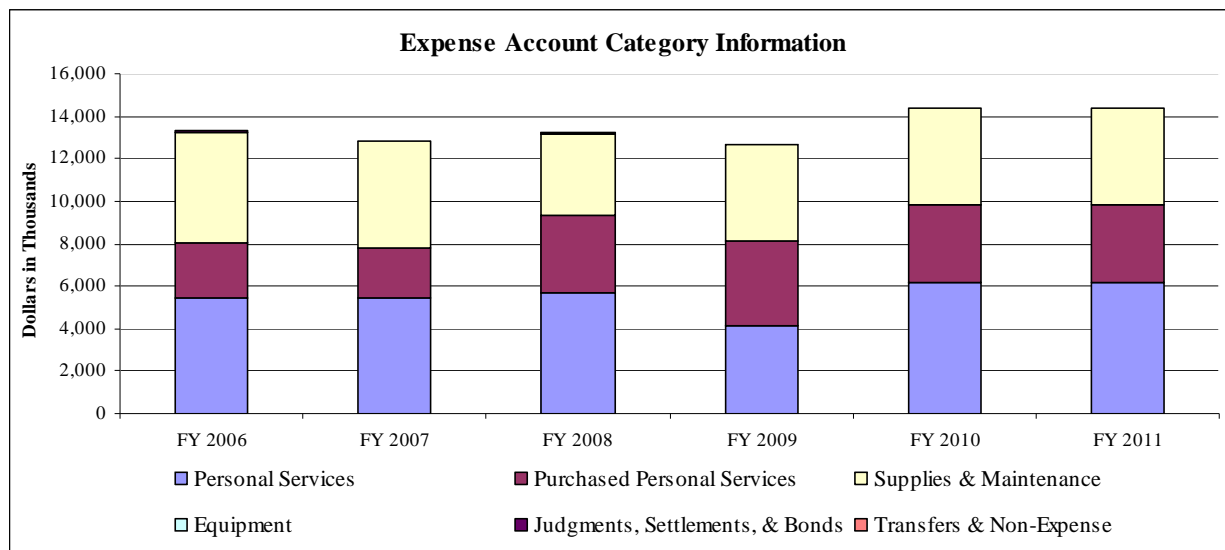
- Commit to creating a nationally recognized event venue and producing the highest quality state agricultural fair in order to be recognized as a unique, dynamic and profitable facility.
- Provide a facility which is safe, clean, versatile, comfortable, appealing, user friendly, and accessible.
- Utilize assets efficiently to build a strong financial position.
- Produce a diverse, entertaining, well attended and family-oriented annual state fair.
- Maintain a profitable schedule of Expo events and provide quality customer service in order to excel within the event industry.

### Summary of Budget History and Recommendations



State of Ohio  
**Ohio Expositions Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|-------------------------------------|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| General Revenue                     | 400           | 396           | 397           | 400             | 0.9                     | 360           | -10.0       | 360           | 0.0         |
| State Special Revenue               | 12,934        | 12,456        | 12,824        | 12,273          | -4.3                    | 14,025        | 14.3        | 14,025        | 0.0         |
| <b>TOTAL</b>                        | <b>13,334</b> | <b>12,852</b> | <b>13,221</b> | <b>12,673</b>   | <b>-4.1</b>             | <b>14,385</b> | <b>13.5</b> | <b>14,385</b> | <b>0.0</b>  |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|---|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                             | 5,482         | 5,440         | 5,668         | 4,162           | -26.6                   | 6,197         | 48.9        | 6,197         | 0.0         |
| Purchased Personal Services                   | 2,537         | 2,321         | 3,700         | 3,994           | 7.9                     | 3,624         | -9.3        | 3,624         | 0.0         |
| Supplies & Maintenance                        | 5,250         | 5,064         | 3,818         | 4,484           | 17.4                    | 4,529         | 1.0         | 4,529         | 0.0         |
| Equipment                                     | 0             | 15            | 0             | 0               | 0.0                     | 0             | 0.0         | 0             | 0.0         |
| Judgments, Settlements, & Bonds               | 63            | 13            | 0             | 33              | 100.0                   | 30            | -9.1        | 30            | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 34            | 0               | -100.0                  | 5             | 100.0       | 5             | 0.0         |
| <b>TOTAL</b>                                  | <b>13,334</b> | <b>12,852</b> | <b>13,221</b> | <b>12,673</b>   | <b>-4.1</b>             | <b>14,385</b> | <b>13.5</b> | <b>14,385</b> | <b>0.0</b>  |

**PROGRAM SERIES 01: State Fair Facilities**

The state fair facilities or Expo Center are a 20-building complex, housed on 360 acres that provide more than one million square feet of event space and seats for 20,000 people. In addition to accommodating the needs of the Ohio State Fair, more than 125 events are held annually at the facilities.

**Program 01.01: State Fair Management**

Ohio has produced the Ohio State Fair for more than 150 years, which continues to be diverse, entertaining, well attended, and family oriented. The fair has an emphasis on youth and development of agriculture, one of Ohio's largest industries. Ohio has one of the largest Junior Fair Livestock programs in the country.

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State of Ohio  
**Ohio Expositions Commission**

**The Executive Recommendation will fund the following objectives:**

- Continue the current level of 66 employees and provide funding to operate the Expo Center and the Ohio State Fair; and
- Provide support to the Junior Fair Program and the All Ohio Fair Band and Youth Choir.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 723403 | Junior Fair Subsidy            | 360,000          | 360,000          |
| SSR                      | 4N20 | 723602 | Ohio State Fair Harness Racing | 520,000          | 520,000          |
| SSR                      | 5060 | 723601 | Operating Expenses             | 6,329,000        | 6,329,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>7,209,000</b> | <b>7,209,000</b> |

**Program 01.02: Non-Fair Events**

The Expositions Commission strives to professionally operate and maintain a year-round service-oriented nationally recognized event facility which is safe, clean, versatile, comfortable, appealing, user friendly, and accessible. The facility hosts more than 125 events annually in addition to the Ohio State Fair.

**The Executive Recommendation will fund the following objective:**

- Provide resources to operate the Expo Center year-round for non-fair events.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| SSR                      | 5060 | 723601 | Operating Expenses | 7,176,000        | 7,176,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>7,176,000</b> | <b>7,176,000</b> |

State of Ohio  
**Ohio Expositions Commission**

**LINE ITEM SUMMARY - Expositions Commission**

| FUND                                | ALI    | ALI NAME                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------------|--------|--------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                 | 723403 | Junior Fair Subsidy            | 400,000           | 396,330           | 396,573           | 400,000             | 360,000                | -10.0        | 360,000                | 0.0         |
| <b>TOTAL General Revenue</b>        |        |                                | <b>400,000</b>    | <b>396,330</b>    | <b>396,573</b>    | <b>400,000</b>      | <b>360,000</b>         | <b>-10.0</b> | <b>360,000</b>         | <b>0.0</b>  |
| 4N20                                | 723602 | Ohio State Fair Harness Racing | 444,170           | 408,922           | 412,266           | 520,000             | 520,000                | 0.0          | 520,000                | 0.0         |
| 5060                                | 723601 | Operating Expenses             | 12,489,450        | 12,046,974        | 12,411,725        | 11,753,315          | 13,505,000             | 14.9         | 13,505,000             | 0.0         |
| <b>TOTAL State Special Revenue</b>  |        |                                | <b>12,933,620</b> | <b>12,455,896</b> | <b>12,823,991</b> | <b>12,273,315</b>   | <b>14,025,000</b>      | <b>14.3</b>  | <b>14,025,000</b>      | <b>0.0</b>  |
| <b>TOTAL Expositions Commission</b> |        |                                | <b>13,333,620</b> | <b>12,852,226</b> | <b>13,220,564</b> | <b>12,673,315</b>   | <b>14,385,000</b>      | <b>13.5</b>  | <b>14,385,000</b>      | <b>0.0</b>  |



### Role and Overview

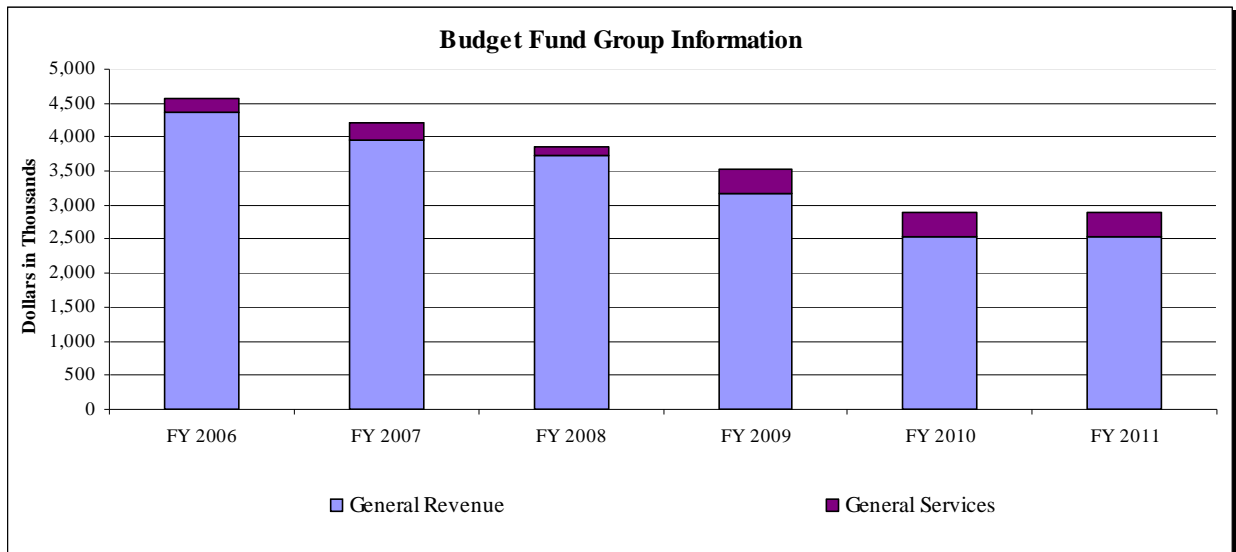
The Office of the Governor performs the duties of the chief executive officer of the state as outlined in the Ohio Constitution and the Ohio Revised Code. The budget for the Governor also includes funding for the Office of the Lieutenant Governor, whose role is to assist the Governor in the performance of executive duties and to assume the Office of Governor if it becomes vacant.

The Governor is a constitutional officer elected for a four-year term. The Governor's Office has approximately 45 employees and an annual budget of about \$2.9 million. Duties of the Governor include: the formulation and implementation of administrative policy for executive departments; the appointments of board and commission members and judges; and the power to pardon criminal offenders, to commute sentences, and to extradite fugitives from other states. The Governor also is responsible for reporting to the legislature on the state of the state, recommending legislation, proposing operating and capital budgets, proposing revenue sources to meet the needs of the state, and considering and acting upon legislation passed by the legislature. The Governor is the commander-in-chief of the militia.

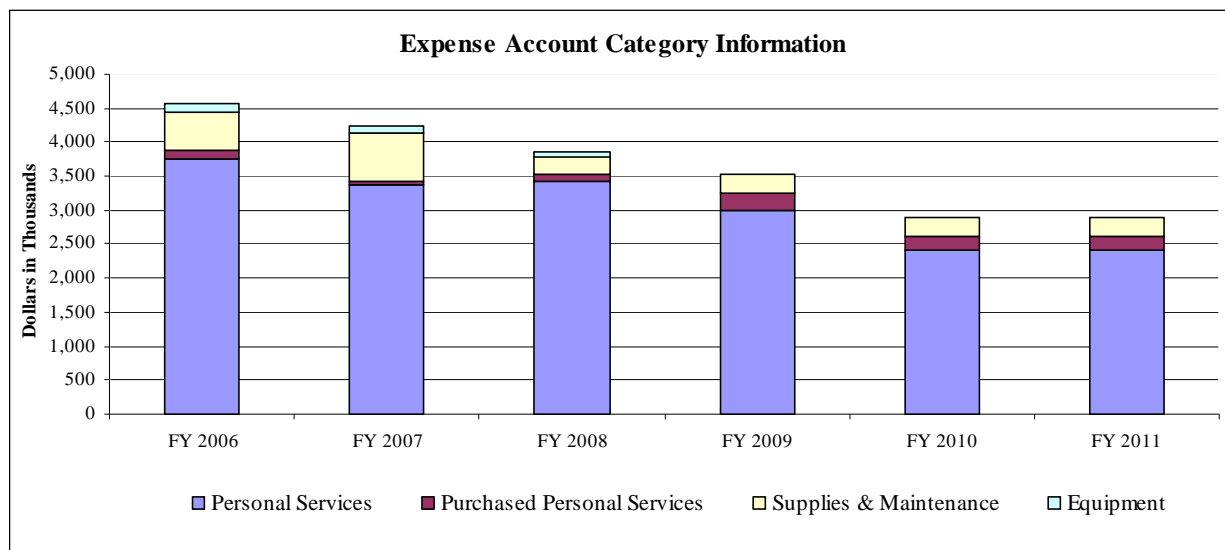
The Lieutenant Governor is a constitutional officer elected jointly with the Governor every four years. The Lieutenant Governor is a member of the Governor's cabinet and may be appointed by the Governor to lead a cabinet agency or be given any special assignment the Governor considers necessary.

Additional information regarding the Office of the Governor is available at <http://www.governor.ohio.gov/>.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |              |              |            |
|------------------|--------------|--------------|--------------|---------------|-------------|----------------------|--------------|--------------|------------|
|                  | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE       | FY 2011      | CHANGE     |
| General Revenue  | 4,360        | 3,963        | 3,719        | 3,164         | -14.9       | 2,533                | -19.9        | 2,533        | 0.0        |
| General Services | 210          | 262          | 127          | 365           | 188.2       | 365                  | 0.0          | 365          | 0.0        |
| <b>TOTAL</b>     | <b>4,570</b> | <b>4,225</b> | <b>3,846</b> | <b>3,529</b>  | <b>-8.2</b> | <b>2,898</b>         | <b>-17.9</b> | <b>2,898</b> | <b>0.0</b> |



- The Office of the Governor has decreased personnel costs as a means of managing the general revenue fund budget reductions that occurred in fiscal years 2008 and 2009.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |              |            |
|---|--------------|--------------|--------------|------------------|-------------|-------------------------|--------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011      | CHANGE     |
| Personal Services                             | 3,756        | 3,364        | 3,424        | 2,998            | -12.4       | 2,418                   | -19.4        | 2,418        | 0.0        |
| Purchased Personal Services                   | 129          | 72           | 99           | 243              | 146.8       | 207                     | -14.9        | 207          | 0.0        |
| Supplies & Maintenance                        | 562          | 691          | 250          | 285              | 14.0        | 266                     | -6.9         | 266          | 0.0        |
| Equipment                                     | 122          | 99           | 73           | 2                | -97.3       | 8                       | 309.2        | 8            | 0.0        |
| <b>TOTAL</b>                                  | <b>4,570</b> | <b>4,225</b> | <b>3,846</b> | <b>3,529</b>     | <b>-8.2</b> | <b>2,898</b>            | <b>-17.9</b> | <b>2,898</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Office of the Governor

This program series encompasses the activities of the chief executive officer of the State of Ohio.

#### Program 01.01: Office of the Governor

The Office of the Governor oversees the cabinet agencies, formulates administrative policy, recommends legislation, proposes operating and capital budgets, and considers and acts upon legislation approved by the General Assembly. The program also includes the costs to operate the Office of the Lieutenant Governor.

#### The Executive Recommendation will fund the following objectives:

- Support the activities of the Governor's Columbus and Washington, D.C. offices to manage and represent the interests of the citizens of Ohio.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 040321 | Operating Expense       | 2,332,000        | 2,332,000        |
| GRF                      | GRF  | 040403 | Federal Relations - GRF | 201,201          | 201,201          |
| GSF                      | 5AK0 | 040607 | Federal Relations       | 365,149          | 365,149          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>2,898,350</b> | <b>2,898,350</b> |

**LINE ITEM SUMMARY - Office of the Governor**

| FUND                                | ALI    | ALI NAME                    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------------|--------|-----------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                 | 040321 | Operating Expense           | 3,678,792         | 3,373,324         | 3,204,643         | 2,900,238           | 2,332,000              | -19.6        | 2,332,000              | 0.0         |
| GRF                                 | 040403 | Federal Relations - GRF     | 420,951           | 341,751           | 231,522           | 263,397             | 201,201                | -23.6        | 201,201                | 0.0         |
| GRF                                 | 040408 | Office of Veterans' Affairs | 260,238           | 247,817           | 283,078           | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL General Revenue</b>        |        |                             | <b>4,359,981</b>  | <b>3,962,892</b>  | <b>3,719,243</b>  | <b>3,163,635</b>    | <b>2,533,201</b>       | <b>-19.9</b> | <b>2,533,201</b>       | <b>0.0</b>  |
| 5AK0                                | 040607 | Federal Relations           | 209,590           | 261,766           | 126,715           | 365,149             | 365,149                | 0.0          | 365,149                | 0.0         |
| <b>TOTAL General Services</b>       |        |                             | <b>209,590</b>    | <b>261,766</b>    | <b>126,715</b>    | <b>365,149</b>      | <b>365,149</b>         | <b>0.0</b>   | <b>365,149</b>         | <b>0.0</b>  |
| <b>TOTAL Office of the Governor</b> |        |                             | <b>4,569,571</b>  | <b>4,224,658</b>  | <b>3,845,958</b>  | <b>3,528,784</b>    | <b>2,898,350</b>       | <b>-17.9</b> | <b>2,898,350</b>       | <b>0.0</b>  |

### Role and Overview

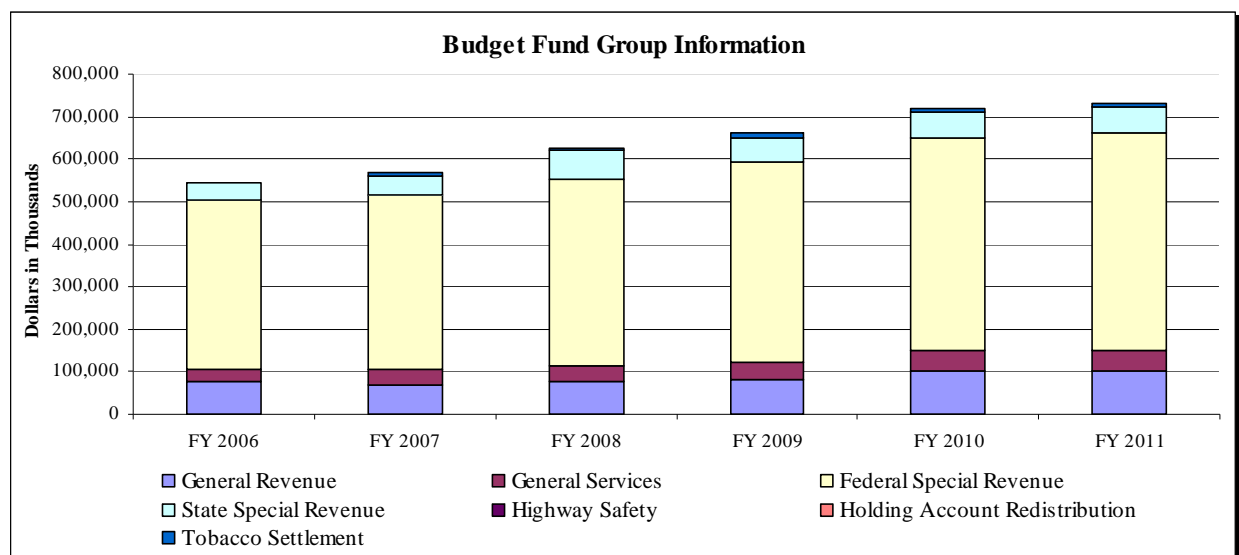
The Department of Health (ODH) protects and improves the health of Ohioans by building strategic partnerships with the public and private sectors to prevent disease, disability, and premature death by promoting healthy choices, assuring the quality and safety of health care services, and eliminating health disparities. The director and the seven-member Public Health Council share the department's governance. Both are appointed by the Governor. The council meets at least four times a year to develop regulations for the department's programs and to conduct public hearings. The director manages the department, which has approximately 1,370 employees and an annual budget of approximately \$622 million. The department partners with 130 local health districts that are each governed by a locally appointed board of health and a health commissioner.

More information regarding the Department of Health is available at <http://www.odh.ohio.gov>.

### Agency Priorities

- Prevent disease and the spread of disease.
- Encourage healthy choices to reduce the incidence of chronic diseases.
- Assure access to healthcare for Ohio's most vulnerable populations.
- Assure the quality and safety of health care facilities and services.
- Assure public health preparedness and security.
- Work to eliminate health disparities.

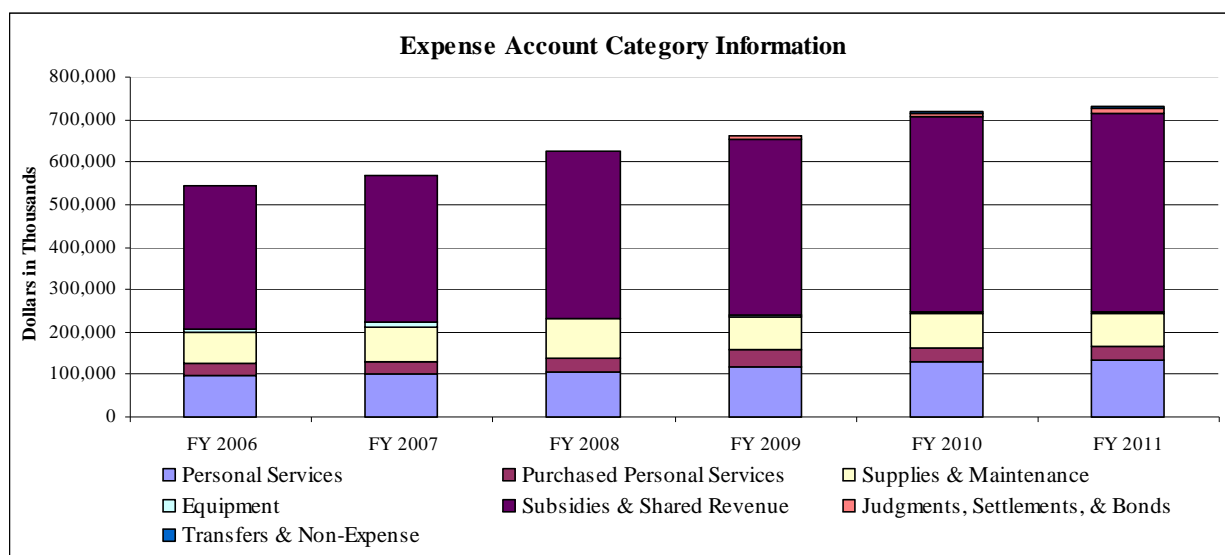
### Summary of Budget History and Recommendations



- General Revenue and State Special Revenue Fund levels are offset by increases in license fees for marinas, campgrounds, and agricultural labor camps; application/inspection fees for nursing homes; application fees for hospices; nurse aide training application fees; vital records fees; X-ray and radioactive materials license and inspection fees; pool and private water supply plan reviews, licenses, and inspections; and a new fee for hospice inspections.
- Growth in Federal Special Revenue is primarily due increasing food costs in the Women and Infant Children (WIC) program.
- Federal stimulus dollars are used to offset GRF levels in primarily the areas of health safety net services (mothers, children, and uncompensated care), immunizations, and infectious disease control.

State of Ohio  
Department of Health

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED    |             |                |             |
|-------------------------------------|----------------|----------------|----------------|-----------------|-------------------------|----------------|-------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        |                 |                         | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| General Revenue                     | 75,537         | 70,199         | 77,684         | 79,239          | 2.0                     | 102,463        | 29.3        | 102,463        | 0.0         |
| General Services                    | 30,892         | 33,550         | 36,276         | 43,179          | 19.0                    | 48,113         | 11.4        | 49,157         | 2.2         |
| Federal Special Revenue             | 396,898        | 413,280        | 439,050        | 470,391         | 7.1                     | 498,225        | 5.9         | 509,173        | 2.2         |
| State Special Revenue               | 39,598         | 42,261         | 66,591         | 58,538          | -12.1                   | 62,209         | 6.3         | 62,462         | 0.4         |
| Highway Safety                      | 181            | 281            | 116            | 234             | 102.2                   | 234            | 0.0         | 234            | 0.0         |
| Holding Account Redistribution      | 57             | 46             | 45             | 90              | 100.1                   | 90             | 0.0         | 90             | 0.0         |
| Tobacco Settlement                  | 2,752          | 8,679          | 4,434          | 10,950          | 147.0                   | 6,000          | -45.2       | 6,000          | 0.0         |
| <b>TOTAL</b>                        | <b>545,915</b> | <b>568,295</b> | <b>624,196</b> | <b>662,621</b>  | <b>6.2</b>              | <b>717,333</b> | <b>8.3</b>  | <b>729,578</b> | <b>1.7</b>  |



- Growth in Subsidies and Shared Revenue is primarily due increasing food costs in the Women and Infant Children (WIC) program.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED    |             |                |             |
|---|----------------|----------------|----------------|-----------------|-------------------------|----------------|-------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        |                 |                         | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| Personal Services                             | 97,213         | 101,489        | 106,369        | 117,812         | 10.8                    | 129,392        | 9.8         | 134,063        | 3.6         |
| Purchased Personal Services                   | 27,935         | 29,957         | 32,003         | 39,982          | 24.9                    | 34,754         | -13.1       | 32,560         | -6.3        |
| Supplies & Maintenance                        | 73,722         | 78,921         | 91,769         | 77,310          | -15.8                   | 77,706         | 0.5         | 77,785         | 0.1         |
| Equipment                                     | 7,570          | 13,227         | 2,879          | 3,681           | 27.8                    | 4,390          | 19.3        | 4,406          | 0.4         |
| Subsidies & Shared Revenue                    | 338,196        | 343,387        | 390,495        | 415,626         | 6.4                     | 458,518        | 10.3        | 467,076        | 1.9         |
| Judgments, Settlements, & Bonds               | 1,279          | 1,314          | 44             | 7,704           | 17,376.8                | 11,449         | 48.6        | 12,201         | 6.6         |
| Transfers & Non-Expense                       | 0              | 0              | 637            | 505             | -20.7                   | 1,125          | 122.7       | 1,487          | 32.2        |
| <b>TOTAL</b>                                  | <b>545,915</b> | <b>568,295</b> | <b>624,196</b> | <b>662,621</b>  | <b>6.2</b>              | <b>717,333</b> | <b>8.3</b>  | <b>729,578</b> | <b>1.7</b>  |

#### PROGRAM SERIES 01: Disease Prevention

This program series prevents disease or the spread of disease and promotes healthy choices by tracking diseases, performing disease investigations, and by providing health education, vaccines, testing, and monitoring.

**Program 01.01: Infectious Disease Control**

This program also prevents and controls infectious diseases including vaccine-preventable diseases and infectious diseases transmitted from human to human, animal to human, and the environment to humans. Activities include the prevention and control of about 100 infectious diseases and outbreaks in hospitals and other facilities as well as in communities. The program addresses bioterrorism infectious agents, tuberculosis, food-borne illnesses, HIV and other sexually transmitted diseases (STDs), West Nile Virus, rabies, and hepatitis to name a few.

**The Executive Recommendation will fund the following objectives:**

- Update and maintain the immunization registry;
- Provide HIV testing and counseling to 65,000 individuals per year and fund an information telephone line;
- Respond to more than 300 food borne infectious disease outbreaks in coordination with local health departments and the Centers for Disease Control and Prevention;
- Fund approximately 60 local health departments to provide immunization outreach in their areas;
- Provide antibiotics to treat 83,000 people with STDs thus preventing exposure to HIV and other STDs;
- Prevent and control tuberculosis for approximately 250 Ohioans who are infected and 3,500 potential exposures; and
- Fund immunizations and animal borne disease prevention efforts using additional federal stimulus dollars.

| FUND                     |      |        |                                   | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440407 | Animal Borne Disease & Prevention | 600,000           | 600,000           |
| GRF                      | GRF  | 440418 | Immunizations                     | 7,249,467         | 7,249,366         |
| GRF                      | GRF  | 440444 | AIDS Prevention & Treatment       | 1,585,121         | 1,585,184         |
| GRF                      | GRF  | 440446 | Infectious Disease Prevention     | 230,622           | 218,810           |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus         | 1,727,864         | 1,727,864         |
| FED                      | 3920 | 440618 | Federal Public Health Programs    | 18,793,733        | 18,977,747        |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses            | 2,828             | 2,828             |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>30,189,635</b> | <b>30,361,799</b> |

**Program 01.02: Healthy Ohio**

The Healthy Ohio was created in the SFY 2008-2009 biennium and provides and supports programs and activities that promote health, prevent chronic disease and injury, and reduce health disparities. The program's goals are to assure a healthy, productive workforce and equip students for learning, while also contributing to the more efficient and cost-effective use of medical services. Program initiatives include: the prevention and reduction of childhood obesity; chronic disease prevention programs including the Breast and Cervical Cancer Program (BCCP) and others addressing diabetes, heart disease and stroke, and comprehensive cancer; injury prevention including the child passenger safety program; and sexual assault and domestic violence. In addition, Healthy Ohio encompasses the comprehensive Tobacco Use Prevention and Cessation Program. Healthy Ohio also works with sister agencies to enhance, develop, and coordinate health promotion and disease prevention programs, especially for target populations such as those with low-incomes, mental health and/or substance abuse issues, and seniors.

**The Executive Recommendation will fund the following objectives:**

- Invest in primary prevention of obesity and chronic disease through comprehensive state and community-based programs aimed at increasing physical activity and improving nutrition;
- Provide BCCP screenings to approximately 18,000 women;
- Provide tobacco quit line services to a minimum of 15,000 Ohioans each year and support state and community interventions targeted at youth and high-risk populations;
- Enhance a falls prevention program targeted towards at-risk seniors;
- Implement systems and environmental changes in at least 39 Ohio communities as a result of the Community Heart Health and Injury Prevention Programs;

- Reduce the number of children injured or killed in motor vehicle collisions by providing child passenger safety seats and appropriate education to parents and/or caregivers;
- Work to increase early identification and improve management of chronic conditions such as diabetes; and
- Help fund chronic disease and injury prevention efforts using additional federal stimulus dollars.

| FUND                     |      |        |                                     | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440437 | Healthy Ohio                        | 2,569,998         | 2,569,998         |
| GRF                      | GRF  | 440438 | Breast & Cervical Cancer Screening  | 2,500,000         | 2,500,000         |
| GRF                      | GRF  | 440468 | Chronic Disease & Injury Prevention | 692,363           | 692,363           |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus           | 200,000           | 200,000           |
| GSF                      | 1420 | 440646 | Agency Health Services              | 92,921            | 92,921            |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant   | 180,000           | 180,000           |
| FED                      | 3870 | 440602 | Preventive Health Block Grant       | 7,698,239         | 7,697,400         |
| FED                      | 3920 | 440618 | Federal Public Health Programs      | 10,777,435        | 11,062,226        |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses              | 105,332           | 105,332           |
| HSF                      | 4T40 | 440603 | Child Highway Safety                | 233,894           | 233,894           |
| TSF                      | 5BX0 | 440656 | Tobacco Use Prevention              | 5,467,426         | 5,467,091         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>30,517,608</b> | <b>30,801,225</b> |

### **Program 01.03: Environmental Health**

This program protects the health of all Ohio residents and prevents illness by assuring that migrant labor camps, swimming pools, manufactured home parks, marinas, campgrounds, and other areas meet mandated environmental health standards. The program also regulates local health departments to ensure that restaurants, private water supplies, private sewage systems, and other areas meet environmental public health standards. This program ensures that the statutory requirements are met for Smoking Enforcement and School Environmental Health (Jarod's Law). Further, the program investigates and evaluates public health threats posed by the release of hazardous materials and samples beach water from select Lake Erie public bathing beaches.

#### **The Executive Recommendation will fund the following objectives:**

- Fund approval of food protection certification courses and course providers and certify 6,000 individuals in food protection;
- Facilitate annual reviews, approval, and monitoring of engineering plans for 377 swimming pools/spas, 123 manufactured home parks, five marinas, 26 RV parks, and 19 flood plain permits;
- Investigate and evaluate the threat to public health from hazardous materials spills;
- Facilitate registration of 1,000 private water system contractors and surveys of private water systems;
- Work with local health districts to implement state minimum standards and Revised Code requirements for 7,000 new and altered sewage treatment systems constructed annually;
- Administer smoking ban enforcement statewide and conduct direct enforcement in 35 health districts that have declined designation (more than 18,000 reports of violations were received last fiscal year);
- Provide training and technical assistance on Jarod's Law to more than 3,500 schools and all 130 local health districts;
- Offset present GRF expenses using increased fees for marinas, pools, campgrounds, agricultural labor camps, and private water supplies; and
- Help fund local environmental health efforts using additional federal stimulus dollars.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440454 | Local Environmental Health         | 1,055,219        | 1,055,219        |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus          | 200,000          | 200,000          |
| FED                      | 3920 | 440618 | Federal Public Health Programs     | 1,195,913        | 1,226,217        |
| SSR                      | 4700 | 440647 | Fee Supported Programs             | 3,580,220        | 3,654,348        |
| SSR                      | 5CJ0 | 440654 | Sewage Treatment System Innovation | 250,000          | 250,000          |
| SSR                      | 5ED0 | 440651 | Smoke Free Indoor Air              | 189,500          | 190,452          |
| TSF                      | 5BX0 | 440656 | Tobacco Use Prevention             | 492,001          | 492,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>6,962,853</b> | <b>7,068,236</b> |

#### Program 01.04: Public Health Laboratories

This program provides testing and laboratory data for Ohio's citizens, including testing for metabolic conditions in newborns, HIV, tuberculosis, the source of food borne illnesses, and bioterrorism agents.

#### The Executive Recommendation will fund the following objectives:

- Provide necessary resources to protect citizens against select agent incidents and public health emergencies, such as anthrax and smallpox; and
- Fund more than four million tests a year for reference microbiology services, newborn screening, radiological chemistry tests, food borne disease tests, HIV tests, outbreak tests, stereotyping of infectious disease specimens, and tuberculosis tests.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440444 | AIDS Prevention & Treatment    | 233,470           | 231,970           |
| GRF                      | GRF  | 440451 | Public Health Laboratory       | 3,099,138         | 3,099,138         |
| GSF                      | 4730 | 440622 | Lab Operating Expenses         | 5,323,860         | 5,396,471         |
| FED                      | 3920 | 440618 | Federal Public Health Programs | 1,667,659         | 1,753,383         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>10,324,127</b> | <b>10,480,962</b> |

#### Program 01.05: Radiation Protection

This program ensures that public exposure to sources of radiation is reduced to levels as low as reasonably achievable by licensing and inspecting facilities using radioactive material, licensing radon testers and radon mitigation specialists, and registering and inspecting facilities using x-ray equipment and particle accelerators. The program also conducts workshops for school systems regarding radon testing in schools, responds to radiation incidents, and conducts security inspections of nuclear facilities.

#### The Executive Recommendation will fund the following objectives:

- Provide quality assurance inspections at 100 hospitals;
- Fund 15,000 registrations, including amendments, for x-ray facilities each year;
- Fund 7,500 licensing actions annually for x-ray equipment operators, 748 facilities, and annual inspections of 300 facilities using radioactive material;
- Provide for radiological emergency response activities;
- Provide annual inspections of 6,500 x-ray machines and 150 equipment assemblers and maintainers;
- Provide licensing for 253 radon testers, 73 radon mitigation specialists, and 51 radon mitigation contractors; and
- Offset present GRF expenses using a 20 percent fee increase on x-ray equipment inspections and licensing, and radiological material inspections.



| FUND                     |      |        |                                     | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010          | FY 2011          |
| GSF                      | 1420 | 440646 | Agency Health Services              | 82,755           | 82,755           |
| FED                      | 3920 | 440618 | Federal Public Health Programs      | 614,382          | 626,718          |
| SSR                      | 4700 | 440647 | Fee Supported Programs              | 6,661,863        | 7,599,623        |
| SSR                      | 5B50 | 440616 | Quality, Monitoring, and Inspection | 544,536          | 553,890          |
| SSR                      | 6100 | 440626 | Radiation Emergency Response        | 887,445          | 920,372          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>8,790,981</b> | <b>9,783,358</b> |

#### **Program 01.06: Alcohol Testing and Permit**

This program regulates the chemical testing of persons operating vehicles under the influence of alcohol or drugs. Activities include training for all permit holders and inspecting breath alcohol instrumentation, breath-testing sites, and alcohol and drug testing laboratories. The program issues permits to breath instrument operators, alcohol and drug testing laboratories, and evaluates proficiency examinations for all permit holders.

#### **The Executive Recommendation will fund the following objectives:**

- Train and issue permits to approximately 10,000 breath alcohol instrument operators;
- Confirm qualifications and issue permits to approximately 49 drug and 209 alcohol testing laboratories;
- Provide expert court testimony and training to the Judiciary;
- Evaluate proficiency testing of all permit holders; and
- Provide public speaking appearances promoting alcohol and drug issues.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| SSR                      | 5C00 | 440615 | Alcohol Testing And Permit | 1,081,586        | 1,100,940        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>1,081,586</b> | <b>1,100,940</b> |

#### **Program 01.07: Epidemiology**

This program tracks the occurrence of more than 70 diseases, including cancer, to determine the incidence and epidemiology of these diseases. The department, local public health districts, and others use this information to provide guidance on disease prevention and control programs and to determine appropriate courses of action.

#### **The Executive Recommendation will fund the following objectives:**

- Provide data for disease prevention and control programs by tracking the occurrence of infectious diseases, including HIV, tuberculosis, sexually transmitted diseases, and more than 70 other infectious diseases;
- Support five major surveillance systems including the Ohio Disease Reporting System (ODRS), cancer registry, tuberculosis surveillance, STD surveillance, and HIV surveillance that collect information on more than 100,000 case reports annually; and
- Help fund statewide cancer surveillance and infectious disease prevention efforts using additional federal stimulus dollars.

| FUND                     |      |        |                                      | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440412 | Cancer Incidence Surveillance System | 593,573          | 594,085          |
| GRF                      | GRF  | 440444 | AIDS Prevention & Treatment          | 51,458           | 52,895           |
| GRF                      | GRF  | 440446 | Infectious Disease Prevention        | 294,274          | 293,598          |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus            | 300,000          | 300,000          |
| GSF                      | 1420 | 440646 | Agency Health Services               | 4,324            | 4,324            |
| FED                      | 3920 | 440618 | Federal Public Health Programs       | 5,896,339        | 6,070,516        |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses               | 4,597            | 4,597            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>7,144,565</b> | <b>7,320,015</b> |

### Program 01.08: Second Chance

This program provides funding for local and/or statewide projects to increase awareness about the need for organ, eye, and tissue donation and the importance of becoming a registered organ donor.

#### The Executive Recommendation will fund the following objectives:

- Provide up to \$700,000 per year for a comprehensive statewide marketing campaign to increase registered donors as part of the National Donor Designation Collaborative Project;
- Provide up to \$300,000 per year in grant funding for the development and implementation of local and statewide public education programs about organ, tissue, and eye donation;
- Provide funding for brochures for the Ohio Bureau of Motor Vehicle offices and driver education decision kits for state licensed driving schools;
- Provide funding for updates and maintenance of [www.DonateLifeOhio.org](http://www.DonateLifeOhio.org); and
- Provide funding for national donor family recognition.

| FUND                     |      |        |                     | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010          | FY 2011          |
| SSR                      | 5D60 | 440620 | Second Chance Trust | 1,054,951        | 1,054,951        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>1,054,951</b> | <b>1,054,951</b> |

### Program 01.09: Prevention Program Support

This program provides leadership and technical assistance to the division including development, review, and comment on legislation and regulations pertinent to division specific programs. The program plays a leadership role in the development of public health policy at the national, state, and local levels. In addition, program activities include coordinating and planning activities for environmental health including Smoking Enforcement and School Environmental Health (Jarod's Law), infectious disease prevention, investigation, and control, disease surveillance and investigation, maintenance of disease registries, increased public safety and protection through radiological protection, alcohol testing, and the public health laboratory.

#### The Executive Recommendation will fund the following objectives:

- Provide programmatic and policy development and coordination operations for prevention programs; and
- Provide administration program activities for prevention programs including human resource coordination, overall administrative management, rule review and development, budget/purchasing support, and grant/contract support.

**State of Ohio**  
**Department of Health**

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440418 | Immunizations                                  | 12,101           | 12,202           |
| GRF                      | GRF  | 440446 | Infectious Disease Protection and Surveillance | 548,071          | 550,616          |
| FED                      | 3920 | 440618 | Federal Public Health Programs                 | 2,324,228        | 2,719,556        |
| SSR                      | 4700 | 440647 | Fee Supported Programs                         | 69,400           | 70,624           |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses                         | 54,874           | 54,874           |
| SSR                      | 5C00 | 440615 | Alcohol Testing And Permit                     | 65,434           | 65,598           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>3,074,108</b> | <b>3,473,470</b> |

**PROGRAM SERIES 02: Family and Community Health Services**

This program series eliminates health disparities by providing access to and availability of health care services for families, children, and individuals.

**Program 02.01: Children with Medical Handicaps**

This program provides treatment, diagnostic services, and service coordination for individuals under age 21 who have medically handicapping conditions; insurance premium payments for adults with hemophilia; and prescription medications, inpatient and outpatient hospital services, physician visits, and medical supplies to adults with cystic fibrosis.

**The Executive Recommendation will fund the following objectives:**

- Provide treatment services for approximately 22,000 children with medically handicapping conditions;
- Provide diagnostic services for more than 5,000 children;
- Provide service coordination for approximately 2,000 children;
- Provide insurance premiums for 30 adults with hemophilia;
- Fund seven Regional Comprehensive Genetic Centers that provide clinical services, education and outreach to approximately 70,000 individuals;
- Provide prescription medication and medical supplies to 245 adults with cystic fibrosis;
- Provide metabolic formula to approximately 300 individuals with PKU, homocystinuria and other inborn errors of metabolism;
- Fund six Regional Sickle Cell Services Projects and one Statewide Family Support Initiative that provide newborn screening follow-up, hemoglobin counseling, education and outreach to more than 12,000 individuals;
- Operationalize an information system for reporting of children with birth defects, linking those children to public health programs; and
- Educate the public about birth defects to improve birth outcomes.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME   | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440452 | Child & Family Health Services Match             | 18,654            | 18,771            |
| GRF                      | GRF  | 440505 | Medically Handicapped Children                   | 8,762,451         | 8,762,451         |
| GRF                      | GRF  | 440507 | Targeted Health Care Services Over 21            | 1,493,449         | 1,493,449         |
| GSF                      | 1420 | 440646 | Agency Health Services                           | 362,681           | 364,408           |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant                | 5,737,427         | 5,840,680         |
| FED                      | 3920 | 440618 | Federal Public Health Programs                   | 144,011           | 145,699           |
| SSR                      | 4770 | 440627 | Medically Handicapped Children Audit             | 3,693,016         | 3,693,016         |
| SSR                      | 4D60 | 440608 | Genetics Services                                | 3,317,000         | 3,317,000         |
| SSR                      | 4F90 | 440610 | Sickle Cell Disease Control                      | 1,035,344         | 1,035,344         |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses                           | 75,676            | 75,676            |
| SSR                      | 6660 | 440607 | Medically Handicapped Children County Assessment | 17,320,687        | 17,320,687        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>41,960,396</b> | <b>42,067,181</b> |

### Program 02.02: Child and Family Health

This program helps to eliminate health disparities and improve access to health care for low-income women, infants, and children by funding community-based organizations to provide public health programs and safety net medical services (e.g., prenatal, child health, family planning, care coordination); implementing a systems approach to prenatal smoking cessation; administering pediatric medical specialty clinics in underserved rural counties; providing public/professional education, environmental investigation, case management, data collection, and analysis to reduce lead poisoning; providing screening, education, and clinical hearing and vision services; funding perinatal system quality improvement in six regional perinatal centers; providing education, risk reduction, and grief support regarding the sudden and unexpected death of infants; and administering the child fatality review process in Ohio.

#### The Executive Recommendation will fund the following objectives:

- Identify community health issues and provide focused direct health care and other support services such as care coordination and risk reduction education to more than 75,000 low-income pregnant women and children, and 105,000 women's health and family planning clients;
- Train and certify 5,000 preschool vision screeners and provide protective eyewear to approximately 28,000 children;
- Provide hearing and vision screening, diagnostic, and treatment services to 4,000 low-income children in medically underserved areas of Ohio, predominantly rural counties throughout the state;
- Track all instances of Sudden Infant Death Syndrome in the state and provide support and bereavement services to families;
- Conduct 1,170 public health lead investigations for children with lead poisoning (via ODH and delegated authorities), and provide case management services to 1,800 children identified with lead poisoning;
- Provide lead testing to 20,500 children enrolled in WIC projects statewide;
- Provide prenatal smoking cessation services to more than 1,000 pregnant women in WIC projects statewide; and
- Fund uncompensated care services using additional federal stimulus dollars.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440416 | Mothers and Children Safety Net Services | 6,477,429         | 6,466,836         |
| GRF                      | GRF  | 440452 | Child & Family Health Services Match     | 273,297           | 287,106           |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus                | 340,895           | 340,895           |
| GSF                      | 1420 | 440646 | Agency Health Services                   | 558,689           | 975,812           |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant        | 13,073,895        | 12,865,077        |
| FED                      | 3920 | 440618 | Federal Public Health Programs           | 6,111,457         | 6,189,721         |
| SSR                      | 4V60 | 440641 | Save Our Sight                           | 2,938,649         | 3,115,938         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>29,774,311</b> | <b>30,241,385</b> |

### Program 02.03: Oral Health

This program provides community-based dental disease prevention services and dental care to children and adults who have limited access to dental care due to lack of insurance or inability to pay for the services. The program funds safety net dental clinics, school-based programs and links patients to dentists who have agreed to provide care at little or no cost.

#### The Executive Recommendation will fund the following objectives:

- Provide referral and case management services to 6,000 low-income Ohioans who need dental care but lack dental insurance;

- Fund dental safety net dental clinics that provide dental care to more than 35,000 Ohioans with poor access to oral health care;
- Fund school-based dental sealant programs providing preventive dental sealants in more than 40 counties to approximately 20,000 children;
- Provide financial assistance to communities that are beginning to fluoridate their water supplies or communities that need to replace fluoridation equipment, and fund the school-based Fluoride Mouth-rinse Program for more than 40,000 elementary school children in 215 schools in communities without optimal fluoridation;
- Fund the student loan repayment program for dentists willing to serve in underserved areas; and
- Fund uncompensated oral health care services using additional federal stimulus dollars.

| FUND                     |      |        |                                      | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440452 | Child & Family Health Services Match | 221,566          | 222,742          |
| GRF                      | GRF  | 440467 | Access To Dental Care                | 772,120          | 772,120          |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus            | 340,894          | 340,894          |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant    | 3,065,219        | 3,094,422        |
| SSR                      | 5Z70 | 440624 | Ohio Dental Loan Repayment           | 140,000          | 140,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>4,539,799</b> | <b>4,570,178</b> |

#### **Program 02.04: Nutrition**

This program provides nutritious foods, nutrition and breastfeeding education, immunization screening, and health care referrals to eligible pregnant, postpartum, and breastfeeding women, infants, and children up to age five. This program also provides coupons to program participants in some specified counties to purchase fresh fruits and vegetables from farmers' markets.

#### **The Executive Recommendation will fund the following objectives:**

- Provide nutritious foods and services including nutrition and breast feeding education, immunization screening, and health care referral to 300,000 income eligible pregnant and postpartum women, infants, and children;
- Provide \$15 coupons to 31,600 women and children in 47 counties to enable them to purchase fresh produce at Ohio's farmers' markets; and
- Ensures that continuing increases in the cost of food for the program are adequately paid for with no decrease in service levels.

| FUND                     |      |        |                           | RECOMMENDED        |                    |
|--------------------------|------|--------|---------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010            | FY 2011            |
| FED                      | 3890 | 440604 | Women, Infants & Children | 298,672,689        | 308,672,689        |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses    | 41,538             | 41,538             |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>298,714,227</b> | <b>308,714,227</b> |

#### **Program 02.05: Help Me Grow**

This program provides home visiting services to low income parents to include parenting education for families; screening and assessment; and services and supports for families with infants and toddlers (ages birth to three) suspected of or with developmental disabilities. These activities improve a child's chance of succeeding in school and in life by identifying developmental problems early and providing intervention.

#### **The Executive Recommendation will fund the following objectives:**

- Provide home visiting to low income parents to include parenting education on child health, safety, and development and linking to local health and community resources;

- Provide developmental, hearing, and vision screening, developmental assessments, service coordination and linking to community services and resources, and family support to infants and toddlers suspected of or having developmental delays or having a developmental disability;
- Train child care providers on child development, screening for developmental milestones, and on providing child care to children with special health care needs;
- Provide information and referrals to those calling the department's Helpline 24 hours a day, seven days a week;
- Provide parenting guidance to parents with children in cases where child abuse and neglect has been substantiated; and
- Support Help Me Grow services using GRF funding to replace Temporary Assistance for Needy Families (TANF) dollars.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440416 | Mothers and Children Safety Net Services | 452,028           | 461,301           |
| GRF                      | GRF  | 440459 | Help Me Grow                             | 36,500,000        | 36,500,000        |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant        | 593,849           | 600,972           |
| FED                      | 3920 | 440618 | Federal Public Health Programs           | 15,485,588        | 15,304,141        |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses                   | 2,000             | 2,000             |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>53,033,465</b> | <b>52,868,414</b> |

**Program 02.06: Community Health Services and Systems Development**

This program helps to eliminate health disparities and improve access to health services by: providing medications, health insurance premium payments, case management, emergency financial assistance, and Medicaid spend down for the HIV population; providing funding for primary health care services to low-income, uninsured patients in collaboration with Federally Qualified Health Centers (FQHCs) and free clinics; placing physicians and other health care providers in Health Professional Shortage Areas; providing orientation and technical assistance to school nurses statewide; and providing technical assistance to Ohio's 34 Critical Access Hospitals.

**The Executive Recommendation will fund the following objectives:**

- Fund primary medical care services to an estimated 80,380 low-income uninsured patients at 115 FQHCs;
- Assist 7,500 people diagnosed with HIV through access to life-saving medications, health insurance, case management, emergency assistance, and home care;
- Provide training and technical assistance to 800 school nurses to protect the health and safety of the school aged and adolescent population;
- Implement the School Emergency Preparedness Program, training 400 school and local health department nurses on first responder skills targeted to the school population;
- Fund an initial distribution of more than 5,000 school emergency and pandemic flu tool kits to school districts, school buildings, and local health districts, along with follow-up materials as requested;
- Assist underserved communities recruit and retain primary care, mental health and oral health providers;
- Fund Rural Health programs to provide resources and technical assistance to rural communities, health care providers, and Ohio's 34 Critical Access Hospitals;
- Support the Ohio Physician Loan Repayment Program (ODLRP) to help place primary care and geriatric physicians and psychiatrists in underserved areas;
- Support coordinated school health efforts including comprehensive health and wellness messages for schools and communities;
- Fund two Black Lung clinics which provide screening and pulmonary rehabilitation services to approximately 3,000 active and retired miners; and
- Fund uncompensated care services, free clinics, and FQHCs using additional federal stimulus dollars.

**State of Ohio**  
**Department of Health**

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440416 | Mothers and Children Safety Net Services | 72,176            | 72,882            |
| GRF                      | GRF  | 440431 | Free Clinics Safety Net Services         | 499,751           | 499,751           |
| GRF                      | GRF  | 440444 | AIDS Prevention & Treatment              | 4,572,265         | 4,572,265         |
| GRF                      | GRF  | 440452 | Child & Family Health Services Match     | 359,740           | 342,924           |
| GRF                      | GRF  | 440465 | Federally Qualified Health Centers       | 1,636,688         | 1,636,688         |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus                | 1,106,790         | 1,106,790         |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant        | 1,546,275         | 1,564,432         |
| FED                      | 3920 | 440618 | Federal Public Health Programs           | 25,806,909        | 25,798,233        |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses                   | 287,500           | 287,500           |
| SSR                      | 4P40 | 440628 | Ohio Physician Loan Repayment            | 476,870           | 476,870           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>36,364,964</b> | <b>36,358,335</b> |

**Program 02.07: Family and Community Health Program Support**

This program provides leadership and technical assistance to the division including development, review, and comment on legislation and regulations pertinent to division specific programs. The program plays a leadership role in the development of public health policy at the national, state, and local levels. In addition, program responsibilities include activities related to improving oral health in Ohio; improvement of the health status and prevention of health problems among Ohio's at-risk women, infants, and children; comprehensive genetic services, diagnostic and treatment services for medically handicapped children; early intervention, family planning, and other community-based services for underserved populations.

**The Executive Recommendation will fund the following objectives:**

- Provide leadership, policy development coordination, and management to the division's bureaus; and
- Manage 35 federally funded grants and 18 state funding sources, grants to local partners, and distribution of Choose Life funds.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440416 | Mothers and Children Safety Net Services | 382,779          | 382,779          |
| GRF                      | GRF  | 440452 | Child & Family Health Services Match     | 48,358           | 50,072           |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant        | 4,086,940        | 4,135,572        |
| FED                      | 3920 | 440618 | Federal Public Health Programs           | 375,412          | 409,806          |
| SSR                      | 4G00 | 440637 | Birth Certificate Surcharge              | 5,000            | 5,000            |
| SSR                      | 5CN0 | 440645 | Choose Life                              | 75,000           | 75,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>4,973,489</b> | <b>5,058,229</b> |

**PROGRAM SERIES 03: Quality Assurance**

This program series ensures that health care services and facilities are safe and of a high quality through inspection, licensing, and data collection.

**Program 03.01: Long-Term Care and Quality**

This program inspects nursing home facilities to assure the highest quality of care through initial survey for licensing and/or certification; provides periodic monitoring of licensed and certified long-term care facilities for continued compliance with applicable federal and state rules and regulations.

**The Executive Recommendation will fund the following objectives:**

- Support the licensing and regulation of 957 certified nursing facilities, 572 residential care facilities, and 427 intermediate care facilities for people with mental retardation;



- Operate three models that seek to improve long-term care residents' activities of daily living (ADL) through clinical practices including: maintenance of fluids, urinary incontinence program, and staff retention;
- Fund the investigation of all allegations of serious threats or harm to long-term care residents;
- Establish and maintain minimum standards for hospitals and units providing medical/nursing care in city and county institutions; and
- Offset present GRF expenses using additional revenue generated from fee increases for nursing facility applications and inspections, increased application fees for hospices, and nurse aide training applications.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance | 5,330,350         | 5,278,610         |
| FED                      | 3910 | 440606 | Medicaid/Medicare             | 17,929,437        | 18,386,357        |
| SSR                      | 4700 | 440647 | Fee Supported Programs        | 2,800             | 2,800             |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>23,262,587</b> | <b>23,667,767</b> |

### **Program 03.02: Regulatory Compliance**

This program administers enforcement actions against both licensed and certified health care facilities, the second phase of the informal dispute resolution process for nursing facilities, inspects clinical laboratories and conducts activities as the fire authority for certified facilities including approval of life safety code waivers.

#### **The Executive Recommendation will fund the following objectives:**

- Maintain health care provider enforcement activities for nursing facilities, intermediate care facilities for the mentally retarded, residential care facilities, adult care facilities, health care services, ambulatory care facilities and hospices, county home resident rights enforcement, and nurse aide training programs; and
- Fund site inspections for 550 clinical laboratories and 225 waived laboratories.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance | 617,145          | 620,889          |
| FED                      | 3910 | 440606 | Medicaid/Medicare             | 1,015,502        | 1,028,531        |
| SSR                      | 4700 | 440647 | Fee Supported Programs        | 156,580          | 159,408          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>1,789,227</b> | <b>1,808,828</b> |

### **Program 03.03: Diagnostic Safety and Personnel Certification**

This program licenses and certifies companies/persons for asbestos abatement; nursing home administrators; hearing aid fitters; radon testing and mitigation; and lead abatement; evaluates the need for and impact of relocating nursing home beds; approves proposed nursing home placement and renovation projects; and conducts investigations of allegations of resident abuse, neglect, and misappropriation of property at long-term and residential care facilities; and receives and processes all acute and long-term healthcare complaints for the state.

#### **The Executive Recommendation will fund the following objectives:**

- Assure performing licensing and certification of miscellaneous programs including asbestos abatement, nursing home administrators, hearing aid dealers, radon testing and mitigation, and lead abatement;
- Assure field investigations of allegations of abuse, neglect, and misappropriation of resident property at long-term care and residential facilities; and
- Facilitate processing and triage of 8,000 healthcare complaints and facility related incidents each year.



| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance  | 1,014,500        | 1,025,587        |
| FED                      | 3910 | 440606 | Medicaid/Medicare              | 837,388          | 857,906          |
| FED                      | 3920 | 440618 | Federal Public Health Programs | 564,000          | 561,842          |
| SSR                      | 4700 | 440647 | Fee Supported Programs         | 2,057,421        | 2,118,176        |
| SSR                      | 4710 | 440619 | Certificate Of Need            | 880,695          | 904,471          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>5,354,004</b> | <b>5,467,982</b> |

#### Program 03.04: Community Health Care Facilities and Services

This program inspects federally certified non long-term care providers and suppliers; inspects, licenses, and investigates complaints for adult care facilities; inspects ambulatory surgical facilities, freestanding dialysis centers, freestanding rehabilitation facilities, and hospices; and inspects and licenses hospital maternity units, neonatal units in children's hospitals, maternity homes, and freestanding birthing centers.

#### The Executive Recommendation will fund the following objectives:

- Support licensing of hospital maternity units, neonatal units in children's hospitals, maternity homes, and freestanding birthing centers;
- Fund licensing and inspection of 650 adult care facilities; and
- Support survey and evaluation of federally certified non long-term care providers and suppliers, as well as state licensed adult care facilities, ambulatory surgical facilities, freestanding dialysis centers, freestanding patient rehab facilities, and hospices.

| FUND                     |      |        |                                     | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance       | 1,747,559        | 1,784,568        |
| FED                      | 3910 | 440606 | Medicaid/Medicare                   | 3,808,796        | 4,201,406        |
| SSR                      | 4700 | 440647 | Fee Supported Programs              | 494,929          | 520,916          |
| SSR                      | 4710 | 440619 | Certificate Of Need                 | 2,000            | 2,000            |
| SSR                      | 5B50 | 440616 | Quality, Monitoring, and Inspection | 296,574          | 293,642          |
| SSR                      | 5C00 | 440615 | Alcohol Testing And Permit          | 308,385          | 288,867          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>6,658,243</b> | <b>7,091,399</b> |

#### Program 03.05: Licensure, Certification, and Support Operations

This program provides licensure, consultation, and support to nursing homes, health care facilities; responds to public information requests related to Medicare/Medicaid certified health care facilities and state licensed facilities; serves as the central repository for the receipt, review, and dissemination of certification actions; maintains records of nurse aides with findings of abuse, neglect, or misappropriation of property; and maintains the listing of individuals meeting the test requirements for employment in long-term care settings.

#### The Executive Recommendation will fund the following objectives:

- Fund activities related to supporting licensing and certification of health care or residential care facilities, including research and verification of information that health care providers furnish;
- Maintain custody of records related to survey and certification activities (data repository);
- Respond to public information requests relating to survey reports and data sets; and
- Receive hospital registration data that relate to corporate ownership, the number and type of services the hospital provides, the number of beds, and bed use.

**State of Ohio**  
**Department of Health**

| FUND                     |      |        |                                     | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance       | 555,856          | 491,505          |
| FED                      | 3910 | 440606 | Medicaid/Medicare                   | 1,306,911        | 1,339,080        |
| SSR                      | 4700 | 440647 | Fee Supported Programs              | 1,185,242        | 1,216,142        |
| SSR                      | 5B50 | 440616 | Quality, Monitoring, and Inspection | 78,451           | 80,582           |
| SSR                      | 5L10 | 440623 | Nursing Facility Tech Asst Program  | 15,000           | 15,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>3,141,460</b> | <b>3,142,309</b> |

**Program 03.06: Quality Assurance Program Support**

This program provides leadership and technical assistance to the division including development, review, and comment on legislation and regulations pertinent to division specific programs. The program plays a leadership role in the development of public health policy at the national, state, and local levels. In addition, program responsibilities include: activities related to licensure, certification, and the registration of health care professionals, facilities, services, products, and laboratories; attending hearings and preparation of testimony and legislative and regulatory amendments for consideration by the Ohio General Assembly; development, monitoring, and negotiating the Medicare/Medicaid Survey and Certification Budget; providing educational resources to nursing facilities to improve the quality of care and life for nursing home residents and inspecting nurse aide training and competency evaluation programs.

**The Executive Recommendation will fund the following objectives:**

- Provide leadership, policy development coordination, and management to division's bureaus;
- Fund overseeing implementation and coordination of the Centers for Medicare and Medicaid Services (CMS) information technology initiatives and coordination of the Quality Improvement & Evaluation System (QIES) at the state agency level;
- Fund the Policy, Projects and Research Section (PPRS) to respond to sensitive inquiries, research program issues, assist with problem solving; help programs with conducting five-year rule reviews to draft rules and legislative amendments;
- Fund the Technical Assistance Program (TAP) implementing education modules and providing expert technical consultation to nursing facilities; and
- Fund the nurse aide training and competency evaluation program to ensure that nurse aide programs offered in Ohio meet minimum established federal and state training and testing requirements for all nurse aides who work in nursing facilities.

| FUND                     |      |        |                                     | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance       | 1,064,462        | 1,127,810        |
| GSF                      | 6980 | 440634 | Nurse Aide Training                 | 170,000          | 170,000          |
| FED                      | 3910 | 440606 | Medicaid/Medicare                   | 993,123          | 1,012,962        |
| FED                      | 3920 | 440618 | Federal Public Health Programs      | 120,000          | 122,158          |
| SSR                      | 4700 | 440647 | Fee Supported Programs              | 286,989          | 297,296          |
| SSR                      | 4710 | 440619 | Certificate Of Need                 | 60,348           | 63,008           |
| SSR                      | 5B50 | 440616 | Quality, Monitoring, and Inspection | 86,138           | 86,939           |
| SSR                      | 5L10 | 440623 | Nursing Facility Tech Asst Program  | 683,595          | 683,595          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>3,464,655</b> | <b>3,563,768</b> |

**PROGRAM SERIES 04: Public Health Preparedness**

This program series provides funding to establish and maintain a basic public health infrastructure at the local and state level so that both have the capacity to respond to disease outbreaks, bioterrorism threats, food borne illness outbreaks, and other threats to the health of Ohioans.

**Program 04.01: Vital Statistics**

This program maintains the statewide registration system of births, deaths, fetal deaths, marriages, and other vital statistics; and interprets and distributes the statistical data (e.g., infant mortality, causes of death) that is collected from these records.

**The Executive Recommendation will fund the following objectives:**

- Fund all activities required to administer, maintain, and secure all births, deaths, fetal deaths, and other vital statistics in the state;
- Register annually the records and abstracts for approximately 156,000 births, 108,000 deaths, 80,000 marriage abstracts, 57,000 paternity actions, and 45,000 divorce abstracts;
- Issue more than 110,000 certified copies of vital records annually;
- Fund continuation of the vital statistics operation and modernization efforts to move to a paperless system, allowing local registrars and state office to issue certified certificate copies and abstracts from a state-maintained and secured data base;
- Continue imaging and digitization of all state vital records;
- Fund prevention measures against fraud and identity theft and comply with the REAL ID Act of 2005 and the Intelligence Reform and Terrorism Prevention Act of 2004; and
- Fund public health programs using a vital records fee increase of \$5 (\$4 is retained by the Department of Health, \$1 remains at the local level).

| FUND                     |      |        |                            | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010           | FY 2011           |
| GSF                      | 1420 | 440646 | Agency Health Services     | 2,736,835         | 2,583,941         |
| SSR                      | 4700 | 440647 | Fee Supported Programs     | 11,261,206        | 10,116,968        |
| SSR                      | 4G00 | 440636 | Heirloom Birth Certificate | 5,000             | 5,000             |
| SSR                      | 5G40 | 440639 | Adoption Services          | 20,000            | 20,000            |
| 090                      | R014 | 440631 | Vital Statistics           | 70,000            | 70,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>14,093,041</b> | <b>12,795,909</b> |

**Program 04.02: All Hazards Preparedness**

This program ensures public health and health care preparedness for a terrorism incident, including the ability to prevent, detect, investigate, control, and recover from an incident. While much of the focus is on biological disasters (e.g. anthrax attacks or pandemic influenza), the program also works to ensure preparation for man-made and natural disasters as well. The program plays a leadership role in the development of preparedness policy at the national, state, and local levels. The department provides financial support to and partners with local health departments and hospitals, health care providers, state and local emergency management agencies, mental health agencies, the Ohio Citizen Corps, and other responders.

**The Executive Recommendation will fund the following objectives:**

- Ensure the care and treatment of Ohioans during a public health emergency (e.g., pandemic flu) by providing vaccination or preventive medication, managing large numbers of hospital patients, preventing disease spread, and providing temporary shelter;
- Investigate outbreaks of disease to determine the source and cause;
- Provide critical information to Ohioans directly and through communication with response partners and the media;
- Ensure all local health departments have disaster plans and that hospital and public health plans are coordinated across communities and jurisdictions and that plans addressing Ohio risks and vulnerabilities may be effectively implemented with efficient management of resources;
- Ensure health response plans are operational through capability-based exercises with public and private partners;

- Develop and maintain capacity to detect a bioterrorism event through epidemiological surveillance, the state public health laboratory, and the laboratory response network;
- Ensure the public health workforce is prepared to participate within the framework of the National Incident Management System;
- Maintain volunteer pools and the capability to utilize volunteers in an emergency; and
- Maintain the capacity to communicate emergency information across public health and health care in the event of a disaster.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440446 | Infectious Disease Protection and Surveillance | 135,647           | 144,363           |
| FED                      | 3920 | 440618 | Federal Public Health Programs                 | 45,992,784        | 44,873,510        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>46,128,431</b> | <b>45,017,873</b> |

#### Program 04.03: Support for Local Health Departments

This program provides technical assistance, training and orientation, needs assessment and evaluation, coordination and compliance with public health standards, and state funding to 130 local health departments.

##### The Executive Recommendation will fund the following objectives:

- Provide approximately \$3 million per year in subsidy funds to 130 local health departments based to ensure local compliance with public health standards;
- Fund local health departments with technical assistance, training, orientation, needs assessment, and needs evaluation to ensure compliance with public health standards; and
- Help fund local health departments using additional federal stimulus dollars.

| FUND                     |      |        |                                 | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440413 | Local Health Department Support | 3,301,921        | 3,301,921        |
| GRF                      | GRF  | 440469 | Health - Federal Stimulus       | 106,194          | 106,194          |
| SSR                      | 4L30 | 440609 | Miscellaneous Expenses          | 172,123          | 172,123          |
| TSF                      | 5BX0 | 440656 | Tobacco Use Prevention          | 22,317           | 22,511           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>3,602,555</b> | <b>3,602,749</b> |

#### Program 04.04: Data Center

This program coordinates and conducts data collection, data research, analysis, and data dissemination activities for internal and external Department needs. Analysis of facility and population based data is crucial in making informed program or policy decisions, and meeting public health objectives and initiatives. Coordinates integration of health information systems and data analyses to decrease costs and improve information quality.

##### The Executive Recommendation will fund the following objectives:

- Meet the division's data needs including research, evaluation, and reporting for block grant, minority health, data disclosure, Medicaid, Prams, nursing home, and hospital reporting activities;
- Provide support to strengthen ODH policies ensuring data confidentiality and standardization; and
- Provide support to match fiscal and programmatic data in order to assist in decision making and provide operational/actionable information.

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| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 440412 | Cancer Incidence Surveillance System           | 180,661          | 180,149          |
| GRF                      | GRF  | 440446 | Infectious Disease Protection and Surveillance | 107,269          | 108,496          |
| GRF                      | GRF  | 440453 | Health Care Quality Assurance                  | 72,923           | 73,826           |
| GSF                      | 1420 | 440646 | Agency Health Services                         | 706,521          | 721,282          |
| GSF                      | 2110 | 440613 | Central Support Indirect Costs                 | 112,194          | 112,861          |
| FED                      | 3200 | 440601 | Maternal Child Health Block Grant              | 773,167          | 787,731          |
| FED                      | 3870 | 440602 | Preventive Health Block Grant                  | 128,420          | 129,259          |
| FED                      | 3920 | 440618 | Federal Public Health Programs                 | 805,574          | 831,935          |
| SSR                      | 4700 | 440647 | Fee Supported Programs                         | 27,791           | 28,140           |
| SSR                      | 4710 | 440619 | Certificate Of Need                            | 45,957           | 52,274           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>2,960,477</b> | <b>3,025,953</b> |

**PROGRAM SERIES 05: Services to State Employees**

This program series provides health and wellness programs to state workers to increase worker productivity by reducing the amount of sick time used.

**Program 05.01: Employee Health**

This program provides nursing services to state employees at nine locations throughout the state. Services include referral, evaluation of work-related injuries or illnesses, and emergency care.

**The Executive Recommendation will fund the following objectives:**

- Fund nursing services including prevention, referral, evaluation of work-related injuries or illnesses, and emergency care to state employees at nine locations throughout the state; and
- Fund wellness and Safety & Health Awareness for Public Employees (SHAPE) programs which include 20 educational programs, 206 weight loss sessions, 43 blood drives, 62 walking clubs, 83 upper body relaxation offerings, and 70 exercises classes, among others.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 1420 | 440646 | Agency Health Services         | 1,955,813        | 2,009,004        |
| GSF                      | 2110 | 440613 | Central Support Indirect Costs | 96,706           | 100,091          |
| SSR                      | 4700 | 440647 | Fee Supported Programs         | 120,699          | 120,699          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>2,173,218</b> | <b>2,229,794</b> |

**Program 05.02: Employee Assistance**

This program provides support and referral services for state employees who are experiencing personal problems that are currently or have the potential to affect job performance. This program also provides intake and consultation services, the monitoring of EAP Participation (Disciplinary) Agreements, training, critical incident stress debriefing services, and intervention services for organizations in transition due to a reorganization or downsizing.

**The Executive Recommendation will fund the following objectives:**

- Fund participation in approximately 30 Health and Wellness Fairs for more than 4,600 state employees;
- Fund approximately 155 Employee Assistance Program training events for more than 3,000 state employees;
- Provide intake and consultation services for approximately 2,400 state employees;
- Monitor EAP Participation (Disciplinary) Agreements for approximately 200 state employees;
- Provide Critical Incident Stress Debriefings (CISDs) and Intervention Services (Organization in Transition services) as needed for all state employees; and
- Provide Employee Assistance Program resource seminars to approximately 30 state agencies.

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| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| GSF                      | 6830 | 440633 | Employee Assistance Program | 1,330,947        | 1,353,323        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>1,330,947</b> | <b>1,353,323</b> |

### PROGRAM SERIES 06: Program Support

This program series provides administrative and operational support to the other programs.

#### Program 06.01: Program Support

This program funds the central administrative functions, including human resources, accounting, grants management, budget, information systems, internal audits, legal, facilities management, and the director's office.

#### The Executive Recommendation will fund the following objectives:

- Fund all central administration activities including information technology services and support, human resources services, legal, budget, accounting, grants management, internal audits, EEO, public affairs, purchasing, and facilities administration;
- Provide for rent and utilities payments, administration, and monitoring of 11 physical locations;
- Provide application maintenance for more than 50 internal applications and project management for applications in development stages;
- Enable 24/7 web services and support for external and internal customers; and
- Provide IT support to the Ohio Public Health Network, 130 local health departments, 240 WIC Offices, the state lab, and disaster recovery equipment.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010           | FY 2011           |
| GRF                      | GRF  | 440416 | Mothers and Children Safety Net Services | 154,037           | 154,651           |
| GSF                      | 1420 | 440646 | Agency Health Services                   | 3,375,504         | 3,499,803         |
| GSF                      | 2110 | 440613 | Central Support Indirect Costs           | 31,202,819        | 31,689,648        |
| FED                      | 3920 | 440618 | Federal Public Health Programs           | 102,791           | 104,807           |
| 090                      | R048 | 440625 | Refund, Grant, Reconciliation, Audit     | 20,000            | 20,000            |
| TSF                      | 5BX0 | 440656 | Tobacco Use Prevention                   | 18,256            | 18,398            |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>34,873,407</b> | <b>35,487,307</b> |

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**LINE ITEM SUMMARY - Department of Health**

| FUND                         | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                          | 440407 | Animal Borne Disease & Prevention               | 2,184,584         | 2,364,574         | 2,539,422         | 2,027,176           | 600,000                | -70.4       | 600,000                | 0.0         |
| GRF                          | 440412 | Cancer Incidence Surveillance System            | 939,211           | 807,011           | 1,249,740         | 892,104             | 774,234                | -13.2       | 774,234                | 0.0         |
| GRF                          | 440413 | Local Health Department Support                 | 3,792,721         | 3,779,645         | 3,788,207         | 3,561,921           | 3,301,921              | -7.3        | 3,301,921              | 0.0         |
| GRF                          | 440416 | Mothers and Children Safety Net Services        | 9,760,036         | 9,528,025         | 9,923,114         | 9,008,492           | 7,538,449              | -16.3       | 7,538,449              | 0.0         |
| GRF                          | 440418 | Immunizations                                   | 10,176,409        | 5,342,887         | 9,242,881         | 6,788,921           | 7,261,568              | 7.0         | 7,261,568              | 0.0         |
| GRF                          | 440425 | Abstinence & Adoption Education                 | 0                 | 0                 | 125,702           | 188,054             | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 440431 | Free Clinics Safety Net Services                | 129,219           | 0                 | 249,233           | 193,014             | 499,751                | 158.9       | 499,751                | 0.0         |
| GRF                          | 440437 | Healthy Ohio                                    | 0                 | 0                 | 795,761           | 2,905,307           | 2,569,998              | -11.5       | 2,569,998              | 0.0         |
| GRF                          | 440438 | Breast & Cervical Cancer Screening              | 0                 | 0                 | 1,742,466         | 2,224,261           | 2,500,000              | 12.4        | 2,500,000              | 0.0         |
| GRF                          | 440444 | Aids Prevention & Treatment                     | 6,845,840         | 7,229,592         | 6,683,203         | 6,424,702           | 6,442,314              | 0.3         | 6,442,314              | 0.0         |
| GRF                          | 440446 | Infectious Disease Protection and Surveillance  | 199,989           | 137,342           | 262,655           | 177,954             | 1,315,883              | 639.5       | 1,315,883              | 0.0         |
| GRF                          | 440451 | Public Health Laboratory                        | 6,362,209         | 5,901,383         | 6,169,886         | 5,482,046           | 3,099,138              | -43.5       | 3,099,138              | 0.0         |
| GRF                          | 440452 | Child & Family Health Services                  | 1,099,586         | 1,049,822         | 1,004,206         | 909,923             | 921,615                | 1.3         | 921,615                | 0.0         |
| GRF                          | 440453 | Health Care Quality Assurance                   | 9,916,559         | 10,376,493        | 10,287,424        | 9,917,765           | 10,402,795             | 4.9         | 10,402,795             | 0.0         |
| GRF                          | 440454 | Local Environmental Health                      | 839,766           | 901,463           | 778,500           | 791,677             | 1,055,219              | 33.3        | 1,055,219              | 0.0         |
| GRF                          | 440459 | Help Me Grow                                    | 9,348,033         | 9,276,213         | 10,537,508        | 13,286,105          | 36,500,000             | 174.7       | 36,500,000             | 0.0         |
| GRF                          | 440461 | Vital Statistics                                | 3,639,680         | 3,688,061         | 86,239            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                          | 440465 | Federally Qualified Health Centers              | 0                 | 0                 | 0                 | 0                   | 1,636,688              | .0          | 1,636,688              | 0.0         |
| GRF                          | 440467 | Access To Dental Care                           | 0                 | 0                 | 0                 | 0                   | 772,120                | .0          | 772,120                | 0.0         |
| GRF                          | 440468 | Chronic Disease & Injury Prevention             | 0                 | 0                 | 0                 | 0                   | 692,363                | .0          | 692,363                | 0.0         |
| GRF                          | 440469 | Health - Federal Stimulus                       | 0                 | 0                 | 0                 | 0                   | 4,322,637              | .0          | 4,322,637              | 0.0         |
| GRF                          | 440505 | Medically Handicapped Children                  | 9,463,788         | 8,770,254         | 10,504,265        | 9,588,120           | 8,762,451              | -8.6        | 8,762,451              | 0.0         |
| GRF                          | 440507 | Target Health Care Services Over 21             | 838,891           | 1,046,723         | 1,714,018         | 1,566,979           | 1,493,449              | -4.7        | 1,493,449              | 0.0         |
| GRF                          | 440511 | Uncompensated Care/Emergency Medical Assistance | 0                 | 0                 | 0                 | 3,304,197           | 0                      | -100.0      | 0                      | .0          |
| <b>TOTAL General Revenue</b> |        |   | <b>75,536,521</b> | <b>70,199,488</b> | <b>77,684,428</b> | <b>79,238,718</b>   | <b>102,462,593</b>     | <b>29.3</b> | <b>102,462,593</b>     | <b>0.0</b>  |
| 1420                         | 440646 | Agency Health Services                          | 1,761,558         | 2,219,452         | 4,043,210         | 7,961,915           | 9,876,043              | 24.0        | 10,334,250             | 4.6         |
| 2110                         | 440613 | Central Support Indirect Costs                  | 24,920,665        | 26,165,896        | 26,670,383        | 28,884,706          | 31,411,719             | 8.7         | 31,902,600             | 1.6         |
| 4730                         | 440622 | Lab Operating Expenses                          | 3,121,449         | 3,919,656         | 4,309,980         | 4,954,045           | 5,323,860              | 7.5         | 5,396,471              | 1.4         |

**LINE ITEM SUMMARY - Department of Health**

| FUND                                 | ALI    | ALI NAME                             | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 6830                                 | 440633 | Employee Assistance Program          | 1,067,554          | 1,211,363          | 1,204,905          | 1,208,214           | 1,330,947              | 10.2        | 1,353,323              | 1.7         |
| 6980                                 | 440634 | Nurse Aide Training                  | 20,338             | 33,406             | 47,376             | 170,000             | 170,000                | 0.0         | 170,000                | 0.0         |
| <b>TOTAL General Services</b>        |        |                                      | <b>30,891,564</b>  | <b>33,549,773</b>  | <b>36,275,853</b>  | <b>43,178,880</b>   | <b>48,112,569</b>      | <b>11.4</b> | <b>49,156,644</b>      | <b>2.2</b>  |
| 3200                                 | 440601 | Maternal Child Health Block Grant    | 23,647,131         | 24,232,452         | 24,537,723         | 30,666,635          | 29,056,772             | -5.2        | 29,068,886             | 0.0         |
| 3870                                 | 440602 | Preventive Health Block Grant        | 6,374,792          | 5,915,866          | 6,127,983          | 7,826,659           | 7,826,659              | 0.0         | 7,826,659              | 0.0         |
| 3890                                 | 440604 | Women, Infants & Children            | 219,273,610        | 229,547,466        | 250,773,552        | 270,327,451         | 298,672,689            | 10.5        | 308,672,689            | 3.3         |
| 3910                                 | 440606 | Medicaid/Medicare                    | 21,321,630         | 22,663,409         | 23,288,714         | 24,850,957          | 25,891,157             | 4.2         | 26,826,242             | 3.6         |
| 3920                                 | 440618 | Federal Public Health Programs       | 126,280,524        | 130,920,726        | 134,321,996        | 136,719,716         | 136,778,215            | 0.0         | 136,778,215            | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |                                      | <b>396,897,686</b> | <b>413,279,919</b> | <b>439,049,969</b> | <b>470,391,418</b>  | <b>498,225,492</b>     | <b>5.9</b>  | <b>509,172,691</b>     | <b>2.2</b>  |
| 4700                                 | 440647 | Fee Supported Programs               | 15,113,459         | 19,998,934         | 23,923,382         | 25,905,140          | 25,905,140             | 0.0         | 25,905,140             | 0.0         |
| 4710                                 | 440619 | Certificate of Need                  | 560,557            | 588,212            | 774,242            | 898,000             | 989,000                | 10.1        | 1,021,753              | 3.3         |
| 4770                                 | 440627 | Medically Handicapped Children Audit | 2,641,378          | 2,887,135          | 2,806,300          | 3,693,016           | 3,693,016              | 0.0         | 3,693,016              | 0.0         |
| 4D60                                 | 440608 | Genetics Services                    | 2,066,316          | 3,111,509          | 3,424,489          | 3,317,000           | 3,317,000              | 0.0         | 3,317,000              | 0.0         |
| 4F90                                 | 440610 | Sickle Cell Disease Control          | 814,517            | 791,357            | 761,699            | 1,035,344           | 1,035,344              | 0.0         | 1,035,344              | 0.0         |
| 4G00                                 | 440636 | Heirloom Birth Certificate           | 0                  | 473                | 0                  | 5,000               | 5,000                  | 0.0         | 5,000                  | 0.0         |
| 4G00                                 | 440637 | Birth Certificate Surcharge          | 0                  | 0                  | 0                  | 5,000               | 5,000                  | 0.0         | 5,000                  | 0.0         |
| 4L30                                 | 440609 | Miscellaneous Expenses               | 60,685             | 127,880            | 333,164            | 446,468             | 746,468                | 67.2        | 746,468                | 0.0         |
| 4P40                                 | 440628 | Ohio Physician Loan Repayment        | 0                  | 0                  | 0                  | 476,870             | 476,870                | 0.0         | 476,870                | 0.0         |
| 4V60                                 | 440641 | Save Our Sight                       | 1,407,298          | 1,118,432          | 1,888,365          | 2,260,880           | 2,938,649              | 30.0        | 3,115,938              | 6.0         |
| 5B50                                 | 440616 | Quality, Monitoring, and Inspection  | 739,052            | 843,268            | 823,484            | 838,479             | 1,005,699              | 19.9        | 1,015,053              | 0.9         |
| 5BL0                                 | 440638 | Healthy Ohio                         | 3,941,918          | 930,770            | 88,618             | 0                   | 0                      | .0          | 0                      | .0          |
| 5C00                                 | 440615 | Alcohol Testing and Permit           | 1,088,051          | 1,108,815          | 1,126,239          | 1,455,405           | 1,455,405              | 0.0         | 1,455,405              | 0.0         |
| 5CB0                                 | 440640 | Poison Control Centers               | 200,000            | 200,000            | 150,000            | 150,000             | 0                      | -100.0      | 0                      | .0          |
| 5CJ0                                 | 440654 | Sewage Treatment System Innovation   | 0                  | 0                  | 0                  | 0                   | 250,000                | .0          | 250,000                | 0.0         |
| 5CN0                                 | 440645 | Choose Life                          | 0                  | 26,620             | 33,573             | 75,000              | 75,000                 | 0.0         | 75,000                 | 0.0         |
| 5D60                                 | 440620 | Second Chance Trust                  | 1,133,067          | 846,894            | 890,565            | 1,147,303           | 1,054,951              | -8.0        | 1,054,951              | 0.0         |
| 5EC0                                 | 440650 | Pandemic Antivirals                  | 0                  | 0                  | 17,499,987         | 0                   | 0                      | .0          | 0                      | .0          |



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**LINE ITEM SUMMARY - Department of Health**

| FUND  | ALI    | ALI NAME   | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 5ED0  | 440651 | Smoke Free Indoor Air                            | 0                  | 456,003            | 313,556            | 800,000             | 189,500                | -76.3        | 190,452                | 0.5         |
| 5G40  | 440639 | Adoption Services                                | 0                  | 19,323             | 11,989             | 20,000              | 20,000                 | 0.0          | 20,000                 | 0.0         |
| 5L10  | 440623 | Nursing Facility Technical Assistance Program    | 531,657            | 561,248            | 548,062            | 698,595             | 698,595                | 0.0          | 698,595                | 0.0         |
| 5Z70  | 440624 | Ohio Dental Loan Repayment                       | 0                  | 0                  | 0                  | 140,000             | 140,000                | 0.0          | 140,000                | 0.0         |
| 6100  | 440626 | Radiation Emergency Response                     | 555,843            | 715,626            | 611,625            | 850,000             | 887,445                | 4.4          | 920,372                | 3.7         |
| 6660  | 440607 | Medically Handicapped Children County Assessment | 8,744,622          | 7,928,492          | 10,581,980         | 14,320,687          | 17,320,687             | 20.9         | 17,320,687             | 0.0         |
| <b>TOTAL State Special Revenue</b>          |        |  | <b>39,598,420</b>  | <b>42,260,990</b>  | <b>66,591,320</b>  | <b>58,538,187</b>   | <b>62,208,769</b>      | <b>6.3</b>   | <b>62,462,044</b>      | <b>0.4</b>  |
| 4T40  | 440603 | Child Highway Safety                             | 181,057            | 280,744            | 115,660            | 233,894             | 233,894                | 0.0          | 233,894                | 0.0         |
| <b>TOTAL Highway Safety</b>                 |        |  | <b>181,057</b>     | <b>280,744</b>     | <b>115,660</b>     | <b>233,894</b>      | <b>233,894</b>         | <b>0.0</b>   | <b>233,894</b>         | <b>0.0</b>  |
| R014  | 440631 | Vital Statistics                                 | 43,882             | 39,827             | 44,986             | 70,000              | 70,000                 | 0.0          | 70,000                 | 0.0         |
| R048  | 440625 | Refund, Grant, Reconciliation, Audit             | 13,131             | 5,887              | 0                  | 20,000              | 20,000                 | 0.0          | 20,000                 | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |  | <b>57,013</b>      | <b>45,714</b>      | <b>44,986</b>      | <b>90,000</b>       | <b>90,000</b>          | <b>0.0</b>   | <b>90,000</b>          | <b>0.0</b>  |
| 5BX0  | 440656 | Tobacco Use Prevention                           | 0                  | 0                  | 188,490            | 9,999,999           | 6,000,000              | -40.0        | 6,000,000              | 0.0         |
| L087  | 440404 | Minority Health Care Data Development            | 326,096            | 345,890            | 146,296            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440409 | Tuberculosis Prevention & Treatment              | 704,830            | 181,991            | 674,150            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440410 | Hepatitis C Prevention & Intervention            | 360,140            | 471,855            | 306,105            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440411 | Dental Programs/Minority/Low Income              | 511,666            | 323,910            | 400,339            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440412 | Cancer Incidence Surveillance System             | 0                  | 0                  | 850,000            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440420 | Childhood Lead WIC                               | 0                  | 77,680             | 602,233            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440421 | Infant Mortality Reduction                       | 266,000            | 266,000            | 245,539            | 0                   | 0                      | .0           | 0                      | .0          |
| L087  | 440432 | Pneumococcal Vaccines For Children               | 0                  | 4,682,067          | 0                  | 950,000             | 0                      | -100.0       | 0                      | .0          |
| L087  | 440648 | Emergency Medical/Oxygen/Low Income Seniors      | 583,653            | 850,000            | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| S087  | 440428 | Automated External Defibrillators                | 0                  | 1,479,389          | 1,020,610          | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>             |        |  | <b>2,752,385</b>   | <b>8,678,782</b>   | <b>4,433,762</b>   | <b>10,949,999</b>   | <b>6,000,000</b>       | <b>-45.2</b> | <b>6,000,000</b>       | <b>0.0</b>  |
| <b>TOTAL Department of Health</b>           |        |  | <b>545,914,647</b> | <b>568,295,410</b> | <b>624,195,978</b> | <b>662,621,096</b>  | <b>717,333,317</b>     | <b>8.3</b>   | <b>729,577,866</b>     | <b>1.7</b>  |

State of Ohio

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## Higher Educational Facility Commission

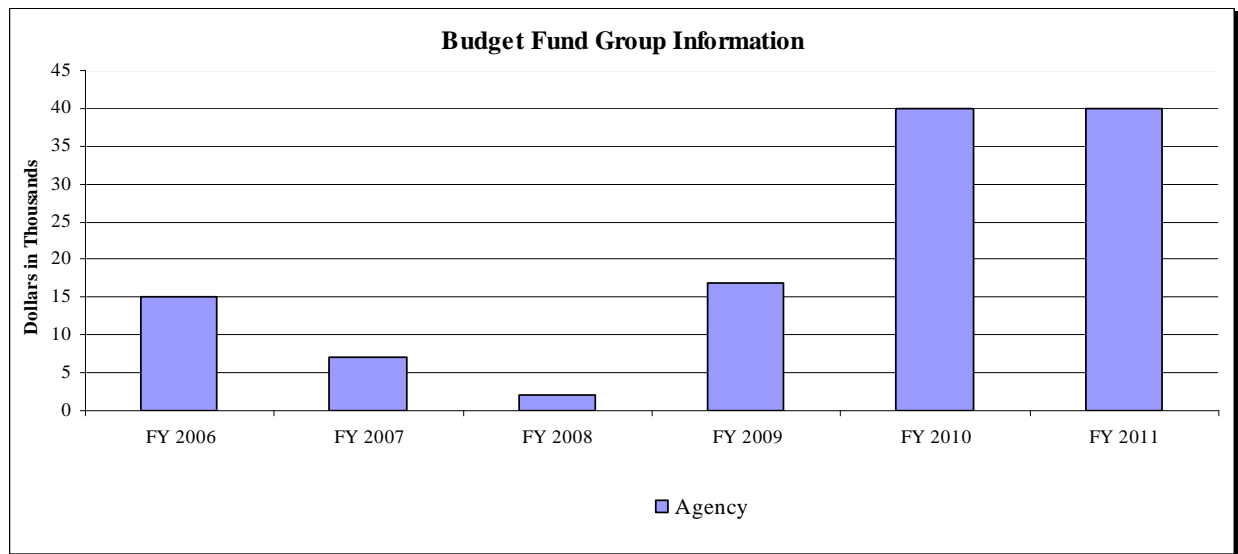
### Role and Overview

The Higher Educational Facility Commission assists Ohio's independent colleges and universities, and certain hospitals and health care systems, in building capital facilities at a lower interest cost than would otherwise be available. The commission finances the construction or renovation of facilities for independent colleges and universities and certain hospitals through the sale of tax-exempt bonds issued by the commission. In turn, the commission enters into agreements whereby a college, university, or hospital leases the facility from the commission and pays rent to the commission in the amount needed to retire the bonds.

### Agency Priorities

- Provide tax-exempt bonds to non-profit private colleges and universities and eligible hospitals to lower the costs of capital projects.

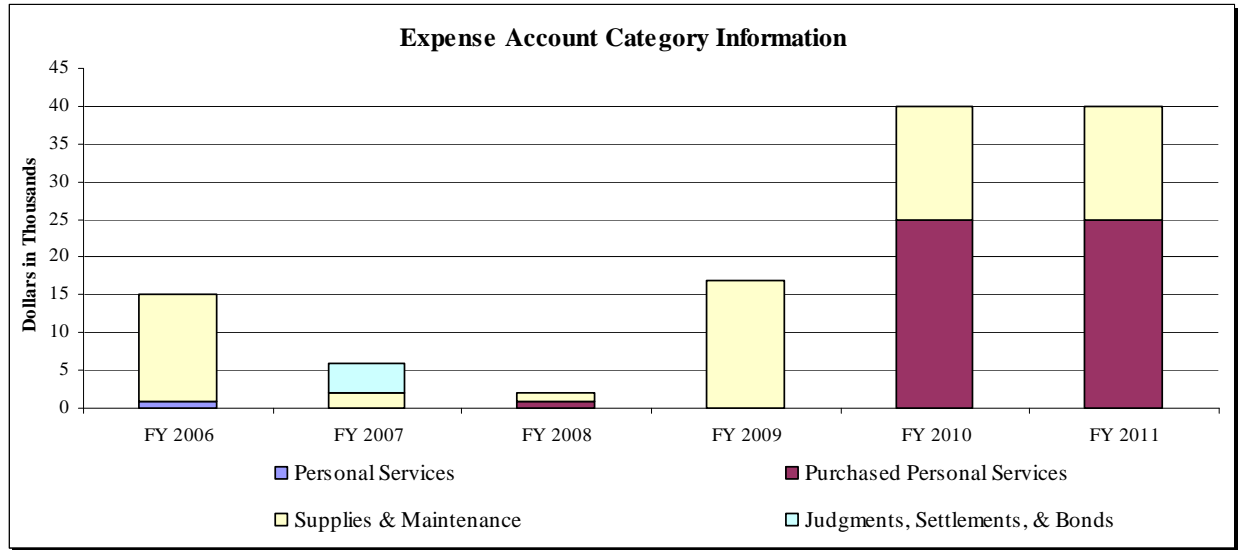
### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL    |          |          | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |              |           |            |
|-------------------------------------|-----------|----------|----------|------------------|--------------|-------------------------|--------------|-----------|------------|
|                                     | FY 2006   | FY 2007  | FY 2008  | FY 2009          | FY 08-09     | FY 2010                 | CHANGE       | FY 2011   | CHANGE     |
| Agency                              | 15        | 7        | 2        | 17               | 995.9        | 40                      | 137.8        | 40        | 0.0        |
| <b>TOTAL</b>                        | <b>15</b> | <b>7</b> | <b>2</b> | <b>17</b>        | <b>999.3</b> | <b>40</b>               | <b>137.8</b> | <b>40</b> | <b>0.0</b> |

State of Ohio

## Higher Educational Facility Commission



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL    |          |          | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |              |           |            |
|---|-----------|----------|----------|------------------|--------------|-------------------------|--------------|-----------|------------|
|   | FY 2006   | FY 2007  | FY 2008  | FY 2009          | FY 08-09     | FY 2010                 | CHANGE       | FY 2011   | CHANGE     |
| Personal Services                             | 1         | 0        | 0        | 0                | 0.0          | 0                       | 0.0          | 0         | 0.0        |
| Purchased Personal Services                   | 0         | 0        | 1        | 0                | -100.0       | 25                      | 100.0        | 25        | 0.0        |
| Supplies & Maintenance                        | 14        | 2        | 1        | 17               | 2,888.3      | 15                      | -11.8        | 15        | 0.0        |
| Judgments, Settlements, & Bonds               | 0         | 4        | 0        | 0                | 0.0          | 0                       | 0.0          | 0         | 0.0        |
| <b>TOTAL</b>                                  | <b>15</b> | <b>7</b> | <b>2</b> | <b>17</b>        | <b>999.3</b> | <b>40</b>               | <b>137.8</b> | <b>40</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Higher Education Funding Commission

This program series provides funding to pay for the direct expenses incurred by members of the commission, including personal travel, parking, lodging and incidental state fees. (Commission members receive no compensation for their service.) Revenues are generated from application and issuance fees paid by independent colleges and universities in Ohio, and eligible hospitals, who do business with the commission.

#### Program 01.01: Program Management

This program provides funding for board members' travel, parking, and other incidental costs. The funds used to pay for these costs are generated from application and issuance fees paid by participating private colleges and universities and eligible hospitals. The complexity and volume of the Commission's workload has increased with the growing volatility in the bond markets and the recently acquired responsibility to consider requests from certain health facilities. In FY 2007, the Commission approved of 11 requests for tax-exempt financing, totaling \$827.3 million. In FY 2008, the Commission has approved 16 requests for tax-exempt financing totaling \$1.8 billion.

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**Higher Educational Facility Commission**
**The Executive Recommendation will fund the following objectives:**

- Provide reimbursement to Commission members for necessary expenses;
- Fund occasional professional services or consultation, on an as-needed basis, for special issues; and
- Maintain membership of the Commission in a national body (the National Association of Health and Educational Facilities Finance Authorities), which provides professional development and periodic state and national policy and advisory information.

| FUND                     |      |        |                    | RECOMMENDED   |               |
|--------------------------|------|--------|--------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010       | FY 2011       |
| AGY                      | 4610 | 372601 | Operating Expenses | 40,000        | 40,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>40,000</b> | <b>40,000</b> |

## Higher Educational Facility Commission

**LINE ITEM SUMMARY - Higher Education Facilities Commission**

| <b>FUND</b>   | <b>ALI</b> | <b>ALI NAME</b>    | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|---|------------|--------------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| 4610  | 372601     | Operating Expenses | 14,846                    | 6,934                     | 1,535                     | 16,819                      | 40,000                         | 137.8               | 40,000                         | 0.0                 |
| <b>TOTAL Agency</b>                                 |            |                    | <b>14,846</b>             | <b>6,934</b>              | <b>1,535</b>              | <b>16,819</b>               | <b>40,000</b>                  | <b>137.8</b>        | <b>40,000</b>                  | <b>0.0</b>          |
| <b>TOTAL Higher Education Facilities Commission</b> |            |                    | <b>14,846</b>             | <b>6,934</b>              | <b>1,535</b>              | <b>16,819</b>               | <b>40,000</b>                  | <b>137.8</b>        | <b>40,000</b>                  | <b>0.0</b>          |

### Role and Overview

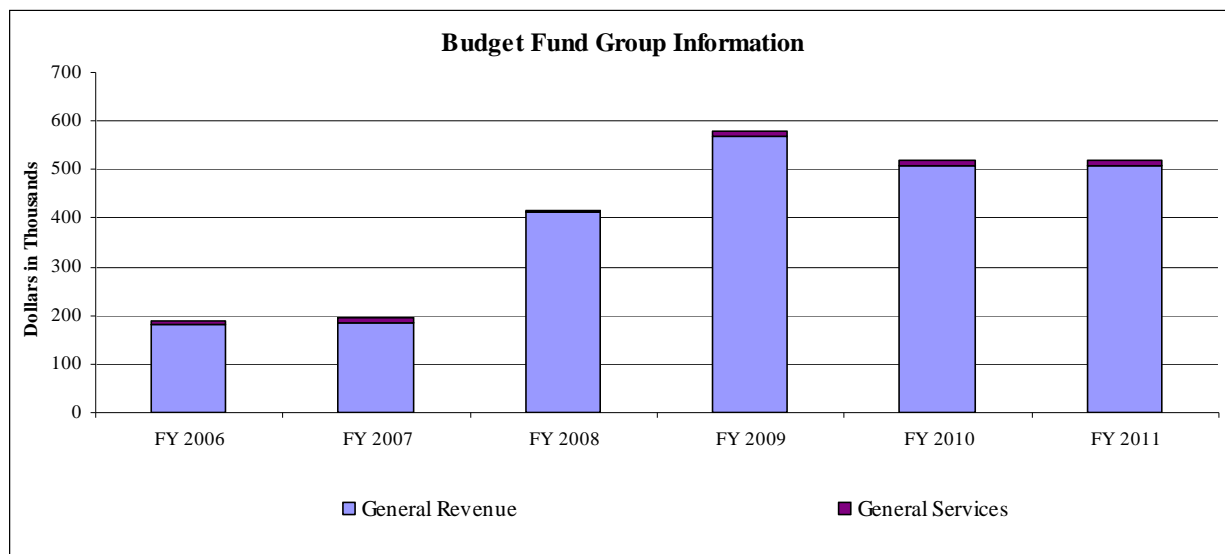
The Ohio Commission on Hispanic-Latino Affairs (OCHLA) provides leadership in addressing issues concerning Hispanic-Latino Ohioans. The commission serves as a liaison between state government and the Hispanic-Latino community in Ohio, and advocates for the development and implementation of policies and programs to address the needs of Hispanic-Latino Ohioans, especially, but not limited to, education, employment, economic development, health, and housing.

OCHLA is governed by an 11-member board appointed by the Governor. The commission employs a staff of four FTEs and has an annual budget of approximately \$580,000. The commission focuses its resources on programs and activities in the areas of employment, education, health, and equity. The commission's website is located at <http://ochla.ohio.gov/>.

### Agency Priorities

- Gather and disseminate information about and for the Hispanic-Latino community.
- Advise policy makers on issues facing the Hispanic-Latino community.
- Apply for and administer grants.

### Summary of Budget History and Recommendations

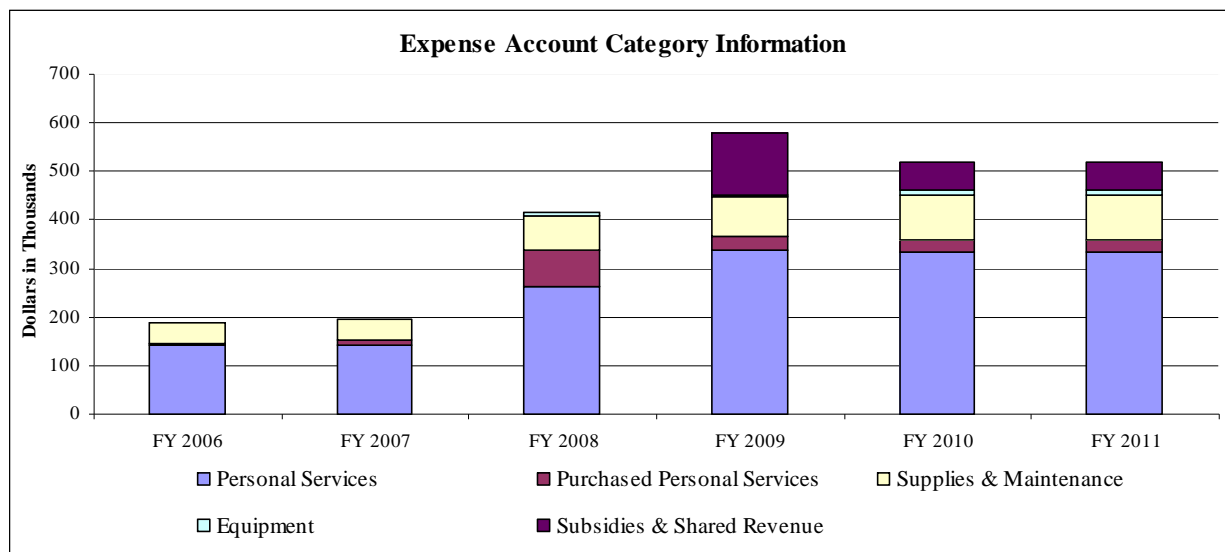


| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |            |            |
|-------------------------------------|------------|------------|------------|------------------|-------------|-------------------------|--------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011    | CHANGE     |
| General Revenue                     | 182        | 184        | 412        | 570              | 38.2        | 508                     | -10.9        | 508        | 0.0        |
| General Services                    | 5          | 10         | 5          | 10               | 119.4       | 10                      | 0.0          | 10         | 0.0        |
| <b>TOTAL</b>                        | <b>187</b> | <b>195</b> | <b>417</b> | <b>580</b>       | <b>39.1</b> | <b>518</b>              | <b>-10.7</b> | <b>518</b> | <b>0.0</b> |

State of Ohio

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## Commission on Hispanic-Latino Affairs



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|--------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011    | CHANGE     |
| Personal Services                             | 141        | 141        | 263        | 338              | 28.6        | 335                     | -1.0         | 335        | 0.0        |
| Purchased Personal Services                   | 5          | 11         | 74         | 27               | -64.2       | 24                      | -9.8         | 24         | 0.0        |
| Supplies & Maintenance                        | 41         | 42         | 71         | 84               | 17.8        | 94                      | 11.9         | 94         | 0.0        |
| Equipment                                     | 0          | 0          | 8          | 2                | -74.3       | 10                      | 368.5        | 10         | 0.0        |
| Subsidies & Shared Revenue                    | 0          | 0          | 0          | 129              | 100.0       | 55                      | -57.3        | 55         | 0.0        |
| <b>TOTAL</b>                                  | <b>187</b> | <b>195</b> | <b>417</b> | <b>580</b>       | <b>39.1</b> | <b>518</b>              | <b>-10.7</b> | <b>518</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Hispanic/Latino Initiatives

This program series enables the agency to gather information on the needs of the Hispanic-Latino community and then advise policymakers on how to best serve those needs.

#### Program 01.01: Latino Community Network

This program provides a visible face to state government for Ohio's growing Hispanic-Latino population by gathering and disseminating information for conducting hearings, conferences, investigations, and special studies on problems and programs concerning the Hispanic-Latino community; securing appropriate recognition of the accomplishments and contributions of Hispanic-Latino people to this state; and increasing public awareness of the problems of Hispanic-Latino people. The commission also seeks to establish relationships with state and local governments, private business, and industry to promote and assure equal opportunity for Hispanic-Latino people in government, education, and employment.

#### The Executive Recommendation will fund the following objectives:

- Payroll costs for two FTEs and office maintenance costs; and
- Maintenance and support of the OLANet system (statewide organizations directory, calendar of events, community news service, report library, database, and agency website)

State of Ohio

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**Commission on Hispanic-Latino Affairs**

| FUND                     |      |        |                       | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010        | FY 2011        |
| GRF                      | GRF  | 148100 | Personal Services     | 128,670        | 128,670        |
| GRF                      | GRF  | 148200 | Maintenance           | 16,668         | 16,668         |
| GRF                      | GRF  | 148402 | Community Programs    | 24,755         | 24,755         |
| GSF                      | 6010 | 148602 | Gifts & Miscellaneous | 10,000         | 10,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>180,093</b> | <b>180,093</b> |

**Program 01.02: Public Policy Center**

This program advises the Governor, legislature, and state agencies on the nature, magnitude, and priorities of the problems of Hispanic-Latino people; assists in the development and implementation of policies, programs, and procedures that focus on the special problems and needs of Hispanic-Latino people, especially in the fields of education, employment, energy, health, housing, welfare, and recreation; and proposes new and evaluates existing programs and prospective legislation that impact Hispanic-Latino people.

**The Executive Recommendation will fund the following objectives:**

- Fund payroll costs for two FTEs and office maintenance costs.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 148100 | Personal Services  | 141,236        | 141,236        |
| GRF                      | GRF  | 148200 | Maintenance        | 16,668         | 16,668         |
| GRF                      | GRF  | 148402 | Community Programs | 24,755         | 24,755         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>182,659</b> | <b>182,659</b> |

**Program 01.03: Organizations Development Center**

This program focuses on building the capacity of not-for-profit, private sector community organizations and agencies that they may better address the needs of the fast-growing Hispanic-Latino population of Ohio. Rather than expanding the size and scope of the agency, this program is designed to identify private sector resources and enhancing the ability of partner organizations as a catalyst for growth and efficiencies. This is accomplished through grant writing partnerships, leadership and management training programs for organization staff members, building coalitions and associations of local agencies, and fostering greater collaboration among community stakeholders.

**The Executive Recommendation will fund the following objectives:**

- Fund office maintenance costs;
- Fund Project OPEN, an economic development project operating in conjunction with the Ohio Department of Development;
- Fund Agenda Latina local community meetings; and
- Fund non-food related expenses for the Distinguished Hispanic Ohioan Awards event.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 148100 | Personal Services  | 58,447         | 58,447         |
| GRF                      | GRF  | 148200 | Maintenance        | 16,664         | 16,664         |
| GRF                      | GRF  | 148402 | Community Programs | 79,754         | 79,754         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>154,865</b> | <b>154,865</b> |



**LINE ITEM SUMMARY - Commission on Hispanic-Latino Affairs**

| FUND   | ALI    | ALI NAME              | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF  | 148100 | Personal Services     | 146,193           | 148,552           | 155,296           | 157,216             | 328,353                | 108.9        | 328,353                | 0.0         |
| GRF  | 148200 | Maintenance           | 35,671            | 35,812            | 38,520            | 38,100              | 50,000                 | 31.2         | 50,000                 | 0.0         |
| GRF  | 148402 | Community Programs    | 0                 | 0                 | 218,379           | 374,313             | 129,264                | -65.5        | 129,264                | 0.0         |
| <b>TOTAL General Revenue</b>                       |        |                       | <b>181,864</b>    | <b>184,364</b>    | <b>412,195</b>    | <b>569,629</b>      | <b>507,617</b>         | <b>-10.9</b> | <b>507,617</b>         | <b>0.0</b>  |
| 6010   | 148602 | Gifts & Miscellaneous | 4,893             | 10,168            | 4,558             | 10,000              | 10,000                 | 0.0          | 10,000                 | 0.0         |
| <b>TOTAL General Services</b>                      |        |                       | <b>4,893</b>      | <b>10,168</b>     | <b>4,558</b>      | <b>10,000</b>       | <b>10,000</b>          | <b>0.0</b>   | <b>10,000</b>          | <b>0.0</b>  |
| <b>TOTAL Commission on Hispanic-Latino Affairs</b> |        |                       | <b>186,757</b>    | <b>194,532</b>    | <b>416,753</b>    | <b>579,629</b>      | <b>517,617</b>         | <b>-10.7</b> | <b>517,617</b>         | <b>0.0</b>  |

### Role and Overview

The Ohio Historical Society (OHS) is a non-profit corporation chartered by the State of Ohio to promote knowledge of Ohio's history. Funds are appropriated to the society by the General Assembly and Governor to carry out certain public functions prescribed by law (ORC 149.3). They include administering the state historical museum, library, and the State Archives of Ohio, as well as maintaining and operating 58 historic sites and museums that encompass nearly 5,000 acres and over 300 buildings and structures throughout the state. The society also houses the State Historic Preservation Office, which manages responsibilities delegated to the state by Congress in the National Historic Preservation Act of 1966.

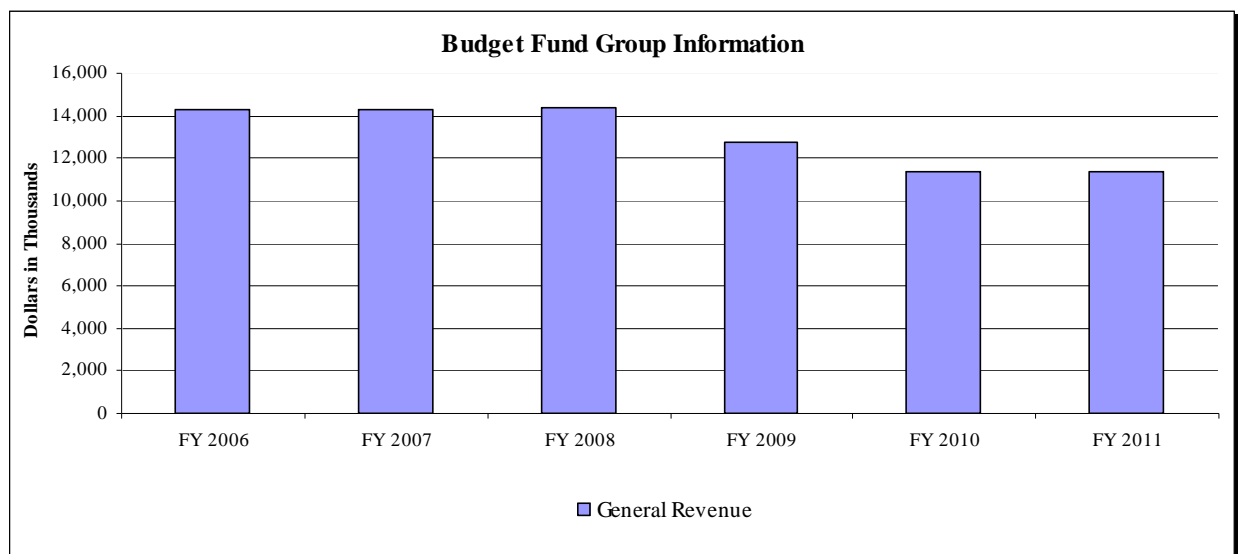
The society is governed by a 21-member Board of Trustees, nine of which are appointed by the Governor. It employs an executive director and approximately 250 full-time equivalent employees. State funding provides approximately 60 percent of the society's total annual operating budget. Contracts, grants, private contributions, and earned revenue comprise the other 38 percent. Earned revenue consists primarily of membership, admissions and parking fees, merchandise sales, and library and research services. Operating funding from the state totals approximately \$12.7 million in fiscal year 2009.

More information regarding the Ohio Historical Society is available at <http://www.ohiohistory.org/>.

### Agency Priorities

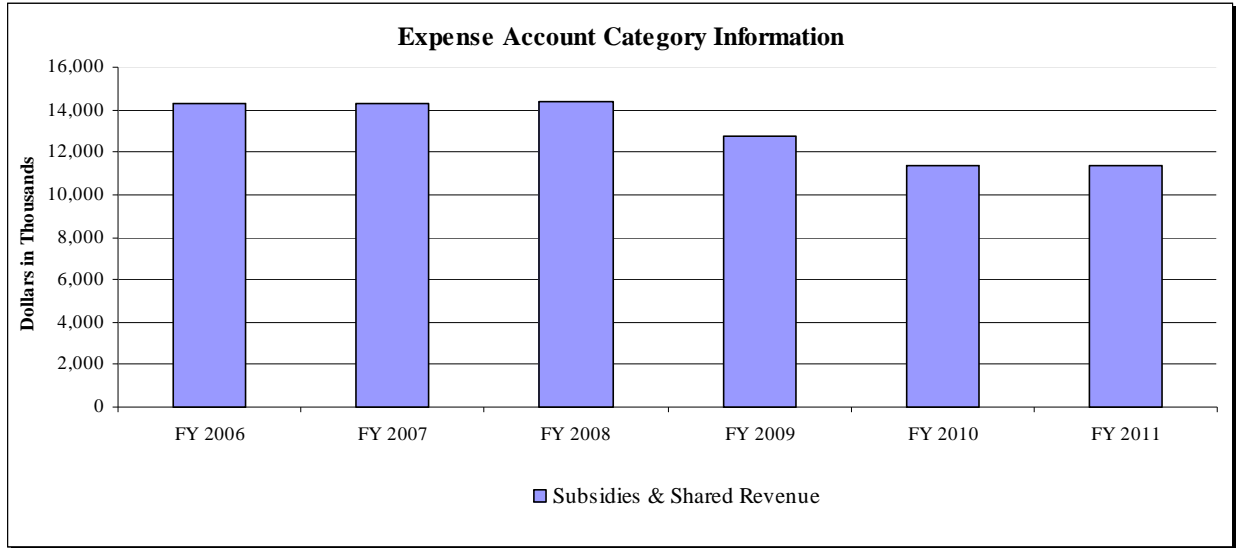
- Preserve the state's system of historic sites and museums statewide as well as access to documents and artifacts that record the history of Ohio through the State Archives, Collections Services, and Research Library in Columbus.
- Build upon the success of educational outreach, teacher training programs, technical services and partnerships with other organizations to strengthen history instruction and services around the state.
- Provide school-aged children with the highest quality informal history learning experiences that serve as companion elements to formal education programs, ensuring educational excellence.
- Create opportunities for civic engagement through history education, historic preservation, heritage tourism, special programs and research in ways that promote a better quality of life for Ohioans.

### Summary of Budget History and Recommendations



State of Ohio  
**Ohio Historical Society**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. % CHANGE |              | RECOMMENDED % CHANGE |              |               |            |
|-------------------------------------|---------------|---------------|---------------|---------------|--------------|----------------------|--------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09     | FY 2010              | CHANGE       | FY 2011       | CHANGE     |
| General Revenue                     | 14,320        | 14,295        | 14,397        | 12,724        | -11.6        | 11,332               | -10.9        | 11,332        | 0.0        |
| <b>TOTAL</b>                        | <b>14,320</b> | <b>14,295</b> | <b>14,397</b> | <b>12,724</b> | <b>-11.6</b> | <b>11,332</b>        | <b>-10.9</b> | <b>11,332</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. % CHANGE |              | RECOMMENDED % CHANGE |              |               |            |
|---|---------------|---------------|---------------|---------------|--------------|----------------------|--------------|---------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09     | FY 2010              | CHANGE       | FY 2011       | CHANGE     |
| Subsidies & Shared Revenue                    | 14,320        | 14,295        | 14,397        | 12,724        | -11.6        | 11,332               | -10.9        | 11,332        | 0.0        |
| <b>TOTAL</b>                                  | <b>14,320</b> | <b>14,295</b> | <b>14,397</b> | <b>12,724</b> | <b>-11.6</b> | <b>11,332</b>        | <b>-10.9</b> | <b>11,332</b> | <b>0.0</b> |

**PROGRAM SERIES 01: Ohio Historical Society**

This program series includes all operations of the society as mandated in the Ohio Revised Code. The Ohio Historical Society provides direction, identity, education, and enlightenment to improve people's lives today and in the future. To do this, the society collects, preserves, interprets, provides access to, and fosters an appreciation of the evidence and the experience of the past in Ohio and elsewhere. It's mission is to help "people connect with Ohio's past in order to understand the present and create a better future."

**Program 01.01: Education and Historical Collections**

This program provides historical collections care and maintenance, including the State Archives. The collections, both two- and three-dimensional materials, provide the "real stuff" of history to OHS educational programs. This program area fosters the development and delivery of online and multi-media educational content, including Ohio History Central and distance learning. Further, this program is responsible for services geared toward serving lifelong learners such as research for and development of exhibits, public and school programs for statewide audiences.

**The Executive Recommendation will fund the following objectives:**

- Provide access to existing government records, including State Archives and physical collections;
- Offer workshops to groups such as local government and genealogists, archivists and archaeologists; and
- Provide education programs to 20,000 students and deliver distance learning programs to 6,500 students and teachers.

| FUND                     |      |        |                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 360501 | Operating Subsidy | 3,291,754        | 3,291,754        |
| GRF                      | GRF  | 360508 | Historical Grants | 600,600          | 600,600          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                   | <b>3,892,354</b> | <b>3,892,354</b> |

**Program 01.02: Sites and Museums Operations**

This program supports the operations and maintenance of 56 of the 58 historic sites and museums administered by the Ohio Historical Society across the state. This is the largest collection of state-administered historic sites and museums in the country. The network preserves sites of international, national, statewide and local significance and includes sites and museums which highlight the archaeological, historical and natural history of the state. These sites attract visitors from across the country and around the world, contributing to Ohio's economy through heritage tourism. These sites and museums provide learning opportunities for students, families and adults. Many are supported through volunteer efforts.

**The Executive Recommendation will fund the following objectives:**

- Ensure the preservation of the historic sites administered by the Ohio Historical Society;
- Develop partnerships with local community groups to provide access to the sites; and
- Support local historical organizations with marketing, collections care, and other services.

| FUND                     |      |        |                 | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME        | FY 2010          | FY 2011          |
| GRF                      | GRF  | 360502 | Site Operations | 5,415,927        | 5,415,927        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                 | <b>5,415,927</b> | <b>5,415,927</b> |

**Program 01.03: Outreach and Statewide Partnerships**

This program is a new focus area that emphasizes the capacity-building effects of promoting state and local history efforts and organizations throughout the state. The Ohio Historical Society's teacher outreach unit and its Local History Office, which coordinates services to local history organizations, are being combined to make up this program area in order to improve service delivery to other history organizations as well as schools and other educational entities. Ohio boasts nearly 1,000 history-related organizations and 753 public school districts with nearly 118,000 teachers. Educational outreach programs in this program area include National History Day in Ohio, the Congressional Academy for Students of American History and Civics Education (federally funded), the case history program geared for K-12 (teachers can borrow traveling cases of social studies curriculum support materials through this initiative), the Buckeye Council for History Education and professional development training for teachers. A statewide effort to coordinate Civil War Sesquicentennial activities (2011-2015) would also be provided through this program.

**The Executive Recommendation will fund the following objectives:**

- Host conferences and regional meetings that assist the efforts of over 400 local history organizations;
- Coordinate National History Day in Ohio providing hands-on history experiences for over 8,500 students; and
- Support teachers by conducting professional development experiences for more than 500 teachers.

| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| GRF                      | GRF  | 360509 | Outreach And Partnershp | 703,638        | 703,638        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>703,638</b> | <b>703,638</b> |

**Program 01.04: Historic Preservation Office**

This program manages responsibilities delegated to the state by Congress in the National Historic Preservation Act of 1966. It helps provide citizens in virtually every community in Ohio with a sense of place and personal identity by helping to preserve structures and landscapes that connect 21<sup>st</sup>-century Ohioans with their heritage. It also helps facilitate job creation through economic development made possible by federal and state historic tax credits for the rehabilitation of historical structures. Under the Ohio Historic Preservation Tax Credit to date, 89 approved applications for more than \$200 million in tax credits in 23 different cities are leveraging \$1.1 billion in private redevelopment funding and federal tax credits. Ohio has more than 3,600 individual listings on the National Register of Historic Places documenting over 60,000 properties – the third highest of any state in the country.

**The Executive Recommendation will fund the following objectives:**

- Review over 300 tax credit applications per year for Standards of Rehabilitation;
- Assess over 6,500 federally-funded projects each year for their impact on historic resources;
- List an additional 35 properties in the National Register of Historic Places; and
- Administer 20 federal grants to Certified Local Governments.

| FUND                     |      |        |                          | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010        | FY 2011        |
| GRF                      | GRF  | 360504 | Ohio Preservation Office | 326,066        | 326,066        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>326,066</b> | <b>326,066</b> |

**Program 01.05: National Afro-American Museum**

This program supports the National Afro-American Museum and Cultural Center (NAAMCC) in Wilberforce, Ohio. The NAAMCC, which opened to the public in 1988, educates the public about African-American history and culture, particularly in the Northwest Territory as established in 1787. Initially intended as a national museum, the NAAMCC more recently changed its emphasis to focus more on African-American history in Ohio and the surrounding region by partnering with other Ohio institutions. Its collections include art, manuscripts, documents, books and three-dimensional objects collected over the past 20 years.

**The Executive Recommendation will fund the following objectives:**

- Offer access to permanent and temporary exhibitions, *From Victory to Freedom: Afro-American Life in the Fifties* as well as *African-American Dolls: The Stories They Tell*; and
- Provide tours and programs to schools and general public, both in-class and in the field.

| FUND              |      |        |                      | RECOMMENDED |         |
|-------------------|------|--------|----------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME             | FY 2010     | FY 2011 |
| GRF               | GRF  | 360505 | Afro-American Museum | 592,568     | 592,568 |
| TOTAL FOR PROGRAM |      |        |                      | 592,568     | 592,568 |

**Program 01.06: Hayes Presidential Center**

This program is responsible for providing funds for the operation of the Rutherford B. Hayes Presidential Center in Fremont, Ohio. The Hayes Presidential Center was the nation's first presidential library and museum. Its mission is to educate the public about Rutherford B. Hayes, the Gilded Age, the presidency, Ohio history and leadership. The Center receives approximately one-third of its funding from the State of Ohio. This state-owned facility is one of the 58 historic sites and museums that make up the OHS network. It is operated by Hayes Presidential Center, Inc., under an agreement with OHS.

**The Executive Recommendation will fund the following objectives:**

- Allow site visits for over 17,000 people each year; and
- Maintain the Hayes Presidential Center website, serving 1.3 million visitors each month.

| FUND              |      |        |                           | RECOMMENDED |         |
|-------------------|------|--------|---------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011 |
| GRF               | GRF  | 360506 | Hayes Presidential Center | 401,490     | 401,490 |
| TOTAL FOR PROGRAM |      |        |                           | 401,490     | 401,490 |

**Appropriation Line Item Analysis for Fiscal Years 2010 and 2011**

**Line Item Restructuring Analysis**

Line item 360501 will be called "Education and Collections" to reflect a restructuring to align line items to programs in a one-to-one format. This line will include the State Archives which was formerly included in 360502.

Line item 360509 will be created and called "Outreach and Partnerships." This will be aligned with Program 1.03 "Outreach and Statewide Partnerships."

To illustrate changes in funding levels due to this restructuring, estimated FY 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

|      |        |                            | Estimated | Recommended |          |           |          |
|------|--------|----------------------------|-----------|-------------|----------|-----------|----------|
| Fund | ALI    | ALI Title                  | FY 2009   | FY 2010     | % Change | FY 2011   | % Change |
| GRF  | 360501 | Education and Collections  | 3,885,417 | 3,291,754   | -15.3%   | 3,291,754 | 0.0%     |
| GRF  | 360502 | Site and Museum Operations | 7,334,174 | 5,415,928   | -26.2%   | 5,415,928 | 0.0%     |
| GRF  | 360509 | Outreach and Partnerships  | 688,427   | 703,638     | 2.2%     | 703,638   | 0.0%     |

**LINE ITEM SUMMARY - Ohio Historical Society**

| FUND                                 | ALI    | ALI NAME                   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|----------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 360501 | Education and Collections  | 3,288,274         | 3,288,274         | 3,576,259         | 3,406,394           | 3,291,754              | -3.4         | 3,291,754              | 0.0         |
| GRF                                  | 360502 | Site and Museum Operations | 8,388,725         | 8,388,725         | 8,331,745         | 7,153,984           | 5,415,927              | -24.3        | 5,415,927              | 0.0         |
| GRF                                  | 360504 | Historic Preservation      | 281,041           | 281,041           | 409,166           | 365,442             | 326,066                | -10.8        | 326,066                | 0.0         |
| GRF                                  | 360505 | Afro-American Museum       | 754,884           | 754,884           | 739,786           | 664,129             | 592,568                | -10.8        | 592,568                | 0.0         |
| GRF                                  | 360506 | Hayes Presidential Center  | 509,231           | 509,231           | 504,037           | 452,490             | 401,490                | -11.3        | 401,490                | 0.0         |
| GRF                                  | 360508 | Historical Grants          | 1,097,500         | 1,072,500         | 835,940           | 681,827             | 600,600                | -11.9        | 600,600                | 0.0         |
| GRF                                  | 360509 | Outreach and Partnership   | 0                 | 0                 | 0                 | 0                   | 703,638                | .0           | 703,638                | 0.0         |
| <b>TOTAL General Revenue</b>         |        |                            | <b>14,319,655</b> | <b>14,294,655</b> | <b>14,396,933</b> | <b>12,724,266</b>   | <b>11,332,043</b>      | <b>-10.9</b> | <b>11,332,043</b>      | <b>0.0</b>  |
| <b>TOTAL Ohio Historical Society</b> |        |                            | <b>14,319,655</b> | <b>14,294,655</b> | <b>14,396,933</b> | <b>12,724,266</b>   | <b>11,332,043</b>      | <b>-10.9</b> | <b>11,332,043</b>      | <b>0.0</b>  |



### **Role and Overview**

The Ohio House of Representatives (REP), in conjunction with the Senate, enacts the laws of the state, subject to the approval of the Governor. The authority to do so is provided in Article II of the Ohio Constitution. The House considers bills that may alter existing laws or create new laws and resolutions, which are formal expressions of the wishes and opinions of the legislature.

The House of Representatives and the Senate are the two “houses” that comprise the bicameral Ohio General Assembly. Each member of the House is elected to a two-year term from one of the state’s 99 House districts. Each member is assigned to at least one of the approximately 25 standing committees and subcommittees. A member also may be assigned to a temporary committee of a standing committee; a select committee, which undertakes a specific legislative task; a joint select committee, which consists of members from both the House and Senate; or a conference committee, which seeks to resolve the differences between versions of a bill passed by both houses of the legislature. Members represent the citizens in their districts, and serve as liaisons between groups and individuals in their districts and state and federal agencies. Members also respond to questions and concerns of their constituents.

In addition, members may be appointed to serve on statutorily created committees such as the Joint Committee on Agency Rule Review, which has the power to review and invalidate agency rules; or the state Controlling Board, which provides legislative oversight over certain capital and operating expenditures by state agencies.

The 99 members of the House are supported by a full-time staff of about 190 employees with an annual budget of approximately \$22.0 million.

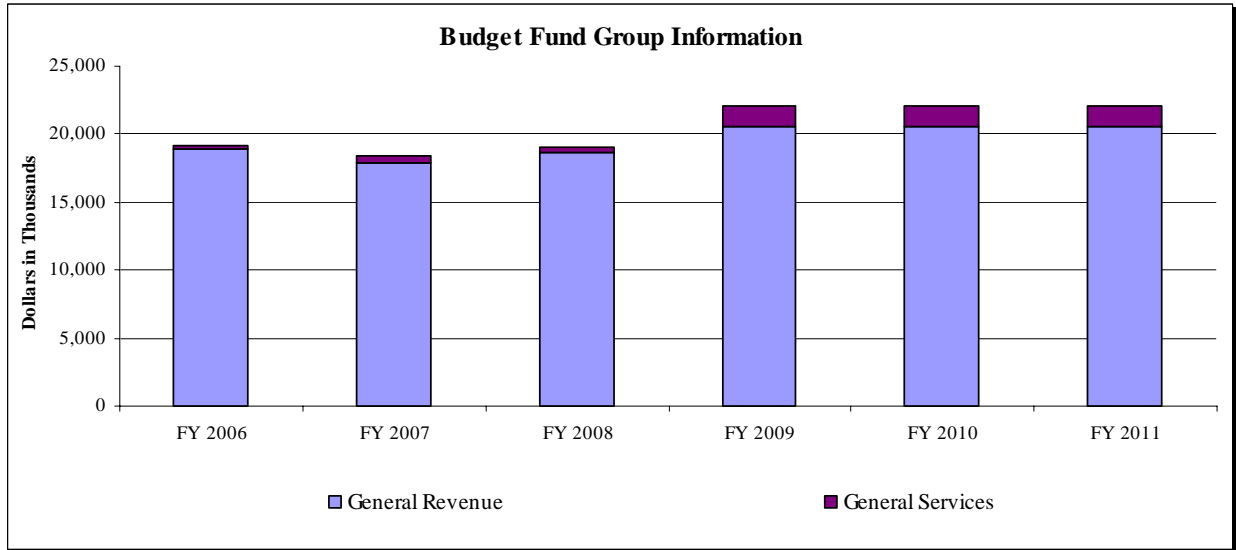
Pursuant to Section 107.03(B) of the Ohio Revised Code, the Governor may not alter the funding requests of agencies of the legislative branch of government. The House of Representatives provides the Office of Budget and Management with their budget request for inclusion in the executive budget proposal and not for consideration or approval.

Additional information regarding the House of Representatives is available at <http://www.house.state.oh.us/>.

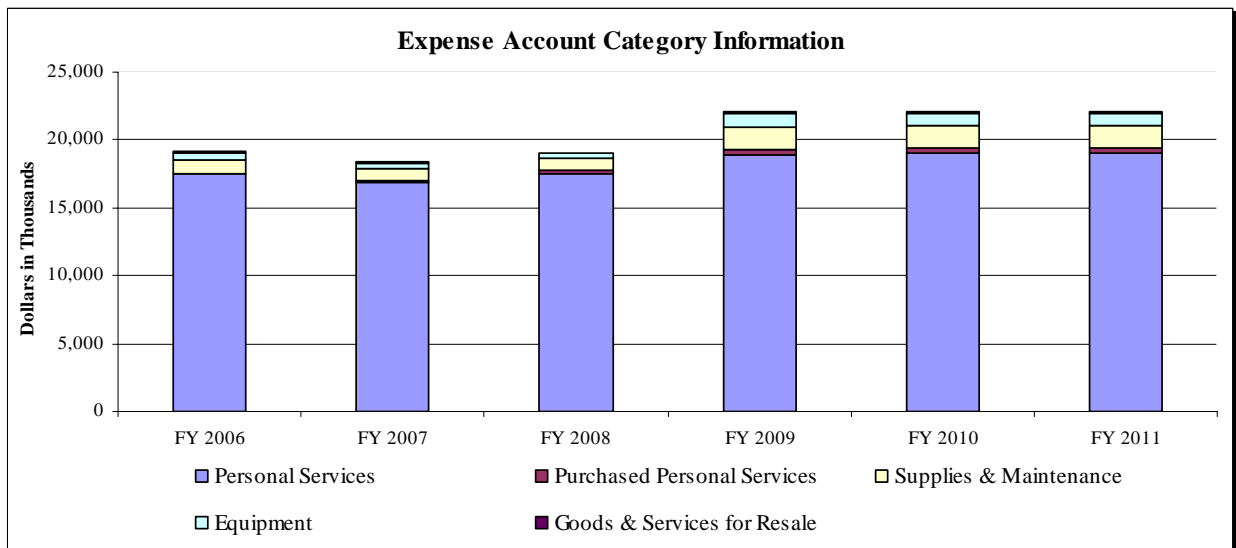
### **Agency Priorities**

- Enact laws of the state in conjunction with the Senate, subject to the approval of the Governor.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %        |             | RECOMMENDED % |            |               |            |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------|---------------|------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010       | CHANGE     | FY 2011       | CHANGE     |
| General Revenue                     | 18,937        | 17,907        | 18,686        | 20,575        | 10.1        | 20,575        | 0.0        | 20,575        | 0.0        |
| General Services                    | 178           | 432           | 346           | 1,472         | 325.5       | 1,472         | 0.0        | 1,472         | 0.0        |
| <b>TOTAL</b>                        | <b>19,115</b> | <b>18,340</b> | <b>19,031</b> | <b>22,046</b> | <b>15.8</b> | <b>22,046</b> | <b>0.0</b> | <b>22,046</b> | <b>0.0</b> |



State of Ohio  
House of Representatives

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |               |            |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|------------|---------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011       | CHANGE     |
| Personal Services                             | 17,478        | 16,922        | 17,556        | 18,925           | 7.8         | 19,025                  | 0.5        | 19,025        | 0.0        |
| Purchased Personal Services                   | 23            | 22            | 159           | 350              | 120.8       | 350                     | 0.0        | 350           | 0.0        |
| Supplies & Maintenance                        | 1,066         | 978           | 993           | 1,700            | 71.1        | 1,700                   | 0.0        | 1,700         | 0.0        |
| Equipment                                     | 530           | 398           | 298           | 1,029            | 244.6       | 929                     | -9.7       | 929           | 0.0        |
| Goods & Services for Resale                   | 18            | 20            | 25            | 43               | 69.4        | 43                      | 0.0        | 43            | 0.0        |
| <b>TOTAL</b>                                  | <b>19,115</b> | <b>18,340</b> | <b>19,031</b> | <b>22,046</b>    | <b>15.8</b> | <b>22,046</b>           | <b>0.0</b> | <b>22,046</b> | <b>0.0</b> |

**PROGRAM SERIES 01: House of Representatives**

This program series supports the efforts of state representatives and their staffs to represent their districts which they serve through the development of legislation.

**Program 01.01: House of Representatives**

This program serves to promote the role and responsibilities of the House of Representatives. Each member of the House of Representatives is elected to a two-year term from one of the state's 99 House districts during which time they are assigned to at least one standing committee or subcommittee. From time-to-time, representatives are also assigned to a temporary committee of a standing committee, a select committee, a joint select committee, or a conference committee.

| FUND                     |      |        |                     | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010           | FY 2011           |
| GRF                      | GRF  | 025321 | Operating Expenses  | 20,574,548        | 20,574,548        |
| GSF                      | 1030 | 025601 | House Reimbursement | 1,433,664         | 1,433,664         |
| GSF                      | 4A40 | 025602 | Miscellaneous Sales | 37,849            | 37,849            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>22,046,061</b> | <b>22,046,061</b> |

**LINE ITEM SUMMARY - House of Representatives**

| FUND                                  | ALI    | ALI NAME            | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---------------------------------------|--------|---------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                                   | 025321 | Operating Expenses  | 18,937,079        | 17,907,137        | 18,685,625        | 20,574,548          | 20,574,548             | 0.0         | 20,574,548             | 0.0         |
| <b>TOTAL General Revenue</b>          |        |                     | <b>18,937,079</b> | <b>17,907,137</b> | <b>18,685,625</b> | <b>20,574,548</b>   | <b>20,574,548</b>      | <b>0.0</b>  | <b>20,574,548</b>      | <b>0.0</b>  |
| 1030                                  | 025601 | House Reimbursement | 161,480           | 412,701           | 324,377           | 1,433,664           | 1,433,664              | 0.0         | 1,433,664              | 0.0         |
| 4A40                                  | 025602 | Miscellaneous Sales | 16,386            | 19,731            | 21,453            | 37,849              | 37,849                 | 0.0         | 37,849                 | 0.0         |
| <b>TOTAL General Services</b>         |        |                     | <b>177,865</b>    | <b>432,432</b>    | <b>345,831</b>    | <b>1,471,513</b>    | <b>1,471,513</b>       | <b>0.0</b>  | <b>1,471,513</b>       | <b>0.0</b>  |
| <b>TOTAL House of Representatives</b> |        |                     | <b>19,114,944</b> | <b>18,339,569</b> | <b>19,031,456</b> | <b>22,046,061</b>   | <b>22,046,061</b>      | <b>0.0</b>  | <b>22,046,061</b>      | <b>0.0</b>  |

### **Role and Overview**

The Ohio Housing Finance Agency (OHFA) was created in 1983 as an agency within the Department of Development, and became independently administered by an 11-member board on July 1, 2005. The agency's activities include financing the acquisition, construction, rehabilitation, and remodeling of housing intended for rental or ownership, or both, by families of low or moderate income.

Nine of the 11 board members represent various sectors of the affordable housing community and general public, and are appointed by the Governor. The other two board members are the directors of the Ohio Department of Commerce and the Ohio Department of Development or their designees. A staff of 143 (including full-time, part-time, and intermittent employees and interns), led by an executive director, conducts the day-to-day operations of the OHFA with an annual payroll of approximately \$10.2 million. Payroll is the only portion of the OHFA's overall budget to be appropriated through the state treasury and thus to appear in the Executive Budget. The OHFA charges user fees and seeks administrative reimbursement for services provided to outside organizations.

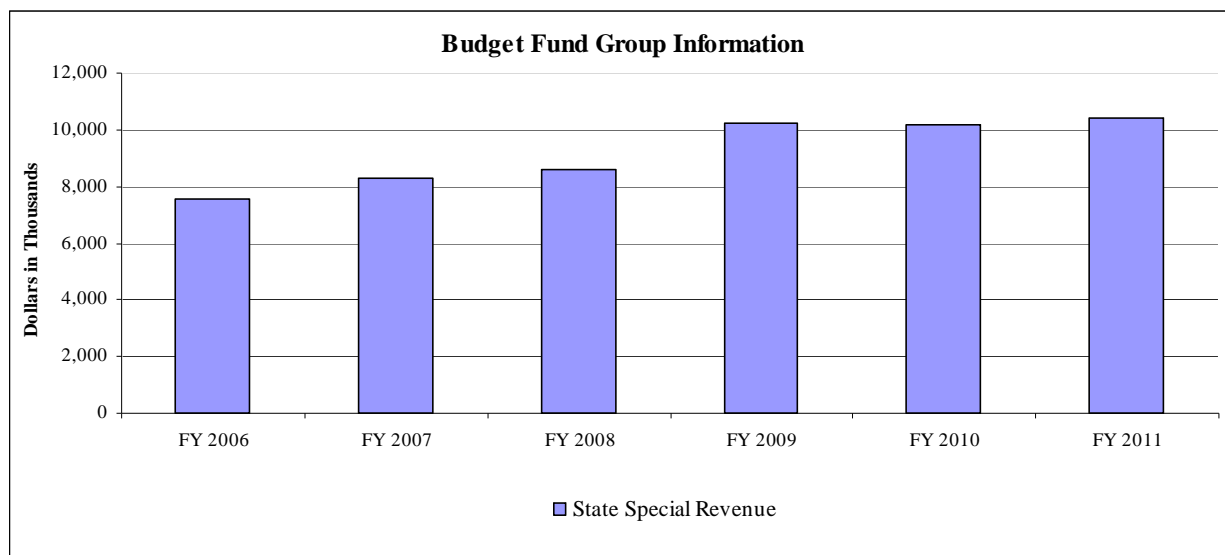
Since its inception in 1983, the OHFA has issued more than \$10 billion in tax-exempt mortgage revenue bonds and \$614 million in multifamily mortgage revenue bonds. These have allowed 120,000 households in all of Ohio's 88 counties to become homeowners. As the allocating agency for the federal housing credit program, more than 87,400 rental-housing units have been created or upgraded since 1987.

More information regarding the Ohio Housing Finance Agency is available at <http://www.ohiohome.org/>.

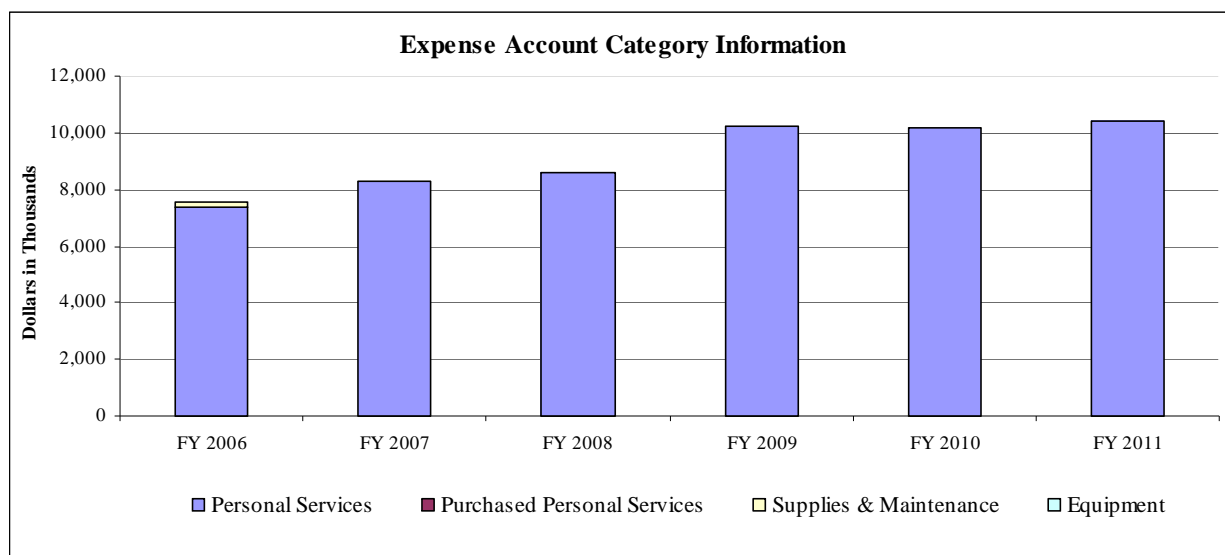
### **Agency Priorities**

- Continue outreach in the First Time Homebuyer (FTHB) Program while maximizing the impact of a limited supply of private activity volume cap that allows the issuance of tax-exempt bonds to fund fixed rate interest mortgage loans.
- Implement provisions established in The Housing and Economic Recovery Act (HR 3221).
- Restore and redevelop abandoned and vacant properties through comprehensive urban revitalization initiatives.
- Expand the outreach to our partners and customers to strategically address Ohio's affordable housing challenges and opportunities.
- Continue marketing efforts to lenders, real estate agents, and other vital stakeholders, including training opportunities and other educational events.
- Increase efficiencies in the allocation of limited resources.
- Reinvest in new initiatives that address critical needs in the State of Ohio using revenue generated by a successful mortgage revenue bond program.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |               |            |
|-------------------------------------|--------------|--------------|--------------|---------------|-------------|----------------------|-------------|---------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011       | CHANGE     |
| State Special Revenue               | 7,573        | 8,293        | 8,615        | 10,237        | 18.8        | 10,187               | -0.5        | 10,386        | 2.0        |
| <b>TOTAL</b>                        | <b>7,573</b> | <b>8,293</b> | <b>8,615</b> | <b>10,237</b> | <b>18.8</b> | <b>10,187</b>        | <b>-0.5</b> | <b>10,386</b> | <b>2.0</b> |



- Payroll is the only expense that is appropriated in the state budget.

**State of Ohio**  
**Housing Finance Agency**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|---|--------------|--------------|--------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                             | 7,357        | 8,293        | 8,615        | 10,237          | 18.8                    | 10,187        | -0.5        | 10,386        | 2.0         |
| Purchased Personal Services                   | 5            | 0            | 0            | 0               | 0.0                     | 0             | 0.0         | 0             | 0.0         |
| Supplies & Maintenance                        | 189          | 0            | 0            | 0               | 0.0                     | 0             | 0.0         | 0             | 0.0         |
| Equipment                                     | 22           | 0            | 0            | 0               | 0.0                     | 0             | 0.0         | 0             | 0.0         |
| <b>TOTAL</b>                                  | <b>7,573</b> | <b>8,293</b> | <b>8,615</b> | <b>10,237</b>   | <b>18.8</b>             | <b>10,187</b> | <b>-0.5</b> | <b>10,386</b> | <b>2.0</b>  |

**PROGRAM SERIES 01: Affordable Housing**

This program series offers affordable housing opportunities for Ohioans.

**Program 01.01: Program Support**

The Director's Office, with a staff of four employees, directs and oversees all functions performed by the agency's administrative and programmatic divisions. The office is responsible for all aspects of the agency's programmatic and operational policies, objectives, and initiatives. The executive director reports to an 11-member board of directors and represents the agency and the state to federal, state, and local elected officials, the housing industry, the mortgage lending community, the investment banking community, and the public concerning affordable housing activities of the state and agency.

The Office of Finance, with a staff of 28 employees, provides fiscal management, budget and accounting services for the agency and its programs. It manages more than \$3.5 billion in combined mortgage bonds payable, and represents the agency with bond counsel, bond trustees, and investment bankers. The Finance Office also administers more than \$4.6 million in housing assistance payments annually for United States Department of Housing and Urban Development (HUD) Section 8 housing projects, and acts as loan servicer for the Affordable Housing Loan and Down Payment Assistance programs, which combined currently total more than \$240 million.

In addition, the Office of Administration's 11 employees provide administrative support services for the entire agency including Human Resources and Facilities Management. The Office of Information Technology, with a staff of 10 employees, provides desktop support, infrastructure maintenance, network monitoring, application development and network security monitoring for the entire agency. The Office of Communication and Marketing's seven employees lead communications and marketing initiatives, including coordinating the Ohio Housing Conference and other special events, handling all press and media relations, and managing all marketing and advertising campaigns.

Also included in the agency's Program Support is the legal office which consists of four employees that provide advice on all matters requiring legal input, guidance and oversight of records retention and ethics issues to provide training where required. The Office of Internal Audit's four employees evaluate the adequacy of the internal control structure, accesses compliance with written policies and procedures, evaluate the reliability of financial and operating information and verify the safeguarding of agency assets.

**The Executive Recommendation will fund the following objectives:**

- Support the oversight of all agency activities, including centralized information technology and human resources, along with financial, marketing, internal audit and legal services.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| SSR                      | 5AZ0 | 997601 | Housing Finance Agency - Personal Services | 5,149,591        | 5,229,905        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>5,149,591</b> | <b>5,229,905</b> |

**Program 01.02: Home Ownership**

The Homeownership Office, with a staff of 20 employees, is responsible for providing homeownership opportunities to low- and moderate-income Ohioans. First time homebuyers are essential to the recovery of the housing market because they create new demand for existing homes. The cornerstone of this undertaking is OHFA's First-Time Homebuyer Program, which offers fixed interest rate mortgages to qualified homebuyers. The OHFA has partnered with more than 160 Ohio financial institutions as participating lenders in this program. Through the program's two-tiered interest rate structure, borrowers enjoy the flexibility of choosing a mortgage rate that best fits their needs.

The First-Time Homebuyer Program also makes available a down payment assistance grant in an amount equal to two and a half percent of the home's purchase price. Recently, more than one-third of the mortgages funded include a down payment assistance grant. This program is dependent on OHFA's ability to access the bond market to raise capital to fund mortgages. The housing bond market has been unfavorable since October 2008, but may improve pending federal action to support housing bonds.

The Office of Homeownership has recently taken on new programming initiatives which include the Mortgage Credit Certificate Program, comprehensive housing counseling, rescue loans and foreclosure mitigation counseling. The housing counseling programs primarily serve first-time homebuyers and existing homeowners, but also include services to renter households and homeless persons.

**The Executive Recommendation will fund the following objectives:**

- Support the operations of the First-Time Homebuyer Program, for which the agency expects to issue \$350 million per year in mortgage revenue bonds to fund 3,000 mortgages statewide and assist an additional 1,000 homebuyers with Mortgage Credit Certificates.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| SSR                      | 5AZ0 | 997601 | Housing Finance Agency - Personal Services | 1,529,682        | 1,546,831        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,529,682</b> | <b>1,546,831</b> |

**Program 01.03: Planning, Preservation, and Development**

Through innovative financing and tax incentives, the Planning, Preservation and Development Office, with a staff of 23 employees, help to increase the number of affordable housing units throughout the state. Financial assistance includes programs for all phases of the development process from pre-development through construction finance to permanent financing. A variety of funding sources are available, including federal housing tax credits, Ohio's unclaimed funds, the Ohio Housing Trust Fund, the federal HOME Program, and tax-exempt bonds. Most planning, preservation, and development opportunities are accessed through a one-stop application approach. These programs encourage the production of affordable housing by enabling developers to keep rent costs down to provide affordable housing to those who need it most. Additional incentives for other policy objectives, such as universal design, energy efficiency, and permanent supportive housing for the homeless, are built into the program designs.

The Planning, Preservation, and Development Office also administers the Community Housing Development Organization (CHDO) annual operating grant program. This program, funded with federal HOME dollars, enhances the capacity and sustainability of community-based non-profit housing organizations that are dedicated to provide affordable housing in underserved persons and communities across the state.

**The Executive Recommendation will fund the following objectives:**

- Support staffing for the Housing Development Loan Program, which is expected to approve loans of approximately \$35 million per year to enhance the financing of 1,700 affordable housing credit rental units;
- Support staffing for the Housing Development Assistance Program and CHDO operating grants, from which the agency expects to award \$29 million per year in loans; and



**State of Ohio**  
**Housing Finance Agency**

- Provide staffing for the Housing Credit Program, from which the agency will allocate \$30 million in annual credits, resulting in the development of 50 properties consisting of 3,000 affordable housing units.
- Support staffing for the Neighborhood Stabilization Program – Affordable Rental Housing Initiative, which is expected to approve loans of approximately \$29 million per year to enhance the financing of 580 affordable housing credit rental units.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| SSR                      | 5AZ0 | 997601 | Housing Finance Agency - Personal Services | 1,615,600        | 1,653,806        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,615,600</b> | <b>1,653,806</b> |

**Program 01.04: Program Compliance**

The Program Compliance Office, with a staff of 25 employees, monitors more than 1,000 rental properties throughout Ohio. Program Compliance ensures that properties are being maintained in a satisfactory manner and that the properties are in compliance with Internal Revenue Service, HUD, and state regulations. In addition, the office monitors approximately 30 multifamily bond-financed properties consisting of 3,500 units, and five Federal Deposit Insurance Corporation (formerly Resolution Trust Corporation) properties consisting of 202 units. The office regularly conducts training for owners and managers of rental projects regarding the basic and advanced issues that they face. The performance of affordable housing properties is enhanced as a result of this training.

**The Executive Recommendation will fund the following objectives:**

- Support the staffing needed to monitor compliance at over 71,000 Housing Credit and Housing Development Assistance Program rental units, 3,500 multifamily bond-financed units, and 202 Federal Deposit Insurance Corporation units.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| SSR                      | 5AZ0 | 997601 | Housing Finance Agency - Personal Services | 1,891,840        | 1,955,884        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,891,840</b> | <b>1,955,884</b> |

**LINE ITEM SUMMARY - Ohio Housing Finance Agency**

| FUND                                     | ALI    | ALI NAME                                   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5AZ0                                     | 997601 | Housing Finance Agency - Personal Services | 7,572,518         | 8,293,389         | 8,614,627         | 10,237,491          | 10,186,713             | -0.5        | 10,386,426             | 2.0         |
| <b>TOTAL State Special Revenue</b>       |        |  | <b>7,572,518</b>  | <b>8,293,389</b>  | <b>8,614,627</b>  | <b>10,237,491</b>   | <b>10,186,713</b>      | <b>-0.5</b> | <b>10,386,426</b>      | <b>2.0</b>  |
| <b>TOTAL Ohio Housing Finance Agency</b> |        |  | <b>7,572,518</b>  | <b>8,293,389</b>  | <b>8,293,389</b>  | <b>10,237,491</b>   | <b>10,186,713</b>      | <b>-0.5</b> | <b>10,386,426</b>      | <b>2.0</b>  |

### Role and Overview

The Industrial Commission (OIC) conducts hearings on workers' compensation issues. The hearing process begins when the commission assumes jurisdiction of an issue after an appeal of a Bureau of Workers' Compensation order. The hearings, which are quasi-judicial in nature, are conducted at three levels within the commission. The first level is the district hearing level. If the district level decision is appealed, a staff hearing is held. If this decision is appealed, a hearing may be held before the three-member commission. This hearing is discretionary and is based on criteria set forth in an OIC resolution. Any further appeals are handled through the court system where the Attorney General's Office represents the commission.

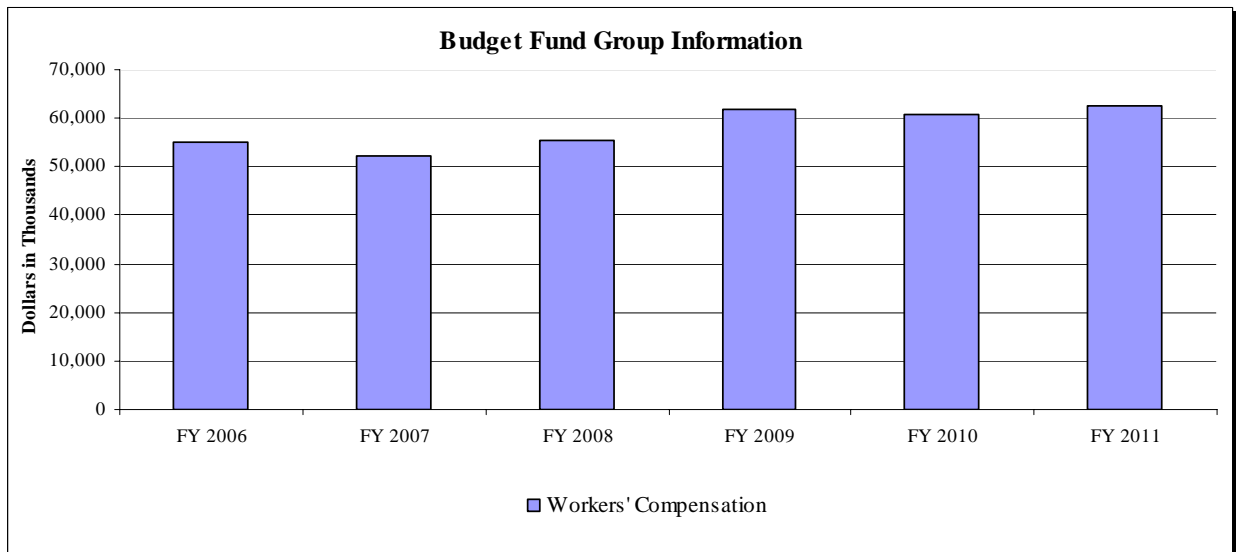
The office is governed by a three-member commission appointed by the Governor, with the advice and consent of the Senate. Each member is required to have six or more years of recognized expertise in the field of workers' compensation and at least one member is required to be a licensed attorney. One of the commissioners acts as a representative of employers, another acts as a representative of employees, and the remaining commissioner acts as a representative of the public. From among the three members, the chairperson, who is appointed by and serves at the pleasure of the Governor, acts as head of the commission and the chief executive officer for the agency. The commission has approximately 495 employees and an annual budget of approximately \$61.7 million.

More information regarding the Ohio Industrial Commission is available at <http://www.ohioic.com/>.

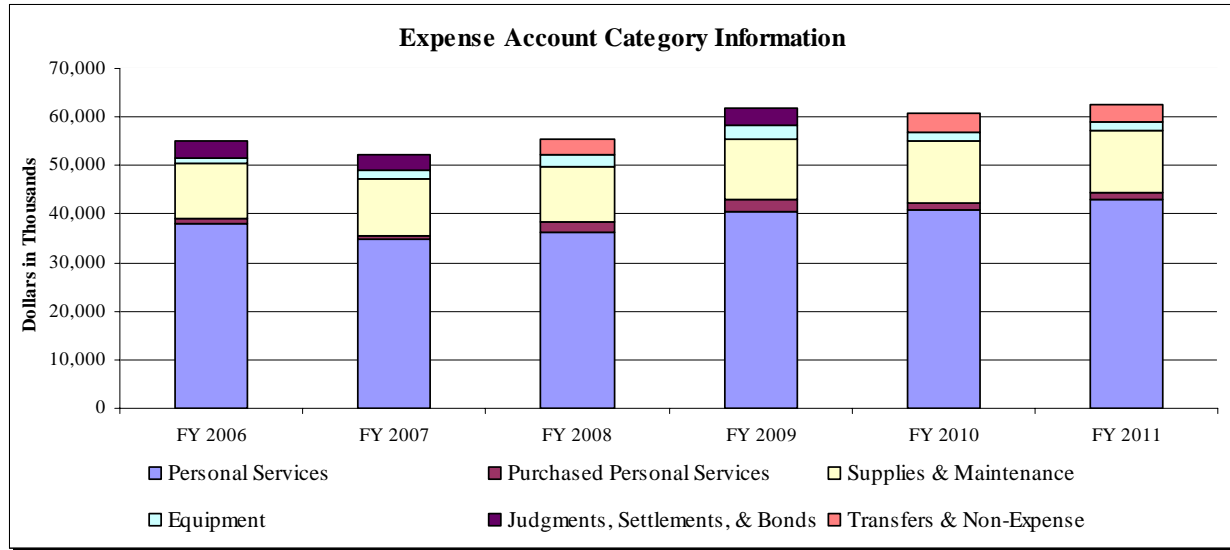
### Agency Priorities

- Provide fair and impartial resolutions to disputes in workers' compensation claims through an easily accessible hearing process completed within the time frames mandated by law.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |               |            |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------|----------------------|-------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011       | CHANGE     |
| Workers' Compensation               | 55,076        | 52,137        | 55,558        | 61,729        | 11.1        | 60,783               | -1.5        | 62,645        | 3.1        |
| <b>TOTAL</b>                        | <b>55,076</b> | <b>52,137</b> | <b>55,558</b> | <b>61,729</b> | <b>11.1</b> | <b>60,783</b>        | <b>-1.5</b> | <b>62,645</b> | <b>3.1</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |               |            |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|-------------|---------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011       | CHANGE     |
| Personal Services                             | 37,876        | 34,722        | 36,363        | 40,537           | 11.5        | 40,889                  | 0.9         | 43,039        | 5.3        |
| Purchased Personal Services                   | 1,318         | 943           | 2,034         | 2,281            | 12.2        | 1,500                   | -34.2       | 1,500         | 0.0        |
| Supplies & Maintenance                        | 11,411        | 11,490        | 11,445        | 12,640           | 10.4        | 12,600                  | -0.3        | 12,512        | -0.7       |
| Equipment                                     | 1,071         | 1,709         | 2,293         | 2,711            | 18.2        | 2,000                   | -26.2       | 1,800         | -10.0      |
| Judgments, Settlements, & Bonds               | 3,399         | 3,273         | 0             | 3,559            | 100.0       | 0                       | -100.0      | 0             | 0.0        |
| Transfers & Non-Expense                       | 0             | 0             | 3,423         | 0                | -100.0      | 3,794                   | 100.0       | 3,794         | 0.0        |
| <b>TOTAL</b>                                  | <b>55,076</b> | <b>52,137</b> | <b>55,558</b> | <b>61,729</b>    | <b>11.1</b> | <b>60,783</b>           | <b>-1.5</b> | <b>62,645</b> | <b>3.1</b> |

### PROGRAM SERIES 01: Claims Adjudication

This program series serves injured workers and their employers through expeditious and impartial resolutions of issues arising from workers' compensation claims.

#### Program 01.01: Claims Adjudication

This program series serves injured workers and their employers through expeditious and impartial resolutions of issues arising from workers' compensation claims.

#### The Executive Recommendation will fund the following objectives:

- Enable the management of hearings, adjudication of disputed claims, and processing of over 188,500 approved claims per year; and
- Maintain William Green rent payments.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| WCF                      | 5W30 | 845321 | Operating Expenses        | 50,838,924        | 52,838,924        |
| WCF                      | 5W30 | 845402 | Rent-William Green Bldg   | 6,149,960         | 6,011,960         |
| WCF                      | 5W30 | 845410 | Attorney General Payments | 3,793,650         | 3,793,650         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>60,782,534</b> | <b>62,644,534</b> |

**LINE ITEM SUMMARY - Industrial Commission**

| FUND                               | ALI    | ALI NAME                  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------------|--------|---------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5W30                               | 845321 | Operating Expenses        | 45,772,289        | 42,806,659        | 46,123,313        | 51,778,924          | 50,838,924             | -1.8        | 52,838,924             | 3.9         |
| 5W30                               | 845402 | Rent-William Green Bldg   | 5,884,383         | 5,964,462         | 5,850,239         | 6,299,960           | 6,149,960              | -2.4        | 6,011,960              | -2.2        |
| 5W30                               | 845410 | Attorney General Payments | 3,398,745         | 3,272,793         | 3,422,737         | 3,558,634           | 3,793,650              | 6.6         | 3,793,650              | 0.0         |
| 8210                               | 845605 | Service Account           | 20,368            | 92,917            | 161,980           | 91,059              | 0                      | -100.0      | 0                      | .0          |
| <b>TOTAL Workers' Compensation</b> |        |                           | <b>55,075,785</b> | <b>52,136,830</b> | <b>55,558,269</b> | <b>61,728,577</b>   | <b>60,782,534</b>      | <b>-1.5</b> | <b>62,644,534</b>      | <b>3.1</b>  |
| <b>TOTAL Industrial Commission</b> |        |                           | <b>55,075,785</b> | <b>52,136,830</b> | <b>55,558,269</b> | <b>61,728,577</b>   | <b>60,782,534</b>      | <b>-1.5</b> | <b>62,644,534</b>      | <b>3.1</b>  |

### Role and Overview

The Inspector General (IGO) investigates alleged acts of fraud, waste, abuse, and corruption within the executive branch of government.

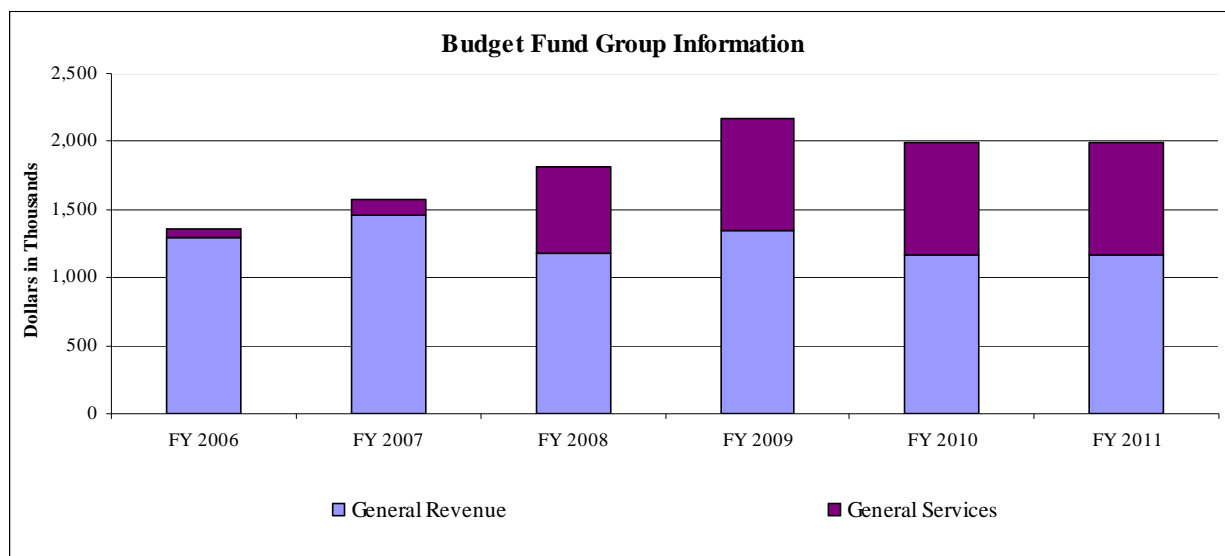
The Office of the Inspector General was created by an executive order in 1988 and permanently established in 1990. The office operates with 19 staff members and an annual budget of nearly \$2.0 million including \$1.2 million in general revenue funding. The Inspector General's jurisdiction includes the Governor and his staff, state agencies, departments, boards, commissions, and state-assisted colleges and universities. The Inspector General is prohibited from examining, investigating, and making recommendations concerning the legislature, any court, the Secretary of State, the Auditor of State, the Treasurer of State, or the Attorney General unless specifically authorized to do in legislation.

Additional information regarding the Inspector General is available at <http://watchdog.ohio.gov/>.

### Agency Priorities

- Ensure complaints of wrongdoing are investigated thoroughly in a professional manner.
- Educate state employees and the public to prevent wrongdoing by raising levels of awareness.
- Place state agencies and employees on notice of the high standards to which they must adhere if they choose to serve in state government.
- Continue diligence in investigations of wrongdoing and demonstrate a zero-tolerance attitude for wrongdoing within state government.

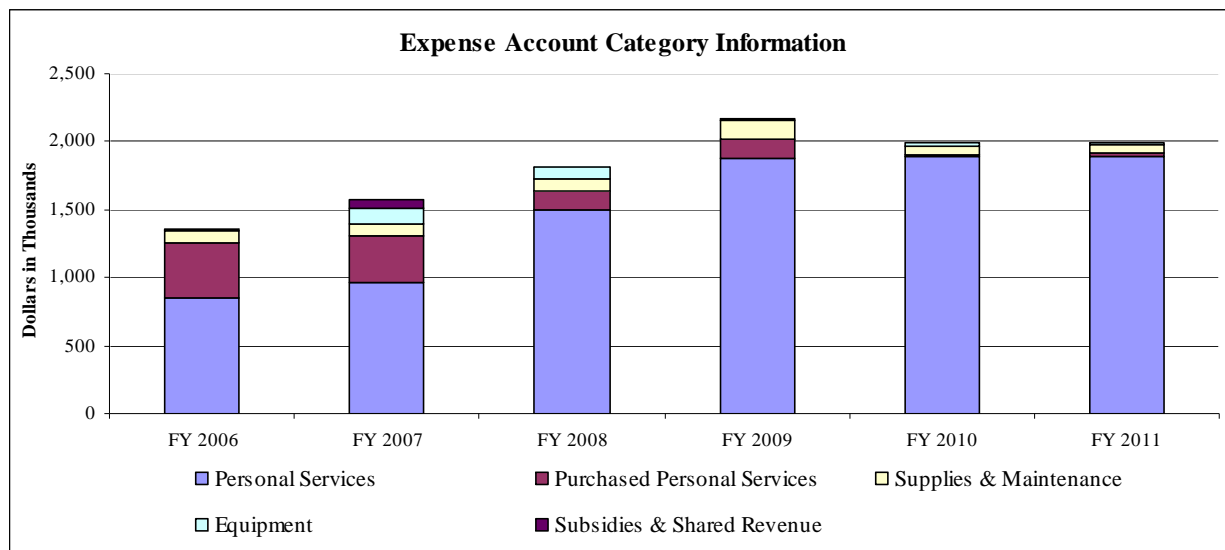
### Summary of Budget History and Recommendations



- The Deputy Inspector General for the Department of Transportation (ODOT) fund in the general services budget fund group was created by the 127<sup>th</sup> General Assembly to support the costs of the deputy inspector generals that investigate alleged wrongful acts or omissions within ODOT.
- A second general services fund, the Deputy Inspector General for the Bureau of Workers Compensation and Industrial Commission fund, is created in the Executive Budget to support the costs of the deputy inspector generals that investigate alleged wrongful acts or omissions within the Bureau of Workers Compensation and the Ohio Industrial Commission. This new funding mechanism will replace the current funding structure that supports these costs with general revenue funding.

State of Ohio  
**Office of the Inspector General**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED  |             |              |             |
|-------------------------------------|--------------|--------------|--------------|-----------------|-------------------------|--------------|-------------|--------------|-------------|
|                                     | FY 2006      | FY 2007      | FY 2008      |                 |                         | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| General Revenue                     | 1,299        | 1,462        | 1,180        | 1,340           | 13.5                    | 1,164        | -13.1       | 1,164        | 0.0         |
| General Services                    | 63           | 110          | 634          | 825             | 30.1                    | 825          | 0.0         | 825          | 0.0         |
| <b>TOTAL</b>                        | <b>1,362</b> | <b>1,572</b> | <b>1,814</b> | <b>2,165</b>    | <b>19.3</b>             | <b>1,989</b> | <b>-8.1</b> | <b>1,989</b> | <b>0.0</b>  |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED  |             |              |             |
|---|--------------|--------------|--------------|-----------------|-------------------------|--------------|-------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      |                 |                         | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Personal Services                             | 850          | 967          | 1,501        | 1,879           | 25.2                    | 1,888        | 0.5         | 1,895        | 0.4         |
| Purchased Personal Services                   | 406          | 346          | 134          | 136             | 1.5                     | 20           | -85.3       | 20           | 0.0         |
| Supplies & Maintenance                        | 88           | 83           | 88           | 143             | 63.0                    | 60           | -58.1       | 60           | 0.0         |
| Equipment                                     | 18           | 115          | 91           | 7               | -92.2                   | 21           | 190.8       | 14           | -33.6       |
| Subsidies & Shared Revenue                    | 0            | 61           | 0            | 0               | 0.0                     | 0            | 0.0         | 0            | 0.0         |
| <b>TOTAL</b>                                  | <b>1,362</b> | <b>1,572</b> | <b>1,814</b> | <b>2,165</b>    | <b>19.3</b>             | <b>1,989</b> | <b>-8.1</b> | <b>1,989</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: Investigations

This program series investigates complaints of fraud, waste, and abuse in the executive branch of state government.

#### Program 01.01: Investigations

This program extends to the governor, the governor's cabinet and staff, state agencies, departments, boards and commissions, and state universities and state medical colleges. Outside of the jurisdiction of the office are community colleges, the courts, the legislature, and the offices of the Secretary of State, Auditor, Treasurer, Attorney General and their staff and employees unless granted authority to perform these investigations in legislation.

**The Executive Recommendation will fund the following objectives:**

- Support the current 19 staff members including deputy inspector generals for the Bureau of Workers Compensation and the Ohio Industrial Commission as well as deputy inspector generals for the Department of Transportation; and
- Fund operational expenses for the office as well as contracting with investigative staff for special investigations.

| FUND              |      |        |                                      | RECOMMENDED |           |
|-------------------|------|--------|--------------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                             | FY 2010     | FY 2011   |
| GRF               | GRF  | 965321 | Operating Expenses                   | 1,164,218   | 1,164,218 |
| GSF               | 5FA0 | 965603 | Deputy Inspector General for ODOT    | 400,000     | 400,000   |
| GSF               | 5FT0 | 965604 | Deputy Inspector General For BWC/OIC | 425,000     | 425,000   |
| TOTAL FOR PROGRAM |      |        |                                      | 1,989,218   | 1,989,218 |



**LINE ITEM SUMMARY - Office of the Inspector General**

| FUND   | ALI    | ALI NAME                           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF  | 965321 | Operating Expenses                 | 1,298,810         | 1,309,289         | 1,178,244         | 1,339,903           | 1,164,218              | -13.1        | 1,164,218              | 0.0         |
| GRF  | 965403 | BWC Investigation & Prosecution    | 0                 | 153,185           | 2,013             | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL General Revenue</b>                 |        |                                    | <b>1,298,810</b>  | <b>1,462,474</b>  | <b>1,180,256</b>  | <b>1,339,903</b>    | <b>1,164,218</b>       | <b>-13.1</b> | <b>1,164,218</b>       | <b>0.0</b>  |
| 4Z30   | 965602 | Special Investigations             | 63,284            | 109,738           | 325,563           | 0                   | 0                      | .0           | 0                      | .0          |
| 5FA0   | 965603 | Deputy Inspector Gen For ODOT Fund | 0                 | 0                 | 308,488           | 400,000             | 400,000                | 0.0          | 400,000                | 0.0         |
| 5FT0   | 965604 | Deputy Inspector Gen For BWC/OIC   | 0                 | 0                 | 0                 | 425,000             | 425,000                | 0.0          | 425,000                | 0.0         |
| <b>TOTAL General Services</b>                |        |                                    | <b>63,284</b>     | <b>109,738</b>    | <b>634,051</b>    | <b>825,000</b>      | <b>825,000</b>         | <b>0.0</b>   | <b>825,000</b>         | <b>0.0</b>  |
| <b>TOTAL Office of the Inspector General</b> |        |                                    | <b>1,362,094</b>  | <b>1,572,212</b>  | <b>1,814,308</b>  | <b>2,164,903</b>    | <b>1,989,218</b>       | <b>-8.1</b>  | <b>1,989,218</b>       | <b>0.0</b>  |

### **Role and Overview**

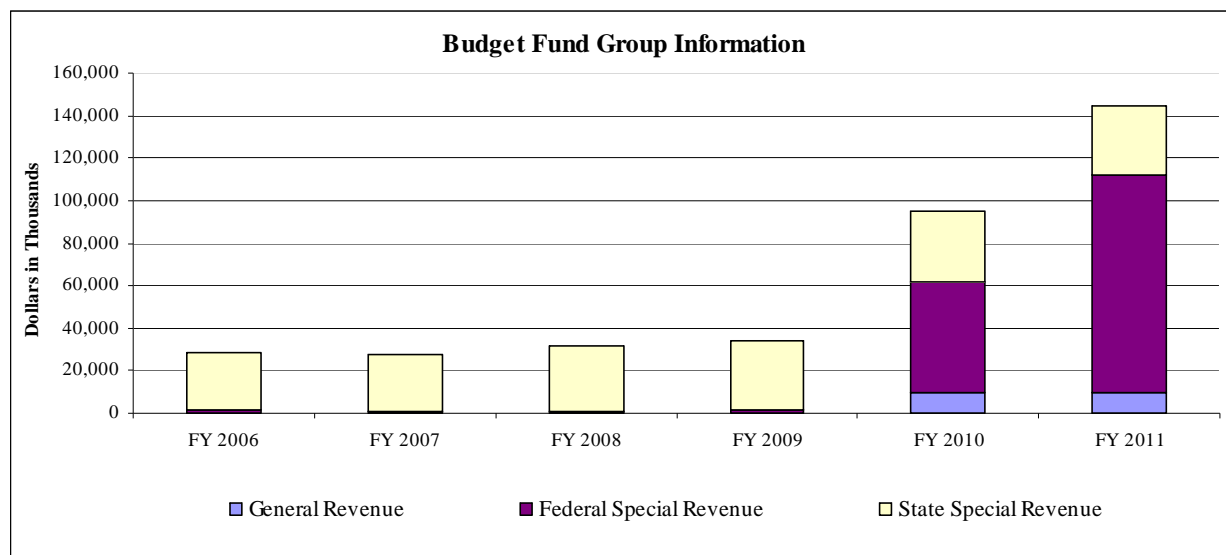
The Department of Insurance (ODI) provides consumer protection through education and fair but vigilant regulation while promoting a stable and competitive insurance marketplace. The department is charged under Ohio Revised Code Chapters 39 and 17 with the responsibility of regulating the activities of approximately 1,650 insurance companies that write more than \$54 billion in insurance premiums, and pay about \$447 million each year in premium taxes to the General Revenue Fund. Ohio is the ninth largest insurance state by premium volume. The industry is one of Ohio's largest employers, employing more than 71,000 people not including agents. In addition, the department issues licenses, monitors the conduct of more than 259,000 insurance agents, and oversees 1,800 insurance agencies doing business in Ohio. The department monitors the financial soundness of insurance companies; investigates consumer complaints and insurance fraud; determines if services and benefits offered by insurance companies are consistent with policy provisions and Ohio law; reviews company filings for life, accident, health, managed care, property, and casualty policies; and reviews and approves forms and rates. The Superintendent of Insurance, who is appointed by the Governor, heads the department. The annual administrative budget of the department is approximately \$35.8 million and supports approximately 280 employees.

Additional information regarding the Department of Insurance can be found at <http://www.ohioinsurance.gov/>.

### **Agency Priorities**

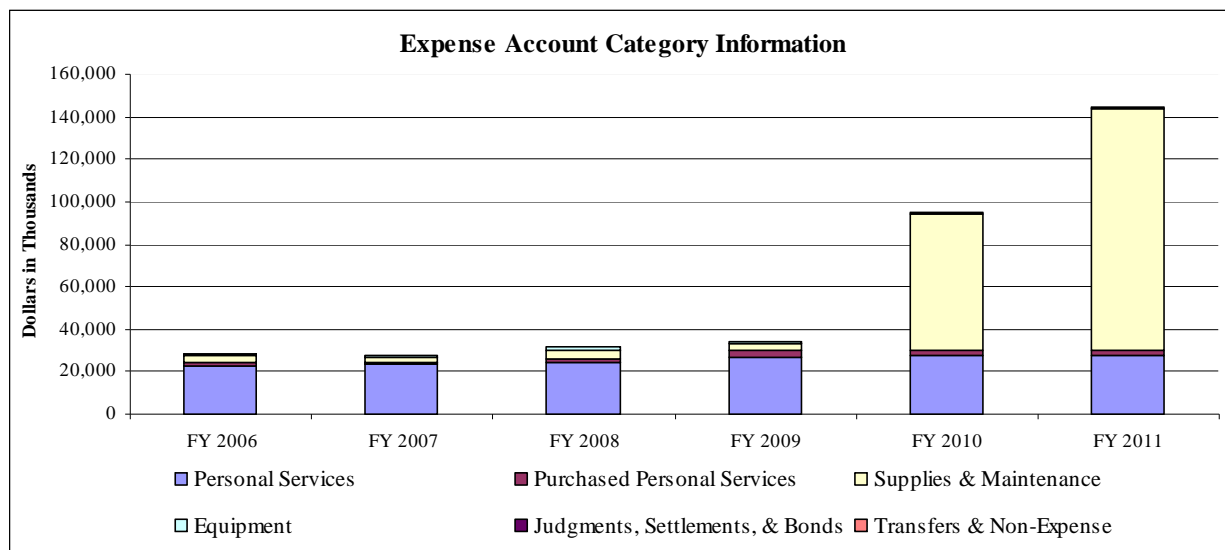
- Monitor the financial solvency of insurance companies and health insuring corporations operating in Ohio, and assure that companies operating in Ohio are stable and sound.
- Provide consumers with education on insurance matters, especially health care coverage options and issues of interest to seniors.
- Provide consumers with assistance regarding insurance coverage and claims-related concerns.
- Monitor insurance sales, claims handling activities, and insurance company interactions with policyholders to ensure they are fair and compliant with Ohio law.
- Investigate fraud and misconduct in a thorough and professional manner.
- Protect Ohio's senior population from predatory sales practices by strengthening regulatory measures, educating seniors and continuing partnerships with organizations that serve senior citizens.
- Continue efforts to increase availability of health care coverage for groups and individuals in Ohio through further development of the State Coverage Initiative.
- Provide staff educational and training opportunities to enhance their insurance knowledge in order to more effectively monitor a complex and ever changing insurance industry.

## Summary of Budget History and Recommendations



- General Revenue Funds are for state match requirements for federal Health Information Technology programs
- Federal revenue increases recognize maximum federal award for federal Health Information Technology programs

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |                |             |
|-------------------------------------|---------------|---------------|---------------|------------------|------------|-------------------------|--------------|----------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011        | CHANGE      |
| General Revenue                     | 0             | 0             | 0             | 0                | 0.0        | 10,000                  | 100.0        | 10,000         | 0.0         |
| Federal Special Revenue             | 1,286         | 999           | 1,146         | 1,640            | 43.1       | 51,770                  | 3,057.0      | 101,790        | 96.6        |
| State Special Revenue               | 26,768        | 26,620        | 30,388        | 32,241           | 6.1        | 33,060                  | 2.5          | 33,083         | 0.1         |
| <b>TOTAL</b>                        | <b>28,054</b> | <b>27,619</b> | <b>31,534</b> | <b>33,881</b>    | <b>7.4</b> | <b>94,830</b>           | <b>179.9</b> | <b>144,873</b> | <b>52.8</b> |



- Supplies and Maintenance increases primarily recognize spending for federal Health Information Technology programs. Coding may change based on the structure of any award accepted.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |                |             |
|---|---------------|---------------|---------------|------------------|------------|-------------------------|--------------|----------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011        | CHANGE      |
| Personal Services                             | 22,469        | 23,382        | 24,611        | 27,087           | 10.1       | 27,658                  | 2.1          | 28,008         | 1.3         |
| Purchased Personal Services                   | 1,865         | 669           | 1,774         | 2,712            | 52.9       | 2,601                   | -4.1         | 1,985          | -23.7       |
| Supplies & Maintenance                        | 3,245         | 2,935         | 3,346         | 3,778            | 12.9       | 63,885                  | 1,591.2      | 113,980        | 78.4        |
| Equipment                                     | 308           | 588           | 1,803         | 294              | -83.7      | 426                     | 45.2         | 640            | 50.3        |
| Judgments, Settlements, & Bonds               | 167           | 47            | 0             | 10               | 100.0      | 0                       | -100.0       | 0              | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 1             | 0                | -100.0     | 260                     | 100.0        | 260            | 0.0         |
| <b>TOTAL</b>                                  | <b>28,054</b> | <b>27,619</b> | <b>31,534</b> | <b>33,881</b>    | <b>7.4</b> | <b>94,830</b>           | <b>179.9</b> | <b>144,873</b> | <b>52.8</b> |

### PROGRAM SERIES 01: Investigation and Licensing

This program series consists of programs, which monitor the business practices of insurance agencies, agents, and companies, licenses them, and detect, prevent, investigate, and assist in the prosecution of consumer and provider fraud and wrongdoing in the insurance market.

#### Program 01.01: Market Conduct

This program monitors insurers' compliance with Ohio insurance laws and regulations by examining insurance entities' business practices, such as underwriting, marketing and claims handling. The program staff identifies inappropriate insurance company market practices by analyzing market data, consumer complaints, and electronic data; conducting on-site and off-site examinations; and participating in the National Association of Insurance Commissioners' examination tracking systems. The division ensures that proper corrective action is taken as established by state laws and rules.

#### The Executive Recommendation will fund the following objectives:

- On-site examinations, investigations, and in-house company compliance reviews;
- Collection and analysis of market data, consumer complaints, and associated data;
- A provider complaint and prompt payment program for healthcare claims;

State of Ohio  
**Department of Insurance**

- Limited-scope in-house company compliance reviews, on-site examinations, and investigations;
- Maintain the National Association of Insurance Commissioners examination tracking system and other regulatory databases; and
- Training that will allow staff members to achieve and maintain professional designations directly related to their duties.

| FUND              |      |        |                    | RECOMMENDED |           |
|-------------------|------|--------|--------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011   |
| SSR               | 5540 | 820606 | Operating Expenses | 1,697,399   | 1,731,908 |
| TOTAL FOR PROGRAM |      |        |                    | 1,697,399   | 1,731,908 |

**Program 01.02: Licensing**

This program issues licenses to insurance agents, insurance agencies, managing general agents, third-party administrators, reinsurance intermediaries, public insurance adjusters, viatical settlement brokers, and surety bail bond agents. If an applicant does not appear to be a suitable candidate for a license, the program assists The Licensing Program also monitors the continuing education hours for insurance agents, processes insurance company appointments of authorized agents, and proposes regulatory action against licensees not in compliance with the education requirements.

**The Executive Recommendation will fund the following objectives:**

- Administration of continuing education programs; and
- Processing of license applications.

| FUND              |      |        |                    | RECOMMENDED |           |
|-------------------|------|--------|--------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011   |
| SSR               | 5540 | 820606 | Operating Expenses | 1,627,664   | 1,670,468 |
| TOTAL FOR PROGRAM |      |        |                    | 1,627,664   | 1,670,468 |

**Program 01.03: Fraud and Enforcement**

This program investigates alleged misconduct or fraud committed by licensed individuals entities, consumers, third parties and medical providers. Insurance agents are investigated for various types of misconduct such as misappropriation of premiums and misrepresentation. Agents who engage in such acts may lose their licenses or face other sanctions. Types of insurance fraud include false claims, inflated claims, arson, theft, forgery, staged accidents, upcoding of medical services, billing for medical services not rendered and the unbundling of medical services. The program staff members frequently refer cases to local, state and federal prosecutors and provide evidence and testimony regarding investigations conducted.

**The Executive Recommendation will fund the following objectives:**

- Investigation and prosecution of insurance-related fraud;
- Misconduct investigations of insurance agents; and
- Equip fraud and enforcement investigators with the tools necessary to perform their job duties with a higher degree of skill and efficiency, including job specific training and education.

| FUND              |      |        |                    | RECOMMENDED |           |
|-------------------|------|--------|--------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011   |
| SSR               | 5540 | 820606 | Operating Expenses | 2,433,258   | 2,492,476 |
| TOTAL FOR PROGRAM |      |        |                    | 2,433,258   | 2,492,476 |

## PROGRAM SERIES 02: Risk Assessment

This program series, accredited by the National Association of Insurance Commissioners (NAIC) for its financial oversight operations, licenses insurance companies and monitors the financial solvency of insurance companies licensed in the State of Ohio.

### Program 02.01: Risk Assessment

This program regulates the financial solvency of all domestic (Ohio-based) insurance companies as well as monitors and coordinates regulatory oversight of the financial conditions of foreign (out-of-state), surplus lines (unauthorized foreign insurer), and alien (international) insurers. The program staff reviews financial statements of every company licensed in Ohio and oversees complex transactions that can include billions of dollars in managed assets to ensure that insurance companies have enough money to pay claims filed by consumers. They also calculate and certify to the Treasurer of State the domestic and foreign insurance premium tax owed to the state. In addition, the program monitors insurers' statutory and solvency compliance on an ongoing basis and conducts on-site field examinations. By statute, the department examines insurers as often as the Superintendent of Insurance deems appropriate but at least once every five years.

#### The Executive Recommendation will fund the following objectives:

- Analysis and review of the financial statements of 1,170 insurers;
- Financial examinations of insurance companies;
- Ensure compliance with legislative changes to financial policy;
- Regulatory action in response to troubled insurance company situations;
- License domestic, foreign, and alien insurers applying for admission;
- Certify premium, retaliatory, and fire marshal taxes for collection in excess of \$440 million annually; and
- Development and implementation of upgrade to the department regulatory database, allowing for greater efficiency and enhanced interoperability.

| FUND              |      |        |             | RECOMMENDED |           |
|-------------------|------|--------|-------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME    | FY 2010     | FY 2011   |
| SSR               | 5550 | 820605 | Examination | 9,275,768   | 9,294,668 |
| TOTAL FOR PROGRAM |      |        |             | 9,275,768   | 9,294,668 |

## PROGRAM SERIES 03: Product Regulation

This program series reviews the product and rate submissions of all insurance companies selling insurance products in Ohio and performs actuarial analyses in support of the Risk Assessment program.

### Program 03.01: Product Regulation

This program reviews policy forms, endorsements, and rules for products marketed to Ohio consumers by Ohio-licensed property and casualty companies as well as life and health companies. Products reviewed include commercial lines (e.g. insurance for businesses-auto, general liability, professional liability including medical malpractice, property, crime, fidelity, and surety), personal lines (e.g. insurance for individuals and families-auto and homeowners), life and health, and accident policies. The program also reviews title insurance, risk purchasing and risk retention group registrations, and surplus lines reports. Program staff reviews policy language for clarity and compliance with statutes and rules. They also monitor the annual open enrollments of the individual health insurance market. The program provides actuarial support for all of the programs, with specific responsibility for Product Regulation, Program Management and Risk Assessment. Actuarial standards are applied to ensure that rates are not excessive, inadequate, or unfairly discriminatory. Program staff analyzes the valuation of reserve liabilities for domestic life insurance companies. The program also monitors the reserve valuations of domestic health insurers and reviews the actuarial opinions, memoranda, and summaries for all domestic insurers. Program staff participates in all Risk Assessment examinations to evaluate reserving risk, as well as pricing and underwriting, liquidity,

operational, and strategic risks, as well as providing technical expertise to legal staff performing law and regulation reviews.

**The Executive Recommendation will fund the following objectives:**

- Professional development to increase actuarial and product development expertise;
- Collection and analysis of medical liability insurance data;
- Preparation of market condition reports;
- Performance of 10,000 annual rate and insurance contracts filed by property and casualty insurance companies, title insurance products, risk purchasing and risk retention group registrations, notification forms, and surplus line quarterly reports and 5,000 rate and contract filings from life and health insurers and health insuring corporations.
- Oversight of 459 life and health insurance companies, and
- Review of reserve valuation documentation for life insurance products offered by 37 Ohio domestic life insurance companies.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| SSR                      | 5540 | 820606 | Operating Expenses | 3,763,426        | 3,808,361        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>3,763,426</b> | <b>3,808,361</b> |

**PROGRAM SERIES 04: Consumer Services**

This program series consists of two programs that provide direct services to assist and educate Ohio insurance consumers by answering questions, investigating complaints, organizing and coordinating a statewide counseling service for senior consumers, and distributing educational material.

**Program 04.01: Consumer Services**

This program assists Ohio insurance consumers through telephone, Internet and written communications, one-on-one meetings, and community outreach activities. The program representatives respond to inquiries regarding a wide variety of insurance matters and investigate insurance consumer complaints. Other activities include identifying violations of Ohio's insurance laws; distributing helpful insurance-related publications such as insurance guides for different types of insurance and numerous pamphlets that compliment the guides and focus on topics of consumer interest; counseling victims at disaster assistance sites; meeting with insurance industry professionals, and conducting insurance fairs across the state.

**The Executive Recommendation will fund the following objectives:**

- Continue providing the customer service center for public inquiries;
- Distribution of insurance publications; and
- Investigations to identify violations and recovery systems based on consumer complaints.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| SSR                      | 5540 | 820606 | Operating Expenses | 2,777,489        | 2,843,328        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>2,777,489</b> | <b>2,843,328</b> |

**Program 04.02: Ohio Senior Health Insurance Information Program (OSHIIP)**

This education and advocacy program, funded in part by state funds and by a grant from the Centers for Medicare and Medicaid Services (CMS), was established in 1992 to provide Medicare beneficiaries with free, objective health insurance information and one-on-one counseling. OSHIIP's speaker's bureau, hotline experts, and statewide

network of volunteers trained by OSHIIP staff educate consumers about Medicare, Medicare Part D prescription drug coverage, Medicare Advantage options, Medicaid and Medicare supplements, long-term care insurance, and other health insurance matters. The program also distributes two shopper guides, one for Medicare supplemental insurance and one for long-term care insurance, several brochures, and publishes a monthly volunteer newsletter. Additionally OSHIIP has established over 200 local information sites in partnership with hospitals, medical professionals, area-wide aging agencies and public-charitable-private organizations.

**The Executive Recommendation will fund the following objectives:**

- Provide consumer counseling services;
- Provide training for persons volunteering to provide health insurance information to seniors; and
- Support of education outreach efforts to Ohio seniors on Medicare issues;

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| FED                      | 3U50 | 820602 | OSHIIP Operating Grant    | 1,770,000        | 1,790,000        |
| SSR                      | 5540 | 820601 | Operating Expenses-OSHIIP | 200,000          | 200,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>1,970,000</b> | <b>1,990,000</b> |

**PROGRAM SERIES 05: Program Management**

This program series supports the department's mission to be responsive to and safeguard consumer interests through education and vigilance while promoting a stable and competitive marketplace among insurance providers. The department is committed to the proper regulation and licensing of insurance agents and agencies and to assuring consumers and providers of a financially solvent industry.

**Program 05.01: Program Management**

This program consists of such management and support functions as executive, legal, general services, and information technology. The executive staff oversees the operations of the department, develops policies on all insurance matters, and represents the department in the legislature. The executive staff is also undertaking efforts to identify programs and products that will improve access to healthcare coverage for Ohioans and to collaborate with other state and federal agencies to identify resources for such coverage. The legal staff handles regulatory transactions, administers public hearings on agent and company license and enforcement issues, and provides legal assistance to other divisions of the department. The Office of General Services provides operational support including human resources, fiscal, budgeting, internal audit, and facility management. Information technology assists the department's regulatory oversight responsibilities through application of technology including the design, implementation, and maintenance of technology infrastructure and programs.

**The Executive Recommendation will fund the following objectives:**

- Provide program management functions, including executive, legal, fiscal, information technology, and human resources operations necessary to support the department's activities;
- Provide support for State Coverage Initiative (SCI) programs, which will assist 110,000 people currently without coverage in obtaining insurance;
- Provide administrative and technical support to the Ohio Health Care Coverage and Quality Council, to assist in development and implementation of future SCI programs to cover more currently uninsured Ohioans; and
- Assist with the implementation of health information technologies in Ohio through the Ohio Health Information Exchange Center and similar programs.



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**State of Ohio**  
**Department of Insurance**

| FUND                     |      |        |  | RECOMMENDED       |                    |
|--------------------------|------|--------|--|-------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010           | FY 2011            |
| GRF                      | GRF  | 820607 | State Coverage Initiative                | 10,000,000        | 10,000,000         |
| FED                      | 3CX0 | 820608 | State Coverage Initiative – Federal      | 50,000,000        | 100,000,000        |
| SSR                      | 5540 | 820606 | Operating Expenses                       | 10,805,793        | 10,561,755         |
| SSR                      | 5540 | 820609 | State Coverage Initiative Administration | 479,575           | 479,575            |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>71,285,368</b> | <b>121,041,330</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

820607, State Coverage Initiative: GRF funds in the amount of \$10 million in fiscal years 2010-11 are appropriated to meet match requirements to receive federal dollars for implementation and encouragement of Health Information Technology programs.

820608, State Coverage Initiative - Federal: This line item establishes appropriation for federal dollars related to Health Information Technology programs.

820609, State Coverage Initiative Administration: This line item funds personnel and administrative activities related to support and implementation of State Coverage and Quality Initiative programs and recommendations.

**LINE ITEM SUMMARY - Department of Insurance**

| FUND                                 | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF                                  | 820607 | State Coverage Initiative                | 0                 | 0                 | 0                 | 0                   | 10,000,000             | .0            | 10,000,000             | 0.0         |
| <b>TOTAL General Revenue</b>         |        |  | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>            | <b>10,000,000</b>      | <b>.0</b>     | <b>10,000,000</b>      | <b>0.0</b>  |
| 3AV0                                 | 820604 | Federal Grant-Special Project            | 32,625            | 0                 | 0                 | 0                   | 0                      | .0            | 0                      | .0          |
| 3CX0                                 | 820608 | State Coverage Initiative – Federal      | 0                 | 0                 | 0                 | 0                   | 50,000,000             | .0            | 100,000,000            | 100.0       |
| 3U50                                 | 820602 | OSHIIP Operating Grant                   | 1,253,256         | 999,151           | 1,146,017         | 1,639,826           | 1,770,000              | 7.9           | 1,790,000              | 1.1         |
| <b>TOTAL Federal Special Revenue</b> |        |  | <b>1,285,881</b>  | <b>999,151</b>    | <b>1,146,017</b>  | <b>1,639,826</b>    | <b>51,770,000</b>      | <b>3057.0</b> | <b>101,790,000</b>     | <b>96.6</b> |
| 5540                                 | 820601 | Operating Expenses-OSHIIP                | 498,360           | 241,869           | 376,442           | 569,269             | 200,000                | -64.9         | 200,000                | 0.0         |
| 5540                                 | 820606 | Operating Expenses                       | 19,413,503        | 19,537,801        | 22,884,736        | 23,802,797          | 23,105,028             | -2.9          | 23,108,297             | 0.0         |
| 5540                                 | 820609 | State Coverage Initiative Administration | 0                 | 0                 | 0                 | 0                   | 479,575                | .0            | 479,575                | 0.0         |
| 5550                                 | 820605 | Examination                              | 6,856,463         | 6,840,409         | 7,126,695         | 7,868,768           | 9,275,768              | 17.9          | 9,294,668              | 0.2         |
| <b>TOTAL State Special Revenue</b>   |        |  | <b>26,768,326</b> | <b>26,620,080</b> | <b>30,387,872</b> | <b>32,240,834</b>   | <b>33,060,371</b>      | <b>2.5</b>    | <b>33,082,540</b>      | <b>0.1</b>  |
| <b>TOTAL Department of Insurance</b> |        |  | <b>28,054,208</b> | <b>27,619,230</b> | <b>31,533,889</b> | <b>33,880,660</b>   | <b>94,830,371</b>      | <b>179.9</b>  | <b>144,872,540</b>     | <b>52.8</b> |

### **Role and Overview**

The Ohio Department of Job and Family Services (ODJFS) develops and oversees programs that provide health care, employment and economic assistance, child support, and other services to Ohio families and children. The programs and services offered are designed to help Ohioans be healthy and safe, while gaining and maintaining independence. These services are delivered at the local level by county family services agencies in a manner that recognizes and preserves individual rights, responsibilities, and dignity. The services include, but are not limited to, financial assistance, job training and placement services, child care, child protection services, family services, child support enforcement, and health care. Most of these programs are federally mandated and funded. Titles XIX and XXI of the Social Security Act fund the Medicaid health care program; Temporary Assistance for Needy Families (TANF) funds financial assistance for families; the federal Workforce Investment Act (WIA) funds job training and job placement services for workers and employers; and Title III of the Social Security Act sets forth federal standards for administration of the unemployment insurance program and authorizes federal administrative funding for the program.

The administration and funding of these programs represent a cooperative partnership between federal and state, and state and local governments. Most programs are supervised by the department and administered locally by a combination of county offices, which include 88 county departments of job and family services, 25 separate public children services agencies, seven stand-alone public assistance agencies, and 24 separate child support enforcement agencies. ODJFS provides state and federal funding to these local agencies to develop programs that respond to local needs. It also provides technical assistance and support to ensure compliance with federal and state regulations.

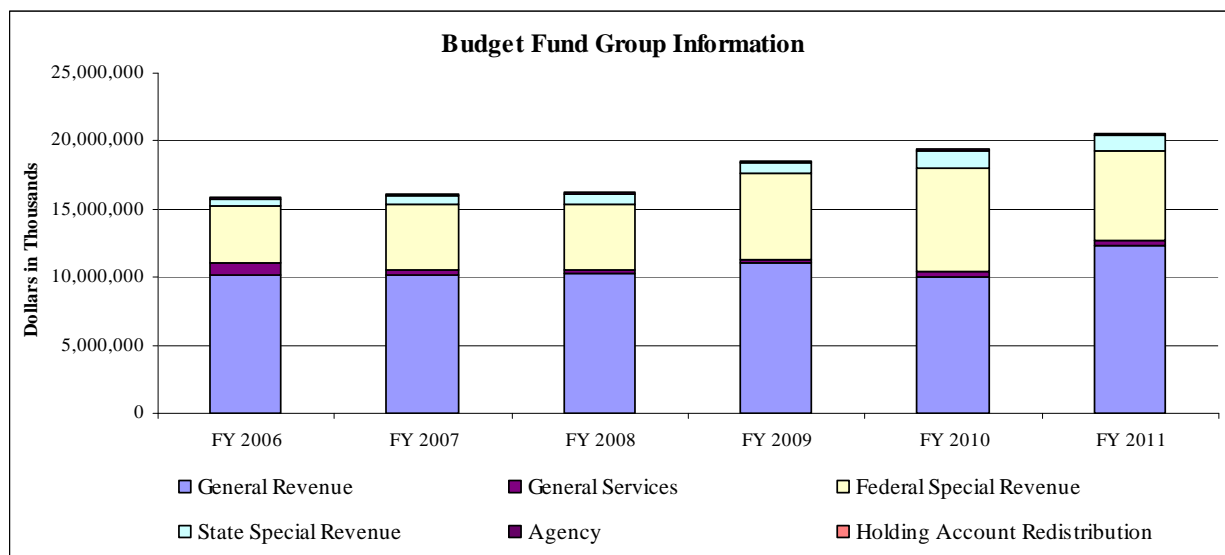
The department is led by a director, appointed by the governor, who manages approximately 3,850 employees and a budget of approximately \$18.5 billion. Additional information regarding the Ohio Department of Job and Family Services is available at <http://jfs.ohio.gov>.

### **Agency Priorities**

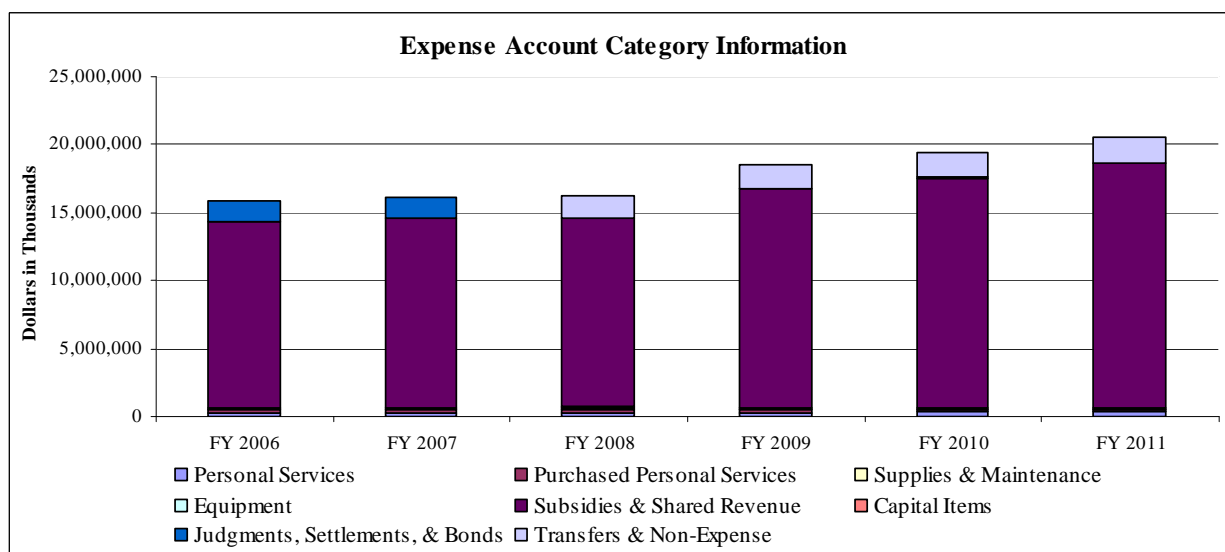
- By 2010, ODJFS will improve the economic well-being of Ohio's workforce by increasing consumer access to benefits/information.
- By 2011, ODJFS will provide access to quality, affordable health insurance for every eligible Ohioan and cut the number of total uninsured Ohioans by 50 percent.
- By 2010, ODJFS will improve its relationships with external vendors by reducing barriers and time delays in the contracting process.
- By 2011, ODJFS will successfully complete an overhaul of the state's child-serving system as reported in the federal indicators for safety, permanency and well-being of children.
- By 2011, ODJFS will reflect an efficient and customer service-oriented image and will work in collaboration with its family network of county family services agencies and sister state agencies.

State of Ohio  
Department of Job and Family Services

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL            |                   |                   | EST.              | %<br>CHANGE | RECOMMENDED       |             |                   |             |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|
|                                     | FY 2006           | FY 2007           | FY 2008           | FY 2009           | FY 08-09    | FY 2010           | %<br>CHANGE | FY 2011           | %<br>CHANGE |
| General Revenue                     | 10,166,443        | 10,173,997        | 10,274,835        | 10,988,292        | 6.9         | 10,077,721        | -8.3        | 12,256,957        | 21.6        |
| General Services                    | 877,205           | 334,741           | 241,593           | 297,518           | 23.1        | 328,508           | 10.4        | 442,434           | 34.7        |
| Federal Special Revenue             | 4,170,445         | 4,881,618         | 4,895,121         | 6,292,098         | 28.5        | 7,636,711         | 21.4        | 6,638,112         | -13.1       |
| State Special Revenue               | 558,148           | 587,718           | 656,906           | 819,538           | 24.8        | 1,219,834         | 48.8        | 1,110,037         | -9.0        |
| Agency                              | 104,302           | 103,754           | 139,122           | 148,000           | 6.4         | 148,000           | 0.0         | 148,000           | 0.0         |
| Holding Account Redistribution      | 2,193             | 1,111             | 661               | 3,610             | 446.3       | 3,610             | 0.0         | 3,610             | 0.0         |
| <b>TOTAL</b>                        | <b>15,878,736</b> | <b>16,082,938</b> | <b>16,208,238</b> | <b>18,549,056</b> | <b>14.4</b> | <b>19,414,383</b> | <b>4.7</b>  | <b>20,599,150</b> | <b>6.1</b>  |



State of Ohio

## Department of Job and Family Services

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL            |                   |                   | EST. %<br>CHANGE  |             | RECOMMENDED       |             |                   |             |
|---|-------------------|-------------------|-------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|
|   | FY 2006           | FY 2007           | FY 2008           | FY 2009           | FY 08-09    | FY 2010           | %<br>CHANGE | FY 2011           | %<br>CHANGE |
| Personal Services                             | 282,555           | 295,983           | 301,488           | 311,252           | 3.2         | 333,388           | 7.1         | 333,022           | -0.1        |
| Purchased Personal Services                   | 202,596           | 225,039           | 244,982           | 187,036           | -23.7       | 111,520           | -40.4       | 134,546           | 20.6        |
| Supplies & Maintenance                        | 112,163           | 111,812           | 116,790           | 156,199           | 33.7        | 124,091           | -20.6       | 144,440           | 16.4        |
| Equipment                                     | 41,383            | 36,050            | 41,817            | 21,701            | -48.1       | 12,539            | -42.2       | 12,613            | 0.6         |
| Subsidies & Shared Revenue                    | 13,730,325        | 13,956,676        | 13,918,953        | 16,041,819        | 15.3        | 16,948,929        | 5.7         | 18,024,847        | 6.3         |
| Capital Items                                 | 0                 | 0                 | 0                 | 0                 | 0.0         | 46,000            | 100.0       | 6,000             | -87.0       |
| Judgments, Settlements, & Bonds               | 1,509,714         | 1,457,378         | 34                | 81                | 139.1       | 0                 | -100.0      | 0                 | 0.0         |
| Transfers & Non-Expense                       | 0                 | 0                 | 1,584,174         | 1,830,968         | 15.6        | 1,837,917         | 0.4         | 1,943,682         | 5.8         |
| <b>TOTAL</b>                                  | <b>15,878,736</b> | <b>16,082,938</b> | <b>16,208,238</b> | <b>18,549,056</b> | <b>14.4</b> | <b>19,414,383</b> | <b>4.7</b>  | <b>20,599,150</b> | <b>6.1</b>  |

- See endnote for explanation of Medicaid FY09 estimated expenditure

### PROGRAM SERIES 01: Workforce Development

This program series includes funding for activities that strengthen the state's workforce through employment services and workforce development activities at the state and local levels, as well as the technology that supports these functions.

#### Program 01.01: Workforce Investment Act

The Workforce Investment Act (WIA) and related programs are at the core of Ohio's workforce development strategies. Key programs included under this functional area are: WIA programs, the One-Stop system, Apprenticeship programs, Rapid Response efforts, and Grants and Audit Resolution. The WIA programs provide a flexible approach to meeting existing workforce needs and developing skills needed for the future.

#### The Executive Recommendations will fund the following objectives:

- Serve 40,000 adults, 20,000 dislocated workers, and 30,000 youth per year; and
- Allow over 17,000 Ohioans to participate in registered apprenticeship employment and training.

| FUND                     |      |        |                               | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010            | FY 2011            |
| GSF                      | 6130 | 600645 | Training Activities           | 110,000            | 110,000            |
| FED                      | 3310 | 600686 | Federal Operating             | 1,098,706          | 1,114,049          |
| FED                      | 3V00 | 600688 | Workforce Investment Act      | 316,409,561        | 316,485,190        |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 5,893              | 5,979              |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>317,624,160</b> | <b>317,715,218</b> |

#### Program 01.02: Employment Services / Tax Credit Programs

Employment Services helps Ohio workers find jobs and assists Ohio employers in finding qualified workers. The Wagner-Peyser Act of 1933 established a nationwide system of public employment offices that provide employment labor exchange services. The Workforce Investment Act of 1998 amended the Wagner-Peyser Act and made employment services programs part of the One-Stop delivery system. Tax credit programs provide tax incentives to Ohio employers who hire from targeted groups of job seekers with consistently high unemployment rates, giving employers a tax credit against their federal tax liability and supplying employment to disadvantaged job seekers.

#### The Executive Recommendations will fund the following objectives:

- Deliver Labor Exchange services to over 1.2 million customers and refer over 579,000 individuals to job openings;
- Provide web-based employment services accessed over 2 million times; and

State of Ohio

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## Department of Job and Family Services

- Allow the Work Opportunity Tax Credit and Welfare to Work Tax Credit programs to process over 70,000 applications from over 1,600 employers.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| FED                      | 3310 | 600686 | Federal Operating        | 7,662,093        | 7,817,087        |
| FED                      | 3V00 | 600688 | Workforce Investment Act | 598,041          | 606,555          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>8,260,134</b> | <b>8,423,642</b> |

### Program 01.03: Veterans' Programs

Veterans' programs include the Local Veterans Employment Representative and Disabled Veteran Outreach Program Specialist programs. Veterans are hired to provide these services for other veterans. The programs target disabled veterans, combat veterans, newly separated veterans, and other eligible veterans and eligible persons. Activities are conducted mainly through the One-Stop system. However, there are several outstation locations, such as Veteran Administration (VA) domiciliaries, VA hospitals and county veterans' services offices.

#### The Executive Recommendations will fund the following objectives:

- Provide employment and training services to unemployed disabled, combat and other eligible veterans and refer over 42,510 to job openings; and
- Support the Military Injury Relief Fund that provides grants to qualifying veterans.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| FED                      | 3310 | 600686 | Federal Operating      | 734,736          | 743,437          |
| SSR                      | 5DB0 | 600637 | Military Injury Grants | 2,000,000        | 2,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>2,734,736</b> | <b>2,743,437</b> |

### Program 01.04: Labor Market Information

The Labor Market Information (LMI) program collects, collates, analyzes, publishes and disseminates industry, labor force and economic information. Although the program serves all Ohio taxpayers, the focus is on serving business initiatives and planning needs, and supporting and informing workforce and economic development activities and decisions. Services provided include: employment levels, unemployment rates, wages and earnings, short- and long-term employment outlook by industry and occupation, recruitment tools, training resources and career information, postsecondary education data, economic development profiles, and occupational profiles.

#### The Executive Recommendations will fund the following objectives:

- Fund the development of and access to workforce statistics about Ohio and its communities with an emphasis on information delivery via the Internet.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| FED                      | 3310 | 600686 | Federal Operating             | 3,829,058        | 3,904,120        |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 254,961          | 259,239          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>4,084,019</b> | <b>4,163,359</b> |

State of Ohio

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## Department of Job and Family Services

### Program 01.05: One-Stop Services

One-Stop Centers are the focal point for direct delivery of Office of Local Operations services to the public and to Ohio employers. Included in the services delivered are unemployment compensation, reemployment services, employment and WIA services, veterans' services, labor market information, and Trade Readjustment Act services.

**The Executive Recommendations will fund the following objectives:**

- Support the operations of full service One-Stops Centers and satellite offices throughout the state.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| FED                      | 3310 | 600686 | Federal Operating             | 20,762,706        | 21,109,103        |
| FED                      | 3V00 | 600688 | Workforce Investment Act      | 422,321           | 429,370           |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 1,643,659         | 1,671,080         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>22,828,686</b> | <b>23,209,553</b> |

### Program 01.06: Workforce Program Management

Workforce Program Management administers grants primarily from the U.S. Department of Labor. The office is the infrastructure hub that supports all internal operations and external stakeholder relations. The office supports and facilitates the public workforce system to help job seekers find jobs and employers find job seekers.

**The Executive Recommendations will fund the following objectives:**

- Allow for the administration of 40 to 50 open federal grants from the Department of Labor totaling over \$340 million per year.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GRF                      | GRF  | 600321 | Support Services              | 34,000         | 34,000         |
| FED                      | 3310 | 600686 | Federal Operating             | 473,543        | 480,644        |
| FED                      | 3V00 | 600688 | Workforce Investment Act      | 245,888        | 249,574        |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 24,785         | 25,155         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>778,216</b> | <b>789,373</b> |

### Program 01.07: Workforce Information Technology

The Workforce Information Technology program contains the information system that unifies numerous training, education, and employment programs and enables the seamless delivery of services to job seeker and employer customers. It is the hub that integrates WIA case management and Wagner-Peyser reemployment services by interfacing with dozens of unique workforce programs.

**The Executive Recommendations will fund the following objectives:**

- Support the information technology initiatives of the Workforce Development Office that provides case management, service integration, and job matching tools used by job seekers and employers.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| FED                      | 3310 | 600686 | Federal Operating        | 1,335,509        | 1,402,284        |
| FED                      | 3V00 | 600688 | Workforce Investment Act | 1,267,534        | 1,302,561        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>2,603,043</b> | <b>2,704,845</b> |



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**PROGRAM SERIES 02: Family Stability**

This program series funds activities that support low-income working families and families that need basic assistance. This includes TANF-funded activities, food assistance programs, child care funding, the Disability Financial Assistance program, and refugee services, as well as the technology that supports these functions.

**Program 02.01: Ohio Works First Cash Assistance**

Ohio Works First (OWF) is the financial assistance portion of Ohio's Temporary Assistance for Needy Families (TANF) program. OWF was established to provide time-limited cash assistance to eligible families for up to 36 months.

**The Executive Recommendations will fund the following objectives:**

- Provide cash assistance to approximately 85,000 assistance groups in fiscal year 2010 increasing to 88,000 assistance groups in fiscal year 2011, over half of which are child only cases; and,
- Funds the statutory cost of living adjustment for the cash assistance payments in FY 2010 and FY 2011.

| FUND                     |      |        |                            | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600410 | TANF State                 | 190,607,468        | 202,858,335        |
| GRF                      | GRF  | 600421 | Office Of Family Stability | 561,633            | 569,648            |
| GSF                      | 4A80 | 600658 | Child Support Collections  | 26,000,000         | 26,000,000         |
| FED                      | 3V60 | 600689 | TANF Block Grant           | 55,002,348         | 68,158,483         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>272,171,449</b> | <b>297,586,466</b> |

**Program 02.02: Non-Cash Family Support**

Non-cash family support is designed to assist low-income families with the resources to prevent them from having to apply for OWF cash assistance; to assist families with non-recurrent urgent problems that result in families needing public assistance; and to support families receiving OWF with services to enable them to become self-sufficient.

**The Executive Recommendations will fund the following objectives:**

- Support Ohioans receiving prevention, retention, and contingency services through Temporary Assistance for Needy Families (TANF);
- Support projects offered through the Governor's Office of Faith Based Community Initiatives; and,
- Includes additional TANF funds provided in the American Recovery and Reinvestment Act of 2009, which will be used to offset reductions in GRF funding provided to counties.

| FUND                     |      |        |                         | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600321 | Support Services        | 282,701            | 284,175            |
| FED                      | 3AW0 | 600675 | Faith Based Initiatives | 544,140            | 544,140            |
| FED                      | 3V60 | 600689 | TANF Block Grant        | 610,320,399        | 568,533,192        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>611,147,240</b> | <b>569,361,507</b> |

**Program 02.03: Disability Financial Assistance**

The Disability Financial Assistance (DFA) program provides a minimal "safety net" by offering a cash payment to vulnerable eligible individuals who are unemployable due to age or disabilities. For some individuals, the benefit provides interim assistance while their applications for Supplemental Security Income (SSI) benefits are pending.

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**The Executive Recommendations will fund the following objectives:**

- Provide a \$115 monthly payment as a minimal safety net to vulnerable individuals who are unemployable due to age or disability but are not eligible for federal Supplemental Security Income to approximately 21,100 individuals in fiscal year 2010 and 22,480 individuals in fiscal year 2011.

| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600511 | Disability/Other Assistance | 36,037,712        | 38,684,457        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>36,037,712</b> | <b>38,684,457</b> |

**Program 02.04: Food Assistance Program**

The Food Assistance Program determines eligibility and benefit levels in order to provide federal Supplemental Nutrition Assistance Program (formerly Food Stamp Program) benefits to low-income individuals and families in an effort to alleviate hunger. The Food Stamp Employment and Training program (FSET) is mandated by the Supplemental Nutrition Assistance Program and provides sufficient employment and training work opportunities to able-bodied individuals. The Temporary Emergency Food Assistance Program (TEFAP) is a federally regulated program that provides food commodities from the U.S. Department of Agriculture (USDA) to the Ohio food bank network for distribution to food pantries, soup kitchens, congregate meal sites and emergency feeding organizations to serve low-income households in need of food. The Commodity Supplemental Food Program (CSFP) provides USDA-donated foods to selected Ohio food banks for distribution to supplement the diets of low-income elderly participants.

**The Executive Recommendations will fund the following objectives:**

- Support a food stamp caseload of nearly 1.1 million individuals and 500,000 assistance groups;
- Serve approximately 850,000 individuals per month through the Emergency Food Assistance Program; and,
- Provide over 20 million pounds of food products annually and assistance to the Ohio Association of Second Harvest Food Banks totaling \$8.5 million each fiscal year.

| FUND                     |      |        |                                   | RECOMMENDED        |                    |
|--------------------------|------|--------|-----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010            | FY 2011            |
| GSF                      | 5DM0 | 600633 | Administration and Operating Fund | 203,548            | 206,486            |
| FED                      | 3840 | 600610 | Food Stamps & State Admin         | 149,859,038        | 149,771,011        |
| FED                      | 3A20 | 600641 | Emergency Food Distribution       | 4,970,000          | 4,970,000          |
| SSR                      | 5ES0 | 600630 | Food Assistance                   | 500,000            | 500,000            |
| AGY                      | 5B60 | 600601 | Food Stamp Intercept              | 2,000,000          | 2,000,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>157,532,586</b> | <b>157,447,497</b> |

**Program 02.05: Child Care**

The Child Care Program provides child care subsidies to low-income working and welfare-to-work (OWF) families, funds projects and programs such as the quality rating program and the early literacy project to improve the quality of child care services, licenses and regulates the operation of child care settings, and administers the state's child care subsidy program.

**The Executive Recommendations will fund the following objectives:**

- Support 8,000 full-time usage enrollment slots statewide for the Early Learning Initiative;
- Pay child care subsidies for approximately 102,000 children in fiscal year 2010 and 105,000 children in fiscal year 2011; and,

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- Support the creation of a single administrative structure with the authority and responsibility to implement and coordinate state-funded or administered early childhood programs and services for children prenatal until entry into kindergarten.

| FUND                     |      |        |                                | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600413 | Day Care Match/Maint of Effort | 82,951,518         | 82,951,518         |
| GRF                      | GRF  | 600535 | Early Care And Education       | 150,000,000        | 150,000,000        |
| GRF                      | GRF  | 600661 | Child Care - Federal Stimulus  | 14,379,394         | 23,613,446         |
| FED                      | 3960 | 600620 | Social Services Block Grant    | 8,000,000          | 8,000,000          |
| FED                      | 3G50 | 600655 | Interagency Reimbursement      | 36,974             | 36,974             |
| FED                      | 3H70 | 600617 | Day Care Federal               | 226,563,315        | 217,702,826        |
| FED                      | 3V60 | 600689 | TANF Block Grant               | 91,197,708         | 86,132,295         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>573,128,909</b> | <b>568,437,059</b> |

**Program 02.06: Refugee Services**

The Refugee Services Program assists refugees, asylees, Cuban and Haitian entrants, victims of severe forms of human trafficking, and certain Vietnamese-Amerasians with resettlement. Cash assistance, medical benefits and social services are available to needy refugees who are not eligible for other cash or medical assistance programs such as TANF, SSI or Medicaid, and who arrive in this country without any financial resources.

**The Executive Recommendations will fund the following objectives:**

- Serve approximately 5,000 refugees through refugee social services and provide cash assistance to approximately 1,500 refugees per year.

| FUND                     |      |        |                  | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010           | FY 2011           |
| FED                      | 3850 | 600614 | Refugee Services | 10,462,828        | 11,230,816        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>10,462,828</b> | <b>11,230,816</b> |

**Program 02.07: Family Stability Program Management**

Family Stability Program Management is responsible for the administration, direction and oversight of numerous federal and state programs that have their administrative responsibility assigned to the Office of Family Stability. Principal programs include TANF, the Food Assistance Program, Refugee Services and Disability Assistance. Related units included in this request include the Customer Service Unit, Compliance/Monitoring Unit, County Program Support Section within the Bureau of County Oversight and Support, and the Outcome Management/Program Evaluation Section within the Bureau of Program Integration and Coordination.

**The Executive Recommendations will fund the following objectives:**

- Support the administration of the TANF, Food Stamp, EBT, Refugee, and Disability Financial Assistance programs; and
- Support county administration of the entitlement programs.

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| FUND                     |      |        |                              | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600421 | Office of Family Stability   | 2,644,008          | 2,681,018          |
| GRF                      | GRF  | 600521 | Family Stability Subsidy     | 107,026,181        | 100,893,286        |
| GSF                      | 5DM0 | 600633 | Administration and Operation | 95,501             | 95,501             |
| FED                      | 3840 | 600610 | Food Stamps & State Admin    | 882,513            | 893,833            |
| FED                      | 3850 | 600614 | Refugee Services             | 34,196             | 34,695             |
| FED                      | 3V60 | 600689 | TANF Block Grant             | 2,401,697          | 2,436,634          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>113,084,096</b> | <b>107,034,967</b> |

### Program 02.08: Family Stability Information Technology

Family Stability Information Technology provides the information technology systems—including CRIS-E, Food Assistance, Electronic Payment Card, eICMS, and e-Portal—to support the Family Stability programs and functions, including eligibility, case management and benefits management.

#### The Executive Recommendations will fund the following objectives:

- Support the food stamp benefit transfer system, the client eligibility system for the assistance programs, and the child care information system.

| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600416 | Computer Projects            | 14,348,575        | 14,907,575        |
| GRF                      | GRF  | 600421 | Office Of Family Stability   | 1,448,314         | 1,469,335         |
| GSF                      | 5DM0 | 600633 | Administration and Operation | 224,267           | 227,523           |
| FED                      | 3840 | 600610 | Food Stamps & State Admin    | 1,993,295         | 2,001,442         |
| FED                      | 3980 | 600627 | Adoption Maintenance/Admin   | 35,000            | 35,000            |
| FED                      | 3H70 | 600617 | Day Care Federal             | 290,654           | 291,394           |
| FED                      | 3V60 | 600689 | TANF Block Grant             | 68,117            | 69,106            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>18,408,222</b> | <b>19,001,375</b> |

### PROGRAM SERIES 03: Child Support

This program series funds both the administrative and technology functions that support all child support activities for the state, including financial and medical support establishment and paternity establishment activities.

#### Program 03.01: Child Support Activities

Child support activities provide, through state and local partnerships, a network of services that ensures every child's right to financial support from both parents. In addition, the child support program reduces OWF and other TANF costs through increased child support collections. To achieve this goal, the local Child Support Enforcement Agencies (CSEAs) work to increase the number of paternity and support orders established for children who are born out of wedlock or whose parents are separated, to locate non-residential parents, to assist those children in obtaining medical coverage, to assist in obtaining financial support for those individuals owed support, and to review and modify support orders.

#### The Executive Recommendations will fund the following objectives:

- Provide services to over 1 million child support cases; and
- Support the disbursement of over \$2 billion dollars of child support payments per year.

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| FUND                     |      |        |                              | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600420 | Child Support Administration | 6,497,353          | 6,546,650          |
| GRF                      | GRF  | 600502 | Child Support Match          | 25,382,308         | 24,950,288         |
| FED                      | 3970 | 600626 | Child Support                | 265,038,311        | 264,687,321        |
| FED                      | 3S50 | 600622 | Child Support Projects       | 534,050            | 534,050            |
| AGY                      | 1920 | 600646 | Support Intercept-Federal    | 130,000,000        | 130,000,000        |
| AGY                      | 5830 | 600642 | Support Intercept-State      | 16,000,000         | 16,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>443,452,022</b> | <b>442,718,309</b> |

**Program 03.02: Child Support Information Technology**

Child Support Information Technology provides the automated Support Enforcement Tracking System (SETS) to effectively manage the Child Support Enforcement Program in order to meet the requirements mandated by the Family Support Act of 1988, the Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) of 1996, and the Deficit Reduction Act of 2005.

**The Executive Recommendations will fund the following objectives:**

- Maintain the Support Enforcement Tracking System, which handles approximately 1.7 million transactions per day.

| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600416 | Computer Projects            | 12,041,617        | 12,041,617        |
| GRF                      | GRF  | 600420 | Child Support Administration | 871,881           | 884,660           |
| FED                      | 3970 | 600626 | Child Support                | 22,627,338        | 22,652,145        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>35,540,836</b> | <b>35,578,422</b> |

**PROGRAM SERIES 04: Family and Children**

This program series supports activities that provide abuse prevention and protection services for children and adults, foster care services, adoption activities, social services, Family and Children First activities, and the technology that supports these programs.

**Program 04.01: Child Prevention and Protective Services**

The Child Prevention and Protective Services program supports prevention and investigation activities pertaining to child abuse. Specifically, the program supports the operating of—and grants the costs of—Ohio’s alternative response program, three federal child abuse grants, and the Ohio Children’s Trust Fund, which is the child welfare operating subsidy provided to county child welfare agencies.

**The Executive Recommendations will fund the following objectives:**

- Allow for the investigation of an estimated 110,000 complaints of child abuse or neglect per year; and
- Provide services to an estimated 20,000 individuals through Children’s Trust Fund programming.

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| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                  | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600523 | Children and Families Subsidy             | 51,430,058        | 51,613,862        |
| FED                      | 3270 | 600606 | Child Welfare                             | 23,322,279        | 23,322,280        |
| FED                      | 3950 | 600616 | Special Activities/Children & Family Svcs | 3,113,200         | 2,813,200         |
| FED                      | 3D30 | 600648 | Children's Trust Fund Federal             | 2,040,524         | 2,040,524         |
| SSR                      | 1980 | 600647 | Children's Trust Fund                     | 5,881,011         | 5,881,011         |
| SSR                      | 4F10 | 600609 | Foundation Grants/Child & Family Svcs     | 250,000           | 250,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>86,037,072</b> | <b>85,920,877</b> |

### Program 04.02: Social Services

This supports a wide variety of social services, including protective services provided to abused and exploited adults over the age of 60. Twenty-eight service categories are available under the Social Services Block Grant and range from various child welfare services to services for senior citizens, such as home meals and chore help. Counties are responsible for planning and executing service delivery to county residents.

#### The Executive Recommendations will fund the following objectives:

- Disseminate funds to county family services agencies to provide 28 types of social services in categories ranging from assistance to vulnerable adults, adult protective services and some protective services for children; and
- Allow for the investigation of approximately 16,843 reports of elder abuse, neglect, and exploitation.

| FUND                     |      |        |                                 | RECOMMENDED        |                    |
|--------------------------|------|--------|---------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600423 | Office of Children And Families | 742,335            | 753,191            |
| GRF                      | GRF  | 600523 | Children And Families Subsidy   | 9,828,433          | 9,736,531          |
| GRF                      | GRF  | 600534 | Adult Protective Services       | 522,040            | 511,453            |
| FED                      | 3270 | 600606 | Child Welfare                   | 356,457            | 361,670            |
| FED                      | 3960 | 600620 | Social Services Block Grant     | 111,447,277        | 111,446,576        |
| FED                      | 3980 | 600627 | Adoption Maintenance/Admin      | 343,973            | 349,004            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>123,240,515</b> | <b>123,158,425</b> |

### Program 04.03: Adoption Services

This supports the state's adoption programs through subsidy payments to families that adopt special needs children, reimbursement for certain out-of-pocket costs incurred by families who adopt special needs children, services to families who already have adopted special needs children, the Adoption Loan program, and continued support for outreach and advertising campaigns to promote adoption and recruit adoptive families.

#### The Executive Recommendations will fund the following objectives:

- Maintain the state adoption subsidy at \$300 per month; and
- Provide adoption subsidies to special needs children through the federal adoption program.

| FUND                     |      |        |                            | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600528 | Adoption Services          | 88,515,648         | 88,515,648         |
| FED                      | 3270 | 600606 | Child Welfare              | 2,497,500          | 2,497,500          |
| FED                      | 3980 | 600627 | Adoption Maintenance/Admin | 126,334,962        | 126,334,962        |
| SSR                      | 5DP0 | 600634 | Adoption Assistance Loan   | 500,000            | 500,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>217,848,110</b> | <b>217,848,110</b> |

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### Program 04.04: Foster Care

The Foster Care program supports county child welfare costs, including the investigation of complaints of child abuse and neglect, placement of children into foster care, training programs for county child welfare workers and foster parents, and the federal and non-federal shares of education and training vouchers available to persons who have “aged-out” of the foster care system.

#### The Executive Recommendations will fund the following objectives:

- Support approximately 150,000 hours of training for foster parents annually;
- Provide approximately 5,270 training days for county child welfare workers; and
- Provide funding to counties for child welfare programs.

| FUND                     |      |        |                               | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600523 | Children And Families Subsidy | 363,543            | 363,543            |
| FED                      | 3980 | 600627 | Adoption Maintenance/Admin    | 188,160,078        | 188,160,078        |
| FED                      | 3N00 | 600628 | IV-E Foster Care Maintenance  | 153,963,142        | 153,963,142        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>342,486,763</b> | <b>342,486,763</b> |

### Program 04.05: Family and Children Program Management

This program oversees the operation of programs for children, their families, and adults. These include: child abuse prevention and protection, social services, adoption and foster care services, child care subsidies for low-income working families, licensing inspection and regulation of child care and foster care providers, development and maintenance of information systems for child care and child welfare operational needs, and development and maintenance of program plans required to receive federal funding for these services.

#### The Executive Recommendations will fund the following objectives:

- Support state level administration of the subsidized child care, Early Learning Initiative, Step Up to Quality, and child welfare programs; and
- Provide state level administrative support for child welfare programming.

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600423 | Office Of Children And Families | 3,950,353         | 3,999,478         |
| GRF                      | GRF  | 600523 | Children and Families Subsidy   | 12,587,344        | 12,495,442        |
| GSF                      | 4R40 | 600665 | BCII Service Fees               | 36,974            | 36,974            |
| FED                      | 3270 | 600606 | Child Welfare                   | 7,796,085         | 7,802,750         |
| FED                      | 3960 | 600620 | Social Services Block Grant     | 549,447           | 550,102           |
| FED                      | 3980 | 600627 | Adoption Maintenance/admin      | 19,572,776        | 19,631,182        |
| FED                      | 3H70 | 600617 | Day Care Federal                | 9,436,131         | 9,574,002         |
| FED                      | 3V60 | 600689 | TANF Block Grant                | 1,237,632         | 1,244,450         |
| SSR                      | 4E70 | 600604 | Child & Family Svs Collections  | 300,000           | 300,000           |
| SSR                      | 5U60 | 600663 | Children and Family Support     | 4,719,470         | 4,719,470         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>60,186,212</b> | <b>60,353,850</b> |

### Program 04.06: Family and Children Information Technology

This program is responsible for the child welfare system and the Child Care Information Data System. These systems support county caseworkers and state personnel in the performance of their jobs and provide performance data to both the state and federal governments. The child welfare systems record the receipt and investigation of child abuse complaints, track foster care placements, record and track training provided to foster parents, maintain a public Web site listing special needs children who are available to be adopted, record the adoptive placement of



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children, send adoption subsidy payments, and provide data that will serve as the basis for claiming federal funds for child welfare services.

**The Executive Recommendations will fund the following objectives:**

- Support the state automated child welfare information system and the state's child care information system; and,
- Automating eligibility processes to include child care and developing a streamlined payment process through a statewide time and attendance system;

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600416 | Computer Projects               | 2,669,446         | 2,669,446         |
| GRF                      | GRF  | 600423 | Office of Children and Families | 1,801,857         | 1,828,113         |
| FED                      | 3980 | 600627 | Adoption Maintenance/Admin      | 4,000,639         | 4,019,787         |
| FED                      | 3H70 | 600617 | Day Care Federal                | 1,552,044         | 10,222,366        |
| FED                      | 3V60 | 600689 | TANF Block Grant                | 1,470,000         | 9,800,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>11,493,986</b> | <b>28,539,712</b> |

**PROGRAM SERIES 05: Health Care**

This program series supports the medical program activities of the department and includes Title XIX - Medicaid, Title XXI - Children's Health Insurance Program (CHIP), other healthcare assistance, and the technology supporting these functions.

**Program 05.01: Medicaid**

The Medicaid program provides health care benefits to individuals, including children, low-income elderly, pregnant women and parents, and persons with disabilities of all ages. This program includes benefits such as hospital, physician, pharmacy, and other services paid through managed care plans or through fee for service. This program also includes the State Children's Buy-In program, which covers children whose family income is more than 300 percent of the federal poverty level.

**The Executive Recommendations will fund the following objectives:**

- Provide healthcare coverage to approximately 1.5 million children and families per month and over approximately 480,000 Aged, Blind and Disabled;
- Provide access to affordable healthcare for children above 300 percent of the federal poverty level, former foster care children, pregnant women, and workers with disabilities;
- Facilitates the return home for those individuals who have been in a medical institution at least six months by way of the Money Follows the Person Grant, also known as HOME Choice;
- Decreases the reliance on state general fund dollars through an assessment fee on hospitals and intermediate care facilities for the mentally retarded;
- Passes federal Medicaid reimbursement to other state agencies for qualifying expenses; and
- Compensates hospitals who provide a disproportionate share of care to indigent patients (Medicaid consumers, people below poverty, and people without health insurance), through The Hospital Care Assurance Program (HCAP), Ohio's version of the federally required Disproportionate Share Hospital program.



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| FUND                     |      |        |                                      | RECOMMENDED           |                       |
|--------------------------|------|--------|--------------------------------------|-----------------------|-----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010               | FY 2011               |
| GRF                      | GRF  | 600525 | Health Care/Medicaid                 | 5,624,140,815         | 7,634,991,382         |
| GSF                      | 5C90 | 600671 | Medicaid Program Support             | 69,876,838            | 68,313,238            |
| GSF                      | 5DL0 | 600639 | Medicaid Revenue And Collections     | 99,370,436            | 62,278,850            |
| GSF                      | 5FX0 | 600638 | Medicaid Payment Withholding         | 26,000,000            | 26,000,000            |
| GSF                      | 5P50 | 600692 | Prescription Drug Rebate-State       | 81,716,248            | 234,349,449           |
| FED                      | 3F00 | 600623 | Health Care Federal                  | 2,754,295,713         | 1,746,920,873         |
| FED                      | 3F00 | 600650 | Hospital Care Assurance Match        | 362,092,785           | 367,826,196           |
| FED                      | 3G50 | 600655 | Interagency Reimbursement            | 1,426,420,608         | 1,462,081,122         |
| SSR                      | 4J50 | 600613 | Nursing Facility Bed Assessments     | 2,143,904             | 2,131,408             |
| SSR                      | 4J50 | 600618 | Residential State Supplement Payment | 15,700,000            | 15,700,000            |
| SSR                      | 4K10 | 600621 | ICF/MR Bed Assessments               | 28,261,826            | 29,482,434            |
| SSR                      | 4Z10 | 600625 | Healthcare Compliance                | 10,000,000            | 10,000,000            |
| SSR                      | 5AJ0 | 600631 | Money Follows The Person             | 6,286,485             | 6,195,163             |
| SSR                      | 5BG0 | 600653 | Managed Care Assessment              | 168,914,857           | 0                     |
| SSR                      | 5GF0 | 600656 | Medicaid – Hospital                  | 282,830,073           | 315,578,067           |
| SSR                      | 5Q90 | 600619 | Supplemental Inpatient Hosp Payments | 56,125,998            | 56,125,998            |
| SSR                      | 5R20 | 600608 | Medicaid-Nursing Facilities          | 15,364,113            | 15,364,113            |
| SSR                      | 5S30 | 600629 | MR/DD Medicaid Admin & Oversight     | 1,077,969             | 4,663,585             |
| SSR                      | 5U30 | 600654 | Health Care Services Admin           | 17,040                | 2,393,554             |
| SSR                      | 6510 | 600649 | Hospital Care Assurance Program      | 220,612,051           | 218,164,239           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>11,251,247,759</b> | <b>12,278,559,671</b> |

**Program 05.02: Medicare Part D**

The Medicare Part D program provides individuals that are dual-eligible (qualified for both Medicare and Medicaid) with drug coverage through Medicare instead of the Medicaid program. The Medicare Part D program represents Ohio's payments to the federal government for the state share of the drug costs. These payments are based on a formula that includes the historical costs of individuals that are dual-eligible trended forward to the current year based on National Health Expenditure (NHE) forecasts and annual inflation.

**The Executive Recommendations will fund the following objectives:**

- Provide Ohio's share of the premium for prescription drug for over 175,000 low income elderly Ohioans covered through the federal Medicare Part D program.

| FUND                     |      |        |                 | RECOMMENDED        |                    |
|--------------------------|------|--------|-----------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME        | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600526 | Medicare Part D | 271,746,617        | 287,194,790        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                 | <b>271,746,617</b> | <b>287,194,790</b> |

**Program 05.03: Other Healthcare Assistance**

This program provides state funds to support non-Medicaid health care services.

**The Executive Recommendations will fund the following objectives:**

- Provide coverage for approximately 1,000 individuals per month over the biennium through the Disability Medical Assistance program;
- Provides \$6 million per year for a supplemental payment to children's hospitals; and
- Provides \$40 million in FY 2010 for the nursing home capital compensation program.

State of Ohio

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**Department of Job and Family Services**

| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 600525 | Health Care/Medicaid         | 8,010,461         | 5,814,515         |
| GRF                      | GRF  | 600529 | Capital Compensation Program | 40,000,000        | 0                 |
| GRF                      | GRF  | 600537 | Children's Hospital          | 6,000,000         | 6,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>54,010,461</b> | <b>11,814,515</b> |

**Program 05.04: Children's Health Insurance**

The Children's Health Insurance Program provides health care services to children through the same delivery systems operating in the current Medicaid program. This critical coverage includes: doctor visits, hospital care, prescriptions, immunizations, prenatal care, vision, dental, substance abuse, and mental health services.

**The Executive Recommendations will fund the following objectives:**

- Provide coverage to children's whose family incomes are between 0 to 300 percent of the federal poverty level; and
- Pass through federal Medicaid reimbursement to other state agencies for qualifying expenses for children.

| FUND                     |      |        |                           | RECOMMENDED        |                    |
|--------------------------|------|--------|---------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600525 | Health Care/Medicaid      | 367,931,360        | 426,263,296        |
| FED                      | 3G50 | 600655 | Interagency Reimbursement | 49,000,000         | 50,500,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>416,931,360</b> | <b>476,763,296</b> |

**Program 05.05: Health Care Program Management**

Ohio's Medicaid program is one of the largest public health care purchasers in the country. Operating an effective health plan requires the department to engage in a number of administrative activities. These activities include member services, provider network management, quality assurance and improvement, coordination of benefits, benefit design and pricing, information services, contract monitoring and program integrity activities.

**The Executive Recommendations will fund the following objectives:**

- Support to over 90,000 health care providers; and
- Process over 60 million claims to all Medicaid providers.

| FUND                     |      |        |                                  | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600416 | Computer Projects                | 588,940            | 594,140            |
| GRF                      | GRF  | 600417 | Medicaid Provider Audits         | 35,000             | 35,000             |
| GRF                      | GRF  | 600425 | Office of Ohio Health Plans      | 29,140,700         | 22,524,082         |
| GRF                      | GRF  | 600525 | Health Care/Medicaid             | 83,456,607         | 91,760,072         |
| GSF                      | 5DL0 | 600639 | Medicaid Revenue and Collections | 1,448,215          | 1,321,150          |
| GSF                      | 5P50 | 600692 | Prescription Drug Rebate-State   | 3,095,258          | 3,095,258          |
| FED                      | 3F00 | 600623 | Health Care Federal              | 15,051,243         | 18,112,426         |
| FED                      | 3G50 | 600655 | Interagency Reimbursement        | 23,921,387         | 24,159,375         |
| SSR                      | 5S30 | 600629 | MR/DD Medicaid Admin & Oversight | 992,738            | 830,369            |
| SSR                      | 5U30 | 600654 | Health Care Services Admin       | 4,850,349          | 5,850,349          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>162,580,437</b> | <b>168,282,221</b> |

State of Ohio

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**Department of Job and Family Services**

**Program 05.06: Health Care Information Technology**

Health Care Information Technology includes the Ohio Medicaid Management Information System (MMIS) and the Medicaid Information Technology System (MITS). The primary goal and objective of the MMIS system is to assure that ODJFS medical policy is efficiently and effectively implemented through the use of automation. It provides reimbursement to medical providers for services rendered to eligible recipients. The MMIS system is 25 years old and will be replaced in this biennium by MITS.

**The Executive Recommendations will fund the following objectives:**

- Implementation of the Medicaid Information Technology System (MITS); and
- Expansion of the data warehouse and Decision Support System (DSS).

| FUND                     |      |        |                             | RECOMMENDED       |                  |
|--------------------------|------|--------|-----------------------------|-------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011          |
| GRF                      | GRF  | 600416 | Computer Projects           | 2,073,826         | 1,073,826        |
| GRF                      | GRF  | 600425 | Office of Ohio Health Plans | 835,606           | 848,014          |
| FED                      | 3F00 | 600623 | Health Care Federal         | 597,750           | 597,750          |
| SSR                      | 5U30 | 600654 | Health Care Services Admin  | 7,150,000         | 6,150,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>10,657,182</b> | <b>8,669,590</b> |

**Program 05.07: Unified Long Term Care**

The Unified Long Term Care program code is new for the 2010/2011 biennium. This program will provide a consolidated approach to budgeting, data collection and state policy planning, resulting in improved quality, reduction of duplicate efforts and cost savings. This program includes benefits such as Advanced Practice Nursing, Ambulance, Certified Registered Nurses, Private Duty Nursing, and Nursing Facilities. The unified budget approach pulls all funding together, establishing a reporting structure that supports comprehensive long-term care services and strategic efficiency plans.

**The Executive Recommendations will fund the following objectives:**

- Decreases the reliance on state general fund dollars through an increased assessment on fees to nursing facilities;
- Reimburse nursing facilities for Medicaid services based on a standard price rather than on reported costs of individual facilities; and
- Supports 1,200 additional slots for the Ohio Home Care Waiver over the biennium.

| FUND                     |      |        |                                  | RECOMMENDED          |                      |
|--------------------------|------|--------|----------------------------------|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010              | FY 2011              |
| GRF                      | GRF  | 600525 | Health Care/Medicaid             | 2,692,101,976        | 2,743,752,847        |
| FED                      | 3F00 | 600623 | Health Care Federal              | 320,955,021          | 320,955,021          |
| SSR                      | 4E30 | 600605 | Nursing Home Assessments         | 4,759,914            | 4,759,914            |
| SSR                      | 4J50 | 600613 | Nursing Facility Bed Assessments | 33,713,984           | 33,713,984           |
| SSR                      | 5R20 | 600608 | Medicaid-Nursing Facilities      | 314,583,638          | 325,760,887          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>3,366,114,533</b> | <b>3,428,942,653</b> |

**PROGRAM SERIES 06: Unemployment Compensation**

This program series supports all activities related to unemployment insurance in Ohio, including benefit issuance, employer tax functions, Trade Program and NAFTA-related activities, funding for the Unemployment Compensation Review Commission, and the related technology activities.

### Program 06.01: Unemployment Compensation

Unemployment compensation was developed as a counter-cyclical economic stabilizer to provide funds to support the economy when workers are unemployed and without wages through no fault of their own. Employers pay a federal unemployment tax to the IRS that provides administrative funding for the system through federal appropriations, and a state unemployment tax that provides funds for unemployment benefits. The program is a federal/state partnership that recognizes the fact that states and the federal government both have critical roles to play for the program to be effective.

#### The Executive Recommendations will fund the following objectives:

- Serve approximately 800,000 unemployment compensation claimants;
- Collect over one billion dollars in tax contributions from over 230,000 employers and make payments of over \$1 billion dollars in benefits;
- Support the filing of over 26,000 appeals of unemployment compensation rulings; and
- Payments for interest incurred through the use of federal unemployment compensation trust fund loans through a combination of the GRF and the Special Administrative Fund (SAF) using funds provided in the American Recovery and Reinvestment Act to offset the SAF spending on interest.

| FUND                     |      |        |                                      | RECOMMENDED       |                    |
|--------------------------|------|--------|--------------------------------------|-------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010           | FY 2011            |
| GRF                      | GRF  | 600536 | Unemployment Interest Payments       | 0                 | 64,650,000         |
| FED                      | 3310 | 600686 | Federal Operating                    | 155,478           | 157,730            |
| FED                      | 3V00 | 600688 | Workforce Investment Act             | 300,000           | 300,000            |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs        | 51,984,602        | 46,741,854         |
| FED                      | 3V40 | 600679 | Unemployment Comp Review Comm-Fed    | 3,487,473         | 3,487,473          |
| SSR                      | 4A90 | 600607 | Unemployment Compensation Admin Fund | 10,984,851        | 32,122,416         |
| SSR                      | 4A90 | 600694 | Unemployment Compensation Review     | 2,357,197         | 2,431,133          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>69,269,601</b> | <b>149,890,606</b> |

### Program 06.02: Trade Programs

Trade Programs provide training and other resources to move trade-affected workers into new jobs as quickly and effectively as possible, so that they can continue to be productive members of the workforce and so that businesses can remain competitive.

#### The Executive Recommendations will fund the following objectives:

- Provide services to over 42,000 trade affected workers in Ohio;
- Provide 50% of the wage differential for those earning less than \$50,000 in a new job; and
- Provide eligible individuals a Health Coverage Tax Credit of 65% of the monthly health insurance premiums.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| FED                      | 3V00 | 600688 | Workforce Investment Act      | 2,466,206         | 2,468,559         |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 20,275,701        | 10,525,939        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>22,741,907</b> | <b>12,994,498</b> |

### Program 06.03: Unemployment Compensation Program Management

This program administers the unemployment insurance program by ensuring that the required federal and state unemployment laws are met regarding payment of unemployment insurance claims and the collection of employer state unemployment taxes.

State of Ohio

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Department of Job and Family Services

**The Executive Recommendations will fund the following objectives:**

- Support the administrative office of the Unemployment Compensation program;
- Support the Attorney General's efforts to collect from delinquent employers and overpaid benefits; and
- Pay charges assessed by the Treasurer of State for clearing and accounting of Unemployment Compensation Benefit warrants.

| FUND              |      |        |                                      | RECOMMENDED |           |
|-------------------|------|--------|--------------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                             | FY 2010     | FY 2011   |
| FED               | 3V40 | 600678 | Federal Unemployment Programs        | 1,357,525   | 1,377,442 |
| SSR               | 4A90 | 600607 | Unemployment Compensation Admin Fund | 16,150,000  | 5,650,000 |
| SSR               | 4R30 | 600687 | Banking Fees                         | 700,000     | 700,000   |
| TOTAL FOR PROGRAM |      |        |                                      | 18,207,525  | 7,727,442 |

**Program 06.04: Unemployment Compensation Information Technology**

This program supports the unemployment compensation benefits and unemployment compensation tax systems. Specifically, the Ohio Job Insurance (OJI) system accepts and processes claims, maintains employer records, determines eligibility, requests separation information, issues determinations, charges employers, processes appeals, and issues re-determinations. The new UC tax system—the Employer Resource Information Center (ERIC)—will bill employers, accept payments, process refunds, collect monies due, track employer records, assure employer compliance and provide customer support to employers.

**The Executive Recommendations will fund the following objectives:**

- Support the Unemployment Compensation tax system that serves approximately 230,000 employers and the benefit system that handles approximately 800,000 new claims and 5.3 million continued claims.

| FUND              |      |        |                               | RECOMMENDED |            |
|-------------------|------|--------|-------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011    |
| FED               | 3310 | 600686 | Federal Operating             | 17,512      | 17,512     |
| FED               | 3V40 | 600678 | Federal Unemployment Programs | 15,760,598  | 15,760,598 |
| TOTAL FOR PROGRAM |      |        |                               | 15,778,110  | 15,778,110 |

**PROGRAM SERIES 07: Local Operations**

This program series provides administrative and operational support for a seamless delivery of services to the Ohio public and to Ohio employers.

**Program 07.01: Local Operations Program Management**

Local Operations Program Management administers and provides operational support for the delivery of unemployment compensation, employment services, Workforce Investment Act services, veterans' services, labor market information, and the Trade Readjustment Act grants from the U.S. Department of Labor.

**The Executive Recommendations will fund the following objectives:**

- Support state personnel in local offices distributed throughout the state to provide employment and unemployment services to Ohio jobseekers; and
- Operate six call centers that handle over one million public calls assessing unemployment and employment services.

State of Ohio

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## Department of Job and Family Services

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| FED                      | 3310 | 600686 | Federal Operating             | 4,291,169         | 4,350,934         |
| FED                      | 3V00 | 600688 | Workforce Investment Act      | 152,611           | 154,736           |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 39,711,504        | 40,296,933        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>44,155,284</b> | <b>44,802,603</b> |

### PROGRAM SERIES 08: Program Management

This program series provides administrative and operational support to agency programs to help accomplish the agency's mission.

#### Program 08.01: Program Management

This program contains the support offices that help the agency to achieve and maintain excellence in the workforce, organization, services and products, and relationships, through adherence to quality principles. Services include: budget development, management and monitoring; payroll projections; human resources processing; facilities management; timely responses to legislative, constituent and media requests; performance management; contracting and acquisition procedures; accounting services; funding and auditing of counties and service providers; financial reporting; legal services; and quality control and Internal Audit Compliance Program implementation.

#### The Executive Recommendations will fund the following objectives:

- Provide the support activities of the agency as delivered through the Director's Office, Office of Legislation, Office of Legal Services, Office of Communications, Office of Employee and Business Services, Office of Research, Assessment and Accountability, Office of Contracts and Acquisitions, Office of the Inspector General, and Office of Fiscal Services.

| FUND                     |      |        |                                  | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600321 | Support Services                 | 61,368,054         | 61,819,594         |
| GRF                      | GRF  | 600417 | Medicaid Provider Audits         | 1,449,001          | 1,462,886          |
| GSF                      | 5DM0 | 600633 | Administration And Operation     | 19,330,267         | 19,399,223         |
| FED                      | 3310 | 600686 | Federal Operating                | 4,885,166          | 4,968,450          |
| FED                      | 3840 | 600610 | Food Stamps & State Admin        | 5,521,068          | 5,568,903          |
| FED                      | 3960 | 600620 | Social Services Block Grant      | 3,276              | 3,322              |
| FED                      | 3970 | 600626 | Child Support                    | 9,186,845          | 9,369,039          |
| FED                      | 3980 | 600627 | Adoption Maintenance/admin       | 3,359,912          | 3,452,575          |
| FED                      | 3F00 | 600623 | Health Care Federal              | 3,597,391          | 3,642,100          |
| FED                      | 3H70 | 600617 | Day Care Federal                 | 1,986,264          | 2,017,929          |
| FED                      | 3V00 | 600688 | Workforce Investment Act         | 2,659,053          | 2,705,409          |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs    | 15,467,210         | 15,709,182         |
| FED                      | 3V60 | 600689 | TANF Block Grant                 | 35,551             | 36,051             |
| SSR                      | 4J50 | 600613 | Nursing Facility Bed Assessments | 856,096            | 868,592            |
| SSR                      | 5F20 | 600667 | Building Consolidation           | 250,000            | 250,000            |
| SSR                      | 5F30 | 600668 | Building Consolidation           | 1,000,000          | 1,000,000          |
| 090                      | R012 | 600643 | Refunds & Audit Settlements      | 3,600,000          | 3,600,000          |
| 090                      | R013 | 600644 | Forgery Collections              | 10,000             | 10,000             |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>134,565,154</b> | <b>135,883,255</b> |

#### Program 08.02: Program Management Information Technology

This program includes the network, mainframe support, security, database maintenance, systems programming for all mainframe applications, client server support, standards, and configuration management for all of the Management Information Services applications, and the business functions of Management Information Services.

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**State of Ohio**  
**Department of Job and Family Services**

The Data Warehouse project is designed to provide easily accessible, comprehensive and high-quality information in a timely manner, using both standard and ad hoc reporting in an integrated environment.

**The Executive Recommendations will fund the following objectives:**

- Provide support services to over 25,000 state, county, and partner users in more than 200 locations throughout the state;
- Maintain over 3,000 network printers and 700 servers; and
- Provide a common email platform for 30 million inbound emails per year.

| FUND                     |      |        |                               | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010            | FY 2011            |
| GRF                      | GRF  | 600416 | Computer Projects             | 71,316,199         | 72,315,999         |
| GSF                      | 5N10 | 600677 | County Technologies           | 1,000,000          | 1,000,000          |
| FED                      | 3310 | 600686 | Federal Operating             | 5,409,420          | 5,504,562          |
| FED                      | 3840 | 600610 | Food Stamps & State Admin     | 853,862            | 874,238            |
| FED                      | 3970 | 600626 | Child Support                 | 8,978,487          | 9,123,836          |
| FED                      | 3980 | 600627 | Adoption Maintenance/Admin    | 4,815,033          | 4,882,754          |
| FED                      | 3H70 | 600617 | Day Care Federal              | 2,034,372          | 2,054,262          |
| FED                      | 3V00 | 600688 | Workforce Investment Act      | 2,401,909          | 2,443,662          |
| FED                      | 3V40 | 600678 | Federal Unemployment Programs | 8,396,704          | 8,509,127          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>105,205,986</b> | <b>106,708,440</b> |

### **Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

#### **Line Item Notes**

600656, Medicaid – Hospital: This is a new line item supporting Medicaid.

600653, Managed Care Assessment: Managed Care Assessment will decrease in FY10 and be reduced to \$0 in FY11 due to changes in federal law that no longer allow collection of this assessment.

#### **FY09 Medicaid Expenditure explanation**

HB 119 appropriated \$9,340,558,201 for FY09 Medicaid (600-525) expenditures. HB 562 increased that appropriation by \$198,295,986 to a total appropriation of \$9,538,884,187. In addition, both bills authorized the OBM director to increase Medicaid appropriations, with Controlling Board approval. House Bill 119 allows for an additional \$525,641,026 in state and federal funds appropriation using resources from the Medicaid Reserve Fund. House Bill 562 allows for an additional \$145,666,532 in state and federal funds, with \$63.3 million from the Budget Stabilization Fund. Neither of these appropriation increases have occurred as of January 27, 2009. Budget Directive #11 required reduced appropriations of \$332,471,838, bringing the appropriation to \$9,206,412,349 as of January 27, 2009. Fiscal year 2009 estimated Medicaid (600-525) spending of \$9,877,719,907 is based on exercising the authority for increased Medicaid spending in the HB 119 and HB 562.

|   |                        | Notes:  |
|---|------------------------|---|
| HB 119 Appropriation                      | \$9,340,588,201        |   |
| HB 562 Appropriation Increase             | \$198,295,986          | Brings total appropriation to \$9,538,884,187             |
| Budget Directive #11 Reduction            | (\$332,471,838)        | Brings total appropriation to \$9,206,412,349             |
| Use of Medicaid Reserve Fund (HB 119)     | \$525,641,026          | State and Federal Funds - Assumed but not yet implemented |
| Use of Budget Stabilization Fund (HB 562) | \$145,666,532          | State and Federal Funds - Assumed but not yet implemented |
| <b>Current Funding Level</b>              | <b>\$9,877,719,907</b> | Total Appropriation after HB 119 and HB 562 increases     |



## Department of Job and Family Services

**LINE ITEM SUMMARY - Department of Job and Family Services**

| FUND | ALI    | ALI NAME                        | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|---------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 600321 | Support Services                | 58,360,571        | 60,434,887        | 56,316,319        | 54,180,625          | 61,684,755             | 13.9        | 62,137,769             | 0.7         |
| GRF  | 600410 | Tanf State                      | 272,619,061       | 272,619,061       | 262,618,810       | 254,907,156         | 190,607,468            | -25.2       | 202,858,335            | 6.4         |
| GRF  | 600413 | Day Care Match/maint of Effrt   | 84,120,596        | 84,120,551        | 84,120,576        | 80,124,868          | 82,951,518             | 3.5         | 82,951,518             | 0.0         |
| GRF  | 600416 | Computer Projects               | 132,458,765       | 130,531,165       | 137,561,869       | 106,205,968         | 103,038,603            | -3.0        | 103,602,603            | 0.5         |
| GRF  | 600417 | Medicaid Provider Audits        | 0                 | 0                 | 1,292,040         | 1,573,876           | 1,484,001              | -5.7        | 1,497,886              | 0.9         |
| GRF  | 600420 | Child Support Administration    | 4,189,836         | 4,927,636         | 6,673,686         | 7,723,936           | 7,369,234              | -4.6        | 7,431,310              | 0.8         |
| GRF  | 600421 | office of Family Stability      | 4,055,432         | 2,896,456         | 3,486,555         | 2,720,599           | 4,653,955              | 71.1        | 4,720,001              | 1.4         |
| GRF  | 600422 | Local Operations                | 140               | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 600423 | office of Children and Famlies  | 4,817,486         | 5,304,320         | 5,257,898         | 4,842,705           | 6,494,545              | 34.1        | 6,580,782              | 1.3         |
| GRF  | 600424 | office of Workforce Development | 1,718             | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 600425 | office of Ohio Health Plans     | 40,683,090        | 46,004,057        | 40,515,832        | 34,697,854          | 29,976,306             | -13.6       | 23,372,096             | -22.0       |
| GRF  | 600435 | Long Term Care Budget - State   | 3,044             | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 600439 | Commission To Reform Medicaid   | 43,780            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 600440 | Ohio's Best Rx Start Up Costs   | 971,616           | 825,528           | 36,858            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 600502 | Child Support Match             | 16,814,102        | 16,297,110        | 33,660,414        | 26,948,050          | 25,382,308             | -5.8        | 24,950,288             | -1.7        |
| GRF  | 600511 | Disability/other Assistance     | 21,658,726        | 25,338,275        | 26,896,418        | 25,335,908          | 36,037,712             | 42.2        | 38,684,457             | 7.3         |
| GRF  | 600512 | Non-Tanf Emergency Assistance   | 3,000,000         | 91,007            | 138,056           | 950,750             | 0                      | -100.0      | 0                      | .0          |
| GRF  | 600513 | Disability Medical Assistance   | 27,532,714        | 25,411,648        | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 600521 | Family Stability Subsidy        | 123,770,007       | 129,998,988       | 125,930,450       | 118,609,231         | 107,026,181            | -9.8        | 100,893,286            | -5.7        |
| GRF  | 600523 | Children and Families Subsidy   | 67,797,879        | 68,496,272        | 73,625,846        | 68,935,460          | 74,209,378             | 7.7         | 74,209,378             | 0.0         |
| GRF  | 600525 | Health Care/medicaid            | 9,143,137,515     | 8,984,065,496     | 9,102,667,207     | 9,877,719,909       | 8,775,641,219          | -11.2       | 10,902,582,112         | 24.2        |
| GRF  | 600526 | Medicare Part D                 | 89,973,932        | 235,817,868       | 243,172,531       | 235,817,392         | 271,746,617            | 15.2        | 287,194,790            | 5.7         |
| GRF  | 600528 | Adoption Services               | 70,432,889        | 74,957,627        | 69,359,417        | 86,500,697          | 88,515,648             | 2.3         | 88,515,648             | 0.0         |
| GRF  | 600529 | Capital Compensation Program    | 0                 | 5,858,572         | 1,504,320         | 0                   | 40,000,000             | .0          | 0                      | -100.0      |
| GRF  | 600534 | Adult Protective Services       | 0                 | 0                 | 0                 | 497,403             | 522,040                | 5.0         | 511,453                | -2.0        |
| GRF  | 600535 | Early Care and Education        | 0                 | 0                 | 0                 | 0                   | 150,000,000            | .0          | 150,000,000            | 0.0         |
| GRF  | 600536 | Unemployment Interest Payments  | 0                 | 0                 | 0                 | 0                   | 0                      | .0          | 64,650,000             | .0          |
| GRF  | 600537 | Children's Hospital             | 0                 | 0                 | 0                 | 0                   | 6,000,000              | .0          | 6,000,000              | 0.0         |

## Department of Job and Family Services

**LINE ITEM SUMMARY - Department of Job and Family Services**

| FUND                          | ALI    | ALI NAME                       | FY 2006<br>ACTUAL     | FY 2007<br>ACTUAL     | FY 2008<br>ACTUAL     | FY 2009<br>ESTIMATE   | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|-------------|------------------------|-------------|
| GRF                           | 600661 | Child Care - Federal Stimulus  | 0                     | 0                     | 0                     | 0                     | 14,379,394             | .0          | 23,613,446             | 64.2        |
| <b>TOTAL General Revenue</b>  |        |                                | <b>10,166,442,899</b> | <b>10,173,996,524</b> | <b>10,274,835,103</b> | <b>10,988,292,387</b> | <b>10,077,720,882</b>  | <b>-8.3</b> | <b>12,256,957,158</b>  | <b>21.6</b> |
| 4A80                          | 600658 | Child Support Collections      | 23,508,044            | 24,182,572            | 31,244,887            | 31,929,211            | 26,000,000             | -18.6       | 26,000,000             | 0.0         |
| 4R40                          | 600665 | Bcii Service Fees              | 5,201                 | 735                   | 561                   | 36,974                | 36,974                 | 0.0         | 36,974                 | 0.0         |
| 5C90                          | 600671 | Medicaid Program Support       | 71,462,972            | 75,956,265            | 69,374,403            | 80,120,048            | 69,876,838             | -12.8       | 68,313,238             | -2.2        |
| 5DL0                          | 600639 | Medicaid Revenue and Collectns | 0                     | 56,137,358            | 51,238,266            | 76,296,844            | 100,818,651            | 32.1        | 63,600,000             | -36.9       |
| 5DM0                          | 600633 | Administration and Oper Fund   | 0                     | 0                     | 0                     | 0                     | 19,853,583             | .0          | 19,928,733             | 0.4         |
| 5FX0                          | 600638 | Medicaid Payment Withholding   | 0                     | 0                     | 0                     | 26,000,000            | 26,000,000             | 0.0         | 26,000,000             | 0.0         |
| 5N10                          | 600677 | County Tehnologies             | 227,535               | 534,910               | 472,703               | 1,000,000             | 1,000,000              | 0.0         | 1,000,000              | 0.0         |
| 5P50                          | 600692 | Prescription Drug Rebate-State | 781,988,116           | 177,924,254           | 89,261,895            | 82,000,000            | 84,811,506             | 3.4         | 237,444,707            | 180.0       |
| 6130                          | 600645 | Training Activities            | 13,235                | 4,646                 | 0                     | 135,000               | 110,000                | -18.5       | 110,000                | 0.0         |
| <b>TOTAL General Services</b> |        |                                | <b>877,205,102</b>    | <b>334,740,739</b>    | <b>241,592,715</b>    | <b>297,518,077</b>    | <b>328,507,552</b>     | <b>10.4</b> | <b>442,433,652</b>     | <b>34.7</b> |
| 3270                          | 600606 | Child Welfare                  | 30,195,436            | 32,856,238            | 24,507,846            | 47,947,309            | 33,972,321             | -29.1       | 33,984,200             | 0.0         |
| 3310                          | 600686 | Federal Operating              | 38,377,592            | 43,560,508            | 43,604,892            | 56,263,223            | 50,655,096             | -10.0       | 51,569,912             | 1.8         |
| 3840                          | 600610 | Food Stamps & State Admnstrtn  | 127,754,385           | 134,463,809           | 126,980,901           | 153,147,118           | 159,109,776            | 3.9         | 159,109,427            | 0.0         |
| 3850                          | 600614 | Refugee Services               | 6,095,912             | 7,417,212             | 7,148,354             | 11,057,826            | 10,497,024             | -5.1        | 11,265,511             | 7.3         |
| 3950                          | 600616 | Special Actvts/chld & Fmly Svc | 2,492,363             | 1,978,996             | 2,140,330             | 5,717,151             | 3,113,200              | -45.5       | 2,813,200              | -9.6        |
| 3960                          | 600620 | Social Services Block Grant    | 110,656,099           | 119,991,314           | 119,969,771           | 114,474,085           | 120,000,000            | 4.8         | 120,000,000            | 0.0         |
| 3960                          | 600651 | Second Harvest Foodbanks       | 0                     | 0                     | 5,500,000             | 5,500,000             | 0                      | -100.0      | 0                      | .0          |
| 3970                          | 600626 | Child Support                  | 234,906,550           | 242,253,388           | 207,916,986           | 303,538,962           | 305,830,981            | 0.8         | 305,832,341            | 0.0         |
| 3980                          | 600627 | Adoption Maintenance/admin     | 223,865,145           | 234,940,185           | 229,126,145           | 317,483,676           | 346,622,373            | 9.2         | 346,865,342            | 0.1         |
| 3A20                          | 600641 | Emergency Food Distribution    | 2,425,279             | 2,587,158             | 2,574,863             | 3,500,000             | 4,970,000              | 42.0        | 4,970,000              | 0.0         |
| 3AW0                          | 600675 | Faith Based Initiatives        | 914,242               | 1,140,142             | 617,393               | 1,000,000             | 544,140                | -45.6       | 544,140                | 0.0         |
| 3D30                          | 600648 | Children's Trust Fund Federal  | 1,542,862             | 1,500,000             | 1,500,000             | 2,040,524             | 2,040,524              | 0.0         | 2,040,524              | 0.0         |
| 3F00                          | 600623 | Health Care Federal            | 514,619,835           | 970,960,617           | 987,727,014           | 1,601,775,530         | 3,094,497,118          | 93.2        | 2,090,228,170          | -32.5       |
| 3F00                          | 600635 | Children's Hospital-Federal    | 4,459,022             | 8,934,745             | 3,994,090             | 0                     | 0                      | .0          | 0                      | .0          |

## Department of Job and Family Services

**LINE ITEM SUMMARY - Department of Job and Family Services**

| FUND                                 | ALI    | ALI NAME                         | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--------------------------------------|--------|----------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|--------------|
| 3F00                                 | 600650 | Hospital Care Assurance Match    | 327,976,613          | 419,385,913          | 328,655,603          | 343,239,047          | 362,092,785            | 5.5         | 367,826,196            | 1.6          |
| 3G50                                 | 600655 | Interagency Reimbursement        | 1,196,206,073        | 1,149,814,148        | 1,258,402,177        | 1,513,855,965        | 1,499,378,969          | -1.0        | 1,536,777,471          | 2.5          |
| 3H70                                 | 600617 | Day Care Federal                 | 197,593,939          | 174,261,444          | 201,714,009          | 200,167,593          | 241,862,780            | 20.8        | 241,862,779            | 0.0          |
| 3N00                                 | 600628 | Iv-E Foster Care Maintenance     | 109,079,847          | 99,202,065           | 104,572,138          | 153,963,142          | 153,963,142            | 0.0         | 153,963,142            | 0.0          |
| 3S50                                 | 600622 | Child Support Projects           | 206,701              | 184,734              | 235,192              | 534,050              | 534,050                | 0.0         | 534,050                | 0.0          |
| 3V00                                 | 600688 | Workforce Investment Act         | 146,644,675          | 154,195,281          | 153,024,447          | 250,861,843          | 326,923,124            | 30.3        | 327,145,616            | 0.1          |
| 3V40                                 | 600678 | Federal Unemployment Programs    | 135,157,842          | 131,978,147          | 123,819,664          | 152,843,411          | 154,883,142            | 1.3         | 140,882,528            | -9.0         |
| 3V40                                 | 600679 | Unemploymnt Comp Revw Comm-Fed   | 2,440,005            | 3,042,017            | 2,976,704            | 3,191,862            | 3,487,473              | 9.3         | 3,487,473              | 0.0          |
| 3V60                                 | 600689 | Tanf Block Grant                 | 746,384,903          | 941,902,300          | 947,935,288          | 1,043,322,945        | 761,733,452            | -27.0       | 736,410,211            | -3.3         |
| 3W30                                 | 600659 | Tanf/title Xx-Owd                | 10,449,489           | 5,067,402            | 10,477,423           | 6,672,366            | 0                      | -100.0      | 0                      | .0           |
| <b>TOTAL Federal Special Revenue</b> |        |                                  | <b>4,170,444,810</b> | <b>4,881,617,761</b> | <b>4,895,121,232</b> | <b>6,292,097,628</b> | <b>7,636,711,470</b>   | <b>21.4</b> | <b>6,638,112,233</b>   | <b>-13.1</b> |
| 1980                                 | 600647 | Children's Trust Fund            | 4,384,189            | 4,503,500            | 4,454,772            | 6,788,522            | 5,881,011              | -13.4       | 5,881,011              | 0.0          |
| 4A90                                 | 600607 | Unemployment Cmpnstn Admn Fund   | 1,898,901            | 27,924               | 8,244                | 12,188,996           | 27,134,851             | 122.6       | 37,772,416             | 39.2         |
| 4A90                                 | 600694 | Unemployment Compensatn Rview    | 2,894,987            | 2,046,563            | 2,261,177            | 1,811,004            | 2,357,197              | 30.2        | 2,431,133              | 3.1          |
| 4E30                                 | 600605 | Nursing Home Assessments         | 1,151,042            | 842,517              | 0                    | 4,759,914            | 4,759,914              | 0.0         | 4,759,914              | 0.0          |
| 4E70                                 | 600604 | Child & Family Svs Collections   | 408,607              | 153,494              | 121,318              | 300,000              | 300,000                | 0.0         | 300,000                | 0.0          |
| 4F10                                 | 600609 | Foundtn Grts/chld & Fmly Svcs    | 0                    | 0                    | 250,000              | 750,000              | 250,000                | -66.7       | 250,000                | 0.0          |
| 4J50                                 | 600613 | Nursing Facility Bed Assmnts     | 34,185,096           | 34,823,080           | 33,849,279           | 34,613,984           | 36,713,984             | 6.1         | 36,713,984             | 0.0          |
| 4J50                                 | 600618 | Residential State Suplmt Pymnt   | 9,856,290            | 10,560,409           | 9,470,125            | 15,700,000           | 15,700,000             | 0.0         | 15,700,000             | 0.0          |
| 4K10                                 | 600621 | Icf/mr Bed Assessments           | 19,393,464           | 19,332,437           | 19,281,090           | 23,292,437           | 28,261,826             | 21.3        | 29,482,434             | 4.3          |
| 4R30                                 | 600687 | Banking Fees                     | 357,825              | 165,871              | 32,328               | 800,000              | 700,000                | -12.5       | 700,000                | 0.0          |
| 4Z10                                 | 600625 | Healthcare Compliance            | 90,216               | 879,178              | 372,074              | 10,000,000           | 10,000,000             | 0.0         | 10,000,000             | 0.0          |
| 5A50                                 | 600685 | Unemploymen Benefit Automation   | 1,059,145            | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0           |
| 5AJ0                                 | 600631 | Money Follows The Person         | 0                    | 0                    | 0                    | 0                    | 6,286,485              | .0          | 6,195,163              | -1.5         |
| 5AX0                                 | 600697 | Public Assistance Reconciliation | 42,043,374           | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0           |
| 5BE0                                 | 600693 | Child Support Operating          | 1,487,538            | 1,998,692            | 399,079              | 0                    | 0                      | .0          | 0                      | .0           |
| 5BG0                                 | 600653 | Managed Care Assessment          | 18,224,884           | 99,410,121           | 172,178,992          | 222,667,304          | 168,914,857            | -24.1       | 0                      | -100.0       |
| 5CR0                                 | 600636 | Children's Hospitals- State      | 3,000,000            | 6,000,000            | 3,000,000            | 0                    | 0                      | .0          | 0                      | .0           |

## Department of Job and Family Services

**LINE ITEM SUMMARY - Department of Job and Family Services**

| FUND   | ALI    | ALI NAME                        | FY 2006<br>ACTUAL     | FY 2007<br>ACTUAL     | FY 2008<br>ACTUAL     | FY 2009<br>ESTIMATE   | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|-------------|------------------------|-------------|
| 5DB0   | 600637 | Military Injury Grants          | 0                     | 0                     | 137,500               | 2,000,000             | 2,000,000              | 0.0         | 2,000,000              | 0.0         |
| 5DP0   | 600634 | Adoption Assistance Loan        | 0                     | 0                     | 0                     | 0                     | 500,000                | .0          | 500,000                | 0.0         |
| 5ES0   | 600630 | Food Assistance                 | 0                     | 0                     | 500,000               | 500,000               | 500,000                | 0.0         | 500,000                | 0.0         |
| 5F20   | 600667 | Building Consolidation          | 117,500               | 61,288                | 0                     | 250,000               | 250,000                | 0.0         | 250,000                | 0.0         |
| 5F30   | 600668 | Building Consolidation          | 1,941,102             | 373,661               | 0                     | 1,000,000             | 1,000,000              | 0.0         | 1,000,000              | 0.0         |
| 5GF0   | 600656 | Medicaid - Hospital             | 0                     | 0                     | 0                     | 0                     | 282,830,073            | .0          | 315,578,067            | 11.6        |
| 5Q90   | 600619 | Supplemental Inptnt Hosp Pymts  | 37,028,322            | 11,797,137            | 7,395,445             | 56,125,998            | 56,125,998             | 0.0         | 56,125,998             | 0.0         |
| 5R20   | 600608 | Medicaid-Nursing Facilities     | 150,269,661           | 168,109,766           | 175,000,000           | 175,000,000           | 329,947,751            | 88.5        | 341,125,000            | 3.4         |
| 5S30   | 600629 | Mr/dd Medicaid Admn & Oversight | 568,267               | 423,458               | 595,378               | 1,620,960             | 2,070,707              | 27.7        | 5,493,954              | 165.3       |
| 5T20   | 600652 | Child Support Special Payment   | 1,061                 | 0                     | 0                     | 0                     | 0                      | .0          | 0                      | .0          |
| 5U30   | 600654 | Health Care Services Admin      | 2,966,064             | 4,111,998             | 4,763,485             | 12,000,349            | 12,017,389             | 0.1         | 14,393,903             | 19.8        |
| 5U60   | 600663 | Children and Family Support     | 2,836,036             | 1,962,180             | 2,874,735             | 4,928,718             | 4,719,470              | -4.2        | 4,719,470              | 0.0         |
| 5Z90   | 600672 | Tanf Qc Reinvestments           | 377,319               | 559,089               | 656,620               | 546,254               | 0                      | -100.0      | 0                      | .0          |
| 6510   | 600649 | Hospital Care Assurance Progm   | 221,606,986           | 219,575,282           | 219,304,532           | 231,893,404           | 220,612,051            | -4.9        | 218,164,239            | -1.1        |
| <b>TOTAL State Special Revenue</b>                 |        |                                 | <b>558,147,876</b>    | <b>587,717,645</b>    | <b>656,906,173</b>    | <b>819,537,844</b>    | <b>1,219,833,564</b>   | <b>48.8</b> | <b>1,110,036,686</b>   | <b>-9.0</b> |
| 1920   | 600646 | Support Intercept-Federal       | 90,174,722            | 91,700,872            | 124,582,476           | 130,000,000           | 130,000,000            | 0.0         | 130,000,000            | 0.0         |
| 5830   | 600642 | Support Intercept-State         | 12,378,458            | 11,615,979            | 14,459,126            | 16,000,000            | 16,000,000             | 0.0         | 16,000,000             | 0.0         |
| 5B60   | 600601 | Food Stamp Intercept            | 1,748,932             | 437,310               | 80,008                | 2,000,000             | 2,000,000              | 0.0         | 2,000,000              | 0.0         |
| <b>TOTAL Agency</b>                                |        |                                 | <b>104,302,112</b>    | <b>103,754,162</b>    | <b>139,121,610</b>    | <b>148,000,000</b>    | <b>148,000,000</b>     | <b>0.0</b>  | <b>148,000,000</b>     | <b>0.0</b>  |
| R012   | 600643 | Refunds & Audit Settlements     | 2,193,433             | 1,111,080             | 660,758               | 3,600,000             | 3,600,000              | 0.0         | 3,600,000              | 0.0         |
| R013   | 600644 | Forgery Collections             | 0                     | 0                     | 0                     | 10,000                | 10,000                 | 0.0         | 10,000                 | 0.0         |
| <b>TOTAL Holding Account Redistribution</b>        |        |                                 | <b>2,193,433</b>      | <b>1,111,080</b>      | <b>660,758</b>        | <b>3,610,000</b>      | <b>3,610,000</b>       | <b>0.0</b>  | <b>3,610,000</b>       | <b>0.0</b>  |
| <b>TOTAL Department of Job and Family Services</b> |        |                                 | <b>15,878,736,232</b> | <b>16,082,937,911</b> | <b>16,208,237,591</b> | <b>18,549,055,936</b> | <b>19,414,383,468</b>  | <b>4.7</b>  | <b>20,599,149,729</b>  | <b>6.1</b>  |

## Joint Committee on Agency Rule Review

### Role and Overview

The Joint Committee on Agency Rule Review (JCARR) reviews proposed new, amended, and rescinded rules to ensure that the rules do not exceed the scope of the rule-making authority of that agency; that the rules do not conflict with a rule of that agency or another rule-making agency; that the rules do not conflict with the intent of the legislature; and that the rule-making agency has prepared a complete and accurate rule summary and fiscal analysis. The committee consists of five state representatives and five state senators. In odd-numbered years the chairperson is a House member and in even-numbered years, the chairperson is a Senate member. JCARR has a staff of five and an annual budget of approximately \$483,000.

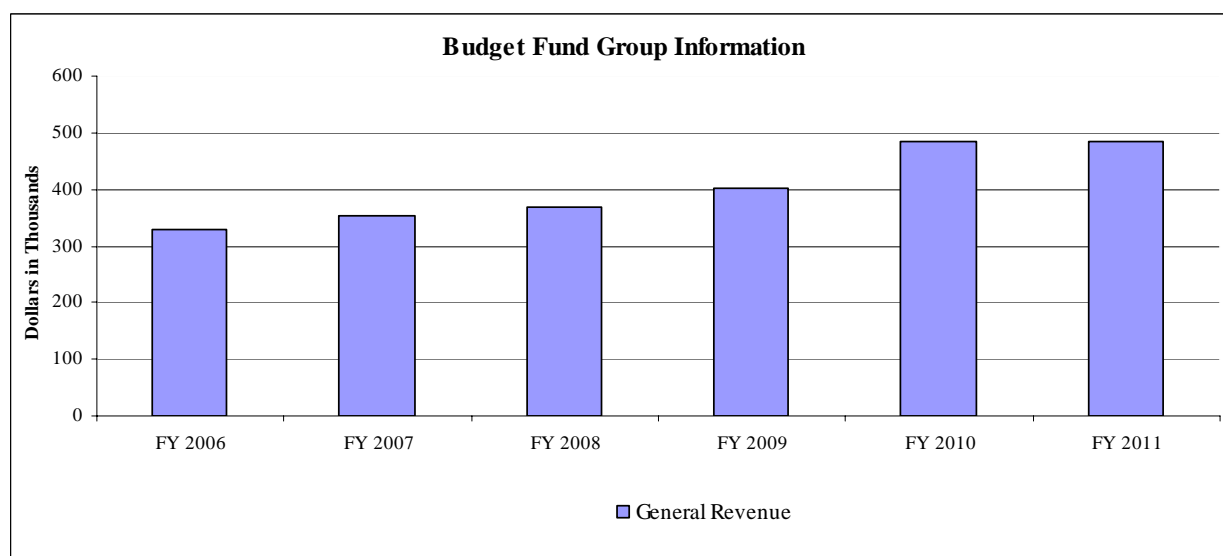
Pursuant to Section 107.03(B) of the Ohio Revised Code, the Governor may not alter the funding requests of agencies of the legislative branch of government. The Joint Committee on Agency Rule Review provides the Office of Budget and Management with their budget request for inclusion in the executive budget proposal and not for consideration or approval.

Additional information regarding the Joint Committee on Agency Rule Review is available at <http://www.jcarr.state.oh.us/>.

### Agency Priority

- Review proposed new, amended, and rescinded rules to ensure they do not exceed the scope of agency rule making authority.

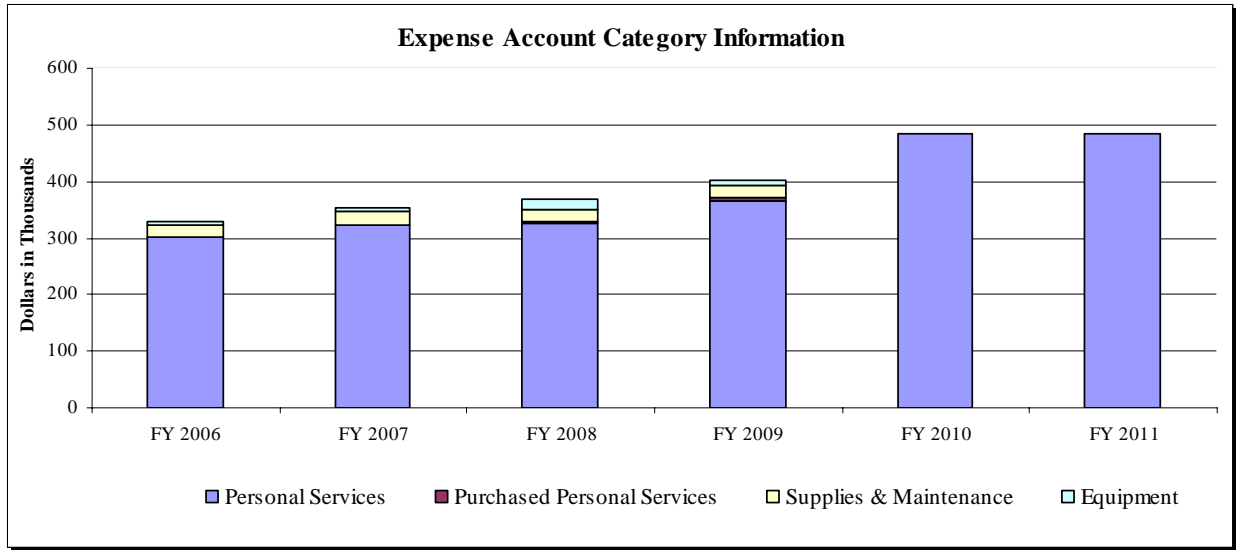
### Summary of Budget History and Recommendations



| (In Thousands)  | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED |             |            |            |
|-----------------|------------|------------|------------|---------------|------------|-------------|-------------|------------|------------|
|                 | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010     | % CHANGE    | FY 2011    | % CHANGE   |
| General Revenue | 330        | 353        | 370        | 403           | 8.9        | 484         | 20.0        | 484        | 0.0        |
| <b>TOTAL</b>    | <b>330</b> | <b>353</b> | <b>370</b> | <b>403</b>    | <b>8.9</b> | <b>484</b>  | <b>20.0</b> | <b>484</b> | <b>0.0</b> |

State of Ohio

## Joint Committee on Agency Rule Review



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|-------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011    | CHANGE     |
| Personal Services                             | 303        | 323        | 326        | 366              | 12.1       | 484                     | 32.1        | 484        | 0.0        |
| Purchased Personal Services                   | 0          | 0          | 4          | 6                | 49.5       | 0                       | -100.0      | 0          | 0.0        |
| Supplies & Maintenance                        | 21         | 23         | 19         | 21               | 9.8        | 0                       | -100.0      | 0          | 0.0        |
| Equipment                                     | 5          | 6          | 20         | 10               | -50.9      | 0                       | -100.0      | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>330</b> | <b>353</b> | <b>370</b> | <b>403</b>       | <b>8.9</b> | <b>484</b>              | <b>20.0</b> | <b>484</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Administrative Rule Review

This program series supports the review of proposed new, amended, and rescinded rules to ensure that the rules do not exceed the scope of the rule-making authority of that agency, that such rules do not conflict other existing rules or the intent of the legislature.

#### Program 01.01: Administrative Rule Review

Provides for the review of rules to ensure the rules' consistency with the scope of the relevant agency's rule-making authority and confirm the proposed rules do not conflict other existing rules or the intent of the legislature.

#### The Executive Recommendation will fund the following objectives:

- Continue the current level of five full-time positions.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 029321 | Operating Expenses | 483,520        | 483,520        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>483,520</b> | <b>483,520</b> |

**LINE ITEM SUMMARY - Joint Committee on Agency Rule Review**

| FUND  | ALI    | ALI NAME           | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010     | %      | FY 2011     | %      |
|---|--------|--------------------|---------|---------|---------|----------|-------------|--------|-------------|--------|
|   |        |                    | ACTUAL  | ACTUAL  | ACTUAL  | ESTIMATE | RECOMMENDED | CHANGE | RECOMMENDED | CHANGE |
| GRF   | 029321 | Operating Expenses | 329,615 | 353,105 | 369,904 | 483,520  | 483,520     | 0.0    | 483,520     | 0.0    |
| TOTAL General Revenue                       |        |                    | 329,615 | 353,105 | 369,904 | 483,520  | 483,520     | 0.0    | 483,520     | 0.0    |
| TOTAL Joint Committee on Agency Rule Review |        |                    | 329,615 | 353,105 | 369,904 | 483,520  | 483,520     | 0.0    | 483,520     | 0.0    |

### **Role and Overview**

The Joint Legislative Ethics Committee (JLE) establishes a code of ethics consistent with law to govern all members and employees of the state legislature and all candidates seeking election to the legislature. The committee also investigates claims alleging a breach of privilege, conflict of interest, or violation of the state ethics laws, by any candidate for legislative office, legislative member, or employee of the Senate, the House of Representatives, or any legislative agency.

The committee consists of 12 members of the legislature. The Speaker of the House and the President of the Senate appoint six members each, not more than three can be from the same political party. The Speaker and the President annually alternate appointing the chairman and vice-chairman of the committee. The committee employs an executive director and a staff of five to assist in the exercise of its duties. The staff is known as the Office of the Legislative Inspector General. The staff also administers legislative, executive agency and retirement system lobbyist registrations and filings, as well as administration of the recently enacted post employment disclosure filings. The office has an annual GRF budget of approximately \$550,000, and annual spending authority for up to \$100,000 in lobbyist registration fees.

The committee may obtain information concerning any complaint filed against a member of, employee of, or candidate for the legislature and may enforce the attendance and testimony of witnesses during hearings. The committee may recommend appropriate sanctions against a particular member, employee, or candidate. The committee may recommend legislation relating to the conduct and ethics of legislative members, employees, and candidates. The committee also may act as an advisory body to the legislature and to individual members, employees, and candidates regarding possible conflicts of interest. Legislative officials and employees file their annual financial disclosure statements with the committee.

Persons regularly engaged in lobbying activity and their employers are required to register with the JLEC administrative Office of the Legislative Inspector General, and are also required to submit reports three times each calendar year of certain expenditures and certain financial transactions in connection with lobbying activity. Lobbying includes activity to influence legislation, executive agency decisions, or an investment decision of a state retirement system. The registration statements and reports of expenditures and transactions are kept on file by JLEC, which also maintains lists of registered legislative agents, executive agency lobbyists, retirement systems lobbyists, and their respective employers. The list of lobbyists and their employers is updated daily at the Agency Internet site, and is semiannually distributed to department-level agencies and the General Assembly in an electronic format. Violations under Chapters 101 or 121 of the Revised Code are referred to the Attorney General.

All documents filed with JLEC and the searchable database of lobbyists and lobbyist employers are posted to the office website.

Pursuant to Section 107.03(B) of the Ohio Revised Code, the Governor may not alter the funding requests of agencies of the legislative branch of government. The Joint Legislative Ethics Committee provides the Office of Budget and Management with their budget request for inclusion in the executive budget proposal and not for consideration or approval.

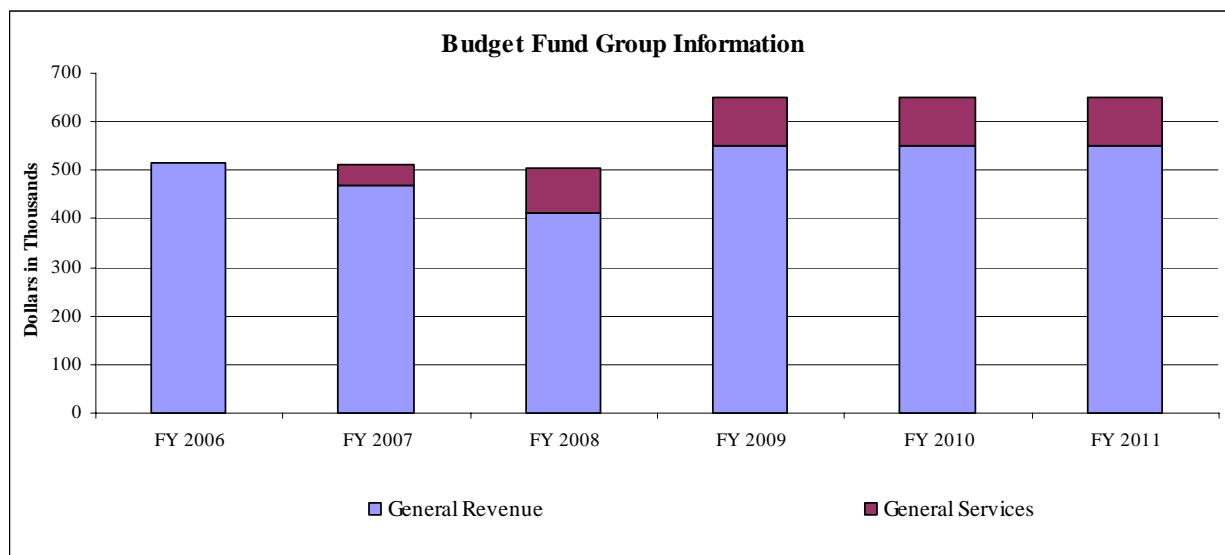
More information regarding the Joint Legislative Ethics Committee is available at <http://www.jlec-olig.state.oh.us/>.

### **Agency Priorities**

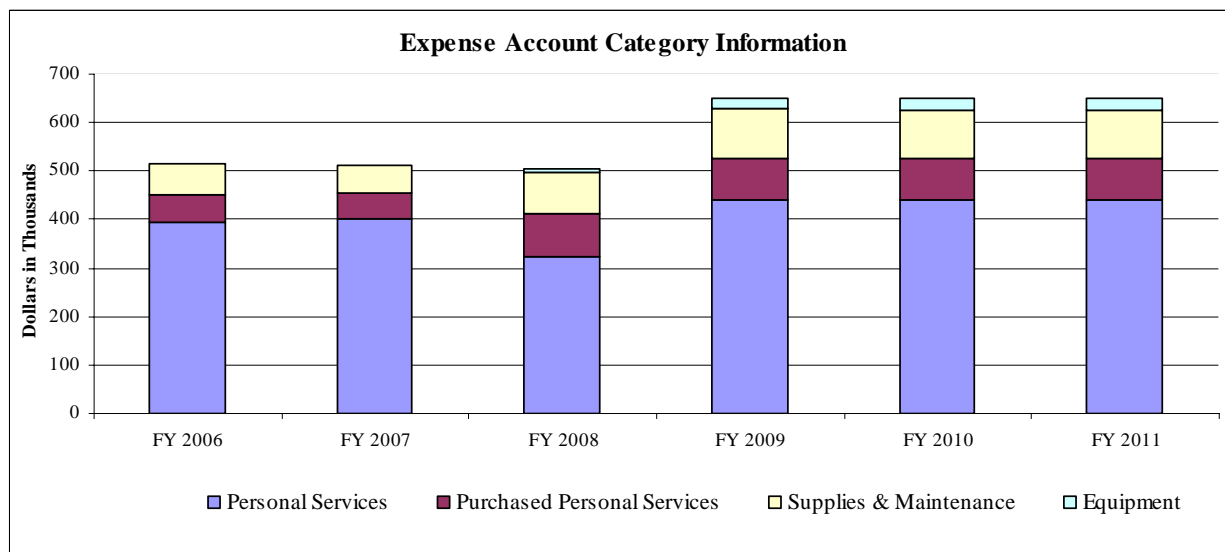
- Establish a code of ethics consistent with law to govern all members and employees of the state legislature and all candidates seeking election to the legislature.
- Investigate claims alleging a breach of privilege, conflict of interest, or violation of the state ethics laws, by any candidate for legislative office, legislative member, or employee of the Senate, the House of Representatives, or any legislative agency.



### Summary of Budget History and Recommendations



| (In Thousands)    | ACTUAL     |            |            | EST. %     |             | RECOMMENDED |            |            |            |
|-------------------|------------|------------|------------|------------|-------------|-------------|------------|------------|------------|
|                   | FY 2006    | FY 2007    | FY 2008    | FY 2009    | FY 08-09    | FY 2010     | %          | FY 2011    | %          |
| BUDGET FUND GROUP |            |            |            |            |             |             |            |            |            |
| General Revenue   | 516        | 469        | 412        | 550        | 33.5        | 550         | 0.0        | 550        | 0.0        |
| General Services  | 0          | 43         | 92         | 100        | 8.6         | 100         | 0.0        | 100        | 0.0        |
| <b>TOTAL</b>      | <b>516</b> | <b>512</b> | <b>504</b> | <b>650</b> | <b>28.9</b> | <b>650</b>  | <b>0.0</b> | <b>650</b> | <b>0.0</b> |



State of Ohio

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**Joint Legislative Ethics Committee**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED |             |            |             |
|---|------------|------------|------------|------------------|-------------|-------------|-------------|------------|-------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010     | %<br>CHANGE | FY 2011    | %<br>CHANGE |
| Personal Services                             | 393        | 403        | 323        | 442              | 36.6        | 442         | 0.0         | 442        | 0.0         |
| Purchased Personal Services                   | 57         | 51         | 88         | 84               | -4.5        | 84          | 0.0         | 84         | 0.0         |
| Supplies & Maintenance                        | 66         | 57         | 88         | 102              | 15.3        | 101         | -1.3        | 101        | 0.0         |
| Equipment                                     | 0          | 1          | 5          | 23               | 381.5       | 24          | 5.7         | 24         | 0.0         |
| <b>TOTAL</b>                                  | <b>516</b> | <b>512</b> | <b>504</b> | <b>650</b>       | <b>28.9</b> | <b>650</b>  | <b>0.0</b>  | <b>650</b> | <b>0.0</b>  |

**PROGRAM SERIES 01: Legislative Inspector General**

This program series includes one program to enable the Legislative Inspector General to fulfill its statutory mission.

**Program 01.01: Legislative Inspector General**

This program supports the establishment and enforcement of a standard code of ethics consistent with law to govern all members and employees of the state legislature and all candidates seeking election to the legislature. The committee also investigates claims alleging a breach of privilege, conflict of interest or violation of the state ethics laws, by any candidate for legislative office, legislative member, or employee in either the Senate or the House of Representatives.

**The Executive Recommendation will fund the following objectives:**

- Continue the current level of 6 full-time positions.

| FUND                     |      |        |                              | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010        | FY 2011        |
| GRF                      | GRF  | 028321 | Legislative Ethics Committee | 550,000        | 550,000        |
| GSF                      | 4G70 | 028601 | Joint Legislative Ethics     | 100,000        | 100,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>650,000</b> | <b>650,000</b> |

**LINE ITEM SUMMARY - Joint Legislative Ethics Committee**

| FUND  | ALI    | ALI NAME                     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF   | 028321 | Legislative Ethics Committee | 516,245           | 469,109           | 412,040           | 550,000             | 550,000                | 0.0         | 550,000                | 0.0         |
| <b>TOTAL General Revenue</b>                    |        |                              | <b>516,245</b>    | <b>469,109</b>    | <b>412,040</b>    | <b>550,000</b>      | <b>550,000</b>         | <b>0.0</b>  | <b>550,000</b>         | <b>0.0</b>  |
| 4G70  | 028601 | Joint Legislative Ethics     | 0                 | 42,801            | 92,046            | 100,000             | 100,000                | 0.0         | 100,000                | 0.0         |
| <b>TOTAL General Services</b>                   |        |                              | <b>0</b>          | <b>42,801</b>     | <b>92,046</b>     | <b>100,000</b>      | <b>100,000</b>         | <b>0.0</b>  | <b>100,000</b>         | <b>0.0</b>  |
| <b>TOTAL Joint Legislative Ethics Committee</b> |        |                              | <b>516,245</b>    | <b>511,910</b>    | <b>504,086</b>    | <b>650,000</b>      | <b>650,000</b>         | <b>0.0</b>  | <b>650,000</b>         | <b>0.0</b>  |

### **Role and Overview**

The Judicial Conference (JCO) continually studies and recommends changes in the procedures and practices of Ohio's court system in an effort to promote a fair and effective administration of justice. The Judicial Conference is comprised of all judges in the state, including common pleas, probate, juvenile, domestic relations, appellate, county, and municipal courts, and the justices of the Supreme Court. The conference consists of 725 active and 257 retired judges. An executive committee of 50 judges with an honorary chair, who is the Chief Justice of the Supreme Court of Ohio, makes policy decisions for the conference. There are 11 staff members, including one vacancy being held open to meet the Governor's requested reductions and a total annual budget of about \$1.4 million.

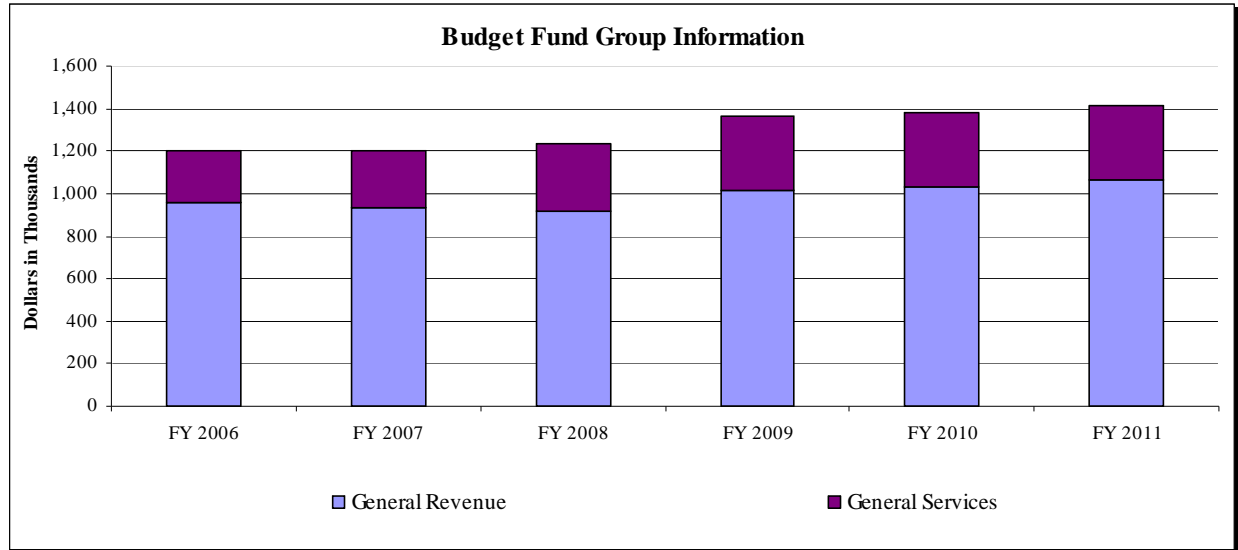
More information regarding the Judicial Conference is available at <http://www.ohiojudges.org/>.

### **Agency Priorities**

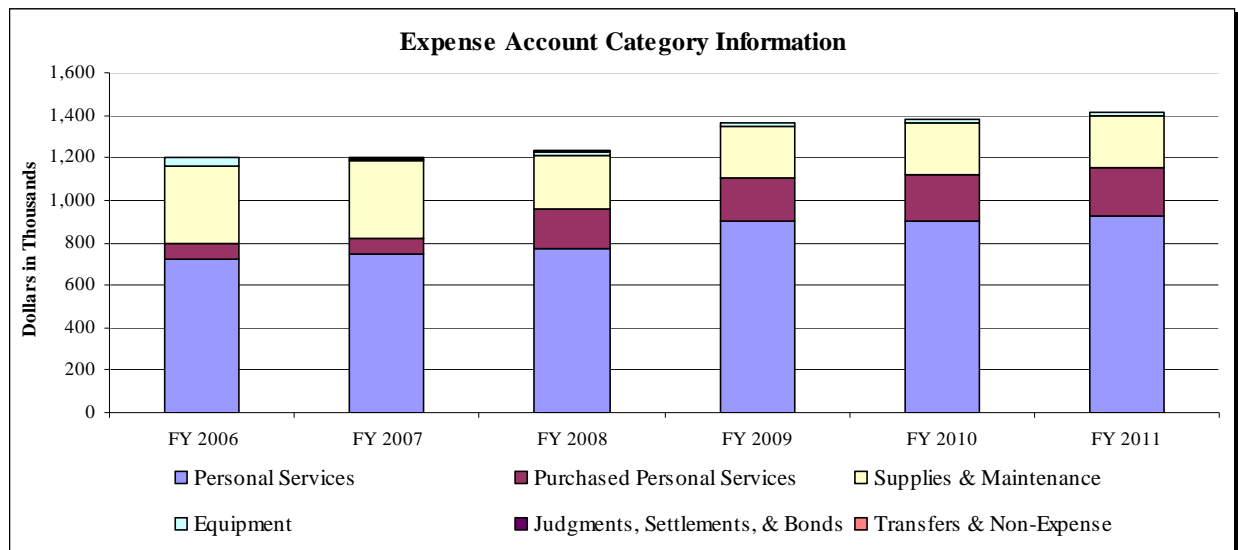
- Study the coordination of the work of Ohio's courts.
- Encourage uniformity in the application of the law, rules, and practice throughout the state and within each division of the courts.
- Promote opportunities to exchange experiences and suggestions regarding the operation of the judicial system.
- Engage all 725 Ohio judges in the process of ensuring the equal and efficient administration of justice throughout the state by facilitating educational opportunities, through committee participation, and maintaining regular productive communication.
- Analyze proposed and pending legislation and provide thoughtful and objective judicial impact statements to the General Assembly.
- Promote cooperation, collaboration, and partnerships with executive agencies, judicial associations, professional associations, local officials, and court agencies to improve the administration of justice.
- Prepare and maintain publications that improve the knowledge and awareness of Ohio judges of new law and matters of importance to the administration of justice.
- Prepare and maintain publications that improve the public confidence and knowledge of Ohio Courts and their function in Ohio government and in the community.

**As required by Section 107.03(B) of the Ohio Revised Code, the Governor has made no alterations to the funding requests of agencies of the judicial branch of government. Recommended amounts are as requested by the agency.**

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|-------------|----------------------|------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Revenue                     | 957          | 936          | 916          | 1,015         | 10.9        | 1,034                | 1.9        | 1,065        | 3.0        |
| General Services                    | 248          | 263          | 316          | 350           | 10.7        | 350                  | 0.0        | 350          | 0.0        |
| <b>TOTAL</b>                        | <b>1,205</b> | <b>1,199</b> | <b>1,232</b> | <b>1,365</b>  | <b>10.8</b> | <b>1,384</b>         | <b>1.4</b> | <b>1,415</b> | <b>2.2</b> |



**State of Ohio**  
**Judicial Conference**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST.         | %<br>CHANGE | RECOMMENDED  |             |              |             |
|---|--------------|--------------|--------------|--------------|-------------|--------------|-------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      |              |             | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Personal Services                             | 725          | 747          | 772          | 899          | 16.4        | 899          | 0.0         | 925          | 2.9         |
| Purchased Personal Services                   | 71           | 70           | 186          | 204          | 9.9         | 223          | 9.3         | 226          | 1.3         |
| Supplies & Maintenance                        | 366          | 366          | 253          | 245          | -3.4        | 245          | 0.0         | 246          | 0.6         |
| Equipment                                     | 40           | 13           | 19           | 15           | -20.3       | 15           | 0.0         | 16           | 3.4         |
| Judgments, Settlements, & Bonds               | 4            | 4            | 0            | 2            | 100.0       | 0            | -100.0      | 0            | 0.0         |
| Transfers & Non-Expense                       | 0            | 0            | 1            | 0            | -100.0      | 2            | 100.0       | 2            | 0.0         |
| <b>TOTAL</b>                                  | <b>1,205</b> | <b>1,199</b> | <b>1,232</b> | <b>1,365</b> | <b>10.8</b> | <b>1,384</b> | <b>1.4</b>  | <b>1,415</b> | <b>2.2</b>  |

**PROGRAM SERIES 01: Ohio Judicial Conference**

The Judicial Conference is an independent statutory entity within the judicial branch of government. The activities of the Judicial Conference fall under three core program areas: 1) judicial support, 2) a fair, impartial, and responsible judiciary, and 3) public confidence and trust. By statute, all Ohio judges are members of the Judicial Conference. Every judicial officeholder of the State of Ohio is an active member of the Ohio Judicial Conference.

**Program 01.01: Ohio Judicial Conference**

There are 21 committees that carry out the activities of the Judicial Conference. The committees deal with a variety of issues ranging from administrative to legislative, and from court technology to judicial ethics.

**The Executive Recommendation will fund the following objectives:**

- Educate and encourage Ohio judges in the use of technology to improve court operations and efficiencies;
- Preparation and publication of comprehensive Ohio Jury Instructions for use by Ohio judges; and
- Support operating costs of the Judicial Conference, including the 11 staff positions and more than 20 committees.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 018321 | Operating Expenses     | 1,034,281        | 1,065,281        |
| GSF                      | 4030 | 018601 | Ohio Jury Instructions | 350,000          | 350,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>1,384,281</b> | <b>1,415,281</b> |

**LINE ITEM SUMMARY - Judicial Conference**

| FUND                             | ALI    | ALI NAME               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|----------------------------------|--------|------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                              | 018321 | Operating Expenses     | 956,949           | 936,007           | 915,518           | 1,015,281           | 1,034,281              | 1.9         | 1,065,281              | 3.0         |
| <b>TOTAL General Revenue</b>     |        |                        | <b>956,949</b>    | <b>936,007</b>    | <b>915,518</b>    | <b>1,015,281</b>    | <b>1,034,281</b>       | <b>1.9</b>  | <b>1,065,281</b>       | <b>3.0</b>  |
| 4030                             | 018601 | Ohio Jury Instructions | 248,344           | 263,063           | 316,177           | 350,000             | 350,000                | 0.0         | 350,000                | 0.0         |
| <b>TOTAL General Services</b>    |        |                        | <b>248,344</b>    | <b>263,063</b>    | <b>316,177</b>    | <b>350,000</b>      | <b>350,000</b>         | <b>0.0</b>  | <b>350,000</b>         | <b>0.0</b>  |
| <b>TOTAL Judicial Conference</b> |        |                        | <b>1,205,293</b>  | <b>1,199,070</b>  | <b>1,231,694</b>  | <b>1,365,281</b>    | <b>1,384,281</b>       | <b>1.4</b>  | <b>1,415,281</b>       | <b>2.2</b>  |

### **Role and Overview**

The Judiciary/Supreme Court (JSC) represents the third branch of Ohio government as established by Article IV of the Ohio Constitution. The Judiciary consists of over 725 judges of the state who preside over cases in the trial and appellate courts, and in the Supreme Court. The Supreme Court is the court of last resort in the state on questions of Ohio law and the Ohio Constitution. The Judiciary/Supreme Court's total General Revenue Fund budget is \$138.9 million for fiscal year 2009.

The Judiciary portion of the budget supports the full salaries of Ohio's 69 appellate judges; more than 90 percent of the salaries for more than 390 judges of the 88 county courts of common pleas (general division, juvenile division, probate division, and domestic relations division); and the state's share of salaries for municipal and county court judges, and county clerks of court. The remaining Judiciary portion of the budget is used to pay the salaries for the support staff of the state's 12 courts of appeals.

The Supreme Court portion of the budget is used to pay for the operation of the Supreme Court including the salaries for the justices and staff, the operation and maintenance of the Ohio Judicial Center at 65 South Front Street, which is the home to the Supreme Court, Court of Claims, and the Judicial Conference, and to provide programs for the benefit of the trial and appellate courts throughout the state.

Special purpose appropriations are also included in the Judiciary/Supreme Court budget for the Ohio Criminal Sentencing Commission, the Ohio Center for Law Related Education, the Commission for Legal Education Opportunity, and the Ohio Court Technology Initiative. The Ohio Criminal Sentencing Commission is a 24-member body created in the Revised Code to study the state's sentencing laws, recommend comprehensive sentencing plans to the General Assembly, and to advise legislative committees and members when bills that affect criminal sentencing are considered and enacted. The Ohio Center for Law Related Education provides legal education programs to Ohio schoolchildren including the Ohio Mock Trial program. The Commission for Legal Education Opportunity is established to provide an intensive course of study designed to assist low-income and educationally disadvantaged college graduates with law school education, including the provision of tuition and an annual stipend. The Ohio Courts Technology Initiative facilitates the exchange of information and warehousing of data by and between Ohio courts and other justice system partners through the creation of an Ohio Courts Network; provides services, hardware, software, and education and training programs to judges, clerks, and court personnel throughout the state; and operates the Commission on Technology and the Courts.

Additionally, special revenue funds are appropriated as part of the budget for grants, judicial education, continuing legal education, bar admissions, and attorney registration. Continuing legal education, bar admission, and attorney registration fees support the annual appropriations and fund nearly 55 legal and support positions at the Supreme Court.

Additional information regarding the Judiciary/Supreme Court is available at <http://www.sconet.state.oh.us/>.

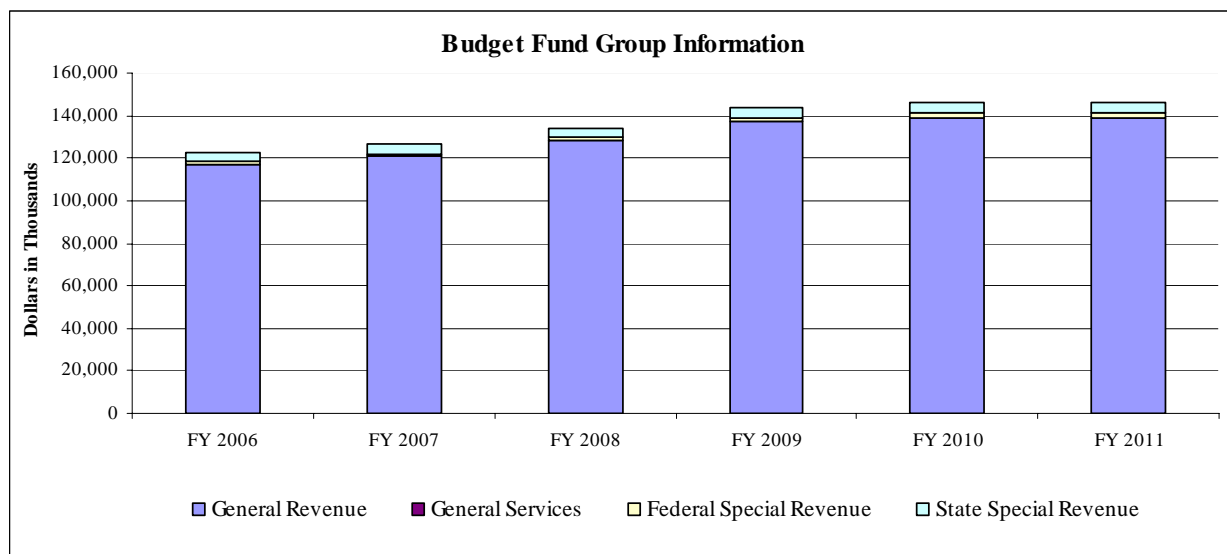
### **Agency Priorities**

- Review legal matters presented from Ohio's 12 courts of appeals in cases arising under the constitution of the United States or Ohio, appeals of felony convictions, direct appeals of death penalty cases, and cases involving matters of public or great general interest.
- Regulate persons admitted to the practice of law.
- Exercise general superintendence over all courts in the state pursuant to constitutional authority.
- Deliver technical assistance and services to judges and courts throughout the state in areas of case management, dispute resolution, information technology, court security, and specialized dockets.
- Maintain the Ohio Courts Technology Initiative, a program to provide direct and indirect technical assistance to trial and appellate courts and the Ohio Courts Network.

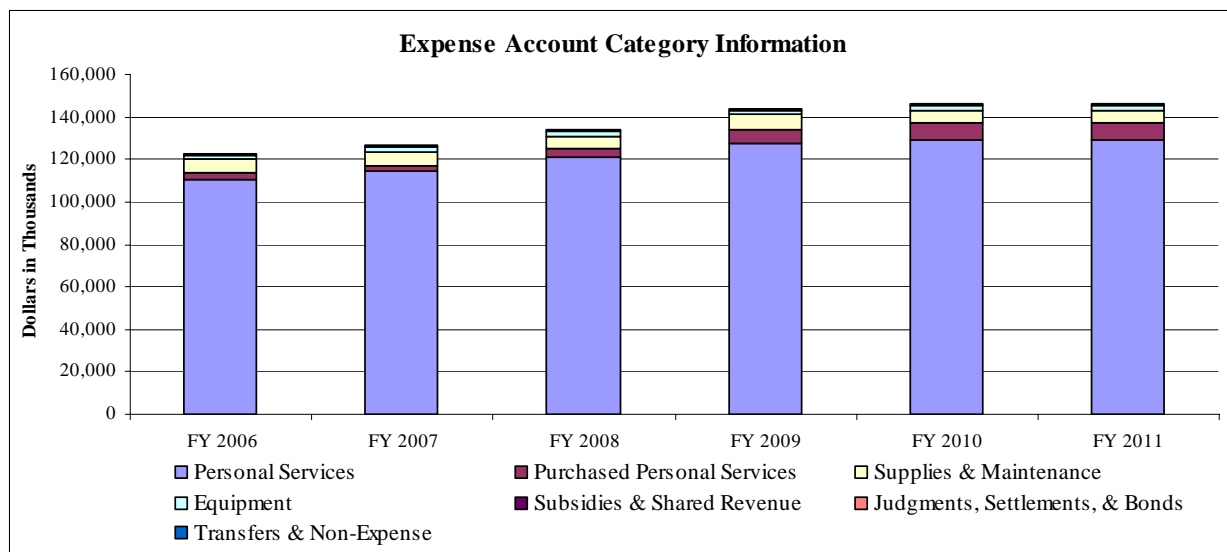


As required by Section 107.03(B) of the Ohio Revised Code, the Governor has made no alterations to the funding requests of agencies of the judicial branch of government. Recommended amounts are as requested by the agency.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. % CHANGE  |            | RECOMMENDED % CHANGE |            |                |             |
|-------------------------------------|----------------|----------------|----------------|----------------|------------|----------------------|------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09   | FY 2010              | CHANGE     | FY 2011        | CHANGE      |
| General Revenue                     | 116,562        | 121,195        | 128,411        | 137,363        | 7.0        | 138,918              | 1.1        | 138,918        | 0.0         |
| General Services                    | 116            | 106            | 98             | 173            | 77.2       | 300                  | 73.5       | 300            | 0.0         |
| Federal Special Revenue             | 1,753          | 919            | 1,153          | 1,468          | 27.3       | 2,138                | 45.7       | 1,917          | -10.3       |
| State Special Revenue               | 4,602          | 4,477          | 4,544          | 4,809          | 5.8        | 5,039                | 4.8        | 5,039          | 0.0         |
| <b>TOTAL</b>                        | <b>123,033</b> | <b>126,696</b> | <b>134,205</b> | <b>143,813</b> | <b>7.2</b> | <b>146,395</b>       | <b>1.8</b> | <b>146,174</b> | <b>-0.2</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |                |             |
|---|----------------|----------------|----------------|------------------|------------|-------------------------|------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011        | CHANGE      |
| Personal Services                             | 110,862        | 114,409        | 120,698        | 127,152          | 5.3        | 129,417                 | 1.8        | 129,417        | 0.0         |
| Purchased Personal Services                   | 2,535          | 2,165          | 4,537          | 6,970            | 53.6       | 7,726                   | 10.8       | 7,564          | -2.1        |
| Supplies & Maintenance                        | 6,453          | 7,141          | 5,579          | 6,933            | 24.3       | 5,951                   | -14.2      | 5,893          | -1.0        |
| Equipment                                     | 1,862          | 2,199          | 2,344          | 1,863            | -20.5      | 2,233                   | 19.9       | 2,233          | 0.0         |
| Subsidies & Shared Revenue                    | 1,294          | 765            | 1,009          | 882              | -12.6      | 1,039                   | 17.9       | 1,039          | 0.0         |
| Judgments, Settlements, & Bonds               | 28             | 18             | 0              | 13               | 100.0      | 0                       | -100.0     | 0              | 0.0         |
| Transfers & Non-Expense                       | 0              | 0              | 38             | 0                | -100.0     | 27                      | 100.0      | 27             | 0.0         |
| <b>TOTAL</b>                                  | <b>123,033</b> | <b>126,696</b> | <b>134,205</b> | <b>143,813</b>   | <b>7.2</b> | <b>146,395</b>          | <b>1.8</b> | <b>146,174</b> | <b>-0.2</b> |

### PROGRAM SERIES 01: Judiciary/Supreme Court

This program series supports the judicial branch of government including the Supreme Court.

#### Program 01.01: Judiciary/Supreme Court

The Supreme Court is established by Article IV, Section 1 of the Ohio Constitution. Article IV, Section 2 of the Constitution sets the size of the court and outlines its jurisdiction. Article IV, Section 5 of the Constitution grants rule making and other authority to the court. The Supreme Court is the court of last resort in Ohio, and most of its cases are appeals from the 12 district courts of appeals.

#### The Executive Recommendation will fund the following objectives:

- Fund the operations of the Judiciary and the Supreme Court;
- Provide for the pass-through expenses of courts of appeals and other courts within the judiciary system. JSC funds, in part, costs for local county and municipal judges at rates set in statute;
- Fund operational, maintenance, and security costs for the Ohio Judicial Center; and
- Support projects of the Ohio Courts Technology Initiative.

State of Ohio  
**Judiciary/Supreme Court**

| FUND                     |      |        |                                   | RECOMMENDED        |                    |
|--------------------------|------|--------|-----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010            | FY 2011            |
| GRF                      | GRF  | 005321 | Operating Expenses-Judiciary      | 133,144,970        | 133,144,970        |
| GRF                      | GRF  | 005401 | State Criminal Sentencing Council | 336,770            | 336,770            |
| GRF                      | GRF  | 005406 | Law-Related Education             | 236,172            | 236,172            |
| GRF                      | GRF  | 005409 | Ohio Courts Tech Initiative       | 4,850,000          | 4,850,000          |
| GRF                      | GRF  | 005502 | Legal Education Opportunity       | 350,000            | 350,000            |
| GSF                      | 6720 | 005601 | Continuing Judicial Education     | 300,000            | 300,000            |
| FED                      | 3J00 | 005603 | Federal Grants                    | 2,137,866          | 1,917,081          |
| SSR                      | 4C80 | 005605 | Attorney Services                 | 3,704,659          | 3,704,659          |
| SSR                      | 5T80 | 005609 | Grants And Awards                 | 50,000             | 50,000             |
| SSR                      | 6A80 | 005606 | Supreme Court Admissions          | 1,284,142          | 1,284,142          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>146,394,579</b> | <b>146,173,794</b> |

**LINE ITEM SUMMARY - The Judiciary/Supreme Court**

| FUND                                     | ALI    | ALI NAME                          | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--|--------|-----------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|--------------|
| GRF                                      | 005321 | Operating Expenses-Judiciary      | 116,088,020        | 120,714,664        | 126,958,500        | 131,687,393         | 133,144,970            | 1.1         | 133,144,970            | 0.0          |
| GRF                                      | 005401 | State Criminal Sentencing Council | 258,013            | 257,563            | 200,528            | 239,750             | 336,770                | 40.5        | 336,770                | 0.0          |
| GRF                                      | 005406 | Law-Related Education             | 216,131            | 222,615            | 229,290            | 236,172             | 236,172                | 0.0         | 236,172                | 0.0          |
| GRF                                      | 005409 | Ohio Courts Tech Initiative       | 0                  | 0                  | 973,173            | 4,850,000           | 4,850,000              | 0.0         | 4,850,000              | 0.0          |
| GRF                                      | 005502 | Commlegal Education Opportunity   | 0                  | 0                  | 49,317             | 350,000             | 350,000                | 0.0         | 350,000                | 0.0          |
| <b>TOTAL General Revenue</b>             |        |                                   | <b>116,562,164</b> | <b>121,194,842</b> | <b>128,410,809</b> | <b>137,363,315</b>  | <b>138,917,912</b>     | <b>1.1</b>  | <b>138,917,912</b>     | <b>0.0</b>   |
| 6720                                     | 005601 | Continuing Judicial Education     | 115,999            | 105,833            | 97,540             | 172,870             | 300,000                | 73.5        | 300,000                | 0.0          |
| <b>TOTAL General Services</b>            |        |                                   | <b>115,999</b>     | <b>105,833</b>     | <b>97,540</b>      | <b>172,870</b>      | <b>300,000</b>         | <b>73.5</b> | <b>300,000</b>         | <b>0.0</b>   |
| 3J00                                     | 005603 | Federal Grants                    | 1,752,856          | 918,954            | 1,152,597          | 1,467,693           | 2,137,866              | 45.7        | 1,917,081              | -10.3        |
| <b>TOTAL Federal Special Revenue</b>     |        |                                   | <b>1,752,856</b>   | <b>918,954</b>     | <b>1,152,597</b>   | <b>1,467,693</b>    | <b>2,137,866</b>       | <b>45.7</b> | <b>1,917,081</b>       | <b>-10.3</b> |
| 4C80                                     | 005605 | Attorney Services                 | 2,987,826          | 2,786,179          | 3,342,572          | 3,487,080           | 3,704,659              | 6.2         | 3,704,659              | 0.0          |
| 5T80                                     | 005609 | Grants and Awards                 | 89,234             | 190,161            | 63,157             | 77,681              | 50,000                 | -35.6       | 50,000                 | 0.0          |
| 6430                                     | 005607 | Common Continuing Legal Educatn   | 408,868            | 390,591            | 0                  | 0                   | 0                      | .0          | 0                      | .0           |
| 6A80                                     | 005606 | Supreme Court Admissions          | 1,116,488          | 1,109,869          | 1,138,395          | 1,244,610           | 1,284,142              | 3.2         | 1,284,142              | 0.0          |
| <b>TOTAL State Special Revenue</b>       |        |                                   | <b>4,602,416</b>   | <b>4,476,800</b>   | <b>4,544,124</b>   | <b>4,809,371</b>    | <b>5,038,801</b>       | <b>4.8</b>  | <b>5,038,801</b>       | <b>0.0</b>   |
| <b>TOTAL The Judiciary/Supreme Court</b> |        |                                   | <b>123,033,435</b> | <b>126,696,428</b> | <b>134,205,070</b> | <b>143,813,249</b>  | <b>146,394,579</b>     | <b>1.8</b>  | <b>146,173,794</b>     | <b>-0.2</b>  |

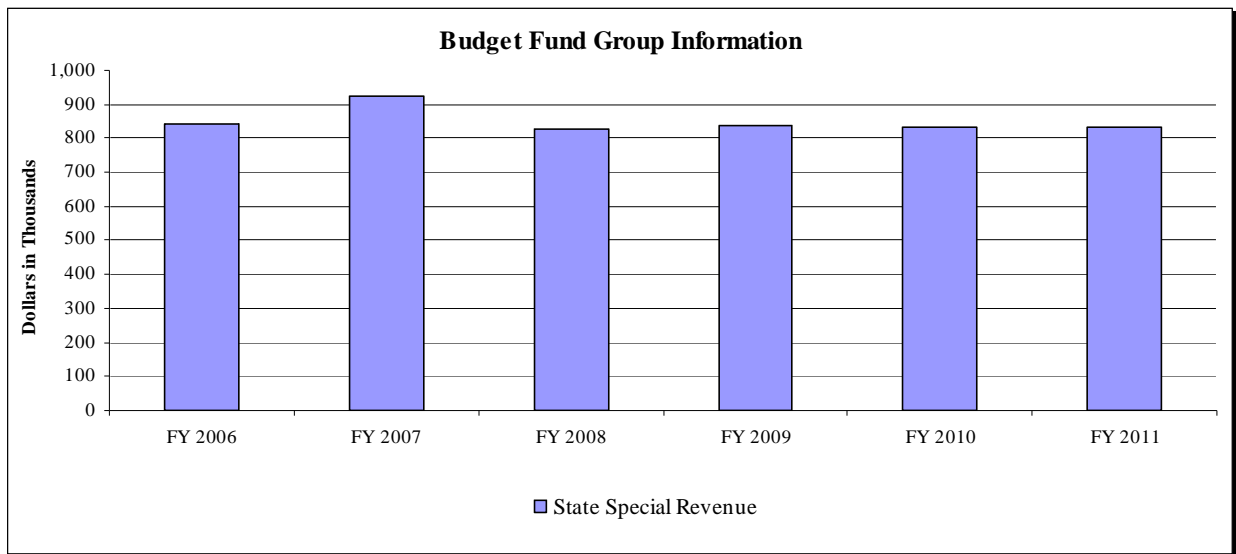
### Role and Overview

The Lake Erie Commission (LEC) preserves Lake Erie's natural resources, protects the quality of its waters and ecosystem, and promotes economic development of the region by coordinating policies and programs related to Lake Erie. The commission works to implement policies and programs of state government pertaining to water quality, toxic substances, and coastal resource management. The commission also oversees the management of the Lake Erie Protection Fund.

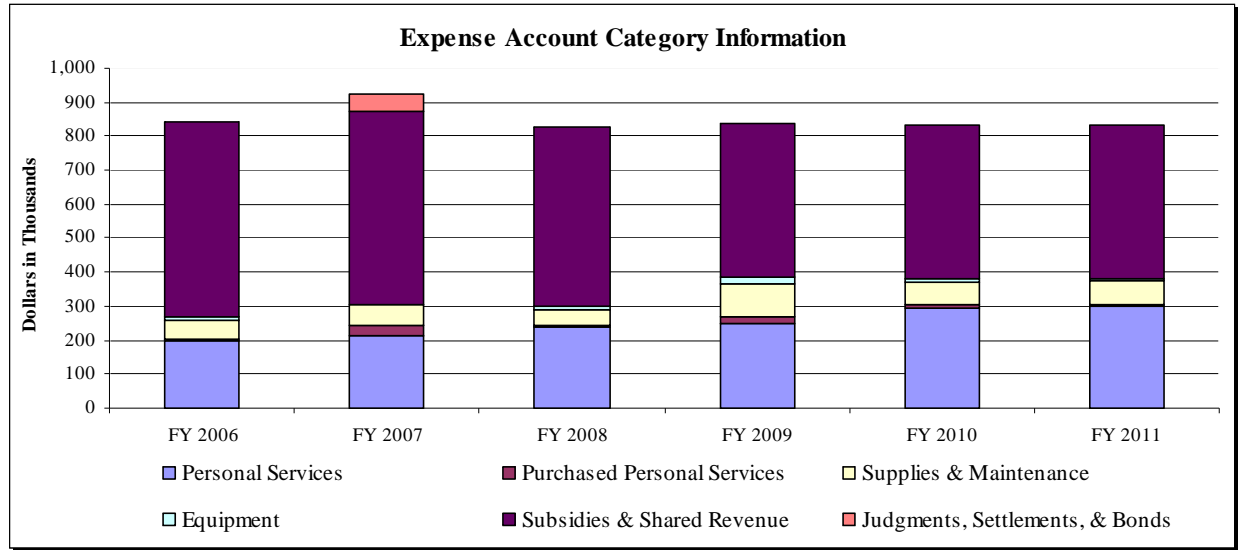
The Lake Erie Commission is made up of the directors of the Ohio Environmental Protection Agency, the Department of Natural Resources, the Ohio Department of Health, the Ohio Department of Transportation, the Department of Development, and the Ohio Department of Agriculture. The commission issues reports such as *State of the Lake Report ~ Lake Erie Quality Index* and *Lake Erie Protection & Restoration Plan* that provide information and strategic action proposals for state government to improve the quality of Lake Erie and its use.

The Lake Erie Commission staff of four employees advises the Governor and the commission on the development, implementation, and coordination of Lake Erie programs and policies; provides representation of the interests of Ohio in regional, national, and international forums pertaining to the resources of the Great Lakes; assists in the implementation of the Coastal Zone Management Program and the Great Lakes Regional Collaboration; facilitates compliance with the Great Lakes Water Quality Agreement and the Great Lakes Toxic Substances Control Agreement; and manages the distribution of moneys from the Lake Erie Protection Fund. Funding is distributed to federal, state, and local agencies; educational institutions; and non-profit organizations in Ohio in the form of grants for research and implementation projects. Over \$8.5 million has been distributed for over 275 projects during a 16-year period. The Lake Erie Commission has an annual operating budget of approximately \$833,000. Additional information regarding the Lake Erie Commission is available at <http://lakeerie.ohio.gov>.

### Summary of Budget History and Recommendations



| (In Thousands)        | ACTUAL     |            |            | % CHANGE   |            | RECOMMENDED |             |            |            |
|-----------------------|------------|------------|------------|------------|------------|-------------|-------------|------------|------------|
|                       | FY 2006    | FY 2007    | FY 2008    | FY 2009    | FY 08-09   | FY 2010     | % CHANGE    | FY 2011    | % CHANGE   |
| BUDGET FUND GROUP     |            |            |            |            |            |             |             |            |            |
| State Special Revenue | 843        | 923        | 827        | 838        | 1.3        | 830         | -1.0        | 833        | 0.4        |
| <b>TOTAL</b>          | <b>843</b> | <b>923</b> | <b>827</b> | <b>838</b> | <b>1.3</b> | <b>830</b>  | <b>-1.0</b> | <b>833</b> | <b>0.4</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|-------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011    | CHANGE     |
| Personal Services                             | 199        | 213        | 240        | 250              | 4.0        | 295                     | 18.0        | 298        | 1.0        |
| Purchased Personal Services                   | 5          | 30         | 3          | 20               | 649.0      | 8                       | -60.0       | 8          | 0.0        |
| Supplies & Maintenance                        | 56         | 61         | 44         | 93               | 111.1      | 70                      | -24.7       | 70         | 0.0        |
| Equipment                                     | 8          | 3          | 14         | 25               | 77.5       | 7                       | -72.0       | 7          | 0.0        |
| Subsidies & Shared Revenue                    | 575        | 565        | 526        | 450              | -14.5      | 450                     | 0.0         | 450        | 0.0        |
| Judgments, Settlements, & Bonds               | 0          | 50         | 0          | 0                | 0.0        | 0                       | 0.0         | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>843</b> | <b>923</b> | <b>827</b> | <b>838</b>       | <b>1.3</b> | <b>830</b>              | <b>-1.0</b> | <b>833</b> | <b>0.4</b> |

### PROGRAM SERIES 01: Lake Erie Protection Commission

This program series works to preserve Lake Erie's natural resources, protect the ecological quality of its watershed, and promote economic development in the Great Lake region through policy direction and awarding of moneys for environmental projects concerning Lake Erie and its watershed.

#### Program 01.01: Lake Erie Resources and Protection

The *Lake Erie Protection and Restoration Plan* establishes the program's priorities concerning policy and activities. The Lake Erie Protection Fund awards moneys for environmental projects to help support Lake Erie and its watershed. The Lake Erie Resources Fund provides moneys for the resources and operation of the Lake Erie Protection Fund.

#### The Executive Recommendation will fund the following objectives:

- Support the administration of approximately 20 grant projects;
- Support the day-to-day operations of the agency;
- Allow coordination of policies and projects pertaining water quality, habitat, recreation and tourism, and resource management within the Lake Erie Basin;
- Support the conduction of four quarterly Ohio Lake Erie Commission meetings and initiatives; and
- Allow the program to market established revenue sources such as the Lake Erie license plate program.

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**State of Ohio**  
**Lake Erie Commission**

| FUND              |      |        |                      | RECOMMENDED |         |
|-------------------|------|--------|----------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME             | FY 2010     | FY 2011 |
| SSR               | 4C00 | 780601 | Lake Erie Protection | 450,000     | 450,000 |
| SSR               | 5D80 | 780602 | Lake Erie Resources  | 380,000     | 383,000 |
| TOTAL FOR PROGRAM |      |        |                      | 830,000     | 833,000 |

**LINE ITEM SUMMARY - Lake Erie Commission**

| FUND                               | ALI    | ALI NAME             | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------------|--------|----------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4C00                               | 780601 | Lake Erie Protection | 576,263           | 637,683           | 526,304           | 450,000             | 450,000                | 0.0         | 450,000                | 0.0         |
| 5D80                               | 780602 | Lake Erie Resources  | 266,362           | 285,267           | 301,087           | 388,000             | 380,000                | -2.1        | 383,000                | 0.8         |
| <b>TOTAL State Special Revenue</b> |        |                      | <b>842,626</b>    | <b>922,950</b>    | <b>827,392</b>    | <b>838,000</b>      | <b>830,000</b>         | <b>-1.0</b> | <b>833,000</b>         | <b>0.4</b>  |
| <b>TOTAL Lake Erie Commission</b>  |        |                      | <b>842,626</b>    | <b>922,950</b>    | <b>827,392</b>    | <b>838,000</b>      | <b>830,000</b>         | <b>-1.0</b> | <b>833,000</b>         | <b>0.4</b>  |



### **Role and Overview**

The Legal Rights Service (LRS) protects and advocates the rights of individuals with disabilities by providing legal representation, investigating complaints, negotiating settlements, monitoring services, and providing training regarding clients' rights.

In Ohio, LRS is the federally mandated protection and advocacy system for individuals with developmental disabilities, mental illness, brain injury, and other disabilities. The agency implements multiple federal programs for those with disabilities by advocating for vocational rehabilitation services, assistive technologies, voting rights and poll accessibility, employment opportunities for social security disability beneficiaries, services for veterans with traumatic brain injury, and other programs, as well as providing legal advocacy to protect rights under federal and state anti-discrimination laws.

LRS also administers an ombudsman section that receives complaints and conducts investigations of abuse, neglect, and violations of human and civil rights. The ombudsman section resolves and mediates complaints from individuals or relatives or guardians of people with mental retardation, developmental disabilities, or mental illness and interested citizens, public officials, and governmental agencies.

The administrator of LRS must be a lawyer and is appointed by a seven-member commission. The Chief Justice of the Supreme Court appoints one member, who serves as chair, and the Speaker of the House of Representatives and the President of the Senate appoint three members each. Terms of office are for three years. The commission is the governing authority of the agency which advises the administrator, establishes policies and assists in developing agency priorities and budget.

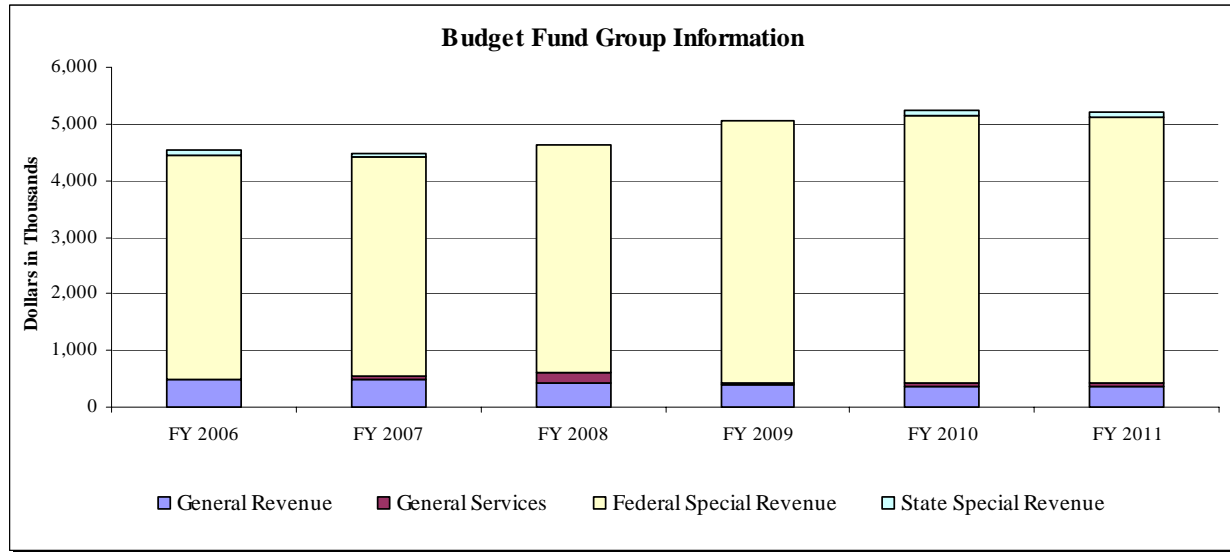
The agency has 47 employees with an annual budget of approximately \$5.1 million. Additional information regarding the Legal Rights Service is available at: <http://olrs.ohio.gov/>.

### **Agency Priorities**

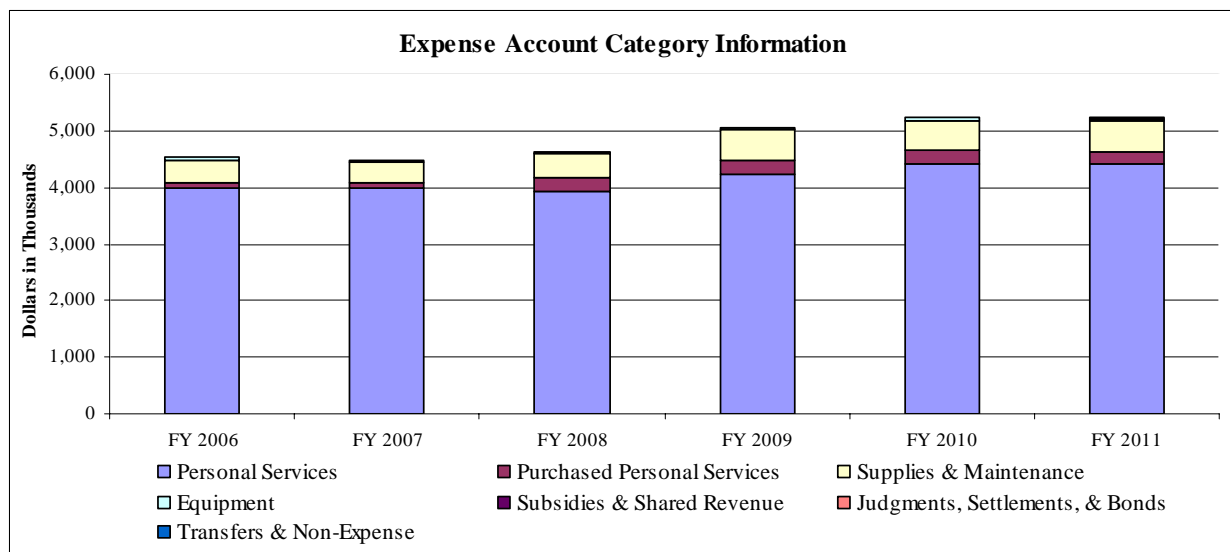
- Continue to provide client-driven, legal advocacy services to Ohioans with disabilities through efficient and effective management of federal and state resources.
- Implement programmatic priorities as required under the federal protection and advocacy grants that are developed based on input from people with disabilities and their families, which are focused on:
  - Obtaining needed services for individuals with disabilities in the most integrated setting that is appropriate to their needs;
  - Ensuring medically necessary services for children (EPSDT);
  - Ensure appropriate educational services and transition from school to work and appropriate vocational rehabilitation services;
  - Empowering individuals with disabilities to allow them to make important life decisions independently; and
  - Investigate and remedy systemic problems that allow abuse and neglect of individuals with disabilities in facilities and schools.

Full agency priorities are at <http://olrs.ohio.gov/ASP/agencypriorities.asp>.

## Summary of Budget History and Recommendations



| (In Thousands)          | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |              |             |
|-------------------------|--------------|--------------|--------------|---------------|------------|----------------------|------------|--------------|-------------|
|                         | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011      | CHANGE      |
| General Revenue         | 489          | 488          | 440          | 395           | -10.2      | 352                  | -10.9      | 352          | 0.0         |
| General Services        | 4            | 61           | 155          | 25            | -83.9      | 81                   | 225.4      | 81           | 0.0         |
| Federal Special Revenue | 3,968        | 3,863        | 4,035        | 4,625         | 14.6       | 4,703                | 1.7        | 4,690        | -0.3        |
| State Special Revenue   | 76           | 53           | 0            | 25            | 11,013.1   | 100                  | 306.5      | 100          | 0.0         |
| <b>TOTAL</b>            | <b>4,537</b> | <b>4,465</b> | <b>4,631</b> | <b>5,070</b>  | <b>9.5</b> | <b>5,236</b>         | <b>3.3</b> | <b>5,224</b> | <b>-0.2</b> |



**State of Ohio**  
**Legal Rights Service**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |              |             |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011      | CHANGE      |
| Personal Services                             | 3,989        | 3,979        | 3,931        | 4,231            | 7.6        | 4,426                   | 4.6        | 4,417        | -0.2        |
| Purchased Personal Services                   | 96           | 112          | 239          | 253              | 5.7        | 220                     | -13.1      | 218          | -0.9        |
| Supplies & Maintenance                        | 397          | 346          | 415          | 543              | 30.6       | 544                     | 0.3        | 543          | -0.2        |
| Equipment                                     | 48           | 20           | 25           | 33               | 33.9       | 45                      | 34.2       | 45           | 0.0         |
| Subsidies & Shared Revenue                    | 6            | 7            | 10           | 11               | 7.1        | 3                       | -76.3      | 2            | -20.0       |
| Judgments, Settlements, & Bonds               | 1            | 1            | 0            | 0                | 0.0        | 0                       | 0.0        | 0            | 0.0         |
| Transfers & Non-Expense                       | 0            | 0            | 10           | 0                | -100.0     | 0                       | 0.0        | 0            | 0.0         |
| <b>TOTAL</b>                                  | <b>4,537</b> | <b>4,465</b> | <b>4,631</b> | <b>5,070</b>     | <b>9.5</b> | <b>5,236</b>            | <b>3.3</b> | <b>5,224</b> | <b>-0.2</b> |

**PROGRAM SERIES 01: Protection and Advocacy of Disabled Ohioans**

This program series provides protection and advocacy services to individuals with disabilities when they are subjected to violations of their civil, legal, or human rights. The protection and advocacy services are provided through legal assistance, education and training, public policy development, and ombudsman services.

**Program 01.01: Protection and Advocacy**

This program provides protection and advocacy services to individuals with disabilities when they are subjected to violations of their civil, legal, or human rights. The protection and advocacy services are provided through legal assistance, education and training, public policy development, and ombudsman services.

**The Executive Recommendation will fund the following objectives:**

- Continue to provide client-driven, legally-based advocacy services to Ohioans with disabilities through efficient and effective management of federal and state resources;
- Implement programmatic priorities as required under the federal protection and advocacy grants, which are focused on obtaining needed services for individuals with disabilities in the most integrated setting that is appropriate to their needs;
- Resolve issues related to medically necessary services for children (EPSDT);
- Ensure appropriate educational services and transition from school to work and appropriate vocational rehabilitation services;
- Empower individuals with disabilities to allow them to make important life decisions independently; and
- Investigate and remedy systemic problems that allow abuse and neglect of individuals with disabilities in facilities and schools; and
- Support ongoing operations through June 30, 2011 and provide time for the agency to plan a transition to a nonprofit organization effective July 1, 2011. The plan will also include the transfer of the state ombudsman responsibilities performed under Section 5123.601 of the Revised Code to the Department of Aging.

**State of Ohio**  
**Legal Rights Service**

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 054321 | Support Services                                 | 142,614          | 142,614          |
| GRF                      | GRF  | 054401 | Ombudsman  | 209,698          | 209,698          |
| GSF                      | 5M00 | 054610 | Settlements                                      | 81,352           | 81,352           |
| FED                      | 3050 | 054602 | Protection & Advocacy-Dev Disabled               | 1,500,000        | 1,500,000        |
| FED                      | 3AG0 | 054613 | P & A Voter Accessibility                        | 135,000          | 135,000          |
| FED                      | 3B80 | 054603 | Protection/Advocacy-Mentally Ill                 | 1,100,000        | 1,100,000        |
| FED                      | 3CA0 | 054615 | Work Incentive & Planning Assistance             | 355,000          | 355,000          |
| FED                      | 3N30 | 054606 | PAIR   | 570,000          | 570,000          |
| FED                      | 3N90 | 054607 | Assistive Technology                             | 160,000          | 160,000          |
| FED                      | 3R90 | 054604 | Family Support Collaborative                     | 12,500           | 0                |
| FED                      | 3R90 | 054616 | Developmental Disability Publications            | 130,000          | 130,000          |
| FED                      | 3T20 | 054609 | Client Assistance Program                        | 435,000          | 435,000          |
| FED                      | 3X10 | 054611 | Protect & Advocacy-Social Security Beneficiaries | 235,000          | 235,000          |
| FED                      | 3Z60 | 054612 | Traumatic Brain Injury P & A                     | 70,000           | 70,000           |
| SSR                      | 5AE0 | 054614 | Grants And Contracts                             | 100,000          | 100,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>5,236,164</b> | <b>5,223,664</b> |

**LINE ITEM SUMMARY - Legal Rights Service**

| FUND                                 | ALI    | ALI NAME   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 054100 | Personal Services                                | 162,280           | 162,269           | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 054200 | Maintenance                                      | 33,938            | 33,937            | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 054300 | Equipment  | 1,856             | 937               | 919               | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 054321 | Support Services                                 | 0                 | 0                 | 178,235           | 145,767             | 142,614                | -2.2         | 142,614                | 0.0         |
| GRF                                  | 054401 | Ombudsman  | 291,248           | 291,205           | 261,137           | 249,584             | 209,698                | -16.0        | 209,698                | 0.0         |
| <b>TOTAL General Revenue</b>         |        |  | <b>489,322</b>    | <b>488,348</b>    | <b>440,292</b>    | <b>395,351</b>      | <b>352,312</b>         | <b>-10.9</b> | <b>352,312</b>         | <b>0.0</b>  |
| 5M00                                 | 054610 | Settlements                                      | 3,800             | 61,250            | 154,981           | 25,000              | 81,352                 | 225.4        | 81,352                 | 0.0         |
| <b>TOTAL General Services</b>        |        |  | <b>3,800</b>      | <b>61,250</b>     | <b>154,981</b>    | <b>25,000</b>       | <b>81,352</b>          | <b>225.4</b> | <b>81,352</b>          | <b>0.0</b>  |
| 3050                                 | 054602 | Protection/Advocacy-Dev Disabled                 | 1,462,544         | 1,351,384         | 1,326,461         | 1,500,000           | 1,500,000              | 0.0          | 1,500,000              | 0.0         |
| 3AG0                                 | 054613 | P & A Voter Accessibility                        | 106,786           | 103,465           | 97,144            | 115,000             | 135,000                | 17.4         | 135,000                | 0.0         |
| 3B80                                 | 054603 | Protection/Advocacy-Mentally Ill                 | 995,983           | 914,212           | 999,493           | 1,089,999           | 1,100,000              | 0.9          | 1,100,000              | 0.0         |
| 3CA0                                 | 054615 | Work Incentive & Planning Assistance             | 0                 | 119,285           | 333,417           | 300,000             | 355,000                | 18.3         | 355,000                | 0.0         |
| 3N30                                 | 054606 | PAIR   | 541,176           | 490,159           | 482,871           | 560,000             | 570,000                | 1.8          | 570,000                | 0.0         |
| 3N90                                 | 054607 | Assistive Technology                             | 163,130           | 128,157           | 129,627           | 160,000             | 160,000                | 0.0          | 160,000                | 0.0         |
| 3R90                                 | 054604 | Family Support Collaborative                     | 99,570            | 51,810            | 40,687            | 55,000              | 12,500                 | -77.3        | 0                      | -100.0      |
| 3R90                                 | 054616 | Developmental Disability Publications            | 0                 | 47,378            | 89,420            | 115,000             | 130,000                | 13.0         | 130,000                | 0.0         |
| 3T20                                 | 054609 | Client Assistance Program                        | 356,964           | 377,215           | 341,495           | 425,000             | 435,000                | 2.4          | 435,000                | 0.0         |
| 3X10                                 | 054611 | Protect & Advocacy-Social Security Beneficiaries | 160,855           | 214,746           | 141,571           | 235,001             | 235,000                | 0.0          | 235,000                | 0.0         |
| 3Z60                                 | 054612 | Traumatic Brain Injury P & A                     | 81,374            | 65,138            | 52,975            | 70,000              | 70,000                 | 0.0          | 70,000                 | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |  | <b>3,968,382</b>  | <b>3,862,949</b>  | <b>4,035,163</b>  | <b>4,625,000</b>    | <b>4,702,500</b>       | <b>1.7</b>   | <b>4,690,000</b>       | <b>-0.3</b> |
| 5AE0                                 | 054614 | Grants and Contracts                             | 75,689            | 52,614            | 221               | 24,600              | 100,000                | 306.5        | 100,000                | 0.0         |
| <b>TOTAL State Special Revenue</b>   |        |  | <b>75,689</b>     | <b>52,614</b>     | <b>221</b>        | <b>24,600</b>       | <b>100,000</b>         | <b>306.5</b> | <b>100,000</b>         | <b>0.0</b>  |
| <b>TOTAL Legal Rights Service</b>    |        |  | <b>4,537,193</b>  | <b>4,465,161</b>  | <b>4,630,657</b>  | <b>5,069,951</b>    | <b>5,236,164</b>       | <b>3.3</b>   | <b>5,223,664</b>       | <b>-0.2</b> |

### **Role and Overview**

The Legislative Service Commission (LSC) is a nonpartisan agency providing drafting, fiscal, research, training, and other technical and legislative services to the Ohio General Assembly. LSC staff includes attorneys, budget analysts, economists, research associates, and support personnel. The governing authority of the LSC consists of 14 members of the Ohio General Assembly. The Speaker of the House and the President of the Senate are members of the commission. The Speaker and President each appoint six additional members; no more than four from each chamber may belong to the same political party.

Two other legislative staffing agencies continue to be funded from appropriations made to the LSC. The Legislative Information Systems Office (LIS) provides network computer development and services for the General Assembly. The Correctional Institution Inspection Committee (CIIC) is statutorily required to inspect and evaluate Ohio prisons, and may inspect local jails. The CIIC is also required to inspect, evaluate, and assist in the development of improvements in the juvenile correctional institutions. In H.B. 562, the fiscal years 2009-2010 capital bill, the LSC received additional appropriations for the Cuyahoga County Government Reform project and for the Legislative Taskforce on Redistricting.

The total number of persons employed within all legislative staffing agencies is approximately as follows:

|   |     |
|---|-----|
| Legislative Service Commission                | 160 |
| Legislative Intern Program                    | 24  |
| Legislative Information Systems Office        | 19  |
| Correctional Institution Inspection Committee | 6   |

The annual budget is approximately \$21 million.

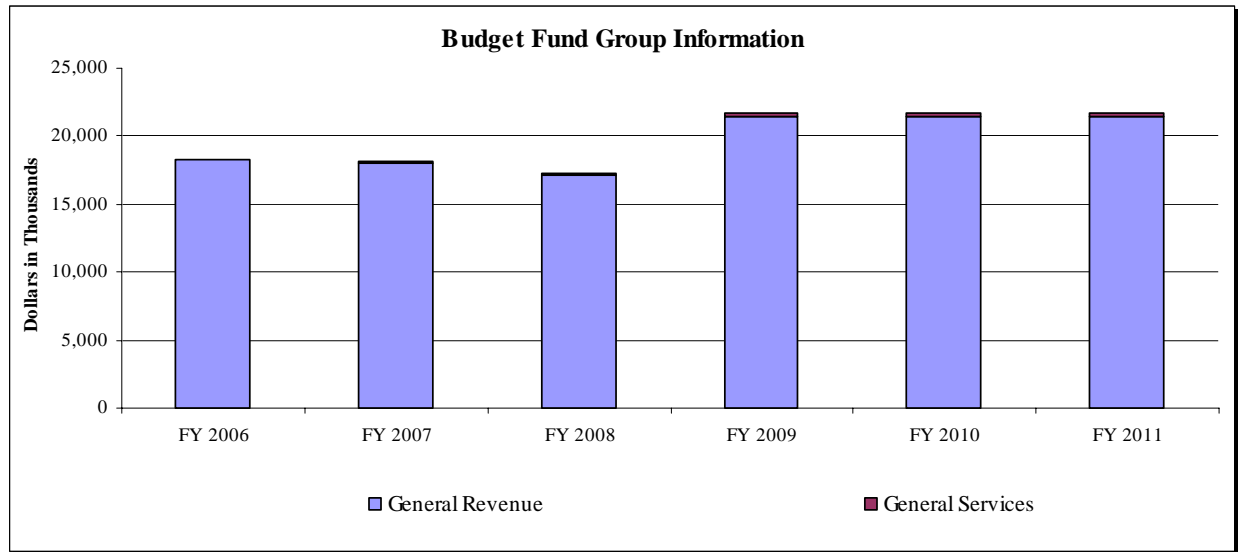
Pursuant to Section 107.03(B) of the Ohio Revised Code, the Governor may not alter the funding requests of agencies of the legislative branch of government.

More information regarding the Legislative Service Commission is available at <http://www.lsc.state.oh.us/>.

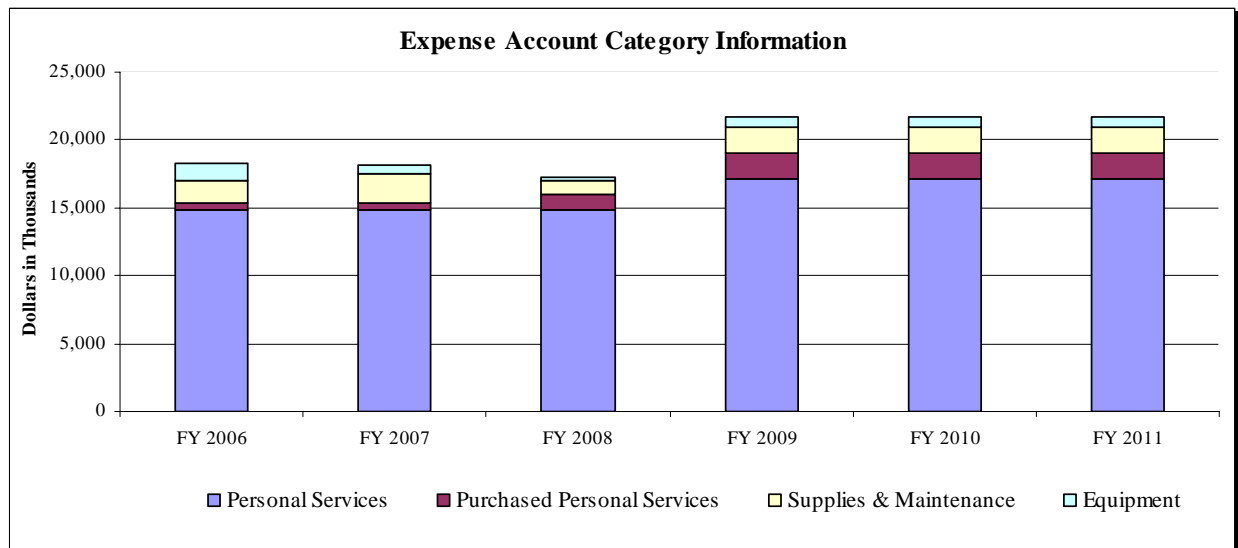
### **Agency Priorities**

- Provide drafting, fiscal, research, training, and other technical and legislative services to the Ohio General Assembly.

### Summary of Budget History and Recommendations



| (In Thousands)    | ACTUAL        |               |               | EST. % CHANGE |             | RECOMMENDED   |            |               |            |
|-------------------|---------------|---------------|---------------|---------------|-------------|---------------|------------|---------------|------------|
|                   | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010       | % CHANGE   | FY 2011       | % CHANGE   |
| BUDGET FUND GROUP |               |               |               |               |             |               |            |               |            |
| General Revenue   | 18,223        | 18,083        | 17,145        | 21,451        | 25.1        | 21,451        | 0.0        | 21,451        | 0.0        |
| General Services  | 91            | 83            | 154           | 209           | 36.0        | 209           | 0.0        | 209           | 0.0        |
| <b>TOTAL</b>      | <b>18,314</b> | <b>18,166</b> | <b>17,298</b> | <b>21,660</b> | <b>25.2</b> | <b>21,660</b> | <b>0.0</b> | <b>21,660</b> | <b>0.0</b> |



State of Ohio  
**Legislative Service Commission**

| (In Thousands)              |         | ACTUAL        |               |               | EST.          | %<br>CHANGE | RECOMMENDED   |             |               |
|-----------------------------|---------|---------------|---------------|---------------|---------------|-------------|---------------|-------------|---------------|
| EXPENSE<br>CATEGORY         | ACCOUNT | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010       | %<br>CHANGE | FY 2011       |
| Personal Services           |         | 14,790        | 14,890        | 14,900        | 17,157        | 15.1        | 17,157        | 0.0         | 17,157        |
| Purchased Personal Services |         | 604           | 522           | 1,134         | 1,865         | 64.4        | 1,865         | 0.0         | 1,865         |
| Supplies & Maintenance      |         | 1,615         | 2,117         | 977           | 1,946         | 99.1        | 1,946         | 0.0         | 1,946         |
| Equipment                   |         | 1,305         | 637           | 287           | 692           | 141.1       | 692           | 0.0         | 692           |
| <b>TOTAL</b>                |         | <b>18,314</b> | <b>18,166</b> | <b>17,298</b> | <b>21,660</b> | <b>25.2</b> | <b>21,660</b> | <b>0.0</b>  | <b>21,660</b> |

**PROGRAM SERIES 01: Legislative Service Commission**

This program series supports the work of the Legislative Service Commission, the Legislative Information Systems Office (LIS), and the Correctional Institution Inspection Committee (CIIC).

**Program 01.01: Legislative Service Commission**

This program enables the effective operation of the Legislative Service Commission, the Legislative Information Systems Office (LIS), and the Correctional Institution Inspection Committee (CIIC).

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 035321 | Operating Expense                              | 15,117,700        | 15,117,700        |
| GRF                      | GRF  | 035402 | Legislative Interns                            | 1,022,120         | 1,022,120         |
| GRF                      | GRF  | 035405 | Correctional Institution Inspection Commission | 438,900           | 438,900           |
| GRF                      | GRF  | 035407 | Legislative Taskforce Redistricting            | 750,000           | 750,000           |
| GRF                      | GRF  | 035409 | National Associations                          | 460,560           | 460,560           |
| GRF                      | GRF  | 035410 | Legislative Information Systems                | 3,661,250         | 3,661,250         |
| GSF                      | 4100 | 035601 | Sale Of Publications                           | 25,250            | 25,250            |
| GSF                      | 4F60 | 035603 | Legislative Budget Services                    | 154,025           | 154,025           |
| GSF                      | 5EF0 | 035607 | House & Senate Telephone Usage                 | 30,000            | 30,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>21,659,805</b> | <b>21,659,805</b> |



State of Ohio  
**Legislative Service Commission**

**LINE ITEM SUMMARY - Legislative Service Commission**

| FUND  | ALI    | ALI NAME                                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF   | 035321 | Operating Expense                              | 12,443,708        | 13,315,424        | 12,774,140        | 15,117,700          | 15,117,700             | 0.0         | 15,117,700             | 0.0         |
| GRF   | 035402 | Legislative Interns                            | 848,683           | 760,269           | 795,422           | 1,022,120           | 1,022,120              | 0.0         | 1,022,120              | 0.0         |
| GRF   | 035404 | Legislative Office of Education Oversight      | 315,268           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF   | 035405 | Correctional Institution Inspection Commission | 317,700           | 345,619           | 398,279           | 438,900             | 438,900                | 0.0         | 438,900                | 0.0         |
| GRF   | 035407 | Legislative Taskforce Redistricting            | 0                 | 0                 | 0                 | 750,000             | 750,000                | 0.0         | 750,000                | 0.0         |
| GRF   | 035409 | National Associations                          | 433,070           | 449,623           | 460,560           | 460,560             | 460,560                | 0.0         | 460,560                | 0.0         |
| GRF   | 035410 | Legislative Information Systems                | 3,864,849         | 3,211,889         | 2,716,205         | 3,661,250           | 3,661,250              | 0.0         | 3,661,250              | 0.0         |
| <b>TOTAL General Revenue</b>                |        |  | <b>18,223,278</b> | <b>18,082,824</b> | <b>17,144,606</b> | <b>21,450,530</b>   | <b>21,450,530</b>      | <b>0.0</b>  | <b>21,450,530</b>      | <b>0.0</b>  |
| 4100  | 035601 | Sale of Publications                           | 0                 | 0                 | 8,128             | 25,250              | 25,250                 | 0.0         | 25,250                 | 0.0         |
| 4F60  | 035603 | Legislative Budget Services                    | 91,051            | 79,667            | 125,653           | 154,025             | 154,025                | 0.0         | 154,025                | 0.0         |
| 5EF0  | 035607 | House & Senate Telephone Usage                 | 0                 | 3,629             | 20,085            | 30,000              | 30,000                 | 0.0         | 30,000                 | 0.0         |
| <b>TOTAL General Services</b>               |        |  | <b>91,051</b>     | <b>83,296</b>     | <b>153,866</b>    | <b>209,275</b>      | <b>209,275</b>         | <b>0.0</b>  | <b>209,275</b>         | <b>0.0</b>  |
| <b>TOTAL Legislative Service Commission</b> |        |  | <b>18,314,329</b> | <b>18,166,120</b> | <b>18,166,120</b> | <b>21,659,805</b>   | <b>21,659,805</b>      | <b>0.0</b>  | <b>21,659,805</b>      | <b>0.0</b>  |

### **Role and Overview**

The State Library Board develops, maintains, provides, and disseminates information, library materials, and services to Ohio's libraries, state government, and residents. The State Library fulfills this role through research, information, training, and consulting services to state government. The State Library also assists all types of local libraries to provide enhanced levels of service and products to their customers. Three main components allow the State Library to implement its mission: the State Library Board, the State Library itself, and the Ohio Public Library Information Network (OPLIN).

The State Library of Ohio, established in 1817, is governed by the State Library Board. The five board members are appointed by the State Board of Education and serve five-year terms. The State Library is a reference library established to provide research and information services to state agencies. It is also a depository for Ohio state agency documents and a regional depository for federal documents.

The OPLIN board is appointed by the State Library Board to provide a statewide network for Ohio's public libraries. This network provides telecommunication connectivity, access to the Internet, and a selection of research databases. OPLIN strengthens the services it provides by collaborating with the State Library, INFOhio and OhioLINK.

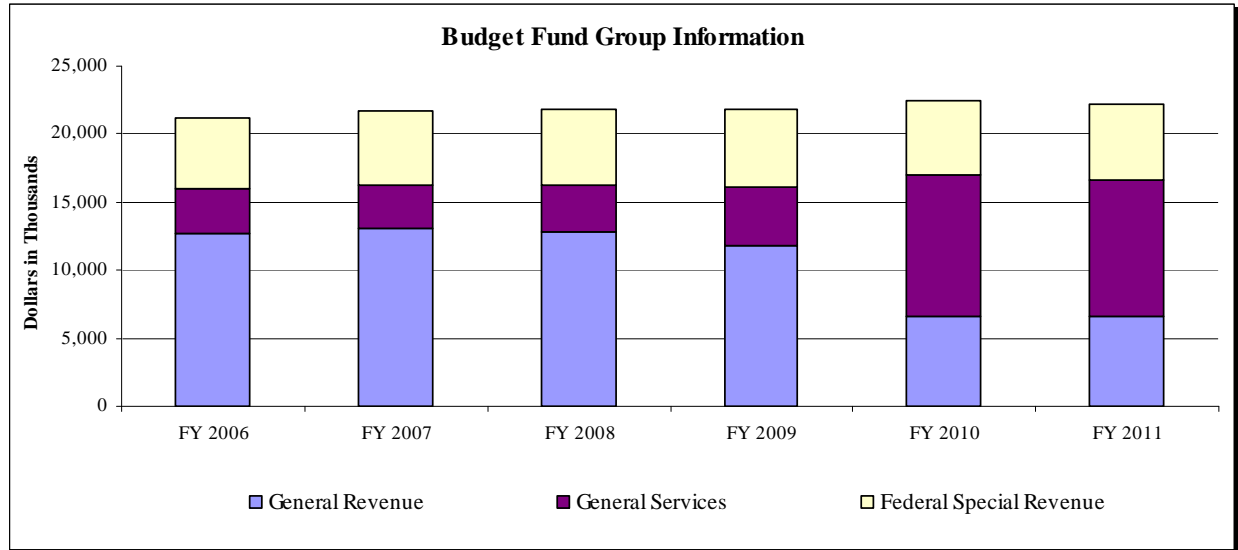
The day-to-day administration is the responsibility of the State Librarian who serves at the pleasure of the Library Board. The board has 77 employees with an annual all-funds budget of approximately \$23.2 million.

More information regarding the State Library is available at <http://www.library.ohio.gov>.

### **Agency Priorities**

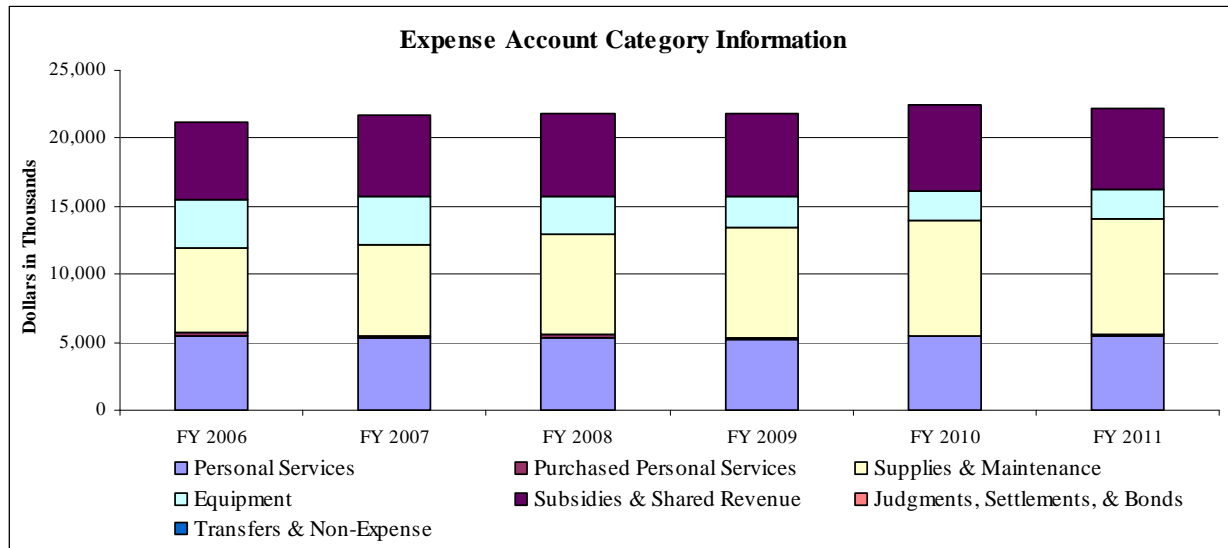
- Lead and partner in the development of library services throughout Ohio to offer enhanced library service to all Ohioans.
- Promote and enable resource sharing among libraries and library networks so all Ohio residents may have access to the material in Ohio's libraries.
- Provide information to and about Ohio's state government.
- Ensure equity of access to information for all Ohio residents through the Ohio Public Library Information Network (OPLIN).
- Provide a core set of electronic resources and 24/7 reference services (KnowItNow) to all Ohioans, enabling life-long learning and enhancing education and job opportunities.
- Provide equal access to e-government and employment services to all Ohio residents through their public libraries and the Ohio Public Library Information Network.
- Lead and partner with library organizations and state agencies to implement the Ready to Read Initiative statewide to ensure that every child enters kindergarten ready to read and better equipped to learn.

### Summary of Budget History and Recommendations



- In the fiscal year 2010-2011 biennium executive budget the Ohio Public Library Information Network (OPLIN) and the Library for the Blind and Physically Handicapped programs are moved from general revenue funding to general services funding supported by transfers from the Public Library Fund.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |               |             |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------|----------------------|------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010              | FY 2010    | FY 2011       | FY 2011     |
| General Revenue                     | 12,731        | 13,045        | 12,860        | 11,769        | -8.5        | 6,598                | -43.9      | 6,598         | 0.0         |
| General Services                    | 3,229         | 3,241         | 3,325         | 4,364         | 31.2        | 10,381               | 137.9      | 10,025        | -3.4        |
| Federal Special Revenue             | 5,173         | 5,465         | 5,692         | 5,692         | 0.0         | 5,544                | -2.6       | 5,544         | 0.0         |
| <b>TOTAL</b>                        | <b>21,133</b> | <b>21,751</b> | <b>21,877</b> | <b>21,826</b> | <b>-0.2</b> | <b>22,523</b>        | <b>3.2</b> | <b>22,166</b> | <b>-1.6</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |               |             |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011       | CHANGE      |
| Personal Services                             | 5,516         | 5,322         | 5,280         | 5,205            | -1.4        | 5,408                   | 3.9        | 5,483         | 1.4         |
| Purchased Personal Services                   | 154           | 177           | 270           | 128              | -52.6       | 107                     | -16.5      | 107           | 0.5         |
| Supplies & Maintenance                        | 6,209         | 6,709         | 7,345         | 8,098            | 10.2        | 8,407                   | 3.8        | 8,555         | 1.8         |
| Equipment                                     | 3,656         | 3,521         | 2,824         | 2,324            | -17.7       | 2,211                   | -4.9       | 2,136         | -3.4        |
| Subsidies & Shared Revenue                    | 5,595         | 6,022         | 6,153         | 6,069            | -1.4        | 6,388                   | 5.3        | 5,884         | -7.9        |
| Judgments, Settlements, & Bonds               | 2             | 0             | 0             | 0                | 0.0         | 0                       | 0.0        | 0             | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 5             | 1                | -70.9       | 1                       | 0.0        | 1             | 0.0         |
| <b>TOTAL</b>                                  | <b>21,133</b> | <b>21,751</b> | <b>21,877</b> | <b>21,826</b>    | <b>-0.2</b> | <b>22,523</b>           | <b>3.2</b> | <b>22,166</b> | <b>-1.6</b> |

### PROGRAM SERIES 01: Library Services to Ohio Government

This program series effectively implements and coordinates library services to state government employees and state agencies as well as supports the State Library's statutory requirement to maintain a comprehensive collection of official state documents for usage by state government employees at all levels.

#### Program 01.01: State Library Services to Ohio Government

This program coordinates library services that: 1) provide work-related research and reference services to state legislators and state employees; 2) circulate materials from the collection; 3) coordinate meeting/training room usage by state agencies; 4) serve as Ohio's only full regional depository for federal documents as well as for Ohio state agency documents; 5) provide access to databases and unique titles via OhioLINK; 6) assist and educate customers on usage of a library collection of more than two million items; 7) train State of Ohio employees to use the Internet/on-line databases; and 8) provide the necessary administrative (fiscal, facility, technology, human resource, labor relation, and mail) support functions to administer this program.

**The Executive Recommendation will fund the following objectives:**

- Provide access to more than two million library materials on site, more than 140 research databases, and nearly ten million titles held by OhioLINK;
- Support the State Library's charge as the regional depository to process approximately 17,000 federal and state documents annually to make these documents available to all Ohio residents;
- Provide facilities and services for more than 500 meetings conducted by state agencies resulting in savings of more than \$220,000 annually;
- Support the digitization of state documents and cataloging of agency materials so that these documents are available at any time from anywhere via the Internet; and
- Fund 28.25 positions in fiscal year 2010 and 27.25 positions in fiscal year 2011, compared to 29.25 positions in fiscal year 2009, to deliver services to state government employees and agencies.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 350321 | Operating Expenses           | 3,629,137        | 3,609,502        |
| GSF                      | 1390 | 350602 | Intra-Agency Service Charges | 9,000            | 9,000            |
| GSF                      | 4590 | 350603 | Library Service Charges      | 6,900            | 24,900           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>3,645,037</b> | <b>3,643,402</b> |

**PROGRAM SERIES 02: Services to Ohio Library Communities**

This program series supports the State Library's services to Ohio's public, school, and academic libraries to help them develop services and products to better meet the information needs of the libraries' customers.

**Program 02.01: State Library Services to Ohio Library Communities**

This program coordinates library services that: 1) provide assistance to Ohio's libraries in the development of library services to customers; 2) serve as the machine lending agency for the Talking Book Program; 3) provide an on-line catalog and circulation system shared by 71 library systems serving more than 150 library buildings managed through the Serving Every Ohioan (SEO) Library Center in Caldwell; 4) coordinate the technology and statewide delivery components of the Ohio Libraries Share: Moving Ohio Resources Everywhere (OLS:MORE) system by enabling patrons to search and request materials from participating public and school libraries in Ohio; 5) train Ohio library staff on the use of bibliographic databases, obtaining LSTA funds, and submission of E-Rate applications for cost savings and efficiencies; 6) coordinate the Ohio E-Book project with various types of libraries to provide digital books to library customers so libraries can deliver digital content in a cost-effective manner; 7) coordinate statewide projects to benefit Ohio residents through their local library; 8) collect a wide variety of usage and financial data on all 251 public library systems; and 9) provide the necessary administrative (fiscal, facility, technology, human resource, labor relation, and mail) support functions to administer this program.

**The Executive Recommendation will fund the following objectives:**

- Offer library information, training, consulting, and support to Ohio librarians so that they can provide ever-improving and evolving library services to Ohio residents;
- Administer a shared catalog system that contains nearly six million items and circulates more than 13 million library materials to approximately 700,000 registered borrowers;
- Operate a resource sharing consortium of approximately 100 school and public libraries allowing library materials to be delivered statewide;
- Provide statewide delivery of library materials to more than 350 library entities in Ohio; and
- Fund 41.75 positions in fiscal year 2010 and fiscal year 2011, compared to 42.75 positions in fiscal year 2009, to provide library services to Ohio library communities.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 350321 | Operating Expenses      | 1,848,232        | 1,867,867        |
| GSF                      | 4590 | 350603 | Library Service Charges | 2,888,692        | 3,014,442        |
| FED                      | 3130 | 350601 | LSTA Federal            | 1,977,778        | 2,007,076        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>6,714,702</b> | <b>6,889,385</b> |

**Program 02.02: Ohio Public Library Information Network**

This program makes network access available to Ohio's 251 public libraries to ensure equity of access to the Internet and electronic information for all Ohio residents, provides in-library and remote access to subscription databases and access to Ohio government services, and provides tools to maintain effective use of the network and subscription databases. Ohio's libraries continue to develop statewide sharing of books and other materials through a variety of consortia and projects using OPLIN. OPLIN utilizes the fiscal and human resources services of the State Library in its operation. OPLIN collaborates extensively with the State Library, INFOhio and OhioLINK to strengthen services provided.

**The Executive Recommendation will fund the following objectives:**

- Fund the ongoing telecommunication and maintenance costs of the network;
- Provide 251 public libraries with support and advice in the efficient use of the network and Internet technologies;
- Provide access to more than 6,200 newspapers, magazines, and digital publications as well as support information databases available to any Ohio resident through an Internet connection;
- Provide filtering grants to approximately 40 public libraries to purchase or maintain filters to screen out obscene and illegal Internet materials; and
- Fund five staff positions to oversee OPLIN operations.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                | FY 2010          | FY 2011          |
| GSF                      | 4540 | 350604 | Ohio Public Library Information Network | 5,702,150        | 5,702,150        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>5,702,150</b> | <b>5,702,150</b> |

**Program 02.03: Ohioana Library Support**

This program provides for the payment of rental expenses and provides a subsidy for operating expenses for the Ohioana Library, which is adjacent to the State Library. The Ohioana Library Association was established in 1929 and is governed by a 28-member board that includes four appointees of the Governor and the Governor's spouse. The Ohioana collection consists of more than 45,000 volumes written by Ohioans, or about Ohio or Ohioans, and includes fiction, non-fiction, poetry, and children's literature. Ohioana fosters reading and writing through public events, such as the Ohioana Book Festival and nine different awards to recognize and encourage outstanding accomplishments.

**The Executive Recommendation will fund the following objectives:**

- Fund the rental expenses for the Ohioana Library to lease more than 7,500 square feet that is necessary to house the administrative offices and specialized library collection which provides opportunities for research of Ohio authors;
- Provide for the development, maintenance, cataloging, preservation, and public access to the Ohioana collection;
- Help sustain Ohioana's community outreach program which includes the Ohioana Book Festival, Ohioana Awards, regional events, and partnerships;

- Provide for the Ohioana Quarterly, website, and other educational resources used by libraries, schools, media, and others seeking information about Ohio writers and artists; and
- Provide partial funding for six staff to oversee Ohioana's programs and to enable Ohioana to secure other sources of funding.

| FUND              |      |        |                         | RECOMMENDED |         |
|-------------------|------|--------|-------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                | FY 2010     | FY 2011 |
| GRF               | GRF  | 350401 | Ohioana Library Support | 288,560     | 288,560 |
| TOTAL FOR PROGRAM |      |        |                         | 288,560     | 288,560 |

### **PROGRAM SERIES 03: Library Grants**

This program series coordinates the grant programs administered by the State Library from all sources of funding (state, federal, and local). These grant programs have an impact on all types (public, school, academic, and special) of libraries throughout Ohio.

#### **Program 03.01: Library Services and Technology Act Grants**

This program coordinates the distribution of the federal LSTA dollars from the Institute of Museum and Library Services (IMLS) through a grant program open to all public, school, academic, and special libraries in Ohio. The grant program addresses the LSTA priorities of technological innovation, electronic linkages, and services to underserved populations. Some of the LSTA grant funds are used for special statewide grants such as core electronic databases and 24/7 reference services.

#### **The Executive Recommendation will fund the following objectives:**

- Enable federal library funds to be awarded directly to a library or administered statewide to provide a benefit to Ohio libraries and their patrons;
- Provide an opportunity for all types of libraries to apply for competitive grants and/or benefit from statewide grant programs that directly impact library staff and users;
- Fund approximately 42 percent of received proposals for funding of library grants;
- Provide 24/7 virtual reference services to Ohio residents by answering more than 100,000 questions each year; and
- Ensure that a core set of electronic resources and services are available to all Ohio residents.

| FUND              |      |        |              | RECOMMENDED |           |
|-------------------|------|--------|--------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME     | FY 2010     | FY 2011   |
| FED               | 3130 | 350601 | LSTA Federal | 3,565,969   | 3,536,671 |
| TOTAL FOR PROGRAM |      |        |              | 3,565,969   | 3,536,671 |

#### **Program 03.02: Regional Library Systems**

This program partially supports four Regional Library Systems that provide continuing education and technology support programs to the staff and patrons in public, school, academic, and special libraries in all 88 counties throughout Ohio. The four Regional Library Systems include: 1) Northeast Ohio Library System (NEO-RLS)-Warren; 2) Northwest Library District (NORWELD)-Bowling Green; 3) Southeast Ohio Regional Library System (SERLS)-Wellston; and 4) Southwest and Neighboring Libraries (SWON)-Cincinnati.

**The Executive Recommendation will fund the following objectives:**

- Enable all public library systems, individual public libraries, academic libraries, school district libraries, and special libraries in all 88 counties to receive a direct library benefit from one of four regional library systems;
- Coordinate resources within a geographic area to maximize the delivery of quality library services in the most cost-effective manner; and
- Encourage collaboration amongst Regional Library Systems to realize greater efficiencies in the delivery of services to all libraries across Ohio who benefits from the program.

| FUND                     |      |        |                          | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010        | FY 2011        |
| GRF                      | GRF  | 350502 | Regional Library Systems | 832,099        | 832,099        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>832,099</b> | <b>832,099</b> |

**Program 03.03: Library for the Blind and Physically Handicapped**

This program provides the reading and information services (recorded and Braille books and magazines and audio-described videos) to blind, visually impaired, and physically handicapped Ohio citizens in the 55 northern counties via the Cleveland Public Library and the 33 southern counties via the Public Library of Cincinnati and Hamilton County. Beginning in fiscal year 2010, the Cleveland Public Library will provide the service in all 88 Ohio counties. The State Library serves as the machine-lending agency for the Talking Book Program, working in conjunction with the Regional Libraries for the Blind and Physically Handicapped.

**The Executive Recommendation will fund the following objectives:**

- Allow the Cleveland Public Library to deliver library material in all 88 counties to blind and physically handicapped Ohioans with cannot use a traditional print book;
- Serve more than 16,000 Ohioans with reading materials produced by the National Library Service (NLS) or locally; and
- Circulate more than 850,000 items to blind and physically handicapped Ohioans.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| GSF                      | 5GB0 | 350605 | Library For The Blind | 1,274,194        | 1,274,194        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>1,274,194</b> | <b>1,274,194</b> |

**Program 03.04: Special Grants**

This program encompasses a variety of grants that the State Library has received in previous biennia and might expect to receive over the course of the fiscal year 2010-2011 biennium. Grants received include technology, training, and community outreach funds from the Bill and Melinda Gates Foundation.

**The Executive Recommendation will fund the following objectives:**

- Enable the State Library to administer the Opportunity On-line Hardware Grants Program from the Bill and Melinda Gates Foundation.

| FUND                     |      |        |                         | RECOMMENDED    |          |
|--------------------------|------|--------|-------------------------|----------------|----------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011  |
| GSF                      | 5GG0 | 350606 | Gates Foundation Grants | 500,000        | 0        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>500,000</b> | <b>0</b> |



**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

350400, Ohio Public Library Information Network: This line item provided GRF funding for the Ohio Public Library Information Network (OPLIN). In the fiscal year 2010-2011 biennium executive budget, funding for OPLIN formerly appropriated through line item 350400 is supported by transfers from the Public Library Fund and appropriated through line item 350604, Ohio Public Library Information Network.

350401, Ohioana Library Support: This line item, formerly named Ohioana Rental Payments, has historically provided appropriations to cover the rental expenses of the Ohioana Library Association (OLA), an independent 501(c)(3) nonprofit entity co-located with the State Library of Ohio. In the fiscal year 2010-2011 biennium executive budget, OLA will receive both rent appropriations and an operating subsidy, formerly appropriated through line item 355501, in line item 350401. The line item has been renamed to Ohioana Library Support to reflect this change.

350605, Library for the Blind: This line item replaces former GRF line items 350501, Regional Library for the Blind - Cincinnati, and 350503, Regional Library for the Blind - Cleveland. In the fiscal year 2010-2011 biennium executive budget, funding for the Library for the Blind is entirely supported by transfers from the Public Library Fund and appropriated through line item 350605, Library for the Blind.

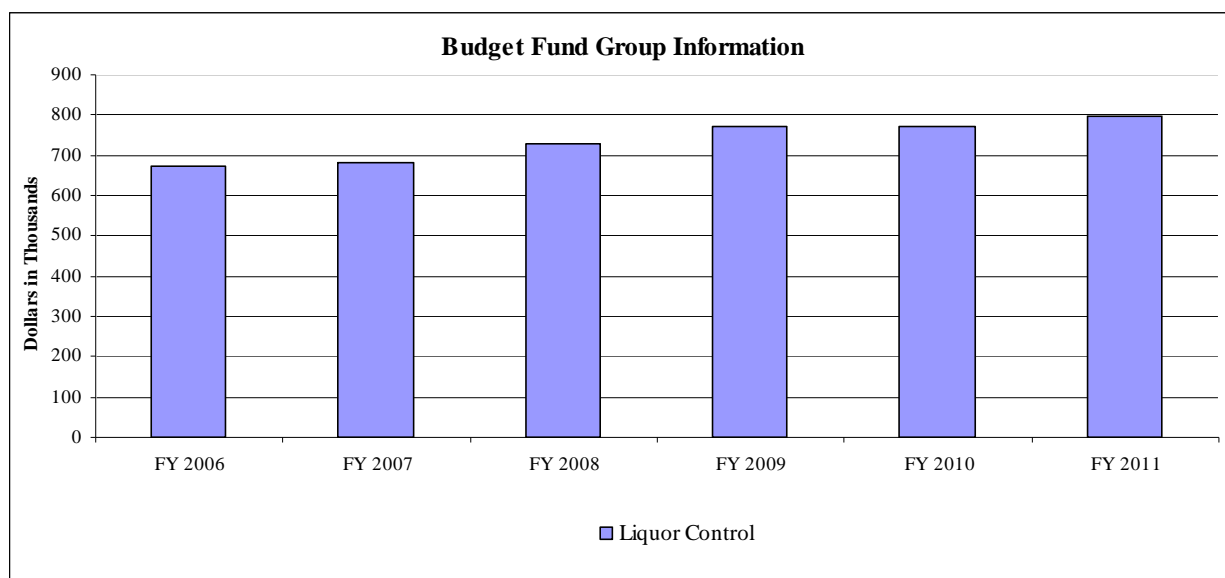
**LINE ITEM SUMMARY - Library Board**

| FUND                                 | ALI    | ALI NAME                                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 350321 | Operating Expenses                      | 6,148,667         | 6,087,593         | 6,101,583         | 5,710,723           | 5,477,369              | -4.1         | 5,477,369              | 0.0         |
| GRF                                  | 350400 | Ohio Public Library Info Network        | 4,107,783         | 4,483,214         | 4,398,198         | 3,711,892           | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 350401 | Ohioana Library Support                 | 122,617           | 122,617           | 124,816           | 124,816             | 288,560                | 131.2        | 288,560                | 0.0         |
| GRF                                  | 350501 | Library For Blind - Cincinnati          | 535,615           | 535,615           | 535,615           | 535,615             | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 350502 | Regional Library Systems                | 1,010,441         | 1,010,441         | 894,240           | 880,638             | 832,099                | -5.5         | 832,099                | 0.0         |
| GRF                                  | 350503 | Library For Blind - Cleveland           | 805,642           | 805,642           | 805,642           | 805,642             | 0                      | -100.0       | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |   | <b>12,730,765</b> | <b>13,045,122</b> | <b>12,860,094</b> | <b>11,769,326</b>   | <b>6,598,028</b>       | <b>-43.9</b> | <b>6,598,028</b>       | <b>0.0</b>  |
| 1390                                 | 350602 | Intra-Agency Service Charges            | 8,710             | 7,432             | 9,311             | 9,000               | 9,000                  | 0.0          | 9,000                  | 0.0         |
| 4590                                 | 350603 | Library Service Charges                 | 2,089,155         | 1,985,522         | 2,244,874         | 2,708,092           | 2,895,592              | 6.9          | 3,039,342              | 5.0         |
| 4S40                                 | 350604 | Ohio Public Library Information Network | 1,131,548         | 1,248,072         | 1,071,162         | 1,647,363           | 5,702,150              | 246.1        | 5,702,150              | 0.0         |
| 5GB0                                 | 350605 | Library For The Blind                   | 0                 | 0                 | 0                 | 0                   | 1,274,194              | .0           | 1,274,194              | 0.0         |
| 5GG0                                 | 350606 | Gates Foundation Grants                 | 0                 | 0                 | 0                 | 0                   | 500,000                | .0           | 0                      | -100.0      |
| <b>TOTAL General Services</b>        |        |   | <b>3,229,413</b>  | <b>3,241,026</b>  | <b>3,325,347</b>  | <b>4,364,455</b>    | <b>10,380,936</b>      | <b>137.9</b> | <b>10,024,686</b>      | <b>-3.4</b> |
| 3130                                 | 350601 | LSTA Federal                            | 5,172,614         | 5,465,211         | 5,691,546         | 5,691,792           | 5,543,747              | -2.6         | 5,543,747              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>5,172,614</b>  | <b>5,465,211</b>  | <b>5,691,546</b>  | <b>5,691,792</b>    | <b>5,543,747</b>       | <b>-2.6</b>  | <b>5,543,747</b>       | <b>0.0</b>  |
| <b>TOTAL Library Board</b>           |        |   | <b>21,132,792</b> | <b>21,751,359</b> | <b>21,876,987</b> | <b>21,825,573</b>   | <b>22,522,711</b>      | <b>3.2</b>   | <b>22,166,461</b>      | <b>-1.6</b> |

### Role and Overview

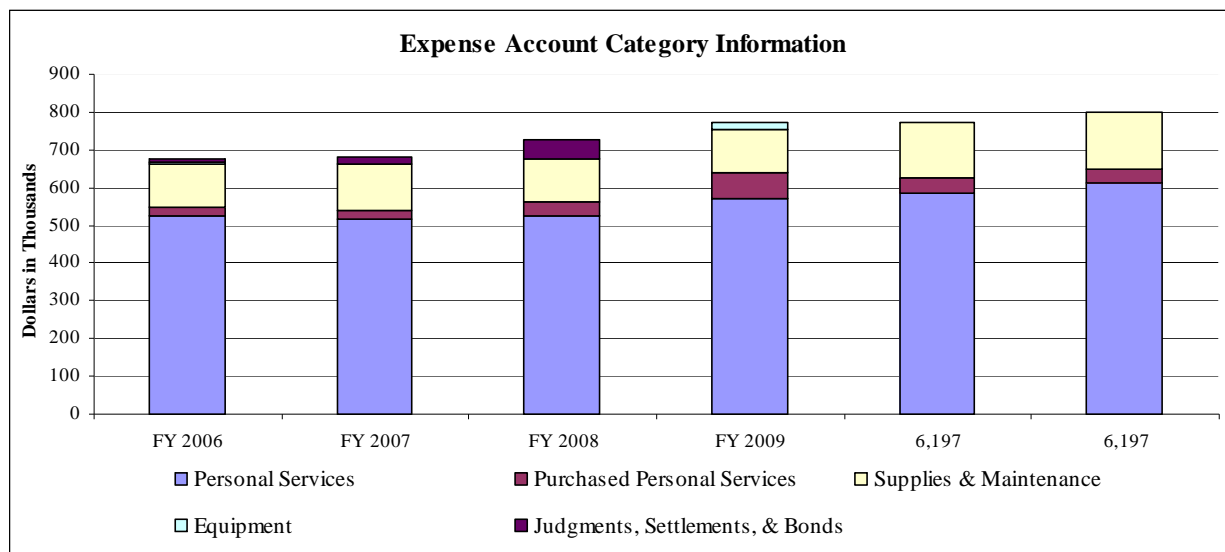
The Liquor Control Commission (LCO) regulates the alcoholic beverage industry by hearing cases and promulgating rules pursuant to chapters 4301 and 4303 of the Ohio Revised Code. The LCO is comprised of three members appointed by the Governor for six-year terms. The commission's annual budget of approximately \$772,500 supports a staff of five in addition to the three commission members. In fiscal year 2008, the commission docketed more than 3,000 cases for hearing. More information regarding the Liquor Control Commission is available at <http://www.lcc.ohio.gov/>.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Liquor Control                      | 674        | 680        | 728        | 773              | 6.1        | 773                     | 0.0        | 798        | 3.2        |
| <b>TOTAL</b>                        | <b>674</b> | <b>680</b> | <b>728</b> | <b>773</b>       | <b>6.1</b> | <b>773</b>              | <b>0.0</b> | <b>798</b> | <b>3.2</b> |

State of Ohio  
**Liquor Control Commission**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |            |            |
|---|------------|------------|------------|---------------|------------|----------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 525        | 514        | 525        | 570           | 8.5        | 585                  | 2.7        | 610        | 4.3        |
| Purchased Personal Services                   | 22         | 25         | 35         | 69            | 96.2       | 40                   | -42.3      | 40         | 0.0        |
| Supplies & Maintenance                        | 117        | 124        | 116        | 114           | -2.1       | 148                  | 29.3       | 148        | 0.0        |
| Equipment                                     | 3          | 0          | 0          | 19            | 100.0      | 0                    | -100.0     | 0          | 0.0        |
| Judgments, Settlements, & Bonds               | 7          | 16         | 51         | 0             | -100.0     | 0                    | 0.0        | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>674</b> | <b>680</b> | <b>728</b> | <b>773</b>    | <b>6.1</b> | <b>773</b>           | <b>0.0</b> | <b>798</b> | <b>3.2</b> |

**PROGRAM SERIES 01: State Liquor Law Hearings**

The commission regulates the alcoholic beverage industry in the State of Ohio by hearing cases and promulgating rules.

**Program 01.01: Liquor Control Hearings**

The Ohio Liquor Control Commission is a neutral, quasi-judicial agency that provides fair and impartial hearings for the protection of the public and liquor permit holders. Hearings stem from alleged violations of Ohio's liquor laws, appeals from orders of the Ohio Department of Commerce, Division of Liquor Control, and unpaid Ohio taxes by liquor permit holders. Rules promulgated by the commission in regards to liquor production, sales restrictions, minimum sale prices, and other matters related to the manufacture, distribution, and sale of beer, wine, and spirituous liquor are also a part of this process.

**The Executive Recommendation will fund the following objectives:**

- Provide for continued protection of the public, permit holders, and the liquor industry by ensuring compliance with state liquor control laws and regulations;
- Allow the commission to continue exceeding its goal of issuing orders within 45 days of the hearings;
- Allow the commission to maintain its website, including hearing and rule-related information for the public, the liquor industry, and other state agencies; and

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**State of Ohio**  
**Liquor Control Commission**

- Support completion of the collaborated network of databases of liquor permit holder information that are currently housed at the commission, in the Office of the Attorney General, at the Department of Public Safety, and at the Department of Commerce, Division of Liquor Control.

| FUND              |      |        |           | RECOMMENDED |         |
|-------------------|------|--------|-----------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME  | FY 2010     | FY 2011 |
| LCF               | 7043 | 970321 | Operating | 772,524     | 797,524 |
| TOTAL FOR PROGRAM |      |        |           | 772,524     | 797,524 |

## Liquor Control Commission

**LINE ITEM SUMMARY - Liquor Control Commission**

| FUND                                   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 7043                                   | 970321 | Operating | 674,307           | 679,681           | 728,162           | 772,524             | 772,524                | 0.0         | 797,524                | 3.2         |
| <b>TOTAL Liquor Control</b>            |        |           | <b>674,307</b>    | <b>679,681</b>    | <b>728,162</b>    | <b>772,524</b>      | <b>772,524</b>         | <b>0.0</b>  | <b>797,524</b>         | <b>3.2</b>  |
| <b>TOTAL Liquor Control Commission</b> |        |           | <b>674,307</b>    | <b>679,681</b>    | <b>728,162</b>    | <b>772,524</b>      | <b>772,524</b>         | <b>0.0</b>  | <b>797,524</b>         | <b>3.2</b>  |

### **Role and Overview**

The Ohio Lottery Commission (OLC) generates profits for programs benefiting primary, secondary, vocational, and special education through the operation of the state lottery. A nine-member commission appointed by the Governor and confirmed by the Senate governs the Lottery. No more than five members of the commission can be from the same political party. Day-to-day administration of the Lottery is the responsibility of an executive director who is hired by the Governor to oversee a staff of 358.

The commission operates a variety of online and instant ticket games. Online lottery games include Pick 3, Pick 4, Classic Lotto, Kicker, Rolling Cash 5, EZ Play, Ten-OH!, Raffles, Keno and Mega Millions. Keno was introduced in August 2008 (fiscal year 2009). Online games generated \$960.3 million or 41.3 percent of the Lottery's total sales revenue in fiscal year 2008. There are also a wide variety of instant games, which generated nearly \$1.36 billion or 58.7 percent of the Lottery's total sales revenue in fiscal year 2008.

Approximately \$122.0 million and \$122.1 million for fiscal years 2010 and 2011, respectively, or 36 percent of the total agency budget, support operating costs. The charitable gaming oversight program's budget is approximately \$2.3 million for both fiscal years 2010 and 2011. The balance of the budget request supports budgeted prize expenses including annuity prizes. Of the \$2.3 billion in total sales revenues generated in fiscal year 2008, \$672.2 million was transferred to the Ohio Department of Education to support primary, secondary, vocational, and special education, with the remainder being awarded to players as prizes, paid to agents as bonuses and commissions, and expended for Lottery operations.

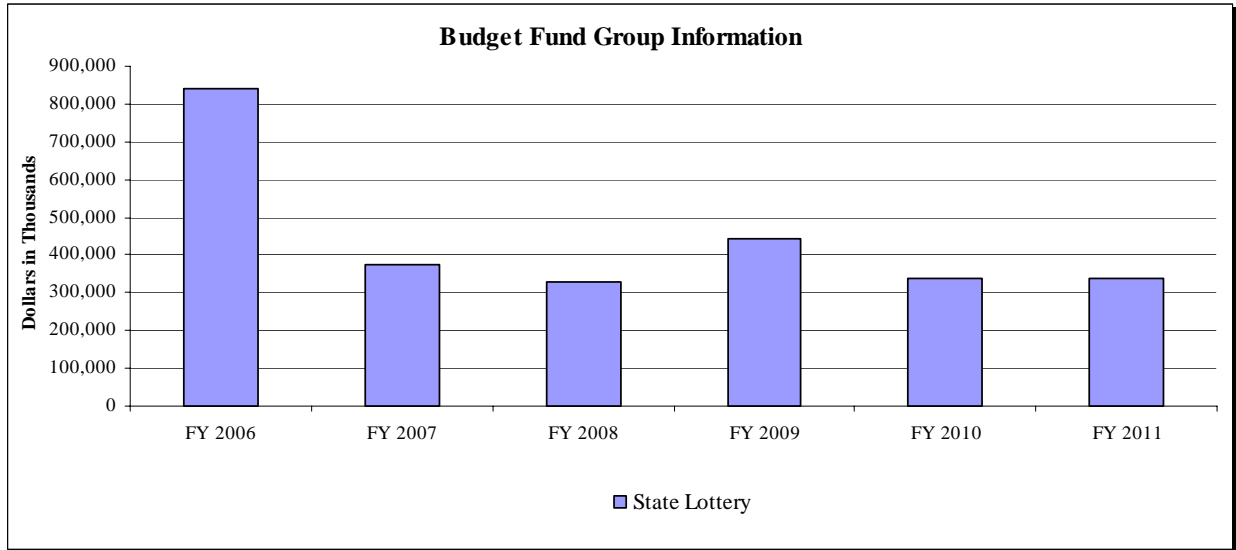
Since its inception, the Ohio Lottery Commission has contributed nearly \$16.0 billion to primary, secondary, vocational, and special education in Ohio's schools.

More information regarding the Ohio Lottery Commission is available at <http://www.ohiolottery.com/>.

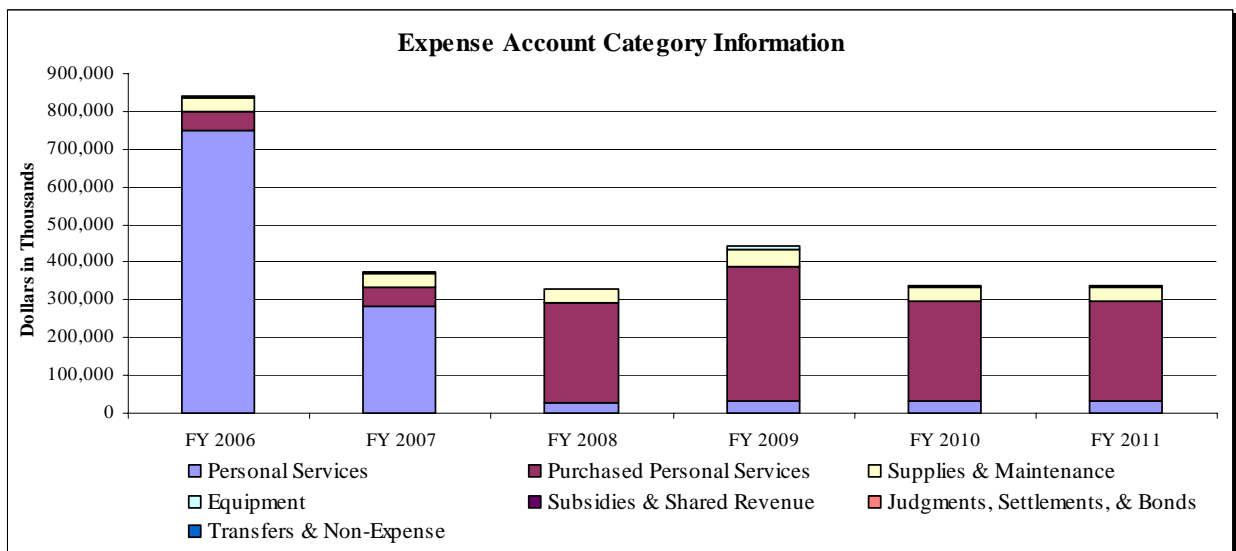
### **Agency Priorities**

- Offer fair and honest games of chance to the public to benefit primary, secondary, special, and vocational education throughout the State of Ohio.
- Through a Memorandum of Understanding between the Ohio Lottery Commission and Attorney General's Office, provide charitable gaming licensing, site inspection, records review, audits & investigations, and settlement & license revocation services.
- Provide \$350,000 annually to the Ohio Department of Alcohol and Drug Addiction Services supporting programs to supply treatment, prevention, intervention, education, and information to those individuals who request it.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST.           | %           | RECOMMENDED    |              |                |            |
|-------------------------------------|----------------|----------------|----------------|----------------|-------------|----------------|--------------|----------------|------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09    | FY 2010        | %            | FY 2011        | %          |
| State Lottery                       | 840,459        | 372,408        | 329,060        | 441,527        | 34.2        | 338,740        | -23.3        | 338,825        | 0.0        |
| <b>TOTAL</b>                        | <b>840,459</b> | <b>372,408</b> | <b>329,060</b> | <b>441,527</b> | <b>34.2</b> | <b>338,740</b> | <b>-23.3</b> | <b>338,825</b> | <b>0.0</b> |





State of Ohio  
**Ohio Lottery Commission**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |                |            |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|--------------|----------------|------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | FY 2011      | FY 2011        | FY 2011    |
| Personal Services                             | 750,219        | 282,177        | 25,284         | 30,358           | 20.1        | 31,649                  | 4.3          | 31,735         | 0.3        |
| Purchased Personal Services                   | 49,523         | 52,665         | 265,446        | 359,375          | 35.4        | 266,696                 | -25.8        | 267,106        | 0.2        |
| Supplies & Maintenance                        | 37,901         | 35,393         | 36,052         | 42,185           | 17.0        | 35,987                  | -14.7        | 36,030         | 0.1        |
| Equipment                                     | 2,479          | 1,851          | 1,919          | 9,254            | 382.2       | 4,058                   | -56.1        | 3,604          | -11.2      |
| Subsidies & Shared Revenue                    | 40             | 36             | 18             | 0                | -100.0      | 0                       | 0.0          | 0              | 0.0        |
| Judgments, Settlements, & Bonds               | 298            | 287            | 0              | 335              | 100.0       | 0                       | -100.0       | 0              | 0.0        |
| Transfers & Non-Expense                       | 0              | 0              | 341            | 20               | -94.1       | 350                     | 0            | 350            | 0.0        |
| <b>TOTAL</b>                                  | <b>840,459</b> | <b>372,408</b> | <b>329,060</b> | <b>441,527</b>   | <b>34.2</b> | <b>338,740</b>          | <b>-23.3</b> | <b>338,825</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Instant and Online Lottery Ticket Sales

The purpose of this program series is to generate profit through the sale of instant and online tickets to be transferred to the Lottery Profits Education Fund for use in programs benefiting Ohio's primary, secondary, vocational, and special education. Administrative costs for the implementation of Lottery programs as well as marketing activities to enhance ticket sales and net profit are found within this program series.

#### Program 01.01: Instant Ticket Sales

The primary goal of this program is to maximize instant ticket sales and net profits to support the Lottery's transfer of funds for education. In order to reach this goal, the Lottery must provide the product (instant tickets), pay prizes to winners, conduct ticket and machine testing, and warehouse and distribute the tickets. The resources necessary to produce the Cash Explosion television game show and associated prizes are also provided within this program.

#### The Executive Recommendation will fund the following objectives:

- Support the purchase of instant tickets, ticket security testing, warehousing, and distribution of instant tickets;
- Provide contracted vendor's commission based on a percent of sales;
- Provide the funding for cash and non-cash prize payout to winners; and
- Fund the annual payment for the annuity prize winning for those prize winners who have selected to be paid over a period of time rather than on one lump sum.

| FUND                     |      |        |                                | RECOMMENDED       |                    |
|--------------------------|------|--------|--------------------------------|-------------------|--------------------|
| GROUP                    | FUND | ALI    | ALNAME                         | FY 2010           | FY 2011            |
| SLF                      | 7044 | 950402 | Game And Advertising Contracts | 2,128,000         | 2,128,000          |
| SLF                      | 7044 | 950403 | Gaming Contracts               | 25,510,105        | 25,527,638         |
| SLF                      | 7044 | 950601 | Prizes Bonuses And Commissions | 61,080,050        | 61,148,780         |
| SLF                      | 8710 | 950602 | Annuity Prizes                 | 10,810,000        | 12,810,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>99,528,155</b> | <b>101,614,418</b> |

#### Program 01.02: Online Ticket Sales

As with instant ticket sales, the primary goal of this program is to maximize online ticket sales and net profits to support the Lottery's transfer of funds for education. In order to reach this goal, the Lottery enters into contracts for the ticket paper and for the gaming system. Additionally, the Lottery must make prize payments to winners.

**The Executive Recommendation will fund the following objectives:**

- Support the purchase of thermal paper to produce the online lottery ticket, pre-printed bet cards, the production and transmission of the Lottery's daily drawing, and operation of the gaming computer system, which represents the contracted vendors' commission based on a percent of sales;
- Provide for funding of cash prizes to holders' of winning tickets, including the Mega Millions game; and
- Fund the annual payment for the annuity prize winnings for those prize winners who have selected to be paid over a period of time rather than in one lump sum.

| FUND                     |      |        |                                | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010            | FY 2011            |
| SLF                      | 7044 | 950402 | Game And Advertising Contracts | 1,100,000          | 1,100,000          |
| SLF                      | 7044 | 950403 | Gaming Contracts               | 22,468,644         | 23,228,372         |
| SLF                      | 7044 | 950601 | Prizes Bonuses And Commissions | 63,346,118         | 63,735,259         |
| SLF                      | 8710 | 950602 | Annuity Prizes                 | 79,125,565         | 76,605,976         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>166,040,327</b> | <b>164,669,607</b> |

**Program 01.03: Marketing**

The goal of the marketing program is to increase sales through product promotions and brand building in order to increase consumer awareness. This program supports the creation and placement of advertising for radio, television, signage, billboards, and promotional sponsorships.

**The Executive Recommendation will fund the following objectives:**

- Support the payment to various vendors for the purchase of advertising development and media placement of TV, radio, and print advertising;
- Provide funds to purchase sales support, merchandise and promotional materials; and
- Provide funding for 14 employees;

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| SLF                      | 7044 | 950100 | Personal Services              | 1,033,284         | 1,033,284         |
| SLF                      | 7044 | 950200 | Maintenance                    | 3,610,000         | 3,610,000         |
| SLF                      | 7044 | 950402 | Game And Advertising Contracts | 20,320,000        | 20,320,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>24,963,284</b> | <b>24,963,284</b> |

**Program 01.04: Program Management**

This program provides the oversight necessary to deliver a quality product (the instant or online ticket) and service in a cost-efficient manner; supports the sale of tickets; and promotes the maximization of profits from instant and online tickets. More specifically, this program supports the administrative, financial, information technology, sales support, and executive oversight functions of the Lottery Commission.

**The Executive Recommendation will fund the following objectives:**

- Fund approximately 336 full-time positions that implement and oversee the Lottery's other programs; and
- Provide for the general operational costs that include telecommunications, data processing and systems maintenance, facility rental and maintenance, motor vehicle replacement and maintenance, software licenses, independent auditor fees, records management, and ancillary support items for most of the Lottery's major Offices and Bureaus.

State of Ohio  
**Ohio Lottery Commission**

| FUND              |      |        |                   | RECOMMENDED |            |
|-------------------|------|--------|-------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME          | FY 2010     | FY 2011    |
| SLF               | 7044 | 950100 | Personal Services | 30,454,001  | 30,203,922 |
| SLF               | 7044 | 950200 | Maintenance       | 10,968,155  | 11,042,155 |
| SLF               | 7044 | 950300 | Equipment         | 4,058,420   | 3,603,920  |
| TOTAL FOR PROGRAM |      |        |                   | 45,480,576  | 44,849,997 |

### PROGRAM SERIES 02: Problem Gambling Subsidy

This program series supports the Ohio Department of Alcohol and Drug Addiction Services' efforts to administer problem gambling treatment programs in Ohio.

#### Program 02.01: Problem Gambling Subsidy Oversight

The goals of this program are to establish out-patient gambling treatment programs in Ohio for clients with an alcohol and/or drug addiction; increase the identification and referral of problem gamblers to appropriate programs and services; increase awareness of available services for problem gamblers and their families; and establish prevention activities that address problem gambling.

#### The Executive Recommendation will fund the following objectives:

- Maintain the Lottery's transfer of funding to the Ohio Department of Alcohol and Drug Addition Services for the administration of problem gambling treatment program.

| FUND              |      |        |          | RECOMMENDED |         |
|-------------------|------|--------|----------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME | FY 2010     | FY 2011 |
| SLF               | 7044 | 950500 | Subsidy  | 350,000     | 350,000 |
| TOTAL FOR PROGRAM |      |        |          | 350,000     | 350,000 |

### PROGRAM SERIES 03: Charitable Gambling

In accordance with an agreement with the Ohio Attorney General (AG), the Lottery performs specific duties delegated by the AG related to oversight of Ohio's charitable gaming activities.

#### Program 03.01: Licensing and Monitoring

In July 2004, the AG and the Lottery entered into an agreement which requires the Lottery to perform the following duties previously undertaken by the AG: issue gambling licenses to charitable organizations; issue licenses to manufacturers and distributors of gambling products; and provide regulation, investigation, and audits for all charitable organizations, manufacturers, and distributors. This program supports the requirements of this agreement. Performance of these new duties requires the Lottery to incur costs associated with operating the online computer system in order to license applicants; conduct site visits; complete audits; and standardize reports.

#### The Executive Recommendation will fund the following objectives:

- Support approximately 23 full-time positions that will build upon the licensure and monitoring of charitable gaming operations, which began in fiscal year 2005.

| FUND              |      |        |                             | RECOMMENDED |           |
|-------------------|------|--------|-----------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011   |
| SLF               | 2310 | 950604 | Charitable Gaming Oversight | 2,378,000   | 2,378,000 |
| TOTAL FOR PROGRAM |      |        |                             | 2,378,000   | 2,378,000 |

State of Ohio  
Ohio Lottery Commission

**LINE ITEM SUMMARY - Lottery Commission**

| FUND                            | ALI    | ALI NAME                       | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---------------------------------|--------|--------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 2310                            | 950604 | Charitable Gaming Oversight    | 977,947            | 1,771,511          | 1,822,863          | 2,378,000           | 2,378,000              | 0.0          | 2,378,000              | 0.0         |
| 7044                            | 950100 | Personal Services              | 23,626,294         | 22,921,417         | 24,378,979         | 29,290,265          | 31,487,285             | 7.5          | 31,237,206             | -0.8        |
| 7044                            | 950200 | Maintenance                    | 17,282,680         | 16,470,701         | 17,347,972         | 21,109,578          | 14,578,155             | -30.9        | 14,652,155             | 0.5         |
| 7044                            | 950300 | Equipment                      | 2,433,784          | 1,790,968          | 1,861,740          | 9,254,250           | 4,058,420              | -56.1        | 3,603,920              | -11.2       |
| 7044                            | 950402 | Game and Advertising Contracts | 65,176,541         | 67,238,318         | 23,964,806         | 21,756,000          | 23,548,000             | 8.2          | 23,548,000             | 0.0         |
| 7044                            | 950403 | Gaming Contracts               | 0                  | 0                  | 44,789,213         | 57,963,780          | 47,978,749             | -17.2        | 48,756,010             | 1.6         |
| 7044                            | 950500 | Subsidy                        | 324,500            | 321,000            | 353,000            | 335,000             | 350,000                | 4.5          | 350,000                | 0.0         |
| 7044                            | 950601 | Prizes Bonuses and Commissions | 149,554,612        | 107,941,089        | 110,727,762        | 147,716,286         | 124,426,168            | -15.8        | 124,884,039            | 0.4         |
| 8710                            | 950602 | Annuity Prizes                 | 581,082,235        | 153,953,303        | 103,813,494        | 151,724,305         | 89,935,565             | -40.7        | 89,415,976             | -0.6        |
| <b>TOTAL State Lottery</b>      |        |                                | <b>840,458,593</b> | <b>372,408,307</b> | <b>329,059,829</b> | <b>441,527,464</b>  | <b>338,740,342</b>     | <b>-23.3</b> | <b>338,825,306</b>     | <b>0.0</b>  |
| <b>TOTAL Lottery Commission</b> |        |                                | <b>840,458,593</b> | <b>372,408,307</b> | <b>329,059,829</b> | <b>441,527,464</b>  | <b>338,740,342</b>     | <b>-23.3</b> | <b>338,825,306</b>     | <b>0.0</b>  |

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State of Ohio

## Ohio Manufactured Homes Commission

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### Role and Overview

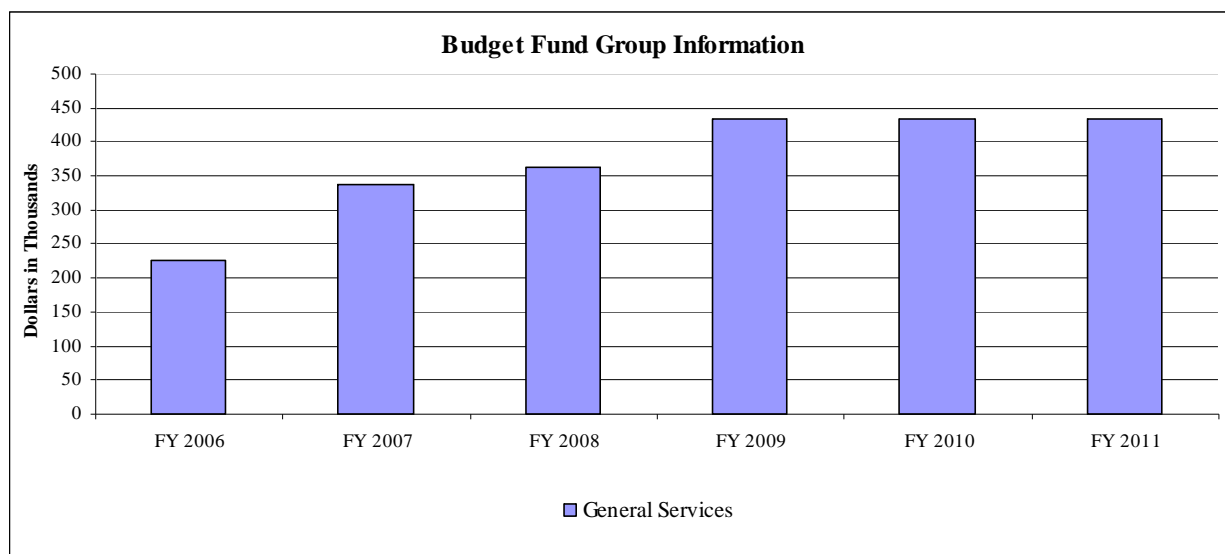
The Ohio Manufactured Homes Commission (OMHC) regulates installers of manufactured homes by promulgating and interpreting manufactured home installation standards and installation inspection procedures, licensing installers, certifying inspection departments, certifying third party inspection agencies, as well as the approval and monitor educational course sponsors. OMHC also provides an alternative dispute resolution program for homeowners, installers, retailers and manufacturers.

More information regarding the Ohio Manufactured Homes Commission is available at <http://www.omhc.ohio.gov/>.

### Agency Priorities

- Develop, provide interpretation for, and update the uniform Manufactured Home Installation Standards for Ohio.
- Train and license manufactured home installers and inspection agencies for uniform installation and inspections.
- Provide fair, consistent, cost effective and timely enforcement of the laws and rules within the scope of the Commission's authority.
- Provide for timely alternative dispute resolution including neutral inspection, mediation and arbitration of disputes among installers, retailer, manufacturers and homeowners.

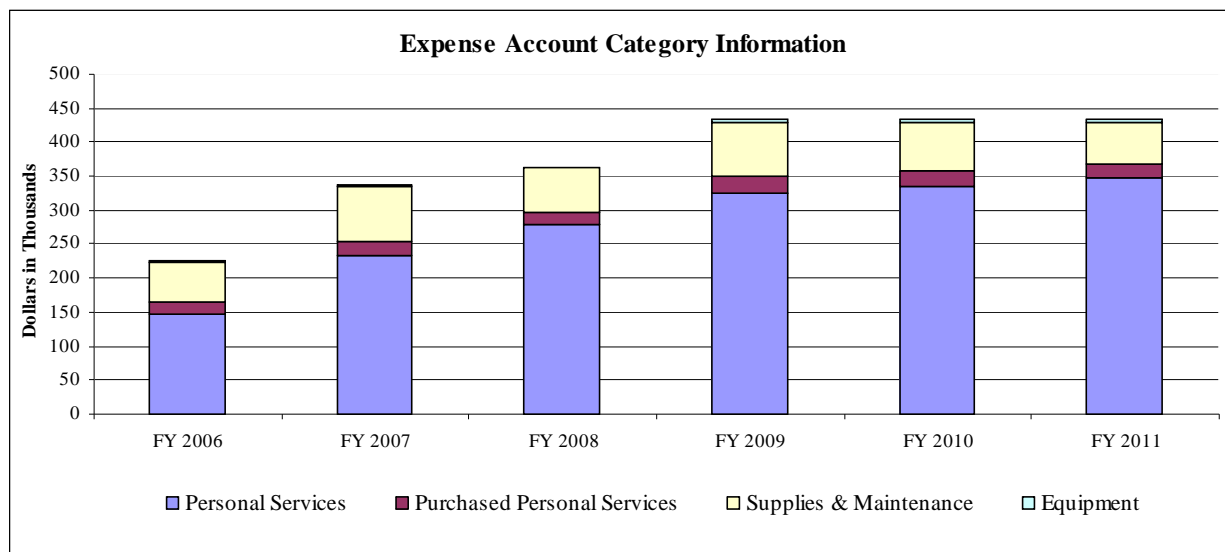
### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL  |         |         | %<br>EST. CHANGE |          | RECOMMENDED |             |         |             |
|------------------|---------|---------|---------|------------------|----------|-------------|-------------|---------|-------------|
|                  | FY 2006 | FY 2007 | FY 2008 | FY 2009          | FY 08-09 | FY 2010     | %<br>CHANGE | FY 2011 | %<br>CHANGE |
| General Services | 226     | 338     | 363     | 435              | 19.8     | 435         | 0.0         | 435     | 0.0         |
| TOTAL            | 226     | 338     | 363     | 435              | 19.8     | 435         | 0.0         | 435     | 0.0         |

State of Ohio

## Ohio Manufactured Homes Commission



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 146        | 234        | 279        | 325              | 16.6        | 336                     | 3.3        | 348        | 3.5        |
| Purchased Personal Services                   | 18         | 20         | 17         | 25               | 52.9        | 22                      | -14.2      | 19         | -13.0      |
| Supplies & Maintenance                        | 59         | 80         | 68         | 79               | 17.7        | 70                      | -11.6      | 61         | -12.7      |
| Equipment                                     | 3          | 4          | 0          | 5                | 100.0       | 7                       | 40.0       | 7          | 0.0        |
| <b>TOTAL</b>                                  | <b>226</b> | <b>338</b> | <b>363</b> | <b>435</b>       | <b>19.8</b> | <b>435</b>              | <b>0.0</b> | <b>435</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series ensures the health, safety, and general welfare of Ohio citizen's and their property through oversight of the installation of manufactured homes.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Ohio Manufactured Homes Commission.

#### The Executive Recommendation will fund the following objectives:

- Provide for three inspections for each of approximately 5,000 manufactured home placements annually;
- Regulate and license approximately 400 installers, 300 inspectors, 150 building departments, five third-party inspection agencies, and four course sponsors;
- Support the development of on-line renewal capacity for licensees and certified inspection departments; and
- Support the development of database software to facilitate reports regarding inspections, installation defects, and improve management by fact analysis of home installation performance.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 996609 | Operating | 434,671        | 434,671        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>434,671</b> | <b>434,671</b> |

**LINE ITEM SUMMARY - Manufactured Homes Commission**

| FUND                                | ALI    | ALI NAME  | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010     | %      | FY 2011     | %      |
|-------------------------------------|--------|-----------|---------|---------|---------|----------|-------------|--------|-------------|--------|
|                                     |        |           | ACTUAL  | ACTUAL  | ACTUAL  | ESTIMATE | RECOMMENDED | CHANGE | RECOMMENDED | CHANGE |
| 4K90                                | 996609 | Operating | 226,162 | 337,604 | 362,721 | 434,671  | 434,671     | 0.0    | 434,671     | 0.0    |
| TOTAL General Services              |        |           | 226,162 | 337,604 | 362,721 | 434,671  | 434,671     | 0.0    | 434,671     | 0.0    |
| TOTAL Manufactured Homes Commission |        |           | 226,162 | 337,604 | 362,721 | 434,671  | 434,671     | 0.0    | 434,671     | 0.0    |

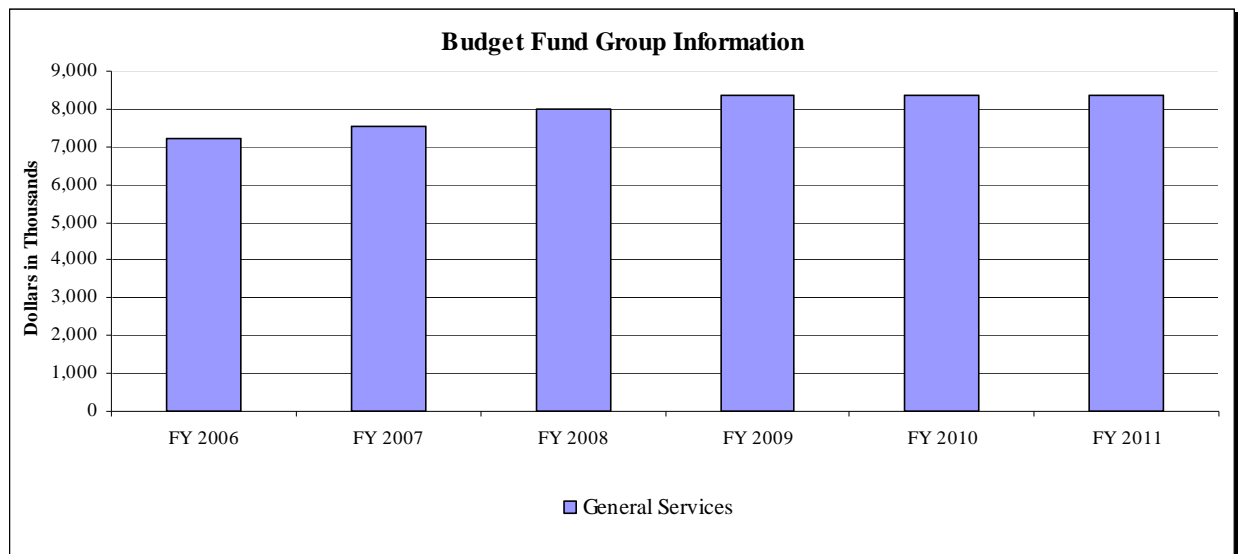
### Role and Overview

The State Medical Board (MED) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice medicine in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules which govern the professions. The board's annual budget of supports a staff of 86 in addition to the 12 board members. MED licenses approximately 38,250 medical doctors and 16,900 practitioners of limited branches of medicine including doctors of osteopathy, doctors of podiatric medicine, massage therapists, cosmetic therapists, anesthesiologist assistants, acupuncturists, and physician assistants. Additional information regarding the Medical Board is available at <http://www.med.ohio.gov/>.

### Agency Priorities

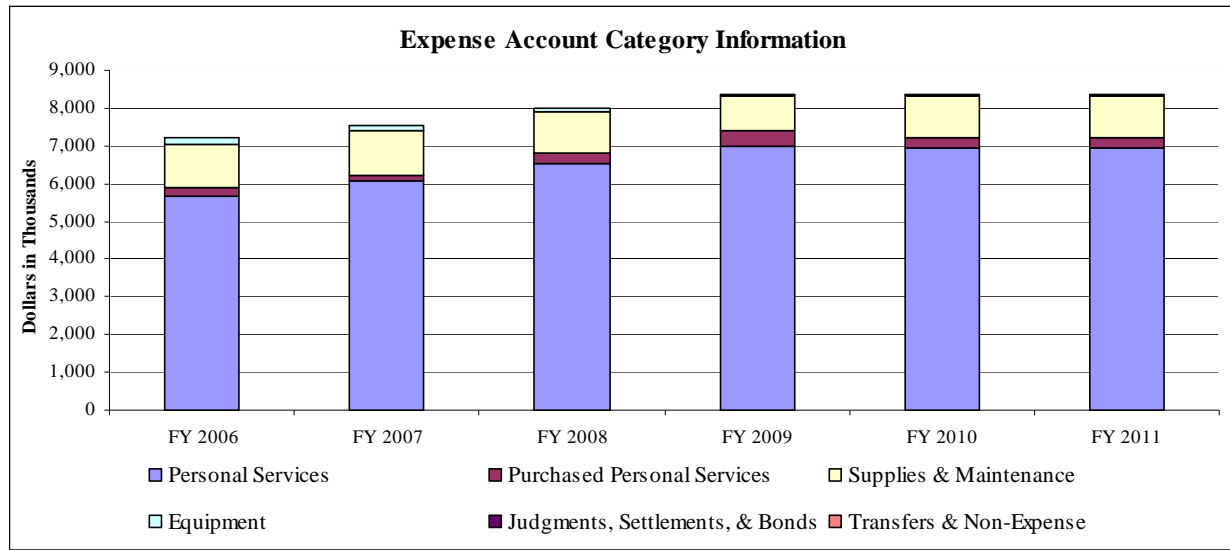
- Use technology to improve operations.
- Cut the length of time from receipt of complaint to completion of case.
- Bolster efforts to monitor at-risk licensees.
- Streamline the administrative hearing process.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. CHANGE % |            | RECOMMENDED % |            |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|------------|---------------|------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010       | CHANGE     | FY 2011      | CHANGE     |
| General Services                    | 7,208        | 7,525        | 8,001        | 8,342         | 4.3        | 8,342         | 0.0        | 8,342        | 0.0        |
| <b>TOTAL</b>                        | <b>7,208</b> | <b>7,525</b> | <b>8,001</b> | <b>8,342</b>  | <b>4.3</b> | <b>8,342</b>  | <b>0.0</b> | <b>8,342</b> | <b>0.0</b> |





| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 5,660        | 6,088        | 6,523        | 6,971            | 6.9        | 6,948                   | -0.3       | 6,948        | 0.0        |
| Purchased Personal Services                   | 230          | 140          | 298          | 425              | 42.7       | 260                     | -38.8      | 260          | 0.0        |
| Supplies & Maintenance                        | 1,158        | 1,152        | 1,091        | 902              | -17.4      | 1,090                   | 20.9       | 1,090        | 0.0        |
| Equipment                                     | 154          | 139          | 84           | 40               | -52.6      | 40                      | 0.0        | 40           | 0.0        |
| Judgments, Settlements, & Bonds               | 7            | 6            | 0            | 4                | 100.0      | 0                       | -100.0     | 0            | 0.0        |
| Transfers & Non-Expense                       | 0            | 0            | 4            | 0                | -100.0     | 4                       | 100.0      | 4            | 0.0        |
| <b>TOTAL</b>                                  | <b>7,208</b> | <b>7,525</b> | <b>8,001</b> | <b>8,342</b>     | <b>4.3</b> | <b>8,342</b>            | <b>0.0</b> | <b>8,342</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Medical Board.

#### The Executive Recommendation will fund the following objectives:

- Support continued issuance and renewal of licenses and certificates;
- Provide for the probationary monitoring of approximately 260 licensees;
- Support the investigation and resolution of about 3,800 alleged violations of statutes and rules each year;
- Support approximately 50 administrative hearings annually; and
- Support publication of the board newsletter to provide licensees information about changes in statutes and rules impacting their practice.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GSF                      | 5C60 | 883609 | State Medical Board Operating | 8,341,545        | 8,341,545        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>8,341,545</b> | <b>8,341,545</b> |

**LINE ITEM SUMMARY - State Medical Board**

| FUND                             | ALI    | ALI NAME                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|----------------------------------|--------|-------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5C60                             | 883609 | State Medical Board Operating | 7,208,425         | 7,525,265         | 8,000,928         | 8,341,545           | 8,341,545              | 0.0         | 8,341,545              | 0.0         |
| <b>TOTAL General Services</b>    |        |                               | <b>7,208,425</b>  | <b>7,525,265</b>  | <b>8,000,928</b>  | <b>8,341,545</b>    | <b>8,341,545</b>       | <b>0.0</b>  | <b>8,341,545</b>       | <b>0.0</b>  |
| <b>TOTAL State Medical Board</b> |        |                               | <b>7,208,425</b>  | <b>7,525,265</b>  | <b>8,000,928</b>  | <b>8,341,545</b>    | <b>8,341,545</b>       | <b>0.0</b>  | <b>8,341,545</b>       | <b>0.0</b>  |

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State of Ohio

## Ohio Medical Transportation Board

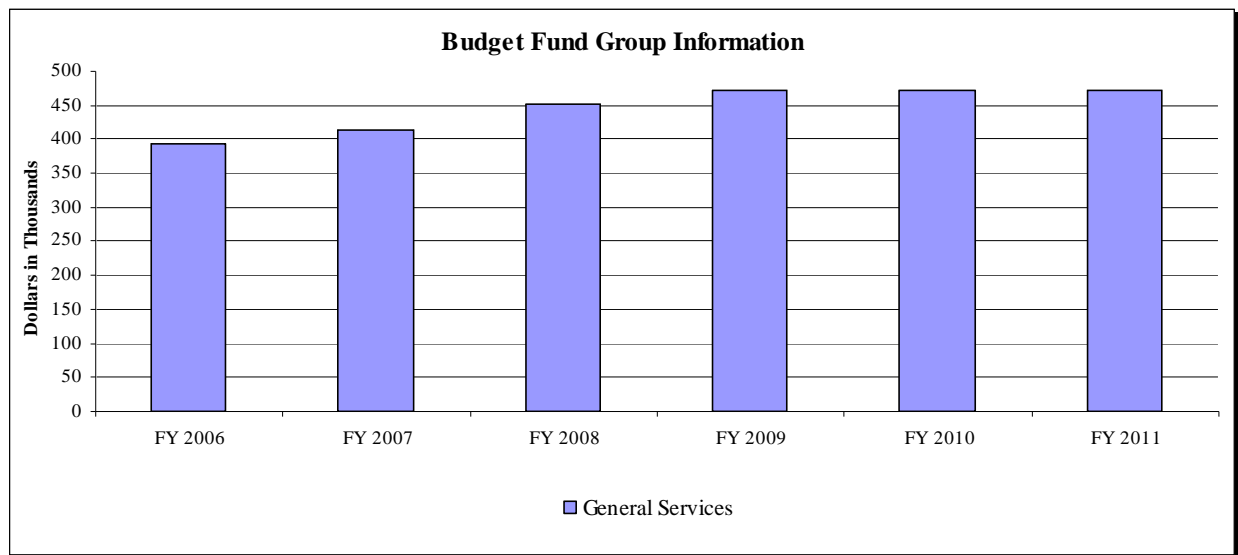
### Role and Overview

The Ohio Medical Transportation Board (OMTB) acts as the regulatory authority for all private, hospital-based, and commercial ambulances, wheelchair vans (ambulette), mobile intensive care units, medical helicopters, and fixed wing medical aircraft operating within Ohio. OMTB requires annual licensing and conducts physical inspections of headquarters, satellite locations, and each medical transportation vehicle. Additional information regarding the Ohio Medical Transportation Board is available at <http://oal.ohio.gov/>.

### Agency Priorities

- Ensure safe medical transportation for citizens.

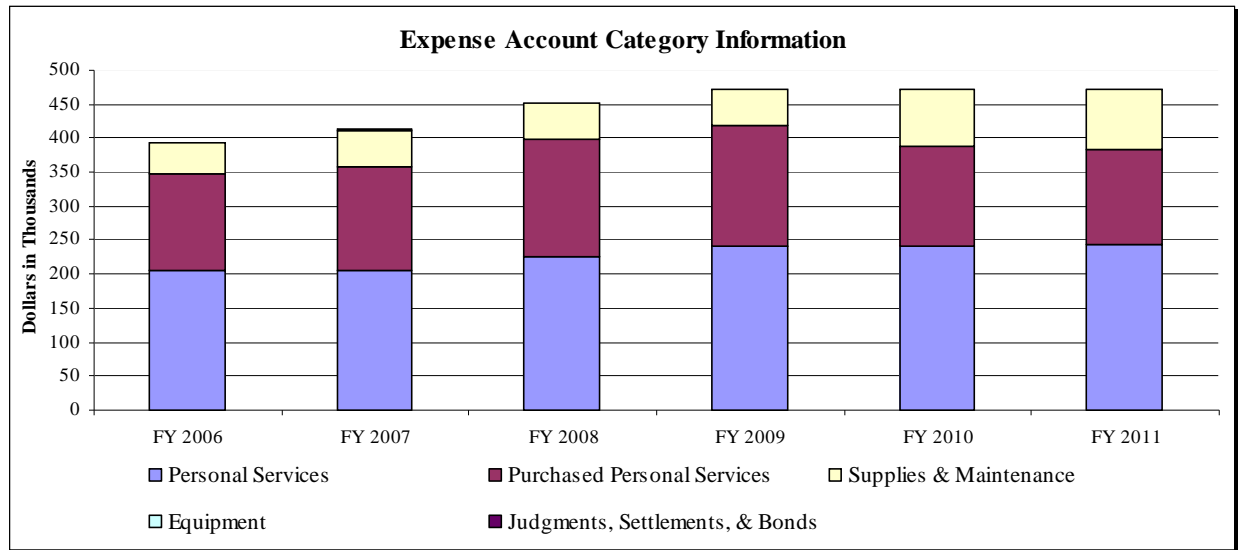
### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |            |            |
|------------------|------------|------------|------------|---------------|------------|----------------------|------------|------------|------------|
|                  | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services | 394        | 413        | 453        | 473           | 4.5        | 473                  | 0.0        | 473        | 0.0        |
| <b>TOTAL</b>     | <b>394</b> | <b>413</b> | <b>453</b> | <b>473</b>    | <b>4.5</b> | <b>473</b>           | <b>0.0</b> | <b>473</b> | <b>0.0</b> |

State of Ohio

## Ohio Medical Transportation Board



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 205        | 205        | 227        | 240              | 5.7        | 241                     | 0.5        | 243        | 0.9        |
| Purchased Personal Services                   | 143        | 153        | 172        | 178              | 3.9        | 147                     | -17.5      | 141        | -4.1       |
| Supplies & Maintenance                        | 46         | 53         | 53         | 55               | 4.4        | 83                      | 50.9       | 87         | 4.8        |
| Equipment                                     | 0          | 2          | 1          | 0                | -100.0     | 2                       | 100.0      | 2          | 0.0        |
| Judgments, Settlements, & Bonds               | 0          | 1          | 0          | 0                | 0.0        | 0                       | 0.0        | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>394</b> | <b>413</b> | <b>453</b> | <b>473</b>       | <b>4.5</b> | <b>473</b>              | <b>0.0</b> | <b>473</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Ohio Medical Transportation Board.

#### The Executive Recommendation will fund the following objectives:

- Ensure safe medical transportation for more than 1,500,000 citizens;
- Provide service to 232 ambulettes; 140 ambulances; eight air medical organizations and approximately 2,700 medical transportation vehicles; and
- Increase the number of investigations related to complaints and alleged violations of Ohio law.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 915604 | Operating Expenses | 473,450        | 473,450        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>473,450</b> | <b>473,450</b> |

**LINE ITEM SUMMARY - Ambulance Licensing Board**

| FUND                                   | ALI    | ALI NAME           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                                   | 915604 | Operating Expenses | 0                 | 0                 | 450,734           | 473,450             | 473,450                | 0.0         | 473,450                | 0.0         |
| 4N10                                   | 915601 | Operating          | 394,401           | 413,171           | 2,221             | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Services</b>          |        |                    | <b>394,401</b>    | <b>413,171</b>    | <b>452,955</b>    | <b>473,450</b>      | <b>473,450</b>         | <b>0.0</b>  | <b>473,450</b>         | <b>0.0</b>  |
| <b>TOTAL Ambulance Licensing Board</b> |        |                    | <b>394,401</b>    | <b>413,171</b>    | <b>413,171</b>    | <b>473,450</b>      | <b>473,450</b>         | <b>0.0</b>  | <b>473,450</b>         | <b>0.0</b>  |

### Role and Overview

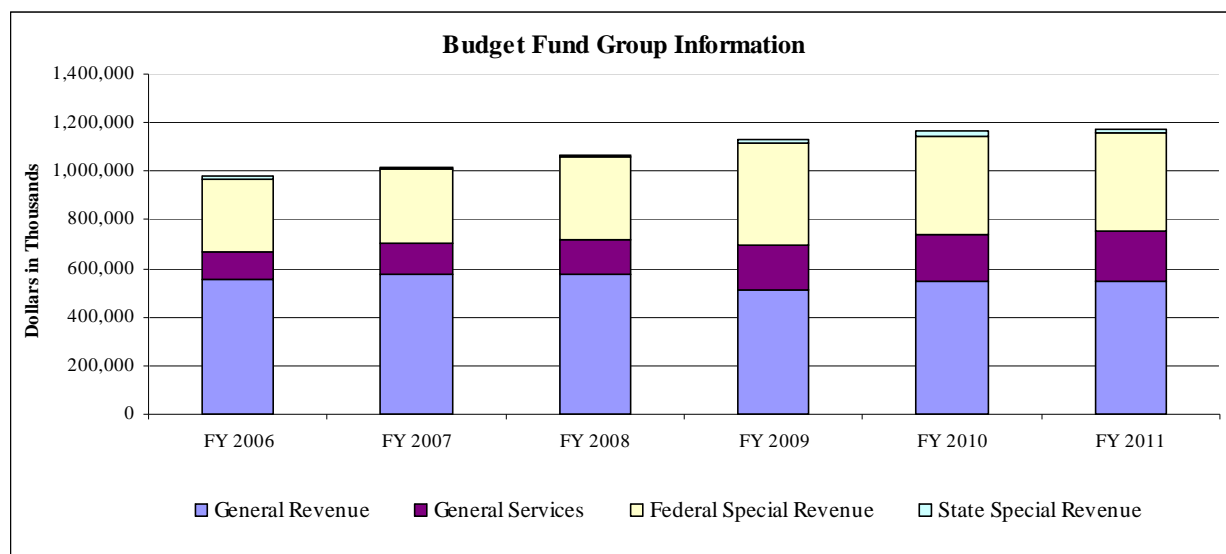
The mission of the Department of Mental Health (ODMH) is the promotion and establishment of mental health as a cornerstone of health and wellness for individuals, families and communities throughout Ohio. The Governor appoints the director of the department which employs about 2,200 people and has an annual budget of approximately \$1.1 billion. The department manages state psychiatric hospitals for treating persons with mental illness, including those with a forensic status, appoints board members and distributes funds to 50 alcohol, drug addiction and mental health services (ADAMH)/community mental health (CMH) boards in accordance with the approved community mental health plan, protects and promotes the rights of persons receiving mental health services, and assures the quality of services delivered by over 400 community providers that serve more than 200,000 adults and 100,000 youth annually. Of the total served, over 100,000 adults and 70,000 children have a severe mental illness.

Additional information regarding the Department of Mental Health is available at <http://mentalhealth.ohio.gov/>.

### Agency Priorities

- Develop infrastructure and financing to reduce disparities by improving equitable access to effective core services and supports.
- Support the recruitment, development, and retention of a qualified, diverse and culturally competent workforce within ODMH and the mental health system.
- Align technology with emerging healthcare standards to improve access, and enhance clinical quality and efficiency, including regulatory reform and health information exchange.
- Promote a collaborative, resiliency- and recovery-oriented culture in the delivery of mental health services.

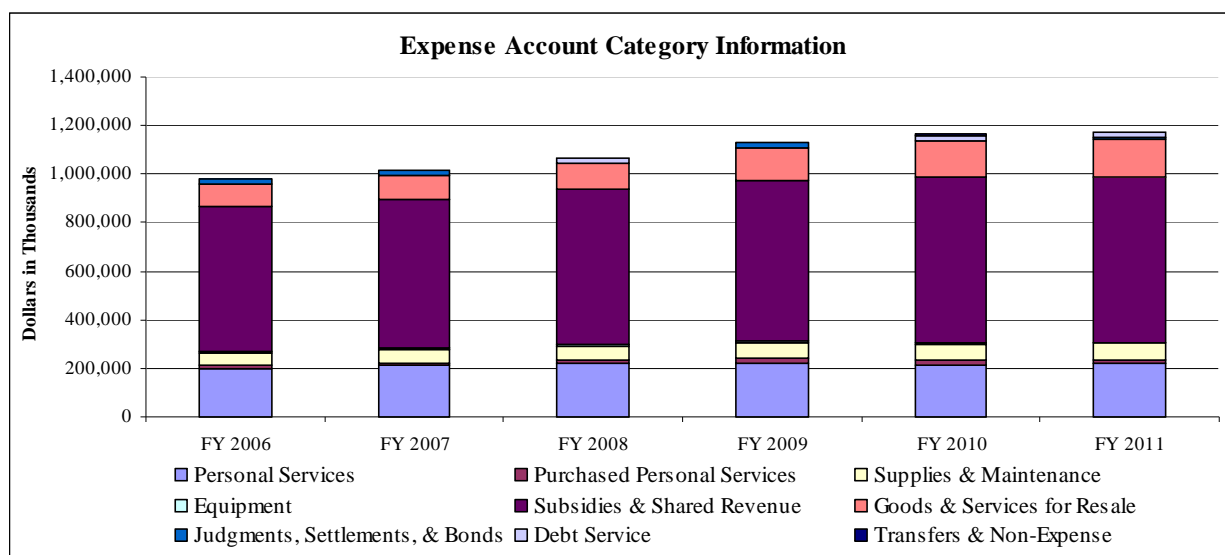
### Summary of Budget History and Recommendations



- ADAMH/CMH Boards are projected to receive enhanced federal reimbursement of \$18.0 million in fiscal year 2010 and \$4.4 million in fiscal year 2011.

State of Ohio  
Department of Mental Health

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                  |                  | EST.<br>FY 2009  | %<br>CHANGE<br>FY 08-09 | RECOMMENDED      |             |                  |             |
|-------------------------------------|----------------|------------------|------------------|------------------|-------------------------|------------------|-------------|------------------|-------------|
|                                     | FY 2006        | FY 2007          | FY 2008          |                  |                         | FY 2010          | %<br>CHANGE | FY 2011          | %<br>CHANGE |
| General Revenue                     | 555,826        | 572,145          | 577,179          | 513,556          | -11.0                   | 548,591          | 6.8         | 549,325          | 0.1         |
| General Services                    | 115,456        | 133,219          | 139,993          | 184,119          | 31.5                    | 189,729          | 3.0         | 201,208          | 6.1         |
| Federal Special Revenue             | 298,436        | 302,278          | 338,617          | 418,216          | 23.5                    | 408,171          | -2.4        | 405,795          | -0.6        |
| State Special Revenue               | 13,012         | 12,123           | 13,063           | 15,960           | 22.2                    | 15,790           | -1.1        | 15,790           | 0.0         |
| <b>TOTAL</b>                        | <b>982,730</b> | <b>1,019,764</b> | <b>1,068,852</b> | <b>1,131,851</b> | <b>5.9</b>              | <b>1,162,282</b> | <b>2.7</b>  | <b>1,172,118</b> | <b>0.8</b>  |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                  |                  | EST.<br>FY 2009  | %<br>CHANGE<br>FY 08-09 | RECOMMENDED      |             |                  |             |
|---|----------------|------------------|------------------|------------------|-------------------------|------------------|-------------|------------------|-------------|
|   | FY 2006        | FY 2007          | FY 2008          |                  |                         | FY 2010          | %<br>CHANGE | FY 2011          | %<br>CHANGE |
| Personal Services                             | 200,552        | 211,015          | 221,344          | 219,115          | -1.0                    | 216,568          | -1.2        | 219,875          | 1.5         |
| Purchased Personal Services                   | 9,372          | 10,127           | 11,820           | 19,142           | 61.9                    | 16,462           | -14.0       | 16,962           | 3.0         |
| Supplies & Maintenance                        | 53,460         | 56,087           | 60,664           | 67,706           | 11.6                    | 64,509           | -4.7        | 66,509           | 3.1         |
| Equipment                                     | 3,853          | 4,036            | 4,072            | 6,652            | 63.4                    | 5,767            | -13.3       | 5,487            | -4.9        |
| Subsidies & Shared Revenue                    | 602,428        | 614,249          | 640,695          | 661,278          | 3.2                     | 687,458          | 4.0         | 680,082          | -1.1        |
| Goods & Services for Resale                   | 87,134         | 96,560           | 104,290          | 134,503          | 29.0                    | 147,556          | 9.7         | 158,509          | 7.4         |
| Judgments, Settlements, & Bonds               | 25,931         | 27,690           | 31               | 23,009           | 74,603.7                | 300              | -98.7       | 300              | 0.0         |
| Debt Service                                  | 0              | 0                | 23,368           | 0                | -100.0                  | 21,627           | 100.0       | 22,360           | 3.4         |
| Transfers & Non-Expense                       | 0              | 0                | 2,565            | 447              | -82.6                   | 2,035            | 355.7       | 2,035            | 0.0         |
| <b>TOTAL</b>                                  | <b>982,730</b> | <b>1,019,764</b> | <b>1,068,852</b> | <b>1,131,851</b> | <b>5.9</b>              | <b>1,162,282</b> | <b>2.7</b>  | <b>1,172,118</b> | <b>0.8</b>  |

### PROGRAM SERIES 01: Hospital and Community Services

This program series consists of five programs that support and provide inpatient care and community mental health services, community medication, and forensic services. One of these programs includes Medicaid covered mental health services for Medicaid eligible consumers. This program series also funds an initiative for behavioral healthcare for children.

**Program 01.01: 408 Hospital and Community**

This program supports the integrated system envisioned under the Mental Health Act of 1988 that provides a continuum of care for children and adults with severe mental illness. ADAMH/CMH boards elect distribution of these funds to contract for community mental health services and supports in exchange for taking responsibility for payment of a daily rate for residents of the board district admitted to regional psychiatric hospitals operated by ODMH. This program also supports inpatient services to individuals committed by criminal courts under a forensic statute. The cost of inpatient services to forensic patients is not charged to ADAMH/CMH boards.

**The Executive Recommendation will fund the following objectives:**

- Operate seven regional psychiatric hospitals with 44 inpatient treatment units that provide care to over 6,000 individuals admitted per year with a current average daily resident population of approximately 1,000.

| FUND                     |      |        |                                    | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010            | FY 2011            |
| GRF                      | GRF  | 334408 | Community & Hospital MH Services   | 383,724,688        | 383,724,688        |
| GSF                      | 1490 | 334609 | Hospital Rotary-Operating          | 28,700,000         | 29,200,000         |
| GSF                      | 1500 | 334620 | Special Education                  | 150,000            | 150,000            |
| FED                      | 3240 | 334605 | Medicaid/Medicare                  | 25,200,000         | 30,200,000         |
| FED                      | 3A60 | 334608 | Federal Miscellaneous              | 586,224            | 586,224            |
| FED                      | 3A80 | 334613 | Federal Letter Of Credit           | 200,000            | 200,000            |
| FED                      | 3B00 | 334617 | Elementary/Secondary Education Act | 182,334            | 182,334            |
| SSR                      | 4850 | 334632 | Mental Health Operating            | 2,400,000          | 2,400,000          |
| SSR                      | 6920 | 334636 | Community MH Board Risk Fund       | 80,000             | 80,000             |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>441,223,246</b> | <b>446,723,246</b> |

**Program 01.02: Community Distribution**

This program supports community programs and mental health services. Funds distributed to ADAMH/CMH boards will support core community mental health treatment to individuals with severe mental illness such as pharmacological management, crisis intervention, mental health assessment, community psychiatric supportive treatment (CPST), and counseling and therapy. Services provided are consistent with the ADAMH/CMH board Community Plan approved by the ODMH.

**The Executive Recommendation will fund the following objectives:**

- Support core community mental health services for adults and children with severe mental illness.

| FUND                     |      |        |  | RECOMMENDED        |                    |
|--------------------------|------|--------|--|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                     | FY 2010            | FY 2011            |
| GRF                      | GRF  | 334506 | Court Costs                                  | 781,322            | 781,322            |
| GRF                      | GRF  | 335636 | Local MH Subsidy-Federal Stimulus            | 98,978,475         | 98,978,475         |
| GSF                      | 4P90 | 335604 | Community Mental Health Projects             | 250,000            | 250,000            |
| FED                      | 3A60 | 335608 | Federal Miscellaneous                        | 2,178,699          | 2,178,699          |
| FED                      | 3A70 | 335612 | Social Services Block Grant                  | 8,632,288          | 8,632,288          |
| FED                      | 3A90 | 335614 | Mental Health Block Grant                    | 14,220,930         | 14,220,930         |
| SSR                      | 5AU0 | 335615 | Behavioral Healthcare                        | 6,690,000          | 6,690,000          |
| SSR                      | 5CH0 | 335622 | Residential State Supplement                 | 1,500,000          | 1,500,000          |
| SSR                      | 6320 | 335616 | Community Capital Replacement Facility Funds | 700,000            | 700,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>133,931,714</b> | <b>133,931,714</b> |

**Program 01.03: Community Medication**

This program provides necessary psychotropic medications to citizens not eligible for Medicaid benefits in the community to improve overall quality of life and to reduce psychiatric relapses. Among those who have severe



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mental illness, psychiatric relapses often lead to hospitalization, incarceration, homelessness, secondary medical complications or even death.

**The Executive Recommendation will fund the following objectives:**

- Continue distribution of medications to mentally ill citizens in the community to reduce unnecessary hospitalization, incarceration, homelessness, or other complications which may result from lack of medications;
- Fund pharmacy/medications phone consultations with mental health providers;
- Provide pharmaceutical information services and education programs as needed; and
- Reduce the cost of medication for community providers.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 335419 | Community Medication Subsidy | 9,959,798        | 9,959,798        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>9,959,798</b> | <b>9,959,798</b> |

**Program 01.04: Community Medicaid**

This program reflects the Federal Financial Participation (FFP) for the community mental health Medicaid program. Covered community mental health Medicaid services include pharmacological management, mental health assessment, psychiatric diagnostic interview, partial hospitalization, and individual and group CPST.

**The Executive Recommendation will fund the following objectives:**

- Provide Medicaid-covered mental health services for over 200,000 Medicaid-eligible persons.

| FUND                     |      |        |                              | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010            | FY 2011            |
| FED                      | 3B10 | 335635 | Community Medicaid Expansion | 334,728,044        | 327,351,981        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>334,728,044</b> | <b>327,351,981</b> |

**Program 01.05: Forensic Services**

This program provides competency to stand trial, sanity, and second opinion evaluations through Community Forensic Psychiatry Centers. These funds also support statewide community forensic monitoring, two forensic fellowships, and residency service rotations at the hospitals.

**The Executive Recommendation will fund the following objectives:**

- Provide competency to stand trial, sanity, and second opinion evaluations for the Courts of Common Pleas;
- Support a uniform tracking and monitoring program to serve people who have been found Not Guilty by Reason of Insanity or Incompetent to Stand Trial-Unrestorable under a criminal court jurisdiction and who are on conditional release;
- Fund mental health diversion re-entry alternatives to jails and prisons; and
- Fund training for forensic psychiatric fellowships and for general psychiatry residents rotating through the psychiatric hospitals.

| FUND                     |      |        |                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 332401 | Forensic Services | 3,904,972        | 3,904,972        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                   | <b>3,904,972</b> | <b>3,904,972</b> |

**Program 01.06: Family and Children First Council**

This program is a partnership of government agencies and community organizations committed to improving the well-being of children and families. The Ohio Family and Children First Cabinet Council is composed of the Superintendent of Public Instruction and the directors of the Departments of Youth Services, Job and Family Services, Mental Health, Health, Alcohol and Drug Addiction Services, Aging, Rehabilitations and Corrections, Budget and Management, and Mental Retardation and Developmental Disabilities. Along with its local partners, the council is charged with streamlining and coordinating existing governmental services for families seeking assistance for their children. Meeting the needs of low-income, at-risk, and multi-needs children and their families is the primary focus for Family and Children First.

**The Executive Recommendation will fund the following objectives:**

- Provide service coordination for low-income, at-risk, and multi-needs children and their families; and
- Provide a subsidy to counties for administrative support for local Family and Children First Councils.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 335405 | Family And Children First         | 1,808,000        | 1,808,000        |
| GRF                      | GRF  | 335636 | Local MH Subsidy-Federal Stimulus | 339,000          | 339,000          |
| SSR                      | 2320 | 333621 | Family And Children First         | 725,000          | 725,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>2,872,000</b> | <b>2,872,000</b> |

**Program 01.07: Behavioral Healthcare Services for Children**

This program, System of Care (SOC), formerly known as Access to Better Care (ABC), is a major children's initiative developed to respond to the growing realization that under-serving children with mental health and/or alcohol or drug service needs result in increased costs in other areas. More specifically, lack of access to care can lead to school failure, suicide, criminal behavior, unwanted pregnancy, and other costly problems that present a growing challenge for Ohio's education, foster care and juvenile justice systems. With the involvement and input of families, advocates, and state and local leaders, the SOC initiative has an emphasis on early intervention and intensive home- and community-based treatment services. This program builds on the mental health system of the ADAMH/CMH and Alcohol and Drug Addiction Services (ADAS) boards and their provider networks in coordination with county Family and Children First Councils (FCFC) and their member agencies to better address the needs of children with mental health and substance use issues across the developmental spectrum and across the many settings where these children need or receive care. The SOC initiative honors Family and Children First's commitment to children and families by strengthening the role of families as empowered advocates for their children via a more family/child focused approach to service coordination.

**The Executive Recommendation will fund the following objectives:**

- Increase availability of coordinated services and supports across ages and developmental spectrum;
- Enhance the array of effective home- and community-based services available to Ohio families; and
- Reduce costly out-of-home placements, including institutionalization.

| FUND                     |      |        |                                     | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010          | FY 2011          |
| GRF                      | GRF  | 335404 | Behavioral Health Services-Children | 7,460,800        | 7,460,800        |
| GRF                      | GRF  | 335636 | Local MH Subsidy-Federal Stimulus   | 814,795          | 814,795          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>8,275,595</b> | <b>8,275,595</b> |

### PROGRAM SERIES 02: Office of Support Services

This program series provides auxiliary purchasing services to state facilities and select community agencies.

#### Program 02.01: Office of Support Services

To capture economies of scale, this program purchases raw and prepared bulk food items, wholesale pharmaceuticals, pharmacy dispensing, and transportation services on behalf of state facilities and select community agencies. Consultation in the areas of dietary training, cycle menu planning, pharmacy standards, and drug information service is also available. The Office of Support Services receives revenue to operate by billing state departments and agencies for its services; participating state agencies include the Departments of Rehabilitation and Correction, Youth Services, and Mental Retardation and Developmental Disabilities.

#### The Executive Recommendation will fund the following objectives:

- Supply food and pharmacy related goods and services to a customer base of over 50,000 individuals through numerous state and local entities.
- The budget will include permissive language to allow for the strategic outsourcing of certain commodities currently provided by OSS in cases where alternatives are found to increase efficiency.

| FUND                     |      |        |                        | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010            | FY 2011            |
| GSF                      | 1510 | 336601 | General Administration | 159,279,140        | 170,258,490        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>159,279,140</b> | <b>170,258,490</b> |

### PROGRAM SERIES 03: Oversight and Quality

This program series provides oversight and quality controls for the state-operated system of seven regional psychiatric hospitals including hospital chief clinical officers, as well as program and policy development for 50 ADAMH/CMH boards.

#### Program 03.01: Medical Director and Quality Assurance/Improvement

The Medical Director is responsible for decisions relating to medical diagnosis, treatment, rehabilitation, and quality assurance. The Medical Director exercises clinical supervision of the Hospital Chief Clinical Officers, provides clinical oversight of ODMH policies, procedures, guidelines, quality improvement and research projects, and provides oversight of the ODMH residency program and best practice initiatives. In addition, the Medical Director is responsible for the clinical aspects of the department's licensure and certification process for community mental health services.

#### The Executive Recommendation will fund the following objectives:

- Support programs through Ohio colleges and universities that educate mental health professionals to serve indigent citizens who have severe mental illness and the public mental health system; and
- Continue evaluation, research, efficient and effective standardized treatment practices, and quality improvement.

| FUND                     |      |        |                                 | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010          | FY 2011          |
| GRF                      | GRF  | 333321 | Central Administration          | 1,634,380        | 1,634,380        |
| GRF                      | GRF  | 333402 | Resident Trainees               | 637,460          | 637,460          |
| GRF                      | GRF  | 333416 | Research Program Evaluation     | 701,086          | 701,086          |
| GSF                      | 1490 | 333609 | Central Office Rotary-Operating | 120,000          | 120,000          |
| FED                      | 3A90 | 333614 | Mental Health Block Grant       | 49,000           | 49,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>3,141,926</b> | <b>3,141,926</b> |

**Program 03.02: Program and Policy Development**

This program provides oversight of the 50 ADAMH/CMH boards and promotes the local development of mental health services. This program is also responsible for Forensic Services, Consumer Advocacy and Protection, Community Policy, Consumer and Recovery Supports, Systems Integration, Emergency/Disaster Preparedness, and Children's Services and Prevention.

**The Executive Recommendation will fund the following objectives:**

- Support staff and operational needs of the Division of Program and Policy Development, Office of Forensic Services, Office of Consumer Advocacy and Protection, Office of Consumer Recovery and Supports, Office of Community Policy, Office of Children's Services and Prevention, and the work of System Integration and Emergency/Disaster Preparedness; and
- Develop guidelines, review, recommend approval, and monitor the implementation of community mental health plans.

| FUND                     |      |        |                                      | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 333321 | Central Administration               | 1,797,818        | 1,797,818        |
| GSF                      | 1490 | 333609 | Central Office Rotary-Operating      | 132,000          | 132,000          |
| FED                      | 3A60 | 333608 | Federal Miscellaneous                | 140,000          | 140,000          |
| FED                      | 3A80 | 333613 | Federal Grant-Administration         | 4,888,105        | 4,888,105        |
| FED                      | 3A80 | 335613 | Fed Grant-Community MH Board Subsidy | 2,595,040        | 2,595,040        |
| FED                      | 3A90 | 333614 | Mental Health Block Grant            | 199,000          | 199,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>9,751,963</b> | <b>9,751,963</b> |

**PROGRAM SERIES 04: Program Management**

This program series includes the central office of the Department of Mental Health, which is responsible for the total operation of the department, including, but not limited to, establishing the overall mission and direction, coordination, monitoring, and policy formulation related to the statewide mental health services system.

**Program 04.01: Program Management**

This program includes central office staff members who provide technical assistance and support for all components of the mental health system such as ADAMH/CMH boards, providers, family groups, consumer groups, and state and private hospitals as well as oversight of the day-to-day operation of the ODMH. Offices or subprograms under the area of central office administration include: the Director's Office, Human Resources, Fiscal Administration, Office of Information Services, Legal Services, Licensure and Certification, and Capital Development.

**The Executive Recommendation will fund the following objectives:**

- Manage staff and operational requirements of the central office needed for budget control and coordination, administrative oversight, human resources administration, oversight of Medicaid mental health services, facility planning and management, information systems, and legal/regulatory services.

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| FUND                     |      |        |                                     | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010           | FY 2011           |
| GRF                      | GRF  | 333321 | Central Administration              | 13,771,802        | 13,771,802        |
| GRF                      | GRF  | 333403 | Pre-Admission Screening Expenses    | 650,135           | 650,135           |
| GSF                      | 1490 | 333609 | Central Office Rotary-Operating     | 1,098,000         | 1,098,000         |
| FED                      | 3240 | 333605 | Medicaid/Medicare                   | 154,500           | 154,500           |
| FED                      | 3A70 | 333612 | Social Services Block Grant         | 25,000            | 25,000            |
| FED                      | 3A90 | 333614 | Mental Health Block Grant           | 500,470           | 500,470           |
| FED                      | 3B10 | 333635 | Community Medicaid Expansion        | 13,691,682        | 13,691,682        |
| SSR                      | 4850 | 333632 | Mental Health Operating             | 134,233           | 134,233           |
| SSR                      | 4X50 | 333607 | Behavioral Health Medicaid Services | 3,000,624         | 3,000,624         |
| SSR                      | 5V20 | 333611 | Non Federal Grants                  | 560,000           | 560,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>33,586,446</b> | <b>33,586,446</b> |

### PROGRAM SERIES 05: Debt Service

This program series funds debt service payments to the Ohio Public Facilities Commission to retire debt borrowed to build mental health facilities.

#### Program 05.01: Debt Service

Debt Service is the principal and interest payment for past and present capital expenditures on ODMH-owned facilities.

#### The Executive Recommendation will fund the following objectives:

- Debt service payments for mental health facilities to the Ohio Public Facilities Commission.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 333415 | Lease Rental Payments | 21,626,800        | 22,360,300        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>21,626,800</b> | <b>22,360,300</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

335505, Local Mental Health Systems of Care: This line item is not funded this biennium to preserve services funded out of the other General Revenue Fund (GRF) line items. Funding reductions in this line item are partially offset by the new GRF line item 335636, Local MH Subsidy- Federal Stimulus.

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**LINE ITEM SUMMARY - Department of Mental Health**

| FUND                          | ALI    | ALI NAME                            | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|-------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                           | 332401 | Forensic Services                   | 4,319,519          | 4,328,547          | 4,371,610          | 4,325,822           | 3,904,972              | -9.7        | 3,904,972              | 0.0         |
| GRF                           | 333321 | Central Administration              | 23,946,423         | 23,874,181         | 21,693,767         | 20,240,000          | 17,204,000             | -15.0       | 17,204,000             | 0.0         |
| GRF                           | 333402 | Resident Trainees                   | 1,585,070          | 1,196,791          | 1,416,111          | 1,274,919           | 637,460                | -50.0       | 637,460                | 0.0         |
| GRF                           | 333403 | Pre-Admission Screening Expenses    | 650,135            | 650,135            | 650,135            | 650,135             | 650,135                | 0.0         | 650,135                | 0.0         |
| GRF                           | 333415 | Lease Rental Payments               | 22,340,731         | 24,414,958         | 23,368,304         | 20,504,500          | 21,626,800             | 5.5         | 22,360,300             | 3.4         |
| GRF                           | 333416 | Research Program Evaluation         | 1,001,551          | 995,966            | 1,001,788          | 801,551             | 701,086                | -12.5       | 701,086                | 0.0         |
| GRF                           | 334408 | Community & Hospital MH Services    | 389,904,181        | 400,694,314        | 397,540,684        | 379,324,545         | 383,724,688            | 1.2         | 383,724,688            | 0.0         |
| GRF                           | 334506 | Court Costs                         | 1,024,008          | 883,670            | 1,025,440          | 976,652             | 781,322                | -20.0       | 781,322                | 0.0         |
| GRF                           | 335404 | Behavioral Health Services-Children | 5,603,426          | 7,572,712          | 7,400,015          | 9,114,847           | 7,460,800              | -18.1       | 7,460,800              | 0.0         |
| GRF                           | 335405 | Family and Children First           | 2,259,928          | 2,239,928          | 2,239,928          | 2,260,000           | 1,808,000              | -20.0       | 1,808,000              | 0.0         |
| GRF                           | 335419 | Community Medication Subsidy        | 7,959,798          | 7,959,798          | 9,959,798          | 9,959,798           | 9,959,798              | 0.0         | 9,959,798              | 0.0         |
| GRF                           | 335505 | Local MH Systems of Care            | 95,231,237         | 97,333,565         | 106,511,686        | 64,123,194          | 0                      | -100.0      | 0                      | .0          |
| GRF                           | 335636 | Local MH Subsidy-Federal Stimulus   | 0                  | 0                  | 0                  | 0                   | 100,132,270            | .0          | 100,132,270            | 0.0         |
| <b>TOTAL General Revenue</b>  |        |                                     | <b>555,826,007</b> | <b>572,144,565</b> | <b>577,179,267</b> | <b>513,555,963</b>  | <b>548,591,331</b>     | <b>6.8</b>  | <b>549,324,831</b>     | <b>0.1</b>  |
| 1490                          | 333609 | Central office Rotary-Operating     | 843,637            | 589,712            | 1,280,911          | 1,200,000           | 1,350,000              | 12.5        | 1,350,000              | 0.0         |
| 1490                          | 334609 | Hospital Rotary-Operating           | 19,136,075         | 26,910,192         | 24,588,228         | 33,800,000          | 28,700,000             | -15.1       | 29,200,000             | 1.7         |
| 1500                          | 334620 | Special Education                   | 106,254            | 70,898             | 120,930            | 120,930             | 150,000                | 24.0        | 150,000                | 0.0         |
| 1510                          | 336601 | General Administration              | 95,360,008         | 105,637,929        | 114,002,481        | 148,998,000         | 159,279,140            | 6.9         | 170,258,490            | 6.9         |
| 4P90                          | 335604 | Community Mental Health Projects    | 10,000             | 10,000             | 0                  | 0                   | 250,000                | .0          | 250,000                | 0.0         |
| <b>TOTAL General Services</b> |        |                                     | <b>115,455,974</b> | <b>133,218,731</b> | <b>139,992,549</b> | <b>184,118,930</b>  | <b>189,729,140</b>     | <b>3.0</b>  | <b>201,208,490</b>     | <b>6.1</b>  |
| 3240                          | 333605 | Medicaid/Medicare                   | 26,546             | 302                | 25                 | 154,500             | 154,500                | 0.0         | 154,500                | 0.0         |
| 3240                          | 334605 | Medicaid/Medicare                   | 10,307,278         | 10,381,632         | 29,579,072         | 50,500,000          | 25,200,000             | -50.1       | 30,200,000             | 19.8        |
| 3A60                          | 333608 | Federal Miscellaneous               | 41,224             | 44,302             | 13,658             | 140,000             | 140,000                | 0.0         | 140,000                | 0.0         |
| 3A60                          | 334608 | Federal Miscellaneous               | 58,903             | 36,844             | 0                  | 586,224             | 586,224                | 0.0         | 586,224                | 0.0         |
| 3A60                          | 335608 | Federal Miscellaneous               | 1,608,102          | 1,659,268          | 2,022,117          | 2,178,699           | 2,178,699              | 0.0         | 2,178,699              | 0.0         |
| 3A70                          | 333612 | Social Services Block Grant         | 0                  | 24,930             | 25,000             | 25,000              | 25,000                 | 0.0         | 25,000                 | 0.0         |
| 3A70                          | 335612 | Social Services Block Grant         | 8,854,336          | 8,580,934          | 8,215,257          | 8,657,288           | 8,632,288              | -0.3        | 8,632,288              | 0.0         |

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**LINE ITEM SUMMARY - Department of Mental Health**

| FUND                                     | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|--------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| 3A80                                     | 333613 | Federal Grant-Administration             | 844,040            | 2,815,937            | 2,379,962            | 4,888,105            | 4,888,105              | 0.0         | 4,888,105              | 0.0         |
| 3A80                                     | 334613 | Federal Letter of Credit                 | 0                  | 0                    | 0                    | 200,000              | 200,000                | 0.0         | 200,000                | 0.0         |
| 3A80                                     | 335613 | Fed Grant-Community MH Board Subsidy     | 2,365,157          | 1,685,703            | 1,893,795            | 2,595,040            | 2,595,040              | 0.0         | 2,595,040              | 0.0         |
| 3A90                                     | 333614 | Mental Health Block Grant                | 727,608            | 714,472              | 715,789              | 748,470              | 748,470                | 0.0         | 748,470                | 0.0         |
| 3A90                                     | 335614 | Mental Health Block Grant                | 14,562,504         | 14,308,969           | 13,278,290           | 14,969,400           | 14,220,930             | -5.0        | 14,220,930             | 0.0         |
| 3B00                                     | 334617 | Elementary/secondary Education Act       | 145,207            | 173,948              | 163,397              | 182,334              | 182,334                | 0.0         | 182,334                | 0.0         |
| 3B10                                     | 333635 | Community Medicaid Expansion             | 8,675,285          | 7,197,834            | 9,695,069            | 13,691,682           | 13,691,682             | 0.0         | 13,691,682             | 0.0         |
| 3B10                                     | 334635 | Hospital Medicaid Expansion              | 0                  | 0                    | 0                    | 2,000,000            | 0                      | -100.0      | 0                      | .0          |
| 3B10                                     | 335635 | Community Medicaid Expansion             | 250,219,360        | 254,652,526          | 270,635,342          | 316,699,716          | 334,728,044            | 5.7         | 327,351,981            | -2.2        |
| <b>TOTAL Federal Special Revenue</b>     |        |  | <b>298,435,551</b> | <b>302,277,602</b>   | <b>338,616,774</b>   | <b>418,216,458</b>   | <b>408,171,316</b>     | <b>-2.4</b> | <b>405,795,253</b>     | <b>-0.6</b> |
| 2320                                     | 333621 | Family and Children First                | 524,577            | 604,504              | 665,423              | 625,000              | 725,000                | 16.0        | 725,000                | 0.0         |
| 4850                                     | 333632 | Mental Health Operating                  | 32,017             | 47,225               | 30,202               | 134,233              | 134,233                | 0.0         | 134,233                | 0.0         |
| 4850                                     | 334632 | Mental Health Operating                  | 2,098,265          | 1,177,905            | 1,758,335            | 3,100,000            | 2,400,000              | -22.6       | 2,400,000              | 0.0         |
| 4X50                                     | 333607 | Behavioral Health Medicaid Services      | 3,167,891          | 3,000,624            | 3,000,624            | 3,000,634            | 3,000,624              | 0.0         | 3,000,624              | 0.0         |
| 5AU0                                     | 335615 | Behavioral Healthcare                    | 5,126,578          | 5,488,723            | 5,065,212            | 6,690,000            | 6,690,000              | 0.0         | 6,690,000              | 0.0         |
| 5CH0                                     | 335622 | Residential State Supplement             | 1,499,960          | 1,499,766            | 1,479,244            | 1,500,000            | 1,500,000              | 0.0         | 1,500,000              | 0.0         |
| 5V20                                     | 333611 | Non Federal Grants                       | 83,182             | 167,017              | 469,500              | 560,000              | 560,000                | 0.0         | 560,000                | 0.0         |
| 6320                                     | 335616 | Community Cap Replacement Facility Funds | 479,562            | 137,238              | 594,469              | 350,000              | 700,000                | 100.0       | 700,000                | 0.0         |
| 6920                                     | 334636 | Community MH Board Risk Fund             | 0                  | 0                    | 0                    | 0                    | 80,000                 | .0          | 80,000                 | 0.0         |
| <b>TOTAL State Special Revenue</b>       |        |  | <b>13,012,031</b>  | <b>12,123,002</b>    | <b>13,063,009</b>    | <b>15,959,867</b>    | <b>15,789,857</b>      | <b>-1.1</b> | <b>15,789,857</b>      | <b>0.0</b>  |
| <b>TOTAL Department of Mental Health</b> |        |  | <b>982,729,564</b> | <b>1,019,763,901</b> | <b>1,068,851,600</b> | <b>1,131,851,218</b> | <b>1,162,281,644</b>   | <b>2.7</b>  | <b>1,172,118,431</b>   | <b>0.8</b>  |



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**Department of Mental Retardation and Developmental Disabilities****Role and Overview**

The Department of Mental Retardation and Developmental Disabilities (ODMR/DD) seeks to improve the quality of life for Ohio's citizens with mental retardation or developmental disabilities and their families by ensuring the availability of programs, services, and support and by promoting their health and safety. The director of the department is appointed by the Governor, and oversees approximately 3,400 employees and an annual budget of approximately \$1.5 billion.

The department distributes funds to Ohio's 88 county boards of mental retardation and developmental disabilities for services and support for individuals with mental retardation/developmental disabilities (MR/DD). These services include, but are not limited to, residential support, early intervention, family support, adult vocational, community employment services, facilitating self-support, and the administration of services and support. The department also provides funding for two waiver programs that enable people to live in and receive services in community residential settings. The department operates ten developmental centers that provide a full range of medical and daily living services to assist residents in achieving their fullest potential in life.

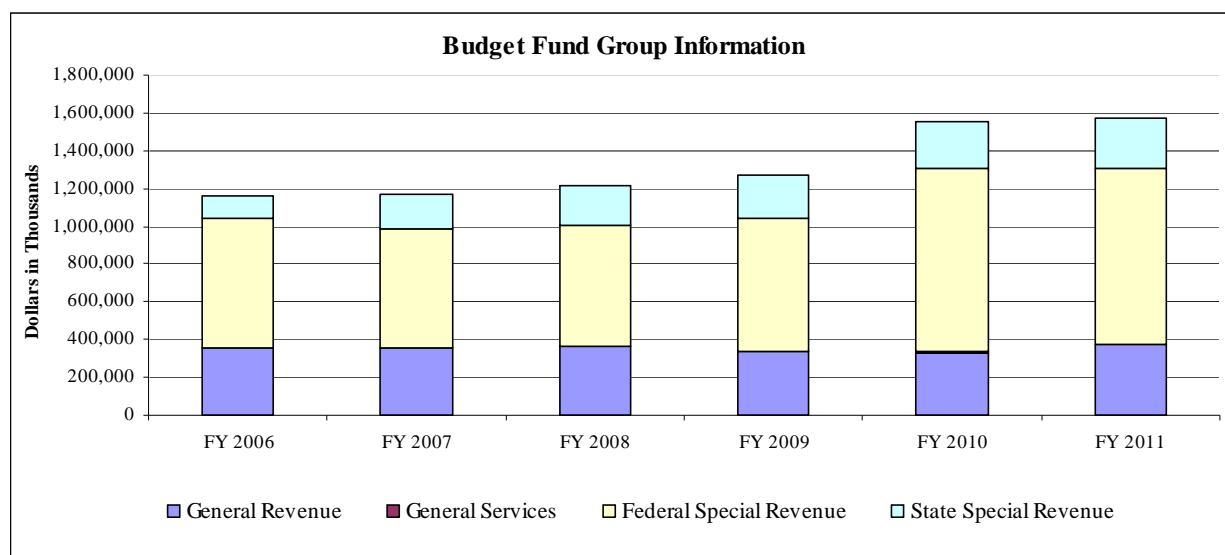
Additional information regarding the Ohio Department of Mental Retardation and Developmental Disabilities is available at <http://dmr.ohio.gov>.

**Agency Priorities**

- Provide more waiver opportunities for individuals with mental retardation and developmental disabilities.
- Create service delivery models that evolve in response to consumer choices.
- Ensure access to a range of high-quality services that protect the health and safety of the individuals served.
- Develop fair and logical payment systems across all programs, improving financial accountability.
- Provide good stewardship of scarce resources in response to the needs of the state and communities.
- Work collaboratively with partners and stakeholders to develop a long-range strategic plan for improving policy and practice in the delivery of services to individuals with developmental disabilities and their families.

## Department of Mental Retardation and Developmental Disabilities

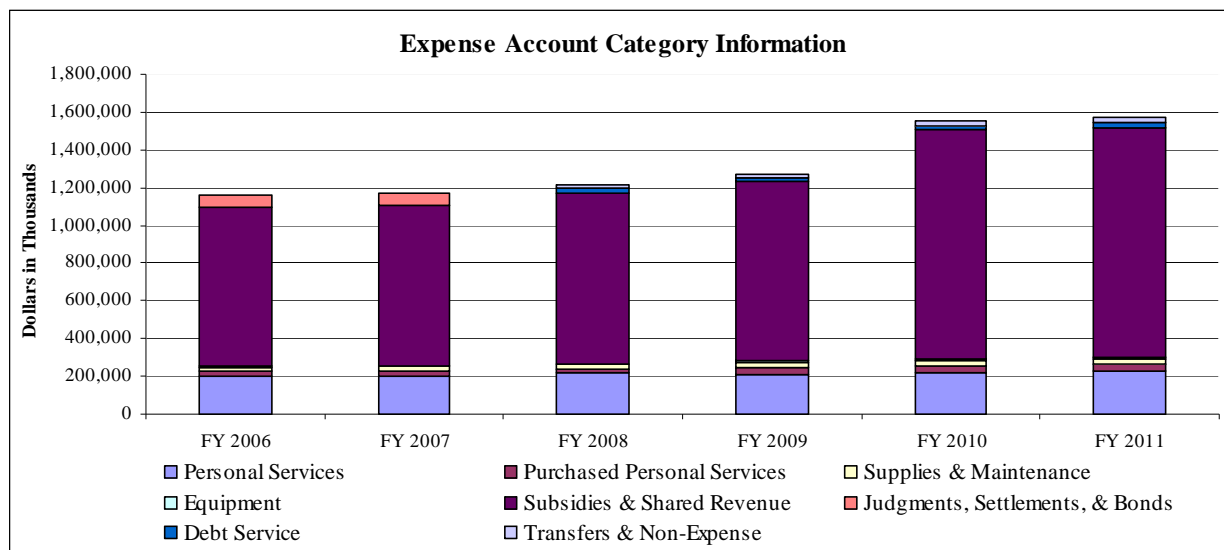
### Summary of Budget History and Recommendations



- Reductions in General Revenue Fund (GRF) spending for Medicaid are offset by projected increases in federal Medicaid match as established in the federal stimulus bill proposal. The state earned share of enhanced federal reimbursement is estimated at \$54.1 million in fiscal year 2010 and \$13.1 million in fiscal year 2011. The county boards of MR/DD earned share of enhanced federal reimbursement is an estimated \$54.9 million in fiscal year 2010 and \$12.6 million in fiscal year 2011.

| (In Thousands)          | ACTUAL           |                  |                  | EST. % CHANGE    |            | RECOMMENDED % CHANGE |             |                  |            |
|-------------------------|------------------|------------------|------------------|------------------|------------|----------------------|-------------|------------------|------------|
|                         | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09   | FY 2010              | FY 2010     | FY 2011          | FY 2011    |
| BUDGET FUND GROUP       |                  |                  |                  |                  |            |                      |             |                  |            |
| General Revenue         | 355,981          | 356,279          | 365,577          | 339,910          | -7.0       | 332,127              | -2.3        | 375,093          | 12.9       |
| General Services        | 1,000            | 304              | 236              | 1,022            | 332.8      | 2,510                | 145.6       | 2,610            | 4.0        |
| Federal Special Revenue | 683,364          | 629,349          | 643,829          | 700,684          | 8.8        | 967,634              | 38.1        | 924,877          | -4.4       |
| State Special Revenue   | 119,290          | 180,659          | 201,127          | 227,173          | 12.9       | 254,900              | 12.2        | 269,667          | 5.8        |
| <b>TOTAL</b>            | <b>1,159,635</b> | <b>1,166,590</b> | <b>1,210,770</b> | <b>1,268,789</b> | <b>4.8</b> | <b>1,557,172</b>     | <b>22.7</b> | <b>1,572,247</b> | <b>1.0</b> |

## Department of Mental Retardation and Developmental Disabilities



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |                  |            |
|---|------------------|------------------|------------------|------------------|------------|-------------------------|-------------|------------------|------------|
|   | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011          | CHANGE     |
| Personal Services                             | 205,225          | 204,109          | 216,186          | 212,506          | -1.7       | 219,741                 | 3.4         | 226,437          | 3.0        |
| Purchased Personal Services                   | 19,841           | 24,427           | 23,435           | 35,374           | 50.9       | 35,510                  | 0.4         | 37,043           | 4.3        |
| Supplies & Maintenance                        | 25,594           | 23,747           | 25,890           | 30,385           | 17.4       | 32,477                  | 6.9         | 32,208           | -0.8       |
| Equipment                                     | 1,290            | 1,826            | 1,998            | 2,858            | 43.0       | 3,174                   | 11.0        | 2,704            | -14.8      |
| Subsidies & Shared Revenue                    | 844,542          | 853,908          | 902,064          | 949,906          | 5.3        | 1,214,901               | 27.9        | 1,221,011        | 0.5        |
| Judgments, Settlements, & Bonds               | 63,144           | 58,574           | 408              | 450              | 10.4       | 15                      | -96.7       | 20               | 33.3       |
| Debt Service                                  | 0                | 0                | 23,595           | 20,505           | -13.1      | 21,974                  | 7.2         | 22,707           | 3.3        |
| Transfers & Non-Expense                       | 0                | 0                | 17,194           | 16,804           | -2.3       | 29,381                  | 74.8        | 30,117           | 2.5        |
| <b>TOTAL</b>                                  | <b>1,159,635</b> | <b>1,166,590</b> | <b>1,210,770</b> | <b>1,268,789</b> | <b>4.8</b> | <b>1,557,172</b>        | <b>22.7</b> | <b>1,572,247</b> | <b>1.0</b> |

### PROGRAM SERIES 01: Community Services

This program series contains programs that are designed to provide community-based support that will enable individuals with MR/DD to reside in the community.

#### Program 01.01: Medicaid Waivers

ODMR/DD administers two home- and community-based Medicaid waivers: the Individual Options (IO) and the Level One waivers. The primary purpose of this program is to provide home- and community-based services and support to individuals with mental retardation or other developmental disabilities that are cost effective, allow individuals to live in community-based settings, increase an individual's skills competencies and self-reliance, ensure an individual's health and safety, and maximize an individual's overall quality of life to the greatest extent possible.

#### The Executive Recommendation will fund the following objectives:

- Provide funding for the IO waiver serving approximately 12,000 individuals;
- Provide funding for the Level One waiver serving approximately 4,650 individuals; and

## Department of Mental Retardation and Developmental Disabilities

- Provide funding for the 1,500 IO waiver slots in compliance with the Martin v. Strickland Consent Order.

| FUND                     |      |        |                                  | RECOMMENDED        |                      |
|--------------------------|------|--------|----------------------------------|--------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010            | FY 2011              |
| GRF                      | GRF  | 322413 | Residential And Support Services | 499,128            | 499,128              |
| GRF                      | GRF  | 322416 | Waiver State Match               | 77,458,611         | 105,471,987          |
| GRF                      | GRF  | 322504 | Martin Settlement Agreement      | 36,841,819         | 36,841,819           |
| FED                      | 3G60 | 322639 | Medicaid Waiver                  | 712,047,332        | 698,881,852          |
| SSR                      | 4K80 | 322604 | Waiver-Match                     | 12,000,000         | 12,000,000           |
| SSR                      | 5H00 | 322619 | Medicaid Repayment               | 150,000            | 150,000              |
| SSR                      | 5Z10 | 322624 | County Board Waiver Match        | 158,648,995        | 169,754,424          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>997,645,885</b> | <b>1,023,599,210</b> |

### Program 01.02: Community Subsidies

This program contains the various state subsidies provided by ODMR/DD to the county boards of MR/DD to assist with the cost of administering and providing service and support, as required by state statute.

#### The Executive Recommendation will fund the following objectives:

- Provide subsidy funds to the 88 county boards of MR/DD who serve 76,000 people.

| FUND                     |      |        |                                  | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010            | FY 2011            |
| GRF                      | GRF  | 322413 | Residential And Support Services | 5,355,427          | 5,355,427          |
| GRF                      | GRF  | 322451 | Family Support Services          | 6,591,953          | 6,591,953          |
| GRF                      | GRF  | 322501 | County Boards Subsidies          | 74,122,497         | 33,790,483         |
| GRF                      | GRF  | 322503 | Tax Equity                       | 14,000,000         | 14,000,000         |
| GRF                      | GRF  | 322646 | MR/DD Subsidy-Federal Stimulus   | 8,784,049          | 49,116,063         |
| SSR                      | 2210 | 322620 | Supplemental Service Trust       | 150,000            | 150,000            |
| SSR                      | 5CT0 | 322632 | Intensive Behavioral Needs       | 1,000,000          | 1,000,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>110,003,926</b> | <b>110,003,926</b> |

### Program 01.03: Quality Assurance

This program assures the health and safety of individuals with MR/DD and ensures that they receive services that yield quality results. This is accomplished through the monitoring and investigation of major unusual incidents, the certification of providers of services, county board accreditation, residential facility licensure, the provision of guardianships, financial management and protector services, and targeted case management.

#### The Executive Recommendation will fund the following objectives:

- Certify 1,800 new service providers;
- Review the licensure for approximately 1,200 licensed providers, 13,000 certified providers, and 88 county boards of MR/DD;
- Provide protective services for individuals with MR/DD; and
- Maintain the Abuser Registry, which allows the state to review all substantiated cases of abuse, neglect, misappropriation, failure to report, and prohibited sexual relations.

## Department of Mental Retardation and Developmental Disabilities

| FUND                     |      |        |                                      | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010            | FY 2011            |
| GRF                      | GRF  | 320412 | Protective Services                  | 2,558,619          | 2,558,619          |
| FED                      | 3A40 | 323605 | Residential Facilities Reimbursement | 5,532,492          | 4,302,892          |
| FED                      | 3G60 | 322639 | Medicaid Waiver                      | 43,205,609         | 22,845,581         |
| FED                      | 3M70 | 322650 | CAFS Medicaid                        | 28,025,980         | 28,039,547         |
| SSR                      | 5DJ0 | 322625 | Targeted Case Management Match       | 14,832,519         | 12,907,720         |
| SSR                      | 5DJ0 | 322626 | Targeted Case Management Services    | 29,926,640         | 31,123,705         |
| SSR                      | 5EV0 | 322627 | Program Fees                         | 700,000            | 700,000            |
| SSR                      | 5S20 | 590622 | Medicaid Administration & Oversight  | 2,004,798          | 2,742,290          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>126,786,657</b> | <b>105,220,354</b> |

### Program 01.04: Grants

Federal grants are received from a variety of sources including Title XX, Early Intervention, Medicaid Infrastructure Grant, and grants for the Ohio Developmental Disabilities Council. The grants are used for a variety of purposes designed to serve and support individuals with MR/DD and improve Ohio's MR/DD system.

#### The Executive Recommendation will fund the following objectives:

- Continue to provide services at current levels.

| FUND                     |      |        |                                      | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010           | FY 2011           |
| FED                      | 3250 | 322612 | Social Service Block Grant           | 10,494,451        | 10,494,451        |
| FED                      | 3A40 | 323605 | Residential Facilities Reimbursement | 300,000           | 300,000           |
| FED                      | 3A50 | 320613 | DD Council Operating Expenses        | 2,891,473         | 2,963,760         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>13,685,924</b> | <b>13,758,211</b> |

### PROGRAM SERIES 02: State Operated Services

This program series contains the Developmental Centers program and the planning, budgeting, and project controls for state and community facilities.

#### Program 02.01: Developmental Centers

This program provides an institutional level of care to individuals at ten developmental centers located around the state. There are currently about 1,475 residents housed in the developmental centers. Residents are provided with around-the-clock care, which includes medical services, skills development (e.g., dressing, grooming, feeding, basic home care), behavior support (psychological services), therapy (e.g., physical, occupational, speech), and residential support (e.g., dining services, housekeeping).

#### The Executive Recommendation will fund the following objectives:

- Fund approximately 3,047 staff in the developmental centers who will provide residential support services, 24-hour care, behavioral supports, therapy, and medical services for approximately 1,250 individuals by the end of fiscal year 2011.
- Include the Developmental Centers in the ICF/MR franchise fee, which will provide additional federal reimbursement to support Medicaid costs.

## Department of Mental Retardation and Developmental Disabilities

| FUND                     |      |        |   | RECOMMENDED        |                    |
|--------------------------|------|--------|---|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010            | FY 2011            |
| GRF                      | GRF  | 322647 | ICF/MR Franchise Fee- Developmental Centers | 5,600,000          | 7,500,000          |
| GRF                      | GRF  | 323321 | Residential Facilities Operations           | 73,203,027         | 85,521,665         |
| GSF                      | 1520 | 323609 | Residential Facilities Support              | 2,400,000          | 2,500,000          |
| FED                      | 3A40 | 323605 | Residential Facilities Reimbursement        | 155,884,629        | 147,204,447        |
| FED                      | 3G60 | 322639 | Medicaid Waiver                             | 226,856            | 230,229            |
| FED                      | 3M70 | 322650 | CAFS Medicaid                               | 0                  | 1,020              |
| SSR                      | 4890 | 323632 | Operating Expense                           | 15,395,774         | 15,395,684         |
| SSR                      | 5S20 | 590622 | Medicaid Administration & Oversight         | 16,298             | 0                  |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>252,726,584</b> | <b>258,353,045</b> |

### Program 02.02: Facilities Development and Management

This program provides project management for various state and community facilities needed for the effective delivery of appropriate services. These include the purchase or renovation of community housing for individuals with MR/DD, development of Early Childhood and Family Centers and Adult Workshops, renovations for increased handicap accessibility, and maintenance of the ten developmental centers.

#### The Executive Recommendation will fund the following objectives:

- Oversee the ongoing capital maintenance of ten developmental centers;
- Manage the construction and renovation of Early Childhood and Family Centers, as well as Adult Workshops and home accessibility modifications; and
- Manage the renovation, construction, and purchase of approximately 144 houses for individuals with MR/DD.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 320321 | Central Administration         | 292,929          | 350,846          |
| FED                      | 3G60 | 322639 | Medicaid Waiver                | 66,454           | 7,216            |
| FED                      | 3M70 | 322650 | CAFS Medicaid                  | 0                | 11,731           |
| SSR                      | 5DK0 | 322629 | Capital Replacement Facilities | 750,000          | 750,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>1,109,383</b> | <b>1,119,793</b> |

### PROGRAM SERIES 03: Central Administration

This program series contains the non-program specific activities supported in the Department of Mental Retardation and Developmental Disabilities central office.

#### Program 03.01: Central Administration

This program provides the department with the necessary infrastructural support to successfully carry out its mission. The intended outcome is to perform this function efficiently through economical use of resources, financial controls, improving management processes, and ensuring compliance with state and federal laws.

#### The Executive Recommendation will fund the following objectives:

- Provide funding for fiscal administration, audit services, Medicaid policy development, waiver administration, IT services, and legal services for the Department of Mental Retardation and Developmental Disabilities; and
- Fund Central Administration's 165 staff members.

## Department of Mental Retardation and Developmental Disabilities

| FUND                     |      |        |                                      | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010           | FY 2011           |
| GRF                      | GRF  | 320321 | Central Administration               | 5,192,571         | 5,134,654         |
| GSF                      | 1520 | 323609 | Residential Facilities Support       | 100,000           | 100,000           |
| GSF                      | 4880 | 322603 | Residential Services Refund          | 10,000            | 10,000            |
| FED                      | 3A40 | 323605 | Residential Facilities Reimbursement | 5,458,126         | 5,676,486         |
| FED                      | 3G60 | 322639 | Medicaid Waiver                      | 3,060,850         | 2,620,631         |
| FED                      | 3M70 | 322650 | CAFS Medicaid                        | 440,000           | 1,297,204         |
| SSR                      | 5GE0 | 320606 | Central Office Administration        | 3,760,504         | 7,521,008         |
| SSR                      | 5S20 | 590622 | Medicaid Administration & Oversight  | 15,564,461        | 15,472,545        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>33,586,512</b> | <b>37,832,528</b> |

### PROGRAM SERIES 04: Debt Service

The program series includes the Debt Service Program.

#### Program 04.01: Debt Service

Debt Service is the principal and interest payment for past and present capital expenditures on Department of Mental Retardation and Developmental Disabilities-owned facilities.

#### The Executive Recommendation will fund the following objectives:

- Principal and interest payments for capital expenditures on Department of Mental Retardation and Developmental Disabilities-owned facilities.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 320415 | Lease Rental Payments | 21,626,800        | 22,360,300        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>21,626,800</b> | <b>22,360,300</b> |

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**Department of Mental Retardation and Developmental Disabilities**

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

322501, County Board Subsidies: Funding reductions in this line item are partially offset by the new GRF line item Federal Stimulus GRF line item 322646, MR/DD Subsidy-Federal Stimulus.



## Department of Mental Retardation and Developmental Disabilities

**LINE ITEM SUMMARY - Department of Mental Retardation & Developmental Disabilities**

| FUND                          | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|---|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                           | 320321 | Central Administration                      | 9,378,560          | 9,268,890          | 8,756,804          | 5,485,500           | 5,485,500              | 0.0          | 5,485,500              | 0.0         |
| GRF                           | 320412 | Protective Services                         | 2,463,000          | 2,463,000          | 2,736,476          | 2,558,619           | 2,558,619              | 0.0          | 2,558,619              | 0.0         |
| GRF                           | 320415 | Lease Rental Payments                       | 22,340,731         | 24,414,958         | 23,368,304         | 20,504,500          | 21,626,800             | 5.5          | 22,360,300             | 3.4         |
| GRF                           | 322405 | State Use Program                           | 14,791             | 0                  | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 322413 | Residential and Support Services            | 6,890,156          | 6,306,681          | 6,433,533          | 5,608,047           | 5,854,555              | 4.4          | 5,854,555              | 0.0         |
| GRF                           | 322416 | Waiver State Match                          | 106,181,843        | 111,103,709        | 110,132,591        | 109,551,380         | 77,458,611             | -29.3        | 105,471,987            | 36.2        |
| GRF                           | 322417 | Supported Living                            | 43,303,207         | 43,235,162         | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 322451 | Family Support Services                     | 6,836,353          | 7,053,157          | 6,938,898          | 6,314,397           | 6,591,953              | 4.4          | 6,591,953              | 0.0         |
| GRF                           | 322452 | Case Management                             | 8,672,730          | 8,672,723          | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                           | 322501 | County Boards Subsidies                     | 31,337,721         | 31,296,087         | 87,270,048         | 57,964,005          | 74,122,497             | 27.9         | 33,790,483             | -54.4       |
| GRF                           | 322503 | Tax Equity                                  | 14,000,000         | 14,008,173         | 14,000,000         | 14,000,000          | 14,000,000             | 0.0          | 14,000,000             | 0.0         |
| GRF                           | 322504 | Martin Settlement Agreement                 | 0                  | 0                  | 1,971,126          | 22,675,901          | 36,841,819             | 62.5         | 36,841,819             | 0.0         |
| GRF                           | 322646 | MR/DD Subsidy-Federal Stimulus              | 0                  | 0                  | 0                  | 0                   | 8,784,049              | .0           | 49,116,063             | 459.2       |
| GRF                           | 322647 | ICF/MR Franchise Fee- Developmental Centers | 0                  | 0                  | 0                  | 0                   | 5,600,000              | .0           | 7,500,000              | 33.9        |
| GRF                           | 323321 | Residential Facilities Operations           | 104,561,813        | 98,456,493         | 103,969,500        | 95,247,156          | 73,203,027             | -23.1        | 85,521,665             | 16.8        |
| <b>TOTAL General Revenue</b>  |        |   | <b>355,980,905</b> | <b>356,279,033</b> | <b>365,577,281</b> | <b>339,909,505</b>  | <b>332,127,430</b>     | <b>-2.3</b>  | <b>375,092,944</b>     | <b>12.9</b> |
| 1520                          | 323609 | Residential Facilities Support              | 466,412            | 277,885            | 220,230            | 912,176             | 2,500,000              | 174.1        | 2,600,000              | 4.0         |
| 4880                          | 322603 | Residential Services Refund                 | 0                  | 21,869             | 11,025             | 10,000              | 10,000                 | 0.0          | 10,000                 | 0.0         |
| 4B50                          | 320640 | Conference/training                         | 35,861             | 4,255              | 4,902              | 100,000             | 0                      | -100.0       | 0                      | .0          |
| 4J60                          | 322645 | Intersystem Services For Child              | 465,117            | 0                  | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| 4V10                          | 322611 | Family and Children First                   | 33,082             | 0                  | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL General Services</b> |        |   | <b>1,000,472</b>   | <b>304,009</b>     | <b>236,157</b>     | <b>1,022,176</b>    | <b>2,510,000</b>       | <b>145.6</b> | <b>2,610,000</b>       | <b>4.0</b>  |
| 3250                          | 320634 | Protective Services                         | 100,000            | 100,000            | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| 3250                          | 322608 | Federal Grants-Operating                    | 933,790            | 1,223,224          | 11,500             | 0                   | 0                      | .0           | 0                      | .0          |
| 3250                          | 322612 | Social Service Block Grant                  | 9,281,654          | 9,396,029          | 10,114,552         | 10,886,735          | 10,494,451             | -3.6         | 10,494,451             | 0.0         |
| 3250                          | 323608 | Federal Grants-Subsidies                    | 365,452            | 478,971            | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| 3A40                          | 320605 | Administrative Support                      | 7,082,409          | 11,443,663         | 157,820            | 0                   | 0                      | .0           | 0                      | .0          |

## Department of Mental Retardation and Developmental Disabilities

**LINE ITEM SUMMARY - Department of Mental Retardation & Developmental Disabilities**

| FUND   | ALI    | ALI NAME                             | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| 3A40   | 322605 | Community Program Support            | 0                    | 14,206               | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3A40   | 323605 | Residential Facilities Reimbursement | 109,134,281          | 113,171,628          | 125,736,838          | 137,555,307          | 167,175,247            | 21.5        | 157,483,825            | -5.8        |
| 3A50   | 320613 | DD Council Operating Expenses        | 858,092              | 866,437              | 1,808,143            | 2,743,630            | 2,891,473              | 5.4         | 2,963,760              | 2.5         |
| 3A50   | 322613 | DD Council Grants                    | 1,858,098            | 2,161,173            | 644,157              | 0                    | 0                      | .0          | 0                      | .0          |
| 3G60   | 322639 | Medicaid Waiver                      | 381,771,333          | 435,399,284          | 474,428,522          | 540,618,829          | 758,607,101            | 40.3        | 724,585,509            | -4.5        |
| 3M70   | 322650 | CAFS Medicaid                        | 171,979,188          | 55,093,928           | 30,927,846           | 8,879,319            | 28,465,980             | 220.6       | 29,349,502             | 3.1         |
| <b>TOTAL Federal Special Revenue</b>   |        |                                      | <b>683,364,296</b>   | <b>629,348,544</b>   | <b>643,829,378</b>   | <b>700,683,820</b>   | <b>967,634,252</b>     | <b>38.1</b> | <b>924,877,047</b>     | <b>-4.4</b> |
| 2210   | 322620 | Supplemental Service Trust           | 0                    | 38,194               | 45,302               | 150,000              | 150,000                | 0.0         | 150,000                | 0.0         |
| 4890   | 323632 | Operating Expense                    | 12,035,511           | 12,032,182           | 11,779,811           | 14,671,606           | 15,395,774             | 4.9         | 15,395,684             | 0.0         |
| 4K80   | 322604 | Waiver-Match                         | 9,190,003            | 11,775,244           | 14,978,800           | 12,000,000           | 12,000,000             | 0.0         | 12,000,000             | 0.0         |
| 5AT0   | 322631 | Autism Transition Bridge             | 0                    | 0                    | 0                    | 204,000              | 0                      | -100.0      | 0                      | .0          |
| 5CT0   | 322632 | Intensive Behavioral Needs           | 0                    | 0                    | 0                    | 1,000,000            | 1,000,000              | 0.0         | 1,000,000              | 0.0         |
| 5DJ0   | 322625 | Targeted Case Management Match       | 0                    | 12,428,376           | 10,932,405           | 11,470,757           | 14,832,519             | 29.3        | 12,907,720             | -13.0       |
| 5DJ0   | 322626 | Targeted Case Management Services    | 0                    | 30,878,327           | 33,532,674           | 28,512,943           | 29,926,640             | 5.0         | 31,123,705             | 4.0         |
| 5DK0   | 322629 | Capital Replacement Facilities       | 0                    | 0                    | 11,343               | 750,000              | 750,000                | 0.0         | 750,000                | 0.0         |
| 5EV0   | 322627 | Program Fees                         | 0                    | 0                    | 80                   | 20,000               | 700,000                | 3400.0      | 700,000                | 0.0         |
| 5GE0   | 320606 | Central office Administration        | 0                    | 0                    | 0                    | 0                    | 3,760,504              | .0          | 7,521,008              | 100.0       |
| 5H00   | 322619 | Medicaid Repayment                   | 0                    | 1,448                | 11,343               | 10,000               | 150,000                | 1400.0      | 150,000                | 0.0         |
| 5S20   | 590622 | Medicaid Administration & Oversight  | 6,105,525            | 7,835,577            | 7,731,518            | 11,383,703           | 17,585,557             | 54.5        | 18,214,835             | 3.6         |
| 5Z10   | 322624 | County Board Waiver Match            | 91,958,562           | 105,669,517          | 122,103,928          | 147,000,000          | 158,648,995            | 7.9         | 169,754,424            | 7.0         |
| <b>TOTAL State Special Revenue</b>   |        |                                      | <b>119,289,601</b>   | <b>180,658,866</b>   | <b>201,127,203</b>   | <b>227,173,009</b>   | <b>254,899,989</b>     | <b>12.2</b> | <b>269,667,376</b>     | <b>5.8</b>  |
| <b>TOTAL Department of Mental Retardation &amp; Developmental Disabilities</b> |        |                                      | <b>1,159,635,274</b> | <b>1,166,590,451</b> | <b>1,210,770,018</b> | <b>1,268,788,510</b> | <b>1,557,171,671</b>   | <b>22.7</b> | <b>1,572,247,367</b>   | <b>1.0</b>  |

### **Role and Overview**

The Commission on Minority Health (MIH) promotes health awareness and disease prevention among members of economically disadvantaged minority populations by providing demonstration grants to community-based organizations.

The commission has an 18-member board that sets policy for the administration of the agency and grants. The Governor appoints nine members to the board, and the Speaker of the House of Representatives and the President of the Senate each appoint two members. Board members also include the directors or their designees of the Departments of Health, Job and Family Services, Mental Health, Mental Retardation and Developmental Disabilities, and the Superintendent of Public Instruction.

The commission awards grants to community-based programs and monitors program implementation and outcomes. The commission funds approximately 120 projects each year. Most projects are implemented in April, which is designated as Minority Health Month. The projects use culturally specific approaches to prevent and alleviate six diseases and conditions that cause premature deaths among economically disadvantaged minority groups. The six diseases and conditions are cardiovascular disease, diabetes, cancer, infant mortality, substance abuse, and violence. Pilot projects that address innovative approaches to addressing health disparities, e.g., cardio metabolic disorder, are included in the purview of the commission. The commission also provides grants to support activities for systemic lupus erythematosus (SLE).

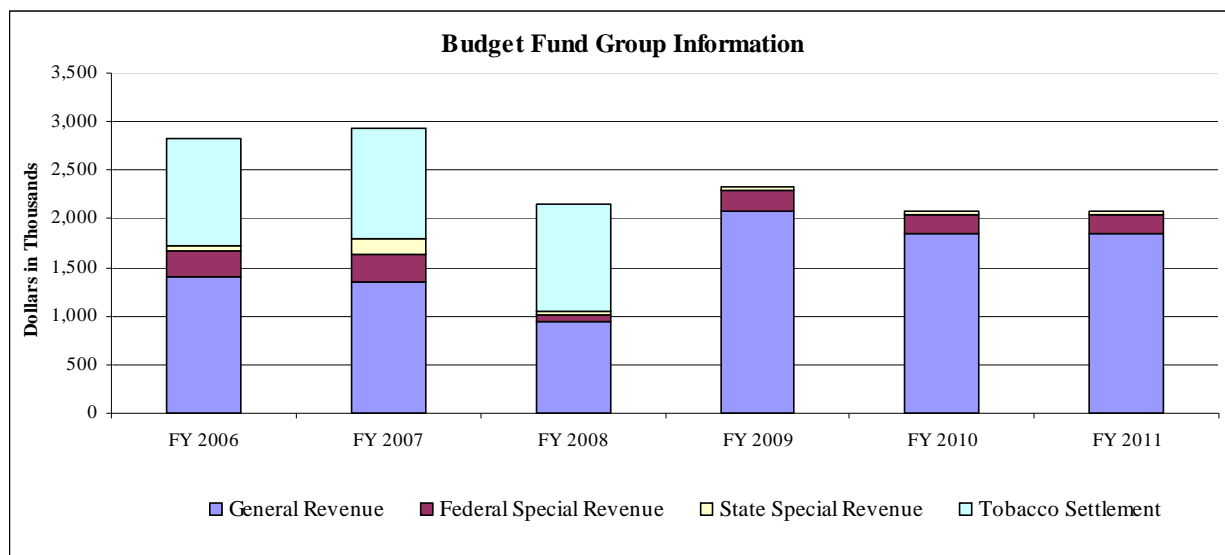
In addition to these funds, the commission is in year four of a five-year State Partnership Grant from the U.S. Department of Health and Human Services/Office of Minority Health. This grant is a State and Territorial Minority Demonstration Grant Program designed to build capacity and infrastructure within African American and Latino/Hispanic communities and to increase the number of minority certified diabetes educators in Ohio.

Additional information regarding the Ohio Commission on Minority Health is available at <http://mih.ohio.gov/>.

### **Agency Priorities**

- Provide health awareness and disease prevention services through community-based agencies and organizations to address health disparities in African American, Latino/Hispanic, Asian, and Native American communities.
- Provide support groups and other services to improve the quality of life for all Ohioans impacted by Systemic Lupus Erythematosus (SLE).
- Provide culturally competent programming resulting in high-quality services to prevent illness and injury, especially in economically disadvantaged minority communities.
- Utilize the REEP (Research Evaluation Enhancement Project) to assess performance based on measurable outcomes for all projects funded and citizens served by commission funded projects.
- Develop strategic public and private partnerships to assure transparency and accountability in the healthcare system.
- Create local infrastructure and capacity to provide quality services in Ohio's seven largest cities.
- Continue to institutionalize and foster sustainability of local, innovative initiatives that demonstrate efficacy creating local funding streams.
- Build statewide infrastructure and capacity for cardio metabolic disorder programs based on community, academic, and medical partnerships.

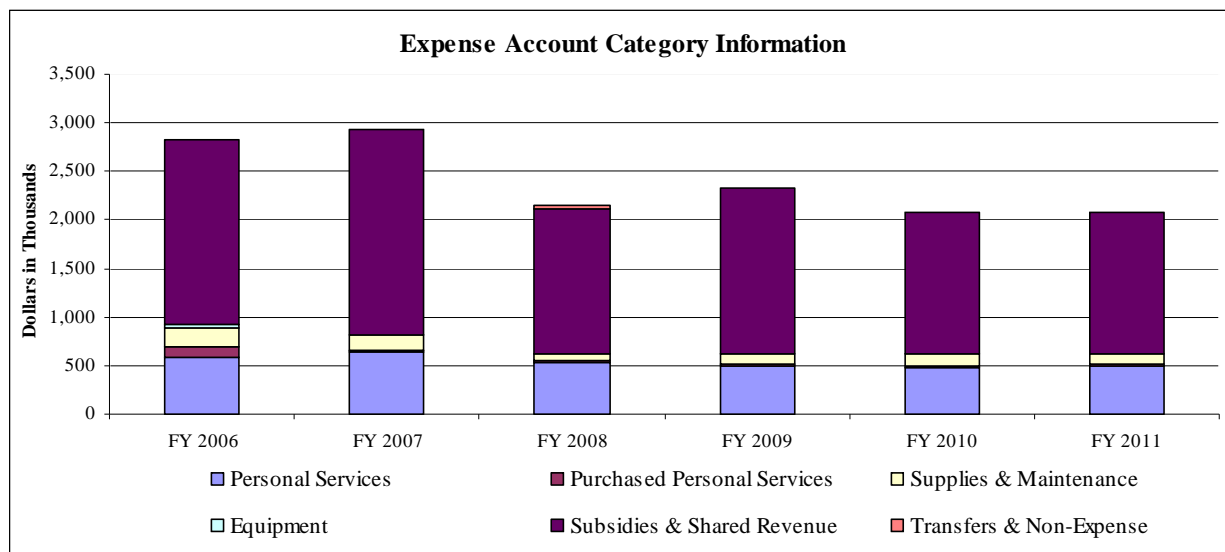
### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |              |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|------------|----------------------|--------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | CHANGE       | FY 2011      | CHANGE     |
| General Revenue                     | 1,411        | 1,348        | 933          | 2,083         | 123.3      | 1,856                | -10.9        | 1,856        | 0.0        |
| Federal Special Revenue             | 257          | 281          | 78           | 216           | 176.7      | 179                  | -17.1        | 179          | 0.0        |
| State Special Revenue               | 54           | 166          | 33           | 30            | -8.3       | 48                   | 58.3         | 48           | 0.0        |
| Tobacco Settlement                  | 1,109        | 1,133        | 1,106        | 0             | -100.0     | 0                    | 0.0          | 0            | 0.0        |
| <b>TOTAL</b>                        | <b>2,832</b> | <b>2,928</b> | <b>2,150</b> | <b>2,329</b>  | <b>8.4</b> | <b>2,083</b>         | <b>-10.6</b> | <b>2,083</b> | <b>0.0</b> |

- House Bill 119 supplanted the loss of Tobacco Settlement with \$1.0 million in General Revenue Funds in fiscal year 2009.

State of Ohio  
**Commission on Minority Health**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|--------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011      | CHANGE     |
| Personal Services                             | 585          | 635          | 531          | 493              | -7.2       | 484                     | -2.0         | 493          | 2.0        |
| Purchased Personal Services                   | 109          | 29           | 18           | 23               | 25.0       | 21                      | -8.8         | 21           | 0.0        |
| Supplies & Maintenance                        | 201          | 162          | 69           | 99               | 43.3       | 108                     | 9.8          | 108          | 0.0        |
| Equipment                                     | 30           | 0            | 1            | 0                | -100.0     | 0                       | 0.0          | 0            | 0.0        |
| Subsidies & Shared Revenue                    | 1,906        | 2,102        | 1,504        | 1,714            | 14.0       | 1,470                   | -14.2        | 1,461        | -0.6       |
| Transfers & Non-Expense                       | 0            | 0            | 26           | 0                | -100.0     | 0                       | 0.0          | 0            | 0.0        |
| <b>TOTAL</b>                                  | <b>2,832</b> | <b>2,928</b> | <b>2,150</b> | <b>2,329</b>     | <b>8.4</b> | <b>2,083</b>            | <b>-10.6</b> | <b>2,083</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Grant Programs

This program series promotes health and disease prevention in minority populations through grant awards to community-based agencies and organizations.

#### Program 01.01: Demonstration Grants

This program funds innovative and culturally specific projects that address a specific community with a methodology that yields measurable outcomes for behavior change. Grants must identify one or more of the six diseases and conditions, or risk factors responsible for excess premature deaths in the community. This program seeks to institutionalize culturally appropriate projects into other sources of funding and the healthcare delivery system. This program also funds Minority Health Month a 30-day high visibility wellness campaign, conducted throughout the state during the month of April each year.

#### The Executive Recommendation will fund the following objectives:

- Grants that focus on changing life styles and behaviors of minority populations at risk of contracting one or more of the targeted diseases;
- Individual grants throughout the state to help publicize Minority Health Month activities; and
- Provide funding for MIH's administrative expenses.

State of Ohio  
**Commission on Minority Health**

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| GRF                      | GRF  | 149321 | Operating Expenses     | 490,998          | 499,998          |
| GRF                      | GRF  | 149501 | Minority Health Grants | 1,250,440        | 1,241,440        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>1,741,438</b> | <b>1,741,438</b> |

**Program 01.02: Lupus Grants**

This program provides grants for lupus programs for patient, public, and professional education. In addition, lupus grants can be used to encourage and develop local centers which gather lupus information, provide screenings, and provide outreach to women of color.

**The Executive Recommendation will fund the following objectives:**

- Grants to local entities focused on the treatment of lupus.

| FUND                     |      |        |               | RECOMMENDED    |                |
|--------------------------|------|--------|---------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME      | FY 2010        | FY 2011        |
| GRF                      | GRF  | 149502 | Lupus Program | 114,632        | 114,632        |
| <b>TOTAL FOR PROGRAM</b> |      |        |               | <b>114,632</b> | <b>114,632</b> |

**Program 01.03: HIV Grants**

This program is Partnership Agreement with the Ohio Department of Health (ODH) to ultimately increase the enrollment of African-Americans living with HIV/AIDS into “care”. Care includes enrollment in the Ohio HIV Drug Assistance Program (OHDAP), the Health Insurance Premium Payment Program (HIPP), Medicaid Spenddown (SD) and the Case Management Program (CM).

**The Executive Recommendation will fund the following objectives:**

- Provide assistance to ODH in assessing the utility of outreach efforts in the African American community; and
- Provide funding for MIH’s administrative expenses.

| FUND                     |      |        |                | RECOMMENDED   |               |
|--------------------------|------|--------|----------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME       | FY 2010       | FY 2011       |
| FED                      | 3J90 | 149602 | Federal Grants | 20,000        | 20,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                | <b>20,000</b> | <b>20,000</b> |

**Program 01.04: Minority Health Grants**

This grant program is funded by the U.S. Department of Health and Human Services, Office of Minority Health. The grant is a State and Territorial Minority Demonstration Grant Program that is designed to build capacity and infrastructure within African American and Latino/Hispanic communities and to increase the number of minority Certified Diabetes Educators (CDE).

**The Executive Recommendation will fund the following objectives:**

- Provide funding to community based agencies who have agreed to participate in the CDE training; and
- Provide partial funding for one staff member.

State of Ohio  
**Commission on Minority Health**

| FUND              |      |        |                | RECOMMENDED |         |
|-------------------|------|--------|----------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME       | FY 2010     | FY 2011 |
| FED               | 3J90 | 149602 | Federal Grants | 159,250     | 159,250 |
| TOTAL FOR PROGRAM |      |        |                | 159,250     | 159,250 |

**PROGRAM SERIES 02: Capacity Building and Education**

This program series increases service and performance of community-based agencies, increases skill performance of health providers, improves measurable behavior changes of community groups, and institutionalizes system change.

**Program 02.01: Minority Health Conferences**

This program develops culturally relevant conferences, symposia, etc. to build capacity for service delivery in communities of color. Typically, these activities focus on new bodies of scientific information, modalities for culturally competent service delivery, etc. Program activities may be disease specific or be designed to address statewide needs of racial/ethnic/geographic populations.

**The Executive Recommendation will fund the following objectives:**

- Provide funding for culturally relevant conferences.

| FUND              |      |        |                            | RECOMMENDED |         |
|-------------------|------|--------|----------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                   | FY 2010     | FY 2011 |
| SSR               | 4C20 | 149601 | Minority Health Conference | 47,500      | 47,500  |
| TOTAL FOR PROGRAM |      |        |                            | 47,500      | 47,500  |

State of Ohio  
Commission on Minority Health

**LINE ITEM SUMMARY - Commission on Minority Health**

| FUND                                       | ALI    | ALI NAME                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF  | 149321 | Operating Expenses             | 587,773           | 526,167           | 488,550           | 512,998             | 490,998                | -4.3         | 499,998                | 1.8         |
| GRF  | 149501 | Minority Health Grants         | 700,120           | 707,714           | 314,740           | 1,433,693           | 1,250,440              | -12.8        | 1,241,440              | -0.7        |
| GRF  | 149502 | Lupus Program                  | 123,487           | 114,167           | 129,428           | 136,126             | 114,632                | -15.8        | 114,632                | 0.0         |
| <b>TOTAL General Revenue</b>               |        |                                | <b>1,411,380</b>  | <b>1,348,048</b>  | <b>932,718</b>    | <b>2,082,817</b>    | <b>1,856,070</b>       | <b>-10.9</b> | <b>1,856,070</b>       | <b>0.0</b>  |
| 3J90                                       | 149602 | Federal Grants                 | 256,873           | 280,714           | 78,158            | 216,285             | 179,250                | -17.1        | 179,250                | 0.0         |
| <b>TOTAL Federal Special Revenue</b>       |        |                                | <b>256,873</b>    | <b>280,714</b>    | <b>78,158</b>     | <b>216,285</b>      | <b>179,250</b>         | <b>-17.1</b> | <b>179,250</b>         | <b>0.0</b>  |
| 4C20                                       | 149601 | Minority Health Conference     | 54,180            | 165,708           | 32,732            | 30,000              | 47,500                 | 58.3         | 47,500                 | 0.0         |
| <b>TOTAL State Special Revenue</b>         |        |                                | <b>54,180</b>     | <b>165,708</b>    | <b>32,732</b>     | <b>30,000</b>       | <b>47,500</b>          | <b>58.3</b>  | <b>47,500</b>          | <b>0.0</b>  |
| L087                                       | 149402 | Community Minority Health Grnt | 1,037,492         | 994,263           | 982,534           | 0                   | 0                      | .0           | 0                      | .0          |
| L087                                       | 149403 | Training and Capacity Building | 71,762            | 139,119           | 123,425           | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>            |        |                                | <b>1,109,254</b>  | <b>1,133,382</b>  | <b>1,105,959</b>  | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Commission on Minority Health</b> |        |                                | <b>2,831,687</b>  | <b>2,927,852</b>  | <b>2,149,567</b>  | <b>2,329,102</b>    | <b>2,082,820</b>       | <b>-10.6</b> | <b>2,082,820</b>       | <b>0.0</b>  |

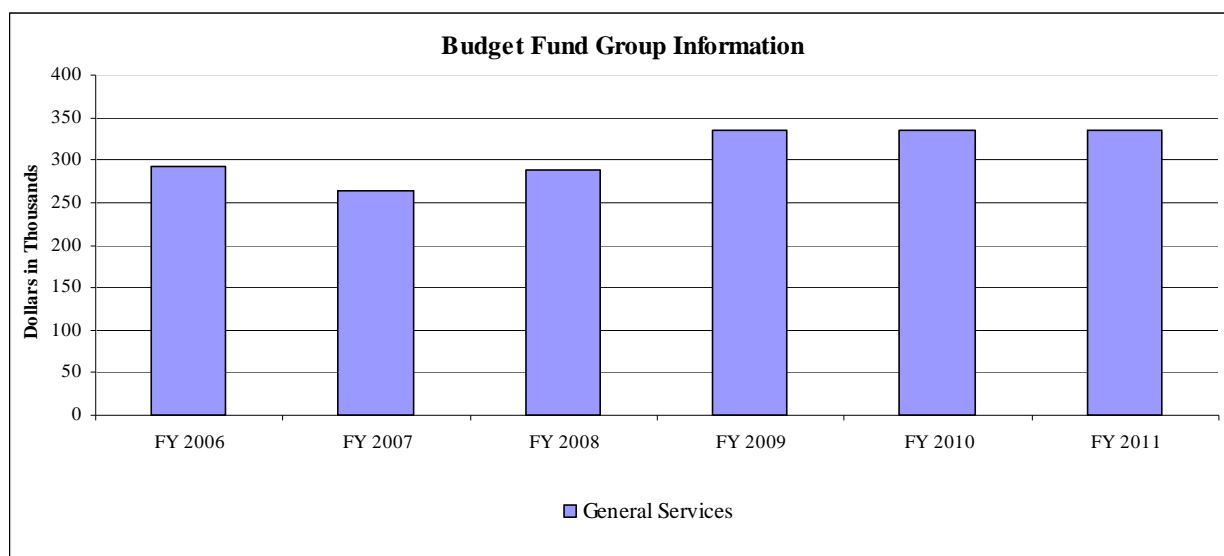


## Board of Motor Vehicle Collision Repair Registration

### Role and Overview

The Board of Motor Vehicle Collision Repair Registration (CRB) was established to register and regulate collision repair facilities in Ohio. The board monitors licensees to ensure compliance with the laws and rules of Ohio. CRB licenses approximately 1,400 facilities and estimates that approximately 500 facilities are currently operating without registration. Additional information about the Board of Motor Vehicle Collision Repair Registration is available at <http://www.collisionboard.ohio.gov/>.

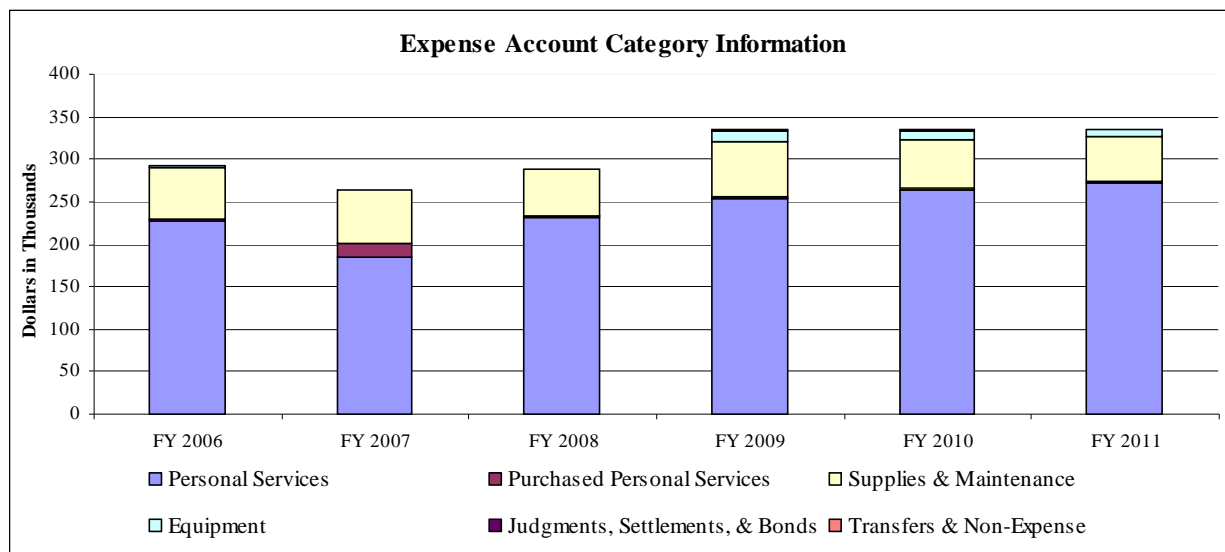
### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 293        | 264        | 289        | 335              | 16.0        | 335                     | 0.0        | 335        | 0.0        |
| <b>TOTAL</b>                        | <b>293</b> | <b>264</b> | <b>289</b> | <b>335</b>       | <b>16.0</b> | <b>335</b>              | <b>0.0</b> | <b>335</b> | <b>0.0</b> |

State of Ohio

## Board of Motor Vehicle Collision Repair Registration



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 227        | 184        | 232        | 254              | 9.3         | 263                     | 3.5        | 272        | 3.5        |
| Purchased Personal Services                   | 2          | 18         | 1          | 2                | 162.7       | 2                       | 0.0        | 2          | -25.0      |
| Supplies & Maintenance                        | 62         | 61         | 55         | 64               | 16.2        | 58                      | -9.4       | 53         | -9.4       |
| Equipment                                     | 1          | 0          | 0          | 13               | 100.0       | 11                      | -16.2      | 8          | -28.6      |
| Judgments, Settlements, & Bonds               | 0          | 1          | 0          | 2                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 0          | 0                | -100.0      | 1                       | 100.0      | 1          | -16.7      |
| <b>TOTAL</b>                                  | <b>293</b> | <b>264</b> | <b>289</b> | <b>335</b>       | <b>16.0</b> | <b>335</b>              | <b>0.0</b> | <b>335</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Board of Motor Vehicle Collision Repair Registration.

#### The Executive Recommendation will fund the following objectives:

- Maintain oversight of the more than 1,400 collision repair facilities currently registered;
- Enhance the board's involvement in higher education industry standards; and
- Enforce the state registration laws to protect the consumer and level the playing field for the small businesses within the industry.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 865601 | Operating Expenses | 334,995        | 334,995        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>334,995</b> | <b>334,995</b> |

## Board of Motor Vehicle Collision Repair Registration

**LINE ITEM SUMMARY - Board of Motor Vehicle Collision Repair Registration**

| FUND  | ALI    | ALI NAME           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90  | 865601 | Operating Expenses | 0                 | 0                 | 288,745           | 334,995             | 334,995                | 0.0         | 334,995                | 0.0         |
| 5H90  | 865609 | Operating Expenses | 292,686           | 263,895           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Services</b>                                     |        |                    | <b>292,686</b>    | <b>263,895</b>    | <b>288,745</b>    | <b>334,995</b>      | <b>334,995</b>         | <b>0.0</b>  | <b>334,995</b>         | <b>0.0</b>  |
| <b>TOTAL Board of Motor Vehicle Collision Repair Registration</b> |        |                    | <b>292,686</b>    | <b>263,895</b>    | <b>288,745</b>    | <b>334,995</b>      | <b>334,995</b>         | <b>0.0</b>  | <b>334,995</b>         | <b>0.0</b>  |

### **Role and Overview**

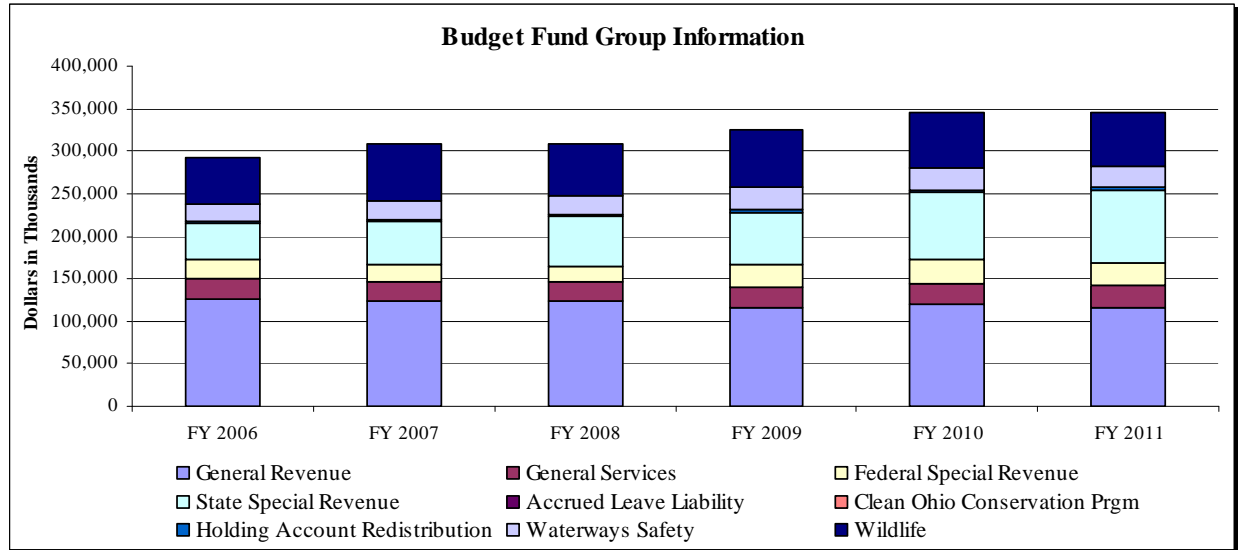
The Ohio Department of Natural Resources (ODNR) through a variety of management, planning, regulatory, educational, and research strategies strives to ensure a balance between the conservation and wise use of Ohio's natural resources. This mission is accomplished through a wide range of conservation strategies and services, including the collection and dissemination of data crucial for economic development, environmental protection and resource stewardship. The agency employs 2,481 permanent and seasonal staff and has an annual operating budget of approximately \$345 million.

The department's 12 statutory divisions are strategically focused on outdoor recreation, land and water stewardship, Lake Erie protection and the stewardship of Ohio's fish, wildlife and plant communities. Operations and facilities are present in each of the state's 88 counties, where ODNR owns or manages more than 714,235 acres of land, including 74 state parks, 20 state forests, 132 nature preserves, 138 state wildlife areas and six state fish hatcheries. ODNR also has jurisdiction over more than 120,000 acres of inland waters and 7,000 miles of streams, including 14 designated state scenic rivers, as well as Ohio's portions of Lake Erie and the Ohio River. Among its other responsibilities, the department regulates the oil, gas and mineral industries in Ohio, manages the state's water resources, coordinates activities of county soil and water conservation districts, manages programs to monitor and protect Ohio's Lake Erie coastal resources and supports local recycling and litter prevention programs. In conjunction with the Ohio Environmental Protection Agency, the department is requesting increases in the Municipal Solid Waste and Construction and Demolition Debris tipping fees. The proposed fee increases will provide a stable funding source for Soil and Water Conservation Districts. The department is also seeking an energy resource extraction fee to fund the regulation of the coal, oil and natural gas industries in Ohio. More information regarding the Department of Natural Resources is available at [www.ohiodnr.com](http://www.ohiodnr.com).

### **Agency Priorities**

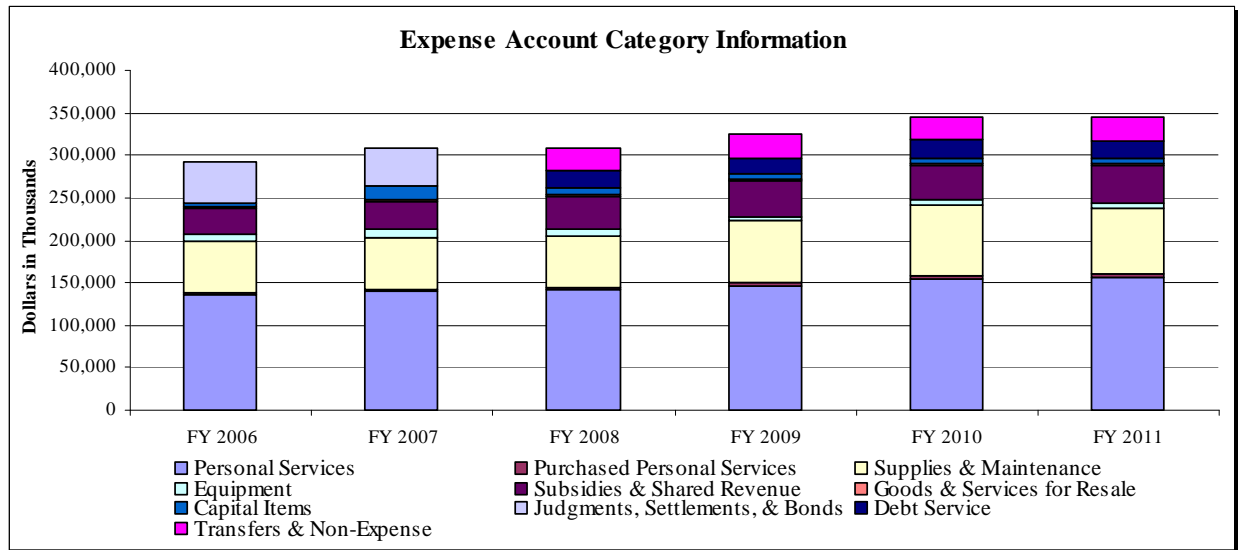
- Provide and promote safe, enjoyable, accessible, and diverse outdoor recreational opportunities.
- Improve natural resource stewardship through conservation practices and watershed management.
- Improve water resources for sustainable use, recreation, and economic vitality.
- Protect, conserve, and improve Lake Erie and its coastal resources to nurture a healthy ecosystem.
- Improve ecosystems to conserve and protect fish, wildlife, woodland, wetland, and plant communities.
- Promote a conservation ethic in Ohio based on understanding and appreciation of natural resources.
- Strive to strike a balance between environmental conservation, protection of the public health and safety, and Ohio's need for reliable, affordable energy and mineral resources.

### Summary of Budget History and Recommendations



- State special revenue has become a larger portion of the department's budget of the course of the last two biennia. These funds will continue to increase in fiscal years 2010 and 2011. The funding increase will be used to reduce general revenue fund reliance, regulate the coal, oil and natural gas industries in Ohio and provide increased funding to soil and water conservation districts.
- \$7.9 million in federal stimulus funding will be included in the general revenue fund totals for both fiscal years 2010 and 2011.
- As a result of the passage of Issue 2, the Executive Transportation Bill will revise Amended Substitute House Bill 562 in order to increase the Clean Ohio trails grant program from \$5 million to \$12.5 million.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. % CHANGE  |            | RECOMMENDED % CHANGE |            |                |             |
|-------------------------------------|----------------|----------------|----------------|----------------|------------|----------------------|------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09   | FY 2010              | CHANGE     | FY 2011        | CHANGE      |
| General Revenue                     | 125,014        | 123,681        | 123,893        | 116,590        | -5.9       | 119,809              | 2.8        | 116,163        | -3.0        |
| General Services                    | 25,639         | 23,085         | 23,240         | 23,967         | 3.1        | 25,136               | 4.9        | 25,139         | 0.0         |
| Federal Special Revenue             | 22,337         | 19,909         | 16,892         | 25,970         | 53.7       | 27,299               | 5.1        | 27,299         | 0.0         |
| State Special Revenue               | 42,698         | 51,129         | 58,404         | 60,945         | 4.3        | 79,109               | 29.8       | 85,705         | 8.3         |
| Accrued Leave Liability             | 20             | 33             | 12             | 21             | 78.7       | 21                   | 0.0        | 21             | 0.0         |
| Clean Ohio Conservation Prgm        | 100            | 109            | 45             | 155            | 245.7      | 310                  | 100.0      | 310            | 0.0         |
| Holding Account Redistribution      | 1,122          | 2,146          | 3,621          | 4,137          | 14.3       | 2,296                | -44.5      | 2,296          | 0.0         |
| Waterways Safety                    | 20,302         | 21,376         | 21,879         | 26,362         | 20.5       | 25,348               | -3.8       | 25,348         | 0.0         |
| Wildlife                            | 56,035         | 68,055         | 59,633         | 66,122         | 10.9       | 66,130               | 0.0        | 62,422         | -5.6        |
| <b>TOTAL</b>                        | <b>293,267</b> | <b>309,521</b> | <b>307,619</b> | <b>324,268</b> | <b>5.4</b> | <b>345,458</b>       | <b>6.5</b> | <b>344,703</b> | <b>-0.2</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | %<br>EST. CHANGE |            | RECOMMENDED<br>%<br>CHANGE |            |                |             |
|---|----------------|----------------|----------------|------------------|------------|----------------------------|------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                    | FY 2010    | FY 2011        | FY 2011     |
| Personal Services                             | 136,275        | 140,627        | 141,214        | 145,705          | 3.2        | 154,052                    | 5.7        | 156,014        | 1.3         |
| Purchased Personal Services                   | 2,434          | 1,788          | 3,140          | 4,247            | 35.3       | 4,498                      | 5.9        | 4,332          | -3.7        |
| Supplies & Maintenance                        | 60,067         | 61,480         | 61,022         | 73,455           | 20.4       | 82,966                     | 12.9       | 77,997         | -6.0        |
| Equipment                                     | 8,066          | 9,113          | 6,922          | 4,394            | -36.5      | 6,319                      | 43.8       | 5,838          | -7.6        |
| Subsidies & Shared Revenue                    | 30,039         | 33,659         | 39,925         | 42,662           | 6.9        | 40,659                     | -4.7       | 43,493         | 7.0         |
| Goods & Services for Resale                   | 1,793          | 1,771          | 2,013          | 1,915            | -4.9       | 1,915                      | 0.0        | 1,915          | 0.0         |
| Capital Items                                 | 4,887          | 15,172         | 7,292          | 5,104            | -30.0      | 5,867                      | 15.0       | 5,847          | -0.3        |
| Judgments, Settlements, & Bonds               | 49,706         | 45,912         | 9              | 102              | 976.3      | 588                        | 478.2      | 225            | -61.7       |
| Debt Service                                  | 0              | 0              | 20,485         | 19,397           | -5.3       | 21,417                     | 10.4       | 21,557         | 0.6         |
| Transfers & Non-Expense                       | 0              | 0              | 25,597         | 27,287           | 6.6        | 27,176                     | -0.4       | 27,485         | 1.1         |
| <b>TOTAL</b>                                  | <b>293,267</b> | <b>309,521</b> | <b>307,619</b> | <b>324,268</b>   | <b>5.4</b> | <b>345,458</b>             | <b>6.5</b> | <b>344,703</b> | <b>-0.2</b> |

### PROGRAM SERIES 01: Forestry

This program series provides technical assistance for the management and protection of Ohio's 7,500,000 acres of rural and urban forests (30 percent of total land area of the state) and manages 20 state forests. In addition, the Division of Forestry monitors and assists forest protection concerns such as wildfire, insects, and disease.

#### Program 01.01: Forestry Assistance

This program provides professional forestry expertise and technical assistance for the management and use of rural and urban forests. Service foresters work with more than 330,000 private forest landowners in developing forest management (stewardship) plans, which promote the best forestry practices to achieve maximum benefit for both the landowner and the environment. Technical assistance also is provided to landowners desiring to participate in federal cost-share programs available through the U.S. Department of Agriculture. Urban foresters work with Ohio communities to develop their urban forest resources.

State of Ohio  
**Department of Natural Resources**

**The Executive Recommendation will fund the following objectives:**

- Provide technical assistance to Ohio communities concerning urban forest management and tree care programs;
- Provide forestry assistance to landowners of Ohio's 7.3 million acres of private forests and assist in creating forest stewardship plans;
- Identify, report, and monitor pest and disease suppression, infestation, and prevention; and
- Certify qualified Ohio municipalities with Tree City USA status.

| FUND              |      |        |              | RECOMMENDED |           |
|-------------------|------|--------|--------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME     | FY 2010     | FY 2011   |
| SSR               | 5090 | 725602 | State Forest | 2,992,093   | 3,056,192 |
| TOTAL FOR PROGRAM |      |        |              | 2,992,093   | 3,056,192 |

**Program 01.02: State Forest Management**

This program manages Ohio's 20 state forests to demonstrate proper, long-term forest management and to produce a profitable growth of timber for Ohio's economy. Revenues generated from forest management support local school districts, townships, and county governments. Forest management projects also contribute significant game and endangered species habitat improvement as well as provide for multiple recreational activities. Staff members also provide wildfire assistance and training to local volunteer fire departments.

**The Executive Recommendation will fund the following objectives:**

- Manage and support over 186,000 acres of public forestland in 20 state forests;
- Share revenue from timber sales with counties, townships, and local school districts with the "Trees to Textbooks" program;
- Manage federal excess property program that provides equipment and supplies to local volunteer fire departments;
- Maintain and develop trails within forested state lands for hiking, backpacking, and mountain biking; and
- Improve all-terrain vehicle access and opportunities.

| FUND              |      |        |                                    | RECOMMENDED |           |
|-------------------|------|--------|------------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                           | FY 2010     | FY 2011   |
| GRF               | GRF  | 727321 | Division Of Forestry               | 5,157,730   | 5,243,156 |
| GSF               | 5100 | 725631 | Maintenance-State-Owned Residences | 25,000      | 25,000    |
| SSR               | 4M70 | 725686 | Wildfire Suppression               | 100,000     | 100,000   |
| SSR               | 5090 | 725602 | State Forest                       | 2,021,656   | 2,021,656 |
| SSR               | 5EJ0 | 725608 | Forestry Law Enforcement           | 1,000       | 1,000     |
| 090               | R017 | 725659 | Performance Cash Bond Refunds      | 120,000     | 120,000   |
| 090               | R043 | 725624 | Forestry                           | 2,000,000   | 2,000,000 |
| TOTAL FOR PROGRAM |      |        |                                    | 9,425,386   | 9,510,812 |

**Program 01.03: Forestry Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Forestry. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Fund existing administrative support staff; and
- Continue the management and fiber agreement for the Raccoon Experimental Management Area.

State of Ohio  
Department of Natural Resources

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating | 1,000,000        | 1,000,000        |
| GRF                      | GRF  | 727321 | Division Of Forestry        | 1,248,646        | 1,163,220        |
| SSR                      | 5090 | 725602 | State Forest                | 1,198,175        | 1,134,076        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>3,446,821</b> | <b>3,297,296</b> |

### PROGRAM SERIES 02: Geological Survey

This program series defines the geologic framework of the state in support of resource development, property protection, public safety, and environmental security. It produces maps and reports on geologic formations, mineral resources, fossil fuels, coastal processes, and geologic hazards. It also reviews applications and proposals where geology plays a role.

#### Program 02.01: Geological Investigations and Mapping

This program maps and analyzes subsurface geologic structures to support petroleum-resource exploration and economic development, characterizes subsurface rock formations, maps and characterizes surficial materials in support of sustainable and environmentally responsible development, maps groundwater resources, conducts investigations to define coastal-erosion areas and mitigate property losses, and reviews permit applications to ensure that proposed construction activities are suitable with the geologic conditions. It also provides cartographic preparation of geologic maps and reports for public distribution. The program also distributes USGS topographical maps and information for public use.

#### The Executive Recommendation will fund the following objectives:

- Collect and develop data concerning the geologic features of Ohio;
- Assist local governments, private developers, and landowners to maximize the economic benefit of geologic resources and protect water supplies;
- Continue to review permit applications (401/404) for environmental impact, construction plans for major public-works projects, and injection-well permit applications to ensure proposed activities are consistent with geologic conditions;
- Monitor and maintain the seismic record of Ohio, providing advice to emergency management professionals and the media;
- Emphasize and enhance clean energy research and investigations;
- Provide educational and informational opportunities to high school and college students at the Collins Geological Laboratory and Sample Depository;
- Provide earthquake information from Ohio's online OhioSeis System; and
- Improve map and data offerings on [www.ohiodnr.com](http://www.ohiodnr.com).

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating   | 200,000          | 200,000          |
| GRF                      | GRF  | 728321 | Division Of Geological Survey | 1,350,000        | 1,350,000        |
| GSF                      | 5080 | 725684 | DNR Publications              | 156,607          | 112,295          |
| FED                      | 3P10 | 725632 | Geological Survey-Federal     | 689,506          | 692,401          |
| SSR                      | 4J20 | 725628 | Injection Well Review         | 59,962           | 60,063           |
| SSR                      | 5110 | 725646 | Ohio Geological Mapping       | 724,310          | 723,515          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>3,180,385</b> | <b>3,138,274</b> |



### PROGRAM SERIES 03: Parks and Recreation

This program series provides multiple outdoor recreational services at 74 state parks on over 180,000 acres including 9 resort lodges, 6 golf courses, 87 campgrounds with 9,379 sites, over 500 cabins, 36 nature centers, 80 beaches, and 20 swimming pools. It also provides access to 62,161 acres of inland lakes and rivers with 188 boat ramps and over 7,583 public and 12,186 private boat docks. Additionally, the Division of Parks operates 146 water systems, 142 sewer systems and provides law enforcement to allow over 55 million enjoyable visitor occasions at Ohio's state parks. Together these serve to significantly enhance local economies and the quality of life for all Ohioans.

#### Program 03.01: Parks and Recreation

This program administers, operates, and maintains Ohio's state park system. The system includes parks that have national, regional, or local interest and attract a broad, statewide group of users. Individual parks are operated to provide a quality recreational and educational experience for all visitors offering lodges, cottages, campgrounds and miles of trails for multiple users. All parks are characterized by attractive natural resources for all to enjoy. All aspects of park operations are part of the program including operating facilities, collecting revenue, maintenance, law enforcement, supervision, and administration.

#### The Executive Recommendation will fund the following objectives:

- Provide multiple outdoor recreational opportunities and services at 74 state parks throughout Ohio;
- Maintain over 2,500 structures located in parks;
- Provide interpretive and educational programming;
- Operate campgrounds and lodges for overnight visits and conferences;
- Provide law enforcement patrols at parks; and
- Maintain recreational grounds and facilities such as trails, beaches, boat ramps, and marinas within state parks.

| FUND              |      |        |                                    | RECOMMENDED |            |
|-------------------|------|--------|------------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                           | FY 2010     | FY 2011    |
| GRF               | GRF  | 725652 | Natural Resources Operating        | 1,082,173   | 1,082,173  |
| GRF               | GRF  | 730321 | Division Of Parks And Recreation   | 36,119,971  | 36,119,971 |
| GSF               | 5100 | 725631 | Maintenance-State-Owned Residences | 170,000     | 170,000    |
| SSR               | 5120 | 725605 | State Parks Operations             | 29,885,528  | 29,885,528 |
| SSR               | 5EM0 | 725613 | Park Law Enforcement               | 34,000      | 34,000     |
| 090               | R017 | 725659 | Performance Cash Bond Refunds      | 17,000      | 17,000     |
| ALF               | 4M80 | 725675 | FOP Contract                       | 12,406      | 12,406     |
| WSF               | 7086 | 725414 | Waterways Improvement              | 4,265,575   | 4,265,575  |
| TOTAL FOR PROGRAM |      |        |                                    | 71,586,653  | 71,586,653 |

### PROGRAM SERIES 04: Coastal Management

This program series provides education, coordination, and assistance on a broad range of issues concerning the Lake Erie coastal resources including identifying coastal erosion and flood hazards, and protecting shipwrecks and underwater cultural resources. Additionally, the program manages federal grants for state and local participation.

#### Program 04.01: Coastal Management

This program implements the Ohio Coastal Management Program and provides assistance to local agencies and non-profits through grants in the Lake Erie coastal area. Implementation of the program enables grants to be awarded to the state from the federal government and requires state actions to be consistent with the federal program. The Ohio Coastal Management Program Document guides the activities of the Office of Coastal Management to protect, preserve, and improve Lake Erie and its coastal resources.

**State of Ohio**  
**Department of Natural Resources**

**The Executive Recommendation will fund the following objectives:**

- Coordinate and guide activities to protect, preserve, and improve Lake Erie and its coastal resources;
- Provide assistance to local agencies and non-profit organizations through grants and counsel; and
- Ensure that state coastal activities are consistent with federal requirements in order to maximize federal grants, improve coastal ecosystems, and guide quality development through the Ohio Coastal Management Program.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GSF                      | 6970 | 725670 | Submerged Lands                   | 1,072,011        | 772,011          |
| FED                      | 3P30 | 725650 | Real Estate & Land Management-Fed | 1,711,237        | 1,711,237        |
| SSR                      | 5140 | 725606 | Lake Erie Shoreline               | 949,113          | 949,113          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>3,732,361</b> | <b>3,432,361</b> |

**PROGRAM SERIES 05: Water Planning and Management**

This program series provides research, regulation, and planning services concerning all of the state's water resources. It collects hydraulic data, including water well logs; develops ground water resources, pollution potential, and other maps; issues permits for construction of dams and levees; inspects existing dams; administers the state's floodplain management program; manages the Ohio & Erie and the Miami & Erie canal systems; administers and manages state water supply leases, and conducts water supply studies.

**Program 05.01: Water Management**

This program includes subprograms of Canal Operations, Dam Safety, and Floodplain Management. The Canals subprogram operates and maintains the Miami and Erie and Ohio and Erie Canals. The Dam Safety subprogram addresses the protection of life, health, and property against damages resulting from the failure of dams and levees. The Floodplain Management subprogram provides leadership toward the cooperative management of Ohio's floodplains to reduce the potential of flood damage, promotes the natural benefits of floodplains, and is Ohio's coordinator for the National Flood Insurance Program.

**The Executive Recommendation will fund the following objectives:**

- Maintain the remaining watered sections of Ohio's historic canal systems;
- Regulate, permit, and inspect man-made dams to protect downstream inhabitants;
- Provide technical assistance in emergency situations;
- Provide information on maintenance and operational procedures to dam owners for specific properties;
- Ensure wise use of floodplains in order to maximize the benefits of floodplains as both a natural and economic resource and to reduce flood damage; and
- Coordinate the National Flood Insurance Program, a national initiative to reduce flood loss and disaster assistance costs by providing technical assistance, public awareness, and education concerning flood risk, and development of recommended protection standards.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725456 | Canal Lands                   | 263,624          | 263,624          |
| GRF                      | GRF  | 725652 | Natural Res Oper-Fed Stimulus | 225,000          | 225,000          |
| GRF                      | GRF  | 733321 | Division Of Water             | 1,156,047        | 1,146,529        |
| GSF                      | 4300 | 725671 | Canal Lands                   | 687,505          | 693,388          |
| GSF                      | 4S90 | 725622 | Natureworks Personnel         | 30,000           | 30,000           |
| FED                      | 3P40 | 725660 | Water-Federal                 | 316,734          | 316,734          |
| SSR                      | 6150 | 725661 | Dam Safety                    | 807,403          | 807,403          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>3,486,313</b> | <b>3,482,678</b> |

**Program 05.02: Water Resources**

This program is comprised of three subprograms: Water Planning, Water Inventory, and Ground Water Resources. The Water Planning subprogram compiles and evaluates water resources data and provides water resources information, education resources, and data analysis to promote effective development and management of the state's water resource needs, including the administration & management of state water supply leases. This subprogram is also an active partner in the efforts toward implementation of the Great Lakes basin-wide water management programs and an interstate compact. The Water Inventory and Cooperative Gauging subprogram provides hydrologic data and analyses for planning, managing, and developing sustainable uses of Ohio's water resources. The Ground Water Resources subprogram influences decisions affecting Ohio's aquifer systems by providing information, guidance, and technical advice to achieve a balance between the use of the resource and its long-term sustainability.

**The Executive Recommendation will fund the following objectives:**

- Provide comprehensive technical support to water well owners with comprehensive ground water records, uses, and potential supply capabilities to resolve problems, disputes, and ensure a sufficient water supply for many to use and enjoy;
- Perform in-house evaluations for potential impacts of proposed housing developments, large industrial and municipal water supplies, coal mining operations, and large farms and feedlots;
- Maintain records of groundwater aquifers, reservoirs, and watersheds; and provide other technical materials about Ohio's streams and their drainage basins;
- Coordinate between the Ohio Department of Transportation and the U.S. Geological Survey, the Crest State Gauge network, which is designed to obtain high-flow data needed to support the full-time statewide stream gauge network;
- Register water users with the capacity to withdraw more than 100,000 gallons of water per day. Registered facilities report actual withdrawals to the division annually and these are summarized in The Ohio Water Withdrawal Registration Program annual report; and
- Administer Project WET (Water Education for Teachers) in Ohio and undertake other environmental education activities related to water.

| FUND              |      |        |                               | RECOMMENDED |           |
|-------------------|------|--------|-------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011   |
| GRF               | GRF  | 725423 | Stream & Ground Water Gauging | 125,000     | 125,000   |
| GRF               | GRF  | 725652 | Natural Resources Operating   | 175,000     | 175,000   |
| GRF               | GRF  | 733321 | Division Of Water             | 780,822     | 783,746   |
| GSF               | 1550 | 725601 | Departmental Projects         | 246,542     | 331,035   |
| GSF               | 5080 | 725684 | DNR Publications              | 10,000      | 10,000    |
| GSF               | 5160 | 725620 | Water Management              | 2,931,513   | 2,931,513 |
| SSR               | 4J20 | 725628 | Injection Well Review         | 6,000       | 6,000     |
| TOTAL FOR PROGRAM |      |        |                               | 4,274,877   | 4,362,294 |

**Program 05.03: Water Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Water. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Improve the quality, quantity, and access of water resource data and information on [www.ohiodnr.com](http://www.ohiodnr.com) so that stakeholders have the information to make sound and sustainable economic decisions.

State of Ohio  
**Department of Natural Resources**

| FUND                     |      |        |                     | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010        | FY 2011        |
| GRF                      | GRF  | 733321 | Division Of Water   | 819,131        | 825,725        |
| SSR                      | 5140 | 725606 | Lake Erie Shoreline | 25,000         | 25,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>844,131</b> | <b>850,725</b> |

**PROGRAM SERIES 06: Soil and Water Conservation**

This program series provides technical, educational, and financial assistance to Ohio citizens through 88 county soil and water conservation districts (SWCDs). It works with other governmental agencies on programs of soil inventory and evaluation, non-point source pollution control, environmental education, storm water management, and erosion control. The department is requesting increases in the Municipal Solid Waste and Construction and Demolition Debris tipping fees. The proposed fee increases will provide a stable funding source for Soil and Water Conservation Districts.

**Program 06.01: Resource Assistance**

This program supports Soil and Water Conservation Districts and local governments with technical assistance and training to improve delivery of local assistance to landowners/managers installing pollution control and conservation practices.

**The Executive Recommendation will fund the following objectives:**

- Provide engineering and technical training to over 125 technical specialists employed by county soil and water conservation districts;
- Assist over 250 SWCD technical specialists with design and installation of individual best management practices (BMPs) for water quality protection as called for in local watershed plans, including livestock manure management BMPs; and
- Assist SWCDs and Division of Soil and Water staff in planning facilities to abate pollution as necessary to resolve complaints relating to agricultural and urban pollution.

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating | 200,000          | 200,000          |
| GRF                      | GRF  | 737321 | Division Of Soil And Water  | 1,433,617        | 1,433,617        |
| SSR                      | 5BV0 | 725683 | Soil And Water Districts    | 170,000          | 1,670,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>1,803,617</b> | <b>3,303,617</b> |

**Program 06.02: Environmental Education**

This program provides educational programs and resources to help Ohio citizens make informed decisions and take responsible actions to conserve and protect Ohio's natural resources. Additionally, it promotes the use of departmental education programs to improve natural resource conservation and stewardship awareness.

**The Executive Recommendation will fund the following objectives:**

- Conduct professional development workshops for SWCD staff members;
- Prepare and disseminate educational programs and materials to SWCDs dealing with the broad range of natural resource issues facing the SWCDs, cooperating landowners, and others; and
- Provide professional development for K-12 teachers and education specialists throughout the state with events like the Ohio Envirothon.

State of Ohio  
Department of Natural Resources

| FUND                     |      |        |                          | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010        | FY 2011        |
| GSF                      | 1550 | 725601 | Departmental Projects    | 239,971        | 239,971        |
| SSR                      | 5BV0 | 725683 | Soil And Water Districts | 10,000         | 10,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>249,971</b> | <b>249,971</b> |

**Program 06.03: Resource Management**

This program implements statewide urban and non-point source water pollution control programs, assisting Ohio's 88 soil and water conservation districts and local governments and organizations to implement local non-point source pollution control programs.

**The Executive Recommendation will fund the following objectives:**

- Implement and regulate statewide agricultural, urban, and non-point source water pollution control programs;
- Assist Ohio's 88 SWDCs in implementing non-point source pollution control programs locally; and
- Investigate agricultural sediment, livestock waste, and silvicultural complaints.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 737321 | Division Of Soil And Water | 230,674          | 230,674          |
| GSF                      | 1550 | 725601 | Departmental Projects      | 936,765          | 936,765          |
| SSR                      | 5BV0 | 725683 | Soil And Water Districts   | 1,295,000        | 1,295,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>2,462,439</b> | <b>2,462,439</b> |

**Program 06.04: Soil and Water Conservation Districts**

This program assists county soil and water conservation districts to ensure that land users and other agencies properly manage soil, water, and related resources in each of the state's 88 counties.

**The Executive Recommendation will fund the following objectives:**

- Coordinate and provide assistance to Ohio's 88 county soil and water conservation districts for planning, designing, and constructing conservation practices to reduce soil erosion and protect Ohio's water resources. This state support motivates counties to make significant matching investments in these vital conservation programs;
- Support approximately 30 local watershed coordinators in planning and implementing programs to protect local water resources;
- Assist six counties in helping local communities comply with storm water regulations that protect streams and wetlands; and
- Provide technical assistance with agricultural and urban conservation issues.

| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 725502 | Soil And Water Districts    | 4,000,000         | 0                 |
| GRF                      | GRF  | 725652 | Natural Resources Operating | 2,000,000         | 2,000,000         |
| GRF                      | GRF  | 737321 | Division Of Soil And Water  | 966,276           | 966,276           |
| SSR                      | 5BV0 | 725683 | Soil And Water Districts    | 9,400,577         | 15,129,906        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>16,366,853</b> | <b>18,096,182</b> |

**Program 06.05: Soil and Water Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Soil and Water Conservation. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Maintain existing administrative staff;
- Expand the Soil and Water Information Management System (SWIS) to all 88 county soil and water conservation districts; and
- Provide guidance for clean energy initiatives concerning agricultural practices for biofuel production.

| FUND                     |      |        |                             | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 725652 | Natural Resources Operating | 150,000        | 150,000        |
| GRF                      | GRF  | 737321 | Division Of Soil And Water  | 632,995        | 632,995        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>782,995</b> | <b>782,995</b> |

**PROGRAM SERIES 07: Real Estate and Land Management**

This program series coordinates the department's master planning and participates in capital improvements. The Division of Real Estate and Land Management coordinate department-wide environmental review and the state's trail network. It serves as the department's agent in buying, selling, and trading real estate for recreation and conservation needs, and provides resource analysis mapping and administers multiple statewide grant programs.

**Program 07.01: Real Estate Services**

This program provides real estate management services for the department's landholding divisions. The land is bought, sold, and leased to promote wildlife management, outdoor recreation, forest management, and natural area protection.

**The Executive Recommendation will fund the following objectives:**

- Provide real estate management services and environmental reviews for the department's land holding divisions that own and manage over 780,000 acres of land; and
- Perform an average of 50 acquisition or lease transactions per year that results in the addition of approximately 3,500 acres per year to DNR's land inventory.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating   | 200,000          | 200,000          |
| GRF                      | GRF  | 738321 | Real Estate/land Management   | 864,849          | 865,811          |
| GSF                      | 2070 | 725690 | Real Estate                   | 100,372          | 126,001          |
| GSF                      | 4300 | 725671 | Canal Lands                   | 189,036          | 189,036          |
| GSF                      | 4890 | 725622 | Natureworks Personnel         | 21,407           | 21,407           |
| FED                      | 3Z50 | 725657 | REALM Federal                 | 185,689          | 185,689          |
| SSR                      | 5320 | 725644 | Litter Control And Recycling  | 29,539           | 29,539           |
| 090                      | R017 | 725659 | Performance Cash Bond Refunds | 10,000           | 10,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>1,600,892</b> | <b>1,627,483</b> |

**Program 07.02: Outdoor Recreation Services**

This program administers four major grant programs: the federal Land and Water Conservation Grant, the federal Recreational Trails Program, the state NatureWorks Grants, and the state Clean Ohio Trails Grants. These programs provide financial assistance to public agencies for acquisition and development of parks and trails and other recreational and natural resources-related projects.

**The Executive Recommendation will fund the following objectives:**

- Administer four major grant programs that make significant funds available to local governments to promote park development and recreational trail opportunities.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 738321 | Real Estate/land Management    | 254,877          | 254,877          |
| GSF                      | 4S90 | 725622 | Natureworks Personnel          | 41,333           | 41,333           |
| GSF                      | 6350 | 725664 | Fountain Sq Facilities Mangmnt | 22,634           | 22,634           |
| FED                      | 3B60 | 725653 | Federal Land & Water Conservtn | 1,983,757        | 1,983,757        |
| FED                      | 3Z50 | 725657 | REALM Federal                  | 1,641,725        | 1,641,725        |
| SSR                      | 5210 | 725627 | Off-Road Vehicle Trails        | 103,298          | 103,298          |
| CLF                      | 7061 | 725405 | Clean Ohio Operating           | 300,000          | 300,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>4,347,624</b> | <b>4,347,624</b> |

**Program 07.03: Facilities Management Services**

This program maintains the nine buildings and 22 acres of the Department's Fountain Square Complex including: mailroom, fleet management, records management, warehouse services, and housekeeping. Additionally, Facilities Management maintains the natural resources area at the Ohio Expositions Center.

**The Executive Recommendation will fund the following objectives:**

- Provide mail, fleet, records, warehouse, groundskeeping, and housekeeping services for the 20 offices/divisions and approximately 700 employees at the Department of Natural Resources Fountain Square Complex.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 6350 | 725664 | Fountain Sq Facilities Mangmnt | 2,744,314        | 2,744,314        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>2,744,314</b> | <b>2,744,314</b> |

**Program 07.04: Environmental Review/Compliance**

This program coordinates environmental matters concerning the Department and State as necessary to comply with the National Environmental Policy Act of 1969, the Intergovernmental Cooperation Act of 1968, and the federal Water Pollution Control Act of 1977. Annually the program receives more than 300 projects for review. Additional responsibilities include: Mitigation Review Bank Team participation, ensuring environmental compliance on departmental projects, and providing technical assistance on environmental regulations and issues.

**The Executive Recommendation will fund the following objectives:**

- Coordinate DNR's environmental review program and plans for possible expansion of DNR's stream mitigation program; and
- Review approximately 300 projects annually for compliance with environmental regulations.



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| FUND                     |      |        |                             | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 738321 | Real Estate/land Management | 104,678        | 104,679        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>104,678</b> | <b>104,679</b> |

**Program 07.05: Recycling and Litter Prevention**

This program provides grants and assistance to the state's local solid waste, recycling and litter prevention authorities to coordinate, encourage, and market statewide waste reduction programs. The program emphasizes market development of industries and processes to reduce the waste stream in Ohio, coordinates state government recycling programs, and markets scrap tire recycling.

**The Executive Recommendation will fund the following objectives:**

- Administer competitive grant awards to local communities to encourage recycling and keep Ohio clean; and
- Provide market development grants to create demand for recycled material for manufacturing to reduce the waste stream to extend landfill life expectancy.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GSF                      | 4D50 | 725618 | Recycled Materials           | 100,000          | 100,000          |
| SSR                      | 5320 | 725644 | Litter Control And Recycling | 5,194,640        | 5,194,640        |
| SSR                      | 5860 | 725633 | Scrap Tire Program           | 1,459,761        | 1,459,761        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>6,754,401</b> | <b>6,754,401</b> |

**Program 07.06: REALM Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Real Estate and Land Management. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Maintain existing staffing level while improving division and stakeholder services; and
- Continue representation on the Northland Alliance economic development group and the Solid Waste Advisory Council.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating    | 150,000          | 150,000          |
| GRF                      | GRF  | 738321 | Real Estate/land Management    | 411,994          | 411,031          |
| GSF                      | 1550 | 725601 | Departmental Projects          | 40,000           | 40,000           |
| GSF                      | 2070 | 725690 | Real Estate                    | 29,628           | 5,999            |
| GSF                      | 4300 | 725671 | Canal Lands                    | 40,000           | 40,000           |
| GSF                      | 6350 | 725664 | Fountain Sq Facilities Mangmnt | 380,039          | 380,039          |
| FED                      | 3B60 | 725653 | Federal Land & Water Conservtn | 16,243           | 16,243           |
| FED                      | 3Z50 | 725657 | REALM Federal                  | 22,586           | 22,586           |
| SSR                      | 5210 | 725627 | Off-Road Vehicle Trails        | 40,192           | 40,192           |
| SSR                      | 5320 | 725644 | Litter Control And Recycling   | 1,056,502        | 1,056,502        |
| SSR                      | 5860 | 725633 | Scrap Tire Program             | 40,239           | 40,239           |
| CLF                      | 7061 | 725405 | Clean Ohio Operating           | 10,000           | 10,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>2,237,423</b> | <b>2,212,831</b> |



**PROGRAM SERIES 08: Watercraft**

This program series administers boat registration and titling programs and enforces all laws regarding identification, numbering, titling, use, and operation of watercraft on Ohio's waterways. Boating safety education and various grant programs are also provided yearly. Program staff members stand ready for emergency deployment in response to natural disasters and other emergencies. This program is responsible for the management, acquisition, and protection of Ohio's most pristine waterways.

**Program 08.01: Watercraft Registration**

This program seeks to ensure that all watercraft used in state waters are registered appropriately and enforces all laws relative to the identification, numbering, titling, and operation of vessels operated on Ohio's 120,000 acres of inland lakes, 481 miles of the Ohio River and 23 million acres of Lake Erie.

**The Executive Recommendation will fund the following objectives:**

- Issue new and renewal permits and collect appropriate fees;
- Provide boat information to registered boaters, new boat owners, watercraft sales agents, law enforcement organizations, boat dealers, other states, and other agencies; and
- Conduct inspections, researches, and assign Hull Identification Numbers (HINs) as required by the newly adopted HIN program.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| WSF                      | 7086 | 739401 | Division Of Watercraft | 1,862,050        | 1,862,050        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>1,862,050</b> | <b>1,862,050</b> |

**Program 08.02: Watercraft Operations, Safety, Education, and Enforcement**

This program seeks to enhance the safe use of Ohio's waterways for the boating public, and to ensure, through education and enforcement, that watercraft operators abide by the laws, rules, and regulations governing the proper use and operation of watercraft.

**The Executive Recommendation will fund the following objectives:**

- Educate the public and promote the safe use of Ohio's lakes and waterways through boating education and skills courses;
- Provide boating safety education grants, marine patrol grants, and grants and loans to public and private entities that offer recreational boating access and opportunities throughout Ohio;
- Perform on-the-water law enforcement patrols and conduct vessel safety inspections; and
- Provide maritime homeland security as well as emergency flood response throughout the state.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| SSR                      | 5EN0 | 725614 | Watercraft Law Enforcement    | 2,500             | 2,500             |
| WSF                      | 7086 | 725418 | Buoy Placement                | 52,182            | 52,182            |
| WSF                      | 7086 | 725501 | Waterway Safety Grants        | 137,867           | 137,867           |
| WSF                      | 7086 | 725506 | Watercraft Marine Patrol      | 576,153           | 576,153           |
| WSF                      | 7086 | 725513 | Watercraft Educational Grants | 366,643           | 366,643           |
| WSF                      | 7086 | 739401 | Division Of Watercraft        | 13,677,255        | 13,677,255        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>14,812,600</b> | <b>14,812,600</b> |

**Program 08.03: Watercraft Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Watercraft. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Maintain existing staff level and provide strategic planning to serve Ohio's boating public; and
- Provide leadership to promote safe boating and improved boating access throughout Ohio.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| WSF                      | 7086 | 739401 | Division Of Watercraft | 3,859,876        | 3,859,876        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>3,859,876</b> | <b>3,859,876</b> |

**Program 08.04: Ohio Scenic River**

This program is responsible for administering Ohio's Scenic Rivers Program. The program protects Ohio's remaining high-quality streams for future generations. Scenic river designation is a cooperative venture among state and local governments, citizens' groups, and local communities within a watershed. Today, Ohio has 14 state-designated streams encompassing over 796 river miles and 26 stream segments.

**The Executive Recommendation will fund the following objectives:**

- Manage over 700 miles of specially designated scenic rivers and streams, working closely with local governments and conservation groups;
- Review public projects and local zoning cases that may impact river resources;
- Provide Stream Quality Monitoring Project services with local organizations;
- Provide assistance on technical issues to landowners and local officials; and
- Work with local municipalities to improve watershed protection through the designation of green space, litter clean-ups, stream bank restoration project, and non-point pollution reduction plans.

| FUND                     |      |        |                          | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010        | FY 2011        |
| SSR                      | 4U60 | 725668 | Scenic Rivers Protection | 100,000        | 100,000        |
| WSF                      | 7086 | 739401 | Division Of Watercraft   | 550,000        | 550,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>650,000</b> | <b>650,000</b> |

**PROGRAM SERIES 09: Wildlife**

This program series manages and maintains over 376,000 acres, of which 191,000 acres are Department owned, for wildlife habitat and public access at 138 wildlife areas and lands under agreement. These lands provide opportunities for hunting, fishing, and wildlife viewing. Programs within the program series are responsible for wildlife and fish management, information, education, and law enforcement. Special emphasis is placed on endangered species, wetlands, and other critical habitats for wildlife diversity. The division operates five district offices, eight fish and wildlife research stations, six fish hatcheries, as well as wildlife areas for public hunting and fishing spread throughout the state.

**Program 09.01: Fish Management and Research**

This program maintains the aquatic resources of the state. Biologists and other fisheries personnel manage water areas by improving spawning habitat and fishing access, recommending regulations, monitoring fish populations and

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angler harvest, stocking, and conducting research. The program operates six state fish hatcheries located throughout the state.

**The Executive Recommendation will fund the following objectives:**

- Operate six state fish hatcheries providing over 25 million fish for stocking in Ohio's public waters with special emphasis on metropolitan and other areas with underserved populations;
- Maintain 66 public access sites for boat and shore fishing access;
- Manage aquatic resources on 481 miles of the Ohio River, 23 million acres of Lake Erie, and 61,500 miles of rivers and streams;
- Conduct studies to improve fish populations and aquatic wildlife diversity; and
- Coordinate Ohio's State Management Plan for aquatic nuisance species.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 725401 | Wildlife-GRF Central Support   | 795,759           | 795,759           |
| GRF                      | GRF  | 725652 | Natural Resources Operating    | 50,000            | 50,000            |
| WLF                      | 5P20 | 725634 | Wildlife Boater Angler Admin   | 2,000,000         | 2,000,000         |
| WLF                      | 7015 | 740401 | Division Of Wildlife Conservtn | 11,295,087        | 11,372,701        |
| WLF                      | 8170 | 725655 | Wildlife Conservation Checkoff | 320,000           | 320,000           |
| WLF                      | 8180 | 725629 | Cooperative Fisheries Research | 1,500,000         | 1,500,000         |
| WLF                      | 8190 | 725685 | Ohio River Management          | 128,584           | 128,584           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>16,089,430</b> | <b>16,167,044</b> |

**Program 09.02: Wildlife Management and Research**

This program is responsible for managing all wildlife, assisting landowners with habitat improvements, managing land for wildlife and wildlife-oriented recreation, and conducting research to be used in improving wildlife populations. The program owns and maintains 138 wildlife areas throughout the state and provides for approximately one million visitor use days per year. Additionally, it owns and maintains the Old Woman Creek National Estuarine Research Reserve on Lake Erie.

**The Executive Recommendation will fund the following objectives:**

- Manage Ohio's terrestrial wildlife resources and their habitats;
- Provide professional assistance to landowners for habitat improvement and management for wildlife-oriented recreation;
- Provide responsible recreational hunting and trapping opportunities to Ohio sportsmen and women;
- Monitor, prevent, and control the spread of wildlife diseases that could threaten the health of Ohioans and the state's wildlife resources; and
- Maintain Old Woman Creek National Estuarine Research Reserve, which is one of 26 estuarine research reserves established nationwide as living laboratories for long-term scientific research and estuarine education.

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 725401 | Wildlife-GRF Central Support    | 795,759           | 795,759           |
| GRF                      | GRF  | 725652 | Natural Resources Operating     | 50,000            | 50,000            |
| WLF                      | 7015 | 740401 | Division Of Wildlife Conservtn  | 13,918,130        | 14,023,157        |
| WLF                      | 8150 | 725636 | Cooperative Management Projects | 120,449           | 120,449           |
| WLF                      | 8160 | 725649 | Wetlands Habitat                | 966,885           | 966,885           |
| WLF                      | 8170 | 725655 | Wildlife Conservation Checkoff  | 2,236,000         | 2,236,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>18,087,223</b> | <b>18,192,250</b> |

**Program 09.03: Wildlife Education, Law, and Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Wildlife. Activities include administration, business services, human resources, and strategic planning, as well as a statewide law enforcement operation and public information and education program.

**The Executive Recommendation will fund the following objectives:**

- Issue hunting and fishing licenses and perform inspections of license agents and vendors;
- Enforce wildlife, sport fishing and commercial fishing laws and regulations;
- Investigate stream litter, pollution induced fish kills, and hunting incidents;
- Administer hunter and angler education programs using 1,800 certified instructors to train 23,000 to 25,000 hunter education students and over 100,000 fishermen annually;
- Implement projects to encourage participation in wildlife-related activities by underserved populations; and
- Create and distribute wildlife education material linked to state science standards, coordinate efforts of 117 Project WILD facilitators, certify WILD school sites, and provide an e-newsletter for environmental educators.

| FUND                     |      |        |                                    | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010           | FY 2011           |
| GRF                      | GRF  | 725401 | Wildlife-GRF Central Support       | 708,482           | 708,482           |
| GRF                      | GRF  | 725652 | Natural Resources Operating        | 50,000            | 50,000            |
| GSF                      | 5100 | 725631 | Maintenance-State-Owned Residences | 84,611            | 84,611            |
| SSR                      | 5EL0 | 725612 | Wildlife Law Enforcement           | 12,000            | 12,000            |
| ALF                      | 4M80 | 725675 | FOP Contract                       | 8,438             | 8,438             |
| WLF                      | 7015 | 740401 | Division Of Wildlife Conservtn     | 33,401,219        | 29,510,142        |
| WLF                      | 8170 | 725655 | Wildlife Conservation Checkoff     | 244,000           | 244,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>34,508,750</b> | <b>30,617,673</b> |

**PROGRAM SERIES 10: Natural Areas and Preserves**

This program series is responsible for the management, acquisition, and protection of Ohio's most pristine areas. These natural areas characterize the state's natural landscape, flora, geology, and provide habitat for rare and endangered species. Additionally, this program series maintains the heritage database of all endangered species and conducts botanical research and environmental impact analysis.

**Program 10.01: Natural Areas and Preserves**

This program administers a statewide system of nature preserves and acquires, dedicates and accepts donations of public and privately owned lands as nature preserves. Nature preserves are legally protected lands that have scientific, historical, or ecological significance and represent the finest examples of Ohio's original landscape. Currently, Ohio has 132 state nature preserves of which the Division of Natural Areas and Preserves manages 87 sites.

**The Executive Recommendation will fund the following objectives:**

- Protect nearly 15,000 acres of unique and endangered sites throughout Ohio through habitat management;
- Coordinate and conduct interpretive programming;
- Allow preserve managers to receive annual in-service training for fire regulations, law enforcement, herbicide application; and
- Provide facility management, maintenance, and grounds keeping services by preserve managers.

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| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                  | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating               | 400,000          | 400,000          |
| GRF                      | GRF  | 741321 | Division Of Natural Areas                 | 1,006,546        | 998,936          |
| GSF                      | 1550 | 725601 | Departmental Projects                     | 467,678          | 467,678          |
| GSF                      | 5080 | 725684 | DNR Publications                          | 10,000           | 10,000           |
| GSF                      | 5100 | 725631 | Maintenance-State-Owned Residences        | 24,000           | 24,000           |
| FED                      | 3P00 | 725630 | Natural Areas & Preserves-Fedl            | 215,000          | 215,000          |
| SSR                      | 5220 | 725656 | Natural Areas Checkoff Funds              | 1,519,450        | 1,516,207        |
| SSR                      | 5EK0 | 725611 | Natural Areas & Preserves Law Enforcement | 1,000            | 1,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>3,643,674</b> | <b>3,632,821</b> |

**Program 10.02: Ohio Natural Heritage**

This program is the most comprehensive source of information on rare and endangered plants and animals, outstanding natural communities, and special geological features in the state. This information is easily accessible in manual and computer files that are cross-referenced to provide a flexible information system known as the heritage database. Additionally, the program prepares and maintains surveys and inventories of both natural areas and rare species. The program adopts criteria for listing and compiling the official list of plants that are threatened or endangered in Ohio and is used by government, universities, and industry for environmental assessments and research.

**The Executive Recommendation will fund the following objectives:**

- Maintain the official record of rare and endangered plants and animals, outstanding natural communities, and special geologic features in the state;
- Provide technical assistance on habitat management issues;
- Conduct environmental reviews; and
- Provide data to planners, developers, researchers, and governmental officials.

| FUND                     |      |        |                              | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010        | FY 2011        |
| GRF                      | GRF  | 741321 | Division Of Natural Areas    | 351,045        | 352,347        |
| GSF                      | 1550 | 725601 | Departmental Projects        | 214,506        | 214,506        |
| SSR                      | 5220 | 725656 | Natural Areas Checkoff Funds | 31,220         | 34,463         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>596,771</b> | <b>601,316</b> |

**Program 10.03: Natural Areas Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Natural Areas and Preserves. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Maintain administrative support staff; and
- Maintain the division's brochures and web based publications to provide information for the public.

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating | 350,000          | 350,000          |
| GRF                      | GRF  | 741321 | Division Of Natural Areas   | 846,034          | 852,342          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>1,196,034</b> | <b>1,202,342</b> |

### PROGRAM SERIES 11: Mineral Resources Management

This program series regulates oil and gas production, surface, and underground mining of coal and industrial minerals, and reclamation activities. It plugs abandoned oil and gas wells and restores abandoned mine lands, enforces mining safety laws, ensures protection of freshwater resources, and maintains a database of oil and gas well owners. The department is requesting a energy resource extraction fee pertaining to the extraction of coal, oil and natural gas. The proposed fee will provide funding for the regulation of each specific industry.

#### Program 11.01: Minerals Regulatory

This program provides for enforcement, inspection, regulation, permitting, and application review of the industrial minerals, coal, oil and gas in the State of Ohio. The program provides for safe and environmentally sound fossil fuel extraction and reclamation while eliminating environmental problems and public safety hazards. The program encourages economic benefit in an environmentally responsible manner.

#### The Executive Recommendation will fund the following objectives:

- Regulate surface and underground coal mining and reclamation activities;
- Regulate mining activities for industrial minerals such as gravel, limestone, clay, shale, gypsum, and dolomite;
- Provide proper oversight of Ohio's coal industry as well as the expanding oil and gas industry;
- Conduct inspections to ensure activities conform with permitting rules;
- Provide timely review and issuance of permits while ensuring compliance with permits that are issued;
- Collect fees and maintain bonds to ensure reclamation of the affected land is completed; and
- Issues permits to drill and plug Class II injection and enhancement recovery wells, oversees the disposal of brine and manages the plugging of improperly abandoned oil and gas wells for which no responsible owner exists.

| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| GRF                      | GRF  | 725652 | Natural Resources Operating      | 1,000,000         | 1,000,000         |
| GRF                      | GRF  | 744321 | Division Of Mineral Resource Mgt | 1,000,000         | 1,000,000         |
| FED                      | 3B70 | 725654 | Reclamation-Regulatory           | 2,161,013         | 2,180,223         |
| FED                      | 3P20 | 725642 | Oil And Gas-Federal              | 85,098            | 88,151            |
| SSR                      | 4J20 | 725628 | Injection Well Review            | 53,933            | 53,933            |
| SSR                      | 5180 | 725643 | Oil And Gas Permit Fees          | 6,250,855         | 5,356,169         |
| SSR                      | 5180 | 725677 | Oil & Gas Well Plugging          | 1,000,000         | 1,000,000         |
| SSR                      | 5260 | 725610 | Strip Mining Administratn Fees   | 2,664,643         | 2,790,092         |
| SSR                      | 5270 | 725637 | Surface Mining Administration    | 1,790,742         | 1,790,742         |
| 090                      | R017 | 725659 | Performance Cash Bond Refunds    | 149,263           | 149,263           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>16,155,547</b> | <b>15,408,573</b> |

#### Program 11.02: Mine Safety

This program enforces surface and underground mine worker safety regulations. It provides mine safety training, emergency rescue services, and air quality analysis. It also monitors oil and gas well plugging in coal bearing townships.

#### The Executive Recommendation will fund the following objectives:

- Allow for enhanced services in the Mine Safety Program due to the additional funding by Bureau of Workers Compensation – Pneumoconiosis fund;
- Inspect surface and underground mines to provide safety consultations and enforce worker safety laws;
- Provide mine safety and emergency rescue training, along with increased training for miners to prevent and respond to emergencies;
- Provide certification to mining officials;

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- Maintain four rescue stations; and
- Provide air quality analyses to protect underground miners.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| FED                      | 3320 | 725669 | Federal Mine Safety Grant | 258,102          | 258,102          |
| SSR                      | 5B30 | 725674 | Mining Regulation         | 28,850           | 28,850           |
| SSR                      | 5CU0 | 725647 | Mine Safety               | 3,053,843        | 3,199,923        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>3,340,795</b> | <b>3,486,875</b> |

**Program 11.03: Abandoned Mine Lands**

This program maintains an inventory and reclaims public health, safety, and environmental problem areas associated with mining activity on mine sites abandoned prior to August 1977 and on regulated sites where the performance bond has been forfeited. The program administers the State Abandoned Mined Lands and the Federal Abandoned Mine Land programs. It focuses on engineering, geotechnical environmental, wildlife enhancement, reforestation, and archeological aspects of reclamation.

**The Executive Recommendation will fund the following objectives:**

- Administer the federal and state abandoned mine lands programs ensuring that old mine sites are reclaimed to a condition that ensures public safety, protects the environment, provides habitat for wildlife, and restores watersheds adversely affected by acid mine drainage;
- Develop, design, and oversee reclamation projects; and
- Respond to citizen complaints and requests for information.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010           | FY 2011           |
| FED                      | 3B50 | 725645 | Federal Abandoned Mine Lands           | 13,784,201        | 13,784,201        |
| FED                      | 3R50 | 725673 | Acid Mine Drainage Abatement/Treatment | 2,025,001         | 2,025,001         |
| SSR                      | 5290 | 725639 | Unreclaimed Land Fund                  | 1,998,035         | 1,998,035         |
| SSR                      | 5310 | 725648 | Reclamation Supplemental Forfeiture    | 2,047,577         | 2,047,577         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>19,854,814</b> | <b>19,854,814</b> |

**Program 11.04: Mineral Resources Program Support**

This program provides and allocates the costs of executive leadership and administrative staffing services for the Division of Mineral Resources Management. Activities include administration, business services, human resources, communications, and strategic planning.

**The Executive Recommendation will fund the following objectives:**

- Maintain existing administrative and support staff; and
- Provide guidance for the clean energy initiative for underground carbon sequestration and coal bed methane production.



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| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 5080 | 725684 | DNR Publications               | 5,000            | 5,000            |
| FED                      | 3B50 | 725645 | Federal Abandoned Mine Lands   | 523,466          | 523,466          |
| FED                      | 3B70 | 725654 | Reclamation-Regulatory         | 233,552          | 208,552          |
| FED                      | 3P20 | 725642 | Oil And Gas-Federal            | 146,358          | 146,358          |
| SSR                      | 5180 | 725643 | Oil And Gas Permit Fees        | 153,231          | 170,573          |
| SSR                      | 5260 | 725610 | Strip Mining Administratn Fees | 602,944          | 574,269          |
| SSR                      | 5270 | 725637 | Surface Mining Administration  | 155,849          | 155,849          |
| SSR                      | 5290 | 725639 | Unreclaimed Land Fund          | 23,678           | 25,796           |
| SSR                      | 5310 | 725648 | Reclamation Supplmntl Forfture | 14,660           | 14,660           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>1,858,738</b> | <b>1,824,523</b> |

**PROGRAM SERIES 12: Program Management**

This program series is comprised of the administrative and technical service offices of the Department of Natural Resources including the director's executive staff and the Division of Engineering, Office of Law Enforcement, and Office of Information Technology. These offices ensure that the department operates in accordance with the Governor's direction and Ohio law, and embraces the core values of stewardship, customer service, and performance excellence.

**Program 12.01: Natural Resources Program Support**

This program includes the Office of the Director, which is appointed by the governor and is a member of the governor's cabinet. It also includes the Offices of Budget and Finance, Communications, Human Resources, Legal Counsel, Legislative Services and the Office of Information Technology. These offices provide leadership, direction, and administrative services to the department's programs to facilitate overall strategic and operational success.

**The Executive Recommendation will fund the following objectives:**

- Provide active management of all division activities;
- Allow active involvement in problem resolution, legislative initiatives, customer service, and implementation of new systems;
- Provide computer and communication services to DNR employees and to over 1,000,000 monthly visitors seeking services (web based information or at many DNR facilities);
- Ensure data security for sensitive data and maintain a disaster recovery plan and expand and improve communications capabilities by leveraging the Broadband Ohio Initiative capabilities; and
- Support general revenue fund debt service appropriations for the Parks and Recreation capital program, the Parks and Natural Resources (NatureWorks) capital program.

| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| GRF                      | GRF  | 725413 | OPFC Rental Payments             | 21,417,400        | 21,556,500        |
| GRF                      | GRF  | 725652 | Natural Resources Operating      | 200,000           | 200,000           |
| GRF                      | GRF  | 725903 | Natural Res Gen Oblig Debt Srv   | 26,334,400        | 26,549,400        |
| GRF                      | GRF  | 729321 | Computer Info Svs/Communications | 150,000           | 150,000           |
| GSF                      | 1550 | 725601 | Departmental Projects            | 90,000            | 90,000            |
| GSF                      | 1570 | 725651 | Central Support Indirect         | 6,414,704         | 6,414,703         |
| GSF                      | 2040 | 725687 | Information Services             | 4,146,037         | 4,400,448         |
| GSF                      | 4X80 | 725662 | Water Planning Council           | 138,900           | 138,900           |
| FED                      | 3B30 | 725640 | Federal Forest Pass-Thru         | 600,000           | 600,000           |
| FED                      | 3B40 | 725641 | Federal Flood Pass-Thru          | 700,000           | 700,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>60,191,441</b> | <b>60,799,951</b> |



**Program 12.02: Engineering**

This program completes design, bidding and construction for capital improvement and renovation projects at ODNR facilities statewide, provides technical support for minor new construction and maintenance projects completed by other ODNR Divisions, and conducts oversight of programs involving hazardous waste/asbestos abatement, fuel storage tanks, boundary surveying, water & wastewater systems operations and roadway maintenance/repairs.

**The Executive Recommendation will fund the following objectives:**

- Provide a variety of technical and administrative services such as engineering, architectural design, management of consultant and construction contracts, land surveying, capital improvement program planning, and facility technical support for operations/maintenance projects and utility infrastructure;
- Coordinate reviews of county petition ditch projects; and
- Manage the Ohio Department of Transportation/Department of Natural Resources Roadway Maintenance Program.

| FUND                     |      |        |                             | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 725652 | Natural Resources Operating | 400,000          | 400,000          |
| GRF                      | GRF  | 736321 | Division Of Chief Engineer  | 2,600,000        | 2,600,000        |
| GSF                      | 2270 | 725406 | Parks Projects Personnel    | 250,000          | 250,000          |
| GSF                      | 4S90 | 725622 | Natureworks Personnel       | 300,000          | 300,000          |
| GSF                      | 5080 | 725684 | DNR Publications            | 40,000           | 40,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>3,590,000</b> | <b>3,590,000</b> |

**Program 12.03: Law Enforcement**

This program provides the administration of the agency operational needs of the ODNR/MARCS programs training, inventory, radio maintenance and consolidated installation of communications and emergency equipment. The program also provides emergency/operational dispatching for ODNR officer/employee safety during daily law enforcement and periods of emergency. The program also maintains the dispatching services for the emergency operations center 365 days per year 24 hours per day along with security for the ODNR complex.

**The Executive Recommendation will fund the following objectives:**

- Coordinate comprehensive law enforcement programs throughout the state with each DNR division;
- Provide dispatching services 24-hours a day, seven days a week;
- Continue the administration of MARCS; and
- Coordinate with the Ohio Department of Public Safety Emergency Management Agency for emergencies, disasters, and other life or property threatening occurrences.

| FUND                     |      |        |                                | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010          | FY 2011          |
| GSF                      | 1570 | 725651 | Central Support Indirect       | 85,296           | 85,297           |
| GSF                      | 2230 | 725665 | Law Enforcement Administration | 2,062,410        | 2,062,410        |
| GSF                      | 6350 | 725664 | Fountain Sq Facilities Mangmnt | 568,411          | 568,411          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>2,716,117</b> | <b>2,716,118</b> |

## Department of Natural Resources

**LINE ITEM SUMMARY - Department of Natural Resources**

| FUND                         | ALI    | ALI NAME                         | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------|--------|----------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                          | 725401 | Wildlife-GRF Central Support     | 1,315,000          | 1,365,000          | 2,381,234          | 2,066,225           | 2,300,000              | 11.3        | 2,300,000              | 0.0         |
| GRF                          | 725404 | Fountain Sq Rental Payments-OBA  | 1,018,945          | 1,079,373          | 1,078,031          | 1,081,200           | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 725407 | Conservtn Resrvce Enhncmt Prg    | 1,000,000          | 1,000,000          | 599,999            | 3,094               | 0                      | -100.0      | 0                      | .0          |
| GRF                          | 725413 | OPFC Rental Payments             | 18,521,462         | 17,927,504         | 19,406,818         | 18,316,200          | 21,417,400             | 16.9        | 21,556,500             | 0.6         |
| GRF                          | 725423 | Stream & Ground Water Gauging    | 311,134            | 312,622            | 277,585            | 115,798             | 125,000                | 7.9         | 125,000                | 0.0         |
| GRF                          | 725425 | Wildlife License Reimbursement   | 646,319            | 646,319            | 300,000            | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                          | 725456 | Canal Lands                      | 332,859            | 332,859            | 296,245            | 287,591             | 263,624                | -8.3        | 263,624                | 0.0         |
| GRF                          | 725502 | Soil and Water Districts         | 9,836,436          | 9,836,436          | 12,237,419         | 11,792,741          | 4,000,000              | -66.1       | 0                      | -100.0      |
| GRF                          | 725652 | Natural Res Oper-Fed Stimulus    | 0                  | 0                  | 0                  | 0                   | 7,882,173              | .0          | 7,882,173              | 0.0         |
| GRF                          | 725903 | Natural Res Gen Oblig Debt Srv   | 25,359,756         | 21,708,910         | 22,747,797         | 25,723,000          | 26,334,400             | 2.4         | 26,549,400             | 0.8         |
| GRF                          | 727321 | Division of Forestry             | 8,241,512          | 8,775,555          | 7,169,125          | 6,073,749           | 6,406,376              | 5.5         | 6,406,376              | 0.0         |
| GRF                          | 728321 | Division of Geological Survey    | 1,729,223          | 1,536,033          | 1,672,909          | 1,335,026           | 1,350,000              | 1.1         | 1,350,000              | 0.0         |
| GRF                          | 729321 | Computer Info Svs/Communications | 378,365            | 484,229            | 333,840            | 252,259             | 150,000                | -40.5       | 150,000                | 0.0         |
| GRF                          | 730321 | Division of Parks and Recreation | 37,858,103         | 39,890,116         | 38,282,979         | 34,108,241          | 36,119,971             | 5.9         | 36,119,971             | 0.0         |
| GRF                          | 731321 | office of Coastal Management     | 259,312            | 191,291            | 60,533             | 0                   | 0                      | .0          | 0                      | .0          |
| GRF                          | 733321 | Division of Water                | 3,257,094          | 3,203,954          | 2,887,282          | 2,781,857           | 2,756,000              | -0.9        | 2,756,000              | 0.0         |
| GRF                          | 736321 | Division of Chief Engineer       | 2,842,333          | 2,822,615          | 2,845,271          | 2,658,990           | 2,600,000              | -2.2        | 2,600,000              | 0.0         |
| GRF                          | 737321 | Division of Soil and Water       | 4,087,942          | 4,074,383          | 3,934,722          | 3,554,921           | 3,263,562              | -8.2        | 3,263,562              | 0.0         |
| GRF                          | 738321 | Real Estate/land Management      | 2,336,312          | 2,295,575          | 1,787,074          | 1,698,167           | 1,636,398              | -3.6        | 1,636,398              | 0.0         |
| GRF                          | 741321 | Division of Natural Areas        | 2,909,287          | 3,146,432          | 2,871,731          | 2,390,650           | 2,203,625              | -7.8        | 2,203,625              | 0.0         |
| GRF                          | 744321 | Division of Mineral Resource Mgt | 2,773,013          | 3,051,479          | 2,722,682          | 2,350,000           | 1,000,000              | -57.4       | 1,000,000              | 0.0         |
| <b>TOTAL General Revenue</b> |        |                                  | <b>125,014,407</b> | <b>123,680,685</b> | <b>123,893,276</b> | <b>116,589,709</b>  | <b>119,808,529</b>     | <b>2.8</b>  | <b>116,162,629</b>     | <b>-3.0</b> |
| 1550                         | 725601 | Departmental Projects            | 2,599,444          | 2,543,662          | 2,032,884          | 1,684,402           | 2,235,462              | 32.7        | 2,319,955              | 3.8         |
| 1570                         | 725651 | Central Support Indirect         | 5,710,811          | 5,728,882          | 5,728,547          | 5,756,127           | 6,500,000              | 12.9        | 6,500,000              | 0.0         |
| 1610                         | 725635 | Parks Facilities Maintenance     | 410,747            | 0                  | 0                  | 0                   | 0                      | .0          | 0                      | .0          |
| 2040                         | 725687 | Information Services             | 4,224,877          | 4,255,744          | 4,253,446          | 4,676,627           | 4,146,037              | -11.3       | 4,400,448              | 6.1         |
| 2060                         | 725689 | Realm Support Services           | 364,907            | 294,325            | 11,325             | 0                   | 0                      | .0          | 0                      | .0          |
| 2070                         | 725690 | Real Estate                      | 23,144             | 17,449             | 936                | 64,000              | 130,000                | 103.1       | 132,000                | 1.5         |

## Department of Natural Resources

**LINE ITEM SUMMARY - Department of Natural Resources**

| FUND                                 | ALI    | ALI NAME                               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 2230                                 | 725665 | Law Enforcement Administration         | 3,821,967         | 2,323,997         | 2,796,451         | 2,062,410           | 2,062,410              | 0.0         | 2,062,410              | 0.0         |
| 2270                                 | 725406 | Parks Projects Personnel               | 143,227           | 37,941            | 143,740           | 110,000             | 250,000                | 127.3       | 250,000                | 0.0         |
| 4300                                 | 725671 | Canal Lands                            | 900,047           | 812,203           | 903,479           | 1,150,082           | 916,541                | -20.3       | 922,424                | 0.6         |
| 4D50                                 | 725618 | Recycled Materials                     | 58,182            | 22,192            | 49,698            | 50,000              | 100,000                | 100.0       | 100,000                | 0.0         |
| 4S90                                 | 725622 | Natureworks Personnel                  | 398,814           | 279,485           | 366,456           | 478,766             | 412,740                | -13.8       | 412,740                | 0.0         |
| 4X80                                 | 725662 | Water Planning Council                 | 107,814           | 121,123           | 150,477           | 138,900             | 138,900                | 0.0         | 138,900                | 0.0         |
| 5080                                 | 725684 | DNR Publications                       | 221,713           | 125,400           | 131,320           | 148,280             | 221,607                | 49.5        | 177,295                | -20.0       |
| 5100                                 | 725631 | Maintenance-State-Owned Residences     | 218,711           | 257,999           | 258,919           | 303,611             | 303,611                | 0.0         | 303,611                | 0.0         |
| 5160                                 | 725620 | Water Management                       | 2,410,647         | 2,414,739         | 2,284,805         | 2,931,513           | 2,931,513              | 0.0         | 2,931,513              | 0.0         |
| 6350                                 | 725664 | Fountain Sq Facilities Mangmnt         | 3,311,184         | 3,147,577         | 3,412,946         | 3,640,398           | 3,715,398              | 2.1         | 3,715,398              | 0.0         |
| 6970                                 | 725670 | Submerged Lands                        | 712,380           | 701,979           | 714,685           | 772,011             | 1,072,011              | 38.9        | 772,011                | -28.0       |
| <b>TOTAL General Services</b>        |        |  | <b>25,638,617</b> | <b>23,084,699</b> | <b>23,240,114</b> | <b>23,967,127</b>   | <b>25,136,230</b>      | <b>4.9</b>  | <b>25,138,705</b>      | <b>0.0</b>  |
| 3280                                 | 725603 | Forestry Federal                       | 2,170,414         | 1,429,947         | 328,449           | 0                   | 0                      | .0          | 0                      | .0          |
| 3320                                 | 725669 | Federal Mine Safety Grant              | 252,687           | 168,902           | 236,566           | 258,102             | 258,102                | 0.0         | 258,102                | 0.0         |
| 3B30                                 | 725640 | Federal Forest Pass-Thru               | 140,242           | 206,843           | 132,660           | 225,000             | 600,000                | 166.7       | 600,000                | 0.0         |
| 3B40                                 | 725641 | Federal Flood Pass-Thru                | 346,568           | 492,231           | 479,686           | 490,000             | 700,000                | 42.9        | 700,000                | 0.0         |
| 3B50                                 | 725645 | Federal Abandoned Mine Lands           | 11,056,649        | 8,695,119         | 6,057,339         | 14,307,667          | 14,307,667             | 0.0         | 14,307,667             | 0.0         |
| 3B60                                 | 725653 | Federal Land & Water Conservtn         | 892,860           | 1,435,750         | 1,055,638         | 2,000,000           | 2,000,000              | 0.0         | 2,000,000              | 0.0         |
| 3B70                                 | 725654 | Reclamation-Regulatory                 | 2,036,367         | 2,089,286         | 2,027,067         | 2,107,291           | 2,394,565              | 13.6        | 2,388,775              | -0.2        |
| 3P00                                 | 725630 | Natural Areas & Preserves-Fedl         | 14,012            | 13,812            | 5,121             | 5,227               | 215,000                | 4013.3      | 215,000                | 0.0         |
| 3P10                                 | 725632 | Geological Survey-Federal              | 593,290           | 586,686           | 571,453           | 720,000             | 689,506                | -4.2        | 692,401                | 0.4         |
| 3P20                                 | 725642 | Oil and Gas-Federal                    | 258,116           | 211,508           | 132,920           | 234,510             | 231,456                | -1.3        | 234,509                | 1.3         |
| 3P30                                 | 725650 | Real Estate & Land Management-Fed      | 2,415,115         | 1,612,993         | 4,311,420         | 3,280,237           | 1,711,237              | -47.8       | 1,711,237              | 0.0         |
| 3P40                                 | 725660 | Water-Federal                          | 317,313           | 386,509           | 291,992           | 316,734             | 316,734                | 0.0         | 316,734                | 0.0         |
| 3R50                                 | 725673 | Acid Mine Drainage Abatement/Treatment | 1,174,223         | 1,614,807         | 158,151           | 2,025,001           | 2,025,001              | 0.0         | 2,025,001              | 0.0         |
| 3Z50                                 | 725657 | Realm Federal                          | 669,337           | 964,216           | 1,103,908         | 0                   | 1,850,000              | .0          | 1,850,000              | 0.0         |
| <b>TOTAL Federal Special Revenue</b> |        |  | <b>22,337,194</b> | <b>19,908,610</b> | <b>16,892,370</b> | <b>25,969,769</b>   | <b>27,299,268</b>      | <b>5.1</b>  | <b>27,299,426</b>      | <b>0.0</b>  |

## Department of Natural Resources

**LINE ITEM SUMMARY - Department of Natural Resources**

| FUND | ALI    | ALI NAME                                  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4J20 | 725628 | Injection Well Review                     | 29,688            | 66,866            | 31,978            | 68,933              | 119,895                | 73.9        | 119,996                | 0.1         |
| 4M70 | 725686 | Wildfire Suppression                      | 93,042            | 41,250            | 52,540            | 100,000             | 100,000                | 0.0         | 100,000                | 0.0         |
| 4U60 | 725668 | Scenic Rivers Protection                  | 213,327           | 106,763           | 291,852           | 407,100             | 100,000                | -75.4       | 100,000                | 0.0         |
| 5090 | 725602 | State Forest                              | 739,588           | 3,501,071         | 4,407,557         | 6,211,924           | 6,211,924              | 0.0         | 6,211,924              | 0.0         |
| 5110 | 725646 | Ohio Geological Mapping                   | 303,469           | 534,926           | 728,667           | 724,310             | 724,310                | 0.0         | 723,515                | -0.1        |
| 5120 | 725605 | State Parks Operations                    | 24,516,532        | 25,329,130        | 27,672,262        | 27,314,288          | 29,885,528             | 9.4         | 29,885,528             | 0.0         |
| 5120 | 725680 | Parks Facilities Maintenance              | 1,739,142         | 2,697,386         | 2,405,261         | 2,576,240           | 0                      | -100.0      | 0                      | .0          |
| 5140 | 725606 | Lake Erie Shoreline                       | 611,669           | 820,431           | 797,875           | 757,113             | 974,113                | 28.7        | 974,113                | 0.0         |
| 5180 | 725643 | Oil and Gas Permit Fees                   | 3,013,321         | 3,137,933         | 2,927,204         | 2,586,568           | 6,404,086              | 147.6       | 5,526,742              | -13.7       |
| 5180 | 725677 | Oil & Gas Well Plugging                   | 782,348           | 652,741           | 623,360           | 800,000             | 1,000,000              | 25.0        | 1,000,000              | 0.0         |
| 5210 | 725627 | Off-Road Vehicle Trails                   | 41,911            | 34,373            | 19,822            | 143,490             | 143,490                | 0.0         | 143,490                | 0.0         |
| 5220 | 725656 | Natural Areas Checkoff Funds              | 604,670           | 598,653           | 984,781           | 1,550,670           | 1,550,670              | 0.0         | 1,550,670              | 0.0         |
| 5260 | 725610 | Strip Mining Administratn Fees            | 1,924,453         | 2,081,700         | 2,123,580         | 1,903,871           | 3,267,587              | 71.6        | 3,364,361              | 3.0         |
| 5260 | 725654 | Reclamation-Regulatory                    | 0                 | 0                 | 8                 | 0                   | 0                      | .0          | 0                      | .0          |
| 5270 | 725637 | Surface Mining Administration             | 863,330           | 1,645,136         | 1,711,086         | 1,946,591           | 1,946,591              | 0.0         | 1,946,591              | 0.0         |
| 5290 | 725639 | Unreclaimed Land Fund                     | 740,566           | 972,497           | 2,702,616         | 2,024,257           | 2,021,713              | -0.1        | 2,023,831              | 0.1         |
| 5310 | 725648 | Reclamation Supplmntl Forfture            | 1,554,241         | 1,859,340         | 1,271,685         | 2,062,237           | 2,062,237              | 0.0         | 2,062,237              | 0.0         |
| 5320 | 725644 | Litter Control and Recycling              | 2,825,555         | 3,711,132         | 5,912,854         | 6,280,681           | 6,280,681              | 0.0         | 6,280,681              | 0.0         |
| 5860 | 725633 | Scrap Tire Program                        | 286,173           | 1,358,529         | 1,357,202         | 1,000,000           | 1,500,000              | 50.0        | 1,500,000              | 0.0         |
| 5B30 | 725674 | Mining Regulation                         | 6,514             | 11,792            | 10                | 28,850              | 28,850                 | 0.0         | 28,850                 | 0.0         |
| 5BV0 | 725683 | Soil and Water Districts                  | 1,276,591         | 1,461,730         | 1,820,386         | 1,850,000           | 10,875,577             | 487.9       | 18,104,906             | 66.5        |
| 5CU0 | 725647 | Mine Safety                               | 0                 | 0                 | 0                 | 0                   | 3,053,843              | .0          | 3,199,923              | 4.8         |
| 5EJ0 | 725608 | Forestry Law Enforcement                  | 0                 | 0                 | 0                 | 0                   | 1,000                  | .0          | 1,000                  | 0.0         |
| 5EK0 | 725611 | Natural Areas & Preserves Law Enforcement | 0                 | 0                 | 0                 | 0                   | 1,000                  | .0          | 1,000                  | 0.0         |
| 5EL0 | 725612 | Wildlife Law Enforcement                  | 0                 | 0                 | 0                 | 0                   | 12,000                 | .0          | 12,000                 | 0.0         |
| 5EM0 | 725613 | Park Law Enforcement                      | 0                 | 0                 | 0                 | 0                   | 34,000                 | .0          | 34,000                 | 0.0         |
| 5EN0 | 725614 | Watercraft Law Enforcement                | 0                 | 0                 | 0                 | 0                   | 2,500                  | .0          | 2,500                  | 0.0         |
| 5K10 | 725626 | Urban Forestry Grant                      | 121,403           | 18,778            | 0                 | 12,000              | 0                      | -100.0      | 0                      | .0          |
| 6150 | 725661 | Dam Safety                                | 337,574           | 486,389           | 561,396           | 595,416             | 807,403                | 35.6        | 807,403                | 0.0         |

State of Ohio  
Department of Natural Resources

**LINE ITEM SUMMARY - Department of Natural Resources**

| FUND  | ALI    | ALI NAME                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 6550  | 725667 | Lake Katherine Management      | 72,702            | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>          |        |                                | <b>42,697,808</b> | <b>51,128,546</b> | <b>58,403,981</b> | <b>60,944,539</b>   | <b>79,108,998</b>      | <b>29.8</b>  | <b>85,705,261</b>      | <b>8.3</b>  |
| 4M80  | 725675 | Fop Contract                   | 19,895            | 32,622            | 11,665            | 20,844              | 20,844                 | 0.0          | 20,844                 | 0.0         |
| <b>TOTAL Accrued Leave Liability</b>        |        |                                | <b>19,895</b>     | <b>32,622</b>     | <b>11,665</b>     | <b>20,844</b>       | <b>20,844</b>          | <b>0.0</b>   | <b>20,844</b>          | <b>0.0</b>  |
| 7061  | 725405 | Clean Ohio Operating           | 100,250           | 108,698           | 44,839            | 155,000             | 310,000                | 100.0        | 310,000                | 0.0         |
| <b>TOTAL Clean Ohio Conservation Prgm</b>   |        |                                | <b>100,250</b>    | <b>108,698</b>    | <b>44,839</b>     | <b>155,000</b>      | <b>310,000</b>         | <b>100.0</b> | <b>310,000</b>         | <b>0.0</b>  |
| R017  | 725657 | Realm Federal                  | 0                 | 0                 | 0                 | 1,850,000           | 0                      | -100.0       | 0                      | .0          |
| R017  | 725659 | Performance Cash Bond Refunds  | 155,047           | 237,422           | 1,729,266         | 279,263             | 296,263                | 6.1          | 296,263                | 0.0         |
| R043  | 725624 | Forestry                       | 966,593           | 1,908,914         | 1,891,522         | 2,007,977           | 2,000,000              | -0.4         | 2,000,000              | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |                                | <b>1,121,639</b>  | <b>2,146,337</b>  | <b>3,620,788</b>  | <b>4,137,240</b>    | <b>2,296,263</b>       | <b>-44.5</b> | <b>2,296,263</b>       | <b>0.0</b>  |
| 5AW0  | 725682 | Watercraft Revolving Loans     | 0                 | 0                 | 0                 | 1,000,000           | 0                      | -100.0       | 0                      | .0          |
| 7086  | 725414 | Waterways Improvement          | 3,715,655         | 3,542,460         | 4,077,522         | 4,062,452           | 4,265,575              | 5.0          | 4,265,575              | 0.0         |
| 7086  | 725418 | Buoy Placement                 | 49,655            | 36,236            | 61,645            | 52,182              | 52,182                 | 0.0          | 52,182                 | 0.0         |
| 7086  | 725501 | Waterway Safety Grants         | 65,580            | 65,580            | 115,873           | 137,867             | 137,867                | 0.0          | 137,867                | 0.0         |
| 7086  | 725506 | Watercraft Marine Patrol       | 575,244           | 544,147           | 531,579           | 576,153             | 576,153                | 0.0          | 576,153                | 0.0         |
| 7086  | 725513 | Watercraft Educational Grants  | 345,674           | 364,610           | 364,417           | 366,643             | 366,643                | 0.0          | 366,643                | 0.0         |
| 7086  | 739401 | Division of Watercraft         | 15,549,883        | 16,822,690        | 16,728,420        | 20,166,681          | 19,949,181             | -1.1         | 19,949,181             | 0.0         |
| <b>TOTAL Waterways Safety</b>               |        |                                | <b>20,301,691</b> | <b>21,375,723</b> | <b>21,879,455</b> | <b>26,361,978</b>   | <b>25,347,601</b>      | <b>-3.8</b>  | <b>25,347,601</b>      | <b>0.0</b>  |
| 5P20  | 725634 | Wildlife Boater Angler Admin   | 3,356,008         | 5,569,435         | 3,118,984         | 3,500,000           | 2,000,000              | -42.9        | 2,000,000              | 0.0         |
| 7015  | 740401 | Division of Wildlife Conservtn | 47,361,311        | 55,098,044        | 50,069,668        | 54,906,000          | 58,614,436             | 6.8          | 54,906,000             | -6.3        |
| 8150  | 725636 | Cooperative Management Prjcts  | 128,193           | 111,240           | 52,295            | 120,449             | 120,449                | 0.0          | 120,449                | 0.0         |
| 8160  | 725649 | Wetlands Habitat               | 904,812           | 1,253,591         | 1,601,993         | 966,885             | 966,885                | 0.0          | 966,885                | 0.0         |
| 8170  | 725655 | Wildlife Conservation Checkoff | 3,056,235         | 3,472,894         | 1,369,635         | 5,000,000           | 2,800,000              | -44.0        | 2,800,000              | 0.0         |
| 8180  | 725629 | Cooperative Fisheries Research | 1,178,565         | 1,434,076         | 1,384,303         | 1,500,000           | 1,500,000              | 0.0          | 1,500,000              | 0.0         |

## Department of Natural Resources

**LINE ITEM SUMMARY - Department of Natural Resources**

| <b>FUND</b>                                  | <b>ALI</b> | <b>ALI NAME</b>       | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|--|------------|-----------------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| 8190   | 725685     | Ohio River Management | 50,272                    | 50,384                    | 84,071                    | 128,584                     | 128,584                        | 0.0                 | 128,584                        | 0.0                 |
| 81B0   | 725688     | Wildlife Habitat      | 0                         | 1,065,308                 | 1,951,700                 | 0                           | 0                              | .0                  | 0                              | .0                  |
| <b>TOTAL Wildlife</b>                        |            |                       | <b>56,035,396</b>         | <b>68,054,971</b>         | <b>59,632,649</b>         | <b>66,121,918</b>           | <b>66,130,354</b>              | <b>0.0</b>          | <b>62,421,918</b>              | <b>-5.6</b>         |
| <b>TOTAL Department of Natural Resources</b> |            |                       | <b>293,266,896</b>        | <b>309,520,891</b>        | <b>307,619,136</b>        | <b>324,268,124</b>          | <b>345,458,087</b>             | <b>6.5</b>          | <b>344,702,647</b>             | <b>-0.2</b>         |

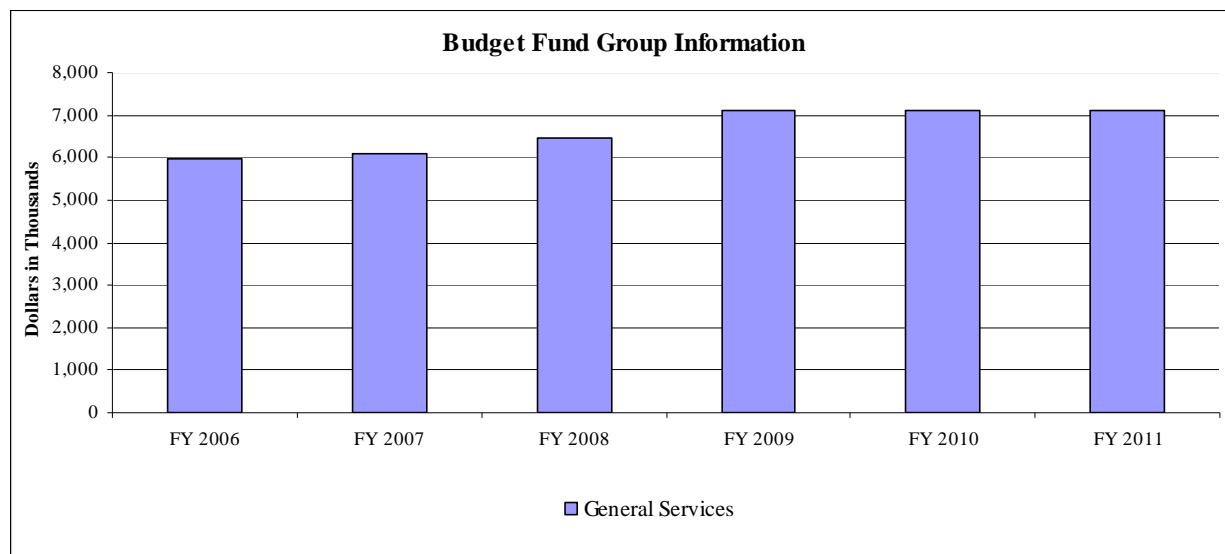
### Role and Overview

The Board of Nursing (NUR) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice nursing in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. The board also provides grants for nursing education programs. NUR has issued over 210,000 licenses and certificates to nurses in the last two years. More information about the Board of Nursing is available at <http://www.nursing.ohio.gov/>.

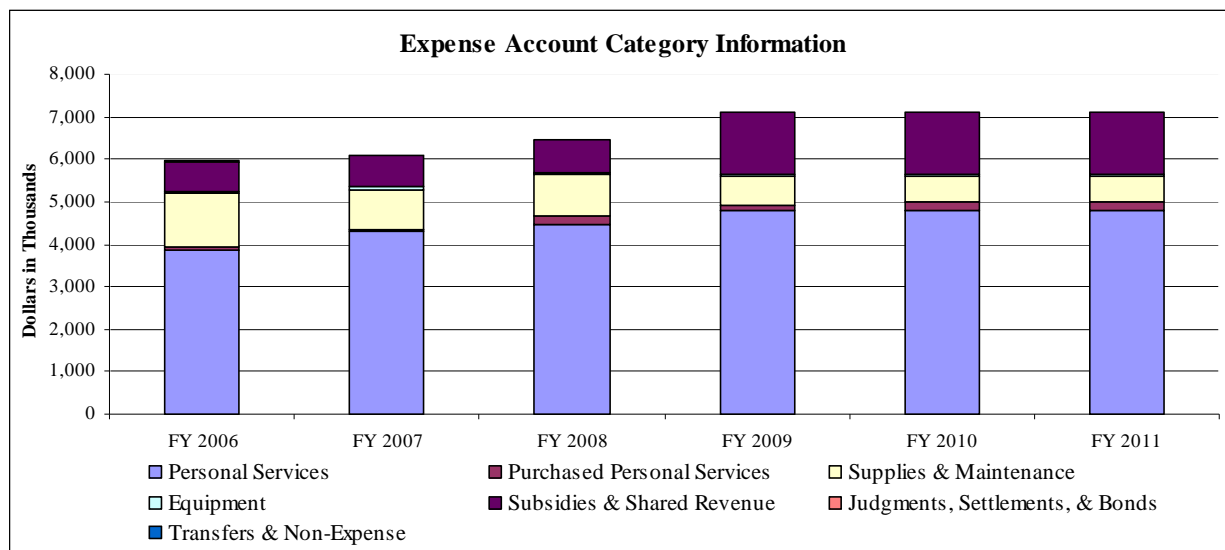
### Agency Priorities

- License or certify an increasing number of applicants as quickly as possible while assuring applicants are appropriately credentialed to practice.
- Provide additional practice guidance for licensees and certificate holders through the development of interpretive guidelines and dissemination of information.
- Safeguard the health of the public by streamlining operations to most efficiently handle the increasing number of complaints, investigations, and adjudications.
- Review and propose revisions to the nursing law and rules to address pertinent issues and provide greater clarity to those regulated by the board.
- Implement a partnership with employers to provide practice remediation for licensees and certificate holders when required.

### Summary of Budget History and Recommendations



| (In Thousands)   | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |              |            |
|------------------|--------------|--------------|--------------|---------------|-------------|----------------------|------------|--------------|------------|
|                  | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Services | 5,955        | 6,098        | 6,459        | 7,116         | 10.2        | 7,116                | 0.0        | 7,116        | 0.0        |
| <b>TOTAL</b>     | <b>5,955</b> | <b>6,098</b> | <b>6,459</b> | <b>7,116</b>  | <b>10.2</b> | <b>7,116</b>         | <b>0.0</b> | <b>7,116</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|-------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 3,845        | 4,306        | 4,476        | 4,800            | 7.2         | 4,805                   | 0.1        | 4,805        | 0.0        |
| Purchased Personal Services                   | 110          | 25           | 192          | 130              | -32.3       | 175                     | 34.6       | 185          | 5.7        |
| Supplies & Maintenance                        | 1,239        | 940          | 964          | 685              | -29.0       | 613                     | -10.5      | 606          | -1.1       |
| Equipment                                     | 60           | 76           | 33           | 47               | 42.5        | 70                      | 48.1       | 68           | -2.9       |
| Subsidies & Shared Revenue                    | 694          | 749          | 790          | 1,450            | 83.6        | 1,450                   | 0.0        | 1,450        | 0.0        |
| Judgments, Settlements, & Bonds               | 6            | 3            | 0            | 4                | 100.0       | 0                       | -100.0     | 0            | 0.0        |
| Transfers & Non-Expense                       | 0            | 0            | 4            | 0                | -100.0      | 3                       | 100.0      | 2            | -33.3      |
| <b>TOTAL</b>                                  | <b>5,955</b> | <b>6,098</b> | <b>6,459</b> | <b>7,116</b>     | <b>10.2</b> | <b>7,116</b>            | <b>0.0</b> | <b>7,116</b> | <b>0.0</b> |

## PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Board of Board of Nursing.

#### The Executive Recommendation will fund the following objectives:

- Support the operations of the board including implementation of certification for medication aides;
- Fund the investigation of complaints and adjudication of licensees and certificate holders who violate the law and rules;
- Provide funding for focusing on practice issues to provide greater clarity to licensees and certificate holders; and
- Support actions to implement a partnership with employers to provide practice remediation for licensees and certificate holders when required.



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**State of Ohio**  
**Board of Nursing**

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GSF                      | 4K90 | 884609 | Operating                     | 5,661,280        | 5,661,280        |
| GSF                      | 5AC0 | 884602 | Nurse Education Grant Program | 1,450,000        | 1,450,000        |
| GSF                      | 5P80 | 884601 | Nursing Special Issues        | 5,000            | 5,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>7,116,280</b> | <b>7,116,280</b> |

**LINE ITEM SUMMARY - Board of Nursing**

| FUND                          | ALI    | ALI NAME                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|-------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                          | 884609 | Operating                     | 5,221,560         | 5,349,190         | 5,669,529         | 5,661,280           | 5,661,280              | 0.0         | 5,661,280              | 0.0         |
| 5AC0                          | 884602 | Nurse Education Grant Program | 694,099           | 748,835           | 789,633           | 1,450,000           | 1,450,000              | 0.0         | 1,450,000              | 0.0         |
| 5P80                          | 884601 | Nursing Special Issues        | 39,000            | 0                 | 0                 | 5,000               | 5,000                  | 0.0         | 5,000                  | 0.0         |
| <b>TOTAL General Services</b> |        |                               | <b>5,954,659</b>  | <b>6,098,025</b>  | <b>6,459,162</b>  | <b>7,116,280</b>    | <b>7,116,280</b>       | <b>0.0</b>  | <b>7,116,280</b>       | <b>0.0</b>  |
| <b>TOTAL Board of Nursing</b> |        |                               | <b>5,954,659</b>  | <b>6,098,025</b>  | <b>6,459,162</b>  | <b>7,116,280</b>    | <b>7,116,280</b>       | <b>0.0</b>  | <b>7,116,280</b>       | <b>0.0</b>  |

# Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board

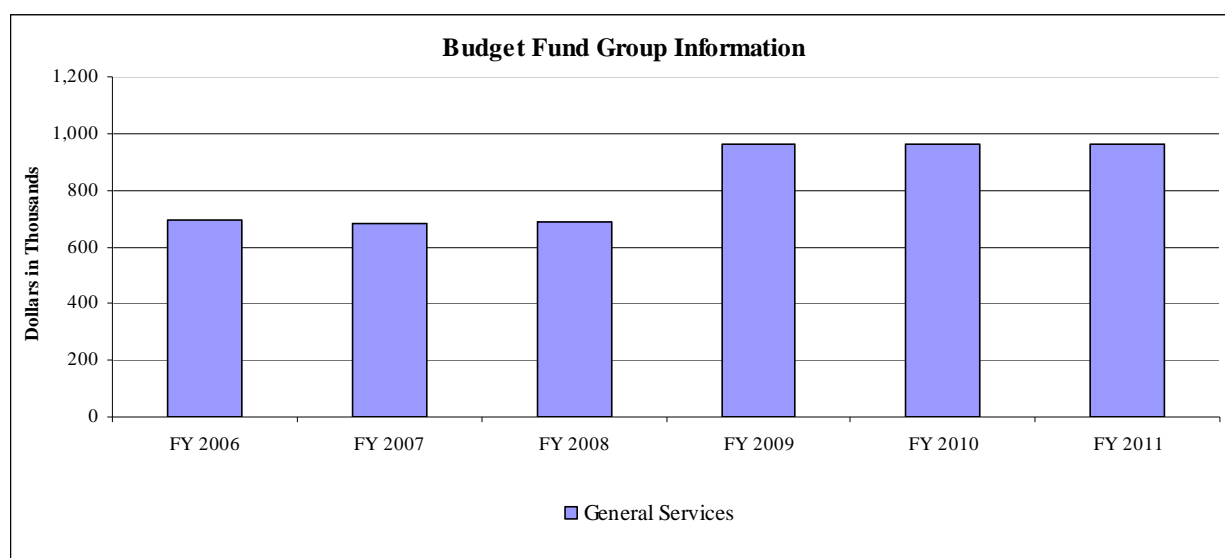
## Role and Overview

The Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board (OTPTAT) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice occupational therapy, physical therapy, and athletic training in Ohio. The board monitors those licensees to ensure compliance with the laws in the Ohio Revised Code. OTPTAT has approximately 18,600 licensees. Additional information regarding the Occupational Therapy, Physical Therapy, and Athletic Trainers Board is available at: <http://otptat.ohio.gov/>.

## Agency Priorities

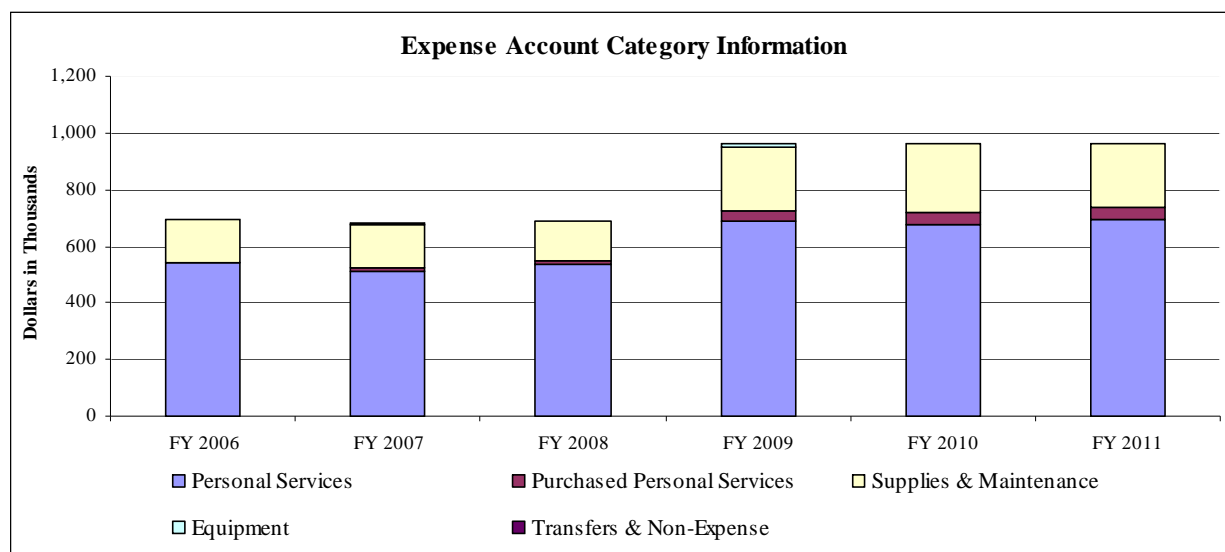
- Examine ways to increase cultural competence of licensees to ensure that health care services are delivered in a manner that is aware of and respects different societal and cultural beliefs.
- Enhance procedures to ensure that licensees seeking to reenter the workforce after an extended period out of active practice can quickly return to practice in a manner that ensures that the individual is still able to practice competently.
- Increase awareness of the ability to use on-line technology to receive information from the board, including posting copies of the actual adjudication orders on the public license verification website.
- Protect the public health through regulation and education while promoting the integrity of the industry.
- Streamline the application process, including use of online applications, to allow qualified and competent applicants to enter the job market as soon as possible, including enhancing mechanisms to allow licensees to conduct business and pay for services online.

## Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 696        | 682        | 688        | 964              | 40.0        | 964                     | 0.0        | 964        | 0.0        |
| <b>TOTAL</b>                        | <b>696</b> | <b>682</b> | <b>688</b> | <b>964</b>       | <b>40.0</b> | <b>964</b>              | <b>0.0</b> | <b>964</b> | <b>0.0</b> |

# Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 541        | 514        | 534        | 688              | 28.8        | 676                     | -1.8       | 695        | 2.8        |
| Purchased Personal Services                   | 1          | 8          | 16         | 37               | 131.1       | 41                      | 10.1       | 43         | 6.8        |
| Supplies & Maintenance                        | 150        | 153        | 138        | 224              | 61.6        | 246                     | 9.9        | 225        | -8.4       |
| Equipment                                     | 4          | 6          | 0          | 15               | 100.0       | 1                       | -93.3      | 0          | -100.0     |
| Transfers & Non-Expense                       | 0          | 0          | 0          | 1                | 455.6       | 1                       | 20.0       | 1          | 0.0        |
| <b>TOTAL</b>                                  | <b>696</b> | <b>682</b> | <b>688</b> | <b>964</b>       | <b>40.0</b> | <b>964</b>              | <b>0.0</b> | <b>964</b> | <b>0.0</b> |

## PROGRAM SERIES 01: Regulation

This program series ensures the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

### Program 01.01: Occupational Therapy

This program includes the operations of regulating the occupational therapy profession, including issuing and renewing licenses, monitoring continuing education requirements, and investigating complaints filed with the board.

#### The Executive Recommendation will fund the following objectives:

- Fund nine employees, travel reimbursement expenses for five Occupational Therapy Section members, and other costs of doing business such as rent and Department of Administrative Services fees;
- Maintain funding of the e-Licensing system, including development of an online license application;
- Fund purchase of replacement computers and software in fiscal year 2009;

## Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board

- Support the regulation of over 3,900 occupational therapists and 2,400 occupational therapy assistants, including the renewal of approximately 3,100 licensees per fiscal year and the issuance of approximately 200 initial licenses to occupational therapists and 160 initial licenses to occupational therapy assistants; and
- Finance board enforcement activities, including investigating approximately 20 complaints per year and conducting administrative hearings resulting in the discipline of approximately ten licensees per year.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 890609 | Operating | 322,449        | 322,309        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>322,449</b> | <b>322,309</b> |

### Program 01.02: Physical Therapy

This program includes the operations of regulating the physical therapy profession including issuing and renewing licenses, monitoring continuing education requirements, and investigating complaints filed with the board.

#### The Executive Recommendation will fund the following objectives:

- Fund nine employees, travel reimbursement expenses for nine Physical Therapy Section members, and other costs of doing business such as rent and Department of Administrative Services fees;
- Maintain funding of the e-Licensing system, including development of an online license application;
- Fund purchase of replacement computers and software in fiscal year 2009;
- Support the regulation of over 6,500 physical therapists and 4,600 physical therapist assistants, including the renewal of approximately 5,600 licensees per fiscal year and the issuance of approximately 300 initial licenses to physical therapists and 280 initial licenses to physical therapist assistants; and
- Finance board enforcement activities, including investigating approximately 35 complaints per year and conducting administrative hearings resulting in the discipline of approximately 15 licensees per year.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 890609 | Operating | 449,921        | 446,483        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>449,921</b> | <b>446,483</b> |

### Program 01.03: Athletic Trainers Board

This program includes the operations of regulating the athletic training profession including issuing and renewing licenses, monitoring continuing education requirements, and investigating complaints filed with the board.

#### The Executive Recommendation will fund the following objectives:

- Fund nine employees, travel reimbursement expenses for five Athletic Trainers Section members, and other costs of doing business such as rent and Department of Administrative Services fees;
- Maintain funding of the e-Licensing system, including development of an online license application;
- Fund purchase of replacement computers and software in fiscal year 2009;
- Support the regulation of over 1,700 athletic trainers, including the renewal of approximately 850 licensees per fiscal year and the issuance of approximately 160 initial licenses to athletic trainers; and
- Finance board enforcement activities, including investigating approximately 25 complaints per year and conducting administrative hearings resulting in the discipline of approximately ten licensees per year.

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**Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board**

| FUND              |      |        |           | RECOMMENDED |         |
|-------------------|------|--------|-----------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME  | FY 2010     | FY 2011 |
| GSF               | 4K90 | 890609 | Operating | 191,614     | 195,192 |
| TOTAL FOR PROGRAM |      |        |           | 191,614     | 195,192 |

## Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board

### LINE ITEM SUMMARY - Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board

| FUND  | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90  | 890609 | Operating | 696,365           | 682,406           | 688,378           | 963,984             | 963,984                | 0.0         | 963,984                | 0.0         |
| <b>TOTAL General Services</b>   |        |           | <b>696,365</b>    | <b>682,406</b>    | <b>688,378</b>    | <b>963,984</b>      | <b>963,984</b>         | <b>0.0</b>  | <b>963,984</b>         | <b>0.0</b>  |
| <b>TOTAL Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board</b> |        |           | <b>696,365</b>    | <b>682,406</b>    | <b>688,378</b>    | <b>963,984</b>      | <b>963,984</b>         | <b>0.0</b>  | <b>963,984</b>         | <b>0.0</b>  |

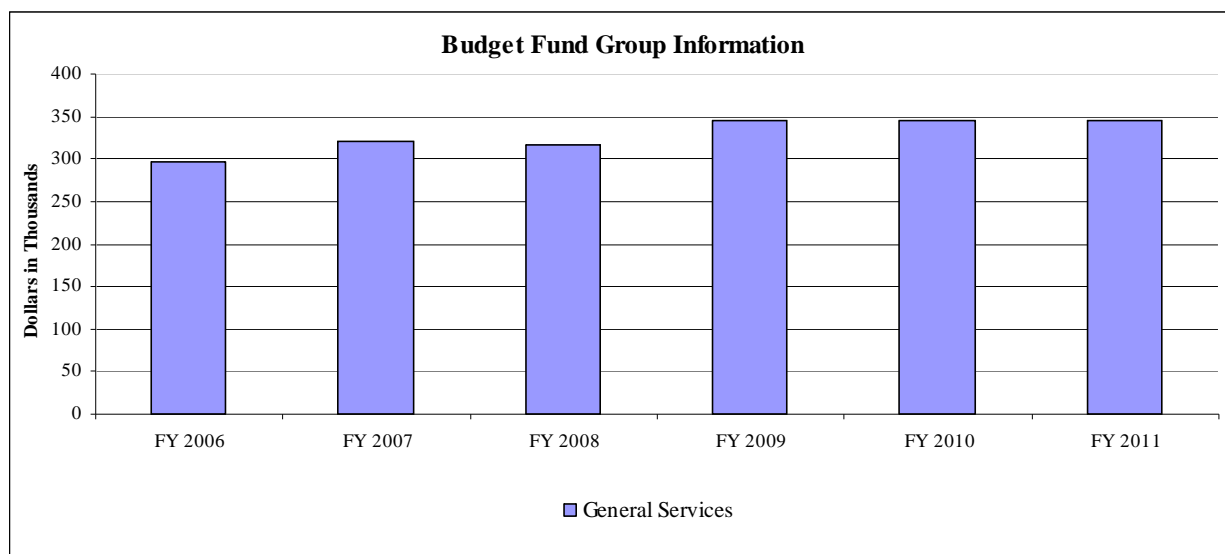
### Role and Overview

The Ohio Optical Dispensers Board (ODB) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice opticianry and ocularistry in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. ODB oversees more than 4,100 licensed opticians, ocularists, and apprentices. More information about the Ohio Optical Dispensers Board is available at <http://optical.ohio.gov/>.

### Agency Priorities

- Protect the public health through regulation and education while promoting the integrity of the optical dispensing industry.
- Collaborate with other state agencies to ensure that policies and regulations adopted by both entities reflect the various state laws contained in both the board's law and rules.
- Implement outreach programs to minority groups to encourage diversity of recruiting into the practice of Opticianry and Ocularistry.
- Encourage the development of continuing education programs that increase cultural competence of licensees to ensure that the delivery of Opticianry and Ocularistry services are delivered in a manner that demonstrates respect for different societal/cultural beliefs.

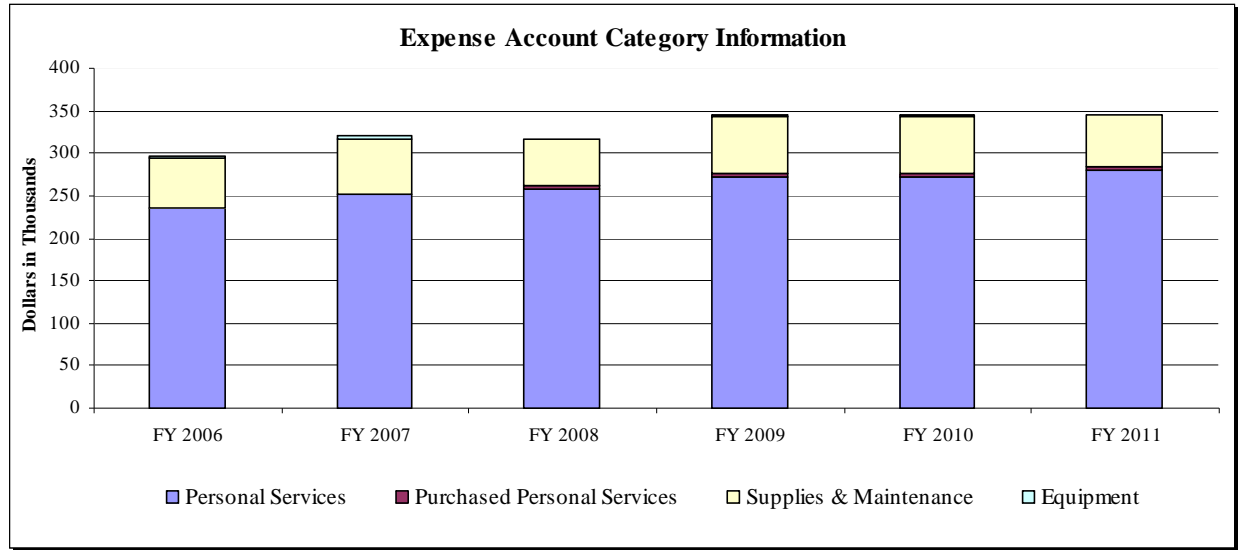
### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|---------------|------------|----------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 297        | 321        | 317        | 345           | 9.1        | 345                  | 0.0        | 345        | 0.0        |
| <b>TOTAL</b>                        | <b>297</b> | <b>321</b> | <b>317</b> | <b>345</b>    | <b>9.1</b> | <b>345</b>           | <b>0.0</b> | <b>345</b> | <b>0.0</b> |



State of Ohio  
**Ohio Optical Dispensers Board**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 235        | 251        | 258        | 272              | 5.8        | 272                     | 0.0        | 281        | 3.0        |
| Purchased Personal Services                   | 1          | 0          | 3          | 4                | 20.2       | 4                       | 5.7        | 4          | 0.0        |
| Supplies & Maintenance                        | 59         | 66         | 56         | 67               | 20.3       | 67                      | -0.3       | 60         | -10.8      |
| Equipment                                     | 2          | 4          | 0          | 2                | 377.3      | 2                       | 0.0        | 1          | -50.0      |
| <b>TOTAL</b>                                  | <b>297</b> | <b>321</b> | <b>317</b> | <b>345</b>       | <b>9.1</b> | <b>345</b>              | <b>0.0</b> | <b>345</b> | <b>0.0</b> |

**PROGRAM SERIES 01: Regulation**

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

**Program 01.01: License/Registration/Enforcement**

This program includes all operations of the Ohio Optical Dispensers Board.

**The Executive Recommendation will fund the following objectives:**

- Support the continuing operations of the board and staff;
- Support the regulation of the education, licensure, and discipline of dispensing opticians and ocularists; and
- Provide for an increased number of investigations and disciplinary actions for illegal dispensing/sales of contact lenses.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 894609 | Operating | 345,324        | 345,324        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>345,324</b> | <b>345,324</b> |

**LINE ITEM SUMMARY - Ohio Optical Dispensers Board**

| FUND                                       | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                                       | 894609 | Operating | 297,114           | 320,818           | 316,664           | 345,324             | 345,324                | 0.0         | 345,324                | 0.0         |
| <b>TOTAL General Services</b>              |        |           | <b>297,114</b>    | <b>320,818</b>    | <b>316,664</b>    | <b>345,324</b>      | <b>345,324</b>         | <b>0.0</b>  | <b>345,324</b>         | <b>0.0</b>  |
| <b>TOTAL Ohio Optical Dispensers Board</b> |        |           | <b>297,114</b>    | <b>320,818</b>    | <b>316,664</b>    | <b>345,324</b>      | <b>345,324</b>         | <b>0.0</b>  | <b>345,324</b>         | <b>0.0</b>  |

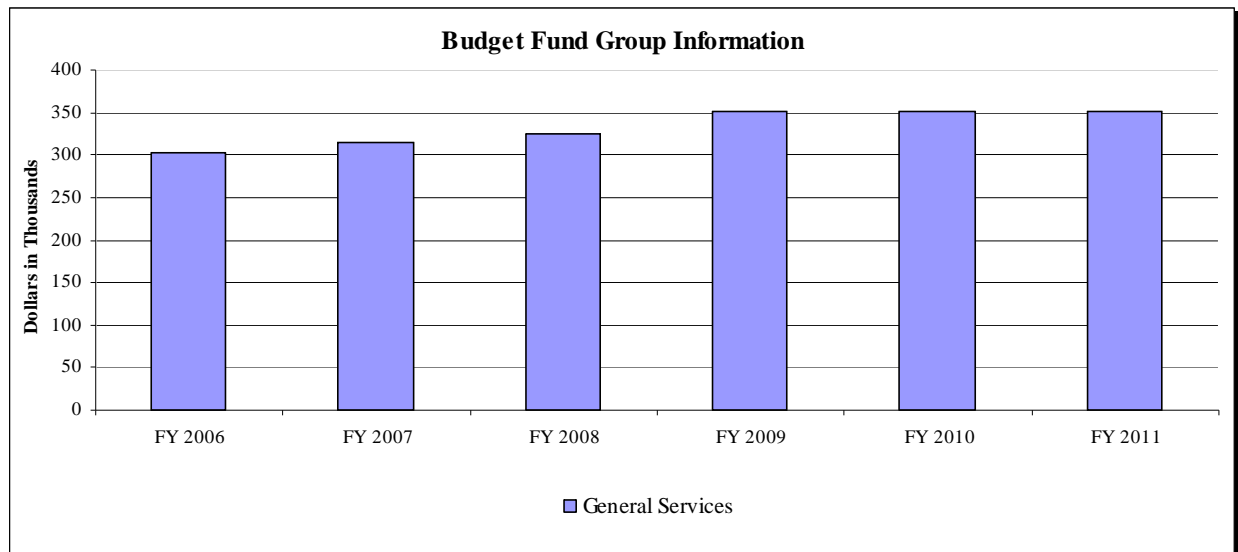
### Role and Overview

The State Board of Optometry (OPT) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice optometry in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules which govern the profession. OPT licenses approximately 2,072 optometrists. Additional information regarding the Board of Optometry is available at <http://optometry.ohio.gov/>.

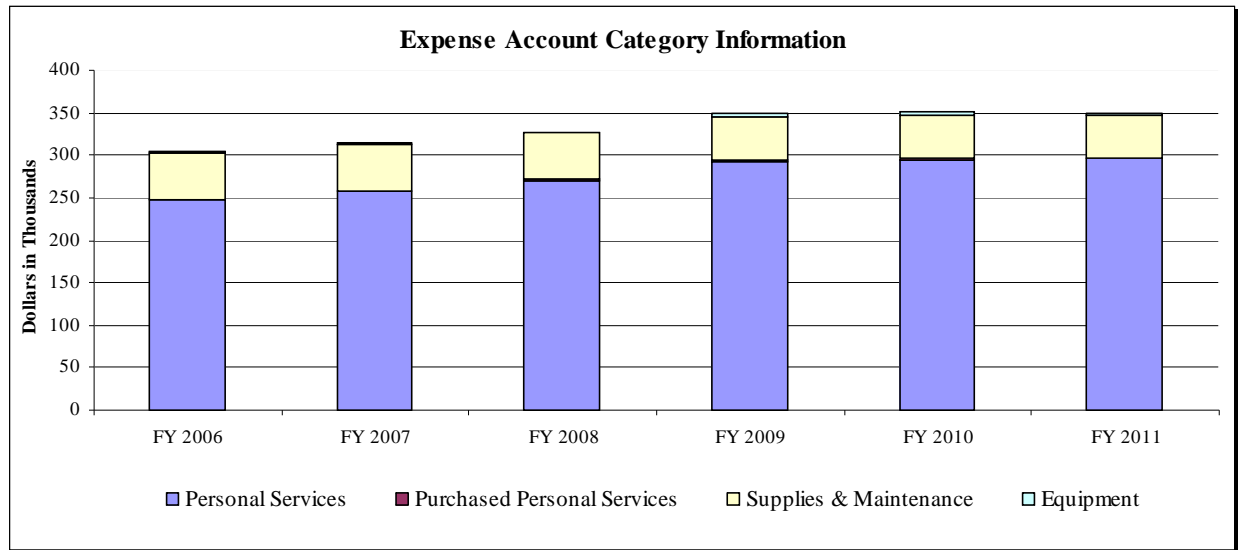
### Agency Priorities

- Assure professionally competent optometrists by regulating examinations and licensure through enforcement of the Ohio Optometry Laws and Administrative Rules. Review current laws and rules for any unnecessary impediments to the profession.
- Continue the expedient manner in which all regulatory responsibilities are conducted to ensure a high level of service to both the public and the profession.
- Work with all stakeholders to identify opportunities that would permit optometrists, as primary eye care doctors, to direct their services at early intervention and prevention of chronic and costly healthcare conditions.
- Maintain an up-to-date website with notices for meetings, board minutes, and other relevant, informative materials.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|---------------|------------|----------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 303        | 315        | 325        | 351           | 8.0        | 351                  | 0.0        | 351        | 0.0        |
| <b>TOTAL</b>                        | <b>303</b> | <b>315</b> | <b>325</b> | <b>351</b>    | <b>8.0</b> | <b>351</b>           | <b>0.0</b> | <b>351</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 248        | 258        | 270        | 292              | 8.3        | 294                     | 0.7        | 296        | 0.7        |
| Purchased Personal Services                   | 0          | 0          | 2          | 2                | 31.2       | 2                       | -20.5      | 1          | -25.8      |
| Supplies & Maintenance                        | 55         | 55         | 54         | 52               | -2.5       | 51                      | -3.5       | 50         | -1.0       |
| Equipment                                     | 1          | 2          | 0          | 4                | 100.0      | 4                       | 7.9        | 3          | -23.2      |
| <b>TOTAL</b>                                  | <b>303</b> | <b>315</b> | <b>325</b> | <b>351</b>       | <b>8.0</b> | <b>351</b>              | <b>0.0</b> | <b>351</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Board of Optometry.

#### The Executive Recommendation will fund the following objectives:

- Support the operations of the board and staff;
- Provide yearly licensing application and renewal for licensees;
- Support completion of an average of 90 investigations each year; and
- Maintain on-site inspections of 150 optometric locations annually.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 885609 | Operating | 351,071        | 351,071        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>351,071</b> | <b>351,071</b> |

**LINE ITEM SUMMARY - State Board of Optometry**

| FUND                           | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                           | 885609 | Operating | 303,299           | 315,275           | 325,185           | 351,071             | 351,071                | 0.0         | 351,071                | 0.0         |
| TOTAL General Services         |        |           | 303,299           | 315,275           | 325,185           | 351,071             | 351,071                | 0.0         | 351,071                | 0.0         |
| TOTAL State Board of Optometry |        |           | 303,299           | 315,275           | 325,185           | 351,071             | 351,071                | 0.0         | 351,071                | 0.0         |

## State Board of Orthotics, Prosthetics, and Pedorthics

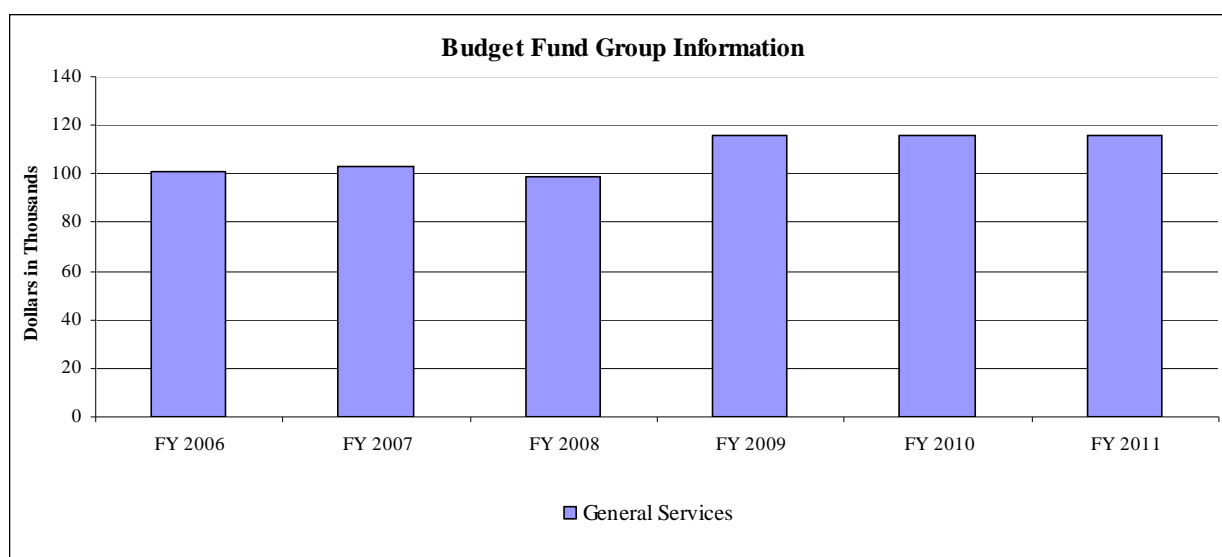
### Role and Overview

The State Board of Orthotics, Prosthetics, and Pedorthics (OPP) was established in 2002 to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely operate in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules which govern the profession. OPP licenses approximately 370 persons. Ohio is one of 11 states currently requiring licensure in Orthotics and Prosthetics and fewer require licensure in Pedorthics. Additional information regarding the Board of Orthotics, Prosthetics, and Pedorthics is available at <http://www.opp.ohio.gov/>

### Agency Priorities

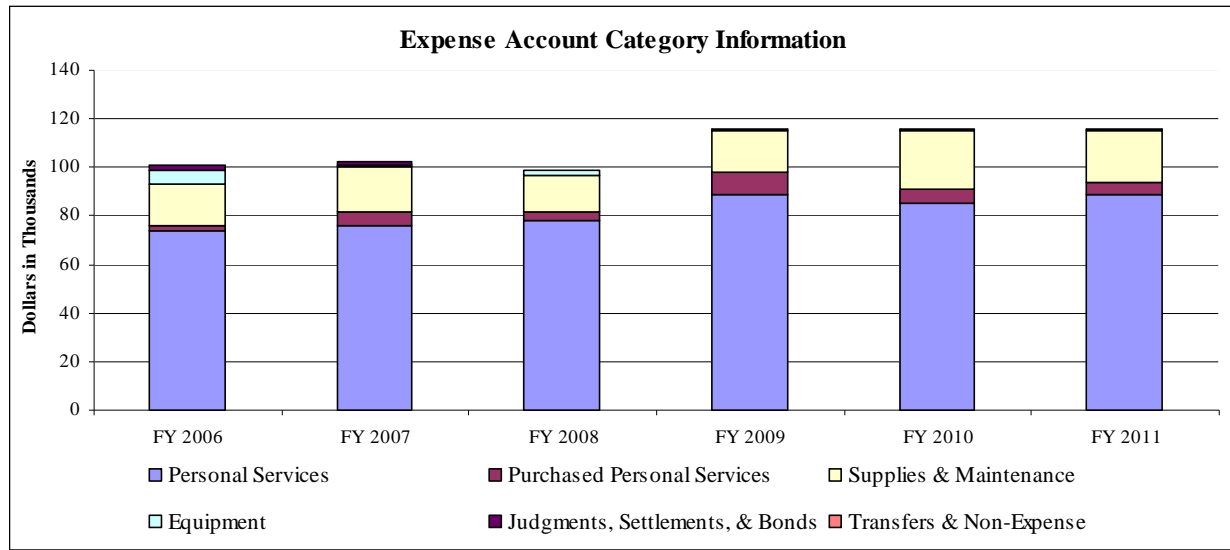
- Utilize its rule-making authority to clarify the Practice Act and seek agreement between Ohio law and federal regulations.
- Utilize information technology to improve its website interface and disseminate information to its credentialing partners in the healthcare community.
- Pursue opportunities to share resources, experience and knowledge with other regulatory boards for operational efficiencies.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |           | %<br>EST. CHANGE |             | RECOMMENDED |             |            |             |
|-------------------------------------|------------|------------|-----------|------------------|-------------|-------------|-------------|------------|-------------|
|                                     | FY 2006    | FY 2007    | FY 2008   | FY 2009          | FY 08-09    | FY 2010     | %<br>CHANGE | FY 2011    | %<br>CHANGE |
| General Services                    | 101        | 103        | 99        | 116              | 17.3        | 116         | 0.0         | 116        | 0.0         |
| <b>TOTAL</b>                        | <b>101</b> | <b>103</b> | <b>99</b> | <b>116</b>       | <b>17.3</b> | <b>116</b>  | <b>0.0</b>  | <b>116</b> | <b>0.0</b>  |

## State Board of Orthotics, Prosthetics, and Pedorthics



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |           | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|-----------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008   | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 74         | 76         | 78        | 89               | 14.8        | 85                      | -4.7       | 89         | 4.5        |
| Purchased Personal Services                   | 2          | 6          | 4         | 9                | 110.7       | 6                       | -28.1      | 5          | -15.9      |
| Supplies & Maintenance                        | 17         | 18         | 15        | 17               | 16.3        | 24                      | 39.3       | 21         | -10.0      |
| Equipment                                     | 6          | 1          | 2         | 0                | -100.0      | 0                       | 0.0        | 0          | 0.0        |
| Judgments, Settlements, & Bonds               | 2          | 1          | 0         | 1                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 0         | 0                | -100.0      | 1                       | 100.0      | 1          | -45.5      |
| <b>TOTAL</b>                                  | <b>101</b> | <b>103</b> | <b>99</b> | <b>116</b>       | <b>17.3</b> | <b>116</b>              | <b>0.0</b> | <b>116</b> | <b>0.0</b> |

**PROGRAM SERIES 01: Regulation**

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

**Program 01.01: License/Registration/Enforcement**

This program includes all operations of the Board of Orthotics, Prosthetics and Pedorthics.

**The Executive Recommendation will fund the following objectives:**

- Support the operations of the board and staff;
- Provide for the development of on-line licensing application and renewal processes; and
- Ensure a timely response to complaints of unlicensed practice and practice below standards.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 973609 | Prof Licensing Fund/operating | 116,260        | 116,260        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>116,260</b> | <b>116,260</b> |

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State Board of Orthotics, Prosthetics, and Pedorthics
**LINE ITEM SUMMARY - State Board of Orthotics, Prosthetics, and Pedorthics**

| FUND   | ALI    | ALI NAME                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90   | 973609 | Prof Licensing Fund/operating | 101,221           | 102,790           | 99,087            | 116,260             | 116,260                | 0.0         | 116,260                | 0.0         |
| <b>TOTAL General Services</b>                                      |        |                               | <b>101,221</b>    | <b>102,790</b>    | <b>99,087</b>     | <b>116,260</b>      | <b>116,260</b>         | <b>0.0</b>  | <b>116,260</b>         | <b>0.0</b>  |
| <b>TOTAL State Board of Orthotics, Prosthetics, and Pedorthics</b> |        |                               | <b>101,221</b>    | <b>102,790</b>    | <b>99,087</b>     | <b>116,260</b>      | <b>116,260</b>         | <b>0.0</b>  | <b>116,260</b>         | <b>0.0</b>  |



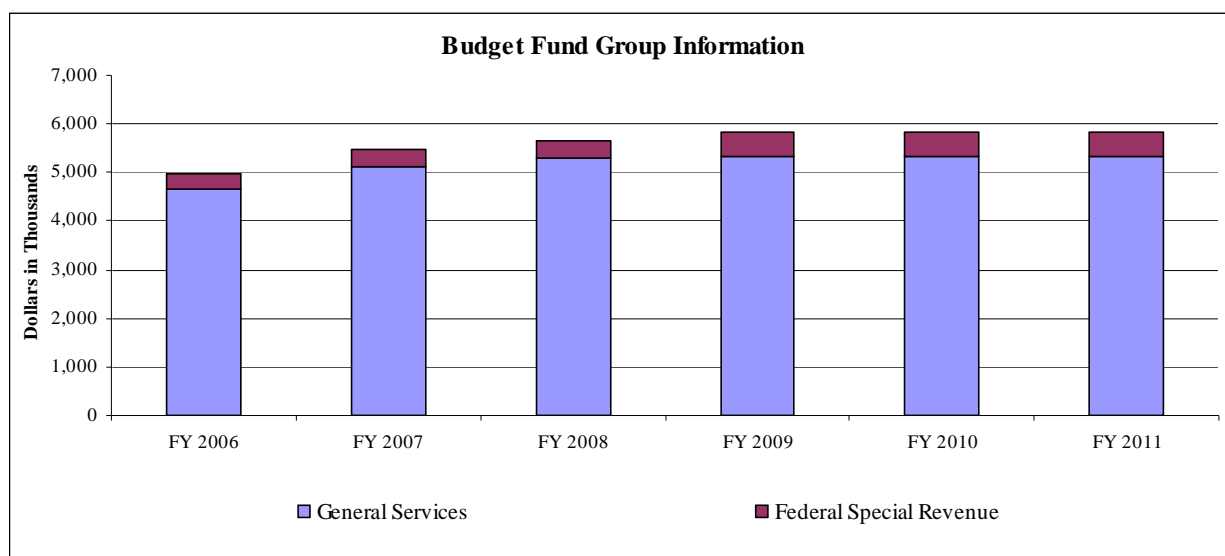
### Role and Overview

The Ohio State Board of Pharmacy (PRX) was established in 1884 to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice pharmacy and to legally distribute drugs in Ohio. The board monitors pharmacists and pharmacy intern licensees to ensure compliance with the laws in the Ohio Revised Code and has statewide jurisdiction for enforcement of criminal drug laws. The board also maintains an electronic database to monitor the distribution of controlled substances and dangerous drugs by terminal and wholesale distributors. The board has just over 31,000 licensees. Additional information regarding the Board of Pharmacy is available at: <http://pharmacy.ohio.gov/>.

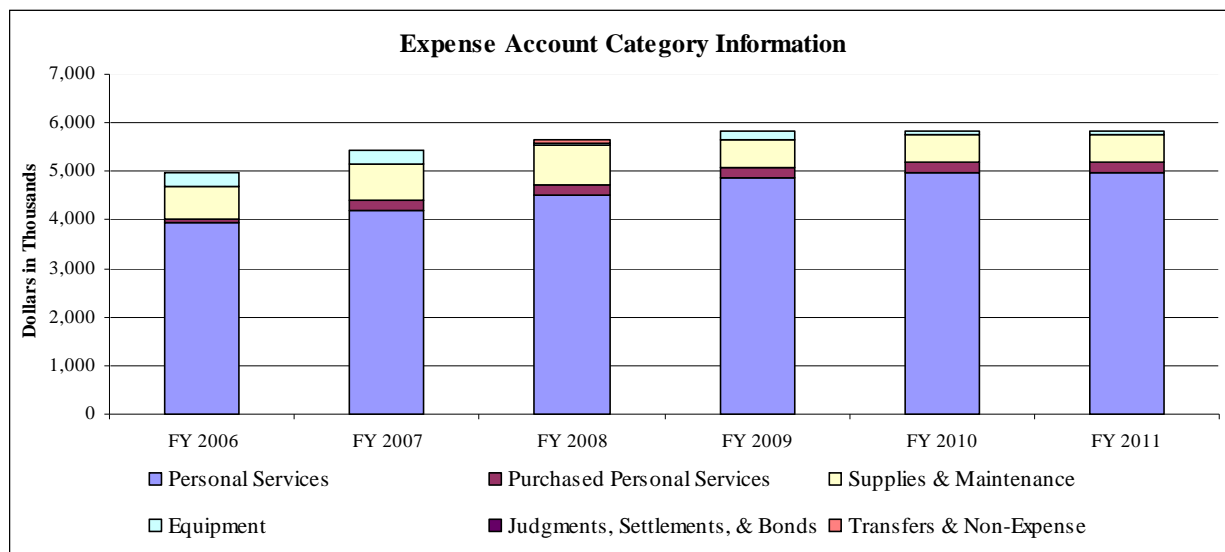
### Agency Priorities

- Respond to all complaints relating to medication errors made by pharmacists.
- Provide personal attention to every person who calls the board office.
- Improve and expand on the services offered by the Ohio Automated Prescription Reporting System (OARRS), the board's prescription monitoring program.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|------------|----------------------|------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| General Services                    | 4,641        | 5,117        | 5,295        | 5,327         | 0.6        | 5,327                | 0.0        | 5,327        | 0.0        |
| Federal Special Revenue             | 319          | 338          | 371          | 491           | 32.3       | 493                  | 0.4        | 501          | 1.6        |
| <b>TOTAL</b>                        | <b>4,959</b> | <b>5,454</b> | <b>5,666</b> | <b>5,818</b>  | <b>2.7</b> | <b>5,820</b>         | <b>0.0</b> | <b>5,827</b> | <b>0.1</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011      | CHANGE     |
| Personal Services                             | 3,940        | 4,201        | 4,514        | 4,884            | 8.2        | 4,977                   | 1.9        | 4,985        | 0.2        |
| Purchased Personal Services                   | 72           | 211          | 219          | 213              | -3.1       | 203                     | -4.7       | 203          | 0.0        |
| Supplies & Maintenance                        | 688          | 745          | 795          | 561              | -29.4      | 561                     | 0.0        | 561          | 0.0        |
| Equipment                                     | 257          | 290          | 49           | 159              | 220.5      | 79                      | -50.1      | 79           | 0.0        |
| Judgments, Settlements, & Bonds               | 3            | 7            | 0            | 2                | 100.0      | 0                       | -100.0     | 0            | 0.0        |
| Transfers & Non-Expense                       | 0            | 0            | 88           | 0                | -100.0     | 0                       | 100.0      | 0            | 0.0        |
| <b>TOTAL</b>                                  | <b>4,959</b> | <b>5,454</b> | <b>5,666</b> | <b>5,818</b>     | <b>2.7</b> | <b>5,820</b>            | <b>0.0</b> | <b>5,827</b> | <b>0.1</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program administers and enforces laws governing the legal distribution of drugs, licensing pharmacists, and pharmacist interns for practice in Ohio. The program also regulates the legal distribution of dangerous drugs in Ohio and ensures the quality of all drugs administered, prescribed, dispensed by prescription, or sold over-the-counter. The board investigates and presents violations of any federal or state drug laws to the appropriate court for prosecution of the offender.

#### The Executive Recommendation will fund the following objectives:

- Permit the board to continue to operate at its current staffing level of 50 FTEs and 9 board members;
- Allow the board to process 3,800 new license applications and 31,000 renewal applications each year; and
- Permit the board to hold meetings for three days each month as currently scheduled.

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State of Ohio  
**Ohio State Board of Pharmacy**

| FUND              |      |        |                         | RECOMMENDED |         |
|-------------------|------|--------|-------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                | FY 2010     | FY 2011 |
| FED               | 3BC0 | 887604 | Dangerous Drug Database | 493,164     | 500,891 |
| TOTAL FOR PROGRAM |      |        |                         | 493,164     | 500,891 |

**LINE ITEM SUMMARY - Ohio State Board of Pharmacy**

| FUND                                      | ALI    | ALI NAME                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4A50                                      | 887605 | Drug Law Enforcement    | 115,727           | 42,894            | 70,959            | 75,550              | 75,500                 | -0.1        | 75,500                 | 0.0         |
| 4K90                                      | 887609 | Operating               | 4,525,102         | 5,073,717         | 5,223,813         | 5,251,032           | 5,251,032              | 0.0         | 5,251,032              | 0.0         |
| <b>TOTAL General Services</b>             |        |                         | <b>4,640,829</b>  | <b>5,116,611</b>  | <b>5,294,772</b>  | <b>5,326,582</b>    | <b>5,326,532</b>       | <b>0.0</b>  | <b>5,326,532</b>       | <b>0.0</b>  |
| 3BC0                                      | 887604 | Dangerous Drug Database | 318,577           | 337,696           | 371,375           | 491,405             | 493,164                | 0.4         | 500,891                | 1.6         |
| <b>TOTAL Federal Special Revenue</b>      |        |                         | <b>318,577</b>    | <b>337,696</b>    | <b>371,375</b>    | <b>491,405</b>      | <b>493,164</b>         | <b>0.4</b>  | <b>500,891</b>         | <b>1.6</b>  |
| <b>TOTAL Ohio State Board of Pharmacy</b> |        |                         | <b>4,959,406</b>  | <b>5,454,306</b>  | <b>5,666,147</b>  | <b>5,817,987</b>    | <b>5,819,696</b>       | <b>0.0</b>  | <b>5,827,423</b>       | <b>0.1</b>  |

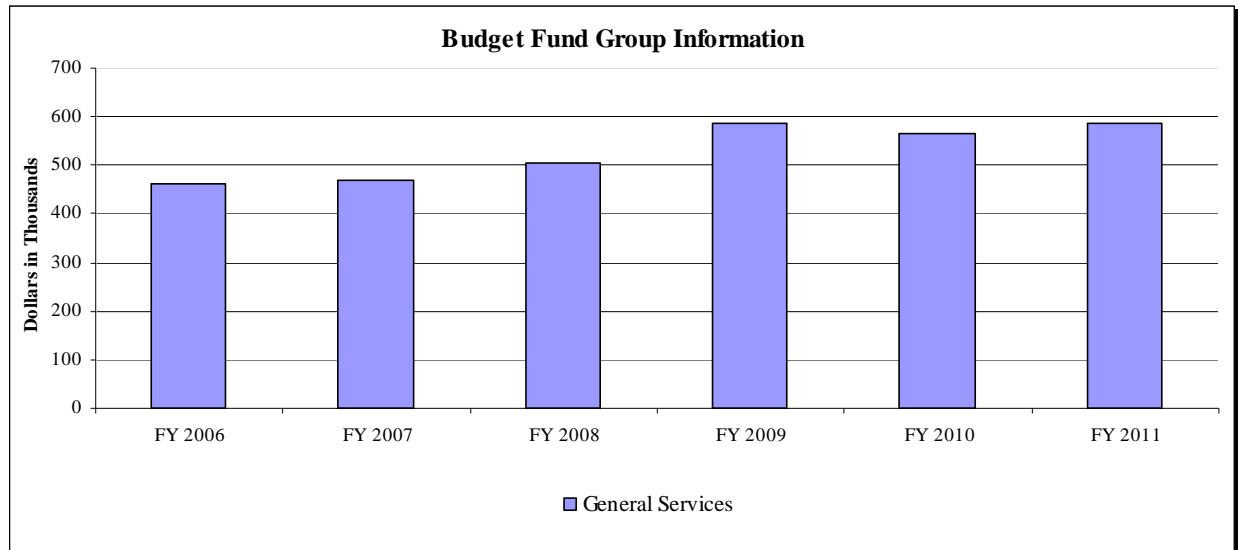
### Role and Overview

The State Board of Psychology (PSY) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice psychology and school psychology in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. PSY has approximately 3,750 licensees. More information about the State Board of Psychology is available at <http://www.psychology.ohio.gov/>.

### Agency Priorities

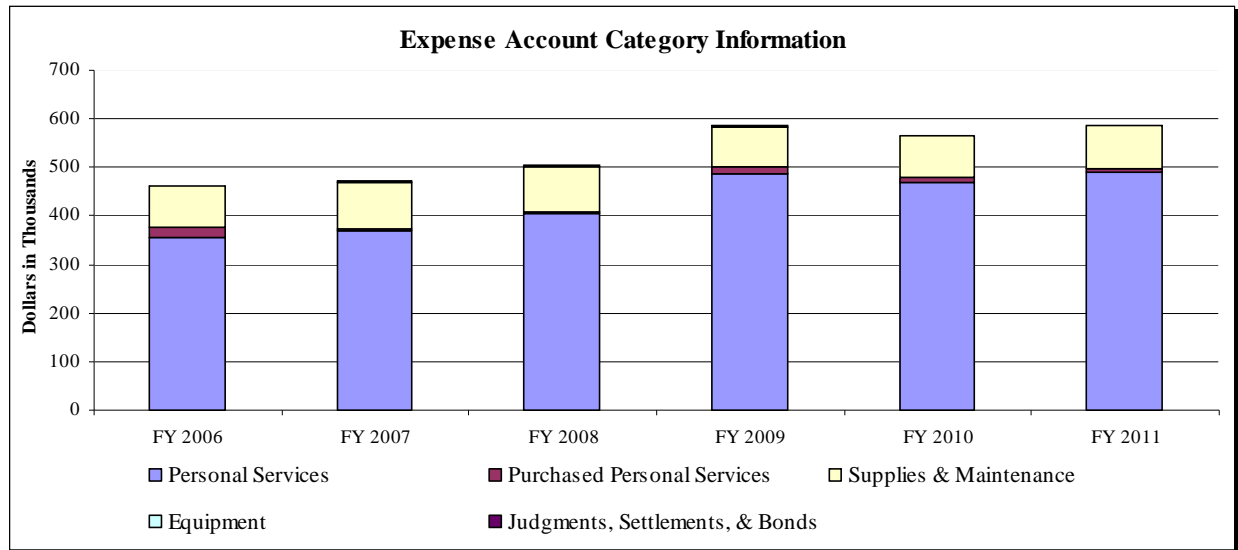
- Provide safeguards to consumers of psychological services who expect and need psychological or school psychological services.
- Stop illegal practice of psychology and school psychology.
- Protect the public by monitoring the actions of psychologists, school psychologists, and persons who are not licensed by this board (nor licensed as any other professional) in delivering services to the public.
- Ensure that appropriately trained professionals are providing psychological or school psychological services.
- Establish rules to guide professionals in their provision of psychological or school psychological services, emphasizing the protection of client welfare.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |            |            |
|-------------------------------------|------------|------------|------------|---------------|-------------|----------------------|-------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011    | CHANGE     |
| General Services                    | 461        | 470        | 504        | 587           | 16.4        | 566                  | -3.5        | 586        | 3.5        |
| <b>TOTAL</b>                        | <b>461</b> | <b>470</b> | <b>504</b> | <b>587</b>    | <b>16.4</b> | <b>566</b>           | <b>-3.5</b> | <b>586</b> | <b>3.5</b> |

State of Ohio  
State Board of Psychology



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|-------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011    | CHANGE     |
| Personal Services                             | 354        | 369        | 404        | 486              | 20.4        | 470                     | -3.3        | 489        | 4.0        |
| Purchased Personal Services                   | 23         | 5          | 5          | 16               | 204.4       | 10                      | -37.8       | 10         | 0.0        |
| Supplies & Maintenance                        | 84         | 95         | 91         | 82               | -10.6       | 85                      | 4.3         | 86         | 1.2        |
| Equipment                                     | 0          | 2          | 4          | 2                | -43.7       | 1                       | -50.0       | 1          | 0.0        |
| Judgments, Settlements, & Bonds               | 0          | 0          | 0          | 1                | 100.0       | 0                       | -100.0      | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>461</b> | <b>470</b> | <b>504</b> | <b>587</b>       | <b>16.4</b> | <b>566</b>              | <b>-3.5</b> | <b>586</b> | <b>3.5</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the State Board of Psychology.

#### The Executive Recommendation will fund the following objectives:

- Maintain staff payroll for day to day needs in licensing, monitoring of unlicensed supervised practice, and enforcement; and
- Support administrative hearings and reimburse board members for meeting and hearing attendance.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 882609 | Operating | 566,000        | 586,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>566,000</b> | <b>586,000</b> |

**LINE ITEM SUMMARY - State Board of Psychology**

| FUND                                   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                                   | 882609 | Operating | 461,457           | 470,118           | 503,729           | 586,565             | 566,000                | -3.5        | 586,000                | 3.5         |
| <b>TOTAL General Services</b>          |        |           | <b>461,457</b>    | <b>470,118</b>    | <b>503,729</b>    | <b>586,565</b>      | <b>566,000</b>         | <b>-3.5</b> | <b>586,000</b>         | <b>3.5</b>  |
| <b>TOTAL State Board of Psychology</b> |        |           | <b>461,457</b>    | <b>470,118</b>    | <b>503,729</b>    | <b>586,565</b>      | <b>566,000</b>         | <b>-3.5</b> | <b>586,000</b>         | <b>3.5</b>  |

### Role and Overview

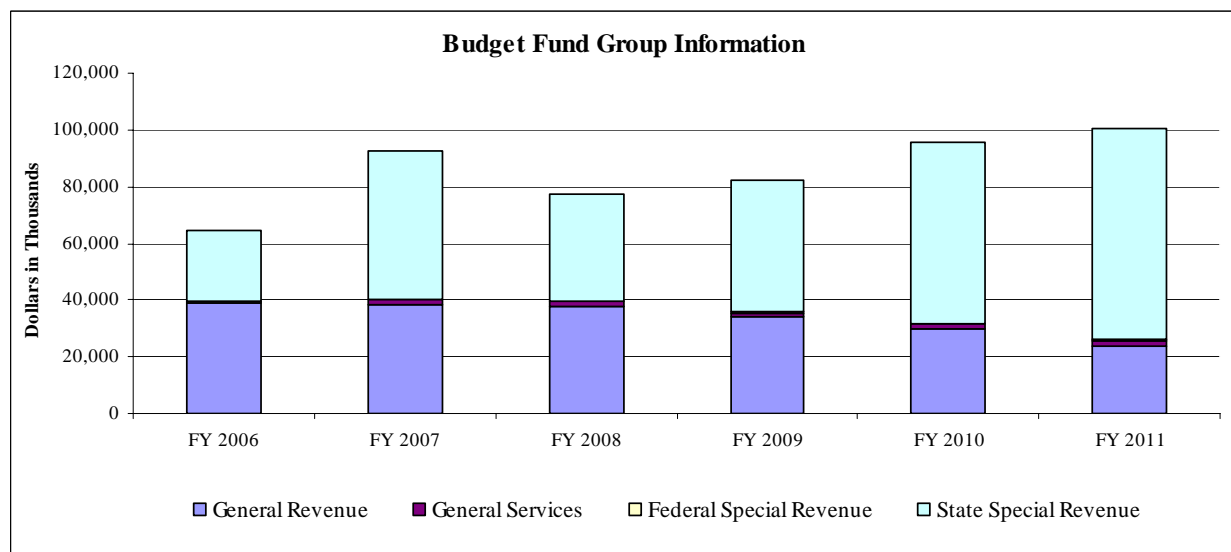
The Public Defender Commission (PUB) provides, supervises, and coordinates legal representation for indigent persons who are charged with a crime and for indigent prisoners who are appealing their convictions, who are seeking post-conviction relief, or who are charged with a violation of parole. The commission also sets rules and regulations governing the provision of indigent defense services, administers state reimbursement to counties for indigent defense expenditures, and passes funding to the Ohio Legal Assistance Foundation. The Office of the Public Defender has 121 employees and an annual operating budget of over \$82 million.

More information regarding the Public Defender Commission is available at <http://www.opd.ohio.gov>.

### Agency Priorities

- Ensure quality representation is provided to all indigent persons accused of crime in Ohio.
- Set and enforce rules, standards, and guidelines governing county public defenders and appointed counsel.
- Reimburse counties for a portion of their indigent defense costs.

### Summary of Budget History and Recommendations

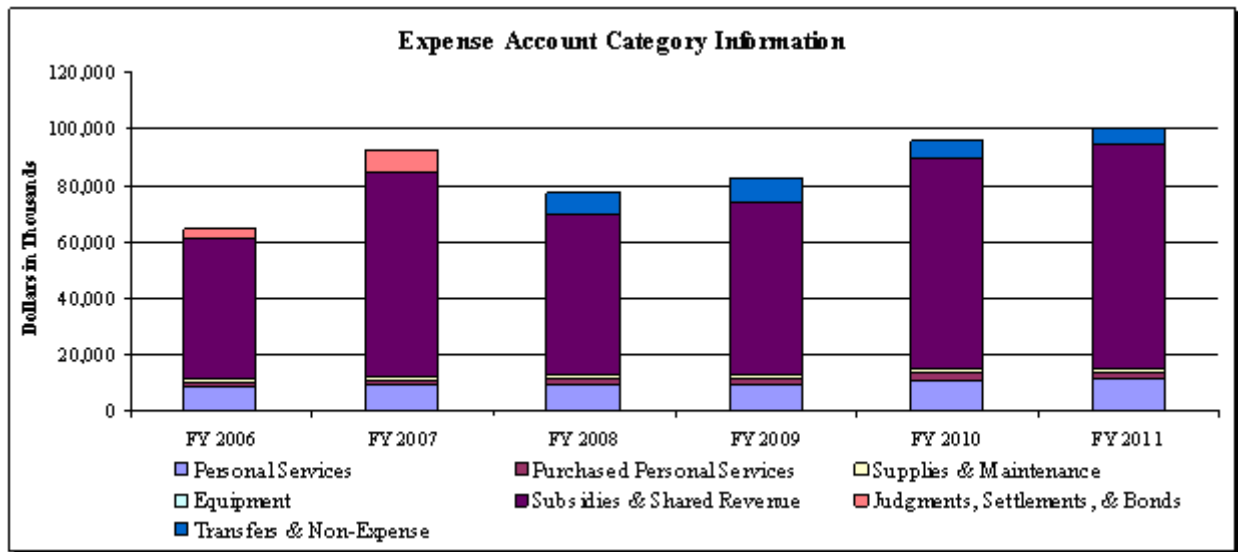


- Due to limited general revenue fund (GRF) resources and in order to decrease PUB's reliance on the GRF for indigent defense funding, the Executive Budget proposes to increase non-GRF revenue going to PUB through a package of fee changes.
- The package of changes includes increases to court costs in section 2949.091 of the Ohio Revised Code (ORC), the license reinstatement fee in section 4507.45 of the ORC, the license reinstatement fee after a class F suspension in section 4510.22 of the ORC, and the financial responsibility reinstatement fee, along with a new surcharge on surety and appearance bonds.
- These fee changes will result in significantly more non-GRF revenue being available to PUB for county reimbursements and state office funding. The projected reimbursement rate to counties for indigent defense costs in fiscal year 2009 is about 25 percent. With this additional non-GRF revenue, the reimbursement rate is projected to be 42.3 percent in fiscal year 2010 and 44.3 percent in fiscal year 2011.



State of Ohio  
**Public Defender Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |                |            |
|-------------------------------------|---------------|---------------|---------------|------------------|------------|-------------------------|-------------|----------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011        | CHANGE     |
| General Revenue                     | 38,681        | 38,657        | 37,915        | 33,884           | -10.6      | 29,706                  | -12.3       | 23,957         | -19.4      |
| General Services                    | 426           | 1,516         | 1,403         | 1,511            | 7.7        | 1,806                   | 19.5        | 1,866          | 3.3        |
| Federal Special Revenue             | 306           | 297           | 260           | 305              | 17.4       | 202                     | -33.7       | 212            | 4.9        |
| State Special Revenue               | 25,008        | 52,269        | 37,625        | 46,716           | 24.2       | 63,829                  | 36.6        | 74,310         | 16.4       |
| <b>TOTAL</b>                        | <b>64,421</b> | <b>92,739</b> | <b>77,203</b> | <b>82,416</b>    | <b>6.8</b> | <b>95,543</b>           | <b>15.9</b> | <b>100,345</b> | <b>5.0</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |                |            |
|---|---------------|---------------|---------------|------------------|------------|-------------------------|-------------|----------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011        | CHANGE     |
| Personal Services                             | 8,496         | 9,099         | 9,278         | 9,584            | 3.3        | 11,220                  | 17.1        | 11,509         | 2.6        |
| Purchased Personal Services                   | 1,652         | 2,096         | 2,216         | 2,139            | -3.5       | 2,454                   | 14.7        | 2,567          | 4.6        |
| Supplies & Maintenance                        | 1,139         | 1,113         | 1,067         | 1,054            | -1.2       | 1,323                   | 25.4        | 1,331          | 0.6        |
| Equipment                                     | 43            | 158           | 63            | 0                | -100.0     | 28                      | 100.0       | 28             | -1.4       |
| Subsidies & Shared Revenue                    | 49,976        | 71,908        | 56,626        | 61,639           | 8.9        | 74,519                  | 20.9        | 78,911         | 5.9        |
| Judgments, Settlements, & Bonds               | 3,116         | 8,366         | 0             | 0                | 0.0        | 0                       | 0.0         | 0              | 0.0        |
| Transfers & Non-Expense                       | 0             | 0             | 7,952         | 8,000            | 0.1        | 6,000                   | 100.0       | 6,000          | 0.0        |
| <b>TOTAL</b>                                  | <b>64,421</b> | <b>92,739</b> | <b>77,203</b> | <b>82,416</b>    | <b>6.8</b> | <b>95,543</b>           | <b>15.9</b> | <b>100,345</b> | <b>5.0</b> |

**PROGRAM SERIES 01: State Legal Defense Services**

This program series provides legal representation and services to indigent adults, juveniles, and incarcerated individuals in state and federal courts when representation is required by Ohio law, the Ohio Constitution, or the United States Constitution.

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**State of Ohio**  
**Public Defender Commission**

**Program 01.01: Appeals and Postconviction**

This program provides legal representation in state and federal courts to indigent persons who claim they are unlawfully incarcerated. The clientele are generally inmates in Ohio's prisons who contact the office to have their cases reviewed. Attorney staff reviews the requests for assistance and determine whether or not the cases have arguable merit. If the case has arguable merit and the office is able to provide assistance, the agency litigates the claim.

**The Executive Recommendation will fund the following objectives:**

- Legal representation for indigent persons who have had a trial, been found guilty, and claim that they are unlawfully incarcerated, with arguable merit for appeal; and
- Nine staff attorneys and three supervising attorneys who provide representation in over 800 cases per year where the indigent client claims unlawful incarceration.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 019401 | State Legal Defense Services               | 1,397,980        | 1,075,874        |
| GSF                      | 4070 | 019604 | County Representation                      | 70,066           | 73,966           |
| GSF                      | 4080 | 019605 | Client Payment                             | 72,923           | 73,371           |
| SSR                      | 5DY0 | 019619 | Indigent Defense Support Fund-State Office | 1,106,050        | 1,544,300        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>2,647,019</b> | <b>2,767,511</b> |

**Program 01.02: Death Penalty Representation**

This program provides legal counsel to indigent persons charged with or under a sentence of death in Ohio. Services include providing legal counsel to Ohio's death row inmates in direct appeal, state postconviction, federal habeas corpus, and executive clemency. The program also provides legal assistance, criminal investigation, mitigation, and trial services to private appointed attorneys in such cases.

**The Executive Recommendation will fund the following objectives:**

- Competent legal counsel to indigent persons under a sentence of death, including direct appeal, state post-conviction, federal habeas corpus, and clemency appeals, as well as criminal investigation and mitigation; and
- The Ohio Public Defender's Death Penalty Division, which functions as the resource center for assistance on capital case issues in Ohio.

| FUND                     |      |        |  | RECOMMENDED      |                  |
|--------------------------|------|--------|--|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 019401 | State Legal Defense Services               | 1,337,515        | 968,637          |
| GSF                      | 5CX0 | 019617 | Civil Case Filing Fee                      | 155,022          | 183,121          |
| FED                      | 3S80 | 019608 | Federal Representation                     | 202,347          | 212,303          |
| SSR                      | 5DY0 | 019619 | Indigent Defense Support Fund-State Office | 1,106,050        | 1,544,300        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>2,800,934</b> | <b>2,908,361</b> |

**Program 01.03: Intake and Prison Services**

This program fields and screens requests from inmates for legal assistance, manages the office's legal case filing system, and assigns cases to staff attorneys for review. The program also operates an orientation program for incoming inmates at the Department of Rehabilitation and Correction institutions. In the orientation, inmates are given information regarding their legal rights and responsibilities and afforded an opportunity to speak with an attorney about their case. The program also provides representation in select parole revocation matters.

State of Ohio  
**Public Defender Commission**

**The Executive Recommendation will fund the following objectives:**

- Provide an orientation to all persons processed through the Department of Rehabilitation and Correction intake centers, review each incoming inmate's jail time credit for correctness, evaluate and screen all case inquiries for arguable merit, and maintain records for all persons for whom the Ohio Public Defender has provided representation.

| FUND              |      |        |                              | RECOMMENDED |         |
|-------------------|------|--------|------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011 |
| GRF               | GRF  | 019401 | State Legal Defense Services | 269,098     | 215,642 |
| GSF               | 4080 | 019605 | Client Payment               | 236,214     | 246,586 |
| GSF               | 5CX0 | 019617 | Civil Case Filing Fee        | 184,689     | 196,175 |
| TOTAL FOR PROGRAM |      |        |                              | 690,001     | 658,403 |

**Program 01.04: Juvenile Legal Assistance**

This program provides legal representation and assistance to juveniles on appeal and other post-dispositional issues. Representation ranges from gathering general information for the youth, correcting sentence errors, filing motions in juvenile court, and directly representing youth on appeal. The program also coordinates and provides training to defense attorneys who handle juvenile work, and provides legislative advocacy and information on right-of-counsel issues and other substantive issues involving children in the juvenile justice system.

**The Executive Recommendation will fund the following objectives:**

- Allow PUB to present an orientation to all youth entering Department of Youth Services state institutions, and to provide each youth with the opportunity to have their case reviewed. The agency will process those cases with the strongest issues and the highest probability for relief.

| FUND              |      |        |                              | RECOMMENDED |         |
|-------------------|------|--------|------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011 |
| GRF               | GRF  | 019401 | State Legal Defense Services | 308,158     | 247,598 |
| GSF               | 5CX0 | 019617 | Civil Case Filing Fee        | 147,252     | 155,472 |
| TOTAL FOR PROGRAM |      |        |                              | 455,410     | 403,070 |

**Program 01.05: Legal Resource Center**

Under this program, the agency maintains a law library and legal resource center as required by Ohio Revised Code 120.04(B)(1). The program maintains a collection of print and electronic media materials for the use by Ohio Public Defender staff, county public defenders, and private counsel appointed to represent indigent persons in criminal cases.

**The Executive Recommendation will fund the following objectives:**

- Maintain a collection of print and computerized materials to be used by the Columbus office and branch offices; and
- Provide reference and research services to all staff members, as well as county public defenders, appointed counsel, and correctional institution librarians, including answering reference questions and performing specific research.

| FUND              |      |        |                              | RECOMMENDED |         |
|-------------------|------|--------|------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011 |
| GRF               | GRF  | 019401 | State Legal Defense Services | 222,561     | 171,724 |
| TOTAL FOR PROGRAM |      |        |                              | 222,561     | 171,724 |

**Program 01.06: Trial Services**

This program provides direct representation and assistance to local counsel in trial level cases to indigent defendants throughout Ohio. Representation under this program is generally provided when there are no local attorneys qualified to provide representation in the case, no local attorneys are willing to provide representation in the case, or when the local judge requests the office of the Public Defender to provide representation.

**The Executive Recommendation will fund the following objectives:**

- Provide direct representation or assistance in approximately 30 completed trial level cases involving the death penalty, life in prison, or other serious charges when requested by a local court or county public defender; and
- Provide expert assistance to local trial counsel in complex criminal cases when requested by the local court or local counsel.

| FUND              |      |        |                              | RECOMMENDED |         |
|-------------------|------|--------|------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011 |
| GRF               | GRF  | 019401 | State Legal Defense Services | 207,345     | 163,381 |
| GSF               | 4070 | 019604 | County Representation        | 126,584     | 133,177 |
| TOTAL FOR PROGRAM |      |        |                              | 333,929     | 296,558 |

**Program 01.07: Investigation Services**

This program provides both criminal investigation and mitigation investigation services for Ohio Public Defender staff attorneys on trial and appellate level death penalty and non-death penalty cases in both adult and juvenile courts in Ohio. The program also provides criminal and mitigation investigation services for county public defender attorneys and court appointed attorneys on death penalty and non-death penalty cases in the State of Ohio for indigent defendants.

**The Executive Recommendation will fund the following objectives:**

- Provide criminal investigation and mitigation services in approximately 120 cases per fiscal year involving death penalty, life without parole, or other serious charges against the defendant; and
- Provide assistance and support and referral services to local defense counsel in a limited number of cases where the defense requires investigative or mitigation services.

| FUND              |      |        |                              | RECOMMENDED |         |
|-------------------|------|--------|------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                     | FY 2010     | FY 2011 |
| GRF               | GRF  | 019401 | State Legal Defense Services | 414,085     | 458,236 |
| TOTAL FOR PROGRAM |      |        |                              | 414,085     | 458,236 |

**PROGRAM SERIES 02: County Level Indigent Defense**

This program series provides state funding to reimburse counties for a portion of their indigent defense expenditures, and to operate systems in counties that contract with the State Public Defender in lieu of using a direct reimbursement system. Funds are also used to sponsor training programs for attorneys who provide representation to indigent persons in criminal or juvenile matters.

**Program 02.01: Indigent Defense Reimbursement**

Under this program, the Ohio Public Defender subsidizes counties for the cost of providing counsel to indigent persons in criminal and juvenile matters pursuant to Ohio Revised Code Sections 120.18, 120.28, and 120.33-35. These sections provide that the State Public Defender reimburse the counties 50 percent of the costs of operating their local indigent defense systems, unless the legislature appropriates less funding than needed to reimburse at 50 percent, in which case each county receives a reduced share.

State of Ohio  
**Public Defender Commission**

**The Executive Recommendation will fund the following objectives:**

- Reimburse counties for approximately 42.3 percent of the cost of providing indigent defense in fiscal year 2010 and 44.3 percent in fiscal year 2011.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 019501 | County Reimbursement - Non-Capital CS | 22,767,720        | 17,898,638        |
| SSR                      | 5DY0 | 019618 | Indigent Defense Support Fund         | 27,783,000        | 37,044,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>50,550,720</b> | <b>54,942,638</b> |

**Program 02.02: Branch Offices**

This program provides representation in counties that elect to contract with the State Public Defender for their indigent defense delivery system. This type of delivery system is used in areas where there is a shortage of attorneys and/or the caseloads do not justify the establishment of a public defender office. The Ohio Public Defender acts as a coordinator and clearinghouse in obtaining and placing attorneys in an area where there is a need, thereby achieving the cost efficiencies that derive from a public defender office system. Counties participating in this program pay a share of the cost equivalent to the statewide reimbursement rate.

**The Executive Recommendation will fund the following objectives:**

- Fund local indigent defense programs in ten counties that participate in the Multi-County Office and Trumbull County Office at a level of 42.3 percent in fiscal year 2010 and 44.3 percent in fiscal year 2011.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 019403 | Multi-County: State Share    | 1,308,201        | 1,456,835        |
| GRF                      | GRF  | 019404 | Trumbull County-State Share  | 430,217          | 467,727          |
| SSR                      | 4C70 | 019601 | Multi-County: County Share   | 2,227,056        | 2,384,210        |
| SSR                      | 4X70 | 019610 | Trumbull County-County Share | 732,393          | 765,467          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>4,697,867</b> | <b>5,074,239</b> |

**Program 02.03: Pro-Bono Training**

This program provides continuing legal education training programs to public defenders and private counsel who provide representation to indigent persons in criminal and juvenile matters. Public defenders may attend the seminars at no cost. Private counsel may attend the seminars in exchange for providing free representation to an indigent person in a criminal or juvenile matter.

**The Executive Recommendation will fund the following objectives:**

- Provide free training to approximately 160-170 county public defenders and private attorneys who practice criminal defense law. Private attorneys receive free training in exchange for providing one pro bono case for every seminar attended.

| FUND                     |      |        |                  | RECOMMENDED   |               |
|--------------------------|------|--------|------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME         | FY 2010       | FY 2011       |
| GRF                      | GRF  | 019405 | Training Account | 50,000        | 50,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                  | <b>50,000</b> | <b>50,000</b> |

**PROGRAM SERIES 03: Ohio Legal Assistance Foundation**

This program series helps support the Ohio Legal Assistance Foundation and Ohio's civil legal aid societies. The program receives revenue from three dedicated revenue sources: Interest on Lawyers Trust Accounts (IOLTA), Interest on Real Estate Escrow Accounts (IOTA), and civil filing fees. The funds are used for civil legal services for Ohio's poorer citizens.

**Program 03.01: Ohio Legal Assistance Foundation**

Under this program, the Ohio Public Defender distributes funds from three dedicated funding sources to the Ohio Legal Assistance Foundation and to several civil legal aid societies in Ohio. The Foundation in turn provides statewide advocacy and support for the legal aid societies. The legal aid societies provide representation to low-income persons with civil legal needs.

**The Executive Recommendation will fund the following objectives:**

- Support the Ohio Legal Assistance Foundation, which provides grants to legal aid societies; and
- Allow the Ohio Public Defender to make required disbursements from the Legal Aid Fund to the Ohio Legal Assistance Foundation and the qualifying local Legal Aid Societies.

| FUND              |      |        |                            | RECOMMENDED |            |
|-------------------|------|--------|----------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                   | FY 2010     | FY 2011    |
| SSR               | 5740 | 019606 | Legal Services Corporation | 30,000,000  | 30,000,000 |
| TOTAL FOR PROGRAM |      |        |                            | 30,000,000  | 30,000,000 |

**PROGRAM SERIES 04: Program Management**

This program series provides administrative services for the Office of the Ohio Public Defender.

**Program 04.01: Program Management**

This program provides budgeting, accounting, personnel, computer, information systems, and general office management services to the agency. In addition, the program provides several services mandated in Ohio Revised Code Chapter 120, including collecting reimbursement from the counties for legal services and processing reimbursement payments to counties for their indigent defense costs. The program also provides technical assistance to counties that wish to examine and improve their indigent defense systems.

**The Executive Recommendation will fund the following objectives:**

- Continue to provide administrative services such as budgeting, accounting, personnel and training, human resource management, computer information systems, and general office services to the entire agency;
- Support the processing of reimbursement payments to counties and the collection of payment from counties for legal services performed by PUB; and
- Fund educational seminars and conferences and maintain the agency library.

| FUND              |      |        |  | RECOMMENDED |           |
|-------------------|------|--------|--|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                                   | FY 2010     | FY 2011   |
| GRF               | GRF  | 019321 | Public Defender Administration             | 772,500     | 612,600   |
| GRF               | GRF  | 019401 | State Legal Defense Services               | 220,758     | 170,308   |
| GSF               | 4080 | 019605 | Client Payment                             | 556,661     | 566,543   |
| GSF               | 5CX0 | 019617 | Civil Case Filing Fee                      | 256,113     | 237,353   |
| SSR               | 5DY0 | 019619 | Indigent Defense Support Fund-State Office | 874,900     | 1,027,400 |
| TOTAL FOR PROGRAM |      |        |  | 2,680,932   | 2,614,204 |

State of Ohio  
Public Defender Commission

**LINE ITEM SUMMARY - Public Defender Commission**

| FUND                                    | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|---|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|--------------|
| GRF                                     | 019321 | Public Defender Administration              | 1,289,282         | 1,263,331         | 1,252,281         | 1,227,509           | 772,500                | -37.1        | 612,600                | -20.7        |
| GRF                                     | 019401 | State Legal Defense Services                | 5,708,060         | 5,667,108         | 5,838,191         | 5,714,832           | 4,377,500              | -23.4        | 3,471,400              | -20.7        |
| GRF                                     | 019403 | Multi-County: State Share                   | 733,007           | 807,471           | 750,209           | 712,239             | 1,308,201              | 83.7         | 1,456,835              | 11.4         |
| GRF                                     | 019404 | Trumbull County-State Share                 | 240,319           | 255,478           | 236,929           | 227,522             | 430,217                | 89.1         | 467,727                | 8.7          |
| GRF                                     | 019405 | Training Account                            | 29,745            | 32,204            | 25,031            | 30,450              | 50,000                 | 64.2         | 50,000                 | 0.0          |
| GRF                                     | 019501 | County Reimbursement - Non-Capital CS       | 30,060,000        | 30,000,000        | 29,812,630        | 25,971,394          | 22,767,720             | -12.3        | 17,898,638             | -21.4        |
| GRF                                     | 019504 | Reimbursement Mandate Assistance            | 620,491           | 631,840           | 0                 | 0                   | 0                      | .0           | 0                      | .0           |
| <b>TOTAL General Revenue</b>            |        |   | <b>38,680,904</b> | <b>38,657,432</b> | <b>37,915,269</b> | <b>33,883,946</b>   | <b>29,706,138</b>      | <b>-12.3</b> | <b>23,957,200</b>      | <b>-19.4</b> |
| 1010                                    | 019602 | Inmate Legal Assistance                     | 50,078            | 30,472            | 114               | 17,557              | 0                      | -100.0       | 0                      | .0           |
| 4060                                    | 019603 | Training and Publications                   | 0                 | 16,000            | 0                 | 0                   | 0                      | .0           | 0                      | .0           |
| 4070                                    | 019604 | County Representation                       | 167,176           | 207,794           | 196,448           | 217,980             | 196,650                | -9.8         | 207,143                | 5.3          |
| 4080                                    | 019605 | Client Payment                              | 197,701           | 713,998           | 586,827           | 547,769             | 865,798                | 58.1         | 886,500                | 2.4          |
| 5CX0                                    | 019617 | Civil Case Filing Fee                       | 10,830            | 547,233           | 619,343           | 727,659             | 743,076                | 2.1          | 772,121                | 3.9          |
| <b>TOTAL General Services</b>           |        |   | <b>425,785</b>    | <b>1,515,497</b>  | <b>1,402,731</b>  | <b>1,510,965</b>    | <b>1,805,524</b>       | <b>19.5</b>  | <b>1,865,764</b>       | <b>3.3</b>   |
| 3S80                                    | 019608 | Federal Representation                      | 305,784           | 297,290           | 260,076           | 305,419             | 202,347                | -33.7        | 212,303                | 4.9          |
| <b>TOTAL Federal Special Revenue</b>    |        |   | <b>305,784</b>    | <b>297,290</b>    | <b>260,076</b>    | <b>305,419</b>      | <b>202,347</b>         | <b>-33.7</b> | <b>212,303</b>         | <b>4.9</b>   |
| 4C70                                    | 019601 | Multi-County: County Share                  | 1,962,234         | 1,981,263         | 2,159,712         | 2,284,840           | 2,227,056              | -2.5         | 2,384,210              | 7.1          |
| 4X70                                    | 019610 | Trumbull County-County Share                | 624,033           | 633,309           | 686,447           | 731,000             | 732,393                | 0.2          | 765,467                | 4.5          |
| 5740                                    | 019606 | Legal Services Corporation                  | 22,421,963        | 49,654,424        | 34,778,871        | 40,000,000          | 30,000,000             | -25.0        | 30,000,000             | 0.0          |
| 5DY0                                    | 019618 | Indigent Defense Support Fund               | 0                 | 0                 | 0                 | 3,700,000           | 27,783,000             | 650.9        | 37,044,000             | 33.3         |
| 5DY0                                    | 019619 | Indigent Defense Support Fund- State Office | 0                 | 0                 | 0                 | 0                   | 3,087,000              | .0           | 4,116,000              | 33.3         |
| <b>TOTAL State Special Revenue</b>      |        |   | <b>25,008,230</b> | <b>52,268,996</b> | <b>37,625,030</b> | <b>46,715,840</b>   | <b>63,829,449</b>      | <b>36.6</b>  | <b>74,309,677</b>      | <b>16.4</b>  |
| <b>TOTAL Public Defender Commission</b> |        |   | <b>64,420,704</b> | <b>92,739,214</b> | <b>77,203,106</b> | <b>82,416,170</b>   | <b>95,543,458</b>      | <b>15.9</b>  | <b>100,344,944</b>     | <b>5.0</b>   |

### **Role and Overview**

The Ohio Department of Public Safety's (ODPS) role is to save lives, reduce injuries and economic losses in Ohio, and to regulate driver licensing and vehicle registration.

Public Safety provides services aimed to improve safety. Serious injuries and deaths are reduced due to training programs and enforcement initiatives. Reducing injuries and automobile accidents and safeguarding the state's infrastructure are ways in which ODPS helps protect Ohio's collective resources. Preventing economic loss to Ohio is a natural byproduct of the department's efforts.

The director, who is appointed by the Governor, oversees an agency of 3,947 full-time employees: 73 in the Administration Division, 847 in the Bureau of Motor Vehicles, 95 in the Emergency Management Agency, 31 in the Emergency Medical Services Division, 24 in Homeland Security, 123 in the Investigative Unit, 22 in the Office of Criminal Justice Services, and 2,732 in the Highway Patrol.

For the fiscal years 2010 - 2011, the department's budget is appropriated in the transportation budget bill. The department's total fiscal year 2009 budget is approximately \$753.9 million.

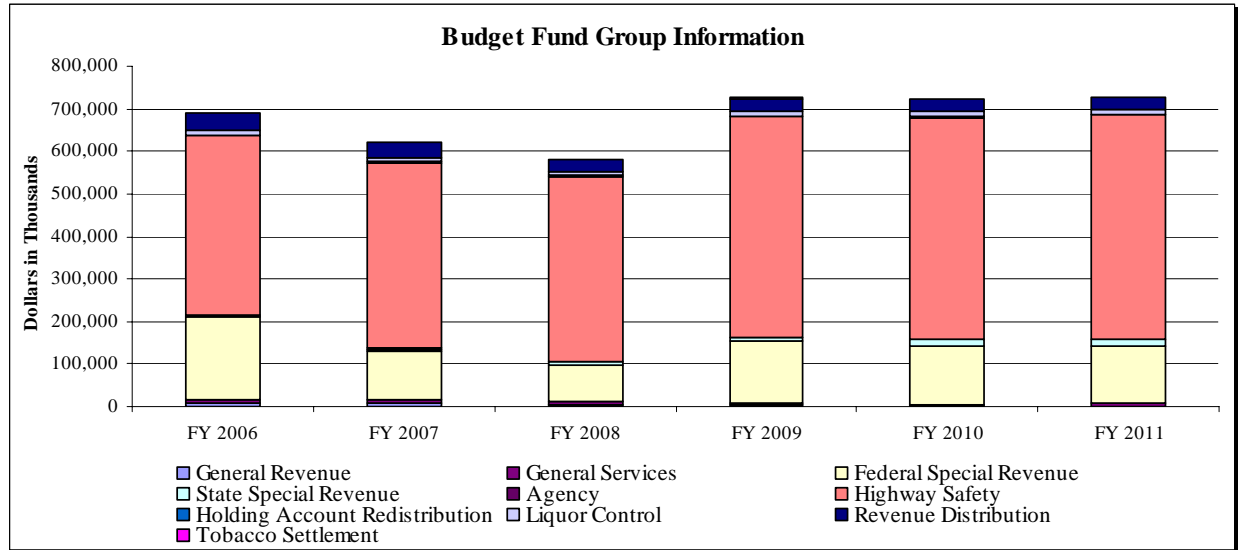
Additional information regarding the Department of Public Safety is available at <http://ohiopublicsafety.com/>.

### **Agency Priorities**

- Provide Homeland Security through increasing patrols, facilitating state and national security efforts, and monitoring state property.
- Identify and reduce the dangers of highway travel by enforcing state laws on public roadways.
- Provide rapid disaster response, recovery, and mitigation services to citizens and businesses.
- Promote interoperable communications among Ohio's first responders.
- License motor vehicles and their operators and provide administrative control for the issuance of certificates of title, which demonstrate legal ownership of a motor vehicle.
- Protect the Governor and other dignitaries and state-owned and leased property.
- Provide criminal suspect data to a statewide network of users and identify criminal justice issues and needs.
- Enforce liquor laws and regulations, laws relating to the trafficking of food stamps, and laws restricting the sale of tobacco products to underage individuals; work with local communities and local governments in the enforcement of liquor laws against problem liquor permit establishments.
- Certify emergency medical technicians and firefighters to assure a quality emergency medical care delivery system.



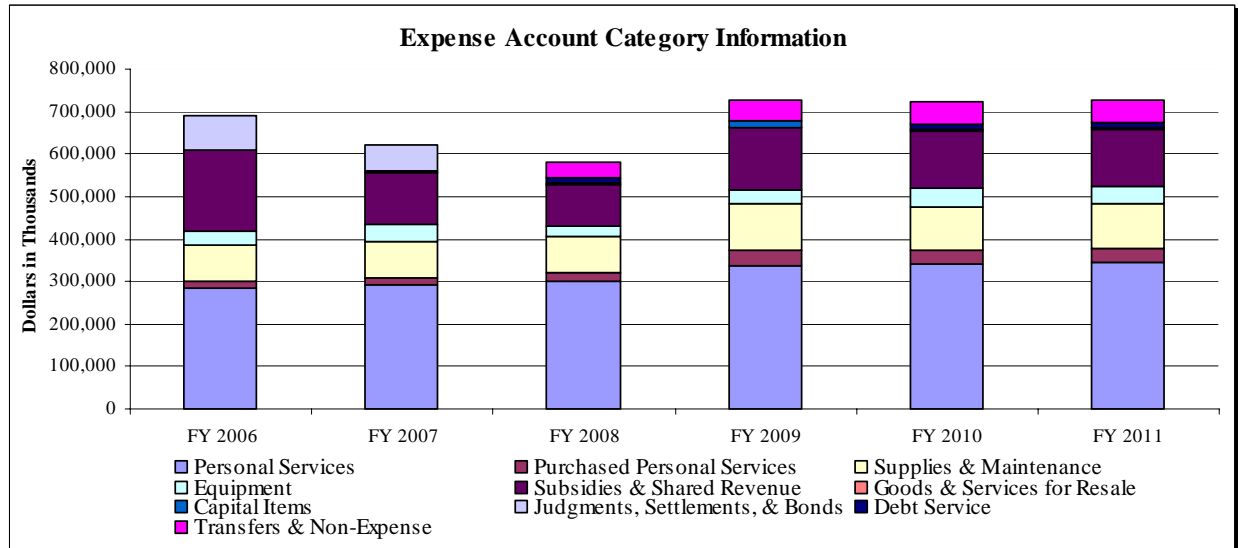
### Summary of Budget History and Recommendations



- The Executive Budget implements the funding recommendation of the Ohio State Highway Patrol Funding Task Force. The fee adjustments in the task force recommendation are projected to generate an additional \$106 million annually for the Highway Safety Fund, and eliminate the projected deficit for the Highway Safety Fund.
- The Executive Budget also eliminates DPS's need for GRF funding through a fee increase on abstracts. A six dollar fee increase would provide the necessary revenue to remove the Emergency Management Agency, the Investigative Unit, and the Office of Criminal Justice Services from GRF funding, while still keeping Ohio's abstract fee amount below the national average. The abstract revenue will also be used to supplement the funding for the Divisions of Emergency Medical Services and Homeland Security.

| (In Thousands)                 | ACTUAL         |                |                | EST. % CHANGE  |             | RECOMMENDED % CHANGE |             |                |            |
|--------------------------------|----------------|----------------|----------------|----------------|-------------|----------------------|-------------|----------------|------------|
|                                | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09    | FY 2010              | FY 2010     | FY 2011        | FY 2011    |
| BUDGET FUND GROUP              |                |                |                |                |             |                      |             |                |            |
| General Revenue                | 6,572          | 6,826          | 5,376          | 4,446          | -17.3       | 0                    | -100.0      | 0              | 0.0        |
| General Services               | 11,224         | 9,061          | 8,609          | 2,085          | -75.8       | 6,087                | 191.9       | 6,146          | 1.0        |
| Federal Special Revenue        | 192,668        | 115,182        | 84,233         | 149,053        | 77.0        | 138,019              | -7.4        | 137,856        | -0.1       |
| State Special Revenue          | 4,165          | 4,032          | 5,990          | 6,570          | 9.7         | 13,242               | 101.6       | 14,678         | 10.8       |
| Agency                         | 207            | 2,483          | 1,816          | 1,500          | -17.4       | 1,500                | 0.0         | 1,500          | 0.0        |
| Highway Safety                 | 422,415        | 436,420        | 435,865        | 517,427        | 18.7        | 521,314              | 0.8         | 524,586        | 0.6        |
| Holding Account Redistribution | 1,773          | 1,914          | 1,840          | 2,235          | 21.5        | 2,235                | 0.0         | 2,235          | 0.0        |
| Liquor Control                 | 9,653          | 10,136         | 9,969          | 11,546         | 15.8        | 12,008               | 4.0         | 11,897         | -0.9       |
| Revenue Distribution           | 41,472         | 36,180         | 25,867         | 30,000         | 16.0        | 30,000               | 0.0         | 30,000         | 0.0        |
| Tobacco Settlement             | 474            | 609            | 349            | 375            | 7.6         | 0                    | -100.0      | 0              | 0.0        |
| <b>TOTAL</b>                   | <b>690,622</b> | <b>622,843</b> | <b>579,914</b> | <b>725,237</b> | <b>25.1</b> | <b>724,404</b>       | <b>-0.1</b> | <b>728,898</b> | <b>0.6</b> |

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- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |                |            |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|-------------|----------------|------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011        | CHANGE     |
| Personal Services                             | 284,181        | 293,400        | 302,210        | 337,986          | 11.8        | 342,502                 | 1.3         | 344,305        | 0.5        |
| Purchased Personal Services                   | 15,361         | 15,011         | 16,854         | 36,041           | 113.8       | 30,837                  | -14.4       | 31,449         | 2.0        |
| Supplies & Maintenance                        | 85,871         | 86,051         | 88,262         | 108,629          | 23.1        | 102,995                 | -5.2        | 105,516        | 2.4        |
| Equipment                                     | 34,204         | 39,220         | 23,941         | 34,996           | 46.2        | 44,067                  | 25.9        | 42,388         | -3.8       |
| Subsidies & Shared Revenue                    | 188,888        | 121,439        | 96,467         | 143,357          | 48.6        | 132,835                 | -7.3        | 133,604        | 0.6        |
| Goods & Services for Resale                   | 207            | 2,483          | 1,816          | 1,500            | -17.4       | 1,500                   | 0.0         | 1,500          | 0.0        |
| Capital Items                                 | 1,718          | 1,258          | 1,221          | 15,267           | 1,150.8     | 1,250                   | -91.8       | 1,250          | 0.0        |
| Judgments, Settlements, & Bonds               | 80,190         | 63,981         | 547            | 855              | 56.3        | 457                     | -46.6       | 457            | 0.0        |
| Debt Service                                  | 0              | 0              | 13,312         | 0                | -100.0      | 14,017                  | 100.0       | 14,017         | 0.0        |
| Transfers & Non-Expense                       | 0              | 0              | 35,283         | 46,605           | -52.9       | 53,943                  | 44.2        | 54,412         | 2.0        |
| <b>TOTAL</b>                                  | <b>690,622</b> | <b>622,843</b> | <b>579,914</b> | <b>725,237</b>   | <b>25.1</b> | <b>724,404</b>          | <b>-0.1</b> | <b>728,898</b> | <b>0.6</b> |

### PROGRAM SERIES 01: Traffic Safety and Education

This program series funds the Ohio Traffic Safety Office for traffic safety projects for state, county and local agencies, non-profit organizations, colleges and universities, hospitals, and local law enforcement. The projects assist in reducing the number and severity of traffic crashes.

#### Program 01.01: Safety and Education

This program encompasses a variety of safety related responsibilities including: developing safety goals for Ohio that are reported to the National Highway Traffic Safety Administration, improving the quality of instruction at driver training schools, and providing motorcycle safety courses to the public to enhance motorcycle safety.

**The Executive Recommendation will fund the following objectives:**

- Issuance of approximately 250 federal grants annually for behavioral traffic safety initiatives relating to occupant restraint, impaired driving, speed management, traffic engineering and bicycle/pedestrian safety. These grants work toward the goal of reducing severe injuries and fatalities on Ohio's roads.
- The preparation and dissemination of public safety messages on topics such as impaired driving (Drunk Driving, Over the Limit, Under Arrest), seat belt usage (Click It or Ticket), and motorcycle safety awareness;
- Motorcycles, motorcycle instructors, training sites, and mechanical services to meet student demand;
- Regulation of driver training schools which include licensing instructors, processing new school applications, coordinating training, reviewing rules and curriculum changes, issuing driver education certificates and investigating as needed;
- The collection, management and analysis of crash reports from all Ohio law enforcement agencies.

| FUND                     |      |        |                                     | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010           | FY 2011           |
| GSF                      | 4S30 | 766661 | Hilltop Utility Reimbursement       | 520,000           | 540,800           |
| AGY                      | 5J90 | 761678 | Federal Salvage/GSA                 | 1,500,000         | 1,500,000         |
| HSF                      | 7036 | 761321 | Information & Education Operating   | 7,874,736         | 7,883,443         |
| HSF                      | 8300 | 761603 | Salvage & Exchange-Administration   | 20,800            | 21,632            |
| HSF                      | 8310 | 761610 | Information & Education-Federal     | 468,982           | 468,982           |
| HSF                      | 8320 | 761612 | Traffic Safety Federal              | 16,577,565        | 16,577,565        |
| HSF                      | 83N0 | 761611 | Elementary School Seat Belt Program | 390,000           | 405,600           |
| HSF                      | 8440 | 761613 | Seat Belt Education Program         | 400,000           | 400,000           |
| HSF                      | 8460 | 761625 | Motorcycle Safety Education         | 3,324,987         | 3,538,903         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>31,077,070</b> | <b>31,336,925</b> |

**PROGRAM SERIES 02: Bureau of Motor Vehicles**

The Bureau of Motor Vehicles (BMV) is responsible for licensing drivers, registering motor vehicles, and titling. The BMV's goal is to provide prompt, courteous, and efficient service to the public while fulfilling its obligations as set forth in the motor vehicle laws of the State of Ohio.

**Program 02.01: Licensing and Registration**

This program provides a credentialing process for driver licenses or state identification cards including citizenship status, regulates the registration of motor vehicles, ensures the proper collection and distribution of vehicle licensing revenue for 2,300 taxing districts and other governmental entities, and provides a safe driving environment for the citizens of Ohio.

**The Executive Recommendation will fund the following objectives:**

- Regulation of the registration of all motor vehicles;
- Support the issuance of a variety of gratis and special license plates;
- Continue the collection and redistribution of vehicle registration taxes to counties and taxing districts;
- Support the issuance of initial, renewal, and duplicate driver and commercial driver licenses;
- Processing suspensions of driving privileges for citizens involved with motor vehicle accidents, judgments, financial responsibility non-compliance, and major convictions;
- Maintaining 214 Deputy Registrar locations; and
- Maintaining the central repository driver license/identification card information.

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| FUND                     |      |        |  | RECOMMENDED        |                    |
|--------------------------|------|--------|--|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                     | FY 2010            | FY 2011            |
| SSR                      | 5390 | 762614 | Motor Vehicle Dealers Board                  | 200,000            | 200,000            |
| SSR                      | 5FF0 | 762621 | Indigent Interlock & Alcohol Monitor         | 1,600,000          | 2,750,000          |
| 090                      | R024 | 762619 | Unidentified Motor Vehicle Receipts          | 1,885,000          | 1,885,000          |
| 090                      | R052 | 762623 | Security Deposits                            | 350,000            | 350,000            |
| HSF                      | 4W40 | 762321 | Operating Expense-BMV                        | 81,471,823         | 85,342,847         |
| HSF                      | 4W40 | 762410 | Registrations Supplement                     | 31,753,145         | 32,480,610         |
| HSF                      | 5V10 | 762682 | License Plate Contribution                   | 2,100,000          | 2,100,000          |
| HSF                      | 8350 | 762616 | Financial Responsibility Compliance          | 6,063,600          | 6,063,600          |
| HSF                      | 83R0 | 762639 | Local Immobilization Reimburse               | 750,000            | 750,000            |
| RDF                      | 7050 | 762900 | International Registration Plan Distribution | 30,000,000         | 30,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>156,173,568</b> | <b>161,922,057</b> |

**Program 02.02: Titling of Motor Vehicles**

This program implements and maintains Ohio's centralized motor vehicle titling system, which is a repository for more than 100 million motor vehicle and watercraft titles. The Automated Title Processing System, which is used by the Common Pleas Clerks of Courts in 88 counties at 146 locations, processes more than six million titles annually, and keeps accounting records for nearly \$2.4 billion in sales taxes. With the enactment of H.B. 119, the Automated Title Processing system is now processing state sales tax on vehicles sold by dealers to nonresidents.

**The Executive Recommendation will fund the following objectives:**

- Implement and administer the issuances of original, duplicate, and salvage certificates of title, as well as the recording and release of secured interest, unclaimed motor vehicle affidavits, and vehicle identification number replacement requests; and
- Maintain the Automated Title Processing System, a computerized system that manages more than 76 million records of Ohio's titled motor vehicles and watercraft.

| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| HSF                      | 4W40 | 762321 | Operating Expense-BMV            | 3,673,280         | 3,662,256         |
| HSF                      | 8490 | 762627 | Automated Title Processing Board | 19,240,839        | 19,240,839        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>22,914,119</b> | <b>22,903,095</b> |

**PROGRAM SERIES 03: Ohio State Highway Patrol**

The Highway Patrol improves safety for citizens through education, service, and protection. The Patrol investigates crashes, provides homeland security and dignitary protection, interdicts illegal drugs, conducts driver license examinations, enforces criminal and traffic laws, regulates commercial vehicles, and administers the Law Enforcement Automated Data System (LEADS).

**Program 03.01: Highway Enforcement**

The goal of this program is to increase highway safety overall. To accomplish this goal, the Highway Patrol enforces traffic laws on Ohio highways, investigates traffic crashes, assists motorists, interdicts impaired drivers, enforces vehicle size and weight restrictions, conducts driver license examinations, and enforces criminal laws.

**The Executive Recommendation will fund the following objectives:**

- Program functions to enforce traffic laws on highways, investigate traffic crashes, and conduct driver license examinations; and
- Enforcement activity of trucking regulations along routes parallel to the Ohio Turnpike to move trucking traffic back to the turnpike.

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| FUND                     |      |        |  | RECOMMENDED        |                    |
|--------------------------|------|--------|--|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME   | FY 2010            | FY 2011            |
| GSF                      | 5Y10 | 764695 | State Highway Patrol Cont. Professional Training | 280,820            | 280,820            |
| HSF                      | 7036 | 764033 | Minor Capital Projects                           | 1,250,000          | 1,250,000          |
| HSF                      | 7036 | 764321 | Highway Patrol Operating                         | 269,887,828        | 269,975,259        |
| HSF                      | 7036 | 764605 | Motor Carrier Enforcement Expenses               | 3,340,468          | 3,340,468          |
| HSF                      | 8310 | 764610 | Patrol/Federal                                   | 2,455,484          | 2,455,484          |
| HSF                      | 8310 | 764659 | Transportation Enforcement Federal               | 6,132,592          | 6,132,592          |
| HSF                      | 8370 | 764602 | Turnpike Policing                                | 11,553,959         | 11,553,959         |
| HSF                      | 8380 | 764606 | Patrol Reimbursement                             | 100,000            | 100,000            |
| HSF                      | 83C0 | 764630 | Contraband, Forfeitures, Other                   | 622,894            | 622,894            |
| HSF                      | 83G0 | 764633 | OMVI Fines                                       | 650,000            | 650,000            |
| HSF                      | 83J0 | 764693 | Highway Patrol Justice Contraband                | 2,100,000          | 2,100,000          |
| HSF                      | 83T0 | 764694 | Highway Patrol Treasury Contraband               | 21,000             | 21,000             |
| HSF                      | 8410 | 764603 | Salvage And Exchange-Highway Patrol              | 1,339,399          | 1,339,399          |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>299,734,444</b> | <b>299,821,875</b> |

**Program 03.02: Non-Highway Enforcement**

This program provides a variety of services including: off-highway investigations; security for the Governor and other officials and dignitaries; security for the Capitol Square and other state property; traffic control and security for the Ohio Expositions Commission; non-highway related duties of the State Highway Patrol at the Ohio State Fair; homeland security; and Law Enforcement Automated Data System (LEADS).

**The Executive Recommendation will fund the following objectives:**

- Off-highway investigations;
- Security for elected officials and state property; and
- Maintenance of the Law Enforcement Automated Data System, a computerized system that provides information to the criminal justice community.

| FUND                     |      |        |                                       | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                              | FY 2010           | FY 2011           |
| HSF                      | 83F0 | 764657 | Law Enforcement Automated Data System | 10,984,978        | 9,053,266         |
| HSF                      | 8400 | 764607 | State Fair Security                   | 1,396,283         | 1,396,283         |
| HSF                      | 8400 | 764617 | Security And Investigations           | 6,317,530         | 6,432,686         |
| HSF                      | 8400 | 764626 | State Fairgrounds Police Force        | 830,769           | 849,883           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                       | <b>19,529,560</b> | <b>17,732,118</b> |

**PROGRAM SERIES 04: Emergency Medical Services**

This program maintains and enhances a statewide, systematic response to injury, illness, and fire. The goal is to save lives and minimize injury to citizens.

**Program 04.01: Firefighters and Emergency Medical Technicians**

This program is responsible for the certification and training of emergency medical technicians (EMT), firefighters, and fire and emergency services instructors. It also maintains the Emergency Medical Services (EMS) Incident Reporting Database and distributes grant money to locals for EMS training and equipment.

**The Executive Recommendation will fund the following objectives:**

- Certification and training of Ohio's first responders, firefighters, EMTs, fire safety inspectors, fire and EMS instructors;
- Grants to local EMS agencies to support training, patient care equipment, trauma injury prevention, medical research, and rehabilitation issues;

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- EMS for Children, a program designed to improve emergency care for children; and
- Oversight to the Regional Physicians Advisory System, a system that serves as medical direction to review the delivery of emergency pre-hospital care.

| FUND                     |      |        |               | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME      | FY 2010          | FY 2011          |
| HSF                      | 8310 | 765610 | EMS/Federal   | 582,007          | 582,007          |
| HSF                      | 83M0 | 765624 | Operating-EMS | 2,915,113        | 2,924,562        |
| HSF                      | 83P0 | 765637 | EMS Grants    | 4,562,912        | 4,562,912        |
| <b>TOTAL FOR PROGRAM</b> |      |        |               | <b>8,060,032</b> | <b>8,069,481</b> |

**PROGRAM SERIES 05: Investigative Unit**

This program oversees enforcement of laws related to the illegal sale of alcoholic beverages, food stamp fraud, merchant compliance checks for the sale of tobacco to underage persons, and gambling and narcotic laws as they pertain to liquor permit premises.

**Program 05.01: Investigations**

This program enforces Ohio's laws for liquor premises, the illegal sale or trading of food stamps, the sale of tobacco to underage persons on liquor permit premises, and gambling and narcotics trafficking on liquor permit premises.

**The Executive Recommendation will fund the following objectives:**

- Enforcement regulations and investigations which lead to the issuance of an average of 1,600 citations and 5,530 arrests yearly;
- Presentation of more than 240 Alcohol Server Knowledge programs; and
- The Sober Truth Program which more than 55,000 students attend annually.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010           | FY 2011           |
| GSF                      | 5Y10 | 767696 | Ohio Investigative Unit Cont. Professional Training | 15,000            | 15,000            |
| SSR                      | 5CM0 | 767691 | Federal Investigative Seizure                       | 642,175           | 642,175           |
| SSR                      | 5FL0 | 769634 | Investigations                                      | 1,172,080         | 1,195,522         |
| SSR                      | 6220 | 767615 | Investigation, Contraband, Forfeiture               | 375,000           | 375,000           |
| SSR                      | 8500 | 767628 | Investigative Unit Salvage                          | 100,000           | 100,000           |
| HSF                      | 8310 | 767610 | Liquor Enforcement-Federal                          | 514,184           | 514,184           |
| HSF                      | 8310 | 769610 | Food Stamp Trafficking Enforcement- Federal         | 1,032,135         | 1,032,135         |
| LCF                      | 7043 | 767321 | Liquor Enforcement-Operations                       | 12,007,894        | 11,897,178        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>15,858,468</b> | <b>15,771,194</b> |

**PROGRAM SERIES 06: Emergency Management Agency**

The Emergency Management Agency (EMA) coordinates more than \$200 million in funding to local emergency management agencies, and provides funding for disaster services and mitigation efforts.

**Program 06.01: Operations, Planning, and Training**

This program provides a critical interface to Ohio's local county emergency management offices. It is responsible for implementing and monitoring a significant number of grants that provide funding for emergency management related functions including domestic terrorism: all-hazard disaster planning, education, training and exercise for state and local emergency management personnel; and hazardous materials response planning. The management of the State Emergency Operations Center (EOC) is also supported by this program.

**The Executive Recommendation will fund the following objectives:**

- Training of Ohio's emergency managers and first responders;
- Grants to local EMA agencies to support training, planning, exercises and equipment purchases as well as day-to-day emergency operations;
- The Emergency Operations Center during disaster declarations; and
- State-level support to county Emergency Management Agencies.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010           | FY 2011           |
| FED                      | 3390 | 763647 | Emergency Management Assistance & Training | 84,031,935        | 84,072,023        |
| FED                      | 3N50 | 763644 | US DOE Agreement                           | 31,358            | 31,672            |
| SSR                      | 4V30 | 763662 | EMA Service and Reimbursement              | 4,474,751         | 4,653,743         |
| SSR                      | 6570 | 763652 | Utility Radiological Safety                | 1,413,889         | 1,415,945         |
| SSR                      | 6810 | 763653 | SARA Title III HAZMAT Planning             | 254,794           | 262,438           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>90,206,727</b> | <b>90,435,821</b> |

**Program 06.02: Mitigation and Recovery**

This program is responsible for managing and implementing federal and state individual and public assistance recovery programs and mitigation against future disasters. Pre- and post-disaster activities are focused on the reduction of losses in future disasters. Funding assistance is provided to individuals, state, and local governments to help recover from the devastating impact of a disaster.

**The Executive Recommendation will fund the following objectives:**

- Disaster recovery and mitigation projects;
- The State Disaster Relief Program when criteria are not met for a federal declaration; and
- The state match for the federal Individual and Family Grant Program.

| FUND                     |      |        |                            | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010           | FY 2011           |
| FED                      | 3290 | 763645 | Federal Mitigation Program | 10,801,636        | 11,233,702        |
| FED                      | 3370 | 763609 | Federal Disaster Relief    | 27,707,636        | 27,707,636        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>38,509,272</b> | <b>38,941,338</b> |

**PROGRAM SERIES 07: Homeland Security**

ODPS is the lead agency to coordinate the Homeland Security missions of Prevention and Protection across the state. This program also coordinates the statewide efforts of the State Homeland Security Strategy, Multi-Cultural Relations, Infrastructure Protection, and Information Sharing and Analysis.

**Program 07.01: Homeland Security**

The Homeland Security Division plans and coordinates public and private resources statewide to prevent and protect against terrorism.

**The Executive Recommendation will fund the following objectives:**

- The operation of the offices of the director, protection and security, and prevention and counter-terrorism.
- Information sharing systems, such as (but not limited to) the Strategic Analysis and Information Center, and the Contact and Information Management System; and
- The Private Investigator and Security Guard Program, which is responsible for the licensing and oversight of the private investigator and security guard industry.



- The Office of Multi-Cultural Affairs promotes cooperation, understanding, and mutual respect among Ohio's diverse communities; and
- Develop and coordinate the implementation of an Ohio homeland security strategic plan that will guide state and local governments in the achievement of homeland security in this state; and
- Coordinate efforts of state and local governments and private organizations to enhance the security and protection of critical infrastructure and key assets in this state.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| SSR                      | 5B90 | 766632 | PI & Security Guard Provider | 1,341,478        | 1,395,137        |
| SSR                      | 5DS0 | 769630 | Homeland Security            | 517,350          | 538,044          |
| HSF                      | 8310 | 769631 | Homeland Security-Federal    | 2,100,000        | 2,184,000        |
| HSF                      | 8400 | 769632 | Homeland Security-Operating  | 1,552,049        | 1,614,131        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>5,510,877</b> | <b>5,731,312</b> |

### **PROGRAM SERIES 08: Criminal Justice Services**

The Office of Criminal Justice Services (OCJS) serves as the lead in criminal justice planning for the state. OCJS is, by constitution and statute, separate from law enforcement, courts, and correctional institutions, therefore providing a neutral criminal justice branch within state government. Through research, technology, grants administration, and programmatic initiatives, OCJS serves state and local governments, law enforcement agencies, organizations and communities that are committed to reducing and preventing crime across Ohio.

#### **Program 08.01: Criminal Justice Services**

This program includes the administration of state and federal grants that are designed to reduce crime and domestic/family violence, and increase public safety in Ohio. The program also provides electronic tools and data bases for crime reporting by law enforcement and incorporates education and training programs to address criminal justice issues such as working with Ohio's growing non-English speaking communities and human trafficking.

H.B. 562 gave OCJS the responsibility to administer a program that will provide county and local law enforcement agencies with funding to defray the expenses that they incur when enforcing Ohio's drug laws. Fees collected from moving violations will provide the revenue for the Drug Law Enforcement Fund.

#### **The Executive Recommendation will fund the following objectives:**

- The Ohio Incident Based Reporting System (OIBRS), which is used for crime mapping to allow law enforcement to review data regardless of the jurisdictional boundaries to enhance their abilities to investigate and deter criminal activities;
- Research, development, needs assessments, and statistical analysis on emerging trends and updated criminal justice information;
- Criminal justice planning, program development, and administration of multiple federal grants for the state;
- Direct support to local law enforcement for overtime pay, equipment purchases, and OIBRS software costs;
- An information clearinghouse for public/private organizations and individuals throughout Ohio who work to prevent family violence and provide assistance to victims;
- Operating grants to Ohio family violence shelters;
- Grants for residential substance abuse treatment services; and
- Grant funding to local law enforcement agencies for collaboration programs to prevent gun violence.



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| FUND                     |      |        |                                  | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010           | FY 2011           |
| GSF                      | 4P60 | 768601 | Justice Program Services         | 1,070,962         | 1,109,004         |
| GSF                      | 5ET0 | 768625 | Drug Law Enforcement             | 4,200,000         | 4,200,000         |
| FED                      | 3AY0 | 768606 | Federal Justice Grants           | 1,020,000         | 745,000           |
| FED                      | 3CB0 | 768691 | Federal Justice Grants-FFY06     | 920,000           | 795,000           |
| FED                      | 3CC0 | 768609 | Justice Assistance Grnt-FFY07    | 1,450,000         | 1,215,000         |
| FED                      | 3L50 | 768604 | Justice Program                  | 12,056,300        | 12,056,300        |
| SSR                      | 5BK0 | 768687 | CJS Operating Expenses           | 400,000           | 400,000           |
| SSR                      | 5BK0 | 768689 | Family Violence Shelter Programs | 750,000           | 750,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>21,867,262</b> | <b>21,270,304</b> |

### PROGRAM SERIES 09: Program Management

This program series represents the Director's Office within the Department of Public Safety and its debt service program.

#### Program 09.01: Program Management

This program, through the combined efforts of the Director's Office and the eight divisions of the department, provides direction and oversight for 3,947 state employees.

#### The Executive Recommendation will fund the following objectives:

- Eight full-time employees to provide management for the eight program series of the department; and
- Equipment and general office supplies for management.

| FUND                     |      |        |                                   | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010        | FY 2011        |
| HSF                      | 7036 | 761321 | Information & Education Operating | 945,218        | 945,218        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>945,218</b> | <b>945,218</b> |

#### Program 09.02: Debt Service

This program represents the payment of bond debt related to various capital projects.

#### The Executive Recommendation will fund the following objectives:

- The payment of debt service obligations related to the Hilltop building, the Alum Creek Warehouse facility, Centre School renovation, and MARCS.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| HSF                      | 7036 | 761401 | Lease Rental Payments | 14,017,100        | 14,017,100        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>14,017,100</b> | <b>14,017,100</b> |

**State of Ohio**  
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**LINE ITEM SUMMARY - Department of Public Safety**

| FUND                                 | ALI    | ALI NAME  | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---|--------------------|--------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF                                  | 763403 | Operating Expenses-EMA                              | 4,130,506          | 4,154,801          | 3,849,481         | 3,361,612           | 0                      | -100.0        | 0                      | .0          |
| GRF                                  | 763507 | Individual and Family Grants                        | 791,599            | 646,469            | 0                 | 0                   | 0                      | .0            | 0                      | .0          |
| GRF                                  | 768424 | Operating Expenses-CJS                              | 868,811            | 1,189,688          | 754,553           | 576,567             | 0                      | -100.0        | 0                      | .0          |
| GRF                                  | 768502 | Mandate Assistance                                  | 5,932              | 0                  | 0                 | 0                   | 0                      | .0            | 0                      | .0          |
| GRF                                  | 768505 | SOCF Judicial & Defense Costs                       | 42,450             | 62,841             | 20,238            | 19,650              | 0                      | -100.0        | 0                      | .0          |
| GRF                                  | 769321 | Food Stamp Trafficking Enforcement                  | 732,257            | 772,207            | 751,904           | 488,030             | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |   | <b>6,571,555</b>   | <b>6,826,006</b>   | <b>5,376,175</b>  | <b>4,445,859</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 4P60                                 | 768601 | Justice Program Services                            | 16,783             | 57,672             | 74,755            | 100,000             | 1,070,962              | 971.0         | 1,109,004              | 3.6         |
| 4S20                                 | 764660 | MARCS Maintenance                                   | 522,338            | 486,475            | 342               | 389,149             | 0                      | -100.0        | 0                      | .0          |
| 4S30                                 | 766661 | Hilltop Utility Reimbursement                       | 253,742            | 277,624            | 412,515           | 500,000             | 520,000                | 4.0           | 540,800                | 4.0         |
| 5330                                 | 763601 | State Disaster Relief                               | 10,430,868         | 8,239,669          | 7,399,599         | 0                   | 0                      | .0            | 0                      | .0          |
| 5ET0                                 | 768625 | Drug Law Enforcement                                | 0                  | 0                  | 719,406           | 800,000             | 4,200,000              | 425.0         | 4,200,000              | 0.0         |
| 5Y10                                 | 764695 | State Highway Patrol Cont. Professional Training    | 0                  | 0                  | 0                 | 280,820             | 280,820                | 0.0           | 280,820                | 0.0         |
| 5Y10                                 | 767696 | Ohio Investigative Unit Cont. Professional Training | 0                  | 0                  | 2,300             | 15,000              | 15,000                 | 0.0           | 15,000                 | 0.0         |
| <b>TOTAL General Services</b>        |        |   | <b>11,223,731</b>  | <b>9,061,439</b>   | <b>8,608,915</b>  | <b>2,084,969</b>    | <b>6,086,782</b>       | <b>191.9</b>  | <b>6,145,624</b>       | <b>1.0</b>  |
| 3290                                 | 763645 | Federal Mitigation Program                          | 5,047,416          | 4,054,488          | 4,409,648         | 13,848,251          | 10,801,636             | -22.0         | 11,233,702             | 4.0         |
| 3370                                 | 763609 | Federal Disaster Relief                             | 50,836,408         | 27,247,507         | 27,124,441        | 27,707,636          | 27,707,636             | 0.0           | 27,707,636             | 0.0         |
| 3390                                 | 763647 | Emergency Management Assistance & Training          | 106,713,302        | 63,589,819         | 35,091,644        | 85,265,885          | 84,031,935             | -1.4          | 84,072,023             | 0.0         |
| 3AY0                                 | 768606 | Federal Justice Grants                              | 2,451,774          | 7,307,295          | 1,056,934         | 4,000,000           | 1,020,000              | -74.5         | 745,000                | -27.0       |
| 3BF0                                 | 764692 | Federal Contraband Forfeiture/ Other                | 965,027            | 65,492             | 0                 | 0                   | 0                      | .0            | 0                      | .0          |
| 3CB0                                 | 768691 | Federal Justice Grants-FFY06                        | 0                  | 0                  | 3,263,537         | 2,000,000           | 920,000                | -54.0         | 795,000                | -13.6       |
| 3CC0                                 | 768609 | Justice Assistance Gmt-FFY07                        | 0                  | 0                  | 2,186,556         | 4,000,000           | 1,450,000              | -63.8         | 1,215,000              | -16.2       |
| 3L50                                 | 768604 | Justice Program                                     | 26,580,878         | 12,906,119         | 11,073,465        | 12,056,300          | 12,056,300             | 0.0           | 12,056,300             | 0.0         |
| 3N50                                 | 763644 | US DOE Agreement                                    | 31,764             | 11,031             | 27,243            | 175,000             | 31,358                 | -82.1         | 31,672                 | 1.0         |
| 3V80                                 | 768605 | Federal Program Purposes FFY01                      | 41,034             | 0                  | 0                 | 0                   | 0                      | .0            | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>192,667,603</b> | <b>115,181,751</b> | <b>84,233,468</b> | <b>149,053,072</b>  | <b>138,018,865</b>     | <b>-7.4</b>   | <b>137,856,333</b>     | <b>-0.1</b> |

**State of Ohio**  
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**LINE ITEM SUMMARY - Department of Public Safety**

| FUND                               | ALI    | ALI NAME                              | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------------------------------------|--------|---------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 4V30                               | 763662 | EMA Service and Reimbursement         | 473,050           | 378,795           | 333,168           | 650,000             | 4,474,751              | 588.4        | 4,653,743              | 4.0         |
| 5390                               | 762614 | Motor Vehicle Dealers Board           | 130,903           | 59,475            | 29,350            | 200,000             | 200,000                | 0.0          | 200,000                | 0.0         |
| 5B90                               | 766632 | PI & Security Guard Provider          | 960,291           | 724,552           | 847,671           | 1,289,883           | 1,341,478              | 4.0          | 1,395,137              | 4.0         |
| 5BK0                               | 768687 | CJS Operating Expenses                | 0                 | 0                 | 396,653           | 400,000             | 400,000                | 0.0          | 400,000                | 0.0         |
| 5BK0                               | 768689 | Family Violence Shelter Programs      | 417,910           | 829,319           | 1,747,224         | 750,000             | 750,000                | 0.0          | 750,000                | 0.0         |
| 5CC0                               | 768607 | Public Safety Services                | 375,000           | 325,000           | 125,000           | 125,000             | 0                      | -100.0       | 0                      | .0          |
| 5CM0                               | 767691 | Federal Investigative Seizure         | 63,380            | 27,528            | 245,943           | 642,175             | 642,175                | 0.0          | 642,175                | 0.0         |
| 5DS0                               | 769630 | Homeland Security                     | 0                 | 0                 | 0                 | 0                   | 517,350                | .0           | 538,044                | 4.0         |
| 5EX0                               | 763690 | Disaster Preparedness                 | 0                 | 0                 | 350,000           | 350,000             | 0                      | -100.0       | 0                      | .0          |
| 5FF0                               | 762621 | Indigent Interlock & Alcohol Monitor  | 0                 | 0                 | 0                 | 0                   | 1,600,000              | .0           | 2,750,000              | 71.9        |
| 5FL0                               | 769634 | Investigations                        | 0                 | 0                 | 0                 | 0                   | 1,172,080              | .0           | 1,195,522              | 2.0         |
| 6220                               | 767615 | Investigation, Contraband, Forfeiture | 254,025           | 345,356           | 164,107           | 375,000             | 375,000                | 0.0          | 375,000                | 0.0         |
| 6570                               | 763652 | Utility Radiological Safety           | 1,169,307         | 1,129,025         | 1,512,343         | 1,415,980           | 1,413,889              | -0.1         | 1,415,945              | 0.1         |
| 6810                               | 763653 | Sara Title III Hazmat Planning        | 255,135           | 212,705           | 189,402           | 271,510             | 254,794                | -6.2         | 262,438                | 3.0         |
| 8500                               | 767628 | Investigative Unit Salvage            | 65,985            | 0                 | 49,000            | 100,000             | 100,000                | 0.0          | 100,000                | 0.0         |
| <b>TOTAL State Special Revenue</b> |        |                                       | <b>4,164,986</b>  | <b>4,031,754</b>  | <b>5,989,863</b>  | <b>6,569,548</b>    | <b>13,241,517</b>      | <b>101.6</b> | <b>14,678,004</b>      | <b>10.8</b> |
| 5J90                               | 761678 | Federal Salvage/GSA                   | 207,073           | 2,483,319         | 1,816,380         | 1,500,000           | 1,500,000              | 0.0          | 1,500,000              | 0.0         |
| <b>TOTAL Agency</b>                |        |                                       | <b>207,073</b>    | <b>2,483,319</b>  | <b>1,816,380</b>  | <b>1,500,000</b>    | <b>1,500,000</b>       | <b>0.0</b>   | <b>1,500,000</b>       | <b>0.0</b>  |
| 4W40                               | 762321 | Operating Expense-BMV                 | 63,736,140        | 70,422,469        | 72,979,377        | 85,145,103          | 85,145,103             | 0.0          | 89,005,103             | 4.5         |
| 4W40                               | 762410 | Registrations Supplement              | 23,999,342        | 23,381,897        | 25,799,590        | 32,480,610          | 31,753,145             | -2.2         | 32,480,610             | 2.3         |
| 5AY0                               | 764688 | Traffic Safety Operating              | 2,173,181         | 2,212,737         | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 5V10                               | 762682 | License Plate Contribution            | 1,573,782         | 1,734,638         | 1,864,434         | 2,100,000           | 2,100,000              | 0.0          | 2,100,000              | 0.0         |
| 7036                               | 761321 | Information & Education Operating     | 2,893,069         | 3,160,201         | 2,405,567         | 3,645,598           | 8,819,954              | 141.9        | 8,828,661              | 0.1         |
| 7036                               | 761401 | Lease Rental Payments                 | 13,217,918        | 13,385,133        | 13,312,258        | 14,017,100          | 14,017,100             | 0.0          | 14,017,100             | 0.0         |
| 7036                               | 761402 | Traffic Safety Match                  | 277,137           | 277,137           | 277,137           | 277,137             | 0                      | -100.0       | 0                      | .0          |
| 7036                               | 764033 | Minor Capital Projects                | 1,717,964         | 1,257,169         | 1,220,571         | 1,250,000           | 1,250,000              | 0.0          | 1,250,000              | 0.0         |
| 7036                               | 764321 | Highway Patrol Operating              | 226,958,367       | 233,403,438       | 238,505,160       | 267,539,597         | 269,887,828            | 0.9          | 269,975,259            | 0.0         |

**State of Ohio**  
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**LINE ITEM SUMMARY - Department of Public Safety**

| FUND | ALI    | ALI NAME                                   | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 7036 | 764605 | Motor Carrier Enforcement Expenses         | 2,499,007         | 2,465,431         | 2,399,000         | 3,340,468           | 3,340,468              | 0.0         | 3,340,468              | 0.0         |
| 7036 | 766321 | Administration Operating                   | 4,036,734         | 4,550,384         | 4,080,506         | 4,461,836           | 0                      | -100.0      | 0                      | .0          |
| 8300 | 761603 | Salvage & Exchange-Administration          | 0                 | 0                 | 0                 | 20,000              | 20,800                 | 4.0         | 21,632                 | 4.0         |
| 8310 | 761610 | Information & Education-Federal            | 1,313,574         | 1,164,404         | 295,464           | 722,982             | 468,982                | -35.1       | 468,982                | 0.0         |
| 8310 | 764610 | Patrol/ Federal                            | 2,985,737         | 1,708,860         | 2,147,353         | 2,455,484           | 2,455,484              | 0.0         | 2,455,484              | 0.0         |
| 8310 | 764659 | Transportation Enforcement Federal         | 4,740,025         | 4,318,715         | 5,235,814         | 6,132,592           | 6,132,592              | 0.0         | 6,132,592              | 0.0         |
| 8310 | 765610 | EMS/ Federal                               | 1,898,570         | 249,841           | 197,557           | 582,007             | 582,007                | 0.0         | 582,007                | 0.0         |
| 8310 | 767610 | Liquor Enforcement-Federal                 | 295,256           | 88,282            | 127,534           | 514,184             | 514,184                | 0.0         | 514,184                | 0.0         |
| 8310 | 769610 | Food Stamp Trafficking Enforcement Federal | 943,772           | 946,065           | 835,670           | 1,032,135           | 1,032,135              | 0.0         | 1,032,135              | 0.0         |
| 8310 | 769631 | Homeland Security-Federal                  | 0                 | 0                 | 1,090,851         | 2,062,500           | 2,100,000              | 1.8         | 2,184,000              | 4.0         |
| 8320 | 761612 | Traffic Safety Federal                     | 11,035,166        | 13,258,445        | 10,909,900        | 16,577,565          | 16,577,565             | 0.0         | 16,577,565             | 0.0         |
| 8350 | 762616 | Financial Responsibility Compliance        | 4,159,373         | 4,178,991         | 4,252,072         | 6,063,600           | 6,063,600              | 0.0         | 6,063,600              | 0.0         |
| 8370 | 764602 | Turnpike Policing                          | 8,877,843         | 10,269,084        | 9,489,113         | 11,553,959          | 11,553,959             | 0.0         | 11,553,959             | 0.0         |
| 8380 | 764606 | Patrol Reimbursement                       | 75,619            | 74,533            | 8,492             | 175,000             | 100,000                | -42.9       | 100,000                | 0.0         |
| 83C0 | 764630 | Contraband, Forfeitures, Other             | 1,153,221         | 870,078           | 83,764            | 622,894             | 622,894                | 0.0         | 622,894                | 0.0         |
| 83F0 | 764657 | Law Enforcement Automated Data System      | 6,638,779         | 6,720,760         | 6,231,774         | 8,275,898           | 10,984,978             | 32.7        | 9,053,266              | -17.6       |
| 83G0 | 764633 | OMVI Fines                                 | 523,981           | 427,690           | 452,582           | 650,000             | 650,000                | 0.0         | 650,000                | 0.0         |
| 83J0 | 764693 | Highway Patrol Justice Contraband          | 0                 | 262,172           | 271,520           | 2,100,000           | 2,100,000              | 0.0         | 2,100,000              | 0.0         |
| 83M0 | 765624 | Operating-EMS                              | 2,218,933         | 2,100,591         | 2,336,808         | 2,587,627           | 2,915,113              | 12.7        | 2,924,562              | 0.3         |
| 83N0 | 761611 | Elementary School Seat Belt Programs       | 132,616           | 201,681           | 203,116           | 375,000             | 390,000                | 4.0         | 405,600                | 4.0         |
| 83P0 | 765637 | EMS Grants                                 | 3,937,133         | 3,550,510         | 3,757,367         | 4,562,912           | 4,562,912              | 0.0         | 4,562,912              | 0.0         |
| 83R0 | 762639 | Local Immobilization Reimbursement         | 558,139           | 514,347           | 529,461           | 750,000             | 750,000                | 0.0         | 750,000                | 0.0         |
| 83T0 | 764694 | Highway Patrol Treasury Contraband         | 0                 | 20,491            | 0                 | 21,000              | 21,000                 | 0.0         | 21,000                 | 0.0         |
| 8400 | 764607 | State Fair Security                        | 1,119,952         | 1,090,748         | 1,174,457         | 1,396,283           | 1,396,283              | 0.0         | 1,396,283              | 0.0         |
| 8400 | 764617 | Security and Investigations                | 9,902,936         | 10,896,183        | 9,586,812         | 6,155,385           | 6,317,530              | 2.6         | 6,432,686              | 1.8         |
| 8400 | 764626 | State Fairgrounds Police Force             | 748,721           | 783,844           | 864,471           | 788,375             | 830,769                | 5.4         | 849,883                | 2.3         |
| 8400 | 769632 | Homeland Security-Operating                | 0                 | 0                 | 1,191,873         | 1,989,807           | 1,552,049              | -22.0       | 1,614,131              | 4.0         |
| 8410 | 764603 | Salvage and Exchange-Highway Patrol        | 2,773,026         | 3,859,407         | 0                 | 1,339,399           | 1,339,399              | 0.0         | 1,339,399              | 0.0         |
| 8440 | 761613 | Seat Belt Education Program                | 596,190           | 235,741           | 508,478           | 411,528             | 400,000                | -2.8        | 400,000                | 0.0         |

**State of Ohio**  
**Department of Public Safety**

**LINE ITEM SUMMARY - Department of Public Safety**

| FUND  | ALI    | ALI NAME                                     | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|---------------|------------------------|-------------|
| 8460  | 761625 | Motorcycle Safety Education                  | 1,976,710          | 1,920,505          | 2,501,450          | 4,010,865           | 3,324,987              | -17.1         | 3,538,903              | 6.4         |
| 8490  | 762627 | Automated Title Processing Board             | 10,727,287         | 10,457,461         | 8,738,142          | 19,240,839          | 19,240,839             | 0.0           | 19,240,839             | 0.0         |
| <b>TOTAL Highway Safety</b>                 |        |  | <b>422,415,200</b> | <b>436,420,062</b> | <b>435,865,493</b> | <b>517,427,269</b>  | <b>521,313,659</b>     | <b>0.8</b>    | <b>524,585,699</b>     | <b>0.6</b>  |
| R024  | 762619 | Unidentified Motor Vehicle Receipts          | 1,463,340          | 1,625,357          | 1,594,558          | 1,885,000           | 1,885,000              | 0.0           | 1,885,000              | 0.0         |
| R052  | 762623 | Security Deposits                            | 309,834            | 288,332            | 245,089            | 350,000             | 350,000                | 0.0           | 350,000                | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |  | <b>1,773,173</b>   | <b>1,913,689</b>   | <b>1,839,647</b>   | <b>2,235,000</b>    | <b>2,235,000</b>       | <b>0.0</b>    | <b>2,235,000</b>       | <b>0.0</b>  |
| 7043  | 767321 | Liquor Enforcement-Operations                | 9,653,152          | 10,135,656         | 9,968,752          | 11,546,052          | 12,007,894             | 4.0           | 11,897,178             | -0.9        |
| <b>TOTAL Liquor Control</b>                 |        |  | <b>9,653,152</b>   | <b>10,135,656</b>  | <b>9,968,752</b>   | <b>11,546,052</b>   | <b>12,007,894</b>      | <b>4.0</b>    | <b>11,897,178</b>      | <b>-0.9</b> |
| 7050  | 762900 | International Registration Plan Distribution | 41,471,701         | 36,179,632         | 25,866,720         | 30,000,000          | 30,000,000             | .0            | 30,000,000             | .0          |
| <b>TOTAL Revenue Distribution</b>           |        |  | <b>41,471,701</b>  | <b>36,179,632</b>  | <b>25,866,720</b>  | <b>30,000,000</b>   | <b>30,000,000</b>      | <b>.0</b>     | <b>30,000,000</b>      | <b>.0</b>   |
| L087  | 767406 | Under Age Tobacco Use Enforcement            | 473,499            | 609,298            | 348,515            | 375,000             | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>             |        |  | <b>473,499</b>     | <b>609,298</b>     | <b>348,515</b>     | <b>375,000</b>      | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Department of Public Safety</b>    |        |  | <b>690,621,673</b> | <b>622,842,606</b> | <b>579,913,929</b> | <b>725,236,769</b>  | <b>724,403,717</b>     | <b>-0.1</b>   | <b>728,897,838</b>     | <b>0.6</b>  |

### Role and Overview

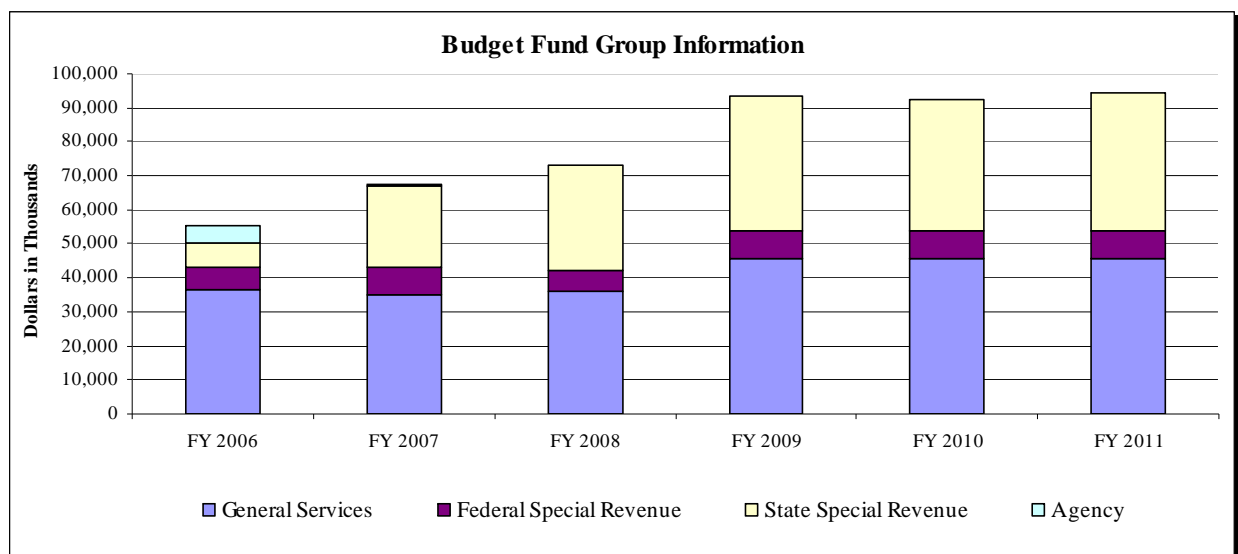
The Public Utilities Commission (PUCO) assures that all residential, business, and industrial consumers have access to adequate, safe, and reliable utility services at fair prices, while facilitating an environment that provides competitive choices. The PUCO regulates a wide variety of public utilities including electricity, natural gas, pipelines, heating and cooling, telephone services, waterworks, wastewater, railroads, household goods carriers, towing companies, water transportation, hazardous materials carriers, and commercial transportation carriers.

A chairman and four commissioners, who are appointed by the Governor for five-year terms, govern the PUCO. The chairman serves as the agency's director and chairs the Power Siting Board, which reviews all applications for building electric generating and transmission facilities in Ohio. The PUCO employs about 400 staff members and has an annual budget of approximately \$93.3 million. Additional information regarding the Public Utilities Commission is available at <http://www.puco.ohio.gov>.

### Agency Priorities

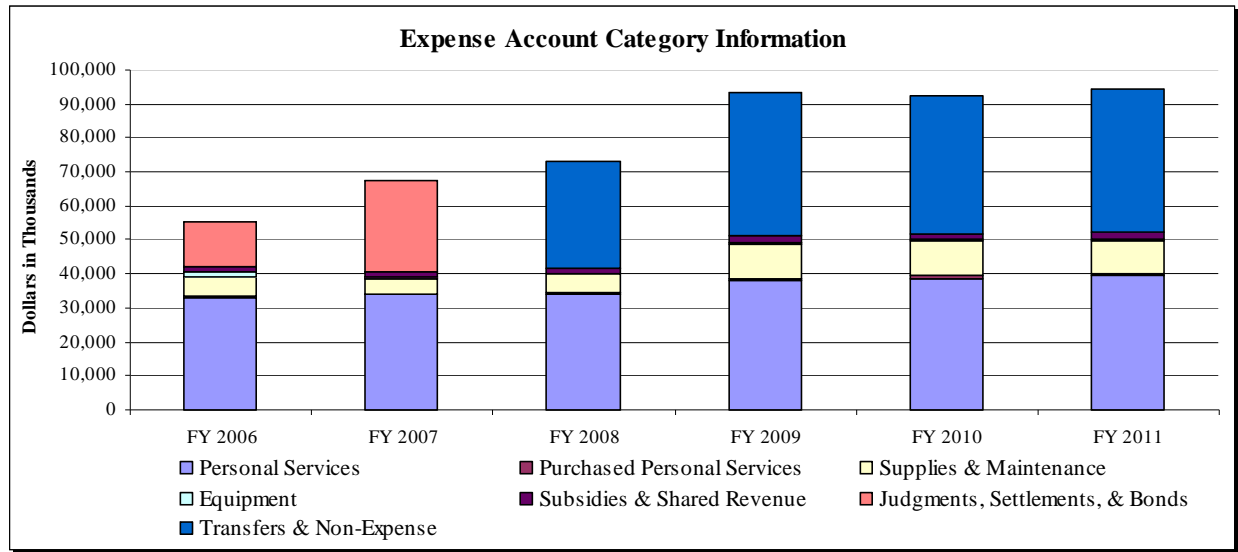
- Mandate the availability of adequate, safe, and reliable utility service to all business, industrial, and residential consumers.
- Ensure financial integrity and service reliability in the Ohio utility industry.
- Promote utility infrastructure investment through appropriate regulatory policies and structures.
- Regulate utilities' rates and terms of service for monopoly and non-competitive services.
- Monitor and enforce compliance with rules and statutory protections against deceptive, unfair, unsafe, and anti-competitive utility practices.
- Safeguard the security of Ohio's regulated motor carrier and rail operations, through aggressive inspection, training, monitoring, and education programs.
- Enhance safety at all public highway-railroad grade crossings in Ohio through education and the installation of lights and gates and other safety devices.
- Resolve through mediation, arbitration, and adjudication disputes between utilities and residential, commercial, and industrial customers, as well as between competing utilities.
- Foster competition by establishing and enforcing a fair competitive framework for all utilities.

### Summary of Budget History and Recommendations



State of Ohio  
**Public Utilities Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|-------------------------------------|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| General Services                    | 36,575        | 35,189        | 36,108        | 45,685          | 26.5                    | 45,685        | 0.0         | 45,685        | 0.0         |
| Federal Special Revenue             | 6,713         | 7,768         | 5,932         | 8,009           | 35.0                    | 8,050         | 0.5         | 8,050         | 0.0         |
| State Special Revenue               | 6,898         | 24,273        | 31,155        | 39,623          | 27.2                    | 38,769        | -2.2        | 40,795        | 5.2         |
| Agency                              | 5,131         | 171           | 0             | 0               | 0.0                     | 0             | 0.0         | 0             | 0.0         |
| <b>TOTAL</b>                        | <b>55,317</b> | <b>67,400</b> | <b>73,195</b> | <b>93,318</b>   | <b>27.5</b>             | <b>92,504</b> | <b>-0.9</b> | <b>94,530</b> | <b>2.2</b>  |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.
- The increase in the Transfers & Non-Expense account category is due to implementation of the wireless 9-1-1 program, which provides financial assistance to counties to help subsidize the cost of the service.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST.<br>FY 2009 | %<br>CHANGE<br>FY 08-09 | RECOMMENDED   |             |               |             |
|---|---------------|---------------|---------------|-----------------|-------------------------|---------------|-------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       |                 |                         | FY 2010       | %<br>CHANGE | FY 2011       | %<br>CHANGE |
| Personal Services                             | 33,117        | 33,837        | 34,005        | 38,056          | 11.9                    | 38,722        | 1.8         | 39,538        | 2.1         |
| Purchased Personal Services                   | 557           | 408           | 528           | 695             | 31.5                    | 838           | 20.6        | 766           | -8.5        |
| Supplies & Maintenance                        | 5,614         | 4,481         | 5,326         | 10,081          | 89.3                    | 9,981         | -1.0        | 9,398         | -5.8        |
| Equipment                                     | 1,509         | 600           | 403           | 614             | 52.3                    | 500           | -18.5       | 448           | -10.5       |
| Subsidies & Shared Revenue                    | 1,319         | 1,444         | 1,541         | 1,896           | 23.1                    | 1,895         | -0.1        | 1,891         | -0.2        |
| Judgments, Settlements, & Bonds               | 13,200        | 26,630        | 0             | 0               | 0.0                     | 0             | 0.0         | 0             | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 31,391        | 41,976          | 33.7                    | 40,567        | -3.4        | 42,489        | 4.7         |
| <b>TOTAL</b>                                  | <b>55,317</b> | <b>67,400</b> | <b>73,195</b> | <b>93,318</b>   | <b>27.5</b>             | <b>92,504</b> | <b>-0.9</b> | <b>94,530</b> | <b>2.2</b>  |

**PROGRAM SERIES 01: Utility Regulation**

The Public Utilities Commission of Ohio is the only state agency that regulates the operations of public utility companies. The PUCO implements appropriate regulatory safeguards that ensure Ohio's residential and business consumers have access to adequate, safe, secure, and reliable utility services at fair prices, while facilitating an

environment that provides competitive choices. The PUCO regulates the electric, natural gas, telephone, water, rail, and transportation industries through a comprehensive regulatory program that encompasses infrastructure development, registration and certification, economic and financial integrity monitoring, service reliability, and safety enforcement.

**Program 01.01: Safety and Service Quality, Oversight, and Enforcement**

This program monitors and enforces compliance with state and federal safety and service quality regulations in a wide variety of public utilities including electricity, natural gas, pipelines, heating and cooling, telephone services, waterworks, wastewater, railroad, household goods carriers, tow trucks, water transportation, hazardous materials carriers, and commercial transportation carriers.

**The Executive Recommendation will fund the following objectives:**

- Continue the implementation of the regulations of multiple federal agencies, including (but not limited to) US Department of Transportation, Federal Motor Carrier Safety Administration, and the Federal Rail Commission;
- Provide for the implementation of the Commercial Vehicle Information Systems and Networks; and
- Fund the operation of the hazardous materials civil forfeiture program.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                      | FY 2010           | FY 2011           |
| GSF                      | 5F60 | 870622 | Utility & Railroad Regulation                 | 14,538,375        | 14,565,887        |
| GSF                      | 5F60 | 870624 | NARUC/NRRI Subsidy                            | 67,940            | 67,940            |
| GSF                      | 5F60 | 870625 | Motor Transportation Regulation               | 3,764,927         | 3,774,348         |
| GSF                      | 5Q50 | 870626 | Telecommunications Relay Service              | 2,150,000         | 2,150,000         |
| FED                      | 3330 | 870601 | Gas Pipeline Safety                           | 496,601           | 496,565           |
| FED                      | 3500 | 870608 | Motor Carrier Safety                          | 7,045,676         | 7,139,377         |
| FED                      | 3V30 | 870604 | Commercial Vehicle Information System/network | 16,000            | 16,000            |
| SSR                      | 4A30 | 870614 | Grade Crossing Protection Device-State        | 1,349,757         | 1,349,757         |
| SSR                      | 4L80 | 870617 | Pipeline Safety-State                         | 187,621           | 187,621           |
| SSR                      | 4U80 | 870620 | Civil Forfeitures                             | 284,986           | 284,986           |
| SSR                      | 5600 | 870607 | Special Assessment                            | 33,000            | 33,000            |
| SSR                      | 5610 | 870606 | Power Siting Board                            | 229,701           | 230,285           |
| SSR                      | 5BP0 | 870623 | Wireless 911 Administration                   | 34,417,000        | 36,443,000        |
| SSR                      | 6610 | 870612 | Hazardous Materials Transportation            | 900,000           | 900,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>65,481,584</b> | <b>67,638,766</b> |

**Program 01.02: Registration and Certification**

This program registers and certifies public utilities operating in the State of Ohio including electric, natural gas, heating and cooling, telephone, waterworks, wastewater, railroad, household goods, towing, water transportation, hazardous materials, and commercial transportation carriers. Through the establishment of a fair and reasonable regulatory framework, the PUCO protects the public interest and facilitates competitive choices where feasible while also assuring adequate utility infrastructure.

**The Executive Recommendation will fund the following objective:**

- Support the registration and certification of more than 8,000 intrastate carriers; 2,500 hazardous materials carriers; 7,000 rail cars; 3,000 hazardous materials rail cars; 7,500 rail grade crossings; and more than 1,000 power, utility, and telecommunication companies each calendar year.



State of Ohio  
**Public Utilities Commission**

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                      | FY 2010          | FY 2011          |
| GSF                      | 5F60 | 870622 | Utility & Railroad Regulation                 | 3,552,357        | 3,544,686        |
| GSF                      | 5F60 | 870624 | NARUC/NRRI Subsidy                            | 18,960           | 18,960           |
| GSF                      | 5F60 | 870625 | Motor Transportation Regulation               | 1,969,619        | 1,960,660        |
| GSF                      | 5Q50 | 870626 | Telecommunications Relay Service              | 600,000          | 600,000          |
| FED                      | 3330 | 870601 | Gas Pipeline Safety                           | 101,358          | 101,394          |
| FED                      | 3500 | 870608 | Motor Carrier Safety                          | 305,984          | 212,283          |
| FED                      | 3V30 | 870604 | Commercial Vehicle Information System/network | 84,000           | 84,000           |
| SSR                      | 4S60 | 870618 | Hazardous Materials Registration              | 464,325          | 464,325          |
| SSR                      | 4S60 | 870621 | Hazardous Materials Base State Registration   | 373,346          | 373,346          |
| SSR                      | 5590 | 870605 | Public Utilities Territorial Administration   | 2,000            | 2,000            |
| SSR                      | 5600 | 870607 | Special Assessment                            | 34,000           | 34,000           |
| SSR                      | 5610 | 870606 | Power Siting Board                            | 116,742          | 104,803          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>7,622,691</b> | <b>7,500,457</b> |

**Program 01.03: Tariff and Economic Oversight**

This program provides for the review and approval of the utilities' rules and regulations to ensure that they comply with state and federal regulations. Rates and terms for monopoly and non-competitive utility services are set by the PUCO. Utility activities and markets are closely monitored to ensure financial integrity within the utility industry, safeguards for the consumers, enforcement of regulations, and the enhancement of the state's economy.

**The Executive Recommendation will fund the following objective:**

- Fund investigations and audits conducted through the financial analysis and audits division.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010           | FY 2011           |
| GSF                      | 5F60 | 870622 | Utility & Railroad Regulation               | 16,364,895        | 16,345,054        |
| GSF                      | 5F60 | 870624 | NARUC/NRRI Subsidy                          | 71,100            | 71,100            |
| GSF                      | 5F60 | 870625 | Motor Transportation Regulation             | 337,283           | 336,821           |
| GSF                      | 5Q50 | 870626 | Telecommunications Relay Service            | 2,250,000         | 2,250,000         |
| SSR                      | 5590 | 870605 | Public Utilities Territorial Administration | 2,000             | 2,000             |
| SSR                      | 5600 | 870607 | Special Assessment                          | 33,000            | 33,000            |
| SSR                      | 5610 | 870606 | Power Siting Board                          | 301,450           | 312,805           |
| SSR                      | 6380 | 870611 | Biofuels/municipal Waste Technology         | 40,000            | 40,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>19,399,728</b> | <b>19,390,780</b> |

State of Ohio  
**Public Utilities Commission**

**LINE ITEM SUMMARY - Public Utilities Commission**

| FUND                                     | ALI    | ALI NAME                                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5F60                                     | 870622 | Utility & Railroad Regulation                 | 31,456,552        | 30,787,159        | 30,197,914        | 34,455,627          | 34,455,627             | 0.0         | 34,455,627             | 0.0         |
| 5F60                                     | 870624 | NARUC/NRRI Subsidy                            | 147,163           | 147,163           | 111,054           | 158,000             | 158,000                | 0.0         | 158,000                | 0.0         |
| 5F60                                     | 870625 | Motor Transportation Regulation               | 4,971,312         | 4,254,291         | 4,426,141         | 6,071,829           | 6,071,829              | 0.0         | 6,071,829              | 0.0         |
| 5Q50                                     | 870626 | Telecommunications Relay Service              | 0                 | 0                 | 1,373,225         | 5,000,000           | 5,000,000              | 0.0         | 5,000,000              | 0.0         |
| <b>TOTAL General Services</b>            |        |   | <b>36,575,027</b> | <b>35,188,613</b> | <b>36,108,334</b> | <b>45,685,456</b>   | <b>45,685,456</b>      | <b>0.0</b>  | <b>45,685,456</b>      | <b>0.0</b>  |
| 3330                                     | 870601 | Gas Pipeline Safety                           | 659,857           | 470,293           | 438,469           | 597,959             | 597,959                | 0.0         | 597,959                | 0.0         |
| 3500                                     | 870608 | Motor Carrier Safety                          | 6,007,990         | 7,202,905         | 5,440,814         | 7,351,660           | 7,351,660              | 0.0         | 7,351,660              | 0.0         |
| 3V30                                     | 870604 | Commercial Vehicle Information System/network | 45,489            | 94,413            | 52,366            | 59,600              | 100,000                | 67.8        | 100,000                | 0.0         |
| <b>TOTAL Federal Special Revenue</b>     |        |   | <b>6,713,336</b>  | <b>7,767,611</b>  | <b>5,931,649</b>  | <b>8,009,219</b>    | <b>8,049,619</b>       | <b>0.5</b>  | <b>8,049,619</b>       | <b>0.0</b>  |
| 4A30                                     | 870614 | Grade Crossing Protection Device-State        | 903,948           | 1,063,418         | 1,224,069         | 1,349,757           | 1,349,757              | 0.0         | 1,349,757              | 0.0         |
| 4L80                                     | 870617 | Pipeline Safety-State                         | 151,088           | 180,837           | 164,523           | 187,621             | 187,621                | 0.0         | 187,621                | 0.0         |
| 4S60                                     | 870618 | Hazardous Materials Registration              | 518,442           | 375,925           | 359,473           | 464,325             | 464,325                | 0.0         | 464,325                | 0.0         |
| 4S60                                     | 870621 | Hazardous Materls Base State Registration     | 302,815           | 314,266           | 274,665           | 373,346             | 373,346                | 0.0         | 373,346                | 0.0         |
| 4U80                                     | 870620 | Civil Forfeitures                             | 292,515           | 232,257           | 235,744           | 284,986             | 284,986                | 0.0         | 284,986                | 0.0         |
| 5590                                     | 870605 | Public Utilities Territorial Administration   | 0                 | 0                 | 0                 | 0                   | 4,000                  | .0          | 4,000                  | 0.0         |
| 5600                                     | 870607 | Special Assessment                            | 59,467            | 0                 | 0                 | 0                   | 100,000                | .0          | 100,000                | 0.0         |
| 5610                                     | 870606 | Power Siting Board                            | 396,781           | 274,673           | 296,593           | 647,893             | 647,893                | 0.0         | 647,893                | 0.0         |
| 5BP0                                     | 870623 | Wireless 911 Administration                   | 3,372,649         | 21,028,935        | 27,860,660        | 35,375,000          | 34,417,000             | -2.7        | 36,443,000             | 5.9         |
| 6380                                     | 870611 | Biofuels/municipal Waste Technology           | 38,926            | 21,392            | 4,454             | 40,000              | 40,000                 | 0.0         | 40,000                 | 0.0         |
| 6610                                     | 870612 | Hazardous Materials Transportation            | 861,304           | 781,659           | 734,742           | 900,000             | 900,000                | 0.0         | 900,000                | 0.0         |
| <b>TOTAL State Special Revenue</b>       |        |   | <b>6,897,935</b>  | <b>24,273,361</b> | <b>31,154,923</b> | <b>39,622,928</b>   | <b>38,768,928</b>      | <b>-2.2</b> | <b>40,794,928</b>      | <b>5.2</b>  |
| 4G40                                     | 870616 | Base State Registration Program               | 5,130,520         | 170,791           | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Agency</b>                      |        |   | <b>5,130,520</b>  | <b>170,791</b>    | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Public Utilities Commission</b> |        |   | <b>55,316,817</b> | <b>67,400,376</b> | <b>73,194,906</b> | <b>93,317,603</b>   | <b>92,504,003</b>      | <b>-0.9</b> | <b>94,530,003</b>      | <b>2.2</b>  |

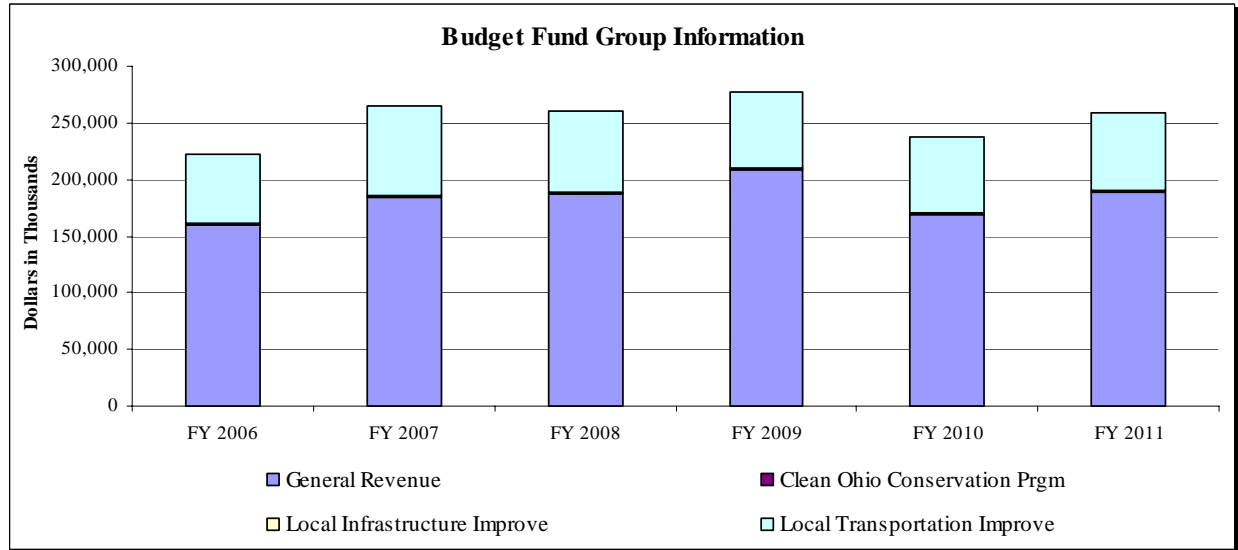
### **Role and Overview**

The Ohio Public Works Commission (PWC) administers the State Capital Improvement Program (SCIP) and the Local Transportation Improvement Program (LTIP), two financial assistance programs that address Ohio's public infrastructure needs, and the Clean Ohio Conservation Program (COCP). These programs provide grants and loans to political subdivisions in the state. The PWC has a staff of 11 and an annual budget of approximately \$278 million. Additional information regarding the Public Works Commission is available at <http://www.pwc.state.oh.us/>.

### **Agency Priorities**

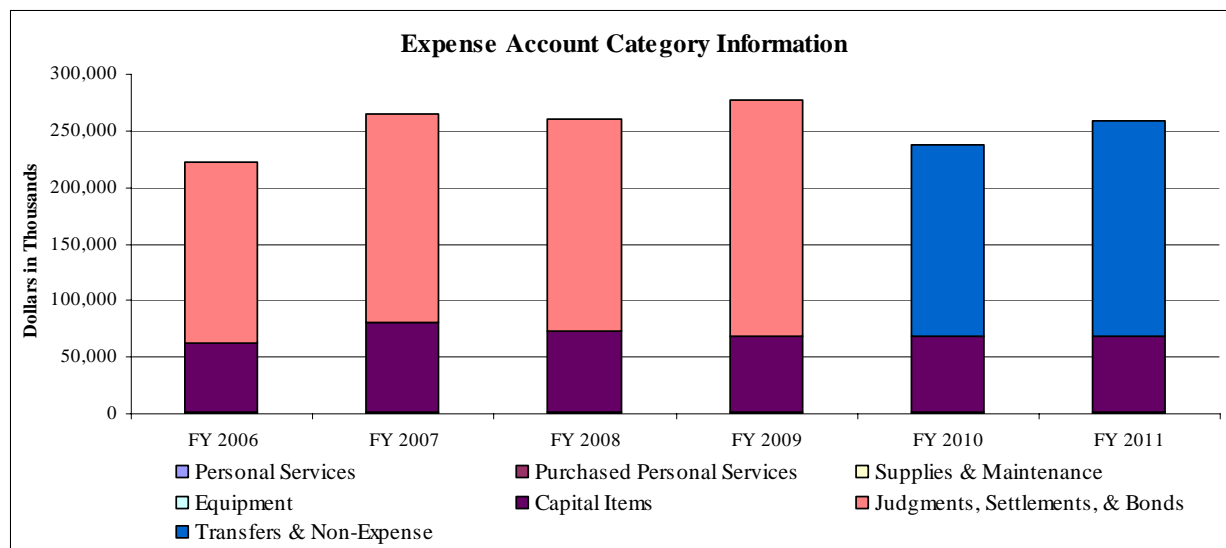
- Implement Am. Sub. H.B. 554, the “Job Stimulus Bill.”
- Implement program years 23 and 24 of the State Capital Improvement Program and Local Transportation Improvement Program.
- Provide ongoing technical assistance to district integrating committees and local governments.
- Continue maintenance of the statewide infrastructure needs database.
- Implement program years 5 and 6 of the Clean Ohio Conservation Program.
- As a result of the passage of Issue 2, the Executive Transportation Bill will revise Amended Substitute House Bill 562 in order to increase the Clean Ohio Conservation program from \$30 million to \$75 million.
- Implement the Local Infrastructure Development Program.
- Operate the Ohio Public Works Commission with a high level of transparency and accountability to Ohio citizens.
- Continue fostering smart growth and making “Fix-It-First” a priority for state investments.
- Support collaboration across government by bringing together all levels of local government during the project selection process.
- Promote regional cooperation and empower local governments to address their most critical infrastructure needs through our state-local partnership.
- Continue to promote reinvestment in Ohio’s communities by emphasizing repair and replacement of existing infrastructure versus new and expansion.
- Improve Ohio’s infrastructure to create an environment that supports local businesses and industry.
- Continue to reward cities and towns that working together to build strong regional economies through encouraging consolidation of environmental infrastructure.

### Summary of Budget History and Recommendations



- All GRF appropriation is used to support debt service for Clean Ohio and State Capital Improvements programs.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |                |            |
|-------------------------------------|----------------|----------------|----------------|------------------|------------|-------------------------|--------------|----------------|------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011        | CHANGE     |
| General Revenue                     | 160,492        | 184,740        | 187,866        | 208,476          | 11.0       | 169,043                 | -18.9        | 189,128        | 11.9       |
| Clean Ohio Conservation Program     | 234            | 215            | 243            | 312              | 28.2       | 304                     | -2.3         | 312            | 2.4        |
| Local Infrastructure Improve        | 754            | 788            | 720            | 919              | 27.5       | 1,158                   | 26.1         | 1,188          | 2.6        |
| Local Transportation Improve        | 61,412         | 79,422         | 71,526         | 67,806           | -0.5       | 67,616                  | -0.3         | 67,706         | 0.1        |
| <b>TOTAL</b>                        | <b>222,893</b> | <b>265,165</b> | <b>260,355</b> | <b>277,512</b>   | <b>6.6</b> | <b>238,122</b>          | <b>-14.2</b> | <b>258,335</b> | <b>8.5</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |                |            |
|---|----------------|----------------|----------------|------------------|------------|-------------------------|--------------|----------------|------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011        | CHANGE     |
| Personal Services                             | 1,075          | 1,090          | 1,061          | 1,217            | 14.7       | 1,518                   | 24.7         | 1,599          | 5.3        |
| Purchased Personal Services                   | 28             | 0              | 9              | 64               | 610.0      | 74                      | 15.1         | 34             | -54.1      |
| Supplies & Maintenance                        | 119            | 126            | 127            | 228              | 79.7       | 160                     | -29.6        | 165            | 3.2        |
| Equipment                                     | 7              | 32             | 3              | 28               | 734.7      | 10                      | -65.5        | 8              | -19.2      |
| Capital Items                                 | 61,170         | 79,176         | 71,290         | 67,500           | -0.5       | 67,317                  | -0.3         | 67,400         | 0.1        |
| Judgments, Settlements, & Bonds               | 160,492        | 184,740        | 187,866        | 208,476          | 11.0       | 0                       | -100.0       | 0              | 0.0        |
| Transfers & Non-Expense                       | 0              | 0              | 0              | 0                | 0.0        | 169,043                 | 100.0        | 189,128        | 11.9       |
| <b>TOTAL</b>                                  | <b>222,893</b> | <b>265,165</b> | <b>260,355</b> | <b>277,512</b>   | <b>6.6</b> | <b>238,122</b>          | <b>-14.2</b> | <b>258,335</b> | <b>8.5</b> |

### PROGRAM SERIES 01: Infrastructure Aid to Local Governments

This program series provides grants and loans to address Ohio's public infrastructure needs.

#### Program 01.01: State Capital Improvement

This program provides grants and loans to local governments to assist in the financing of local capital improvement needs. The state uses its general revenues as debt support and issues up to \$120 million in bonds each year. Eligible projects include roads, bridges, water supply systems, wastewater systems, storm water collection systems, and solid waste disposal facilities. Each program year, each district is required to allocate a percentage of their budgets in the form of loans. These allocations have resulted in the creation of the State Capital Improvement Revolving Loan Program, a sub component of the State Capital Improvement Program, which provides an additional \$24 million per fiscal year in the form of below market rate loans.

#### The Executive Recommendation will fund the following objectives:

- Support the approval of more than 1,400 grants and 244 loans each fiscal year at an average of \$250,000 per grant and loan;

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**State of Ohio**  
**Public Works Commission**

- Provide project administration as well as technical assistance to local governments and District Integrating Committees;
- Fund program years 23 and 24; and
- Provide for required payments on bonds issued to support the program.

| FUND                     |      |        |   | RECOMMENDED        |                    |
|--------------------------|------|--------|---|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010            | FY 2011            |
| GRF                      | GRF  | 150907 | State Capital Improvement / General Obligation Debt | 148,331,900        | 163,443,500        |
| LIF                      | 7038 | 150321 | Operating Expenses                                  | 897,383            | 918,912            |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>149,229,283</b> | <b>164,362,412</b> |

**Program 01.02: Local Transportation Improvement**

This program provides grants to assist in the financing of local public road and bridge improvements. Funding is provided by one penny of the motor fuel tax.

**The Executive Recommendation will fund the following objectives:**

- Support the approval of more than 390 grants each fiscal year at an average of \$250,000 per grant;
- Provide project administration as well as technical assistance to local governments and District Integrating Committees;
- Fund program years 23 and 24; and
- Continue current service and maintenance levels through the next biennium.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME   | FY 2010           | FY 2011           |
| 052                      | 7052 | 150402 | Local Transportation Improvement Program Operating | 299,001           | 306,178           |
| 052                      | 7052 | 150701 | Local Transportation                               | 67,317,000        | 67,400,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>67,616,001</b> | <b>67,706,178</b> |

**Program 01.03: Clean Ohio Conservation**

This program provides funding to local governments and non-profit organizations for open space acquisition and related development of those open spaces, and for the protection and enhancement of riparian corridors. This program provides approximately \$37.5 million per year in grants.

**The Executive Recommendation will fund the following objectives:**

- Provide project administration as well as technical assistance to Natural Resource Assistance Councils;
- Provide for required payments on bonds issued to support environmental conservation projects;
- Fund program years five and six;
- Continue current service and maintenance levels through the next biennium.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 150904 | Conservation General Obligation Debt Service | 20,711,100        | 25,684,900        |
| CLF                      | 7056 | 150403 | Operating Expenses                           | 304,332           | 311,509           |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>21,015,432</b> | <b>25,996,409</b> |

**Program 01.04: Local Infrastructure Development**

This program was recently created in Am. Sub. H.B. 554, the “Job Stimulus Bill.” This program will provide grants for local infrastructure development and for capital improvement projects. This program has been provided a one-time Capital appropriation of \$80 million for the fiscal year 2009-2010 Capital Biennium.

**The Executive Recommendation will fund the following objectives:**

- Fund more than 190 grants for local infrastructure improvements and broad band projects;
- Provide project administration as well as technical assistance to local governments and district integrating committees.

| FUND                     |      |        |                                  | RECOMMENDED    |                |
|--------------------------|------|--------|----------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010        | FY 2011        |
| LIF                      | 7039 | 150909 | Local Infrastructure Development | 261,027        | 269,555        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>261,027</b> | <b>269,555</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

150907, State Capital Improvements General Obligation Debt Service: Funding reductions for this line item result from the Debt Restructuring proposal detailed in the Special Analysis section of this Executive Budget. The approximately \$400 million combined reduction in fiscal years 2010 and 2011 for debt service line items for higher education, common schools, and infrastructure bonds will help to provide funding for core state services and investments in a time of constrained resources.



**LINE ITEM SUMMARY - Public Works Commission**

| FUND   | ALI    | ALI NAME  | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|---|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF  | 150904 | Conservation General Obligation Debt Service                | 7,897,420          | 14,087,478         | 15,715,668         | 19,779,200          | 20,711,100             | 4.7          | 25,684,900             | 24.0        |
| GRF  | 150907 | State Capital Improvement / General Obligation Debt Service | 152,595,038        | 170,652,297        | 172,150,271        | 188,696,300         | 148,331,900            | -21.4        | 163,443,500            | 10.2        |
| <b>TOTAL General Revenue</b>                 |        |   | <b>160,492,458</b> | <b>184,739,775</b> | <b>187,865,939</b> | <b>208,475,500</b>  | <b>169,043,000</b>     | <b>-18.9</b> | <b>189,128,400</b>     | <b>11.9</b> |
| 7056   | 150403 | Operating Expenses  | 233,576            | 215,274            | 242,948            | 311,509             | 304,332                | -2.3         | 311,509                | 2.4         |
| <b>TOTAL Clean Ohio Conservation Program</b> |        |   | <b>233,576</b>     | <b>215,274</b>     | <b>242,948</b>     | <b>311,509</b>      | <b>304,332</b>         | <b>-2.3</b>  | <b>311,509</b>         | <b>2.4</b>  |
| 7038   | 150321 | Operating Expenses  | 754,224            | 787,982            | 720,465            | 918,912             | 897,383                | -2.3         | 918,912                | 2.4         |
| 7039   | 150909 | Local Infrastructure Develop                                | 0                  | 0                  | 0                  | 0                   | 261,027                | .0           | 269,555                | 3.3         |
| <b>TOTAL Local Infrastructure Improve</b>    |        |   | <b>754,224</b>     | <b>787,982</b>     | <b>720,465</b>     | <b>918,912</b>      | <b>1,158,410</b>       | <b>26.1</b>  | <b>1,188,467</b>       | <b>2.6</b>  |
| 7052   | 150402 | Local Transportation Improvement Program Operating          | 241,839            | 245,519            | 236,551            | 306,178             | 299,001                | -2.3         | 306,178                | 2.4         |
| 7052   | 150701 | Local Transportation  | 61,170,471         | 79,176,094         | 71,290,174         | 67,500,000          | 67,317,000             | -0.3         | 67,400,000             | 0.1         |
| <b>TOTAL Local Transportation Improve</b>    |        |   | <b>61,412,310</b>  | <b>79,421,613</b>  | <b>71,526,725</b>  | <b>67,806,178</b>   | <b>67,616,001</b>      | <b>-0.3</b>  | <b>67,706,178</b>      | <b>0.1</b>  |
| <b>TOTAL Public Works Commission</b>         |        |   | <b>222,892,567</b> | <b>265,164,644</b> | <b>260,356,077</b> | <b>277,512,099</b>  | <b>238,121,743</b>     | <b>-14.2</b> | <b>258,334,554</b>     | <b>8.5</b>  |

### Role and Overview

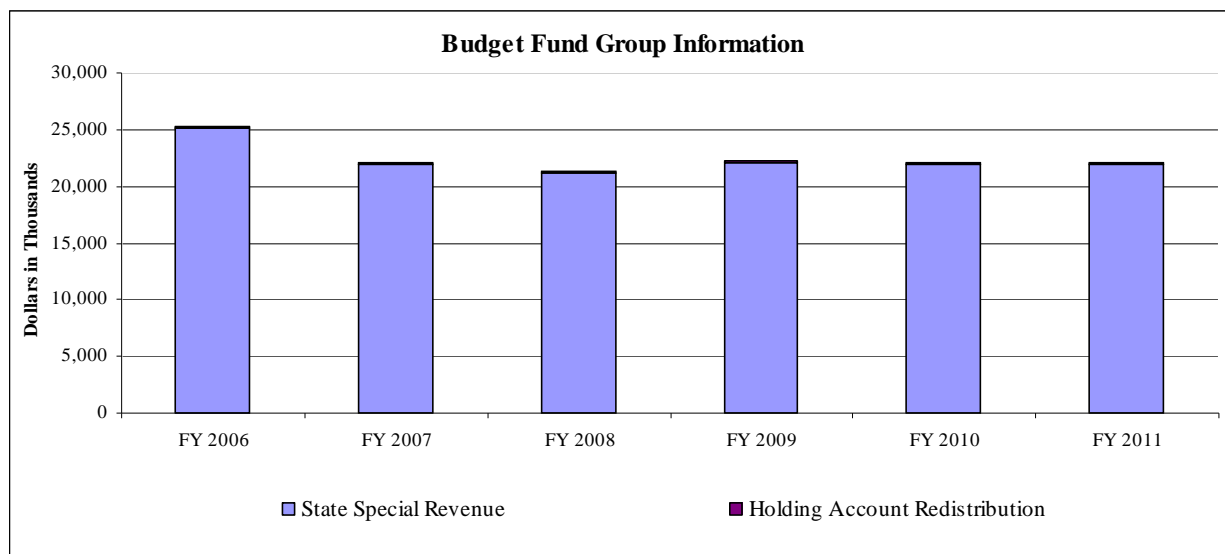
The Ohio State Racing Commission (RAC) regulates and promotes pari-mutuel horse racing in the state. Ideally, the greater the amount of money provided to the winners of a race, the higher the quality of horses and the higher the quality of competition. The commission prescribes the rules, regulations, and conditions under which horse racing with pari-mutuel wagering may be conducted. The commission is responsible for governing Ohio's seven commercial racetracks, one satellite-wagering facility, and over 60 county fairs.

The commission consists of five members, including a chairman, who are appointed by the Governor for four-year terms. The commission has a staff of 14 full-time employees and five part-time employees and regularly contracts with 11 other individuals who serve as judges, stewards, and veterinarians. The commission's annual budget is approximately \$22 million. Additional information regarding the Ohio State Racing Commission is available at <http://racing.ohio.gov>.

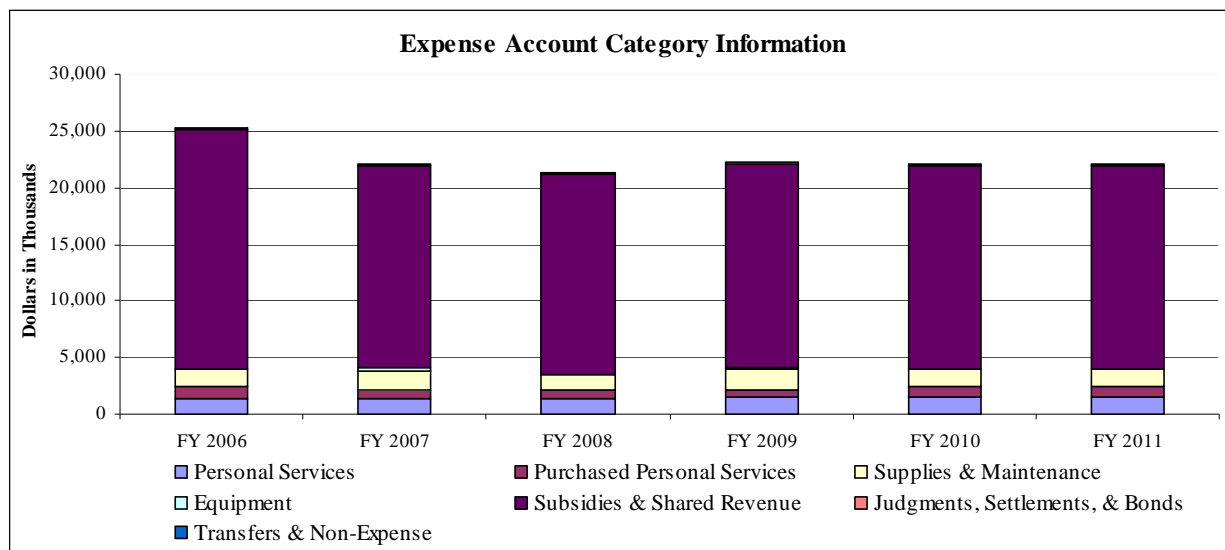
### Agency Priorities

- Regulate all pari-mutuel horse racing in Ohio by testing, officiating, and enforcing the rules and laws.
- Promote pari-mutuel horse racing in Ohio by providing purse supplements to Ohio-bred race winners.

### Summary of Budget History and Recommendations



| (In Thousands)                 | ACTUAL        |               |               | EST. % CHANGE |            | RECOMMENDED % CHANGE |             |               |            |
|--------------------------------|---------------|---------------|---------------|---------------|------------|----------------------|-------------|---------------|------------|
|                                | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09   | FY 2010              | CHANGE      | FY 2011       | CHANGE     |
| BUDGET FUND GROUP              |               |               |               |               |            |                      |             |               |            |
| State Special Revenue          | 25,132        | 21,910        | 21,147        | 22,026        | 4.2        | 21,943               | -0.4        | 21,960        | 0.1        |
| Holding Account Redistribution | 164           | 111           | 131           | 213           | 62.4       | 145                  | -31.9       | 145           | 0.0        |
| <b>TOTAL</b>                   | <b>25,297</b> | <b>22,021</b> | <b>21,278</b> | <b>22,239</b> | <b>4.5</b> | <b>22,088</b>        | <b>-0.7</b> | <b>22,105</b> | <b>0.1</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |             |               |            |
|---|---------------|---------------|---------------|------------------|------------|-------------------------|-------------|---------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09   | FY 2010                 | CHANGE      | FY 2011       | CHANGE     |
| Personal Services                             | 1,300         | 1,391         | 1,381         | 1,500            | 8.6        | 1,506                   | 0.4         | 1,510         | 0.3        |
| Purchased Personal Services                   | 1,191         | 710           | 675           | 606              | -10.1      | 920                     | 51.7        | 920           | 0.0        |
| Supplies & Maintenance                        | 1,416         | 1,659         | 1,398         | 1,904            | 36.2       | 1,558                   | -18.2       | 1,574         | 1.1        |
| Equipment                                     | 31            | 294           | 0             | 50               | 100.0      | 0                       | -100.0      | 0             | 0.0        |
| Subsidies & Shared Revenue                    | 21,182        | 17,855        | 17,692        | 17,963           | 1.5        | 17,957                  | 0.0         | 17,953        | 0.0        |
| Judgments, Settlements, & Bonds               | 176           | 113           | 0             | 213              | 100.0      | 0                       | -100.0      | 0             | 0.0        |
| Transfers & Non-Expense                       | 0             | 0             | 132           | 3                | -97.7      | 148                     | 4,833.3     | 148           | 0.0        |
| <b>TOTAL</b>                                  | <b>25,297</b> | <b>22,021</b> | <b>21,278</b> | <b>22,239</b>    | <b>4.5</b> | <b>22,088</b>           | <b>-0.7</b> | <b>22,105</b> | <b>0.1</b> |

## PROGRAM SERIES 01: Horse Racing Industry Administration

This program series promotes and regulates horse racing in Ohio.

### Program 01.01: Regulation

This program provides for the enforcement of guidelines under which pari-mutuel horse racing is conducted in Ohio. This is achieved through officiating races, laboratory testing of horses and riders, issuing licenses, conducting investigations, and the administration of racing dates, participants, and facilities.

#### The Executive Recommendation will fund the following objectives:

- Fund race stewards, judges, and veterinarians at over 1,000 annual live race dates;
- Fund drug testing conducted at the Ohio Department of Agriculture Analytical Toxicology Laboratory; and
- Support five commission members, 17.5 FTEs, and contractors who oversee the continued enforcement of horse racing industry rules and regulations at the seven live-racing tracks, one satellite facility, and 64 county fairs where pari-mutuel wagering takes place.

State of Ohio  
State Racing Commission

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| SSR                      | 5620 | 875601 | Thoroughbred Race Fund        | 127,767          | 129,868          |
| SSR                      | 5630 | 875602 | Standardbred Development Fund | 78,000           | 80,000           |
| SSR                      | 5650 | 875604 | Racing Commission Operating   | 3,742,342        | 3,758,818        |
| 090                      | R021 | 875605 | Bond Reimbursements           | 145,000          | 145,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>4,093,109</b> | <b>4,113,686</b> |

**Program 01.02: Promotion**

This program provides additional purse money that can be won by horses bred in Ohio to increase interest in the breeding of such horses.

**The Executive Recommendation will fund the following objectives:**

- Support three employees who register, inspect, and track over 7,000 horses; and
- Promote Ohio's horse racing industry through increased purse sizes.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| SSR                      | 5620 | 875601 | Thoroughbred Race Fund        | 2,172,233         | 2,170,132         |
| SSR                      | 5630 | 875602 | Standardbred Development Fund | 1,822,000         | 1,820,000         |
| SSR                      | 5640 | 875603 | Quarterhorse Development Fund | 1,000             | 1,000             |
| SSR                      | 5C40 | 875607 | Simulcast Horse Racing Purse  | 14,000,000        | 14,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>17,995,233</b> | <b>17,991,132</b> |

State of Ohio  
State Racing Commission

**LINE ITEM SUMMARY - State Racing Commission**

| FUND  | ALI    | ALI NAME                      | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|-------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 5620  | 875601 | Thoroughbred Race Fund        | 2,679,843         | 2,771,120         | 2,376,533         | 2,300,000           | 2,300,000              | 0.0          | 2,300,000              | 0.0         |
| 5630  | 875602 | Standardbred Development Fund | 2,585,460         | 2,528,260         | 2,286,173         | 1,900,000           | 1,900,000              | 0.0          | 1,900,000              | 0.0         |
| 5640  | 875603 | Quarterhorse Development Fund | 2,000             | 0                 | 2,000             | 1,000               | 1,000                  | 0.0          | 1,000                  | 0.0         |
| 5650  | 875604 | Racing Commission Operating   | 3,725,824         | 3,838,746         | 3,227,465         | 3,825,000           | 3,742,342              | -2.2         | 3,758,818              | 0.4         |
| 5C40  | 875607 | Simulcast Horse Racing Purse  | 16,139,334        | 12,772,197        | 13,254,785        | 14,000,000          | 14,000,000             | 0.0          | 14,000,000             | 0.0         |
| <b>TOTAL State Special Revenue</b>          |        |                               | <b>25,132,461</b> | <b>21,910,322</b> | <b>21,146,956</b> | <b>22,026,000</b>   | <b>21,943,342</b>      | <b>-0.4</b>  | <b>21,959,818</b>      | <b>0.1</b>  |
| R021  | 875605 | Bond Reimbursements           | 164,200           | 110,700           | 131,100           | 212,900             | 145,000                | -31.9        | 145,000                | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |                               | <b>164,200</b>    | <b>110,700</b>    | <b>131,100</b>    | <b>212,900</b>      | <b>145,000</b>         | <b>-31.9</b> | <b>145,000</b>         | <b>0.0</b>  |
| <b>TOTAL State Racing Commission</b>        |        |                               | <b>25,296,661</b> | <b>22,021,022</b> | <b>21,278,056</b> | <b>22,238,900</b>   | <b>22,088,342</b>      | <b>-0.7</b>  | <b>22,104,818</b>      | <b>0.1</b>  |

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## Board of Regents

### Role and Overview

The Chancellor of the Board of Regents (BOR) coordinates all higher education in Ohio, allocates funds to higher education institutions, initiates and oversees the implementation of workforce development and adult education programs, assures the seamless credit transfer process between all public institutions, increases the economic competitiveness of the state, and works to increase enrollment in Ohio institutions by promoting the University System of Ohio across the world.

The Chancellor of the Board of Regents directs 88 full-time employees, three part-time employees, and three intermittent employees, and oversees a total state budget of approximately \$2.75 billion, with an annual budget for continuing operations of about \$10.1 million. The majority of the agency's budget is distributed to colleges and universities throughout the state. The largest source of state support for public higher education institutions is the State Share of Instruction (SSI), which provides general operating support to state-assisted colleges and universities. In addition, the agency oversees the implementation of several financial aid programs designed to defray the cost of obtaining a college education for students on the basis of need, academic ability, or field of study. The agency also oversees a number of other subsidies that promote research and public service. Subsidies also are provided for medical education and specific initiatives at various campuses.

The passage of Substitute House Bill 2 (H.B. 2) of the 127<sup>th</sup> General Assembly dramatically changed the face of higher education in Ohio and the role of the Chancellor. Previously, the Chancellor ran the day-to-day operations of the agency but reported to an independent, 11-member board. To better align higher education, workforce development, and economic advancement with the goals of the state, H.B. 2 made the Board of Regents an advisory board to the Chancellor and made the Chancellor a member of the Governor's Cabinet.

On August 2, 2007, Governor Strickland directed the Chancellor to create The University System of Ohio -- a collaborative, cooperative, efficient system of higher education that includes all 14 public universities, 24 regional branch campuses, 23 community colleges, and an adult workforce education and training network with a mission to provide affordable, high quality higher education opportunities for all Ohioans.

Additional information regarding the Board of Regents is available at <http://regents.ohio.gov/> and The University System of Ohio at [www.uso.edu](http://www.uso.edu).

### Agency Priorities

On March 31, 2008, the Chancellor delivered his ten-year *Strategic Plan for Higher Education in Ohio* to the Governor and the General Assembly establishing the central mission of raising educational attainment in Ohio by graduating more students, keeping graduates in Ohio, and attracting more talent to Ohio. These goals are aligned with the benchmarks for higher education established by Governor Strickland of increasing enrollment by 230,000 by 2017 and increasing the rate of graduation by 20 percent. Specific recommendations of the Strategic Plan needed to meet these core goals include:

- Lowering the cost of higher education through efficiencies, increasing state support, developing a tuition flexibility policy, and increasing the educational options for traditional and non-traditional students, including the ability to choose the best, most convenient programs at the best price to meet their needs.
- Eliminate the counter-productive competition among institutions for scarce resources by focusing on the historic strengths of individual universities through the creation of Centers of Excellence that will be drivers of both the regional and state economies and that will complement the comprehensive, quality education available at each institution.
- Implementation of the "30 Mile Promise" – the availability of high-quality associate and bachelor's programs in core fields available at a University System of Ohio campus within 30 miles of every Ohioan, utilizing the existing infrastructure of community colleges and regional campuses.
- Establishing the "Seniors to Sophomores" program to allow qualified high school students to spend their senior years on a college campus, then after graduation enroll as sophomores in the System.

## Board of Regents

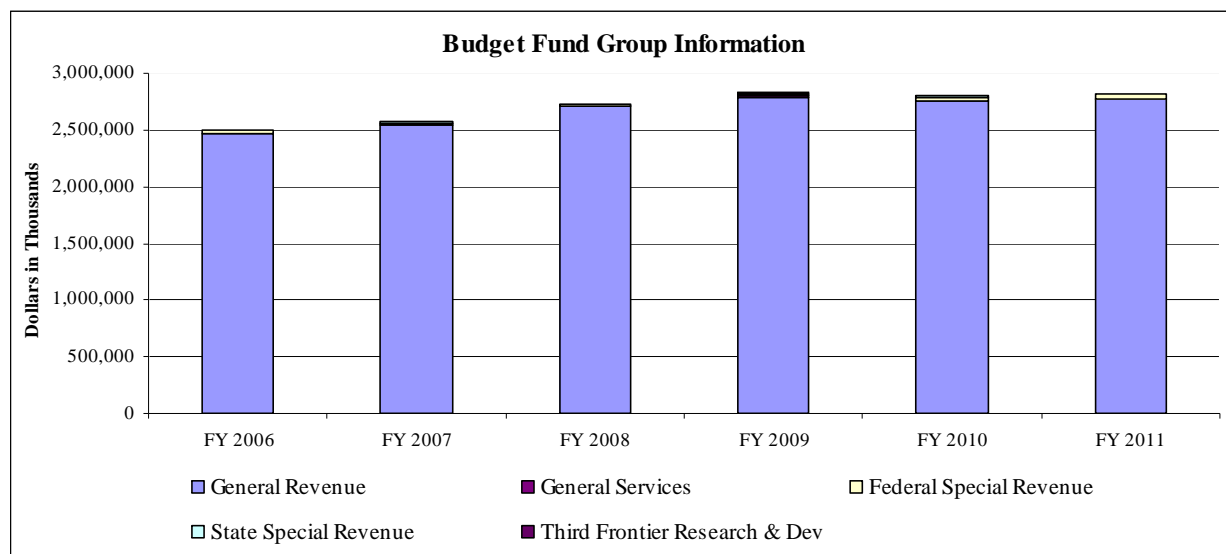
- Developing a comprehensive community college system that will be available to all Ohioans.
- Upgrading, integrating and aligning the technology infrastructure of Ohio's higher education system, providing access to online information about University System of Ohio schools, allowing online application for admission, and permitting registration at multiple University System of Ohio campuses.
- Building the Ohio Skills Bank to better link workforce supply to industry demand in the state's 12 economic development regions.
- Recognizing the need of business and industry for a diverse workforce, implementing strategies to establish a center for the success of African- American Males and promote Ohio colleges and universities internationally to attract talent.
- Creating a continuous improvement system to identify spending efficiencies and productivity improvements and implement them statewide.
- Working closely with Ohio's private colleges and universities to help accomplish the goals of the Strategic Plan, including their participation in the state's credit transfer system.

### Other Priorities Include:

- Providing Ohio's colleges and universities with a reliable, adequate, and targeted base of state support to meet growing enrollment; science, technology, engineering, mathematics, and medicine (STEMM); research; and workforce challenges.
- Helping improve affordability for Ohio's college students who exhibit the greatest financial need and maximizing the effects of state need-based aid by restructuring the Ohio College Opportunity Grant program into a more efficient program and better leveraging federal financial aid.
- Making investments in directed basic and applied research in areas of current strength that are likely to have short- and medium-term benefits for the Ohio economy as well as attract world-class senior scholars and academically talented graduate and undergraduate STEMM students.
- Focusing on Ohio's strengths by building on Ohio's regional economies and globally competitive industries, spurring small- and mid-size business growth, supporting emerging entrepreneurs in the urban core, fostering innovation and unleashing the potential of Ohio's great universities, and investing in next generation energy as a job source as well as a resource.
- Creation of a statewide cooperative education and internship system that systematically connects Ohio's college and university students with employers in a manner that better serves Ohio's workforce needs, enables students to acquire work skills and income while enrolled in college, and provides colleges and universities with continuous feedback about the content and quality of their instruction and research as it pertains to business and industry needs.
- Providing all Ohioans the opportunities to attain skills for high-quality jobs.
- Producing teacher education graduates who agree to work in "hard-to-staff" schools (i.e., schools with high proportions of under-prepared teachers in the subject areas of math, science and foreign language).

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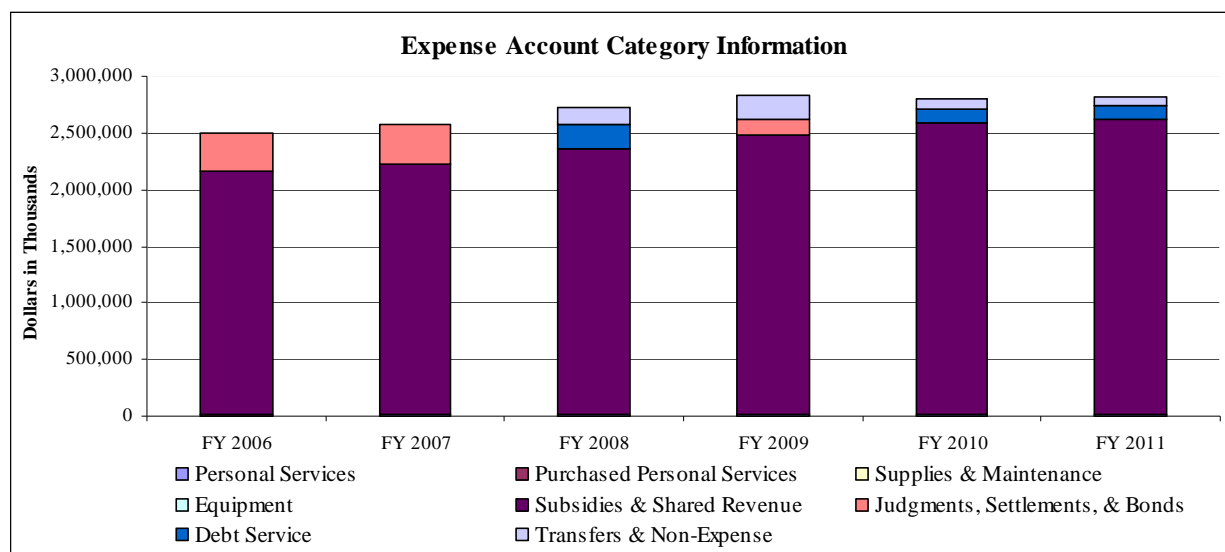
## Summary of Budget History and Recommendations



| (In Thousands)                |                  |                  |                  | %                |            | %                |             | %                |            |
|-------------------------------|------------------|------------------|------------------|------------------|------------|------------------|-------------|------------------|------------|
| BUDGET FUND GROUP             | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09   | FY 2010          | CHANGE      | FY 2011          | CHANGE     |
| General Revenue               | 2,462,054        | 2,548,382        | 2,709,384        | 2,791,806        | 3.0        | 2,753,743        | -1.4        | 2,774,465        | 0.8        |
| General Services              | 2,853            | 1,987            | 1,538            | 3,349            | 117.8      | 3,700            | 10.5        | 3,700            | 0.0        |
| Federal Special Revenue       | 25,502           | 14,941           | 19,744           | 26,757           | 35.5       | 36,401           | 36.0        | 36,151           | -0.7       |
| State Special Revenue         | 1,510            | 1,583            | 1,871            | 3,420            | 82.8       | 1,538            | -55.0       | 1,538            | 0.0        |
| Third Frontier Research & Dev | 0                | 0                | 0                | 6,000            | 100.0      | 8,000            | 33.3        | 8,000            | 0.0        |
| <b>TOTAL</b>                  | <b>2,491,918</b> | <b>2,566,893</b> | <b>2,732,536</b> | <b>2,831,333</b> | <b>3.6</b> | <b>2,803,382</b> | <b>-1.0</b> | <b>2,823,854</b> | <b>0.7</b> |



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- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)                  |                  |                  |                  | %                |            |                  |             |                  |            |
|---------------------------------|------------------|------------------|------------------|------------------|------------|------------------|-------------|------------------|------------|
|                                 | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09   | FY 2010          | CHANGE      | FY 2011          | CHANGE     |
| EXPENSE ACCOUNT CATEGORY        |                  |                  |                  |                  |            |                  |             |                  |            |
| Personal Services               | 7,036            | 7,628            | 7,640            | 8,259            | 8.1        | 11,511           | 39.4        | 11,652           | 1.2        |
| Purchased Personal Services     | 1,346            | 1,621            | 2,426            | 4,548            | 87.5       | 3,964            | -12.8       | 3,987            | 0.6        |
| Supplies & Maintenance          | 957              | 1,058            | 1,437            | 1,123            | -21.9      | 2,816            | 150.8       | 2,872            | 2.0        |
| Equipment                       | 660              | 723              | 455              | 84               | -81.6      | 115              | 37.5        | 115              | 0.4        |
| Subsidies & Shared Revenue      | 2,159,713        | 2,212,587        | 2,355,763        | 2,472,263        | 4.9        | 2,575,198        | 4.2         | 2,607,851        | 1.3        |
| Judgments, Settlements, & Bonds | 322,207          | 343,276          | 0                | 136,018          | 100.0      | 0                | -100.0      | 0                | 0.0        |
| Debt Service                    | 0                | 0                | 203,169          | 0                | -100.0     | 124,461          | 100.0       | 107,897          | -13.3      |
| Transfers & Non-Expense         | 0                | 0                | 161,645          | 209,038          | 29.3       | 85,318           | -59.2       | 89,480           | 4.9        |
| <b>TOTAL</b>                    | <b>2,491,918</b> | <b>2,566,893</b> | <b>2,732,536</b> | <b>2,831,333</b> | <b>3.6</b> | <b>2,803,382</b> | <b>-1.0</b> | <b>2,823,854</b> | <b>0.7</b> |

### PROGRAM SERIES 01: College and University Instructional Operations

This program series is comprised of one program, the State Investment in Instruction or SII, which represents the state's share of the instructional and related costs associated with the education of college students attending Ohio's public colleges and universities.

#### Program 01.01: State Share of Instruction

This program is the state's major investment in students of all ages who are trying to improve their lives by obtaining a college degree. The State Share of Instruction (SSI) provides public colleges and universities with an important source of operating revenues that, when combined with tuition revenues, forms the majority of the financial resources used to support instructional and general operations. This appropriation item currently supports more than 361,000 full-time equivalent (FTE) students and over 478,000 headcount students enrolled at Ohio's public colleges or universities. Beginning in fiscal year 2010, the SSI funds are to be distributed to campuses

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through formulas that are focused more on successful academic outcomes – such as course completions and degree completions. Enrollments will continue to be used for a portion of the community college formula.

**The Executive Recommendation will fund the following objectives:**

- Provide state funding support to public higher education institutions to partially support the total cost of instructional expenses for Ohio residents;
- Link funding to results by implementing a new funding formula based on clearly defined outcomes for public higher education institutions;
- Provide funding support to extend the current in-state undergraduate tuition freeze at all two-year institutions and university regional campuses for two additional academic years;
- Provide funding to extend the current in-state undergraduate tuition freeze at four-year main university campuses through the 2009-2010 academic year and incorporating an agreement with universities to voluntarily limit tuition increases at the main campuses in the 2010-2011 academic year to no more than 3.5 percent through voluntary tuition restraint;
- Support the increasing numbers of Ohio students enrolled in public higher education institutions; and
- Include funding for the Access Challenge and Success Challenge programs in the State Share of Instruction for fiscal years 2010 and 2011.

| FUND                     |      |        |                            | RECOMMENDED          |                      |
|--------------------------|------|--------|----------------------------|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010              | FY 2011              |
| GRF                      | GRF  | 235501 | State Share of Instruction | 1,791,200,532        | 1,742,954,088        |
| GRF                      | GRF  | 235644 | SSI - Federal Stimulus     | 279,337,545          | 344,705,908          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>2,070,538,077</b> | <b>2,087,659,996</b> |

**PROGRAM SERIES 02: Facilities and Debt Service**

This program series supports the state's capital investments in physical infrastructure for Ohio's public higher education system. Funds are used to support debt service obligations, as well as campus capital projects including new construction and routine maintenance.

**Program 02.01: Rental and Debt Service Payments**

This program provides the funds necessary to make all required debt service and lease rental payments due from the Board of Regents during the biennium. Beginning in fiscal year 1999, general obligation bonds first became available after the passage of State Issue 1, which allows the state to issue low-interest rate bonds. These bonds are issued by the state on behalf of public institutions to finance campus capital projects. Although the last lease rental bond sale for higher education projects was in fiscal year 2000, the state continues to pay down the debt associated with those issuances.

**The Executive Recommendation will fund the following objectives:**

- Provide funds sufficient to make timely principal and interest payments to retire debt issued for the benefit of public higher education institutions as well as for bonds issued for the Third Frontier project and numerous community projects.

| FUND                     |      |        |                                     | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010            | FY 2011            |
| GRF                      | GRF  | 235401 | Rental Payments - OPFC              | 124,461,100        | 107,897,100        |
| GRF                      | GRF  | 235909 | Higher Education General Obligation | 85,317,700         | 89,480,300         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>209,778,800</b> | <b>197,377,400</b> |

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**Program 02.02: Capital Component**

This program supports the Board of Regents' capital funding policy, established in 1996, which encourages campuses to make capital funding requests that are based on predictable funding levels and within the state's budget limitations primarily as a result of their responsibility to share in the costs of debt service. The policy incorporates a formula that determines each campus's share of available capital appropriations on the basis of the volume of educational activity and the age of campus academic facilities. Institutions may request funding that is either above, at, or below the calculated formula allocation. When an institution requests less than the formulaic amount, Capital Component funds are distributed to those campuses since the estimated campus debt service attributable to new qualifying capital projects is less than the campus's formula-determined capital allocation. These funds are restricted to capital-related purposes. Campuses that request more than the formulaic allocation (that is, with debt service costs exceeding formula levels) do not receive a Capital Component allocation and instead pay for the overage by a commensurate reduction in their SII allocation.

**The Executive Recommendation will fund the following objectives:**

- Provide incentive funding to campuses that make capital funding requests below their formula-determined allocation, thereby motivating public colleges and universities to make sound choices when making capital-related requests.

| FUND                     |      |        |                   | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME          | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235552 | Capital Component | 20,382,568        | 20,382,568        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                   | <b>20,382,568</b> | <b>20,382,568</b> |

**Program 02.03: Higher Educational Facility Commission Administration**

This program enables the Board of Regents to defray the expenses incurred by its staff support for the Ohio Higher Educational Facility Commission (HEFC). The HEFC enables Ohio's private colleges and universities and certain hospitals to issue low-interest, tax-exempt revenue bonds for capital projects. The HEFC reimburses the Board of Regents for a wide range of services, which include accounting and record-keeping, scheduling and coordinating HEFC meetings and project applications, and use of Regents' facilities for HEFC meetings.

**The Executive Recommendation will fund the following objectives:**

- Provide funding to defray the costs associated with hosting meetings of the HEFC and providing logistical and operational support.

| FUND                     |      |        |                     | RECOMMENDED   |               |
|--------------------------|------|--------|---------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010       | FY 2011       |
| SSR                      | 4E80 | 235602 | HEFC Administration | 45,000        | 45,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>45,000</b> | <b>45,000</b> |

**PROGRAM SERIES 03: Pre-Kindergarten through Sixteen Preparation and Access**

This program series is comprised of a variety of federally funded initiatives that facilitate access to college through improved readiness and through initiatives that focus on developing the capacity of the pre-K-16 educational system to prepare students for success in college and in professional careers. This program series recognizes the need and value of collaboration among the primary, secondary, and higher education communities to ensure student success, both academically and in the workforce following graduation. The programs supported have a particular focus on the improved preparation of students in mathematics and science.

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**Program 03.01: College Readiness and Access**

This program is intended to improve the ability of individuals to enroll and succeed in higher education and to reduce the need for remedial instruction in college. The program includes Ohio's Tech Prep program, the Gear-Up program, the Adult Basic Literacy Education (ABLE) program, and certain statewide workforce development initiatives. The Tech Prep program is a collaboration between the K-12 education system and the higher education system to facilitate a seamless transition from high school to college by reducing remediation rates and preparing students for high-technology jobs. The program enables either the direct entry into the workplace after high school, the continuation of study at a two-year college leading to an associate degree with advanced skills, or the completion of an appropriate baccalaureate degree. The federal Gear-Up program supports efforts to increase college participation among rural Appalachian and inner-city Ohioans by promoting college awareness among low-income students, helping them prepare for college, and enhancing their transitions to higher education. The ABLE program provides instruction in basic literacy, workplace literacy, family literacy, English for speakers of other languages (ESOL) and preparation for the General Educational Development (GED) test. Over 60,000 adults are served annually.

**The Executive Recommendation will fund the following objectives:**

- Improve the college-readiness of more individuals so as to lead to enrollment in higher education coursework and a more successful higher education experience;
- Improve the capacity of educational programs to ensure, upon completion, that students are college ready;
- Successfully provide developmental educational services that prepare adult students for success in the workplace and in higher educational pursuits; and
- Increase the number of students who complete ABLE programs that go on to matriculate in higher education coursework.

| FUND                     |      |        |                | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235443 | ABLE - State   | 7,528,264         | 7,528,264         |
| FED                      | 3120 | 235609 | Tech Prep      | 183,849           | 183,849           |
| FED                      | 3120 | 235611 | Gear-Up Grant  | 3,900,000         | 3,900,000         |
| FED                      | 3120 | 235641 | ABLE - Federal | 17,869,546        | 17,869,546        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                | <b>29,481,659</b> | <b>29,481,659</b> |

**Program 03.02: Teacher Improvement**

This program supports efforts to improve the quality of math and science teaching in primary, secondary, and higher education, as well as identifying best teaching practices. This program supports the federal Star Schools program and the Improving Teacher Quality Grant. The Star Schools program allows the state to participate in a five-state research partnership focused on the use of emerging mobile technologies to improve learning in mathematics and literacy. The Improving Teacher Quality Grant provides competitive grants to universities for research-based, content-rich professional development projects for pre-K-12 teachers.

**The Executive Recommendation will fund the following objectives:**

- Support efforts to improve teacher quality through high quality professional development and the use of technology.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| FED                      | 3120 | 235617 | Improving Teacher Quality | 3,200,000        | 3,200,000        |
| FED                      | 3BG0 | 235626 | Star Schools              | 250,000          | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>3,450,000</b> | <b>3,200,000</b> |

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**Program 03.03: Teacher Fellowship**

This program supports the Ohio Teaching Fellows program which provides scholarships designed to encourage high school seniors to enter and remain in the teaching profession and teach in hard to staff schools and schools declared to be in academic watch or academic emergency. If a scholarship recipient fails to meet program requirements, the scholarship must be repaid.

**The Executive Recommendation will fund the following objectives:**

- Encourage individuals to become teachers in hard to staff schools or schools in academic watch or emergency.

| FUND                     |      |        |                    | RECOMMENDED |                  |
|--------------------------|------|--------|--------------------|-------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011          |
| GRF                      | GRF  | 235442 | Teacher Fellowship | 0           | 2,500,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>0</b>    | <b>2,500,000</b> |

**PROGRAM SERIES 04: Student Access**

This program supports efforts to increase college access and participation in higher education. The goal is primarily to help improve the affordability of higher education. The programs supported range from direct student aid to institutional subsidies that help certain campuses maintain lower, more affordable tuition rates.

**Program 04.01: Need-Based Student Financial Aid**

This program supports Ohio's primary need-based financial aid programs: the Ohio College Opportunity Grant and the Non-Public Need-Based Financial Aid Block Grants.

*Ohio College Opportunity Grant:* The Ohio College Opportunity Grant is the state's main, need-based financial aid program providing assistance to Ohio's low- and moderate-income families who are enrolled at a public institution of higher education in Ohio. (Previously this program also supported financial aid for students attending certain private and proprietary institutions of higher education.) Eligibility for OCOG is determined by completing the Free Application for Federal Student Aid (FAFSA). Additionally, the program sets an income cap of \$75,000, expanding access to financial aid for low- and moderate-income earning families.

For the fiscal year 2010 and 2011 biennium, certain features of the program are proposed to change. First, the state will recognize that the cost of pursuing college coursework includes tuition, fees, textbooks and transportation costs. This is accomplished by the definition of a State Cost of Attendance amount for each institution. For each eligible student, this cost of attendance is first offset by the Expected Family Contribution (EFC) as defined through the FAFSA process. A student's Pell Grant eligibility (based on EFC alone) is then applied to meet the remaining need. If additional need remains, an Ohio College Opportunity Grant award is provided up to the program maximum.

*Non-Public Need-Based Financial Aid Block Grant:* Two new block grant programs will be established to support need-based financial aid at non-public institutions of higher education. One of these will be directed to private, non-profit colleges and universities, and the second will be directed to for-profit proprietary colleges and universities. The share of each block grant that each school receives will be tied to just one factor – the number of lower income, Pell eligible students the school accepts and graduates. The block grant will have the added benefit of giving non-public schools greater flexibility and relief from bureaucratic red tape.

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**The Executive Recommendation will fund the following objectives:**

- Modify the state's need-based financial aid program for students attending public higher education institutions to focus on unmet financial need rather than just EFC;
- Define a state cost of attendance amount for each public institution including tuition and general fees, and allowances for textbooks and transportation;
- Provide funding support to over 84,800 public higher education institution students in fiscal year 2010 and over 88,000 students in fiscal year 2011; and
- Improve the affordability and accessibility of Ohio's private colleges and career colleges to Pell eligible (low-income) students through flexible funding provided to such institutions.

| FUND                     |      |        |                                     | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010            | FY 2011            |
| GRF                      | GRF  | 235563 | Ohio College Opportunity Grant      | 70,000,000         | 85,000,000         |
| GRF                      | GRF  | 235576 | Non Public Need-Based Financial Aid | 70,000,000         | 70,000,000         |
| GRF                      | GRF  | 235645 | Need Based Aid - Federal Stimulus   | 50,000,000         | 50,000,000         |
| FED                      | 3N60 | 235605 | State Student Incentive Grants      | 2,533,339          | 2,533,339          |
| FED                      | 3N60 | 235638 | College Access Challenge Grant      | 2,268,044          | 2,268,044          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>194,801,383</b> | <b>209,801,383</b> |

**Program 04.02: Supplements**

This program provides supplemental funding to Central State University and Shawnee State University to enable these universities to maintain tuition below the state average for public institutions, fund scholarships, and increase access for targeted populations. Central State University serves minority students, mainly African-Americans, while Shawnee State University serves a large number of students from the Appalachian region of the state. Each of these targeted populations has historically been under-represented in educational attainment. The Central State supplement is scheduled to gradually decline over time as campus enrollments increase as a result of the "Speed to Scale" program.

**The Executive Recommendation will fund the following objectives:**

- Recognize, with additional funding support, the unique missions of Central State University and Shawnee State University; and
- Improve the affordability and quality of the educational experience provided to the over 6,000 students enrolled at these two institutions.

| FUND                     |      |        |                          | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235514 | Central State Supplement | 12,109,106        | 12,109,106        |
| GRF                      | GRF  | 235520 | Shawnee State Supplement | 2,577,393         | 2,577,393         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>14,686,499</b> | <b>14,686,499</b> |

**Program 04.03: War Orphan Scholarships**

The Ohio War Orphans Scholarship Program awards tuition assistance to the students of deceased or severely disabled Ohio veterans who served in the armed forces during a period of declared war or conflict. Eligible students must be enrolled for full-time undergraduate study at an eligible Ohio college or university. Scholarship benefits provide a portion of instructional and general fee charges at public colleges and universities and at eligible private institutions. Approximately 800 students per year receive benefits.

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**The Executive Recommendation will fund the following objectives:**

- Provide supplemental financial aid support to eligible children of veterans.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235504 | War Orphans Scholarships | 4,331,089        | 4,331,089        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>4,331,089</b> | <b>4,331,089</b> |

**Program 04.04: State Grants and Scholarships Management**

This program supports the operating expenses for all student financial aid programs administered by the staff of the Board of Regents. Funding supports management and administration of the Ohio War Orphans Scholarship, Ohio College Opportunity Grant, non-profit need-based financial aid block grants, Nurse Education Assistance Loan Program, Ohio Safety Officers College Memorial Fund, and any other student financial aid program created by the General Assembly. Staff also administers the federal Leveraging Educational Assistance Partnership (LEAP), Special Leveraging Educational Assistance Partnership (SLEAP) and College Access Challenge Grant (CACG) programs administered and funded through the U.S. Department of Education. The Board of Regents is also responsible for providing fiscal services for the Ohio National Guard Tuition Grant Program.

**The Executive Recommendation will fund the following objectives:**

- Effectively manage and administer the state's need-based and category-based financial aid programs, include certain loan programs supported by the federal government; and
- Perform periodic audits and reconciliation of financial aid records and recover overpayments made to eligible institutions of higher education.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                  | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235414 | State Grants & Scholarship Administration | 1,458,109        | 1,458,109        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,458,109</b> | <b>1,458,109</b> |

**Program 04.05: Student Support Services**

This program provides supplemental support to public colleges and universities with high concentrations of disabled students to offset the higher costs of providing instructional and related services to these students and to encourage campuses to provide necessary support to ensure student success. Those students who qualify under the provisions of the Americans with Disabilities Act and/or Section 504 of the Rehabilitation Act receive a range of support services that enable them to function in an academic setting.

**The Executive Recommendation will fund the following objectives:**

- Partially support the additional costs often associated with providing a quality educational experience to disabled students; and
- Support student services such as tutoring, note-taking, reading, attendant care, transportation, and the direct administration of such programs.

| FUND                     |      |        |                          | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235502 | Student Support Services | 714,406        | 714,406        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>714,406</b> | <b>714,406</b> |



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**Program 04.06: Central State Speed to Scale**

The Speed to Scale Plan is designed to increase the size of Central State University to 6,000 students by 2017. The Plan comprises three key aspects: a substantial increase in new and transfer students through improved marketing, recruitment, student support services and expanded academic programs; an enhanced focus on serving Ohio students through increasing the proportion of state residents served to 80%; and focused efforts to improve the university's retention of students from first year to second year. The plan calls for a total of \$9.9 million in additional operating funds over a three-year period from fiscal year 2008 to fiscal year 2010 and additional capital funding. The Speed to Scale Plan envisions that Central State University will more than triple its enrollment to a level that will allow the university to operate efficiently and effectively within the Ohio system of funding higher education. Supplemental funding will begin to phase down in fiscal year 2011 and is expected to be completely eliminated beginning in fiscal year 2017.

**The Executive Recommendation will fund the following objectives:**

- Directly contribute to a more aggressive strategy of stimulating enrollment growth at Central State University with a view toward promoting greater institutional success.

| FUND                     |      |        |                    | RECOMMENDED      |          |
|--------------------------|------|--------|--------------------|------------------|----------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011  |
| GRF                      | GRF  | 235567 | CSU Speed To Scale | 1,775,254        | 0        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>1,775,254</b> | <b>0</b> |

**Program 04.07: Choose Ohio First Scholarship**

The Choose Ohio First Scholarship Program (COFSP) is a competitive grant program that provides funds to higher education institutions to support scholarships to students studying in state-of-the-art science, technology, engineering, mathematics and medicine (STEMM) fields. Institutions must provide a 1:1 match for each dollar of state funding. All COFSP state funds must be used exclusively for direct student scholarship support. Funded proposals include industry partners and involve the development of innovative academic programs to recruit, retain, and graduate significantly larger numbers of Ohio students in the specified fields. \$50 million in scholarship commitments were awarded in fiscal year 2008 to 36 collaborations with an anticipated impact of supporting more than 5,700 new STEMM students over a five-year period. Another \$50 million will be committed in fiscal year 2009. The Board of Regents will continue to award \$50 million in scholarships in each fiscal year 2010 and 2011.

**The Executive Recommendation will fund the following objectives:**

- Increase the number of students studying in critical STEMM fields;
- Create greater collaboration between academic programs and business and industry;
- Increase the quality and reputation of programs supported by Choose Ohio First Scholarship awards; and
- Provide the funds necessary to support all existing and anticipated Choose Ohio First Scholars for fiscal year 2010 and 2011.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235438 | Choose Ohio First Scholarship | 13,000,000        | 16,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>13,000,000</b> | <b>16,000,000</b> |

**PROGRAM SERIES 05: Basic and Applied Research**

This program series supports research funding and other resources, which are accessible to both universities and Ohio industry, performance funding to maximize the leveraging of federal and industrial research grants, and direct



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support for specific technology commercialization and academic research programs. Alignment with Third Frontier Project initiatives is essential to the effectiveness of this program series.

### Program 05.01: Ohio Agricultural Research and Development Center

The goal of this program is to enhance the competitiveness and profitability of Ohio's agricultural industries. This program supports a wide array of activities at the Agricultural Research and Development Center, which is considered the most comprehensive agricultural research facility in the United States. Programs funded include basic and applied research through The Ohio State University's Colleges of Food, Agriculture and Environmental Sciences, Human Ecology, Biological Sciences, and Veterinary Medicine and public-private research endeavors. The center serves groups including Ohio farmers, environmentalists, landfill managers, and researchers. The center's focus on research and technology commercialization attracts top researchers and external funding to match state investments.

#### The Executive Recommendation will fund the following objectives:

- Contribute to the growth and strength of two of Ohio's targeted industries – Agriculture and Food Processing, and Bioscience and Bioproducts -- through high-quality education and research.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235535 | Agricultural Research and Development Center | 33,456,863        | 31,784,020        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>33,456,863</b> | <b>31,784,020</b> |

### Program 05.02: Economic Growth Challenge

The Economic Growth Challenge (EGC) directly enhances the quality and quantity of fundamental research at Ohio's universities and, simultaneously, encourages university faculty to carry out applied research in partnership with Ohio business and industry that supports the state's Third Frontier Project and overall economic growth. In prior years the EGC had three components: Research Incentive, Innovation Incentive, and Technology Commercialization Incentive. In the fiscal years 2010 to 2011 biennium, however, the EGC will retain only the Research Incentive portion of the program. Funds are allocated to Ohio's thirteen state-assisted universities, one stand-alone medical school, and two independent universities on the basis of each institution's share of qualifying non-state-funded research garnered in the previous academic year. Those institutions with larger shares of external funding from federal agencies and industrial sponsors receive larger shares of Research Incentive funding. Since 1985, the Research Incentive investments have returned ten dollars for each state dollar awarded to a university.

#### The Executive Recommendation will fund the following objectives:

- Support the research strengths of Ohio's colleges and universities in alignment with critical economic development goals and targeted industries;
- Improve the quality and reputation of programs receiving grant awards; and
- Increase the amount of federal research funding and industry sponsored research funding awarded to Ohio.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235433 | Economic Growth Challenge         | 527,541          | 527,541          |
| 011                      | 7011 | 235634 | Research Incentive Third Frontier | 8,000,000        | 8,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>8,527,541</b> | <b>8,527,541</b> |

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**Program 05.03: Ohio Supercomputer Center**

This program supports the operations of the Ohio Supercomputer Center (OSC), one of the nation's leading supercomputer centers, by The Ohio State University. The center is a statewide high-performance computing resource available to both faculty and students at Ohio's public and private colleges and universities and to private industry. OSC also provides training for researchers, graduate students, high school students, and middle school students to expand the use of high performance computing and computational science.

**The Executive Recommendation will fund the following objectives:**

- Provide, through the initiatives of the Ohio Supercomputer Center, access to advanced supercomputing services to business, industry, government and academia.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235510 | Ohio Supercomputer Center | 3,834,386        | 3,834,386        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>3,834,386</b> | <b>3,834,386</b> |

**Program 05.04: Air Force Institute of Technology**

This program, located at Wright State University, provides graduate-level education in logistics and engineering, as well as support for research efforts, for U.S. Air Force personnel assigned to the Wright-Patterson Air Force base. AFIT is the first joint research program between the State of Ohio and the U.S. Air Force. The program's purpose is two-fold: to ensure that U.S. Air Force personnel have access to critical training and education and to improve Ohio's economic development by enhancing the skill set of its citizenry.

**The Executive Recommendation will fund the following objectives:**

- Ensure access to high quality training and education as well as high quality research in collaboration with, and in support of Wright-Patterson Air Force base.

| FUND                     |      |        |          | RECOMMENDED      |                  |
|--------------------------|------|--------|----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235508 | AFIT     | 1,840,659        | 1,840,659        |
| <b>TOTAL FOR PROGRAM</b> |      |        |          | <b>1,840,659</b> | <b>1,840,659</b> |

**Program 05.05: OSU Highway Transportation Research**

This program is a collaborative effort between the Honda Corporation and The Ohio State University to improve highway and automobile safety. The program is supported by the earnings from a \$6 million OSU endowment fund created when Honda purchased the Transportation Research Center. Endowment earnings support OSU's Transportation Research & Engineering Program.

**The Executive Recommendation will fund the following objectives:**

- Support high quality education and research related to one of Ohio's targeted industries – motor vehicle and parts manufacturing.

| FUND                     |      |        |                                     | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010        | FY 2011        |
| SSR                      | 6490 | 235607 | OSU Highway/Transportation Research | 600,000        | 600,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>600,000</b> | <b>600,000</b> |

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**PROGRAM SERIES 06: Workforce and Regional Economic Development**

This program series is intended to improve Ohio's competitiveness through services, activities, and partnerships that support worker skill-development and the competitive success of Ohio's businesses and industries.

**Program 06.01: Cooperative Extension**

The Cooperative Extension program is operated by The Ohio State University as part of its land-grant mission to provide educational services in each of Ohio's 88 counties. Cooperative Extension engages people to strengthen their lives and communities through research-based educational programming. Cooperative Extension offers programs for Ohio industries (in particular, food and fiber), farmers and business owners, community leaders, families, and young people. Cooperative Extension programs work across four interdisciplinary impact areas to engage Ohioans of all ages – by advancing employment and income opportunities, enhancing agriculture and the environment, preparing youth for success (4-H youth development serves more than 320,000 youth annually), and strengthening families and communities. Approximately 40,000 adult and youth volunteers support Cooperative Extension.

**The Executive Recommendation will fund the following objectives:**

- Provide access to quality Cooperative Extension outreach services across the state.

| FUND                     |      |        |                               | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235511 | Cooperative Extension Service | 21,018,608        | 19,967,678        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>21,018,608</b> | <b>19,967,678</b> |

**Program 06.02: Jobs Challenge**

This program aims to promote various initiatives contained in the *Strategic Plan for Higher Education* related to workforce development and increasing enrollment of adults age 25 and older in higher education. Jobs Challenge supports the provision of certain types of training provided by public higher education campuses and adult career-technical education institutions that have a focus on meeting specific business needs. The program also supports some of the administrative costs of the Ohio Skills Bank which aligns state workforce training initiatives to develop regional talent systems that can be accessed by workers of all age, skill and ability levels. It is a data-driven, demand-driven system that brings together regional education, industry and workforce providers through sector-strategy based programming. "Stackable Certificates," a component of the Ohio Skills Bank, is designed specifically to improve the education and skills of Ohio's workforce by assisting low-income working adults in Ohio to improve their education and training. The competency-based, low-cost program is designed to culminate in a certificate and provide recipients with a foundation for additional post-secondary education.

**The Executive Recommendation will fund the following objectives:**

- Provide affordable employer access to training to improve business competitiveness of Ohio's companies;
- Align all of Ohio's workforce education and training programs – both those operated by adult career-technical education institutions and those operated by community colleges -- to business needs based on data-driven analysis;
- Increased articulation of career-technical programs with programs provided at colleges and universities, including the ability to earn college credit for appropriate career-technical program coursework;
- Increased numbers of students of career-technical programs advancing to earn associate degrees and bachelor's degrees;
- Create a structure of educational programs that help workers advance in knowledge and skills and provide certificated evidence of competency; and
- Support Ohio's economic development goals for workforce development.

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| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235415 | Jobs Challenge              | 4,967,492         | 4,967,492         |
| GRF                      | GRF  | 235444 | Adult Career-Tech Education | 15,791,288        | 15,791,286        |
| FED                      | 3BE0 | 235636 | AEFLA Incentive Grant       | 1,783,583         | 1,783,583         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>22,542,363</b> | <b>22,542,361</b> |

**Program 06.03: Appalachian New Economy Partnership**

This program promotes economic development in Appalachia through innovative and efficient use of higher education talent, knowledge and technology to develop the public and private sectors within the 29-county Appalachian region. Since 2005, the Partnership has supported assistance to over 2,050 businesses and entrepreneurs and assisted businesses in securing \$88 million in new loans, \$115 million in government contracts, \$4 million in funds from individual investors, and \$8 million in venture capital funding. The Partnership has assisted businesses in leveraging their competitive marketplace advantage, resulting in hundreds of new high quality, high paying jobs in the region. Over 100 students work on the various projects undertaken by the Partnership, and firms are hiring these students after graduation to work in the Appalachian region.

**The Executive Recommendation will fund the following objectives:**

- Support the economic and community development needs of Appalachian Ohio with consultation services to business, government, and other organizations.

| FUND                     |      |        |                                     | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235428 | Appalachian New Economy Partnership | 844,634        | 844,634        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>844,634</b> | <b>844,634</b> |

**Program 06.04: Carl D. Perkins Grant/Plan Administration**

This program provides the direction and funding to support the improvement of vocational, career, and technical education through the integration of academic knowledge and technical skill development.

**The Executive Recommendation will fund the following objectives:**

- Support the administration of Ohio's Perkins Grant plan including through technical assistance, program monitoring, data collection and reporting, and the computation and processing of funding allocations.

| FUND                     |      |        |  | RECOMMENDED    |                |
|--------------------------|------|--------|--|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                 | FY 2010        | FY 2011        |
| FED                      | 3120 | 235612 | Carl D Perkins Grant/plan Administration | 912,961        | 912,961        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>912,961</b> | <b>912,961</b> |

**Program 06.05: Co-Operative Learning/Internship Program**

Am. Sub. H.B. 554 of the 127<sup>th</sup> General Assembly created a new program of \$50 million per year for five years designed to make Ohio a leader in experiential learning opportunities by increasing the amount of co-operative learning and internship opportunities for Ohio college students. This program will help meet the goal of keeping Ohio's college graduates in Ohio by linking them to good job opportunities in the state, and help Ohio's employers get easy access to Ohio's top college graduates. The Executive Budget contains the first two years of appropriations for this program. The chancellor receives advice regarding the program's form and implementation from an Advisory Committee created in state law.

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**The Executive Recommendation will fund the following objectives:**

- Increase the number of degree programs in Ohio with specific co-operative educational elements;
- Increase the availability of internship educational experiences offered as specific components of courses of study;
- Increase the number of Ohio graduates that remain in Ohio to work for an employer or industry that supported an internship or co-operative learning experience for that student;
- Support opportunities for Ohioans pursuing degree in other states to engage in summer internship experiences in Ohio.

| FUND                     |      |        |                          | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235441 | Co-Op/Internship Program | 50,000,000        | 50,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>50,000,000</b> | <b>50,000,000</b> |

**PROGRAM SERIES 07: Higher Education Collaborations**

This program series funds efforts to better serve the educational needs of Ohio citizens through enhanced collaborations among institutions of higher education. These programs focus on maximizing the state's capacity to deliver services to higher education consumers and to the broader community through distance education and statewide articulation and transfer policies.

**Program 07.01: OhioLINK**

OhioLINK is a nationally recognized program created in 1988 to address a lack of adequate information resources available for research and teaching. OhioLINK helps researchers, students, professors, and others at public and private institutions of higher education gain low-cost and easy access to periodicals, journals, and other research tools by coordinating purchases of group licenses for participating institutions. Currently, there are 90 member institutions and OhioLINK is partnering with the State Library of Ohio to offer a core-set of databases available to all Ohioans through public libraries and their local school district libraries/media centers. Services provided include providing users with electronic databases, journals, e-books, bibliographies of participating institutions and delivery of print resources by request.

**The Executive Recommendation will fund the following objectives:**

- Support instruction and research by students and faculty in private and public institutions of higher education through access to high-quality, low-cost electronic library materials;
- Provide access to over 100 research databases, thousands of scholarly journal and educational materials and tens of thousands of e-books for students, professors, researchers and administrators throughout the state; and
- Leverage the combined buying power of participating institutions to purchase licenses to access electronic resources at a discounted rate.

| FUND                     |      |        |          | RECOMMENDED      |                  |
|--------------------------|------|--------|----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235507 | OhioLINK | 6,632,281        | 6,632,281        |
| <b>TOTAL FOR PROGRAM</b> |      |        |          | <b>6,632,281</b> | <b>6,632,281</b> |

**Program 07.02: Ohio Learning Network**

The Ohio Learning Network (OLN) was created by the Board of Regents in November 1999 to expand access to learning opportunities for the citizens of the state by linking them to courses and programs that meet their educational needs. This program supports the information systems needed for the delivery of distance learning to

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higher education students and for course and program sharing. This includes, but is not limited to, online advising and administrative services, the acquisition or development of course materials, and delivery of distance learning programs.

**The Executive Recommendation will fund the following objectives:**

- Provide access to low-cost, online tutoring services, courses and degree offerings through distance education; and
- Coordinate statewide purchases of tutoring software and course management software at significant savings to the state and institutions.

| FUND                     |      |        |                       | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235417 | Ohio Learning Network | 2,807,546        | 2,807,546        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>2,807,546</b> | <b>2,807,546</b> |

**Program 07.03: Regional Library Depositories**

Over fifteen years ago, the Ohio Board of Regents built a system of book depositories in response to the growing storage problems at the libraries of Ohio's public colleges and universities. This program represents collaboration among Ohio's colleges and universities for high-density storage for rarely used and duplicative library materials at the state's five regional depositories. The depositories provide an economic alternative to traditional library space that would otherwise be needed to store library materials. The regional depositories are located on the campuses of Northeastern Ohio Universities College of Medicine (NEOUCOM) – Northeast; Ohio University – Southeastern Region, The Ohio State University – Central; Miami University – Southwestern; and the Northwestern Ohio Book Depository, which is located equidistance from Medical College of Toledo, University of Toledo, and Bowling Green State University.

**The Executive Recommendation will fund the following objectives:**

- Support the effective and efficient provision of library services through for the use of high-density storage and distribution of rarely used library materials at the state's five regional depositories.

| FUND                     |      |        |                      | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235555 | Library Depositories | 1,522,963        | 1,522,963        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>1,522,963</b> | <b>1,522,963</b> |

**Program 07.04: Ohio Academic Resources Network (OARNet)**

This program, established in 1987, provides high-quality Internet services to help link Ohio's universities and colleges to global information resources, distance learning, and state library networks, such as OhioLINK, and to help facilitate collaborative research.

**The Executive Recommendation will fund the following objectives:**

- Provide access to high-speed, broadband connectivity (Third Frontier Network) to participating colleges and universities statewide; and
- Support the effective operation of a comprehensive fiber-optic network.

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| FUND                     |      |        |          | RECOMMENDED      |                  |
|--------------------------|------|--------|----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235556 | OARNet   | 3,354,501        | 3,354,501        |
| <b>TOTAL FOR PROGRAM</b> |      |        |          | <b>3,354,501</b> | <b>3,354,501</b> |

**Program 07.05: Articulation and Transfer**

This program support the work necessary to ensure that students can transfer academic credits from one Ohio college or university to another as smoothly and effectively as possible. This program increases student mobility throughout the higher education system and degree completion. A robust transfer and articulation system also allows students to pursue the lowest cost options available for reaching their academic goals.

**The Executive Recommendation will fund the following objectives:**

- Promote the goals of convenience, affordability and mobility for students through a statewide system to facilitate and ensure the transferability, as appropriate, of coursework credit among institutions of higher education; and
- Provide for effective program administration and coordination among public higher education institutions to support the system.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235406 | Articulation & Transfer | 2,610,000        | 2,610,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>2,610,000</b> | <b>2,610,000</b> |

**Program 07.06: Midwest Higher Education Compact**

This program represents a non-profit regional agreement among Midwestern states to advance higher education through interstate cooperation and resource-sharing. The funds appropriated for this program are used to pay for Ohio's membership dues to the Midwest Higher Education Compact's commission.

**The Executive Recommendation will fund the following objectives:**

- Provide for Ohio's annual membership dues in the Compact for the next two years.

| FUND                     |      |        |                                  | RECOMMENDED   |               |
|--------------------------|------|--------|----------------------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010       | FY 2011       |
| GRF                      | GRF  | 235408 | Midwest Higher Education Compact | 95,000        | 95,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>95,000</b> | <b>95,000</b> |

**PROGRAM SERIES 08: General Public Service**

This program series supports public service research and outreach activities that address a variety of statewide and regional needs.

**Program 08.01: Ohio University Voinovich Center**

This program supports public service research and public policy course development at the George V. Voinovich Center for Leadership & Public Affairs located at Ohio University in Athens. The purpose of the Center is to engage students, alumni, and faculty in developing solutions to challenges brought by government officials, educators, and entrepreneurs.



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**The Executive Recommendation will fund the following objectives:**

- Support the functions of the Voinovich Center as they relate to state and regional policy issues and course development.

| FUND                     |      |        |                     | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235513 | OU Voinovich Center | 336,082        | 336,082        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>336,082</b> | <b>336,082</b> |

**Program 08.02: The Ohio State University Glenn Institute**

This program supports public service research and public policy course development at the John Glenn Institute for Public Service & Public Policy located at The Ohio State University in Columbus. The goal of the program is to engage students in public service, enhance the quality of public service, and create and disseminate high-quality policy research.

**The Executive Recommendation will fund the following objectives:**

- Support the functions of the Glenn Institute as they relate to policy research, course development, and public services.

| FUND                     |      |        |                     | RECOMMENDED    |                |
|--------------------------|------|--------|---------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME            | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235521 | OSU Glenn Institute | 286,082        | 286,082        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                     | <b>286,082</b> | <b>286,082</b> |

**PROGRAM SERIES 09: Public Safety**

This program series consists of programs and activities that are designed to support and improve the safety of the general public. The programs range from direct subsidies to select local governments to specialized on-campus training of professional emergency responders.

**Program 09.01: Police and Fire Protection**

This program supports police and fire departments in small Ohio communities that are heavily impacted by the influx of college students at nearby college campuses. The funds assist local governments in providing police and fire services in the Ohio municipalities of Athens, Bowling Green, Fairborn, Kent, Nelsonville, Oxford, Portsmouth, Rootstown, and Xenia Township.

**The Executive Recommendation will fund the following objectives:**

- Recognize the unique challenges faced by local public safety services in small communities impacted by a large influx of college students, and provide financial resources to partially support such services.

| FUND                     |      |        |                            | RECOMMENDED    |                |
|--------------------------|------|--------|----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235524 | Police And Fire Protection | 123,498        | 123,498        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>123,498</b> | <b>123,498</b> |



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**Program 09.02: Firefighter Hazardous Materials**

This program, located at Cleveland State University, provides training for firefighters and other emergency personnel in the treatment, storage, disposal, and clean up of hazardous materials and waste.

**The Executive Recommendation will fund the following objectives:**

- Support specialized training costs incurred to ensure that first-responders are prepared for emergencies involving hazardous materials.

| FUND                     |      |        |                             | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235596 | Hazardous Materials Program | 258,858        | 258,858        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>258,858</b> | <b>258,858</b> |

**Program 09.03: National Guard Scholarship Program**

This program, created in 2000, supports the National Guard Scholarship Program, which grants higher education scholarships to all authorized personnel of the Ohio National Guard to attend either public or private institutions of higher education. Scholarships are available for up to 12 full time quarters or eight full-time semesters. To qualify for a scholarship, Guard members must commit to and/or complete a six-year enlistment in the Ohio Guard. New enlistees must complete basic training and obtain a military job skill. This program serves as both a recruitment and retention tool for the Ohio National Guard. In fiscal year 2009, over 5,800 individuals received scholarship assistance.

**The Executive Recommendation will fund the following objectives:**

- Improve the accessibility to and affordability of higher education for members of the Ohio National Guard; and
- Support recruitment and retention in the Ohio National Guard through the provision of scholarships for higher education.

| FUND                     |      |        |                                      | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                             | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235599 | National Guard Tuition Grant Program | 14,912,271        | 14,912,271        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                      | <b>14,912,271</b> | <b>14,912,271</b> |

**PROGRAM SERIES 10: Medical Support**

This program series supports a wide array of medical educational activities at Ohio's universities. The program largely supports the medical education functions that take place outside the medical classrooms and laboratories. Funding is provided for healthcare-related education and activities that target specific fields of practice that are of special interest to the state.

**Program 10.01: Long-Term Care Research**

This program supports basic and applied research at Miami University's Scripps Gerontology Center. The program is concerned with issues related to state and federal policy on long-term care and provides expertise and research to identify cost-effective alternatives for quality healthcare.

**The Executive Recommendation will fund the following objectives:**

- Support basic and applied gerontology research related to long-term care.

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| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235558 | Long-Term Care Research | 223,711        | 223,711        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>223,711</b> | <b>223,711</b> |

**Program 10.02: Nurse Education Assistance Loan Program**

This program provides financial assistance to Ohio students enrolled in at least half-time study in approved nursing and nurse education programs to address the growing demand of nurse professionals throughout the state. Awards are made on the basis of need for up to four years of study for nursing and for up to two years of study for nurse education. Loans provided under this program can be forgiven if the recipient fulfills the appropriate commitment to serve/teach upon graduation for a minimum of 5 years or 4 years respectively. Funding, generated from a portion of nurse registration fees, also supports a large portion of the administration costs of the program.

**The Executive Recommendation will fund the following objectives:**

- Support the identified needs of Ohio's health care industry for increasing the number of nurses;
- Improve the affordability of higher education for those individuals who desire to enter the nursing profession; and
- Provide effective administration for the program.

| FUND                     |      |        |                        | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010        | FY 2011        |
| SSR                      | 6820 | 235606 | Nursing Loan Repayment | 893,000        | 893,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>893,000</b> | <b>893,000</b> |

**Program 10.03: Medicaid Technical and Assistance Policy Program**

The MEDTAPP program supports applied health services research conducted at Ohio medical schools and universities, the findings of which provide a foundation to help establish state policy within the Ohio Medicaid Program to promote improved health and health care delivery for Medicaid-eligible citizens in the State of Ohio. MEDTAPP funding is made possible by federal pass-through dollars to the Ohio Board of Regents from the Ohio Department of Job and Family Services through an interagency agreement.

**The Executive Recommendation will fund the following objectives:**

- Support the improvement of the state's Medicaid program through high-quality, relevant research.

| FUND                     |      |        |                        | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010          | FY 2011          |
| FED                      | 3H20 | 235608 | Human Services Project | 3,500,000        | 3,500,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>3,500,000</b> | <b>3,500,000</b> |

**Program 10.04: Family Practice and Primary Care Residencies Support**

This program supports family practice residencies and instructional costs in the departments of family medicine within each medical college in Ohio, both public and private. The purpose of these departments is to raise the quality and number of family physicians practicing in Ohio. This program also supports education and training in primary care specialties of internal medicine and pediatrics. The program supports medical students, clinical training in primary care fields, and increases the number of primary care physicians in medical practice.

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**The Executive Recommendation will fund the following objectives:**

- Partially support family practice residencies and instructional costs at public and private medical colleges throughout the state.

| FUND                     |      |        |                          | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                 | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235519 | Family Practice          | 3,840,127        | 3,840,127        |
| GRF                      | GRF  | 235526 | Primary Care Residencies | 1,895,962        | 1,895,962        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                          | <b>5,736,089</b> | <b>5,736,089</b> |

**Program 10.05: The Ohio State University Clinic Support**

This program supports the clinical portions of the colleges of dentistry and veterinary medicine at The Ohio State University. The clinics provide practical education to dentistry and veterinary medicine students, as well as to dental hygiene students.

**The Executive Recommendation will fund the following objectives:**

- Provide support for the appropriate training of dentists, veterinarians and associated professionals through the provision of instructional equipment and technology, as well as qualified personnel.

| FUND                     |      |        |                    | RECOMMENDED    |                |
|--------------------------|------|--------|--------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010        | FY 2011        |
| GRF                      | GRF  | 235572 | OSU Clinic Support | 929,591        | 929,591        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>929,591</b> | <b>929,591</b> |

**Program 10.06: Case Western Reserve University School of Medicine**

This program provides supplemental funding for the Case Western Reserve University School of Medicine. In return the Case medical school has implemented a clinical teaching outreach program to better serve Cuyahoga County residents and improve the clinical experience of medical students.

**The Executive Recommendation will fund the following objectives:**

- Ensure the provision of a high quality educational experience to medical school students through support for the necessary clinical teaching and related learning experiences at the Case Western Reserve University School of Medicine; and
- Provide citizens in Cuyahoga County with access to quality clinical services supported by the University.

| FUND                     |      |        |                         | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235515 | CWRU School Of Medicine | 2,603,096        | 2,603,096        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>2,603,096</b> | <b>2,603,096</b> |

**Program 10.07: Clinical Teaching**

This program is comprised of the six individual appropriation lines that provide subsidies in support of laboratory and clinical components of the medical and other health-related curricula at Ohio's six public medical colleges located at the University of Cincinnati, Ohio University, The Ohio State University, the University of Toledo, Northeast Ohio Universities College of Medicine, and Wright State University. Funding is intended to offset the cost

## Board of Regents

of clinical education for Ohio's student health professionals, which is regarded as a fundamental component of medical education.

**The Executive Recommendation will fund the following objectives:**

- Ensure the provision of a high quality education experience to medical school students through the provision of necessary clinical teaching and related learning experiences for at Ohio's state assisted colleges of medicine.
- Provide access to citizens to quality health care clinics supported by Ohio's colleges of medicine.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 235536 | OSU Clinical Teaching | 11,727,036        | 11,727,036        |
| GRF                      | GRF  | 235537 | UCN Clinical Teaching | 9,645,328         | 9,645,328         |
| GRF                      | GRF  | 235538 | UTO Clinical Teaching | 7,518,011         | 7,518,011         |
| GRF                      | GRF  | 235539 | WSU Clinical Teaching | 3,652,395         | 3,652,395         |
| GRF                      | GRF  | 235540 | OHU Clinical Teaching | 3,530,882         | 3,530,882         |
| GRF                      | GRF  | 235541 | NEM Clinical Teaching | 3,631,508         | 3,631,508         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>39,705,160</b> | <b>39,705,160</b> |

**Program 10.08: Area Health Education Centers Program Support**

This program coordinates the placement of students of medicine and other health professions into community-based training sites, especially those in areas that have a shortage of physicians. The program is intended to improve the geographic distribution and quality of healthcare personnel in the state. The Area Health Education Center (AHEC) program seeks to improve the availability of health care professionals and improve access to quality health care in Ohio. The mission is accomplished through academic and community collaboration, through an emphasis on primary care, and focus on underserved areas. AHEC offers numerous community programs and health care professionals continuing education opportunities through each of the centers.

**The Executive Recommendation will fund the following objectives:**

- Improve the quality of healthcare services in specific parts of Ohio by placing students of medicine and other health professionals into training sites located in shortage areas.

| FUND                     |      |        |                      | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010          | FY 2011          |
| GRF                      | GRF  | 235474 | AHEC Program Support | 1,091,833        | 1,091,833        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>1,091,833</b> | <b>1,091,833</b> |

**Program 10.09: Geriatric Medicine**

This program supports the offices of geriatric medicine within each medical college in Ohio, the creation of which is mandated by the state to ensure that all Ohio medical students receive specific education and training in the care of older adults.

**The Executive Recommendation will fund the following objectives:**

- Partially support the need to ensure that students attending Ohio's medical schools receive appropriate training in the healthcare needs of older Ohioans.

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| FUND              |      |        |                    | RECOMMENDED |         |
|-------------------|------|--------|--------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011 |
| GRF               | GRF  | 235525 | Geriatric Medicine | 633,294     | 633,294 |
| TOTAL FOR PROGRAM |      |        |                    | 633,294     | 633,294 |

**PROGRAM SERIES 11: Planning and Coordination**

This program series encompasses the primary administrative duties of the Board of Regents. Virtually all facets of agency operations fall under this program series, including the maintenance and operation of the Higher Education Information System.

**Program 11.01: Program Management**

This program consists of two appropriation line items: Operating Expenses (235321) and Sales & Services (235603). Appropriation item Operating Expenses supports the Board of Regents' operations including personal services, maintenance, and equipment. Sales & Services is a General Services Fund item that covers the costs of delivering services associated with the Regents' Higher Education Information System, the production of official publications, and miscellaneous meeting expenses.

**The Executive Recommendation will fund the following objectives:**

- Support the implementation of the *Strategic Plan for Higher Education* and the effective administration of programs and initiatives managed by the Board of Regents.

| FUND              |      |        |                    | RECOMMENDED |           |
|-------------------|------|--------|--------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011   |
| GRF               | GRF  | 235321 | Operating Expenses | 2,439,835   | 2,439,835 |
| GSF               | 4560 | 235603 | Publications       | 700,000     | 700,000   |
| TOTAL FOR PROGRAM |      |        |                    | 3,139,835   | 3,139,835 |

**Program 11.02: Information System**

This program supports the continual development, expansion, and operations of the Higher Education Information (HEI) System, a centrally-located data warehouse containing a wide array of information on Ohio's campuses, such as student demographics, enrollments, physical plant inventories, financial data, and course offerings. The HEI System has received national recognition and serves as a model to other states. The program also supports the development and operation of other information systems needed for the operation and management of the Board of Regents.

**The Executive Recommendation will fund the following objectives:**

- Support the collection and analysis of data for the effective administration of higher education programs managed by the Board of Regents; and
- Support the collection and analysis of data in support of policy development and strategic planning purposes.

| FUND              |      |        |                    | RECOMMENDED |         |
|-------------------|------|--------|--------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011 |
| GRF               | GRF  | 235409 | Information System | 966,804     | 966,804 |
| TOTAL FOR PROGRAM |      |        |                    | 966,804     | 966,804 |

**Board of Regents****Program 11.03: Program Authorization**

This program falls under the General Services Fund group and enables the Board of Regents to directly contract with and reimburse consultants to review and evaluate degree program proposals at Ohio's colleges and universities. Funds to operate this program come exclusively from fees campuses pay for the services of the consultants.

**The Executive Recommendation will fund the following objectives:**

- Effectively and efficiently provide program approval services to public and private college and universities as needed and requested.

| FUND              |      |        |                                    | RECOMMENDED |           |
|-------------------|------|--------|------------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                           | FY 2010     | FY 2011   |
| GSF               | 2200 | 235614 | Program Approval & Reauthorization | 3,000,000   | 3,000,000 |
| TOTAL FOR PROGRAM |      |        |                                    | 3,000,000   | 3,000,000 |

## Board of Regents

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011****Line Item Restructuring Analysis**

Line items 235418, Access Challenge; and 235420, Success Challenge, are combined into line item 235501, State Share of Instruction. Additionally, a portion of GRF funding for the 235501, State Share of Instruction line item, will be covered by federal stimulus funding.

To illustrate changes in funding levels due to this restructuring and due to the new revenue source, estimated FY 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

|      |        |                            | Estimated     | Recommended   |          |               |          |
|------|--------|----------------------------|---------------|---------------|----------|---------------|----------|
| Fund | ALI    | ALI Title                  | FY 2009       | FY 2010       | % Change | FY 2011       | % Change |
| GRF  | 235501 | State Share of Instruction | 1,953,409,346 | 2,070,538,077 | 6.0%     | 2,087,659,996 | 0.8%     |

**Line Item Notes**

235441, Co-op/Internship Program: This line item provides funding for the co-op and internship program created in sections 3333.71 to 3333.81 of the Ohio Revised Code in Am. Sub. H.B. 554 of the 127th General Assembly.

235576, Non-Public Need-Based Financial Aid: This line item provides block grant funding to eligible non-public higher education institutions in support of need-based financial aid for students attending those institutions in Ohio.

235909, Higher Education General Obligation Debt Service: Funding reductions for this line item result from the Debt Restructuring proposal detailed in the Special Analysis section of this Executive Budget. The approximately \$400 million combined reduction in FY10-11 for debt service line items for higher education, common schools, and infrastructure bonds will help provide funding for core state services and investments in a time of constrained resources.

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**LINE ITEM SUMMARY - Board of Regents**

| FUND | ALI    | ALI NAME                            | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|-------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 235321 | Operating Expenses                  | 2,843,500         | 2,941,513         | 3,187,064         | 2,338,579           | 2,439,835              | 4.3         | 2,439,835              | 0.0         |
| GRF  | 235401 | Rental Payments - OPFC              | 200,013,593       | 199,077,660       | 203,169,428       | 136,017,500         | 124,461,100            | -8.5        | 107,897,100            | -13.3       |
| GRF  | 235402 | Sea Grants                          | 231,925           | 231,925           | 300,000           | 269,319             | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235403 | Math/Science Teaching Improvements  | 36,390            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235404 | College Readiness Initiatives       | 456,327           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235406 | Articulation & Transfer             | 1,740,536         | 3,788,616         | 2,772,194         | 2,459,968           | 2,610,000              | 6.1         | 2,610,000              | 0.0         |
| GRF  | 235408 | Midwest Higher Education Compact    | 90,000            | 90,000            | 90,000            | 95,000              | 95,000                 | 0.0         | 95,000                 | 0.0         |
| GRF  | 235409 | Information System                  | 1,111,302         | 1,148,354         | 1,109,654         | 978,833             | 966,804                | -1.2        | 966,804                | 0.0         |
| GRF  | 235414 | State Grants & Scholarship Admin    | 1,794,576         | 1,677,632         | 1,444,644         | 1,394,191           | 1,458,109              | 4.6         | 1,458,109              | 0.0         |
| GRF  | 235415 | Jobs Challenge                      | 9,400,579         | 9,348,300         | 9,348,300         | 7,606,638           | 4,967,492              | -34.7       | 4,967,492              | 0.0         |
| GRF  | 235417 | Technology                          | 3,119,496         | 3,119,496         | 3,119,496         | 2,586,791           | 2,807,546              | 8.5         | 2,807,546              | 0.0         |
| GRF  | 235418 | Access Challenge                    | 73,496,070        | 74,717,594        | 66,593,416        | 61,165,030          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235420 | Success Challenge                   | 52,558,447        | 52,562,488        | 53,658,808        | 49,278,569          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235428 | Appalachian New Economy Partnership | 1,176,068         | 1,176,068         | 1,176,068         | 1,055,793           | 844,634                | -20.0       | 844,634                | 0.0         |
| GRF  | 235433 | Economic Growth Challenge           | 20,332,567        | 23,095,954        | 17,224,932        | 14,060,790          | 527,541                | -96.2       | 527,541                | 0.0         |
| GRF  | 235434 | College Readiness and Access        | 5,966,723         | 7,438,643         | 12,905,302        | 11,937,525          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235435 | Teacher Improvement Initiatives     | 2,233,093         | 3,127,530         | 4,735,374         | 9,246,440           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235436 | Accelerate Ohio                     | 0                 | 0                 | 516,796           | 2,244,329           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235438 | Choose Ohio First Scholarship       | 0                 | 0                 | 145,311           | 6,474,123           | 13,000,000             | 100.8       | 16,000,000             | 23.1        |
| GRF  | 235439 | Ohio Research Scholars              | 0                 | 0                 | 0                 | 14,575,000          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235441 | Co-Op/internship Program            | 0                 | 0                 | 0                 | 0                   | 50,000,000             | .0          | 50,000,000             | 0.0         |
| GRF  | 235442 | Teacher Fellowship                  | 0                 | 0                 | 0                 | 0                   | 0                      | .0          | 2,500,000              | .0          |
| GRF  | 235443 | Able-State                          | 0                 | 0                 | 0                 | 0                   | 7,528,264              | .0          | 7,528,264              | 0.0         |
| GRF  | 235444 | Adult Career-Tech Education         | 0                 | 0                 | 0                 | 0                   | 15,791,288             | .0          | 15,791,286             | 0.0         |
| GRF  | 235451 | Eminent Scholars                    | 0                 | 0                 | 1,370,988         | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235454 | Research Challenge                  | 95,512            | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235455 | Productivity Improvement Challenge  | 1,373,321         | 1,360,113         | 1,259,492         | 1,207,020           | 0                      | -100.0      | 0                      | .0          |



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**LINE ITEM SUMMARY - Board of Regents**

| FUND | ALI    | ALI NAME                                     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 235474 | AHEC Program Support                         | 1,571,756         | 1,571,756         | 1,571,756         | 1,411,015           | 1,091,833              | -22.6       | 1,091,833              | 0.0         |
| GRF  | 235477 | Access Improvement Projects                  | 1,044             | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235501 | Instructional Subsidies                      | 1,558,846,889     | 1,588,846,889     | 1,678,622,244     | 1,842,965,747       | 1,791,200,532          | -2.8        | 1,742,954,088          | -2.7        |
| GRF  | 235502 | Student Support Services                     | 795,790           | 795,790           | 795,790           | 714,406             | 714,406                | 0.0         | 714,406                | 0.0         |
| GRF  | 235503 | Ohio Instructional Grants                    | 138,030,470       | 120,801,966       | 120,641,749       | 38,315,568          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235504 | War Orphans Scholarships                     | 4,282,366         | 4,628,099         | 5,070,732         | 4,583,736           | 4,331,089              | -5.5        | 4,331,089              | 0.0         |
| GRF  | 235507 | OhioLINK                                     | 6,887,824         | 6,887,824         | 7,387,824         | 6,632,280           | 6,632,281              | 0.0         | 6,632,281              | 0.0         |
| GRF  | 235508 | AFIT   | 1,925,345         | 1,925,345         | 2,050,345         | 1,840,659           | 1,840,659              | 0.0         | 1,840,659              | 0.0         |
| GRF  | 235510 | Ohio Supercomputer Center                    | 4,271,195         | 4,271,195         | 4,271,195         | 3,834,386           | 3,834,386              | 0.0         | 3,834,386              | 0.0         |
| GRF  | 235511 | Cooperative Extension Service                | 25,644,863        | 25,644,863        | 26,273,260        | 23,586,327          | 21,018,608             | -10.9       | 19,967,678             | -5.0        |
| GRF  | 235513 | OU Voinovich Center                          | 336,082           | 336,082           | 669,082           | 600,656             | 336,082                | -44.0       | 336,082                | 0.0         |
| GRF  | 235514 | Central State Supplement                     | 0                 | 0                 | 11,756,414        | 12,109,106          | 12,109,106             | 0.0         | 12,109,106             | 0.0         |
| GRF  | 235515 | CWRU School of Medicine                      | 3,011,271         | 3,011,271         | 3,011,271         | 2,767,937           | 2,603,096              | -6.0        | 2,603,096              | 0.0         |
| GRF  | 235518 | Capital Scholarship Programs                 | 122,400           | 119,600           | 124,700           | 112,216             | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235519 | Family Practice                              | 4,548,470         | 4,548,470         | 4,548,470         | 4,083,304           | 3,840,127              | -6.0        | 3,840,127              | 0.0         |
| GRF  | 235520 | Shawnee State Supplement                     | 1,918,830         | 2,056,986         | 2,502,323         | 2,577,393           | 2,577,393              | 0.0         | 2,577,393              | 0.0         |
| GRF  | 235521 | OSU Glenn Institute                          | 286,082           | 286,082           | 619,082           | 555,770             | 286,082                | -48.5       | 286,082                | 0.0         |
| GRF  | 235524 | Police and Fire Protection                   | 171,959           | 171,959           | 171,959           | 154,373             | 123,498                | -20.0       | 123,498                | 0.0         |
| GRF  | 235525 | Geriatric Medicine                           | 750,110           | 750,110           | 750,110           | 673,396             | 633,294                | -6.0        | 633,294                | 0.0         |
| GRF  | 235526 | Primary Care Residencies                     | 2,245,688         | 2,245,688         | 2,245,688         | 2,016,024           | 1,895,962              | -6.0        | 1,895,962              | 0.0         |
| GRF  | 235527 | Ohio Aerospace Institute                     | 1,764,957         | 1,764,957         | 1,764,957         | 1,584,458           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235530 | Academic Scholarships                        | 7,800,000         | 7,800,000         | 7,800,000         | 7,800,000           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235531 | Student Choice Grants                        | 47,606,916        | 47,439,661        | 35,786,729        | 34,549,524          | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235534 | Student Workforce Development Grants         | 3,041,352         | 2,080,003         | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235535 | Agricultural Research and Development Center | 35,955,188        | 35,955,188        | 37,174,292        | 35,408,514          | 33,456,863             | -5.5        | 31,784,020             | -5.0        |
| GRF  | 235536 | OSU Clinical Teaching                        | 13,565,885        | 13,565,885        | 13,565,885        | 12,469,652          | 11,727,036             | -6.0        | 11,727,036             | 0.0         |
| GRF  | 235537 | UCN Clinical Teaching                        | 11,157,756        | 11,157,756        | 11,157,756        | 10,256,120          | 9,645,328              | -6.0        | 9,645,328              | 0.0         |

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**LINE ITEM SUMMARY - Board of Regents**

| FUND | ALI    | ALI NAME                               | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|------|--------|--|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 235538 | UTO Clinical Teaching                  | 8,696,866         | 8,696,866         | 8,696,866         | 7,994,090           | 7,518,011              | -6.0        | 7,518,011              | 0.0         |
| GRF  | 235539 | WSU Clinical Teaching                  | 4,225,107         | 4,225,107         | 4,225,107         | 3,883,684           | 3,652,395              | -6.0        | 3,652,395              | 0.0         |
| GRF  | 235540 | OHU Clinical Teaching                  | 4,084,540         | 4,084,540         | 4,084,540         | 3,754,476           | 3,530,882              | -6.0        | 3,530,882              | 0.0         |
| GRF  | 235541 | NEM Clinical Teaching                  | 4,200,945         | 4,200,945         | 4,200,944         | 3,861,474           | 3,631,508              | -6.0        | 3,631,508              | 0.0         |
| GRF  | 235543 | OCPM Clinical Subsidy                  | 250,000           | 250,000           | 100,000           | 89,774              | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235547 | School of International Business       | 450,000           | 450,000           | 450,000           | 583,525             | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235549 | Part-Time Student Instructional Grant  | 12,730,872        | 8,285,075         | 104,836           | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235552 | Capital Component                      | 19,309,008        | 19,309,008        | 19,562,150        | 19,789,868          | 20,382,568             | 3.0         | 20,382,568             | 0.0         |
| GRF  | 235553 | Dayton Area Graduate Studies Inst      | 2,806,599         | 2,806,599         | 2,931,599         | 2,631,788           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235554 | Priorities In Graduate Education       | 2,355,548         | 2,355,548         | 2,355,548         | 1                   | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235555 | Library Depositories                   | 1,696,458         | 1,696,441         | 1,696,458         | 1,522,963           | 1,522,963              | 0.0         | 1,522,963              | 0.0         |
| GRF  | 235556 | OARNet                                 | 3,727,223         | 3,727,223         | 3,727,223         | 3,550,181           | 3,354,501              | -5.5        | 3,354,501              | 0.0         |
| GRF  | 235558 | Long-Term Care Research                | 211,047           | 211,047           | 461,047           | 413,896             | 223,711                | -45.9       | 223,711                | 0.0         |
| GRF  | 235561 | BGSU Canadian Studies Center           | 100,015           | 100,015           | 100,015           | 89,786              | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235563 | Ohio College Opportunity Grant         | 0                 | 48,837,225        | 102,417,562       | 131,113,781         | 70,000,000             | -46.6       | 85,000,000             | 21.4        |
| GRF  | 235567 | CSU Speed To Scale                     | 0                 | 0                 | 4,400,000         | 3,411,379           | 1,775,254              | -48.0       | 0                      | -100.0      |
| GRF  | 235571 | James A Rhodes Scholarship             | 0                 | 0                 | 0                 | 60,000              | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235572 | OSU Clinic Support                     | 1,277,019         | 1,277,019         | 1,277,019         | 1,146,421           | 929,591                | -18.9       | 929,591                | 0.0         |
| GRF  | 235573 | Ohio Humanities Council                | 0                 | 0                 | 25,000            | 25,000              | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235576 | Non Public Need-Based Fin Aid          | 0                 | 0                 | 0                 | 0                   | 70,000,000             | .0          | 70,000,000             | 0.0         |
| GRF  | 235583 | Urban University Programs              | 4,992,937         | 4,992,937         | 5,825,937         | 5,230,125           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235587 | Rural University Projects              | 1,147,889         | 1,147,889         | 1,159,889         | 1,041,268           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235588 | Resource Center - Math/Science/Reading | 399,936           | 0                 | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| GRF  | 235596 | Hazardous Materials Program            | 360,435           | 360,435           | 360,435           | 323,573             | 258,858                | -20.0       | 258,858                | 0.0         |
| GRF  | 235599 | National Guard Tuition Grant Program   | 16,351,109        | 14,154,916        | 15,588,442        | 14,912,271          | 14,912,271             | 0.0         | 14,912,271             | 0.0         |
| GRF  | 235633 | AAM Transfer                           | 0                 | 0                 | 614,930           | 1,035,802           | 0                      | -100.0      | 0                      | .0          |
| GRF  | 235644 | SSI - Federal Stimulus                 | 0                 | 0                 | 0                 | 0                   | 279,337,545            | .0          | 344,705,908            | 23.4        |

## Board of Regents

**LINE ITEM SUMMARY - Board of Regents**

| FUND                          | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|--|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| GRF                           | 235645 | Need Based Aid - Federal Stimulus        | 0                    | 0                    | 0                    | 0                    | 50,000,000             | .0          | 50,000,000             | 0.0         |
| GRF                           | 235909 | Higher Education General Obligation      | 118,069,455          | 143,647,920          | 160,557,673          | 208,747,200          | 85,317,700             | -59.1       | 89,480,300             | 4.9         |
| <b>TOTAL General Revenue</b>  |        |  | <b>2,462,053,521</b> | <b>2,548,382,066</b> | <b>2,709,384,099</b> | <b>2,791,806,331</b> | <b>2,753,743,032</b>   | <b>-1.4</b> | <b>2,774,464,522</b>   | <b>0.8</b>  |
| 2200                          | 235614 | Program Approval & Reauthorization       | 261,007              | 308,424              | 806,588              | 2,555,344            | 3,000,000              | 17.4        | 3,000,000              | 0.0         |
| 4560                          | 235603 | Publications                             | 143,058              | 87,344               | 115,228              | 700,000              | 700,000                | 0.0         | 700,000                | 0.0         |
| 5BU0                          | 235635 | OH Veterinary Student Loan Repayment     | 0                    | 0                    | 0                    | 93,920               | 0                      | -100.0      | 0                      | .0          |
| 5Y50                          | 235618 | OIG Reconciliation                       | 2,448,669            | 1,591,060            | 615,905              | 0                    | 0                      | .0          | 0                      | .0          |
| <b>TOTAL General Services</b> |        |  | <b>2,852,733</b>     | <b>1,986,828</b>     | <b>1,537,721</b>     | <b>3,349,264</b>     | <b>3,700,000</b>       | <b>10.5</b> | <b>3,700,000</b>       | <b>0.0</b>  |
| 3120                          | 235609 | Tech Prep                                | 184,872              | 170,155              | 150,119              | 183,850              | 183,849                | 0.0         | 183,849                | 0.0         |
| 3120                          | 235611 | Gear-Up Grant                            | 3,332,989            | 2,634,748            | 3,793,766            | 3,300,001            | 3,900,000              | 18.2        | 3,900,000              | 0.0         |
| 3120                          | 235612 | Carl D Perkins Grant/plan Administration | 101,819              | 93,279               | 74,238               | 112,960              | 912,961                | 708.2       | 912,961                | 0.0         |
| 3120                          | 235615 | Professional Development                 | 411,803              | 289,540              | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3120                          | 235617 | Improving Teacher Quality                | 2,153,451            | 2,560,159            | 3,081,186            | 3,200,000            | 3,200,000              | 0.0         | 3,200,000              | 0.0         |
| 3120                          | 235619 | Ohio Supercomputer Center                | 10,000,002           | 1                    | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3120                          | 235621 | Science Education Network Project        | 673,939              | 857,845              | 338,968              | 1,686,970            | 0                      | -100.0      | 0                      | .0          |
| 3120                          | 235628 | TANF                                     | 0                    | 1,029,955            | 6,573,769            | 2,212,477            | 0                      | -100.0      | 0                      | .0          |
| 3120                          | 235629 | High Growth Grant                        | 0                    | 176,151              | 492,973              | 460,838              | 0                      | -100.0      | 0                      | .0          |
| 3120                          | 235631 | Federal Grants                           | 769,284              | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 3120                          | 235637 | SHSP Community Interoperability Grant    | 0                    | 0                    | 0                    | 114,431              | 0                      | -100.0      | 0                      | .0          |
| 3120                          | 235641 | Able - Federal                           | 0                    | 0                    | 0                    | 0                    | 17,869,546             | .0          | 17,869,546             | 0.0         |
| 3BE0                          | 235636 | AEFLA Incentive Grant                    | 0                    | 0                    | 0                    | 980,962              | 1,783,583              | 81.8        | 1,783,583              | 0.0         |
| 3BG0                          | 235626 | Star Schools                             | 1,215,703            | 2,439,246            | 3,135,627            | 2,990,746            | 250,000                | -91.6       | 0                      | -100.0      |
| 3H20                          | 235608 | Human Services Project                   | 1,139,038            | 416,753              | 327,764              | 3,000,000            | 3,500,000              | 16.7        | 3,500,000              | 0.0         |
| 3H20                          | 235622 | Medical Collaboration Network            | 2,023,859            | 1,802,548            | 211,753              | 3,346,144            | 0                      | -100.0      | 0                      | .0          |
| 3N60                          | 235605 | State Student Incentive Grants           | 3,197,971            | 2,190,076            | 1,303,245            | 2,599,242            | 2,533,339              | -2.5        | 2,533,339              | 0.0         |

## Board of Regents

**LINE ITEM SUMMARY - Board of Regents**

| FUND   | ALI    | ALI NAME                            | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|--------------|------------------------|-------------|
| 3N60   | 235638 | College Access Challenge Grant      | 0                    | 0                    | 0                    | 2,318,044            | 2,268,044              | -2.2         | 2,268,044              | 0.0         |
| 3T00   | 235610 | NHSC Ohio Loan Repayment            | 297,131              | 280,534              | 260,158              | 250,000              | 0                      | -100.0       | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b>           |        |                                     | <b>25,501,861</b>    | <b>14,940,989</b>    | <b>19,743,566</b>    | <b>26,756,665</b>    | <b>36,401,322</b>      | <b>36.0</b>  | <b>36,151,322</b>      | <b>-0.7</b> |
| 4E80   | 235602 | HEFC Administration                 | 15,431               | 12,772               | 29,974               | 45,000               | 45,000                 | 0.0          | 45,000                 | 0.0         |
| 4P40   | 235604 | Physician Loan Repayment            | 540,176              | 369,572              | 533,944              | 318,353              | 0                      | -100.0       | 0                      | .0          |
| 5DT0   | 235627 | American Diploma Project            | 369                  | 223,009              | 122,503              | 204,118              | 0                      | -100.0       | 0                      | .0          |
| 5FR0   | 235640 | Joyce Foundation Grant              | 0                    | 0                    | 0                    | 500,000              | 0                      | -100.0       | 0                      | .0          |
| 5Z70   | 235624 | Ohio Dentist Loan Repayment Program | 36,000               | 106,000              | 70,500               | 0                    | 0                      | .0           | 0                      | .0          |
| 6490   | 235607 | OSU Highway/Transportation Research | 508,775              | 503,687              | 498,650              | 760,000              | 600,000                | -21.1        | 600,000                | 0.0         |
| 6820   | 235606 | Nursing Loan Repayment              | 409,613              | 368,278              | 615,079              | 893,000              | 893,000                | 0.0          | 893,000                | 0.0         |
| 6820   | 235642 | Nursing Faculty Fellowship          | 0                    | 0                    | 0                    | 700,000              | 0                      | -100.0       | 0                      | .0          |
| <b>TOTAL State Special Revenue</b>             |        |                                     | <b>1,510,363</b>     | <b>1,583,318</b>     | <b>1,870,650</b>     | <b>3,420,471</b>     | <b>1,538,000</b>       | <b>-55.0</b> | <b>1,538,000</b>       | <b>0.0</b>  |
| 7011   | 235634 | Research Incentive Third Frontier   | 0                    | 0                    | 0                    | 6,000,000            | 8,000,000              | 33.3         | 8,000,000              | 0.0         |
| <b>TOTAL Third Frontier Research &amp; Dev</b> |        |                                     | <b>0</b>             | <b>0</b>             | <b>0</b>             | <b>6,000,000</b>     | <b>8,000,000</b>       | <b>33.3</b>  | <b>8,000,000</b>       | <b>0.0</b>  |
| <b>TOTAL Board of Regents</b>                  |        |                                     | <b>2,491,918,478</b> | <b>2,566,893,201</b> | <b>2,732,536,036</b> | <b>2,831,332,731</b> | <b>2,803,382,354</b>   | <b>-1.0</b>  | <b>2,823,853,844</b>   | <b>0.7</b>  |

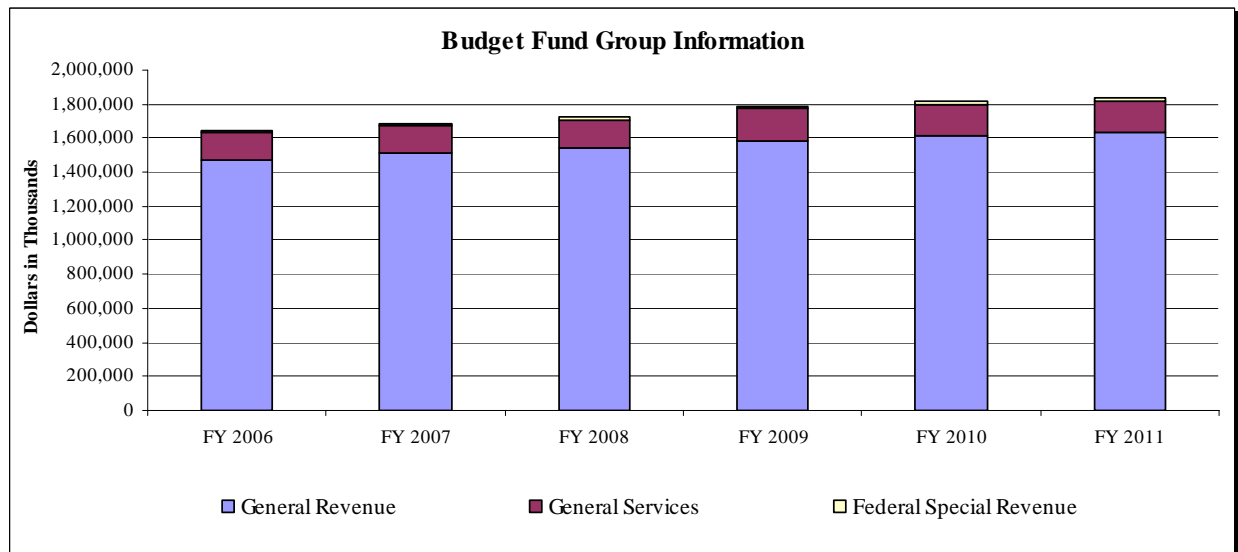
### Role and Overview

The Ohio Department of Rehabilitation and Correction (DRC) protects and supports Ohioans by ensuring that adult felony offenders are effectively supervised in environments that are safe, humane, and appropriately secure. In partnership with communities, DRC promotes citizen safety and victim reparation. Through rehabilitative and restorative programming, the department seeks to instill in offenders a sense of responsibility and the capacity to become law-abiding members of society. The department employs approximately 13,600 people and has an annual operating budget of \$1.79 billion. More information regarding the Department of Rehabilitation and Correction is available at [www.drc.ohio.gov](http://www.drc.ohio.gov).

### Agency Priorities

- Develop and implement strategies and practices designed to ensure the security and environmental safety of staff, offenders, and the community.
- Address the trends, issues, and needs associated with the reduction, retention, reallocation, and changing composition of the workforce, engage in succession planning and adopt strategies and practices that are responsive to these changes.
- The department's commitment to reentry will be broadened and enhanced by establishing new, and assessing existing strategies, policies, programs, and practices that are supportive of effective offender reintegration and community collaboration.
- Cost savings and efficiency initiatives will be pursued and implemented, where feasible, throughout the department.
- Expand energy conservation and performance contracts.
- Implement the comprehensive plan targeting employment strategies for ex-offenders.

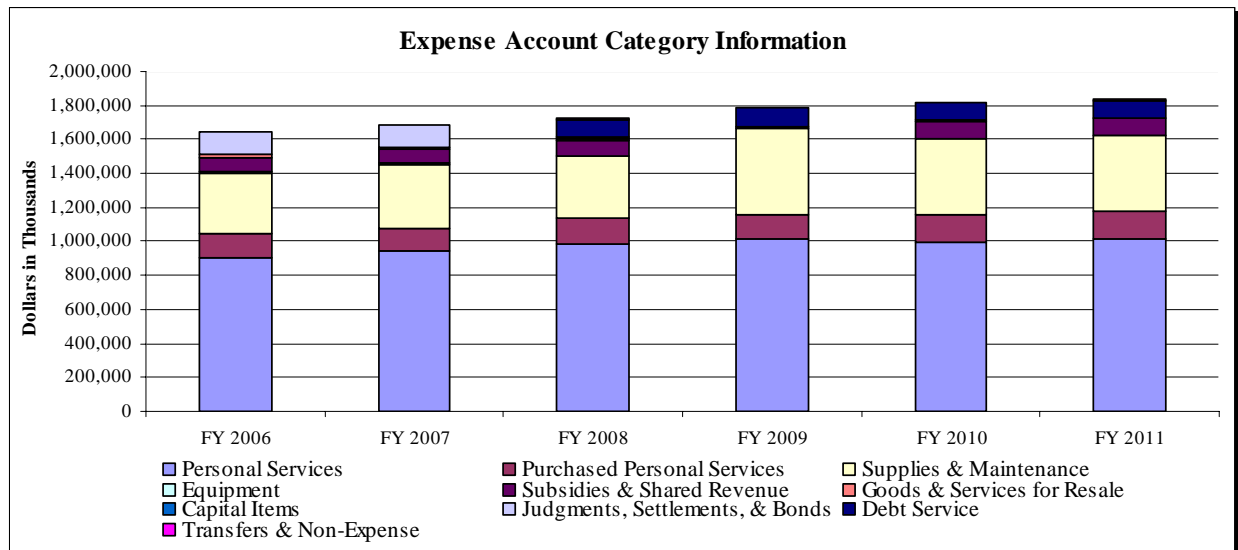
### Summary of Budget History and Recommendations



State of Ohio

## Department of Rehabilitation and Correction

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL           |                  |                  | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |                  |            |
|-------------------------------------|------------------|------------------|------------------|------------------|------------|-------------------------|------------|------------------|------------|
|                                     | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011          | CHANGE     |
| General Revenue                     | 1,469,784        | 1,515,372        | 1,547,435        | 1,586,636        | 2.5        | 1,618,992               | 2.0        | 1,635,494        | 1.0        |
| General Services                    | 161,920          | 161,373          | 161,806          | 191,266          | 18.2       | 182,115                 | -4.8       | 185,629          | 1.9        |
| Federal Special Revenue             | 11,532           | 9,667            | 14,348           | 13,013           | -9.3       | 20,450                  | 57.2       | 12,198           | -40.3      |
| <b>TOTAL</b>                        | <b>1,643,236</b> | <b>1,686,412</b> | <b>1,723,590</b> | <b>1,790,915</b> | <b>3.9</b> | <b>1,821,557</b>        | <b>1.7</b> | <b>1,833,321</b> | <b>0.6</b> |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |                  |            |
|---|------------------|------------------|------------------|------------------|------------|-------------------------|------------|------------------|------------|
|   | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011          | CHANGE     |
| Personal Services                             | 902,869          | 939,295          | 981,098          | 1,013,975        | 3.4        | 998,108                 | -1.6       | 1,015,067        | 1.7        |
| Purchased Personal Services                   | 138,294          | 141,640          | 153,559          | 142,513          | -7.2       | 156,785                 | 10.0       | 161,144          | 2.8        |
| Supplies & Maintenance                        | 358,282          | 368,850          | 364,141          | 512,054          | 40.6       | 452,724                 | -11.6      | 452,371          | -0.1       |
| Equipment                                     | 13,796           | 8,163            | 5,442            | 500              | -90.8      | 708                     | 41.6       | 714              | 0.9        |
| Subsidies & Shared Revenue                    | 83,297           | 87,223           | 88,102           | 0                | -100.0     | 94,803                  | 100.0      | 97,346           | 2.7        |
| Goods & Services for Resale                   | 13,835           | 11,509           | 10,673           | 9,182            | -14.0      | 0                       | -100.0     | 0                | 0.0        |
| Capital Items                                 | 3,063            | 639              | 6,473            | 0                | -100.0     | 8,251                   | 100.0      | 0                | -100.0     |
| Judgments, Settlements, & Bonds               | 129,799          | 129,092          | 230              | 0                | -100.0     | 0                       | 0.0        | 0                | 0.0        |
| Debt Service                                  | 0                | 0                | 105,265          | 104,091          | -1.1       | 101,578                 | -2.4       | 98,080           | -3.4       |
| Transfers & Non-Expense                       | 0                | 0                | 8,604            | 8,599            | -0.1       | 8,599                   | 0.0        | 8,599            | 0.0        |
| <b>TOTAL</b>                                  | <b>1,643,236</b> | <b>1,686,412</b> | <b>1,723,590</b> | <b>1,790,915</b> | <b>3.9</b> | <b>1,821,557</b>        | <b>1.7</b> | <b>1,833,321</b> | <b>0.6</b> |

### PROGRAM SERIES 01: Institutional Operations

This program series provides housing, security, maintenance, food, and support services for adults who are sentenced to the custody of the department. The department currently operates 30 prisons and contracts with two private prisons. DRC provides programs committed to the delivery of services based on the needs of the persons sentenced to its custody.

State of Ohio

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**Department of Rehabilitation and Correction**

**Program 01.01: Institutional Operations**

This program provides for the upkeep of buildings and contents, support services, and secure supervision for all 50,800 offenders. The facilities are held in compliance with all standards and requirements of federal, state, and local statutes and ordinances. Institution improvements, including renovation and construction projects, maintain efficient and operable conditions to ensure the safety and security of all inmates and staff. Institutional operations include the legal and ethical responsibilities of providing adequate food, clothing, work therapy, and spiritual support to the inmates. The Ohio Penal Industries provide job opportunities, work experience and training for inmates along with offering inmate programming, including self-help, stress management, enhancement of life skills, parenting, communication, anger control, moral reasoning, pre-parole planning, and relationship building.

**The Executive Recommendation will fund the following objectives:**

- The physical plant operations including heating, ventilation, plumbing, and electrical service to buildings that house over 50,800 inmates and provide workspace for prison staff;
- Preventative maintenance at all 30 of the state operated institutions including painting, roofing, asbestos management, and management of on-site contractors for capital improvement and other maintenance and renovation projects, with occasional maintenance also performed at the two privately operated institutions;
- Work experience and training in shops located in a majority of state correctional institutions for inmates through the Ohio Penal Industries;
- Meals to all inmates, prepared according to state sanitary requirements and fulfilling federal dietary requirements;
- A hardened perimeter fence system including single or double fences topped with coils of razor ribbon, equipped with electronic detection systems, and officers in vehicles, towers, or on foot patrol to monitor them for each prison;
- An intensive prison program for inmates committed for certain driving under the influence (DUI) offenses; and
- The maintenance of one of the lowest escape rates from low/minimum institutions in the country. No escapes from secure institutions have occurred since 1996.

| FUND                     |      |        |   | RECOMMENDED          |                      |
|--------------------------|------|--------|---|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                  | FY 2010              | FY 2011              |
| GRF                      | GRF  | 501321 | Institutional Operations                  | 863,530,199          | 853,217,367          |
| GRF                      | GRF  | 501403 | Prisoner Compensation                     | 8,599,255            | 8,599,255            |
| GRF                      | GRF  | 501620 | Institutional Operations-Federal Stimulus | 40,000,000           | 50,300,000           |
| GSF                      | 1480 | 501602 | Services And Agricultural                 | 108,290,058          | 111,062,533          |
| GSF                      | 2000 | 501607 | Ohio Penal Industries                     | 40,845,414           | 40,845,414           |
| GSF                      | 4830 | 501605 | Property Receipts                         | 255,015              | 261,315              |
| GSF                      | 4B00 | 501601 | Penitentiary Sewer Treatment              | 2,467,630            | 2,529,828            |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,063,987,571</b> | <b>1,066,815,712</b> |

**Program 01.02: Medical Services**

This program offers comprehensive healthcare services by qualified personnel at all institutions, as well as centralized specialty acute and chronic care in affiliation with The Ohio State University Medical Center. The Bureau of Medical Services (BOMS) oversees the administration and coordination of all medical care. Other health services provided on-site include optometry, podiatry, dentistry, basic X-ray and lab services, nutritional counseling, and health awareness education.

**The Executive Recommendation will fund the following objectives:**

- On-site screenings, basic health services, and care for inmates' serious health needs as required by the U.S. Constitution;
- Consultations, treatments, and minor surgical procedures at the Corrections Medical Center in a secure clinic area;

State of Ohio

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## Department of Rehabilitation and Correction

- The contract with The Ohio State University Medical Center providing emergent, inpatient, and outpatient diagnostic and surgical procedures;
- Pre-operative, post-operative, convalescent, long-term and end-of-life care in the maximum-security skilled nursing facility at the Corrections Medical Center, with a full complement of nurses, physicians, and medical ancillary staff members;
- A fully accredited medical laboratory providing diagnostic and other laboratory services for DRC inmates;
- One of the largest dialysis units in the state, within the Pickaway Correctional Institution, providing services for approximately 65 patients; and
- A multi-disciplinary medical team of professional clinicians to supply comprehensive inmate healthcare services within each institution, including primary and preventative medical and dental care, emergent care, infectious disease monitoring and treatment, and health education.

| FUND                     |      |        |   | RECOMMENDED        |                    |
|--------------------------|------|--------|---|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                  | FY 2010            | FY 2011            |
| GRF                      | GRF  | 501620 | Institutional Operations-Federal Stimulus | 0                  | 9,700,000          |
| GRF                      | GRF  | 505321 | Institution Medical Services              | 249,007,460        | 248,248,121        |
| GSF                      | 5930 | 501618 | Laboratory Services                       | 6,476,314          | 6,740,260          |
| GSF                      | 5H80 | 501617 | Offender Financial Responsibility         | 500,000            | 500,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>255,983,774</b> | <b>265,188,381</b> |

### Program 01.03: Recovery Services

The Bureau of Recovery Services provides care for inmates with alcohol and other drug (AOD) service needs. AOD screening is completed for all inmates as part of the mental health screening process. For fiscal year 2008, the department had 27,300 new admissions. Drug testing is conducted at all institutions to identify prisoners with AOD problems. Inmates who test positive for drug use are required to complete mandatory drug education. Alcoholics Anonymous, Narcotics Anonymous, and substance abuse education are offered at all institutions.

#### The Executive Recommendation will fund the following objectives:

- Drug testing at all institutions to identify prisoners with alcohol and other drug (AOD) problems for treatment referral;
- Four therapeutic communities within state institutions that provide long-term AOD treatment to approximately 1,200 inmates per year;
- Five residential programs, which include one AOD literacy unit, that serve approximately 570 inmates per year with separate housing while they receive substance abuse treatment; and
- Alcoholics Anonymous, Narcotics Anonymous, and substance abuse education at all institutions.

| FUND                     |      |        |                               | RECOMMENDED      |                   |
|--------------------------|------|--------|-------------------------------|------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011           |
| GRF                      | GRF  | 507321 | Institution Recovery Services | 4,661,645        | 5,528,583         |
| GSF                      | 4D40 | 501603 | Prisoner Programs             | 4,737,733        | 4,707,070         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>9,399,378</b> | <b>10,235,653</b> |

### Program 01.04: Education Services

This program provides educational opportunities at many levels for inmates. Adult basic education, high school equivalency diplomas, and adult high school are offered at 30 institutions and serve approximately 15,000 inmates annually who lack a high school education. Vocational education programs are offered at 29 institutions and serve over 3,500 inmates per year who lack job skills. In addition, apprenticeship programs are offered in 47 trades. Special education and literacy training programs serve inmates with learning disabilities and those who cannot read.



State of Ohio

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## Department of Rehabilitation and Correction

**The Executive Recommendation will fund the following objectives:**

- Adult basic education, high school equivalency diplomas, and adult high school opportunities at all 30 state run institutions, to serve approximately 15,000 inmates annually who lack a high school education;
- Vocational education programs at 29 institutions to serve over 3,500 inmates per year who lack job skills;
- Apprenticeship programs in over 47 trades;
- Special education programs at all institutions that serve inmates with learning disabilities;
- Provide each inmate with four weeks of release preparation programming to teach job-readiness, life-coping skills, and how to utilize community resources for job employment and reintegration to the community before being released; and
- Community Justice ABLE Centers in five urban areas of Ohio to assist inmates in their transition to the community.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 506321 | Institution Education Services | 21,337,557        | 21,763,180        |
| GSF                      | 4D40 | 501603 | Prisoner Programs              | 9,760,382         | 9,989,007         |
| GSF                      | 4S50 | 501608 | Education Services             | 2,505,298         | 2,699,403         |
| FED                      | 3230 | 501619 | Federal Grants                 | 553,900           | 553,900           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>34,157,137</b> | <b>35,005,490</b> |

**Program 01.05: Mental Health Services**

The Mental Health Services Program provides care for approximately 9,200 inmates at any time with various mental health needs which include: outpatient treatment and behavior management services for inmates in the general prison population; psychiatric services including outpatient, residential, crisis, and inpatient care; sex offender services; and pre-parole evaluations. Services are provided at all custody levels in Ohio's correctional institutions.

**The Executive Recommendation will fund the following objectives:**

- Psychiatric, psychological, psychiatric nursing, social work, sex-offender, mental retardation, and residential and acute hospitalization services to all inmates at all institutions;
- The Oakwood Correctional Facility, an acute inpatient facility providing services to approximately 250 male and female inmates per year;
- Provide a specialized 50 bed residential program, accommodation of general population programs, and coordination with County Boards of Mental Retardation/Developmental Disabilities; and
- Provide the Parole Board with clinical risk assessments to assist in identifying high-risk offenders.

| FUND                     |      |        |                        | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME               | FY 2010           | FY 2011           |
| GRF                      | GRF  | 502321 | Mental Health Services | 75,934,501        | 79,415,018        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                        | <b>75,934,501</b> | <b>79,415,018</b> |

**PROGRAM SERIES 02: Parole and Community Service Operations**

This program series provides community supervision for felony offenders, jail inspection services, victim services, and programs that fund community correction options to prison and jail. Community corrections programs provide punishment for lower-risk offenders including electronic house arrest, day reporting, and intensive supervision.

**Program 02.01: Parole and Community Service Operations**

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State of Ohio

**Department of Rehabilitation and Correction**

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The Adult Parole Authority (APA) has a legislative mandate to supervise over 21,000 offenders that are released from prison, received under the Interstate Compact agreement, or are court-supervised cases. APA currently has 52 county agreements to supervise nearly 13,000 probationers. In addition, the APA prepares offender investigation reports that are used by the Common Pleas Courts, Parole Board, and department to make decisions regarding offender sanctions, treatment, prison releases, and security classifications. The Parole Board also conducts statutory release hearings and notifies victims of scheduled hearings.

**The Executive Recommendation will fund the following objectives:**

- Supervision for offenders under the legal jurisdiction of the Adult Parole Authority to ensure public safety and assist offenders in positive reintegration into the community;
- Oversight of compliance with the Interstate Compact Agreement by regulating offender movement in and out of the state and supervising offenders from other states pursuant to the agreement; and
- Provide direction and oversight to the community corrections programs.

| FUND                     |      |        |                                   | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010           | FY 2011           |
| GRF                      | GRF  | 501407 | Community Nonresidential Programs | 732,832           | 747,698           |
| GRF                      | GRF  | 503321 | Parole And Community Operations   | 9,198,989         | 9,184,630         |
| GRF                      | GRF  | 504321 | Administrative Operations         | 60,795            | 62,011            |
| GSF                      | 4L40 | 501604 | Transitional Control              | 441,432           | 440,910           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>10,434,048</b> | <b>10,435,249</b> |

**Program 02.02: Residential Programs**

The Halfway House program contracts with public and private agencies to provide residential placements for prisoners who are released under the supervision of the Adult Parole Authority, and for persons on probation/community supervision who are ordered into a residential program. Halfway Houses provide a place to live, a structured environment, counseling and substance abuse services, employment assistance, and educational programs. Over 7,400 offenders are served annually in Halfway Houses. This program also provides mental health, day reporting, electronic monitoring, and other services for offenders released from Ohio prisons.

The Community-Based Correctional Facilities (CBCF) program provides grants to counties for the construction and operation of these facilities, which house up to 200 felony offenders. Over 5,500 offenders are served annually in CBCFs. This program provides an opportunity for local judges to sentence offenders to a facility offering services such as education, job training, and substance abuse treatment as an alternative to incarceration.

**The Executive Recommendation will fund the following objectives:**

- A \$3.7 million increase in funding for CBCFs over fiscal year 2009 in fiscal years 2010 and 2011;
- Residential programming and housing for offenders, including specialized services for sex offenders, offenders with mental illness, and those with substance abuse problems;
- Transition from prison and community reentry services;
- Transitional control beds for eligible inmates to serve up to the last 180 days of their sentence in a strictly monitored work-release environment, thereby freeing up prison beds for more dangerous offenders;
- Electronic monitoring as a step-down from prison or as a sanction option for offenders violating conditions of supervision;
- Independent housing beds for those offenders that would otherwise be homeless;
- Outpatient ancillary contract slots for offenders in need of mental health, sex-offender, and day reporting programming;
- Grants that operate 18 community-based correctional facilities in Ohio which house up to 200 felony offenders; and

State of Ohio

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## Department of Rehabilitation and Correction

- Programming to address offender needs such as chemical dependency, education, employment, and family relationships.

| FUND                     |      |        |                                     | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010            | FY 2011            |
| GRF                      | GRF  | 501405 | Halfway House                       | 41,054,799         | 42,286,443         |
| GRF                      | GRF  | 501501 | Community Residential Programs-CBCF | 62,517,256         | 64,281,774         |
| GSF                      | 5H80 | 501617 | Offender Financial Responsibility   | 600,000            | 600,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>104,172,055</b> | <b>107,168,217</b> |

### Program 02.03: Non-Residential Programs

The Community Sanctions: Non-Residential Felony programs, through the authority of the Community Correction Act, provide grants to counties to operate intensive supervision and other community sanctions programs for felony offenders in lieu of prison or jail commitments. Grants currently fund 49 programs in 44 counties serving over 9,500 offenders annually. Non-residential felony programs reduce prison crowding by providing local felony courts with sentencing alternatives such as intensive supervision, day reporting, work release, community service, counseling, drug testing, and electronic monitoring.

The Community Non-Residential Misdemeanor program, through the authority of the Community Corrections Act, provides grants to counties and cities to operate pre-trial release, probation, or other local programs for misdemeanor offenders in lieu of confinement in jail. Grants currently fund 109 programs in 78 counties serving over 19,400 offenders annually. Non-residential misdemeanor programs provide sentencing options for municipal and county courts for the purpose of diverting offenders from local jails.

#### The Executive Recommendation will fund the following objectives:

- A \$4.8 million increase in funding to counties to operate intensive supervision and other community sanctions programs for felony offenders in lieu of prison; and
- A \$1.5 million increase in funding to counties to operate intensive supervision and other community sanctions programs for offenders in lieu of jail.

| FUND                     |      |        |                                   | RECOMMENDED        |                    |
|--------------------------|------|--------|-----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010            | FY 2011            |
| GRF                      | GRF  | 501407 | Community Nonresidential Programs | 21,192,970         | 21,683,869         |
| GRF                      | GRF  | 501408 | Mental Health Services            | 11,092,468         | 11,380,242         |
| GRF                      | GRF  | 503321 | Community Misdemeanor Programs    | 65,205,193         | 66,747,962         |
| FED                      | 3230 | 501619 | Federal Grants                    | 147,810            | 147,810            |
| GSF                      | 4L40 | 501604 | Transitional Control              | 1,601,116          | 1,610,541          |
| GSF                      | 5H80 | 501617 | Offender Financial Responsibility | 1,900,000          | 1,900,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>101,139,557</b> | <b>103,470,424</b> |

### PROGRAM SERIES 03: Program Management

Program Management consists of central office operations and other administrative services.

#### Program 03.01: Program Management

The department's administrative operations encompass a significant portion of central service operations. This includes the Director's Office, Human Resources Department, Office of Administration, Division of Legal Services, Chief Inspector's Office, Bureau of Public Information and Public Affairs, Office of the Legislative Liaison, and the Office of Offender Reentry and Correctional Best Practices. The Office of Administration includes the Bureaus of Construction Activation and Maintenance, Information Technology Services, Contract Services, Budgeting, Fiscal Operations, Grants, and the Ohio Prison Industries.

State of Ohio

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**Department of Rehabilitation and Correction**

**The Executive Recommendation will fund the following objectives:**

- Administrative operations that oversee all agency functions; and
- Provide leadership and direction to a correctional system with over 13,600 employees and approximately 50,800 convicted felons.

| FUND                     |      |        |                                 | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010           | FY 2011           |
| GRF                      | GRF  | 501321 | Institutional Operations        | 5,557,948         | 5,512,877         |
| GRF                      | GRF  | 502321 | Mental Health Services          | 4,909,820         | 5,047,449         |
| GRF                      | GRF  | 503321 | Parole And Community Operations | 1,381,061         | 1,393,563         |
| GRF                      | GRF  | 504321 | Administrative Operations       | 26,227,811        | 27,007,466        |
| GRF                      | GRF  | 505321 | Institution Medical Services    | 3,455,038         | 3,515,147         |
| GRF                      | GRF  | 506321 | Institution Education Services  | 1,392,982         | 1,420,779         |
| GRF                      | GRF  | 507321 | Institution Recovery Services   | 363,383           | 370,527           |
| GSF                      | 4D40 | 501603 | Prisoner Programs               | 101,885           | 103,923           |
| GSF                      | 4S50 | 501608 | Education Services              | 294,702           | 300,597           |
| GSF                      | 5710 | 501606 | Training Academy Receipts       | 75,190            | 75,190            |
| GSF                      | 5AF0 | 501609 | State And Non-Federal Awards    | 262,718           | 262,718           |
| GSF                      | 5L60 | 501611 | Information Technology Services | 1,000,000         | 1,000,000         |
| FED                      | 3230 | 501619 | Federal Grants                  | 11,496,643        | 11,496,643        |
| FED                      | 3S10 | 501615 | Truth-In-Sentencing Grants      | 8,251,241         | 0                 |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>64,770,422</b> | <b>57,506,879</b> |

**PROGRAM SERIES 04: Debt Service**

This program series provides payment of agency debt resulting from bond issuance.

This program provides funding for debt service that must be paid to the Ohio Building Authority for its obligation as a result of issuing bonds to cover DRC's capital expenditures.

**The Executive Recommendation will fund the following objectives:**

- All debt obligations for capital expenditures for the biennium.

| FUND                     |      |        |                       | RECOMMENDED        |                   |
|--------------------------|------|--------|-----------------------|--------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010            | FY 2011           |
| GRF                      | GRF  | 501406 | Lease Rental Payments | 101,578,100        | 98,080,200        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>101,578,100</b> | <b>98,080,200</b> |

## Department of Rehabilitation and Correction

**LINE ITEM SUMMARY - Department of Rehabilitation and Correction**

| FUND                          | ALI    | ALI NAME                                  | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|---|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| GRF                           | 501321 | Institutional Operations                  | 853,758,145          | 876,268,068          | 900,406,546          | 928,980,197          | 869,088,147            | -6.4        | 858,730,244            | -1.2        |
| GRF                           | 501403 | Prisoner Compensation                     | 8,599,255            | 8,599,255            | 8,599,255            | 8,599,255            | 8,599,255              | 0.0         | 8,599,255              | 0.0         |
| GRF                           | 501405 | Halfway House                             | 38,083,909           | 40,531,565           | 41,027,909           | 41,214,205           | 41,054,799             | -0.4        | 42,286,443             | 3.0         |
| GRF                           | 501406 | Lease Rental Payments                     | 119,406,396          | 119,084,937          | 107,606,100          | 109,224,900          | 101,578,100            | -7.0        | 98,080,200             | -3.4        |
| GRF                           | 501407 | Community Nonresidential Programs         | 15,244,830           | 16,231,603           | 16,451,351           | 16,547,367           | 21,925,802             | 32.5        | 22,431,567             | 2.3         |
| GRF                           | 501408 | Community Misdemeanor Programs            | 8,163,754            | 9,168,914            | 9,313,076            | 9,313,076            | 11,092,468             | 19.1        | 11,380,242             | 2.6         |
| GRF                           | 501501 | Community Residential Programs-CBCF       | 55,063,445           | 56,054,445           | 57,104,132           | 57,104,132           | 62,517,256             | 9.5         | 64,281,774             | 2.8         |
| GRF                           | 501620 | Institutional Operations-Federal Stimulus | 0                    | 0                    | 0                    | 0                    | 40,000,000             | .0          | 60,000,000             | 50.0        |
| GRF                           | 502321 | Mental Health Services                    | 68,468,764           | 69,656,928           | 70,274,289           | 73,405,363           | 80,844,321             | 10.1        | 84,462,467             | 4.5         |
| GRF                           | 503321 | Parole and Community Operations           | 77,922,060           | 78,680,471           | 80,316,063           | 82,739,767           | 75,785,243             | -8.4        | 77,326,155             | 2.0         |
| GRF                           | 504321 | Administrative Operations                 | 27,336,070           | 27,521,964           | 27,070,061           | 28,658,273           | 26,288,606             | -8.3        | 27,069,477             | 3.0         |
| GRF                           | 505321 | Institution Medical Services              | 167,127,240          | 183,414,026          | 198,033,971          | 198,337,805          | 252,462,498            | 27.3        | 251,763,268            | -0.3        |
| GRF                           | 506321 | Institution Education Services            | 23,638,010           | 23,008,499           | 23,963,519           | 24,847,502           | 22,730,539             | -8.5        | 23,183,959             | 2.0         |
| GRF                           | 507321 | Institution Recovery Services             | 6,971,801            | 7,150,832            | 7,269,155            | 7,664,520            | 5,025,028              | -34.4       | 5,899,110              | 17.4        |
| <b>TOTAL General Revenue</b>  |        |   | <b>1,469,783,679</b> | <b>1,515,371,507</b> | <b>1,547,435,425</b> | <b>1,586,636,362</b> | <b>1,618,992,062</b>   | <b>2.0</b>  | <b>1,635,494,161</b>   | <b>1.0</b>  |
| 1480                          | 501602 | Services and Agricultural                 | 99,184,377           | 101,416,357          | 101,567,979          | 108,209,334          | 108,290,058            | 0.1         | 111,062,533            | 2.6         |
| 2000                          | 501607 | Ohio Penal Industries                     | 33,499,259           | 32,358,556           | 32,694,637           | 40,845,414           | 40,845,414             | 0.0         | 40,845,414             | 0.0         |
| 4830                          | 501605 | Property Receipts                         | 229,936              | 285,905              | 258,338              | 394,687              | 255,015                | -35.4       | 261,315                | 2.5         |
| 4B00                          | 501601 | Penitentiary Sewer Treatment              | 1,549,476            | 1,553,479            | 1,709,749            | 2,310,188            | 2,467,630              | 6.8         | 2,529,828              | 2.5         |
| 4D40                          | 501603 | Prisoner Programs                         | 15,689,669           | 14,312,853           | 13,208,936           | 20,609,991           | 14,600,000             | -29.2       | 14,800,000             | 1.4         |
| 4L40                          | 501604 | Transitional Control                      | 1,717,194            | 1,682,760            | 1,833,351            | 2,058,092            | 2,042,548              | -0.8        | 2,051,451              | 0.4         |
| 4S50                          | 501608 | Education Services                        | 2,935,030            | 2,437,129            | 2,237,263            | 4,522,752            | 2,800,000              | -38.1       | 3,000,000              | 7.1         |
| 5710                          | 501606 | Training Academy Receipts                 | 41,906               | 79,003               | 33,219               | 75,190               | 75,190                 | 0.0         | 75,190                 | 0.0         |
| 5930                          | 501618 | Laboratory Services                       | 5,305,860            | 5,783,765            | 6,095,151            | 5,735,237            | 6,476,314              | 12.9        | 6,740,260              | 4.1         |
| 5AF0                          | 501609 | State and Non-Federal Awards              | 120,057              | 60,618               | 133,777              | 262,718              | 262,718                | 0.0         | 262,718                | 0.0         |
| 5H80                          | 501617 | Offender Financial Responsibility         | 1,434,561            | 1,324,607            | 1,245,394            | 2,500,000            | 3,000,000              | 20.0        | 3,000,000              | 0.0         |
| 5L60                          | 501611 | Information Technology Services           | 212,551              | 78,257               | 787,926              | 3,741,980            | 1,000,000              | -73.3       | 1,000,000              | 0.0         |
| <b>TOTAL General Services</b> |        |   | <b>161,919,876</b>   | <b>161,373,289</b>   | <b>161,805,719</b>   | <b>191,265,583</b>   | <b>182,114,887</b>     | <b>-4.8</b> | <b>185,628,709</b>     | <b>1.9</b>  |

## Department of Rehabilitation and Correction

**LINE ITEM SUMMARY - Department of Rehabilitation and Correction**

| FUND   | ALI    | ALI NAME                   | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--|--------|----------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|--------------|
| 3230   | 501619 | Federal Grants             | 9,465,727            | 8,960,052            | 6,436,731            | 11,012,731           | 12,198,353             | 10.8        | 12,198,353             | 0.0          |
| 3S10   | 501615 | Truth-In-Sentencing Grants | 2,066,224            | 706,692              | 7,911,698            | 2,000,000            | 8,251,241              | 312.6       | 0                      | -100.0       |
| <b>TOTAL Federal Special Revenue</b>                     |        |                            | <b>11,531,951</b>    | <b>9,666,744</b>     | <b>14,348,429</b>    | <b>13,012,731</b>    | <b>20,449,594</b>      | <b>57.2</b> | <b>12,198,353</b>      | <b>-40.3</b> |
| <b>TOTAL Department of Rehabilitation and Correction</b> |        |                            | <b>1,643,235,506</b> | <b>1,686,411,541</b> | <b>1,723,589,574</b> | <b>1,790,914,676</b> | <b>1,821,556,543</b>   | <b>1.7</b>  | <b>1,833,321,223</b>   | <b>0.6</b>   |

### **Role and Overview**

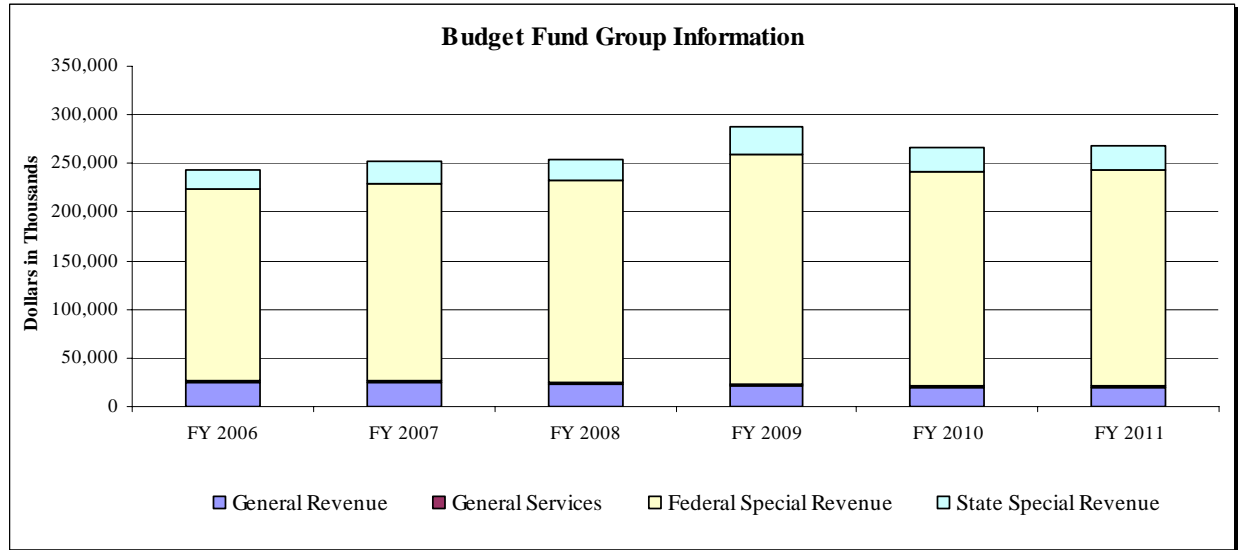
The Rehabilitation Services Commission (RSC) works in partnership with people with disabilities to achieve employment and independence. Directed by a seven-member commission, RSC is comprised of three bureaus, two of which provide direct vocational rehabilitation services. Created by the Ohio General Assembly, the commission is appointed by the Governor with the advice and consent of the Senate. No more than four commission members may be of the same political party. Three must be representatives from the rehabilitation profession, including at least one member must be involved with the blind. At least four commissioners must be individuals with disabilities, including at least two but no more than three who have received vocational rehabilitation services from the state vocational rehabilitation agency or the Veterans' Administration. Commission members serve staggered seven-year terms. RSC has provided quality services to people with disabilities and employers since 1970; however, Ohio's commitment to vocational rehabilitation started in 1920. The commission has over 1,285 employees with an annual operating budget of approximately \$280 million. Today, the agency is a nationally-recognized leader in helping people with severe disabilities achieve their employment goals. As a result, these Ohioans enjoy independent and self-sufficient lives, contribute to their communities, and enrich the state's workforce.

More information about the Rehabilitation Services Commission is available at <http://rsc.ohio.gov/>.

### **Agency Priorities**

- Partner with people with disabilities to achieve quality employment, independence and disability determination outcomes.
- Assist businesses in hiring job-ready workers and retaining employee with disabilities.
- Provide customer service training to business to serve customers with disabilities and assist with accessibility compliance.
- Provide transition to work programs for youth with disabilities and for veterans with disabilities returning from war.
- Support entrepreneurship opportunities to persons with severe disabilities through the Business Enterprise program.
- Provide timely adjudication of Social Security disability claims while thwarting fraudulent claims.

**Summary of Budget History and Recommendations**

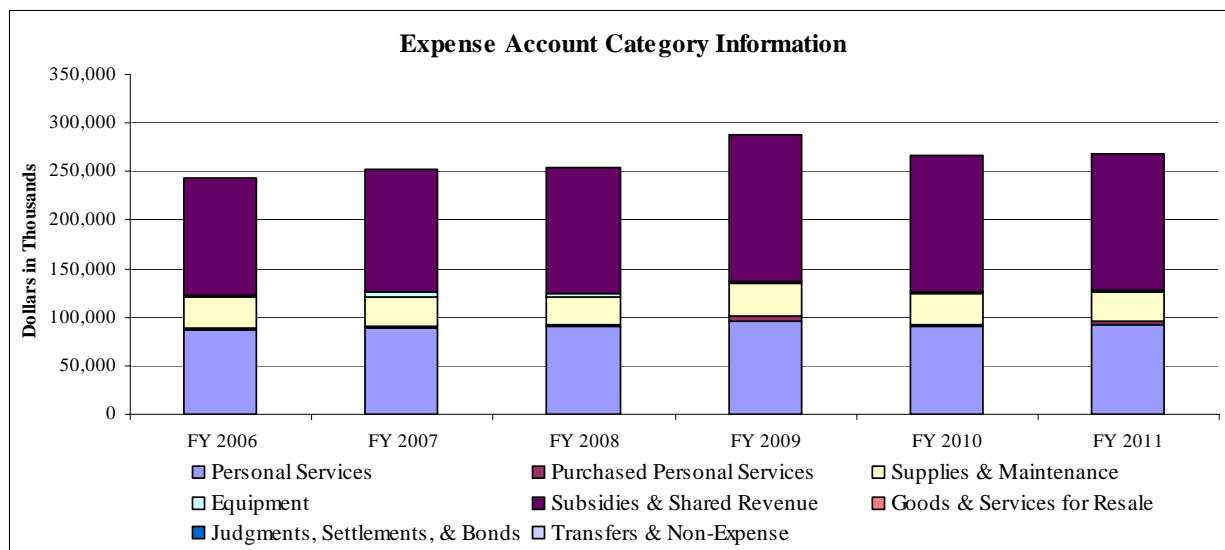


- Growth in both Federal and State Special Revenue in fiscal year 2009 is partially due to the addition of the Pathways II program, which uses local funds matched with federal dollars (at approximately a four to one rate) to deliver Vocational Rehabilitation services.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST.           | %           | RECOMMENDED    |             |                |            |
|-------------------------------------|----------------|----------------|----------------|----------------|-------------|----------------|-------------|----------------|------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09    | FY 2010        | %           | FY 2011        | %          |
| General Revenue                     | 25,178         | 25,090         | 23,922         | 21,724         | -9.2        | 19,357         | -10.9       | 19,357         | 0.0        |
| General Services                    | 1,309          | 1,118          | 1,208          | 1,632          | 35.1        | 1,393          | -14.6       | 1,390          | -0.2       |
| Federal Special Revenue             | 196,986        | 203,692        | 208,055        | 236,371        | 13.6        | 220,480        | -6.7        | 223,157        | 1.2        |
| State Special Revenue               | 19,444         | 23,079         | 20,706         | 28,362         | 37.0        | 24,698         | -12.9       | 24,771         | 0.3        |
| <b>TOTAL</b>                        | <b>242,916</b> | <b>252,979</b> | <b>253,891</b> | <b>288,089</b> | <b>13.5</b> | <b>265,927</b> | <b>-7.7</b> | <b>268,675</b> | <b>1.0</b> |



State of Ohio  
**Rehabilitation Services Commission**



- Growth in both Subsidies and Shared Revenue in fiscal year 2009 is primarily due to the addition of the Pathways II program, which uses local funds matched with federal dollars (at approximately a four to one rate) to deliver Vocational Rehabilitation services.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |             |                |            |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|-------------|----------------|------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE      | FY 2011        | CHANGE     |
| Personal Services                             | 86,692         | 88,750         | 89,786         | 96,065           | 7.0         | 89,772                  | -6.6        | 92,524         | 3.1        |
| Purchased Personal Services                   | 3,028          | 2,443          | 2,351          | 4,650            | 97.8        | 3,269                   | -29.7       | 3,282          | 0.4        |
| Supplies & Maintenance                        | 30,231         | 29,387         | 28,776         | 34,509           | 19.9        | 30,581                  | -11.4       | 30,950         | 1.2        |
| Equipment                                     | 3,103          | 5,790          | 2,828          | 964              | -65.9       | 3,070                   | 218.5       | 1,972          | -35.8      |
| Subsidies & Shared Revenue                    | 119,549        | 126,326        | 129,979        | 151,854          | 16.8        | 139,209                 | -8.3        | 139,922        | 0.5        |
| Goods & Services for Resale                   | 1              | 0              | 0              | 0                | 0.0         | 0                       | 0.0         | 0              | 0.0        |
| Judgments, Settlements, & Bonds               | 311            | 284            | 130            | 46               | -64.5       | 25                      | -45.9       | 25             | 0.0        |
| Transfers & Non-Expense                       | 0              | 0              | 42             | 1                | -98.8       | 0                       | -100.0      | 0              | 0.0        |
| <b>TOTAL</b>                                  | <b>242,916</b> | <b>252,979</b> | <b>253,891</b> | <b>288,089</b>   | <b>13.5</b> | <b>265,927</b>          | <b>-7.7</b> | <b>268,675</b> | <b>1.0</b> |

### PROGRAM SERIES 01: Vocational Rehabilitation

The primary goal of this program series is to help people with severe disabilities obtain and main competitive employment.

#### Program 01.01: Vocational Rehabilitation

This program is a multi-service program designed for people with disabilities who have barriers to becoming employed. Vocational rehabilitation services assist people in obtaining and maintaining employment. RSC is the state agency designated by the Federal Rehabilitation Act to administer and supervise VR services in the state. The federal government matches every state dollar with almost four federal dollars. RSC also receives additional funds for VR services through a cash transfer agreement with the Bureau of Workers' Compensation. In SFY 2009, RSC implemented the Pathways II Program, a collaborative arrangement with local government entities in order to maximize dollars available to provide vocational rehabilitation services to Ohioans with disabilities. During federal fiscal year 2008, RSC helped 54,351 people with severe disabilities move toward their employment goals and prepare for jobs in their communities. A total of 9,370 Ohioans obtained or retained a job and generated \$37.7

State of Ohio

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## Rehabilitation Services Commission

million in taxes. Their wages, averaging \$22,655 per year, as a result of vocational rehabilitation, add more than \$212.3 million to Ohio payrolls annually.

**The Executive Recommendation will fund the following objectives:**

- Support rehabilitation services to over 48,000 Ohioans with disabilities;
- Fund services to aid more than 15,000 individuals over the biennium to become competitively employed at an average annual income of \$24,000; and
- Maintain 37 offices throughout the state to provide direct services.

| FUND                     |      |        |   | RECOMMENDED        |                    |
|--------------------------|------|--------|---|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010            | FY 2011            |
| GRF                      | GRF  | 415406 | Assistive Technology                        | 38,025             | 38,025             |
| GRF                      | GRF  | 415506 | Services for People with Disabilities       | 18,738,043         | 18,738,043         |
| FED                      | 3790 | 415616 | Federal-Vocational Rehabilitation           | 126,116,916        | 127,188,795        |
| FED                      | 3L10 | 415608 | Soc Sec Special Program/Assistance          | 1,752,714          | 1,884,714          |
| FED                      | 3L40 | 415615 | Federal-Supported Employment                | 883,214            | 839,054            |
| FED                      | 3L40 | 415617 | Independent Living/Vocational Rehab Program | 631,710            | 633,141            |
| SSR                      | 4680 | 415618 | Third Party Funding                         | 4,853,159          | 4,853,159          |
| SSR                      | 4L10 | 415619 | Services For Rehabilitation                 | 4,067,773          | 3,994,154          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>157,081,554</b> | <b>158,169,085</b> |

**Program 01.02: Business Enterprises**

Created by the Federal Randolph Sheppard Act, this program provides job opportunities for persons who are blind or severely visually impaired. These individuals are provided with management training and the equipment necessary to run vending and food service facilities on federal, state, and county properties. The program is responsible for developing new food service operations, monitoring existing operations, and providing training to new and existing licensed food service operators. This program, one of many nationwide, is the single largest employment program for the legally blind in Ohio. The Bureau of Services for the Visually Impaired facilitates self-employment food service and vending opportunities for legally blind entrepreneurs. The 115 blind licensees of the program manage 119 facilities statewide. These facilities include: full service cafeterias; vending operations, including those located in Ohio Department of Transportation highway rest areas; snack bars; and convenience stores. Many of the major cafeteria operations also offer catering services. In fiscal year 2008 the program realized over \$19 million in gross sales (not including Ohio Lottery ticket sales of \$2 million), employed more than 175 Ohioans, and contributed an estimated annual \$520,000 in state sales tax through the sale of taxable items.

**The Executive Recommendation will fund the following objectives:**

- Fund assistance to 117 blind licensees managing 117 facilities, and
- Maintain jobs for 297 Ohioans.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GSF                      | 4670 | 415609 | Business Enterprise Operating     | 1,393,002        | 1,389,851        |
| FED                      | 3790 | 415616 | Federal-Vocational Rehabilitation | 3,394,065        | 3,397,216        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>4,787,067</b> | <b>4,787,067</b> |

**Program 01.03: Brain Injury**

This program promotes a statewide system of services to return persons with brain injuries to a productive role in society and also works toward reducing the incidence of brain injury and the severity of impairments due to such injuries. This program also provides staff support to a statewide Brain Injury Advisory Committee. RSC serves in an

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administrative role, making funding awards to the Brain Injury Association of Ohio. The advisory committee monitors funding and retains project oversight for core services, including Ohio's Community Support Network, a statewide resource facilitation system operated by the Brain Injury Association of Ohio. Program funds support four multi-county Community Support Network (CSN) offices serving multi-county areas throughout the state. These coordinators address the needs of both individuals with brain injuries and their families. The program operates a statewide toll-free Helpline that provides resource identification and outreach services to over 4,000 callers annually. The association offers education, training, and advocacy through its Helpline, Community Support Network, support groups, and collaborative ventures with other service providers.

**The Executive Recommendation will fund the following objectives:**

- Maintain four Community Support Networks; and
- Maintain a statewide toll-free Helpline, which provides resource identification, outreach services education, and training services for 2,300 callers annually.

| FUND                     |      |        |   | RECOMMENDED    |                |
|--------------------------|------|--------|---|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 415431 | Office For People With Brain Injury         | 180,810        | 180,810        |
| FED                      | 3790 | 415616 | Federal-Vocational Rehabilitation           | 324,643        | 324,643        |
| FED                      | 3L40 | 415617 | Independent Living/Vocational Rehab Program | 118,000        | 118,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>623,453</b> | <b>623,453</b> |

**Program 01.04: Personal Care Assistance**

This program provides financial resources to help eligible consumers with severe disabilities pay for the cost of a personal assistant to allow them to work and live independently. The program prioritizes allocation of financial resources to consumers so that they may work or participate in activities leading to employment. The services made available to consumers include: bathing, dressing, personal grooming, performing bowel and bladder care, toileting, preparing meals and eating, repositioning and turning, driving services, recordkeeping, house cleaning, and laundry.

**The Executive Recommendation will fund the following objectives:**

- Allow 232 consumers with severe disabilities to meet the cost of their personal assistance needs and enable them to obtain and maintain employment and/or live independently;
- Provide financial resources for consumers with severe disabilities to hire and supervise the personal care attendants of their choice;
- Enable consumers who are employed to gradually progress toward assuming more of the attendant care costs, as their income grows;
- Provide a resource for consumers who are ready for employment but need attendant care to accept a job offer; and
- Enable approximately 24 consumers to live independently in the community who have no other resources for attendant care.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| FED                      | 3L10 | 415601 | Soc Sec Personal Care Assistance | 3,000,000        | 2,700,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>3,000,000</b> | <b>2,700,000</b> |

**Program 01.05: Community Centers for the Deaf**

This program provides support services such as legal protection, health and mental health care, telecommunications, public transportation, government services, and other public and private social services to enable deaf or hard of

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hearing individuals to be independent, self-supporting taxpayers. Sign language interpreting services, sign language instruction, and information concerning the American with Disabilities Act are also provided to consumers.

**The Executive Recommendation will fund the following objectives:**

- Fund ten Community Centers for the Deaf; and
- Provide assistance to persons who are deaf or hard of hearing so they can access programs such as legal protection, health care, telecommunications, public transportation, government services, and other public and social services.

| FUND                     |      |        |  | RECOMMENDED    |                |
|--------------------------|------|--------|--|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                               | FY 2010        | FY 2011        |
| GRF                      | GRF  | 415508 | Services For The Deaf                  | 40,000         | 40,000         |
| FED                      | 3L10 | 415605 | Soc Sec Community Centers for the Deaf | 750,000        | 750,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>790,000</b> | <b>790,000</b> |

**Program 01.06: Independent Living/Older Blind**

This program provides services to older individuals with vision loss to help them remain independent. People served are generally over the age of 70 and want to continue working, volunteering, or maintaining their own homes. Eye diseases such as macular degeneration, diabetic retinopathy, cataracts, and glaucoma are a looming health care issue for the state as its population ages.

**The Executive Recommendation will fund the following objectives:**

- Provide services such as counseling, training, communication aids and vision services to older individuals with vision loss to help them remain independent.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010          | FY 2011          |
| FED                      | 3L40 | 415617 | Independent Living/Vocational Rehab Program | 1,202,152        | 1,202,152        |
| SSR                      | 4680 | 415618 | Third Party Funding                         | 155,815          | 155,815          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,357,967</b> | <b>1,357,967</b> |

**PROGRAM SERIES 02: Disability Determination**

The Bureau of Disability Determination, under an agreement with the Social Security Administration (SSA), processes Social Security disability determinations for all Ohioans who have applied at their local Social Security office for benefits under Supplemental Security Income (SSI), a needs-based income supplement program and/or Social Security Disability Insurance (SSDI). Under this federal program financial assistance is provided to Ohioans who are totally disabled and meet the SSA requirements for disability. Both adults and children receive benefits until they are able to return to work, or in the case of children, until they can return to age-appropriate activities. Benefits can be continued during vocational rehabilitation and during a trial work period.

**Program 02.01: Disability Determination**

This program processes Social Security disability determinations for all Ohioans who have applied at their local Social Security office for benefits under Supplemental Security Income (SSI), a needs-based income supplement program and/or Social Security Disability Insurance (SSDI). The source of funding for disability determination is 100% federal.

**The Executive Recommendation will fund the following objectives:**

- Determine eligibility for over 553,000 Ohioans who receive monthly disability benefits; and

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- Process over 180,000 claims per year.

| FUND              |      |        |                          | RECOMMENDED |            |
|-------------------|------|--------|--------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                 | FY 2010     | FY 2011    |
| FED               | 3170 | 415620 | Disability Determination | 81,685,226  | 83,498,461 |
| TOTAL FOR PROGRAM |      |        |                          | 81,685,226  | 83,498,461 |

### **PROGRAM SERIES 03: Independent Living**

This program series promotes consumer control, peer support, self-help, self-determination, equal access, and individual and system advocacy in order to maximize the leadership, empowerment, independence, and productivity of individuals with disabilities and their integration into mainstream American society.

#### **Program 03.01: Independent Living**

This program provides funding to Centers for Independent Living as well as branch offices. These centers focus on the following four core services: independent living skills training, peer support, advocacy, and information and referral. The centers are community-based, cross-disability, nonresidential, private, nonprofit agencies operated by people with disabilities. These centers provide Ohioans with disabilities with the necessary skills to live independently and contribute to society. Without these skills many individuals would find themselves without community support.

#### **The Executive Recommendation will fund the following objectives:**

- Fund 11 Centers for Independent Living and two branch offices; and
- Support the Independent Living Council efforts to coordinate and increase the impact of independent living services throughout the state.

| FUND              |      |        |  | RECOMMENDED |         |
|-------------------|------|--------|--|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                                   | FY 2010     | FY 2011 |
| GRF               | GRF  | 415402 | Independent Living Council                 | 360,000     | 360,000 |
| FED               | 3L40 | 415612 | Federal Independent Living Center/Services | 620,880     | 620,880 |
| TOTAL FOR PROGRAM |      |        |  | 980,880     | 980,880 |

### **PROGRAM SERIES 04: Program Management**

This program series provides all necessary administrative and support services to RSC's direct service programs. The cost of centralized services funded through this program series is proportional to the activities and production levels of the teams and bureaus that provide direct consumer services.

#### **Program 04.01: Program Management**

This program provides centralized administrative services and functions funded through this program budget include: statewide cost allocation group, legislative process unit, executive director's office, office of affirmative action, staff attorney, human resources team, administrative support team, finance unit, property management, information technology and telecommunication systems team, budget unit, program policy unit, consumer and legislative affairs team, and public affairs unit.

#### **The Executive Recommendation will fund the following objectives:**

- Fund personnel needed to support the Commission's activities.

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| FUND              |      |        |                             | RECOMMENDED |            |
|-------------------|------|--------|-----------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011    |
| SSR               | 4W50 | 415606 | Program Management Expenses | 15,620,782  | 15,767,803 |
| TOTAL FOR PROGRAM |      |        |                             | 15,620,782  | 15,767,803 |

## Rehabilitation Services Commission

**LINE ITEM SUMMARY - Rehabilitation Services Commission**

| FUND                                 | ALI    | ALI NAME   | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 415100 | Personal Services                                    | 8,851,468          | 8,851,468          | 8,833,227          | 7,770,561           | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 415402 | Independent Living Council                           | 12,280             | 400,000            | 446,297            | 450,000             | 360,000                | -20.0        | 360,000                | 0.0         |
| GRF                                  | 415403 | Mental Health Services                               | 666,791            | 767,626            | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 415404 | MR/DD Services                                       | 1,231,520          | 1,291,497          | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 415405 | Vocational Rehabilitation/Human Services             | 509,706            | 568,084            | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 415406 | Assistive Technology                                 | 47,531             | 47,531             | 47,530             | 47,500              | 38,025                 | -19.9        | 38,025                 | 0.0         |
| GRF                                  | 415431 | Office For People With Brain Injury                  | 148,400            | 503,677            | 226,012            | 213,016             | 180,810                | -15.1        | 180,810                | 0.0         |
| GRF                                  | 415506 | Services For People With Disabilities                | 13,272,331         | 12,188,922         | 14,318,682         | 13,192,753          | 18,738,043             | 42.0         | 18,738,043             | 0.0         |
| GRF                                  | 415508 | Services For The Deaf                                | 50,003             | 49,997             | 50,000             | 50,000              | 40,000                 | -20.0        | 40,000                 | 0.0         |
| GRF                                  | 415509 | Services For The Elderly                             | 346,067            | 372,202            | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| GRF                                  | 415520 | Independent Living Services                          | 41,942             | 49,297             | 703                | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |  | <b>25,178,039</b>  | <b>25,090,301</b>  | <b>23,922,451</b>  | <b>21,723,830</b>   | <b>19,356,878</b>      | <b>-10.9</b> | <b>19,356,878</b>      | <b>0.0</b>  |
| 4670                                 | 415609 | Business Enterprise Operating                        | 1,308,886          | 1,117,809          | 1,207,885          | 1,632,082           | 1,393,002              | -14.6        | 1,389,851              | -0.2        |
| <b>TOTAL General Services</b>        |        |  | <b>1,308,886</b>   | <b>1,117,809</b>   | <b>1,207,885</b>   | <b>1,632,082</b>    | <b>1,393,002</b>       | <b>-14.6</b> | <b>1,389,851</b>       | <b>-0.2</b> |
| 3170                                 | 415620 | Disability Determination                             | 74,201,548         | 76,903,751         | 76,751,761         | 87,546,215          | 81,685,226             | -6.7         | 83,498,461             | 2.2         |
| 3790                                 | 415616 | Federal-Vocational Rehabilitation                    | 112,394,004        | 118,055,520        | 122,476,819        | 139,333,324         | 129,835,624            | -6.8         | 130,910,654            | 0.8         |
| 3L10                                 | 415601 | Soc Sec Personal Care Assistance                     | 3,630,769          | 3,440,466          | 3,190,121          | 3,743,740           | 3,000,000              | -19.9        | 2,700,000              | -10.0       |
| 3L10                                 | 415605 | Soc Sec Community Centers For The Deaf               | 1,060,879          | 1,084,095          | 886,960            | 750,000             | 750,000                | 0.0          | 750,000                | 0.0         |
| 3L10                                 | 415608 | Soc Sec Special Program/Assistance                   | 837,285            | 124,464            | 1,297,909          | 1,506,260           | 1,752,714              | 16.4         | 1,884,714              | 7.5         |
| 3L10                                 | 415610 | Soc Sec Vocational Rehabilitation                    | 1,634,730          | 983,069            | 2,000              | 0                   | 0                      | .0           | 0                      | .0          |
| 3L40                                 | 415612 | Federal Independent Living Center/Services           | 566,541            | 615,871            | 653,452            | 648,908             | 620,880                | -4.3         | 620,880                | 0.0         |
| 3L40                                 | 415615 | Federal-Supported Employment                         | 993,618            | 1,036,158          | 861,823            | 796,006             | 883,214                | 11.0         | 839,054                | -5.0        |
| 3L40                                 | 415617 | Independent Living/Vocational Rehabilitation Program | 1,666,551          | 1,448,317          | 1,934,202          | 2,046,762           | 1,951,862              | -4.6         | 1,953,293              | 0.1         |
| <b>TOTAL Federal Special Revenue</b> |        |  | <b>196,985,925</b> | <b>203,691,711</b> | <b>208,055,046</b> | <b>236,371,215</b>  | <b>220,479,520</b>     | <b>-6.7</b>  | <b>223,157,056</b>     | <b>1.2</b>  |
| 4680                                 | 415618 | Third Party Funding                                  | 883,452            | 832,965            | 858,548            | 5,304,662           | 5,008,974              | -5.6         | 5,008,974              | 0.0         |
| 4L10                                 | 415619 | Services For Rehabilitation                          | 2,903,325          | 6,586,629          | 3,755,112          | 4,500,000           | 4,067,773              | -9.6         | 3,994,154              | -1.8        |

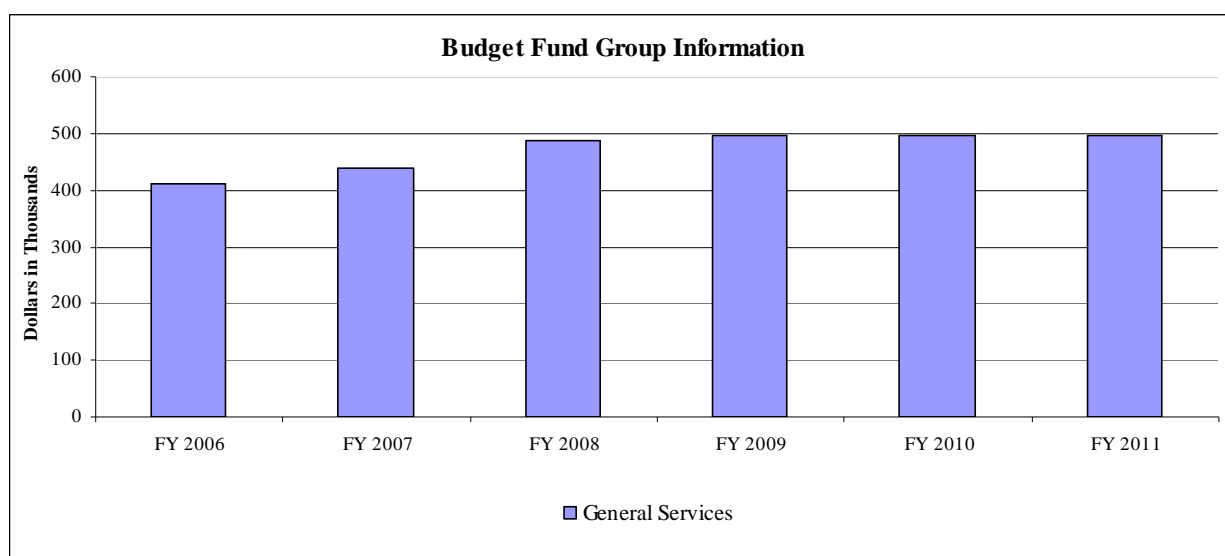
### Role and Overview

The Ohio Respiratory Care Board (RCB) was established in 1989 to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice respiratory care (RC) in Ohio. The board monitors those licensees to ensure compliance with the laws in the Ohio Revised Code, which governs the profession. The board also regulates the licensing/registration of qualifying home medical equipment (HME) facilities as required under the Ohio Revised Code. The board's annual budget of slightly more than \$492,000 supports a staff of five in addition to the nine board members. RCB licenses nearly 7,000 RC licensees, approximately 170 HME licensees, and 310 HME certifications to companies selling home medical equipment. Additional information regarding the Respiratory Care Board is available at: <http://respiratorycare.ohio.gov/>.

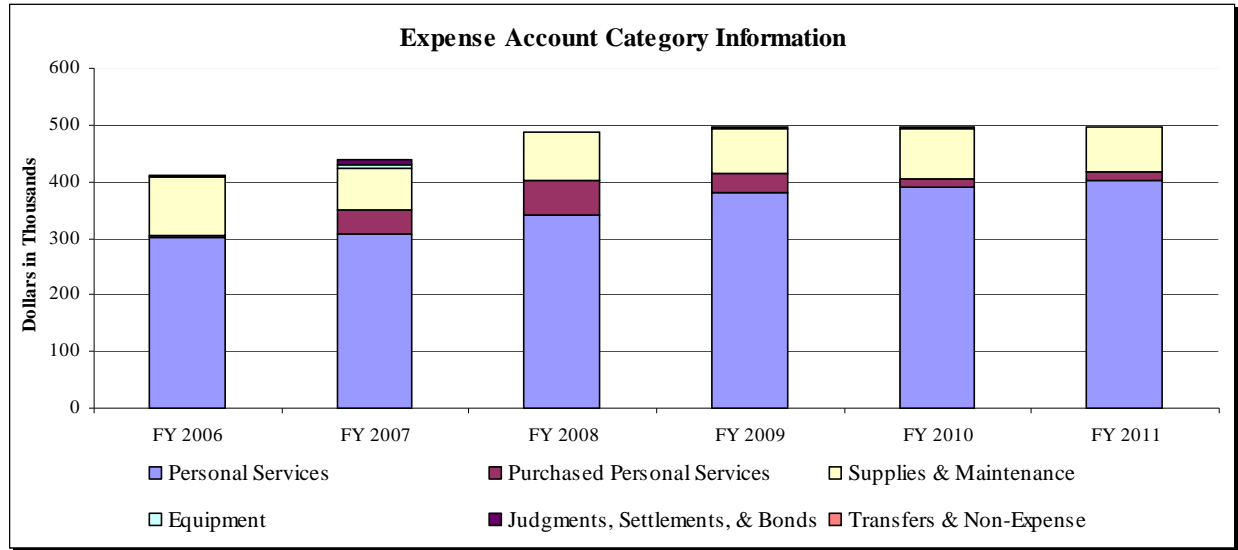
### Agency Priorities

- Meet all mission critical goals: license application review and expedient issuance, expedient license renewal, investigate complaints and adjudicate violations, monitor continuing education attainment, and perform required inspections on time.
- Maintain accurate and up-to-date information on the licensing requirements for respiratory therapists and home medical equipment facility licensure.
- Create opportunities to improve licensing efficiency: increase usage of electronic renewal of licenses to 50 percent of renew eligible licenses by 2008.
- Enhance licensing efficiency for home medical equipment facilities: create a strategic plan to reduce unnecessary requirements, eliminate unneeded paperwork, streamline licensing processes, and identify future board initiatives to improve the regulation of home medical equipment services.
- Post meeting notices, agendas, and meeting minutes on the board's website.
- Establish annual management goals and regularly review achievement of these objectives.
- Work with other state agencies to identify opportunities to improve patient care delivered by respiratory care therapists and home medical equipment facilities.

### Summary of Budget History and Recommendations







| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 303        | 309        | 341        | 382              | 12.1       | 390                     | 2.0        | 401        | 2.8        |
| Purchased Personal Services                   | 2          | 41         | 61         | 31               | -48.9      | 14                      | -55.1      | 15         | 7.5        |
| Supplies & Maintenance                        | 103        | 74         | 84         | 81               | -4.1       | 90                      | 11.1       | 80         | -11.1      |
| Equipment                                     | 3          | 4          | 1          | 0                | -100.0     | 2                       | 100.0      | 0          | -100.0     |
| Judgments, Settlements, & Bonds               | 1          | 11         | 0          | 2                | 100.0      | 0                       | -100.0     | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 1          | 0                | -100.0     | 0                       | 0.0        | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>410</b> | <b>440</b> | <b>488</b> | <b>496</b>       | <b>1.5</b> | <b>496</b>              | <b>0.0</b> | <b>496</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series ensures the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes the regulation and licensure activities of the respiratory care profession including issuance and renewal of licenses and permits, monitoring of continuing education requirements, and investigation of complaints filed with the board.

#### The Executive Recommendation will fund the following objectives:

- Support licensing and renewal of approximately 6,500 respiratory care professionals and 394 limited permit holders;
- Support investigation of complaints received and enforcement of board adjudication orders;
- Support the monitoring of continuing education compliance of the licensees; and
- Allow the board to develop web-based application processes for all license types.

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State of Ohio  
**Ohio Respiratory Care Board**

| FUND              |      |        |           | RECOMMENDED |         |
|-------------------|------|--------|-----------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME  | FY 2010     | FY 2011 |
| GSF               | 4K90 | 872609 | Operating | 361,835     | 355,710 |
| TOTAL FOR PROGRAM |      |        |           | 361,835     | 355,710 |

**Program 01.02: Home Medical Equipment Regulation**

This program includes the regulation and licensure activities of the home medical equipment (HME) companies in Ohio including the issuance and renewal of licenses and registration, monitoring continuing education requirements, investigating complaints, and inspecting HME facilities.

**The Executive Recommendation will fund the following objectives:**

- Support the issuance and renewal of over 217 HME licenses and over 350 HME Certificates of Registration to companies selling, renting, or maintaining home medical equipment to Ohio citizens;
- Complete the inspection of approximately 80 licensed home medical equipment facilities out of the 217 total licensed facilities;
- Support investigation and enforcement activities pertaining to HME facilities;
- Allow strategic planning to increase licensing efficiency for home medical equipment facilities; and
- Allow the board to develop web-based application processes for all license types.

| FUND              |      |        |           | RECOMMENDED |         |
|-------------------|------|--------|-----------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME  | FY 2010     | FY 2011 |
| GSF               | 4K90 | 872609 | Operating | 131,854     | 139,979 |
| TOTAL FOR PROGRAM |      |        |           | 131,854     | 139,979 |

**LINE ITEM SUMMARY - Ohio Respiratory Care Board**

| FUND                                     | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 4K90                                     | 872609 | Operating | 409,938           | 439,841           | 488,142           | 495,689             | 495,689                | 0.0         | 495,689                | 0.0         |
| <b>TOTAL General Services</b>            |        |           | <b>409,938</b>    | <b>439,841</b>    | <b>488,142</b>    | <b>495,689</b>      | <b>495,689</b>         | <b>0.0</b>  | <b>495,689</b>         | <b>0.0</b>  |
| <b>TOTAL Ohio Respiratory Care Board</b> |        |           | <b>409,938</b>    | <b>439,841</b>    | <b>488,142</b>    | <b>495,689</b>      | <b>495,689</b>         | <b>0.0</b>  | <b>495,689</b>         | <b>0.0</b>  |

### **Role and Overview**

Revenue Distribution Funds are funds used by the state to collect and distribute moneys to local governments and organizations, school districts, libraries, transit authorities, other state funds, and other states, pursuant to law.

Although each of the 20 revenue distribution funds is administered by a state agency, the funds are not shown in the Executive Budget as part of the administering agencies' budgets. These moneys are not spent by state agencies on state operations, but are distributed by the administering agencies as specified in state law. The funds are shown together, here, in order to highlight the role they play in this redistribution function of state government. Most of the moneys are distributed to local units of government, including counties, libraries, school districts, and transit authorities.

As the following Item Summary table shows, the funds are broken into four fund groups: Revenue Distribution Funds, Agency Funds, Holding Account Redistribution Funds, and Volunteer Firemen's Dependents Fund. The two largest fund groups are Revenue Distribution Funds and Agency Funds.

### **Agency Fund Group**

Agency Funds account for revenues collected and held by the state as custodian or agent. Ultimately, the money is distributed to local units of government where the revenues originated or to other state funds. The largest of these funds is Fund 7063, the Permissive Tax Distribution Fund. Counties and transit authorities are authorized to levy the permissive sales and use tax in addition to the state sales and use tax for certain purposes. As of January 2009, all counties levied the permissive sales tax and seven counties levied a sales tax for transit purposes. The counties are also granted authority to enact permissive taxes on alcoholic beverages and on cigarettes for designated purposes. The Permissive Tax Distribution Fund holds county and transit authority permissive tax collections prior to their distribution to local authorities of origin.

Fund 7067, the School District Income Tax Fund, holds school district income tax collections until they are distributed to the districts of origin. According to the Department of Taxation, for tax year 2007 there were 164 school districts levying a school district income tax. Fund 6080, the Investment Earnings Fund, is used to receive investment earnings from the State Treasurer's investment pool and distribute them to the appropriate state funds, including the General Revenue Fund.

### **Revenue Distribution Fund Group and Reform of the Local Government Funds**

Revenue Distribution Funds receive the shares of taxes and fees to be distributed to local units of government, other state funds, or other organizations. Funds 7065 and 7069 are historic examples of these funds. These two funds have distributed to local units of government and libraries about \$1.2 billion annually from the shares of the state's major tax sources as specified in law.

The Local Government Fund (Fund 7069) took form when the state sales tax was established in 1935. Under current law adopted in House Bill 119 of the 127<sup>th</sup> General Assembly the fund receives 3.68 percent of total GRF tax receipts. These moneys are distributed by the Department of Taxation to counties and municipalities based on a statutory formula. The amounts received by each county are then distributed by the county based on an agreement among the local units of government within the county.

The Public Library Fund (Fund 7065) was enacted by House Bill 291 of the 115<sup>th</sup> General Assembly to replace the locally collected intangible property tax, which was repealed in calendar year 1986. Under current law, the fund receives 2.22 percent of total GRF tax receipts. These moneys are distributed by the Department of Taxation to counties based on a statutory formula. The counties oversee the distribution of the moneys to libraries and municipalities within each county.

The Local Government Property Tax Replacement Fund (Fund 7054) was created by Amended Substitute Senate Bill 3 of the 123<sup>rd</sup> General Assembly. The fund receives 11.6 percent of the Kilowatt Hour Tax and 31.3 percent of

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**Revenue Distribution Funds**

the Natural Gas Consumption Tax. The moneys are distributed by the Department of Taxation to local authorities to compensate for their revenue losses due to reduced tax assessment rates for gas and electric utility properties. The Local Government Tangible Personal Property Tax Replacement Fund (fund 7081) was created per Amended Substitute House Bill 66 of the 126<sup>th</sup> General Assembly. In fiscal years 2010-2011, this fund will receive 30 percent of the Commercial Activity Tax. The moneys are then distributed to local governments to compensate for their tax revenue losses due to the phase-out of the tangible personal property tax. After such distributions are made, the director of the Office of Budget and Management is authorized to transfer the balance of this fund to the General Revenue Fund in the end of the fiscal year.

Funds 7051, 7060, and 7068 distribute moneys every month to counties, municipal corporations, townships, other districts, or other funds, for construction and maintenance of public highways and roads, and for other related activities. The Auto Registration Distribution Fund (Fund 7051) collects revenues from the motor vehicle license tax. Both the Gasoline Excise Tax Fund (Fund 7060) and the State/Local Government Highway Distribution Fund (Fund 7068) receive some portion of the levies in the motor vehicle fuel tax.

The Ohio Registrar of Motor Vehicles is a member in a reciprocal registration agreement known as the International Registration Plan (IRP). The International Registration Plan Distribution Fund collects the IRP registration fees based on gross vehicle weight and motor fuel surcharge for vehicles subject to IRP. The moneys in the fund are distributed to the other member states of the IRP, the Highway Obligation Bond Retirement Fund, and to local governments.

**Holding Account Redistribution Fund Group**

The International Fuel Tax Distribution Fund holds motor vehicle fuel use tax payments until they are distributed to other funds in Ohio and to other jurisdictions. The federal government requires all states to join the International Fuel Tax Agreement or the states lose the right to levy a motor vehicle fuel use tax. According to the agreement, trucking companies file the fuel use tax return in their home states and the home states then make payments to other jurisdictions and also collect tax owed from other jurisdictions.

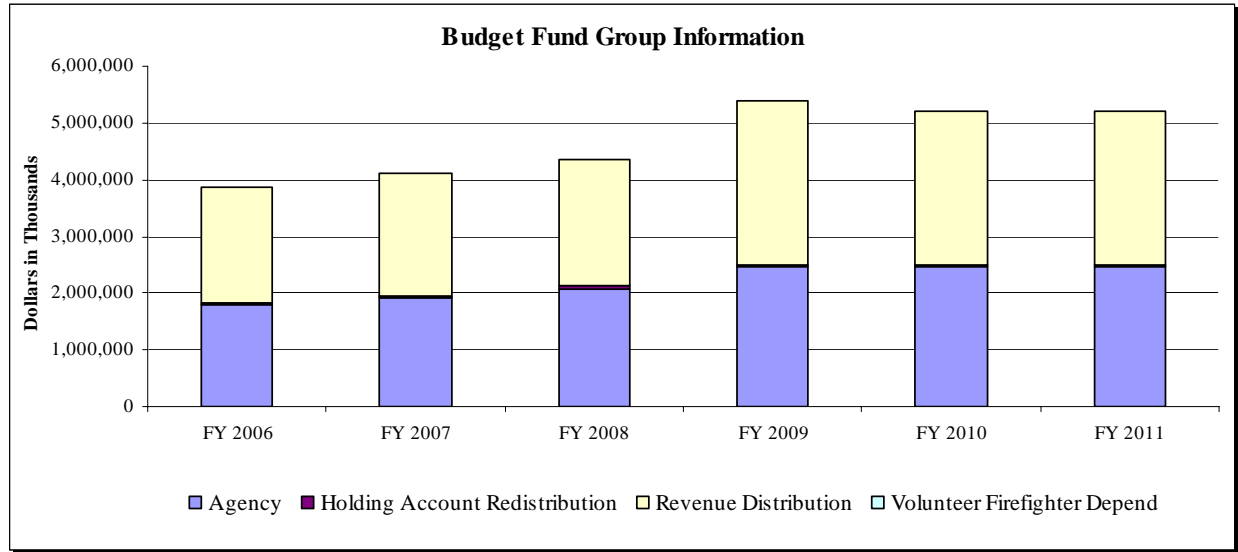
**Volunteer Firemen's Dependents Fund**

The fund collects premiums from each political subdivision or fire district that maintains a volunteer fire department. The revenues are used to pay benefits to disabled firefighters, the firefighter's surviving spouse, and dependent children.

**Executive Priorities for the Revenue Distribution Funds**

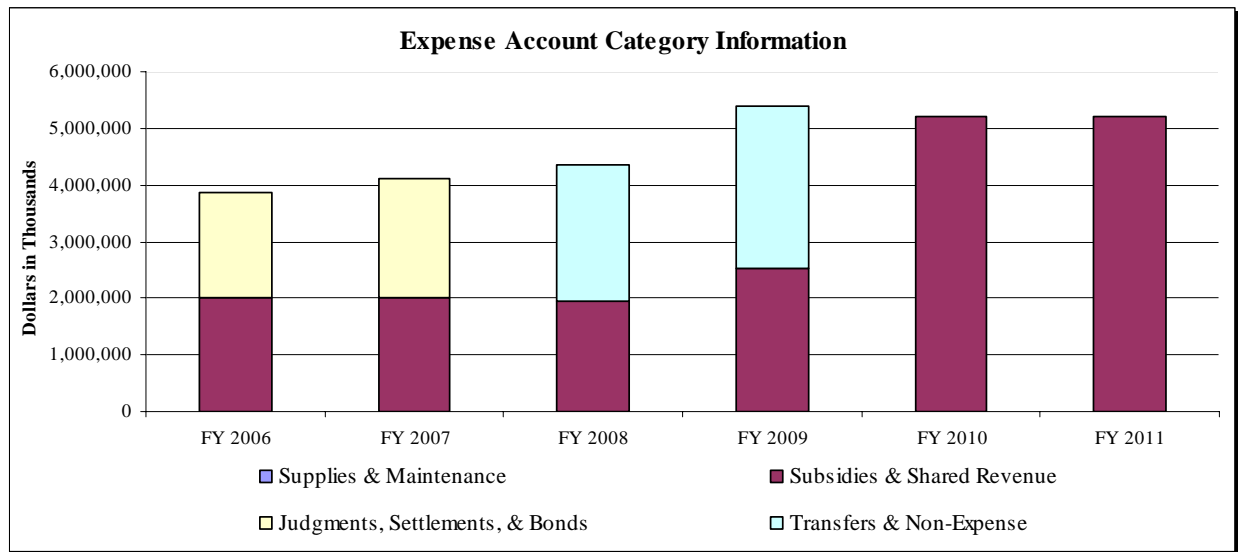
- Provide a dependable source of support for local governments and libraries by committing a set percentage of all tax revenues deposited into the General Revenue Fund.
- Collect and distribute moneys to local governments and organizations, school districts, libraries, transit authorities, other state funds, and other states.

**Summary of Budget History and Recommendations**



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL           |                  |                  | EST. % CHANGE    |             | RECOMMENDED % CHANGE |             |                  |            |
|-------------------------------------|------------------|------------------|------------------|------------------|-------------|----------------------|-------------|------------------|------------|
|                                     | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09    | FY 2010              | CHANGE      | FY 2011          | CHANGE     |
| Agency                              | 1,791,060        | 1,924,516        | 2,063,171        | 2,453,100        | 18.9        | 2,453,100            | 0.0         | 2,453,100        | 0.0        |
| Holding Account Redistribution      | 44,953           | 38,544           | 60,599           | 50,000           | -17.5       | 50,000               | 0.0         | 50,000           | 0.0        |
| Revenue Distribution                | 2,037,648        | 2,158,773        | 2,221,917        | 2,885,712        | 29.9        | 2,711,012            | -6.1        | 2,714,612        | 0.1        |
| Volunteer Firefighter Depend        | 256              | 240              | 236              | 300              | 27.2        | 300                  | 0.0         | 300              | 0.0        |
| <b>TOTAL</b>                        | <b>3,873,917</b> | <b>4,122,073</b> | <b>4,345,923</b> | <b>5,389,112</b> | <b>24.0</b> | <b>5,214,412</b>     | <b>-3.2</b> | <b>5,218,012</b> | <b>0.1</b> |

State of Ohio  
**Revenue Distribution Funds**



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category expenditures have been aggregated and reported as the Judgments, Settlements, & Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST.<br>FY 2009  | %<br>CHANGE<br>FY 08-09 | RECOMMENDED      |             |                  |             |
|---|------------------|------------------|------------------|------------------|-------------------------|------------------|-------------|------------------|-------------|
|   | FY 2006          | FY 2007          | FY 2008          |                  |                         | FY 2010          | %<br>CHANGE | FY 2011          | %<br>CHANGE |
| Supplies & Maintenance                        | 161              | 0                | 0                | 0                | 0.0                     | 0                | 0.0         | 0                | 0.0         |
| Subsidies & Shared Revenue                    | 2,017,105        | 2,004,671        | 1,958,555        | 2,519,212        | 28.6                    | 5,214,412        | 107.0       | 5,218,012        | 0.1         |
| Judgments, Settlements, & Bonds               | 1,856,651        | 2,117,402        | 27               | 0                | -100.0                  | 0                | 0.0         | 0                | 0.0         |
| Transfers & Non-Expense                       | 0                | 0                | 2,387,340        | 2,869,900        | 20.2                    | 0                | -100.0      | 0                | 0.0         |
| <b>TOTAL</b>                                  | <b>3,873,917</b> | <b>4,122,073</b> | <b>4,345,923</b> | <b>5,389,112</b> | <b>24.0</b>             | <b>5,214,412</b> | <b>-3.2</b> | <b>5,218,012</b> | <b>0.1</b>  |

### PROGRAM SERIES 01: Revenue Distribution

This program series provides for the collection and distribution of revenues to various entities.

#### Program 01.01: Revenue Distribution

This program provides for the collection and distribution of moneys to local governments and organizations, school districts, libraries, transit authorities, other state funds, and other states.

**State of Ohio**  
**Revenue Distribution Funds**

| FUND                     |      |        |   | RECOMMENDED          |                      |
|--------------------------|------|--------|---|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                      | FY 2010              | FY 2011              |
| 085                      | 7085 | 800985 | Volunteer Firemen's Dependents Fund           | 300,000              | 300,000              |
| 090                      | R045 | 110617 | International Fuel Tax Distribution           | 50,000,000           | 50,000,000           |
| AGY                      | 4P80 | 001698 | Cash Management Improvement Fund              | 3,100,000            | 3,100,000            |
| AGY                      | 6080 | 001699 | Investment Earnings                           | 250,000,000          | 250,000,000          |
| AGY                      | 7062 | 110962 | Resort Area Excise Tax                        | 1,000,000            | 1,000,000            |
| AGY                      | 7063 | 110963 | Permissive Tax Distribution                   | 1,849,000,000        | 1,849,000,000        |
| AGY                      | 7067 | 110967 | School District Income Tax                    | 350,000,000          | 350,000,000          |
| RDF                      | 7049 | 038900 | Indigent Drivers Alcohol Treatment            | 1,832,000            | 1,832,000            |
| RDF                      | 7051 | 762901 | Auto Registration Distribution                | 539,000,000          | 539,000,000          |
| RDF                      | 7054 | 110954 | Local Government Property Tax Replacement     | 95,125,000           | 95,125,000           |
| RDF                      | 7060 | 110960 | Gasoline Excise Tax                           | 375,000,000          | 375,000,000          |
| RDF                      | 7065 | 110965 | Public Library                                | 401,100,000          | 402,400,000          |
| RDF                      | 7066 | 800966 | Undivided Liquor Permits                      | 13,500,000           | 13,500,000           |
| RDF                      | 7068 | 110968 | State/local Government Highway Distribution   | 242,500,000          | 242,500,000          |
| RDF                      | 7069 | 110969 | Local Government                              | 673,700,000          | 676,000,000          |
| RDF                      | 7081 | 110981 | Local Government Property Tax Replacement-Bus | 366,800,000          | 366,800,000          |
| RDF                      | 7082 | 110982 | Horse Racing Tax                              | 130,000              | 130,000              |
| RDF                      | 7083 | 700900 | Ohio Fairs Fund                               | 2,325,000            | 2,325,000            |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>5,214,412,000</b> | <b>5,218,012,000</b> |



**State of Ohio**  
**Revenue Distribution Funds**

**LINE ITEM SUMMARY - Revenue Distribution Funds**

| FUND  | ALI    | ALI NAME                                    | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|---|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| 7049  | 038900 | Indigent Drivers Alcohol Treatment          | 1,545,064            | 1,960,783            | 1,971,448            | 1,832,000            | 1,832,000              | 0.0         | 1,832,000              | 0.0         |
| 7051  | 762901 | Auto Registration Distribution              | 475,303,468          | 473,297,959          | 471,069,158          | 539,000,000          | 539,000,000            | 0.0         | 539,000,000            | 0.0         |
| 7054  | 110954 | Local Government Property Tax Replacement   | 90,540,118           | 81,618,501           | 79,850,911           | 95,125,000           | 95,125,000             | 0.0         | 95,125,000             | 0.0         |
| 7060  | 110960 | Gasoline Excise Tax                         | 0                    | 0                    | 0                    | 375,000,000          | 375,000,000            | 0.0         | 375,000,000            | 0.0         |
| 7065  | 110965 | Public Library                              | 457,970,324          | 457,970,324          | 449,588,702          | 464,500,000          | 401,100,000            | -13.6       | 402,400,000            | 0.3         |
| 7066  | 800966 | Undivided Liquor Permits                    | 13,813,621           | 14,124,049           | 14,071,868           | 13,500,000           | 13,500,000             | 0.0         | 13,500,000             | 0.0         |
| 7068  | 110968 | State/Local Government Highway Distribution | 205,759,257          | 203,401,374          | 199,948,231          | 242,500,000          | 242,500,000            | 0.0         | 242,500,000            | 0.0         |
| 7069  | 110964 | Local Government Revenue Assistance         | 94,597,555           | 94,597,555           | 42,396,774           | 0                    | 0                      | .0          | 0                      | .0          |
| 7069  | 110969 | Local Government                            | 676,312,187          | 676,497,674          | 698,943,378          | 785,000,000          | 673,700,000            | -14.2       | 676,000,000            | 0.3         |
| 7081  | 110981 | Local Government Property Tax Replace-Bus   | 19,623,652           | 153,210,290          | 262,488,258          | 366,800,000          | 366,800,000            | 0.0         | 366,800,000            | 0.0         |
| 7082  | 110982 | Horse Racing Tax                            | 114,143              | 106,988              | 105,558              | 130,000              | 130,000                | 0.0         | 130,000                | 0.0         |
| 7083  | 700900 | Ohio Fairs Fund                             | 2,068,917            | 1,987,207            | 1,482,462            | 2,325,000            | 2,325,000              | 0.0         | 2,325,000              | 0.0         |
| <b>TOTAL Revenue Distribution</b>           |        |   | <b>2,037,648,307</b> | <b>2,158,772,704</b> | <b>2,221,916,749</b> | <b>2,885,712,000</b> | <b>2,711,012,000</b>   | <b>-6.1</b> | <b>2,714,612,000</b>   | <b>0.1</b>  |
| 4P80  | 001698 | Cash Management Improvement Fund            | 0                    | 0                    | 0                    | 3,100,000            | 3,100,000              | 0.0         | 3,100,000              | 0.0         |
| 6080  | 001699 | Investment Earnings                         | 0                    | 0                    | 0                    | 250,000,000          | 250,000,000            | 0.0         | 250,000,000            | 0.0         |
| 7062  | 110962 | Resort Area Excise Tax                      | 633,948              | 798,662              | 748,348              | 1,000,000            | 1,000,000              | 0.0         | 1,000,000              | 0.0         |
| 7063  | 110963 | Permissive Tax Distribution                 | 1,588,009,559        | 1,682,380,507        | 1,754,915,170        | 1,849,000,000        | 1,849,000,000          | 0.0         | 1,849,000,000          | 0.0         |
| 7067  | 110967 | School District Income Tax                  | 202,416,785          | 241,336,734          | 307,507,948          | 350,000,000          | 350,000,000            | 0.0         | 350,000,000            | 0.0         |
| <b>TOTAL Agency</b>                         |        |   | <b>1,791,060,292</b> | <b>1,924,515,903</b> | <b>2,063,171,467</b> | <b>2,453,100,000</b> | <b>2,453,100,000</b>   | <b>0.0</b>  | <b>2,453,100,000</b>   | <b>0.0</b>  |
| R045  | 110617 | International Fuel Tax Distribution         | 44,952,537           | 38,543,611           | 60,598,630           | 50,000,000           | 50,000,000             | 0.0         | 50,000,000             | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |   | <b>44,952,537</b>    | <b>38,543,611</b>    | <b>60,598,630</b>    | <b>50,000,000</b>    | <b>50,000,000</b>      | <b>0.0</b>  | <b>50,000,000</b>      | <b>0.0</b>  |
| 7085  | 800985 | Volunteer Firemen's Dependents Fund         | 256,050              | 240,475              | 235,825              | 300,000              | 300,000                | 0.0         | 300,000                | 0.0         |
| <b>TOTAL Volunteer Firefighter Depend</b>   |        |   | <b>256,050</b>       | <b>240,475</b>       | <b>235,825</b>       | <b>300,000</b>       | <b>300,000</b>         | <b>0.0</b>  | <b>300,000</b>         | <b>0.0</b>  |
| <b>TOTAL Revenue Distribution Funds</b>     |        |   | <b>3,873,917,185</b> | <b>4,122,072,693</b> | <b>4,122,072,693</b> | <b>5,389,112,000</b> | <b>5,214,412,000</b>   | <b>-3.2</b> | <b>5,218,012,000</b>   | <b>0.1</b>  |

State of Ohio

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## State Board of Sanitarian Registration

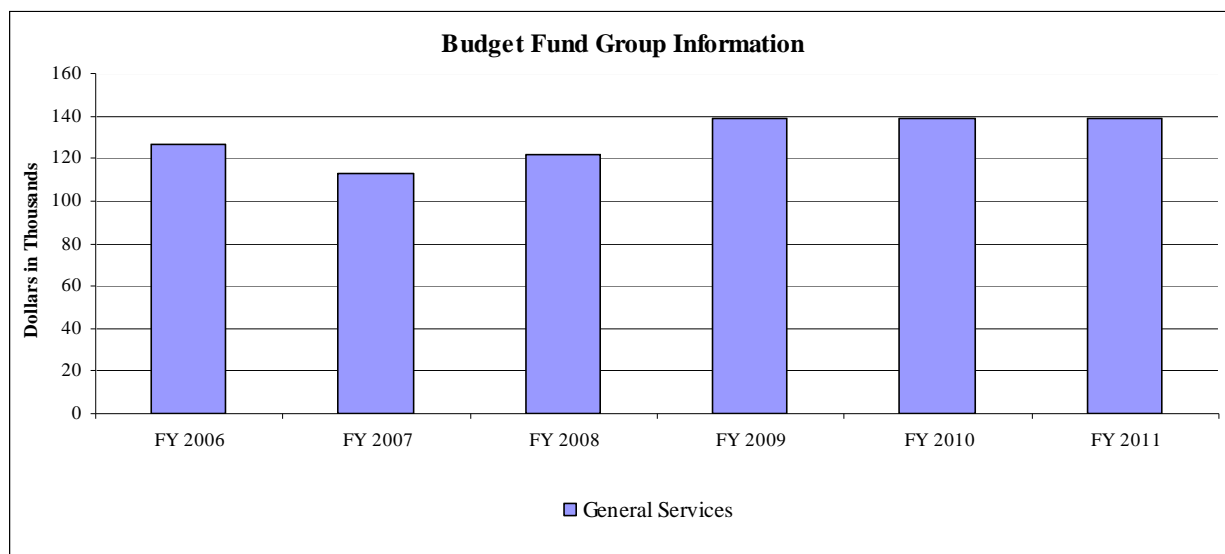
### Role and Overview

The Ohio State Board of Sanitarian Registration (SAN) was established in 1977 to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely protect public health in Ohio. The board then monitors those licensees to ensure compliance with the laws in the Ohio Revised Code. The board licenses approximately 1,300 registered sanitarians, 230 sanitarians-in-training, and 100 approved training agencies. Additional information regarding the Board of Sanitarian Registration is available at: <http://sanitarian.ohio.gov/>.

### Agency Priorities

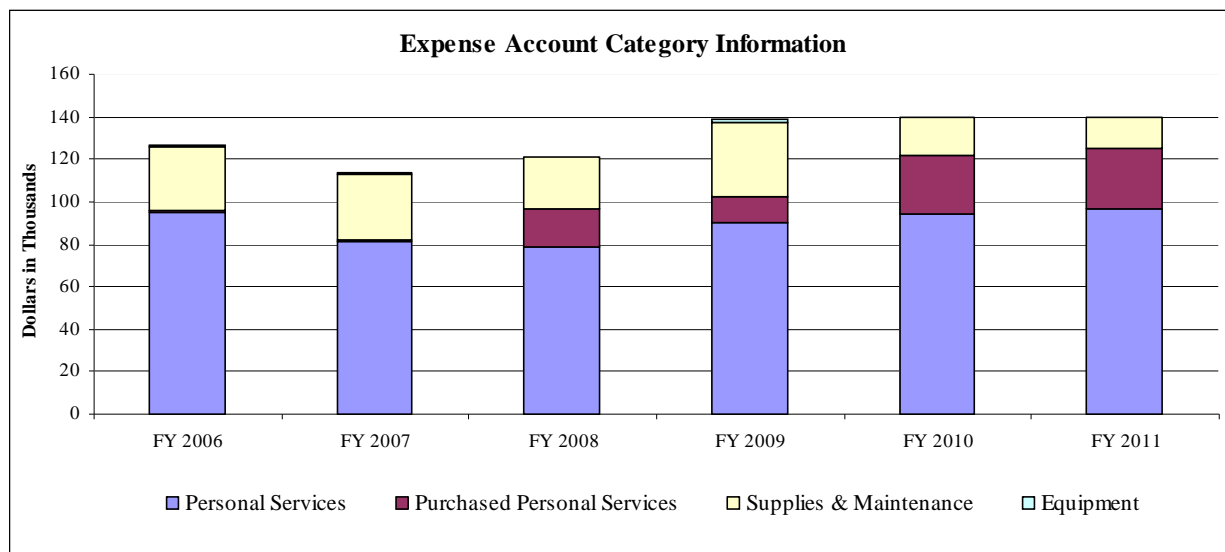
- Ensure the safe and educated practice of environmental health for the consumers of environmental health services.
- Monitor and regulate the training agencies approved by the board to ensure they are providing quality continuing education programs.
- Increase the public and registrants' awareness of the ability to use on-line technology to allow for increased and more effective communication with the board.
- Collaborate with other state agencies, boards, and commissions on common problems regarding the regulation of the practice of environmental health.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|---------------|-------------|----------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 127        | 113        | 122        | 139           | 14.0        | 139                  | 0.0        | 139        | 0.0        |
| <b>TOTAL</b>                        | <b>127</b> | <b>113</b> | <b>122</b> | <b>139</b>    | <b>14.0</b> | <b>139</b>           | <b>0.0</b> | <b>139</b> | <b>0.0</b> |

State of Ohio  
State Board of Sanitarian Registration



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |            |            |
|---|------------|------------|------------|---------------|-------------|----------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 95         | 81         | 79         | 90            | 13.0        | 94                   | 4.4        | 97         | 3.2        |
| Purchased Personal Services                   | 1          | 1          | 18         | 12            | -32.8       | 28                   | 129.2      | 28         | 0.0        |
| Supplies & Maintenance                        | 30         | 31         | 24         | 35            | 44.2        | 18                   | -49.9      | 15         | -17.1      |
| Equipment                                     | 1          | 1          | 0          | 2             | 1,279.3     | 0                    | -100.0     | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>127</b> | <b>113</b> | <b>122</b> | <b>139</b>    | <b>14.0</b> | <b>139</b>           | <b>0.0</b> | <b>139</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series ensures the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the Board of Sanitarian Registration including examination administration, monitoring of continuing education requirements, and investigation of complaints filed with the board.

#### The Executive Recommendation will fund the following objectives:

- Support the operation of the Sanitarian Registration Board;
- Allow the Sanitarian Registration Board to begin the development and implementation of online renewal, acceptance of credit card payments, and online applications for registration; and
- Regulate and renew approximately 1,500 registrants and 150 training agencies during the biennium.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 893609 | Operating | 138,551        | 138,551        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>138,551</b> | <b>138,551</b> |

**LINE ITEM SUMMARY - State Board of Sanitarian Registration**

| FUND   | ALI    | ALI NAME  | FY 2006 | FY 2007 | FY 2008 | FY 2009  | FY 2010     | %      | FY 2011     | %      |
|--|--------|-----------|---------|---------|---------|----------|-------------|--------|-------------|--------|
|  |        |           | ACTUAL  | ACTUAL  | ACTUAL  | ESTIMATE | RECOMMENDED | CHANGE | RECOMMENDED | CHANGE |
| 4K90   | 893609 | Operating | 127,367 | 112,929 | 121,539 | 138,551  | 138,551     | 0.0    | 138,551     | 0.0    |
| TOTAL General Services                       |        |           | 127,367 | 112,929 | 121,539 | 138,551  | 138,551     | 0.0    | 138,551     | 0.0    |
| TOTAL State Board of Sanitarian Registration |        |           | 127,367 | 112,929 | 121,539 | 138,551  | 138,551     | 0.0    | 138,551     | 0.0    |

### Role and Overview

The Ohio School Facilities Commission (OSFC) provides funding to public school districts as authorized by the General Assembly and oversees the construction and renovation of school facilities. Senate Bill 102 of the 122nd General Assembly created OSFC in May 1997 and transferred the School Building Assistance Program from the Ohio Department of Education to the commission. The commission consists of seven members, three of whom are voting members. The voting members are the Director of Administrative Services, the Superintendent of Public Instruction, and the Director of the Office of Budget and Management. The four non-voting members include two members from both the House and the Senate. The commission has 70 employees with an annual operating budget of \$9.0 million. Appropriations for school building construction are typically provided through the state capital bill process.

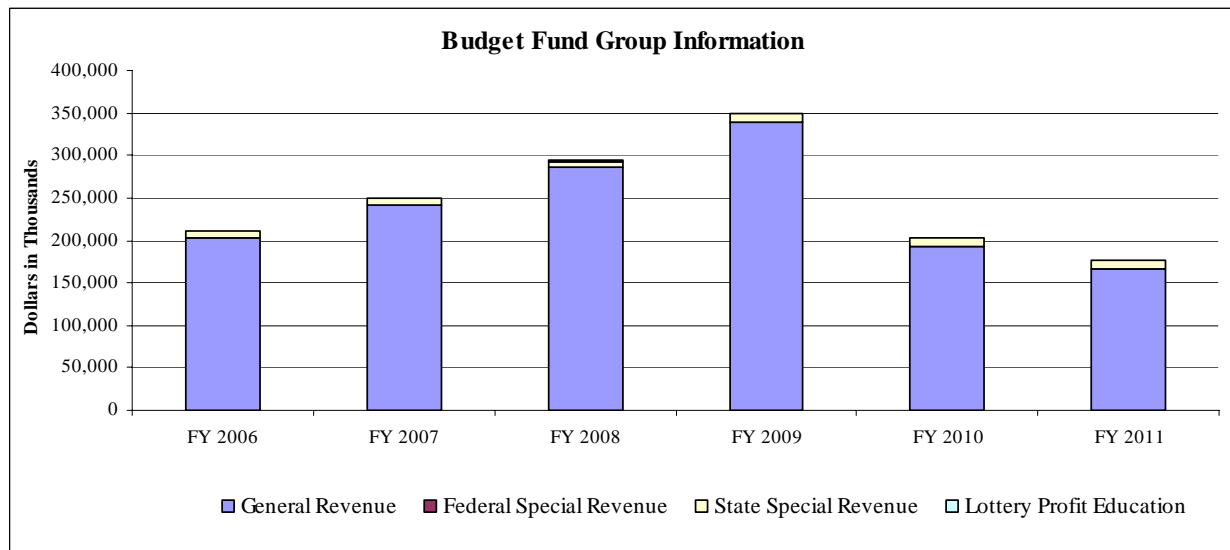
Through six main programs, OSFC manages planning, design, and construction for school facilities, and has received over \$10.2 billion in appropriations. Through December 2008, OSFC has opened 593 new or completely renovated buildings and has completed 149 district-wide fixes.

Additional information regarding the Ohio School Facilities Commission is available at <http://osfc.ohio.gov>.

### Agency Priorities

- Administer and oversee the construction and renovation of school buildings, as funded in the capital budget, to provide an appropriate learning environment for Ohio's school children.

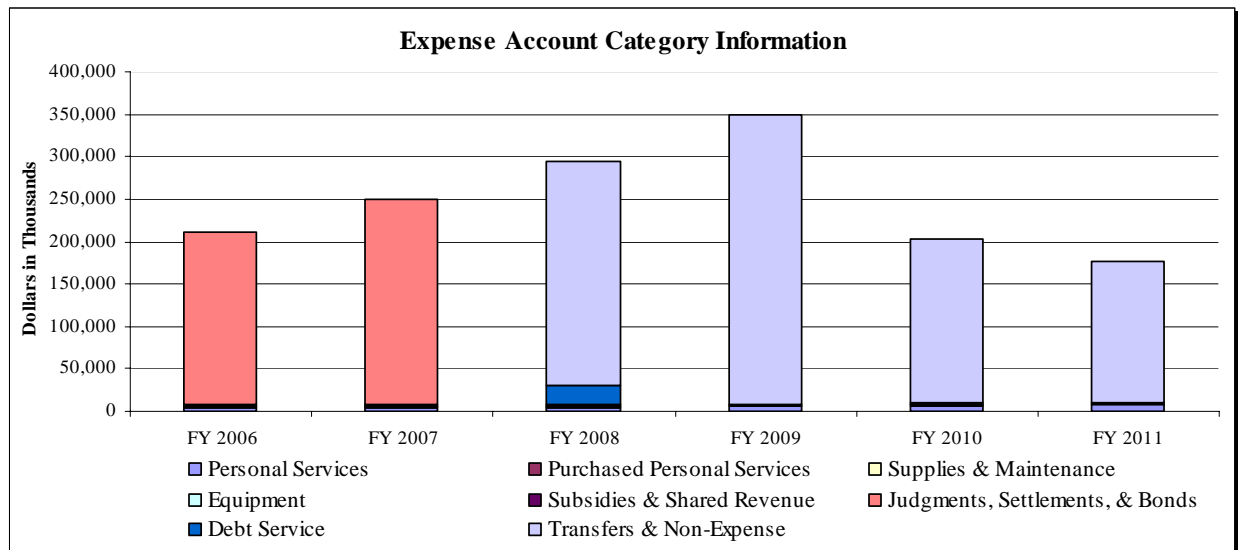
### Summary of Budget History and Recommendations



- The decrease in GRF funding in the fiscal year 2010-2011 biennium is due to a debt restructuring proposal (outlined in the Special Analysis section) designed to help provide funding for core state services and investments in a time of constrained resources.

State of Ohio  
**School Facilities Commission**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |                |              |
|-------------------------------------|----------------|----------------|----------------|------------------|-------------|-------------------------|--------------|----------------|--------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011        | CHANGE       |
| General Revenue                     | 203,140        | 241,850        | 285,773        | 339,648          | 18.9        | 192,559                 | -43.3        | 165,511        | -14.0        |
| Federal Special Revenue             | 890            | 762            | 0              | 0                | 0.0         | 0                       | 0.0          | 0              | 0.0          |
| State Special Revenue               | 6,458          | 7,349          | 7,373          | 8,970            | 21.7        | 9,885                   | 10.2         | 10,132         | 2.5          |
| Lottery Profit Education            | 0              | 150            | 850            | 0                | -100.0      | 0                       | 0.0          | 0              | 0.0          |
| <b>TOTAL</b>                        | <b>210,488</b> | <b>250,111</b> | <b>293,996</b> | <b>348,618</b>   | <b>18.6</b> | <b>202,445</b>          | <b>-41.9</b> | <b>175,643</b> | <b>-13.2</b> |



- The decrease in transfers for debt service payments in the fiscal year 2010-2011 biennium is due to a debt restructuring proposal (outlined in the Special Analysis section) designed to help provide funding for core state services and investments in a time of constrained resources.
- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |                |              |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|--------------|----------------|--------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011        | CHANGE       |
| Personal Services                             | 4,375          | 4,862          | 4,928          | 6,167            | 25.1        | 6,925                   | 12.3         | 7,164          | 3.4          |
| Purchased Personal Services                   | 1,106          | 1,078          | 1,371          | 1,297            | -5.5        | 1,323                   | 2.0          | 1,349          | 2.0          |
| Supplies & Maintenance                        | 875            | 1,049          | 854            | 1,299            | 52.0        | 1,228                   | -5.4         | 1,253          | 2.0          |
| Equipment                                     | 121            | 369            | 219            | 207              | -5.4        | 410                     | 97.4         | 366            | -10.6        |
| Subsidies & Shared Revenue                    | 871            | 752            | 0              | 0                | 0.0         | 0                       | 0.0          | 0              | 0.0          |
| Judgments, Settlements, & Bonds               | 203,140        | 242,000        | 0              | 0                | 0.0         | 0                       | 0.0          | 0              | 0.0          |
| Debt Service                                  | 0              | 0              | 22,693         | 0                | -100.0      | 0                       | 0.0          | 0              | 0.0          |
| Transfers & Non-Expense                       | 0              | 0              | 263,930        | 339,648          | 28.7        | 192,559                 | -43.3        | 165,511        | -14.0        |
| <b>TOTAL</b>                                  | <b>210,488</b> | <b>250,111</b> | <b>293,996</b> | <b>348,618</b>   | <b>18.6</b> | <b>202,445</b>          | <b>-41.9</b> | <b>175,643</b> | <b>-13.2</b> |

**PROGRAM SERIES 01: School Facilities Construction**

This program series is comprised of programs that provide school facilities construction assistance to public school districts, joint vocational school districts, and qualifying community schools throughout the State of Ohio. Appropriations for the planning and construction of these facilities are funded primarily through the capital and tobacco bills. Currently, the commission is managing projects funded through the securitization of tobacco payments, which yielded \$4.1 billion in October 2007. The operating budget provides for the proper administration of these programs and debt service payments.

**Program 01.01: Classroom Facilities Assistance**

The Classroom Facilities Assistance Program (CFAP) is the most comprehensive program OSFC administers. Under CFAP, OSFC evaluates the facility needs of an entire school district and then provides the state share of funding for necessary construction and renovation. The OSFC also provides standard contracting and design guidance and managerial oversight during the design and construction phases of the projects. School district eligibility to participate in CFAP is based on their placement on the Ohio Department of Education's Eligibility Ranking List. CFAP also includes the six districts participating in the Accelerated Urban Initiative (Akron, Cincinnati, Cleveland, Columbus, Dayton, and Toledo). There are 205 projects underway for this program in fiscal year 2009, including 97 completed by December 2008. The number of projects will likely rise to 240 and to 275 in fiscal years 2010 and 2011, respectively. From the inception of CFAP through December 2008, 149 school districts have been completed.

**The Executive Recommendation will fund the following objectives:**

- Pay interest and principal for bonds issued to finance Classroom Facilities Assistance Program projects.

| FUND                     |      |        |                                   | RECOMMENDED        |                    |
|--------------------------|------|--------|-----------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010            | FY 2011            |
| GRF                      | GRF  | 230908 | Common Schools/General Obligation | 167,737,701        | 144,175,666        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>167,737,701</b> | <b>144,175,666</b> |

**Program 01.02: Exceptional Needs**

The Exceptional Needs Program (ENP) is designed to address the health and safety needs of districts that are below the median per pupil property wealth. Unlike the eligibility determination and the district-wide renovation of CFAP, districts receiving ENP funding have submitted an application for the renovation or replacement of specific buildings. Applications are rank ordered based on the severity of the problem. There were nine new buildings approved in the ENP program in fiscal year 2009. From the inception of ENP through December 2008, 47 school buildings have been funded.

**The Executive Recommendation will fund the following objectives:**

- Pay interest and principal for bonds issued to finance Exceptional Needs Program projects.

| FUND                     |      |        |                                   | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010           | FY 2011           |
| GRF                      | GRF  | 230908 | Common Schools/General Obligation | 15,516,392        | 13,336,811        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>15,516,392</b> | <b>13,336,811</b> |

**Program 01.03: Expedited Local Partnership**

The Expedited Local Partnership Program (ELPP) is designed to give districts not yet eligible to participate in CFAP the opportunity to move ahead with portions of their project. After a district applies for the ELPP, OSFC performs an assessment of the district's facilities and enters into an agreement with the district on a Facility Master Plan that covers the entire needs of the district. The district then chooses a "discrete portion" of its Master Plan to fund

through local efforts. When the district later becomes eligible for CFAP, the money spent by the district will be credited toward the overall CFAP project. While school districts receive no state money under ELPP, OSFC still must assess, plan, provide approval, and monitor construction. Through December 2008, 96 buildings were opened under ELPP. The number of projects will likely decrease as more districts become eligible through other OSFC programs.

**The Executive Recommendation will fund the following objectives:**

- Support for this program is provided through the capital budget.

**Program 01.04: Vocational Facilities Assistance**

The Vocational Facilities Assistance Program is designed to provide funding and technical assistance to ensure quality classroom and career-technical facilities to all students attending Ohio's 49 joint vocational school districts (JVSD). As with CFAP, OSFC evaluates the facility needs of an entire JVSD and then provides the state share of funding for necessary construction and renovation. The OSFC also provides standard contracting and design guidance, and managerial oversight during the design and construction phases of the projects. There were two JVSDs offered assistance under this program in fiscal year 2009, a number that is expected to increase somewhat in fiscal years 2010 and 2011.

**The Executive Recommendation will fund the following objectives:**

- Pay interest and principal for bonds issued to finance Vocational Facilities Assistance Program projects.

| FUND                     |      |        |                                   | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010          | FY 2011          |
| GRF                      | GRF  | 230908 | Common Schools/General Obligation | 2,737,228        | 2,352,731        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>2,737,228</b> | <b>2,352,731</b> |

**Program 01.05: Energy Conservation**

This program gives school districts an opportunity to make energy efficient improvements to their buildings and use the cost savings to pay for those improvements. As statutorily authorized, the Energy Conservation Program gives districts the ability to borrow funds, in this one limited instance, without having to pass a ballot issue for the authority to borrow. That limited borrowing authority has given districts the ability to save millions in utility bills and operating costs. The cost of the improvements may not exceed the savings in energy, operation, and maintenance costs. The OSFC approves the projects following an analysis and review of a district's application, but is not involved in the actual financing, design, or construction.

**The Executive Recommendation will fund the following objectives:**

- The Energy Conservation Program gives districts the ability to borrow funds without having to pass a ballot issue for the authority to borrow. The OSFC does not provide any state funding for Energy Conservation Program projects.

**Program 01.06: Community School Loan Guarantee**

This program offers facilities assistance to community schools in the form of a state guarantee on a loan, not to exceed \$1 million for up to 15 years, from a bank or lending firm to the community school. Fifteen guarantees have been executed, of which eight remain outstanding as of December 2008. The OSFC's specific charge is to review and approve the application for a loan guarantee.



**The Executive Recommendation will fund the following objectives:**

- There are no appropriations for the Community School Loan Guarantee Program because the state does not issue bonds for this program.

**Program 01.07: General School Facilities Assistance**

General School Facilities Assistance supports the continued administration necessary to provide an appropriate level of management and oversight for school construction projects.

**The Executive Recommendation will fund the following objectives:**

- Support 77 staff positions to provide the management and oversight required to ensure accountability for the various school facilities programs; support project planning, budgeting, and review for compliance with the Ohio School Design Manual; and provide project administration, including tracking, approval, and assistance at every phase of the project through building design, construction, and final closeout;
- Maintain purchased personal services, primarily for information technology systems, design manual updates, auditing and LEED (Leadership in Energy and Environmental Design) for Schools technical support;
- Replace computer equipment for aging technology systems, and maintain and upgrade equipment as necessary to support both on-going and future construction projects; and
- Pay interest and principal for debt incurred for the “Big 8” and Emergency Repair programs. These are programs that largely have been closed out and are not scheduled for additional appropriations.

| FUND              |      |        |                                   | RECOMMENDED |            |
|-------------------|------|--------|-----------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                          | FY 2010     | FY 2011    |
| GRF               | GRF  | 230908 | Common Schools/General Obligation | 6,567,879   | 5,645,292  |
| SSR               | 5E30 | 230644 | Operating Expenses                | 9,885,436   | 10,132,034 |
| TOTAL FOR PROGRAM |      |        |                                   | 16,453,315  | 15,777,326 |

**Program 01.08: Blind and Deaf Schools**

This program provides for the planning, design, and construction of new facilities for The Ohio School for the Deaf and The Ohio State School for the Blind on their Columbus campuses.

**The Executive Recommendation will fund the following objectives:**

- Support for this program is provided through the capital budget.

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

230908, Common Schools/General Obligation Debt Service: Funding reductions for this line item result from the Debt Restructuring proposal detailed in the Special Analysis section of this Executive Budget. The approximately \$400 million combined reduction in fiscal years 2010 and 2011 for debt service line items for higher education, common schools, and infrastructure bonds, will help to provide funding for core state services and investments in a time of constrained resources.

State of Ohio  
School Facilities Commission

**LINE ITEM SUMMARY - School Facilities Commission**

| FUND                                      | ALI    | ALI NAME                               | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|---|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|--------------|
| GRF                                       | 230428 | Lease Rental Payments                  | 31,684,689         | 31,286,432         | 22,692,653         | 0                   | 0                      | .0           | 0                      | .0           |
| GRF                                       | 230908 | Common Schools/General Obligation Debt | 171,455,309        | 210,563,506        | 263,080,401        | 339,648,300         | 192,559,200            | -43.3        | 165,510,500            | -14.0        |
| <b>TOTAL General Revenue</b>              |        |  | <b>203,139,998</b> | <b>241,849,938</b> | <b>285,773,054</b> | <b>339,648,300</b>  | <b>192,559,200</b>     | <b>-43.3</b> | <b>165,510,500</b>     | <b>-14.0</b> |
| 3X90                                      | 230601 | Federal School Facilities Grant        | 889,532            | 761,942            | 0                  | 0                   | 0                      | .0           | 0                      | .0           |
| <b>TOTAL Federal Special Revenue</b>      |        |  | <b>889,532</b>     | <b>761,942</b>     | <b>0</b>           | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>    |
| 5E30                                      | 230644 | Operating Expenses                     | 6,458,322          | 7,348,635          | 7,373,078          | 8,969,942           | 9,885,436              | 10.2         | 10,132,034             | 2.5          |
| <b>TOTAL State Special Revenue</b>        |        |  | <b>6,458,322</b>   | <b>7,348,635</b>   | <b>7,373,078</b>   | <b>8,969,942</b>    | <b>9,885,436</b>       | <b>10.2</b>  | <b>10,132,034</b>      | <b>2.5</b>   |
| 7020                                      | 230620 | Career-Tech School Building Assistance | 0                  | 150,000            | 850,000            | 0                   | 0                      | .0           | 0                      | .0           |
| <b>TOTAL Lottery Profit Education</b>     |        |  | <b>0</b>           | <b>150,000</b>     | <b>850,000</b>     | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>    |
| <b>TOTAL School Facilities Commission</b> |        |  | <b>210,487,852</b> | <b>250,110,516</b> | <b>293,996,132</b> | <b>348,618,242</b>  | <b>202,444,636</b>     | <b>-41.9</b> | <b>175,642,534</b>     | <b>-13.2</b> |

### **Role and Overview**

The Secretary of State (SOS), as Ohio's chief election officer, oversees the elections process (the primary responsibility of the office), safeguards corporate identities, maintains public records for the state, ensures fair and accurate elections, and educates voters.

The Secretary of State is a constitutional officer elected to a maximum of two four-year terms. The office has 12 divisions, approximately 200 employees, and an annual budget of approximately \$22 million.

The Secretary of State prepares rules and instructions for conducting elections, prescribes forms for voter registration, petitions and ballots, approves ballot language, investigates elections irregularities, and appoints county elections board members. Along with these services the office implements many voter registration and education programs.

The SOS also maintains records of executive orders issued by the Governor, all agency administrative rules and regulations, municipal charters and all laws and resolutions passed by the General Assembly. The office also publishes certain documents such as election statistics, the official roster of federal, state and county officers and the official roster of township and municipal officers among other documents.

The SOS files all nonresident alien land registrations, collects and distributes census information, maintains various other indexes and records, issues ministers' licenses, notary public commissions and special police commissions, reviews and reports candidate campaign finance reports, reports elections statistics and voter registrations, and grants apostilles as authentication of Ohio documents sent overseas.

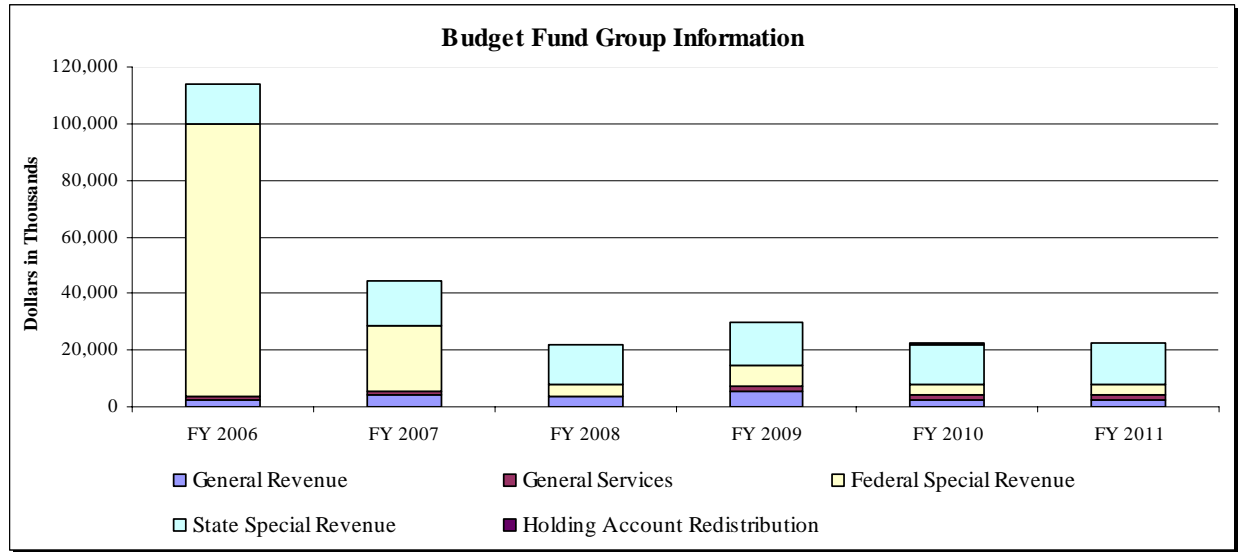
In addition, the SOS incorporates Ohio businesses and nonprofit organizations, registers business names, registers company trademarks and service marks, files secured commercial transactions, grants business licenses to foreign corporations doing business in Ohio, provides certificates of good standing, and receives limited liability and limited liability partnership filings.

More information regarding the Secretary of State is available at <http://www.sos.state.oh.us/>.

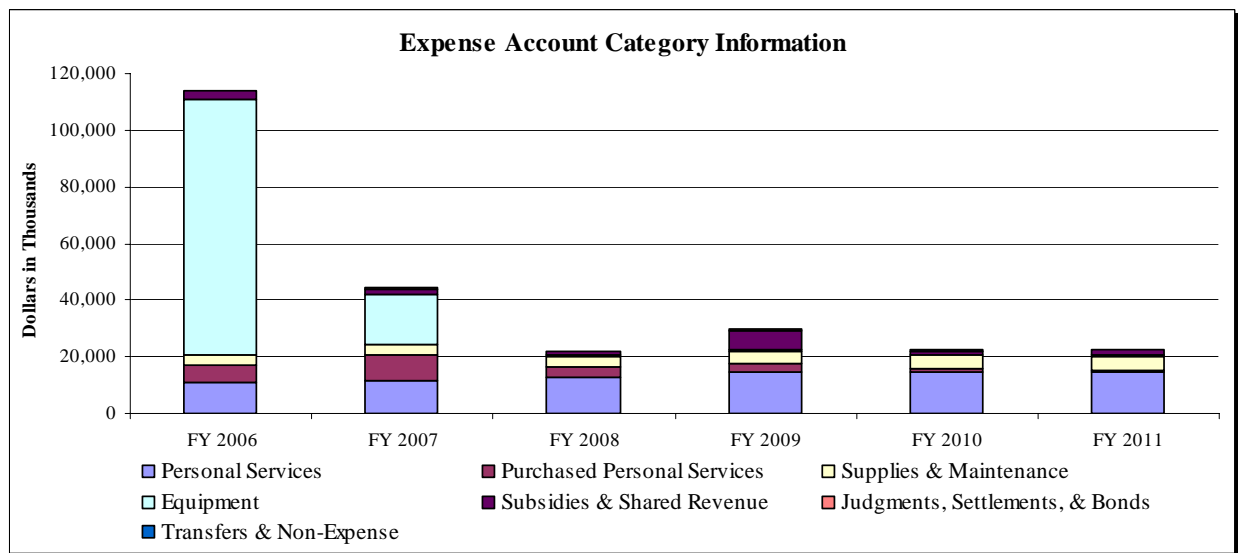
### **Agency Priorities**

- Restore and ensure trust in Ohio elections.
- Ensure business filings are quick, efficient, and easy to retrieve.
- Protect social security numbers from public access.
- Implement "Better Lives, Better Ohio," a quality of life index.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |               |               | EST. % CHANGE |             | RECOMMENDED % CHANGE |              |               |            |
|-------------------------------------|----------------|---------------|---------------|---------------|-------------|----------------------|--------------|---------------|------------|
|                                     | FY 2006        | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010              | CHANGE       | FY 2011       | CHANGE     |
| General Revenue                     | 2,714          | 4,295         | 3,410         | 5,282         | 54.9        | 2,541                | -51.9        | 2,541         | 0.0        |
| General Services                    | 1,011          | 914           | 513           | 2,173         | 323.5       | 1,603                | -26.2        | 1,578         | -1.6       |
| Federal Special Revenue             | 96,447         | 23,197        | 4,086         | 7,288         | 78.4        | 3,800                | -47.9        | 3,800         | 0.0        |
| State Special Revenue               | 13,829         | 16,181        | 13,849        | 14,848        | 7.2         | 14,266               | -3.9         | 14,425        | 1.1        |
| Holding Account Redistribution      | 49             | 52            | 188           | 115           | -38.7       | 115                  | 0.0          | 115           | 0.0        |
| <b>TOTAL</b>                        | <b>114,049</b> | <b>44,639</b> | <b>22,046</b> | <b>29,707</b> | <b>34.8</b> | <b>22,325</b>        | <b>-24.9</b> | <b>22,459</b> | <b>0.6</b> |



**State of Ohio**  
**Secretary of State**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |               |            |
|---|----------------|---------------|---------------|------------------|-------------|-------------------------|--------------|---------------|------------|
|   | FY 2006        | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011       | CHANGE     |
| Personal Services                             | 10,894         | 11,497        | 12,784        | 14,920           | 16.7        | 14,403                  | -3.5         | 14,577        | 1.2        |
| Purchased Personal Services                   | 6,218          | 9,064         | 3,521         | 2,604            | -26.0       | 1,165                   | -55.3        | 955           | -18.0      |
| Supplies & Maintenance                        | 3,414          | 3,553         | 3,611         | 4,464            | 23.6        | 4,952                   | 10.9         | 4,721         | -4.7       |
| Equipment                                     | 90,121         | 17,797        | 802           | 826              | 3.0         | 340                     | -58.8        | 740           | 117.6      |
| Subsidies & Shared Revenue                    | 3,324          | 2,195         | 1,140         | 6,452            | 465.8       | 1,350                   | -79.1        | 1,350         | 0.0        |
| Judgments, Settlements, & Bonds               | 78             | 533           | 0             | 326              | 100.0       | 0                       | -100.0       | 0             | 0.0        |
| Transfers & Non-Expense                       | 0              | 0             | 188           | 115              | -38.9       | 115                     | 0.0          | 115           | 0.0        |
| <b>TOTAL</b>                                  | <b>114,049</b> | <b>44,639</b> | <b>22,046</b> | <b>29,707</b>    | <b>34.8</b> | <b>22,325</b>           | <b>-24.9</b> | <b>22,459</b> | <b>0.6</b> |

### PROGRAM SERIES 01: Elections

As Ohio's chief election officer, the Secretary of State oversees the elections process and appoints the members of boards of elections in each of Ohio's 88 counties. The Secretary of State supervises the administration of election laws; approves ballot language; reviews statewide initiative and referendum petitions; chairs the Ohio Ballot Board, which approves ballot language for statewide issues; canvasses votes for all elective state offices and statewide issues; investigates election fraud and irregularities; trains election officials; and reimburses counties for poll worker training costs. The Elections program compiles and maintains election statistics, political party records, and other election-related records. Statewide candidates' campaign finance reports are filed with the office, together with the reports for state political action committees (PACs), state political parties, and legislative caucus campaign committees.

#### Program 01.01: Elections Program Management

This program manages public requests for information and provides support for election databases and reporting systems, the processing of campaign finance reports, and support and maintenance for the election night reporting system.

#### The Executive Recommendation will fund the following objectives:

- Support 10 administrative staff members who are responsible for coordinating elections-related activities; and
- Provide for information technology upgrades.
- Supports the maintenance of a master file of all registered voters in Ohio and the provision of electronically compiled election results as required by state law.
- Supports minor legal expenses incurred by the Secretary of State for court-reporting and other fees associated cases that involve disputes over election and campaign finance laws and hearings regarding Ballot Board language.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| GRF                      | GRF  | 050321 | Operating Expenses            | 2,290,508        | 2,290,508        |
| GSF                      | 5FG0 | 050620 | BOE Reimbursement & Education | 100,000          | 100,000          |
| GSF                      | 5FH0 | 050621 | Statewide Ballot Advertising  | 300,000          | 300,000          |
| GSF                      | 5FJ0 | 050622 | County Voting Machine Relief  | 500,000          | 500,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>3,190,508</b> | <b>3,190,508</b> |

#### Program 01.02: Pollworker Training

This program provides for the mandated reimbursement to county boards of election for the costs of pollworker training in accordance with Ohio Revised Code Section 3501.27(B). Each new election officer is required to receive

training prior to participation in their first election and continued training every three years. Each presiding judge must receive reinstruction before the primary election in even-numbered years.

**The Executive Recommendation will fund the following objectives:**

- Partially supports continued training of pollworkers at each of the state's county boards of election as well as the initial training for new pollworkers.

| FUND                     |      |        |                      | RECOMMENDED    |                |
|--------------------------|------|--------|----------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010        | FY 2011        |
| GRF                      | GRF  | 050407 | Pollworkers Training | 250,197        | 250,197        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>250,197</b> | <b>250,197</b> |

**Program 01.03: Board of Voting Machine Examiners**

This program is responsible for the certification of voting machines and supports the costs of the State Board of Voting Machine Examiners to certify voting machines. Vendors who wish to have their voting machine equipment certified pay fees to the Secretary of State. Pursuant to Ohio Revised Code Section 3506.05 (C), the revenue is used to compensate the board members for their service.

**The Executive Recommendation will fund the following objectives:**

- Support the examination and certification of voting machines.

| FUND                     |      |        |                                   | RECOMMENDED  |              |
|--------------------------|------|--------|-----------------------------------|--------------|--------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010      | FY 2011      |
| GSF                      | 4S80 | 050610 | Board of Voting Machine Examiners | 7,200        | 7,200        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>7,200</b> | <b>7,200</b> |

**Program 01.04: Election Reform**

This program supports the purchase of new voting equipment, upgrades to the voter registration system, voter education, improving the administration of elections for federal office, and compliance in assuring access for individuals with disabilities as required by state and federal law. This program is fully supported by federal funds provided to ensure compliance with the Help America Vote Act (HAVA) of 2002. A required state match of \$5.8 million was provided through a capital appropriation in Am. Sub. H.B. 675 of the 124<sup>th</sup> General Assembly.

**The Executive Recommendation will fund the following objectives:**

- Support upgrades to the voter registration system, voter education, improving the administration of elections for federal office, and compliance in assuring accessibility for individuals with disabilities in accordance with state and federal law.

| FUND                     |      |        |                           | RECOMMENDED      |                  |
|--------------------------|------|--------|---------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010          | FY 2011          |
| FED                      | 3AH0 | 050614 | Election Reform/HHS       | 800,000          | 800,000          |
| FED                      | 3AS0 | 050616 | 2005 HAVA Voting Machines | 3,000,000        | 3,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>3,800,000</b> | <b>3,800,000</b> |

**Program 01.05: Citizen Education**

This program provides for the preparation, printing, and distribution of voter registration and educational materials. The non-GRF program is fully funded through contributions from private groups and individuals and grants received for the purpose of voter education.

**The Executive Recommendation will fund the following objectives:**

- Provide support for the preparation, printing, and distribution of voter registration and educational materials.

| FUND              |      |        |                        | RECOMMENDED |         |
|-------------------|------|--------|------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011 |
| GSF               | 4140 | 050602 | Citizen Education Fund | 55,712      | 55,712  |
| TOTAL FOR PROGRAM |      |        |                        | 55,712      | 55,712  |

**PROGRAM SERIES 02: Business Services**

This program receives and approves articles of incorporation for Ohio corporations and grants licenses to out-of-state corporations seeking to do business in Ohio. Limited partnerships, partnerships having limited liability, and limited liability companies also file with the Secretary of State's office.

The Corporations section of the Business Services Division also approves amendments to existing entities, mergers, consolidations, and dissolutions; and registers trademarks/service marks, trade names, and fictitious names. The program approves and keeps a registry of business names; names and addresses of statutory agents; incorporators' names, the corporation's charter number, and the date of incorporation; and the number of shares authorized. The Corporations section also issues certified copies as well as a variety of certificates pertaining to the business entities on file. Numerous operations are conducted through the Client Service Center, the Customer Service Call Center, the Cleveland Regional Office and the SOS website.

This program also supports general operations and functions of the Secretary of State's office.

**Program 02.01: Business Services Program Management**

This program provides services to businesses wishing to incorporate in the State of Ohio. Additionally, the SOS assists in the confirmation of status of other corporations and other necessary information to prepare lawsuits, merger agreements, and other documents for corporate and business use. The SOS also responds to financial institutions and legal entities requesting the status of security interests in collateral on file with their office (often for the processing of business loans).

**The Executive Recommendation will fund the following objectives:**

- Provide for the filing and maintenance of records related to Ohio corporations, foreign corporations, and other business entities; and
- Support approximately 170 employees in the operation of the Secretary of State's Office including paralegal and legal, filing, and clerical staff responsible for assisting businesses that desire to file articles of incorporation, entities that seek to evaluate and confirm the status of business organizations, and the maintenance of records related to commercial transactions and the protection of security interests in collateral.

| FUND              |      |        |                                      | RECOMMENDED |            |
|-------------------|------|--------|--------------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                             | FY 2010     | FY 2011    |
| SSR               | 5990 | 050603 | Business Services Operating Expenses | 14,086,100  | 14,245,400 |
| TOTAL FOR PROGRAM |      |        |                                      | 14,086,100  | 14,245,400 |



**Program 02.02: Uniform Commercial Code Refund**

This program provides refunds of filing fee overpayments or for those Uniform Commercial Code filings that ultimately are not accepted by the SOS in cases of incomplete or duplicate applications. No operating expenses are associated with this program.

**The Executive Recommendation will fund the following objectives:**

- Provide for the refund of Uniform Commercial Code filing fees as necessary.

| FUND                     |      |        |                                 | RECOMMENDED   |               |
|--------------------------|------|--------|---------------------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                        | FY 2010       | FY 2011       |
| 090                      | R001 | 050605 | Uniform Commercial Code Refunds | 30,000        | 30,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                 | <b>30,000</b> | <b>30,000</b> |

**Program 02.03: Corporations Filing Fee Refund**

This program provides for the refund of filing fee overpayments or for those corporation filings that ultimately are not accepted by the SOS in cases of incomplete or duplicate applications. No operating expenses are associated with this program.

**The Executive Recommendation will fund the following objectives:**

- Provide for the refund of Corporation filing fees as necessary.

| FUND                     |      |        |                                  | RECOMMENDED   |               |
|--------------------------|------|--------|----------------------------------|---------------|---------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010       | FY 2011       |
| 090                      | R002 | 050606 | Corporate/Business Filing Refund | 85,000        | 85,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>85,000</b> | <b>85,000</b> |

**Program 02.04: Technology Improvements**

This program supports the computer operations for all SOS program areas. The primary focus of this program is the assurance of proper data storage and retrieval capabilities for records that SOS is statutorily required to maintain by law and for public access.

**The Executive Recommendation will fund the following objectives:**

- Fund the replacement of existing information technology hardware and upgrades to the current operating system to ensure proper record storage and retrieval capabilities; and
- Support enhancements to the agency's web capacities by providing on-line transactions, downloadable forms, automation of certain activities and access to public records (including corporate and uniform commercial code information).

| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| GSF                      | 4130 | 050601 | Information Systems     | 75,000         | 50,000         |
| SSR                      | 5N90 | 050607 | Technology Improvements | 180,000        | 180,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>255,000</b> | <b>230,000</b> |

**PROGRAM SERIES 03: Notary Services**

The Notary Commission is responsible for processing applications (new, duplicates for lost certificates, renewal) and issuing commissions for notaries public, attorney notaries public, special police officers, and Ohio Department of Natural Resources Reserve Officers. The Secretary of State may appoint and commission as notaries public individuals who are 18 years of age or older and satisfy one of the following requirements: is an Ohio resident who is not an attorney admitted to the practice of law in this state; is an Ohio resident who is an attorney admitted to the practice of law in this state; or is not an Ohio resident but is an attorney admitted to the practice of law in this state and has the person's principal place of business or the person's primary practice in this state. In all cases, Ohio law requires that anyone seeking to be commissioned as a notary public must be certified by a judge of an Ohio court of appeals or common pleas prior to submitting an application to the Secretary of State. The Secretary of State may revoke a notary public's commission upon presentation of satisfactory evidence of official misconduct or incapacity.

**Program 03.01: Notary Services**

The Notary Services program includes the review of applications for completeness, the issuance of commissions to applicants deemed qualified by judges, and the maintenance of records pertaining to notary commissions.

**The Executive Recommendation will fund the following objectives:**

- Provide for the maintenance of records of all registered notaries in Ohio. The recommended budget includes support for the current notary database system that contains these records;
- Support the automation of the notary public application process and the development of the commission's website; and
- Fund eight FTEs that manage the consolidated functions involving the notary commission and various licensing, filing and certificate programs on behalf of the Secretary of State.

| FUND              |      |        |                   | RECOMMENDED |         |
|-------------------|------|--------|-------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME          | FY 2010     | FY 2011 |
| GSF               | 4120 | 050609 | Notary Commission | 565,000     | 565,000 |
| TOTAL FOR PROGRAM |      |        |                   | 565,000     | 565,000 |

**LINE ITEM SUMMARY - Secretary of State**

| FUND                                 | ALI    | ALI NAME                                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 050321 | Operating Expenses                      | 2,493,877         | 3,898,185         | 3,060,159         | 2,207,522           | 2,290,508              | 3.8          | 2,290,508              | 0.0         |
| GRF                                  | 050403 | Election Statistics                     | 101,800           | 107,182           | 70,201            | 75,238              | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 050407 | Pollworkers Training                    | 113,683           | 284,559           | 277,997           | 262,012             | 250,197                | -4.5         | 250,197                | 0.0         |
| GRF                                  | 050409 | Litigation Expenditures                 | 4,429             | 4,875             | 2,073             | 1,974               | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 050505 | County Postage Reimbursement            | 0                 | 0                 | 0                 | 2,735,590           | 0                      | -100.0       | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |   | <b>2,713,789</b>  | <b>4,294,801</b>  | <b>3,410,430</b>  | <b>5,282,336</b>    | <b>2,540,705</b>       | <b>-51.9</b> | <b>2,540,705</b>       | <b>0.0</b>  |
| 4120                                 | 050609 | Notary Commission                       | 671,753           | 698,294           | 359,981           | 685,249             | 565,000                | -17.5        | 565,000                | 0.0         |
| 4130                                 | 050601 | Information Systems                     | 246,286           | 172,460           | 99,413            | 119,955             | 75,000                 | -37.5        | 50,000                 | -33.3       |
| 4140                                 | 050602 | Citizen Education Fund                  | 79,675            | 36,370            | 52,021            | 130,392             | 55,712                 | -57.3        | 55,712                 | 0.0         |
| 4S80                                 | 050610 | Board of Voting Machine Examiners       | 13,168            | 7,200             | 1,800             | 17,200              | 7,200                  | -58.1        | 7,200                  | 0.0         |
| 5FG0                                 | 050620 | BOE Reimbursement & Education           | 0                 | 0                 | 0                 | 1,220,551           | 100,000                | -91.8        | 100,000                | 0.0         |
| 5FH0                                 | 050621 | Statewide Ballot Advertising            | 0                 | 0                 | 0                 | 0                   | 300,000                | .0           | 300,000                | 0.0         |
| 5FJ0                                 | 050622 | County Voting Machine Relief            | 0                 | 0                 | 0                 | 0                   | 500,000                | .0           | 500,000                | 0.0         |
| <b>TOTAL General Services</b>        |        |   | <b>1,010,882</b>  | <b>914,324</b>    | <b>513,216</b>    | <b>2,173,347</b>    | <b>1,602,912</b>       | <b>-26.2</b> | <b>1,577,912</b>       | <b>-1.6</b> |
| 3AC0                                 | 050619 | Election Data Collection Grant          | 0                 | 0                 | 0                 | 2,000,000           | 0                      | -100.0       | 0                      | .0          |
| 3AH0                                 | 050614 | Election Reform/HHS                     | 187,956           | 307,944           | 58,187            | 1,941,813           | 800,000                | -58.8        | 800,000                | 0.0         |
| 3AR0                                 | 050615 | 2004 HAVA Voting Machines               | 20,357,450        | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 3AS0                                 | 050616 | 2005 HAVA Voting Machines               | 75,447,514        | 22,889,041        | 4,027,629         | 3,346,471           | 3,000,000              | -10.4        | 3,000,000              | 0.0         |
| 3AT0                                 | 050617 | Voter/Poll Worker Education             | 448,206           | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 3X40                                 | 050612 | Ohio Center/law Related Education Grant | 5,531             | 0                 | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |   | <b>96,446,656</b> | <b>23,196,985</b> | <b>4,085,817</b>  | <b>7,288,284</b>    | <b>3,800,000</b>       | <b>-47.9</b> | <b>3,800,000</b>       | <b>0.0</b>  |
| 5990                                 | 050603 | Business Services Operating Expenses    | 13,689,527        | 16,028,597        | 13,724,865        | 14,718,904          | 14,086,100             | -4.3         | 14,245,400             | 1.1         |
| 5N90                                 | 050607 | Technology Improvements                 | 139,549           | 151,968           | 124,232           | 129,565             | 180,000                | 38.9         | 180,000                | 0.0         |

**LINE ITEM SUMMARY - Secretary of State**

| FUND  | ALI    | ALI NAME                         | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|----------------------------------|--------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| <b>TOTAL State Special Revenue</b>          |        |                                  | <b>13,829,075</b>  | <b>16,180,565</b> | <b>13,849,097</b> | <b>14,848,469</b>   | <b>14,266,100</b>      | <b>-3.9</b>  | <b>14,425,400</b>      | <b>1.1</b>  |
| R001  | 050605 | Uniform Commercial Code Refunds  | 8,740              | 10,083            | 127,886           | 30,000              | 30,000                 | 0.0          | 30,000                 | 0.0         |
| R002  | 050606 | Corporate/Business Filing Refund | 39,960             | 42,243            | 59,674            | 85,000              | 85,000                 | 0.0          | 85,000                 | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |                                  | <b>48,699</b>      | <b>52,327</b>     | <b>187,559</b>    | <b>115,000</b>      | <b>115,000</b>         | <b>0.0</b>   | <b>115,000</b>         | <b>0.0</b>  |
| <b>TOTAL Secretary of State</b>             |        |                                  | <b>114,049,102</b> | <b>44,639,002</b> | <b>44,639,002</b> | <b>29,707,436</b>   | <b>22,324,717</b>      | <b>-24.9</b> | <b>22,459,017</b>      | <b>0.6</b>  |

### Role and Overview

The Ohio Senate (SEN), in conjunction with the House of Representatives, enacts the laws of the state. The authority to do so is provided in Article II of the Ohio Constitution. The Senate considers bills that may alter existing laws or create new laws and resolutions, which are formal expressions of the wishes and opinions of the legislature. The Senate also must confirm members of state boards and commissions appointed by the Governor, the Attorney General, the Director of the Bureau of Workers' Compensation, and other certain agency heads whom the Governor is authorized to appoint.

The Senate and the House of Representatives are the two "houses" that comprise the bicameral Ohio General Assembly. Each member of the Senate is elected to a four-year term from one of the state's 33 Senate districts. Each Senate district is made up of three House districts. Elections are held for the Senate every two years with half of the Senate members elected each time. Each member is assigned to at least one standing committee. A member also may be assigned to a select committee, which undertakes a specific legislative task; a joint-select committee, which consists of members from both the Senate and the House; or a conference committee, which seeks to resolve the differences between versions of a bill passed by both houses of the legislature. Members represent the citizens in their districts and serve as liaisons between groups and individuals in their districts and state and federal agencies. Members also respond to questions and concerns of their constituents.

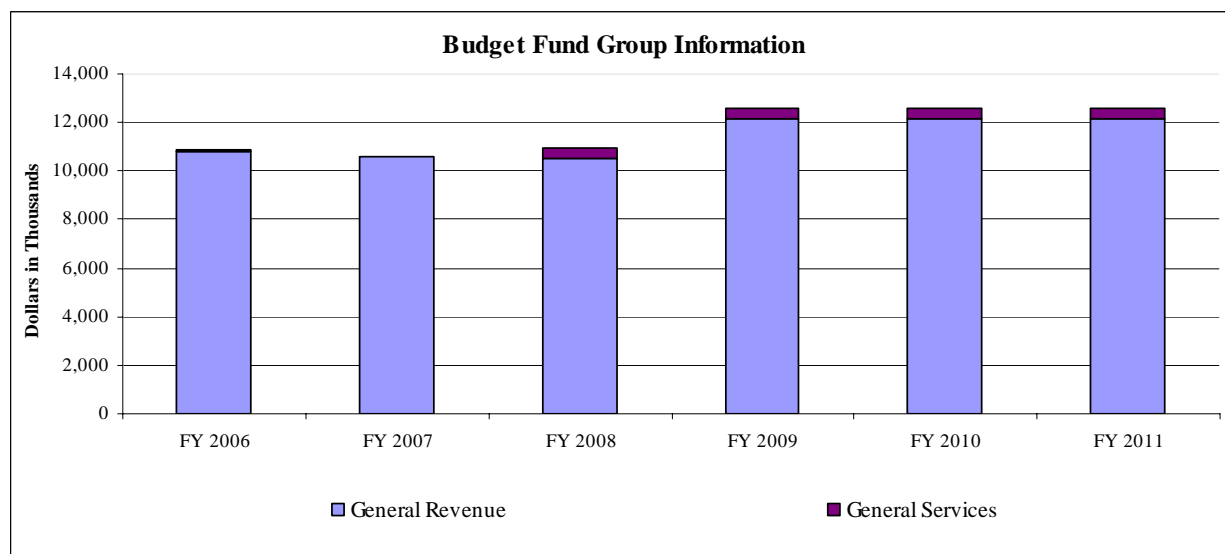
In addition, members may be appointed to serve on statutorily created committees such as the Joint Committee on Agency Rule Review, which has the power to review and invalidate agency rules; or the state Controlling Board, which provides legislative oversight over certain capital and operating expenditures by state agencies.

The 33 members of the Senate are supported by a staff of approximately 125 full-time employees and 40 part-time pages, with an annual budget of approximately \$12.6 million.

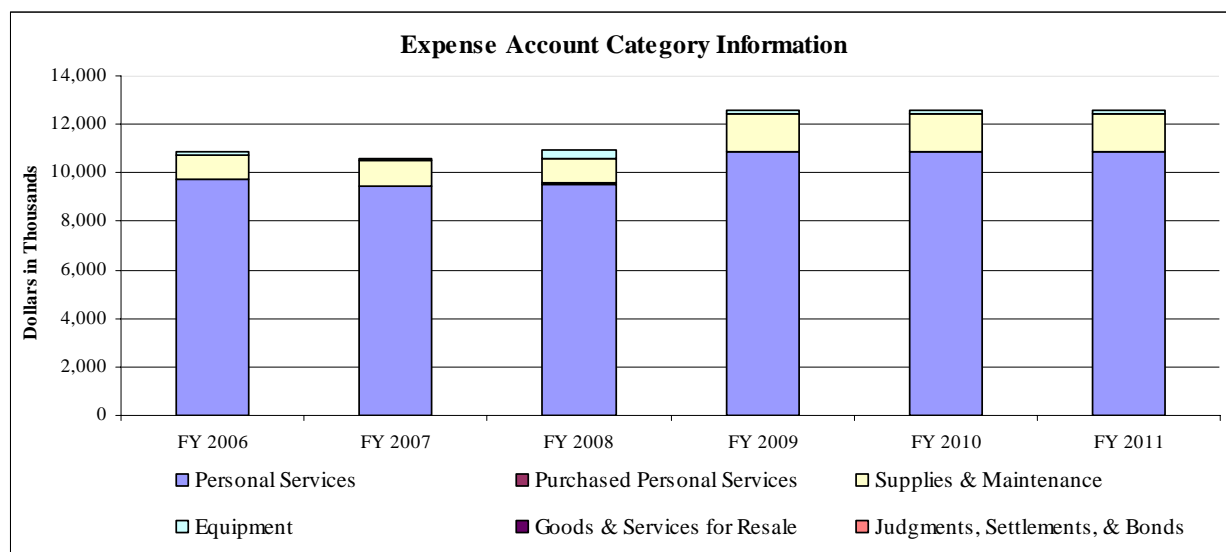
Pursuant to Section 107.03(B) of the Ohio Revised Code, the Governor may not alter the funding requests of agencies of the legislative branch of government. The Senate provides the Office of Budget and Management with their budget request for inclusion in the executive budget proposal and not for consideration or approval.

Additional information regarding the Ohio Senate is available at <http://www.senate.state.oh.us/>.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |               |            |
|-------------------------------------|---------------|---------------|---------------|------------------|-------------|-------------------------|------------|---------------|------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011       | CHANGE     |
| General Revenue                     | 10,811        | 10,566        | 10,526        | 12,123           | 15.2        | 12,123                  | 0.0        | 12,123        | 0.0        |
| General Services                    | 64            | 12            | 450           | 483              | 7.4         | 483                     | 0.0        | 483           | 0.0        |
| <b>TOTAL</b>                        | <b>10,875</b> | <b>10,578</b> | <b>10,976</b> | <b>12,606</b>    | <b>14.9</b> | <b>12,606</b>           | <b>0.0</b> | <b>12,606</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |               |            |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|------------|---------------|------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011       | CHANGE     |
| Personal Services                             | 9,765         | 9,481         | 9,498         | 10,875           | 14.5        | 10,845                  | -0.3       | 10,845        | 0.0        |
| Purchased Personal Services                   | 0             | 5             | 87            | 20               | -76.9       | 50                      | 150.0      | 50            | 0.0        |
| Supplies & Maintenance                        | 975           | 1,051         | 1,021         | 1,527            | 49.6        | 1,527                   | 0.0        | 1,527         | 0.0        |
| Equipment                                     | 130           | 35            | 370           | 150              | -59.4       | 150                     | 0.0        | 150           | 0.0        |
| Goods & Services for Resale                   | 4             | 5             | 1             | 35               | 2,569.0     | 35                      | 0.0        | 35            | 0.0        |
| Judgments, Settlements, & Bonds               | 0             | 2             | 0             | 0                | 0.0         | 0                       | 0.0        | 0             | 0.0        |
| <b>TOTAL</b>                                  | <b>10,875</b> | <b>10,578</b> | <b>10,976</b> | <b>12,606</b>    | <b>14.9</b> | <b>12,606</b>           | <b>0.0</b> | <b>12,606</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Senate

This program series supports the efforts of state senators and their staffs to represent their districts.

#### Program 01.01: Senate

This program serves to promote the role and responsibilities of the Ohio Senate. Each member of the Senate is elected to a four-year term from one of the state's 33 Senate districts during which time they are assigned to at least one standing committees or subcommittees. Senators are also assigned to a select committee, a joint select committee, or a conference committee.

| FUND                     |      |        |                      | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010           | FY 2011           |
| GRF                      | GRF  | 020321 | Operating Expenses   | 12,123,439        | 12,123,439        |
| GSF                      | 1020 | 020602 | Senate Reimbursement | 448,465           | 448,465           |
| GSF                      | 4090 | 020601 | Miscellaneous Sales  | 34,497            | 34,497            |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>12,606,401</b> | <b>12,606,401</b> |

**LINE ITEM SUMMARY - Senate**

| FUND                          | ALI    | ALI NAME             | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|----------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                           | 020321 | Operating Expenses   | 10,811,090        | 10,566,157        | 10,526,126        | 12,123,439          | 12,123,439             | 0.0         | 12,123,439             | 0.0         |
| <b>TOTAL General Revenue</b>  |        |                      | <b>10,811,090</b> | <b>10,566,157</b> | <b>10,526,126</b> | <b>12,123,439</b>   | <b>12,123,439</b>      | <b>0.0</b>  | <b>12,123,439</b>      | <b>0.0</b>  |
| 1020                          | 020602 | Senate Reimbursement | 48,765            | 5,836             | 448,465           | 448,465             | 448,465                | 0.0         | 448,465                | 0.0         |
| 4090                          | 020601 | Miscellaneous Sales  | 15,116            | 5,900             | 1,293             | 34,497              | 34,497                 | 0.0         | 34,497                 | 0.0         |
| <b>TOTAL General Services</b> |        |                      | <b>63,881</b>     | <b>11,736</b>     | <b>449,758</b>    | <b>482,962</b>      | <b>482,962</b>         | <b>0.0</b>  | <b>482,962</b>         | <b>0.0</b>  |
| <b>TOTAL Senate</b>           |        |                      | <b>10,874,971</b> | <b>10,577,893</b> | <b>10,975,883</b> | <b>12,606,401</b>   | <b>12,606,401</b>      | <b>0.0</b>  | <b>12,606,401</b>      | <b>0.0</b>  |



State of Ohio  
**Commissioners of the Sinking Fund**

### Role and Overview

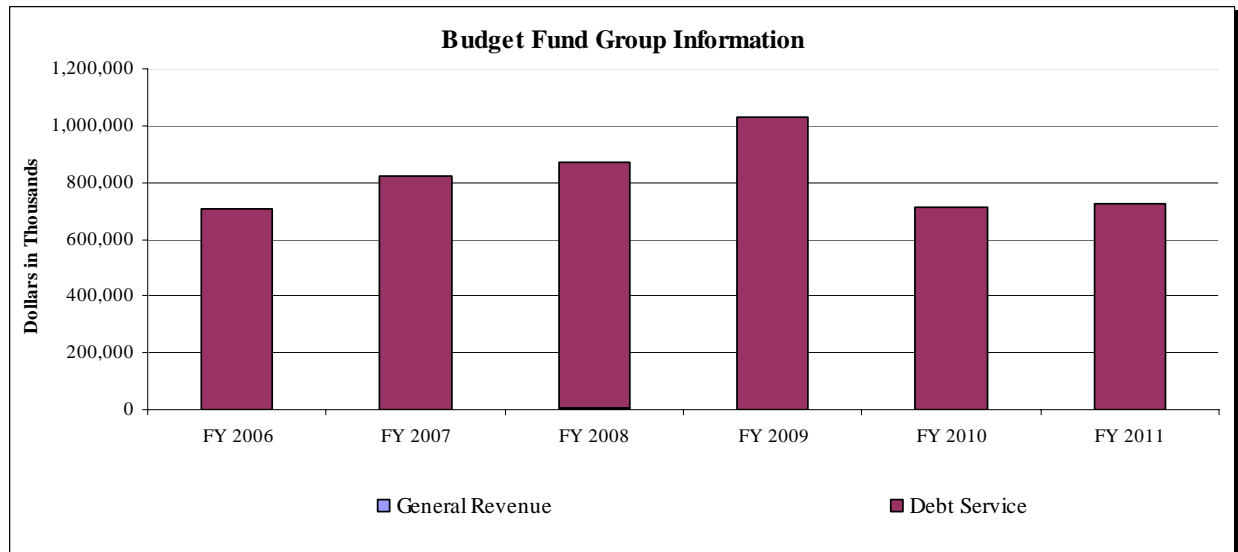
The Commissioners of the Sinking Fund (CSF) facilitate the payment of debt service on fixed rate, variable rate, and derivative products for state general obligation bonds, including bonds issued for highway, coal research and development, local infrastructure, parks and natural resources, higher education, primary and secondary education, Third Frontier research and development, site development, and conservation purposes. Additional duties include the management and payment of financing costs and administrative expenses associated with the issuance and payment of state general obligation bonds. These costs are paid from the Office of Debt Management appropriation located in the Treasurer of State's budget.

Pursuant to Section 11 of Article VIII of the Ohio Constitution and Section 129.22 of the Revised Code, the Sinking Fund also is required to submit to the Governor and the General Assembly a semi-annual report detailing the status of all general obligation debt of the state.

### Agency Priorities

- Facilitate the payment of debt service on state general obligation bonds.
- Pay financing and administrative costs associated with the issuance of general obligation bonds.

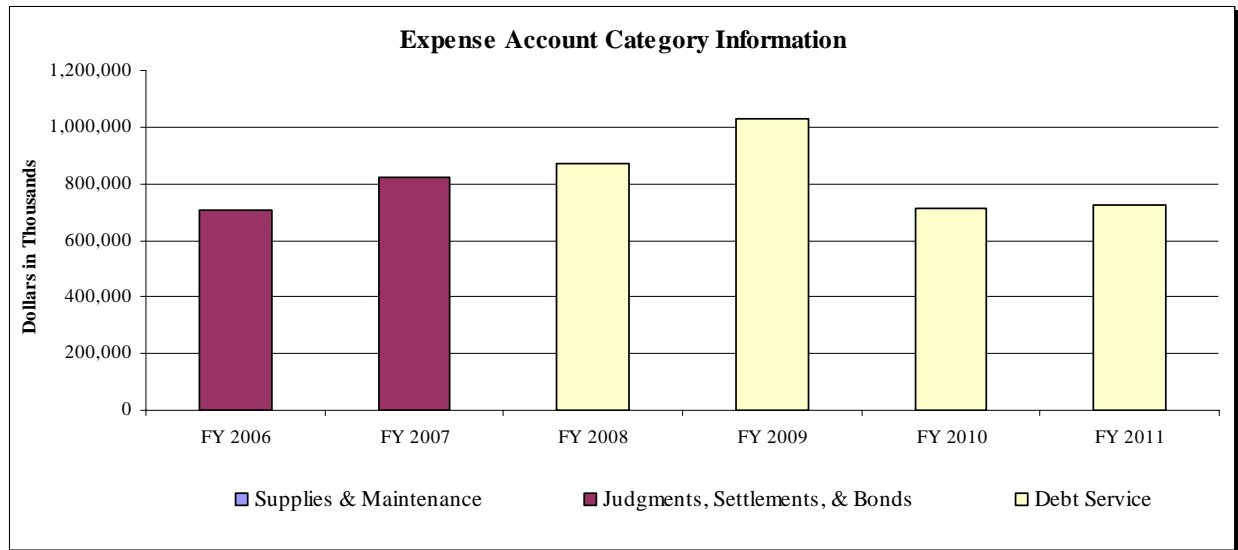
### Summary of Budget History and Recommendations



- Decrease in funding in fiscal years 2010 and 2011 due to debt restructuring proposal (outlined in the Special Analysis section) designed to help provide funding for core state services and investments in a time of constrained resources.

| (In Thousands)    | ACTUAL  |         |         | % CHANGE     |          | RECOMMENDED |          |         |          |
|-------------------|---------|---------|---------|--------------|----------|-------------|----------|---------|----------|
|                   | FY 2006 | FY 2007 | FY 2008 | EST. FY 2009 | FY 08-09 | FY 2010     | % CHANGE | FY 2011 | % CHANGE |
| BUDGET FUND GROUP |         |         |         |              |          |             |          |         |          |
| General Revenue   | 0       | 0       | 3,080   | 0            | -100.0   | 0           | 0.0      | 0       | 0.0      |
| Debt Service      | 704,194 | 819,497 | 867,552 | 1,028,682    | 18.6     | 711,930     | -30.8    | 724,663 | 1.8      |
| TOTAL             | 704,194 | 819,497 | 870,632 | 1,028,682    | 18.2     | 711,930     | -30.8    | 724,663 | 1.8      |

State of Ohio  
**Commissioners of the Sinking Fund**



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |                |            |
|---|----------------|----------------|----------------|------------------|-------------|-------------------------|--------------|----------------|------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011        | CHANGE     |
| Supplies & Maintenance                        | 349            | 483            | 304            | 0                | -100.0      | 0                       | 0.0          | 0              | 0.0        |
| Judgments, Settlements, & Bonds               | 703,846        | 819,014        | 0              | 0                | 0.0         | 0                       | 0.0          | 0              | 0.0        |
| Debt Service                                  | 0              | 0              | 870,328        | 1,028,682        | 18.2        | 711,930                 | -30.8        | 724,663        | 1.8        |
| <b>TOTAL</b>                                  | <b>704,194</b> | <b>819,497</b> | <b>870,632</b> | <b>1,028,682</b> | <b>18.2</b> | <b>711,930</b>          | <b>-30.8</b> | <b>724,663</b> | <b>1.8</b> |

### PROGRAM SERIES 01: General Obligation Debt Retirement

This program series facilitates the payment of debt service on the state's general obligation debt.

#### Program 01.01: General Obligation Debt Retirement

This single program facilitates the payment of debt service on the state's general obligation debt.

#### The Executive Recommendation will fund the following objectives:

- Support debt service payments for general obligation bonds issued for highway, coal research and development, local infrastructure, parks and natural resources, conservation, higher education, primary and secondary education, Third Frontier research and development, and job ready site development purposes.
- Provide \$711.9 million in fiscal year 2010 and \$724.7 million in fiscal year 2011 to fund general obligation debt service.

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State of Ohio  
**Commissioners of the Sinking Fund**

| FUND                     |      |        |  | RECOMMENDED        |                    |
|--------------------------|------|--------|--|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                       | FY 2010            | FY 2011            |
| DSF                      | 7070 | 155905 | Third Frontier Research & Development Projects | 20,948,300         | 29,011,600         |
| DSF                      | 7072 | 155902 | Highway Capital Improvement Bond Retirement    | 202,074,000        | 203,434,200        |
| DSF                      | 7073 | 155903 | Natural Resources Bond Retirement              | 26,334,400         | 26,549,400         |
| DSF                      | 7074 | 155904 | Conservation Projects Bond Service             | 20,711,100         | 25,684,900         |
| DSF                      | 7076 | 155906 | Coal R&D Bond Retirement Fund                  | 9,968,400          | 10,947,000         |
| DSF                      | 7077 | 155907 | State Capital Improvement Bond Retirement      | 148,331,900        | 163,443,500        |
| DSF                      | 7078 | 155908 | Common Schools Cap Facility Bond Retirement    | 192,559,200        | 165,510,500        |
| DSF                      | 7079 | 155909 | Higher Education Cap Facility Bond Retirement  | 85,317,700         | 89,480,300         |
| DSF                      | 7090 | 155912 | Job Ready Site Development                     | 5,685,400          | 10,601,900         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>711,930,400</b> | <b>724,663,300</b> |

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

155907, State Capital Improvement Bond Retirement Fund: Funding reductions for this line item result from the Debt Restructuring proposal detailed in the Special Analysis section of this Executive Budget. The approximately \$400 million combined reduction in fiscal years 2010 and 2011 for debt service line items for higher education, common schools, and infrastructure bonds will help to provide funding for core state services and investments in a time of constrained resources.

155908, Common Schools Bond Retirement Fund: Funding reductions for this line item result from the Debt Restructuring proposal detailed in the Special Analysis section of this Executive Budget. The approximately \$400 million combined reduction in fiscal years 2010 and 2011 for debt service line items for higher education, common schools, and infrastructure bonds will help to provide funding for core state services and investments in a time of constrained resources.

155909, Higher Education Bond Retirement Fund: Funding reductions for this line item result from the Debt Restructuring proposal detailed in the Special Analysis section of this Executive Budget. The approximately \$400 million combined reduction in fiscal years 2010 and 2011 for debt service line items for higher education, common schools, and infrastructure bonds will help to provide funding for core state services and investments in a time of constrained resources.

State of Ohio  
Commissioners of the Sinking Fund

**LINE ITEM SUMMARY - Commissioners Of The Sinking Fund**

| FUND   | ALI    | ALI NAME                                       | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|--|--------------------|--------------------|--------------------|----------------------|------------------------|--------------|------------------------|-------------|
| GRF  | 155912 | Job Ready Site Development                     | 0                  | 0                  | 3,080,341          | 0                    | 0                      | .0           | 0                      | .0          |
| <b>TOTAL General Revenue</b>                   |        |  | <b>0</b>           | <b>0</b>           | <b>3,080,341</b>   | <b>0</b>             | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>   |
| 7070   | 155905 | Third Frontier Research & Development Projects | 0                  | 11,457,941         | 11,749,792         | 24,523,400           | 20,948,300             | -14.6        | 29,011,600             | 38.5        |
| 7072   | 155902 | Highway Capital Improvement Bond Retirement    | 181,163,642        | 198,794,291        | 206,078,646        | 205,139,500          | 202,074,000            | -1.5         | 203,434,200            | 0.7         |
| 7073   | 155903 | Natural Resources Bond Retirement              | 25,373,565         | 21,771,967         | 22,740,318         | 25,723,000           | 26,334,400             | 2.4          | 26,549,400             | 0.8         |
| 7074   | 155904 | Conservation Projects Bond Service             | 9,916,551          | 14,160,769         | 15,705,563         | 19,779,200           | 20,711,100             | 4.7          | 25,684,900             | 24.0        |
| 7076   | 155906 | Coal R&D Bond Retirement Fund                  | 7,053,193          | 7,015,212          | 7,132,604          | 8,192,500            | 9,968,400              | 21.7         | 10,947,000             | 9.8         |
| 7077   | 155907 | State Capital Improvement Bond Retirement      | 157,571,484        | 175,664,187        | 177,931,614        | 188,696,300          | 148,331,900            | -21.4        | 163,443,500            | 10.2        |
| 7078   | 155908 | Common Schools Cap Facility Bond Retirement    | 188,885,689        | 232,753,821        | 265,094,567        | 339,648,300          | 192,559,200            | -43.3        | 165,510,500            | -14.0       |
| 7079   | 155909 | Higher Education Cap Facility Bond Retire      | 134,230,210        | 154,433,290        | 160,613,532        | 208,747,200          | 85,317,700             | -59.1        | 89,480,300             | 4.9         |
| 7090   | 155912 | Job Ready Site Development                     | 0                  | 3,445,759          | 505,152            | 8,232,500            | 5,685,400              | -30.9        | 10,601,900             | 86.5        |
| <b>TOTAL Debt Service</b>                      |        |  | <b>704,194,334</b> | <b>819,497,236</b> | <b>867,551,788</b> | <b>1,028,681,900</b> | <b>711,930,400</b>     | <b>-30.8</b> | <b>724,663,300</b>     | <b>1.8</b>  |
| <b>TOTAL Commissioners Of The Sinking Fund</b> |        |  | <b>704,194,334</b> | <b>819,497,236</b> | <b>870,632,129</b> | <b>1,028,681,900</b> | <b>711,930,400</b>     | <b>-30.8</b> | <b>724,663,300</b>     | <b>1.8</b>  |

## Southern Ohio Agricultural and Community Development Foundation

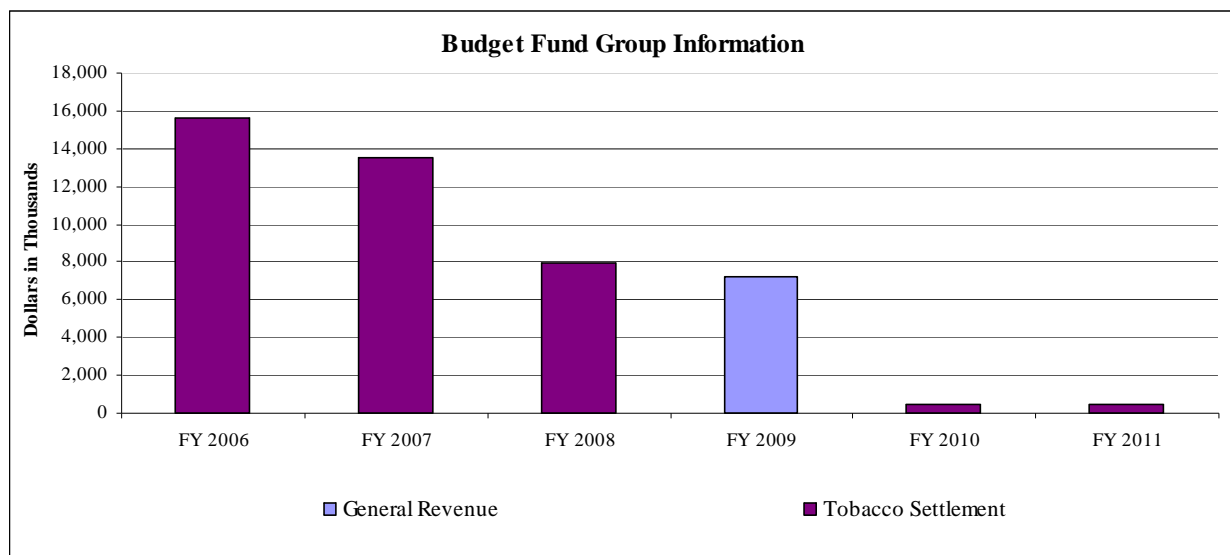
### Role and Overview

The Southern Ohio Agricultural and Community Development Foundation (SOA) is charged with developing and carrying out programs to help replace the production of tobacco with other agricultural products and to mitigate the adverse economic impact of reduced tobacco production in Ohio's traditional tobacco growing region. The foundation is governed by a twelve-member Board of Trustees. SOA has a budget of \$7.2 million. Additional information regarding SOA is available at <http://www.soacdf.net/>.

### Agency Priority

- Help create and enhance economic opportunities for Ohio's tobacco farm families and rural communities.

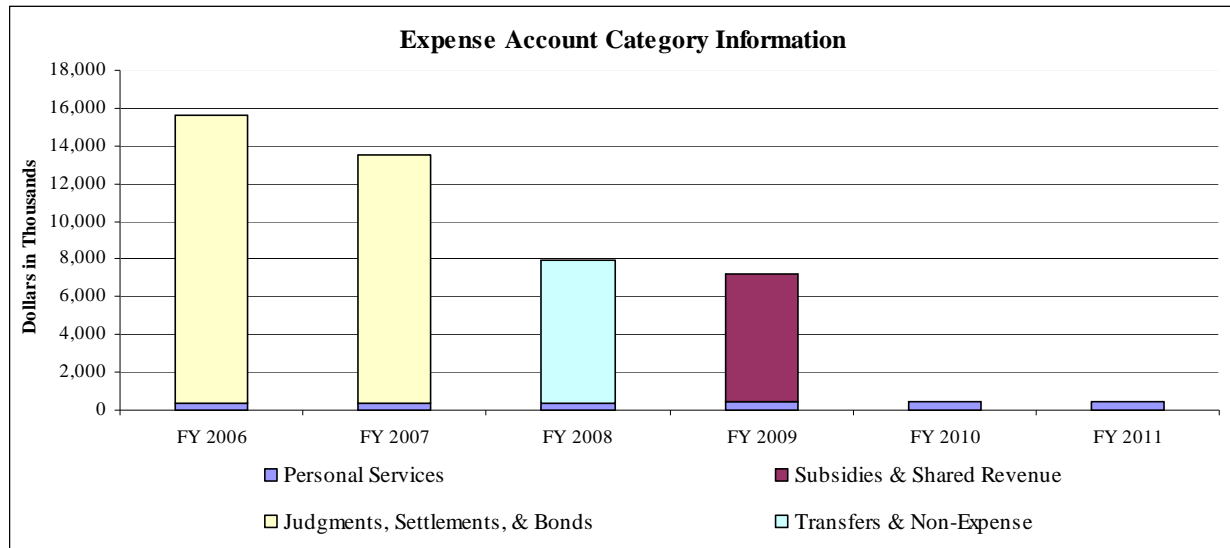
### Summary of Budget History and Recommendations



- Rather than continuing to rely on General Revenue money over the next biennium, SOA will use existing funds in the agency's tobacco settlement moneys trust fund to support operating costs and subsidy payments. SOA's personnel costs are appropriated within the Executive Budget.

| (In Thousands)     | ACTUAL        |               |              | % CHANGE     |             | RECOMMENDED |              |            |            |
|--------------------|---------------|---------------|--------------|--------------|-------------|-------------|--------------|------------|------------|
|                    | FY 2006       | FY 2007       | FY 2008      | EST. FY 2009 | FY 08-09    | FY 2010     | % CHANGE     | FY 2011    | % CHANGE   |
| BUDGET FUND GROUP  |               |               |              |              |             |             |              |            |            |
| General Revenue    | 0             | 0             | 0            | 7,190        | 100.0       | 0           | -100.0       | 0          | 0.0        |
| Tobacco Settlement | 15,614        | 13,550        | 7,918        | 0            | -100.0      | 475         | 100.0        | 475        | 0.0        |
| <b>TOTAL</b>       | <b>15,614</b> | <b>13,550</b> | <b>7,918</b> | <b>7,190</b> | <b>-9.2</b> | <b>475</b>  | <b>-93.4</b> | <b>475</b> | <b>0.0</b> |

## Southern Ohio Agricultural and Community Development Foundation



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |              | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |              |            |            |
|---|---------------|---------------|--------------|------------------|-------------|-------------------------|--------------|------------|------------|
|   | FY 2006       | FY 2007       | FY 2008      | FY 2009          | FY 08-09    | FY 2010                 | CHANGE       | FY 2011    | CHANGE     |
| Personal Services                             | 408           | 400           | 405          | 428              | 5.7         | 475                     | 11.1         | 475        | 0.0        |
| Subsidies & Shared Revenue                    | 0             | 0             | 0            | 6,762            | 100.0       | 0                       | -100.0       | 0          | 0.0        |
| Judgments, Settlements, & Bonds               | 15,206        | 13,150        | 0            | 0                | 0.0         | 0                       | 0.0          | 0          | 0.0        |
| Transfers & Non-Expense                       | 0             | 0             | 7,513        | 0                | -100.0      | 0                       | 0.0          | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>15,614</b> | <b>13,550</b> | <b>7,918</b> | <b>7,190</b>     | <b>-9.2</b> | <b>475</b>              | <b>-93.4</b> | <b>475</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Program Management

This program series prepares, implements, and continuously updates a plan to develop means for tobacco growers to grow other agricultural products voluntarily.

#### Program 01.01: Program Management

This program increases the variety, quantity, and value of agricultural products other than tobacco that are produced in the major tobacco producing counties of the state; preserves agricultural land and soils in those parts of the state where tobacco has traditionally been grown; utilizes tobacco settlement money to make strategic investments in communities that will be affected by the reduced demand for tobacco; and provides education and training assistance to tobacco growers to help them make the transition out of tobacco production.

#### The Executive Recommendation will fund the following objective:

- Maintain five full-time staff members to provide educational and financial assistance to tobacco growers in the state.

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**Southern Ohio Agricultural and Community Development Foundation**

| FUND              |      |        |                        | RECOMMENDED |         |
|-------------------|------|--------|------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011 |
| TSF               | 5M90 | 945601 | Operating Expenses-SOA | 475,220     | 475,220 |
| TOTAL FOR PROGRAM |      |        |                        | 475,220     | 475,220 |



**Southern Ohio Agricultural and Community Development Foundation**

**Appropriation Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Notes**

945501, Southern Ohio Agricultural Community Development Foundation: Funding for this line item has been eliminated and custodial resources are to be used to fulfill the agency's core mission.

## Southern Ohio Agricultural and Community Development Foundation

### LINE ITEM SUMMARY - Southern Ohio Agricultural and Community Development Foundation

| FUND   | ALI    | ALI NAME  | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE   | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|---|-------------------|-------------------|-------------------|---------------------|------------------------|---------------|------------------------|-------------|
| GRF  | 945321 | Operating Expense   | 0                 | 0                 | 0                 | 427,698             | 0                      | -100.0        | 0                      | .0          |
| GRF  | 945501 | Southern Ohio Agricultural and Community Development Foundation | 0                 | 0                 | 0                 | 6,761,926           | 0                      | -100.0        | 0                      | .0          |
| <b>TOTAL General Revenue</b>   |        |   | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>7,189,624</b>    | <b>0</b>               | <b>-100.0</b> | <b>0</b>               | <b>.0</b>   |
| 5M90   | 945601 | Operating Expenses-SOA  | 408,408           | 399,974           | 404,666           | 0                   | 475,220                | .0            | 475,220                | 0.0         |
| K087   | 945602 | Southern Ohio Agricultural and Community Development Foundation | 15,205,619        | 13,150,375        | 7,513,251         | 0                   | 0                      | .0            | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>  |        |   | <b>15,614,027</b> | <b>13,550,349</b> | <b>7,917,917</b>  | <b>0</b>            | <b>475,220</b>         | <b>.0</b>     | <b>475,220</b>         | <b>0.0</b>  |
| <b>TOTAL Southern Ohio Agricultural and Community Development Foundation</b> |        |   | <b>15,614,027</b> | <b>13,550,349</b> | <b>7,917,917</b>  | <b>7,189,624</b>    | <b>475,220</b>         | <b>-93.4</b>  | <b>475,220</b>         | <b>0.0</b>  |

## Board of Speech-Language Pathology and Audiology

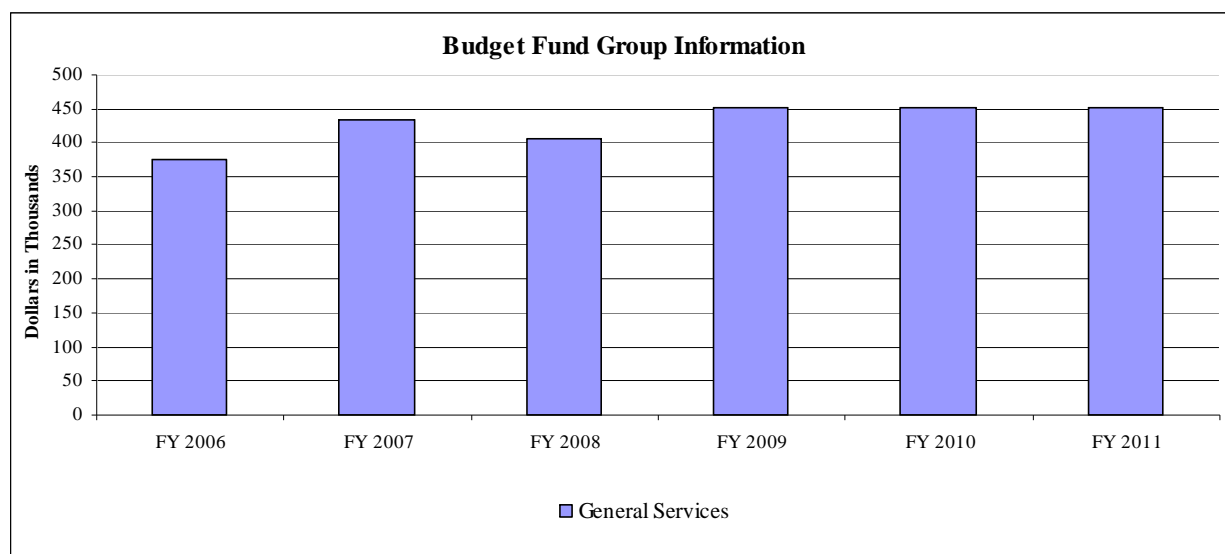
### Role and Overview

The Board of Speech-Language Pathology and Audiology (SPE) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice speech-language pathology and audiology in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules of the state. The board's annual budget of slightly more than \$430,000 supports a staff of four in addition to the eight board members. SPE has approximately 6,200 licensees. More information about the Board of Speech-Language Pathology and Audiology is available at <http://slpaud.ohio.gov/>.

### Agency Priorities

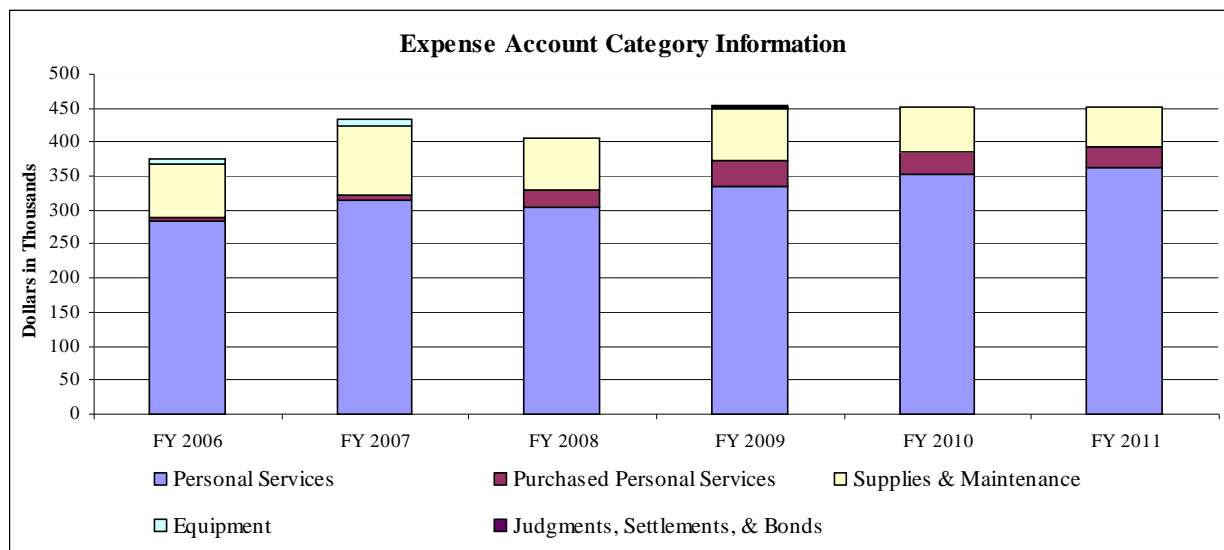
- Protect Ohio consumers of speech, pathology, and audiology services by regulating the professions.
- Focus on the shortage of speech-language pathologists in Ohio.
- Ensure ethical standards of practice by speech-language pathologists and audiologists licensed.

### Summary of Budget History and Recommendation



| (In Thousands)   | ACTUAL     |            |            | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |            |            |
|------------------|------------|------------|------------|---------------|-------------|----------------------|------------|------------|------------|
|                  | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services | 376        | 434        | 405        | 453           | 11.9        | 453                  | 0.0        | 453        | 0.0        |
| <b>TOTAL</b>     | <b>376</b> | <b>434</b> | <b>405</b> | <b>453</b>    | <b>11.9</b> | <b>453</b>           | <b>0.0</b> | <b>453</b> | <b>0.0</b> |

## Board of Speech-Language Pathology and Audiology



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|-------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 285        | 315        | 305        | 335              | 9.8         | 353                     | 5.4        | 362        | 2.6        |
| Purchased Personal Services                   | 4          | 8          | 26         | 37               | 41.3        | 34                      | -7.8       | 31         | -8.9       |
| Supplies & Maintenance                        | 78         | 102        | 74         | 76               | 2.7         | 66                      | -12.9      | 60         | -9.2       |
| Equipment                                     | 9          | 9          | 0          | 5                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| Judgments, Settlements, & Bonds               | 0          | 0          | 0          | 1                | 100.0       | 0                       | -100.0     | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>376</b> | <b>434</b> | <b>405</b> | <b>453</b>       | <b>11.9</b> | <b>453</b>              | <b>0.0</b> | <b>453</b> | <b>0.0</b> |

**PROGRAM SERIES 01: Regulation**

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

**Program 01.01: License/Registration/Enforcement**

This program includes all operations of the Board of Speech-Language Pathology and Audiology.

**The Executive Recommendation will:**

- Provide consumer protection for audiology and speech pathology services; and
- Regulate approximately 6,200 licensees.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 886609 | Operating | 453,000        | 453,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>453,000</b> | <b>453,000</b> |

## Board of Speech-Language Pathology and Audiology

**LINE ITEM SUMMARY - Board of Speech-Language Pathology and Audiology**

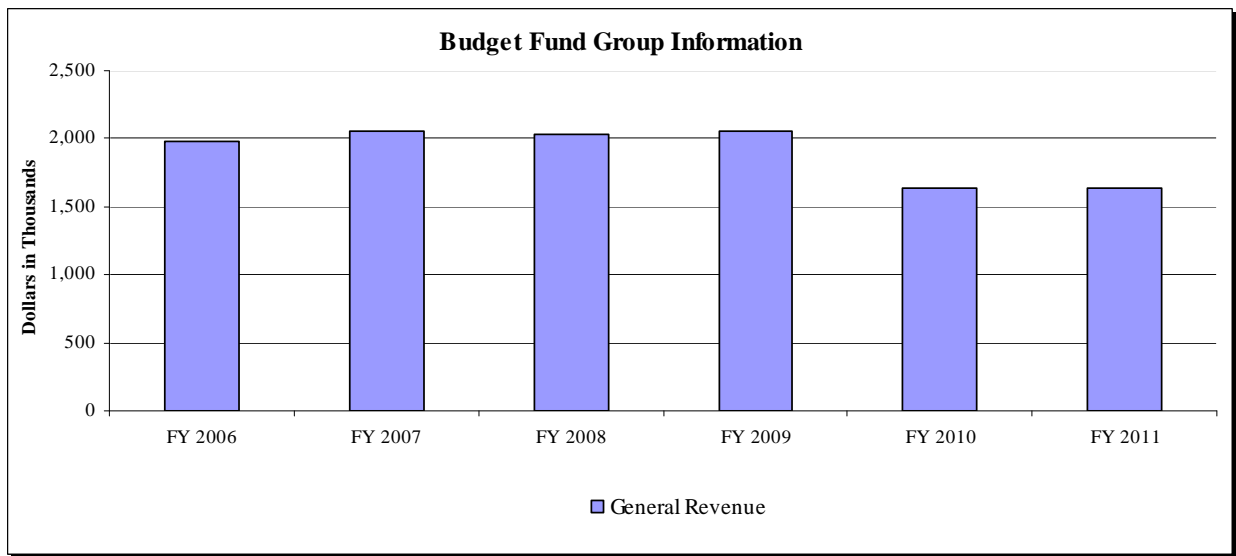
| <b>FUND</b>   | <b>ALI</b> | <b>ALI NAME</b> | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|---|------------|-----------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| 4K90  | 886609     | Operating       | 375,950                   | 433,898                   | 404,790                   | 453,000                     | 453,000                        | 0.0                 | 453,000                        | 0.0                 |
| <b>TOTAL General Services</b>                                 |            |                 | <b>375,950</b>            | <b>433,898</b>            | <b>404,790</b>            | <b>453,000</b>              | <b>453,000</b>                 | <b>0.0</b>          | <b>453,000</b>                 | <b>0.0</b>          |
| <b>TOTAL Board of Speech-Language Pathology and Audiology</b> |            |                 | <b>375,950</b>            | <b>433,898</b>            | <b>404,790</b>            | <b>453,000</b>              | <b>453,000</b>                 | <b>0.0</b>          | <b>453,000</b>                 | <b>0.0</b>          |

### Role and Overview

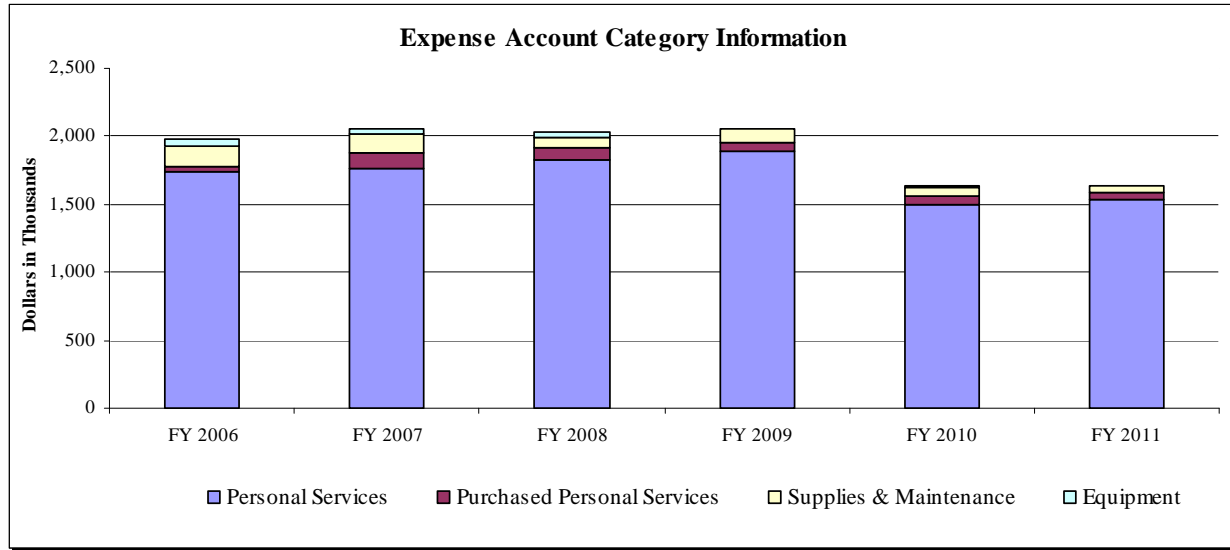
The Board of Tax Appeals (BTA) reviews and determines questions of law and fact in the administration of the tax laws of the state and its municipalities. This process includes an extensive mediation program. The Board of Tax Appeals hears and determines appeals from four areas including: final determinations by the Tax Commissioner of any preliminary, amended, or final tax assessment, reassessment, valuation, determination, finding, computation, or order; decisions of the 88 county boards of revision relating to real property taxes; actions of the 88 county budget commissions; and decisions of municipal boards of appeal.

The effect of the Board of Tax Appeals' decisions on revenue for the state and its political subdivisions is considerable, on average \$4 billion to \$5 billion was in controversy from real property valuations and determinations of the Tax Commissioner during fiscal year 2008. Appeals are filed and terminated throughout the year, although many are in active status throughout the year. In fiscal year 2008, 2,285 new appeals were filed, 2,155 appeals were terminated; and 2,745 appeals remained in active status at year end. The board is a quasi-judicial body comprised of three members appointed by the Governor for six-year terms. The board has a staff of 17 headed by the secretary to the board and has an annual budget of approximately \$1.7 million. More information regarding the Board of Tax Appeals is available at <http://www.bta.ohio.gov/>.

### Summary of Budget History and Recommendations



| (In Thousands)  | ACTUAL       |              |              | EST. % CHANGE |            | RECOMMENDED % CHANGE |              |              |            |
|-----------------|--------------|--------------|--------------|---------------|------------|----------------------|--------------|--------------|------------|
|                 | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09   | FY 2010              | FY 2010      | FY 2011      | FY 2011    |
| General Revenue | 1,977        | 2,053        | 2,026        | 2,053         | 1.4        | 1,642                | -20.0        | 1,642        | 0.0        |
| <b>TOTAL</b>    | <b>1,977</b> | <b>2,053</b> | <b>2,026</b> | <b>2,053</b>  | <b>1.4</b> | <b>1,642</b>         | <b>-20.0</b> | <b>1,642</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |              |              |            |
|---|--------------|--------------|--------------|------------------|------------|-------------------------|--------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09   | FY 2010                 | CHANGE       | FY 2011      | CHANGE     |
| Personal Services                             | 1,740        | 1,767        | 1,829        | 1,895            | 3.6        | 1,502                   | -20.8        | 1,534        | 2.1        |
| Purchased Personal Services                   | 31           | 107          | 82           | 54               | -33.9      | 57                      | 4.6          | 51           | -9.3       |
| Supplies & Maintenance                        | 159          | 147          | 86           | 104              | 20.0       | 62                      | -40.4        | 54           | -12.6      |
| Equipment                                     | 47           | 31           | 29           | 0                | -100.0     | 22                      | 100.0        | 3            | -85.7      |
| <b>TOTAL</b>                                  | <b>1,977</b> | <b>2,053</b> | <b>2,026</b> | <b>2,053</b>     | <b>1.4</b> | <b>1,642</b>            | <b>-20.0</b> | <b>1,642</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Resolution of Tax Appeals

The Board of Tax Appeals hears and determines appeals to resolve questions of law and fact relating to the administration of the tax laws of the state and its municipalities. The board lessens the burden on the state's court system and reduces the time and cost associated with hearing tax cases.

#### Program 01.01: Hearing and Determination Process

The Board of Tax Appeals reviews all new appeals to determine whether mediation may be appropriate, and as a result diverts approximately 40 percent of new appeals to mediation. Approximately 90 percent of the appeals diverted for mediation are successfully mediated and terminated. For cases not appropriate for mediation, or those in which mediation is unsuccessful, the board conducts an evidentiary hearing and resolves the appeal in that manner.

#### The Executive Recommendation will fund the following objectives:

- Allow the board to determine an estimated 1,500 appeals each year.

| FUND                     |      |        |                    | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 116321 | Operating Expenses | 3,808,785        | 3,809,584        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                    | <b>3,808,785</b> | <b>3,809,584</b> |

**LINE ITEM SUMMARY - Board of Tax Appeals**

| FUND                              | ALI    | ALI NAME           | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-----------------------------------|--------|--------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                               | 116321 | Operating Expenses | 1,976,714         | 2,053,255         | 2,025,583         | 2,053,062           | 1,642,450              | -20.0        | 1,642,450              | 0.0         |
| <b>TOTAL General Revenue</b>      |        |                    | <b>1,976,714</b>  | <b>2,053,255</b>  | <b>2,025,583</b>  | <b>2,053,062</b>    | <b>1,642,450</b>       | <b>-20.0</b> | <b>1,642,450</b>       | <b>0.0</b>  |
| <b>TOTAL Board of Tax Appeals</b> |        |                    | <b>1,976,714</b>  | <b>2,053,255</b>  | <b>2,053,255</b>  | <b>2,053,062</b>    | <b>1,642,450</b>       | <b>-20.0</b> | <b>1,642,450</b>       | <b>0.0</b>  |

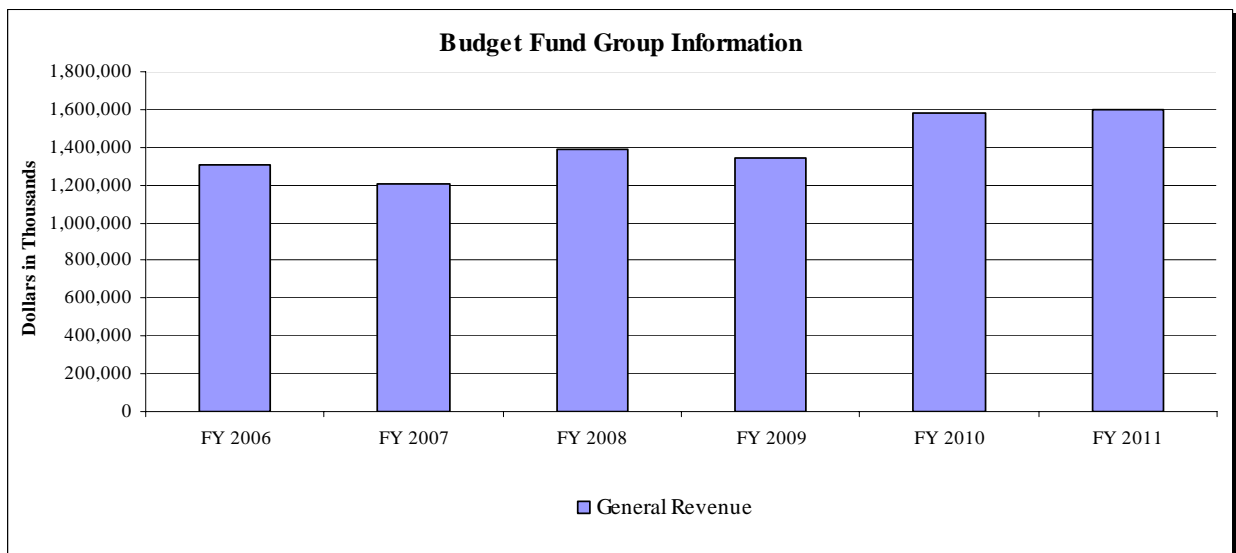


### Role and Overview

The tax relief programs reimburse local governments and school districts for revenue that is lost due to tax relief provided by state law to property owners.

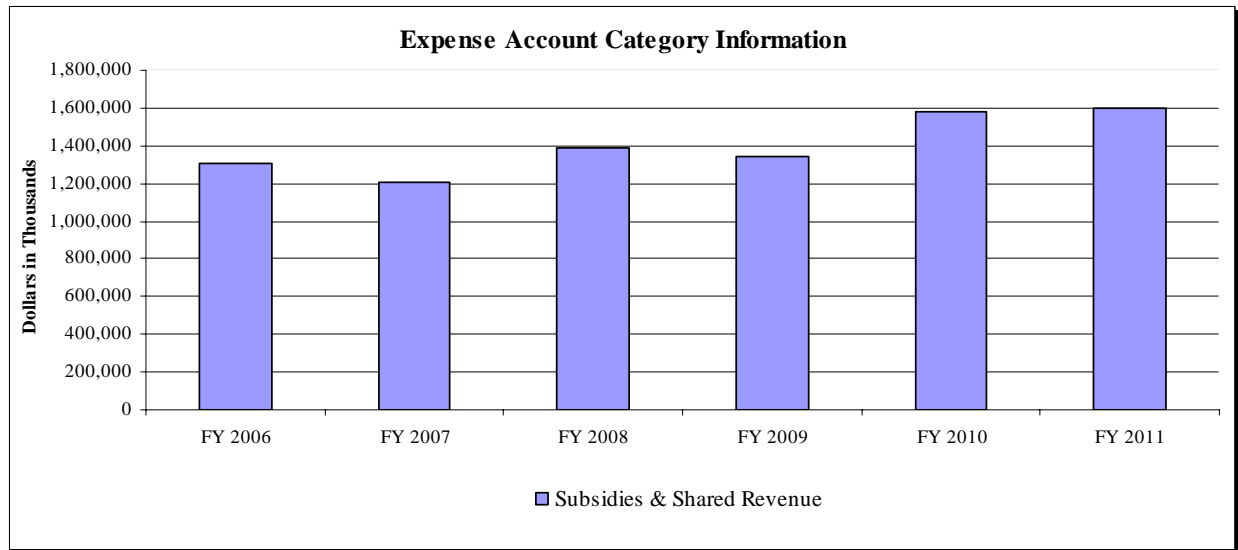
As a result of the implementation of House Bill 66 and the phase out of the tax on tangible personal property, tax relief payments now exclusively focus on real property tax relief. This program is funded through two line items with one in the Department of Education that provides reimbursement to school districts and the other in the Department of Taxation that provides reimbursement to units of local government.

Within real property tax relief there are two separate programs – property tax rollbacks and the homestead exemption. The property tax rollbacks program reimburses the local taxing districts for the cost of the following tax credits: a ten percent reduction in each residential taxpayer’s real property tax bill and an additional 2.5 percent discount on a homestead that is occupied by the homeowner. Correspondingly, two rollbacks are in this program – one of ten percent for all real residential property and one of 2.5 percent for owner-occupied residential property. The homestead exemption provides real property tax relief to all elderly or disabled homeowners and their surviving spouses.



| (In Thousands)  | ACTUAL           |                  |                  | EST. % CHANGE    |             | RECOMMENDED % CHANGE |             |                  |            |
|-----------------|------------------|------------------|------------------|------------------|-------------|----------------------|-------------|------------------|------------|
|                 | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09    | FY 2010              | CHANGE      | FY 2011          | CHANGE     |
| General Revenue | 1,309,275        | 1,206,284        | 1,385,287        | 1,344,779        | -2.9        | 1,578,180            | 17.4        | 1,598,118        | 1.3        |
| <b>TOTAL</b>    | <b>1,309,275</b> | <b>1,206,284</b> | <b>1,385,287</b> | <b>1,344,779</b> | <b>-2.9</b> | <b>1,578,180</b>     | <b>17.4</b> | <b>1,598,118</b> | <b>1.3</b> |

State of Ohio  
**Tax Relief Programs**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST.<br>FY 2009  | %<br>CHANGE<br>FY 08-09 | RECOMMENDED      |             |                  |             |
|---|------------------|------------------|------------------|------------------|-------------------------|------------------|-------------|------------------|-------------|
|   | FY 2006          | FY 2007          | FY 2008          |                  |                         | FY 2010          | %<br>CHANGE | FY 2011          | %<br>CHANGE |
| Subsidies & Shared Revenue                    | 1,309,275        | 1,206,284        | 1,385,287        | 1,344,779        | -2.9                    | 1,578,180        | 17.4        | 1,598,118        | 1.3         |
| <b>TOTAL</b>                                  | <b>1,309,275</b> | <b>1,206,284</b> | <b>1,385,287</b> | <b>1,344,779</b> | <b>-2.9</b>             | <b>1,578,180</b> | <b>17.4</b> | <b>1,598,118</b> | <b>1.3</b>  |

**PROGRAM SERIES 01: Tax Relief Programs**

This program series reimburses local taxing districts for revenue that is lost due to tax relief provided by state law to property owners and businesses.

**Program 01.01: Property Tax Relief – Education**

This program provides the real property tax relief moneys to school districts.

**The Executive Recommendation will:**

- Reimburse local school districts for real property tax revenues that are lost due to real property tax relief programs;
- Continue funding of extended eligibility for the homestead exemption to include all elderly or disabled homeowners.

| FUND                     |      |        |  | RECOMMENDED          |                      |
|--------------------------|------|--------|--|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010              | FY 2011              |
| GRF                      | GRF  | 110901 | Property Tax Allocation – Local Government | 569,917,420          | 577,463,014          |
| GRF                      | GRF  | 200901 | Property Tax Allocation – Education        | 1,008,262,363        | 1,020,655,157        |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>1,578,179,783</b> | <b>1,598,118,171</b> |

**State of Ohio**  
**Tax Relief Programs**

**LINE ITEM SUMMARY - Tax Relief Programs**

| FUND                             | ALI    | ALI NAME                         | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|----------------------------------|--------|----------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| GRF                              | 110901 | Property Tax Allocation          | 451,904,945          | 425,549,632          | 496,613,219          | 478,613,618          | 569,917,420            | 19.1        | 577,463,014            | 1.3         |
| GRF                              | 110906 | Tangible Tax Exemption           | 17,930,008           | 11,206,255           | 8,965,004            | 4,588,981            | 0                      | -100.0      | 0                      | .0          |
| GRF                              | 200901 | Property Tax Allocation          | 796,169,148          | 742,483,779          | 858,073,763          | 850,868,654          | 1,008,262,363          | 18.5        | 1,020,655,157          | 1.2         |
| GRF                              | 200906 | Tangible Tax Exemption-Education | 43,270,947           | 27,044,342           | 21,635,474           | 10,707,622           | 0                      | -100.0      | 0                      | .0          |
| <b>TOTAL General Revenue</b>     |        |                                  | <b>1,309,275,048</b> | <b>1,206,284,008</b> | <b>1,385,287,460</b> | <b>1,344,778,875</b> | <b>1,578,179,783</b>   | <b>17.4</b> | <b>1,598,118,171</b>   | <b>1.3</b>  |
| <b>TOTAL Tax Relief Programs</b> |        |                                  | <b>1,309,275,048</b> | <b>1,206,284,008</b> | <b>1,206,284,008</b> | <b>1,344,778,875</b> | <b>1,578,179,783</b>   | <b>17.4</b> | <b>1,598,118,171</b>   | <b>1.3</b>  |

### Role and Overview

The Ohio Department of Taxation (ODT) administers the state's tax laws to ensure compliance in the filing and payment of taxes and to determine tax liability. The department's mission is to provide quality service to Ohio taxpayers by helping them comply with their tax responsibilities and by fairly applying the tax law.

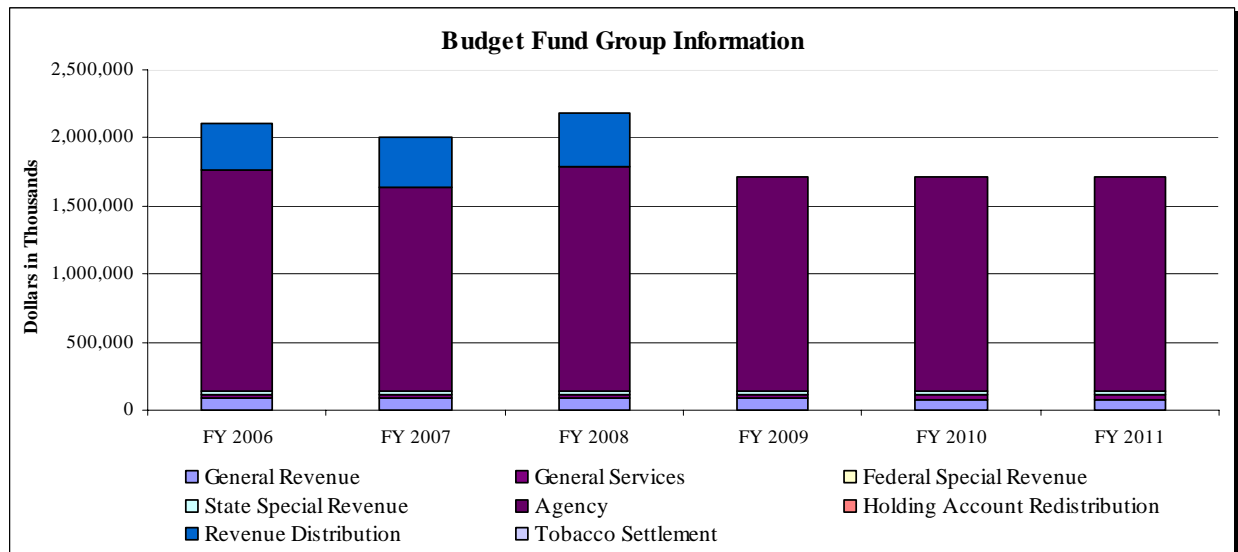
A tax commissioner, who is appointed by the Governor, heads the department. The department has an annual operating budget of approximately \$144 million, which supports about 1,330 employees. ODT administers the following taxes: Alcoholic Beverage (state and county), Cigarette (state and county), Commercial Activity, Corporate Franchise, Dealers in Intangibles, Estate, Horse Racing, Income (individual and employer withholding), Kilowatt-Hour, Motor Fuel Use/International Fuel Tax Agreement, Motor Vehicle Fuel, Municipal Tax on Electric Companies, Natural Gas Consumption (MCF), Other Tobacco Products (snuff, cigars and chewing tobacco), Pass-Through Entity, Public Utility Excise, Public Utility Property, Replacement Tire Fee, Resort Area Excise, Sales and Use (state, county and transit authority), School District Income, Severance, and Tangible Personal Property. In addition, ODT supervises the administration of the locally levied Real Property Tax.

Additional information regarding the Department of Taxation is available at <http://www.tax.ohio.gov/>.

### Agency Priorities

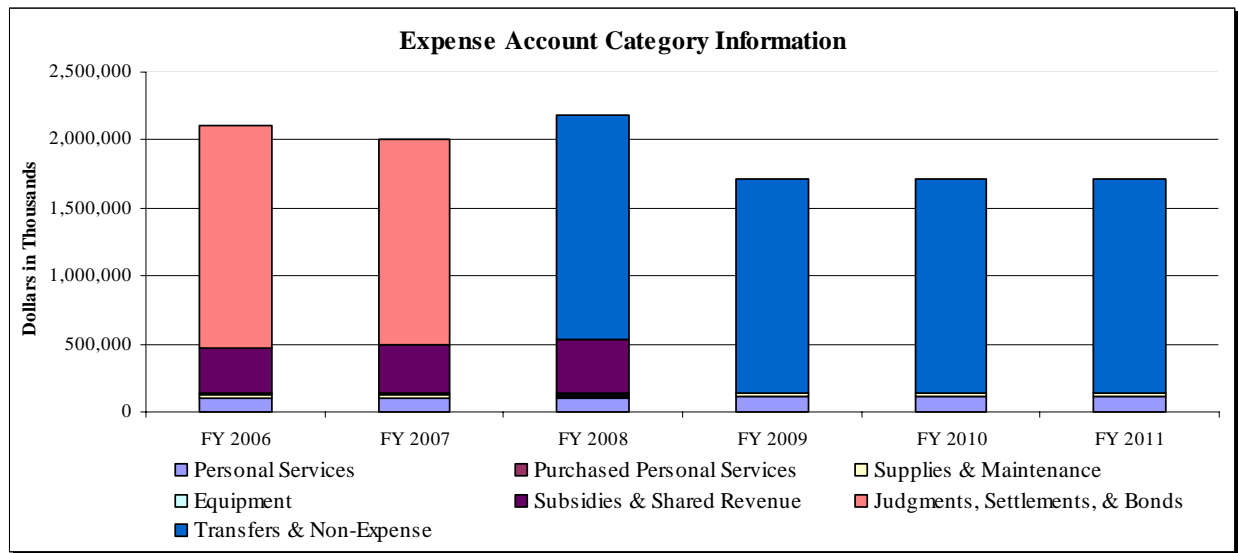
- Improve tax returns and refunds filed by individuals to support virtually all functions of state government.
- Improve departmental efficiency by updating departmental practices and infrastructure.
- Increase compliance to enhance the revenues available for essential state services.
- Improve taxpayer services by expanding education and outreach activities.
- Continue implementation of tax reform.

### Summary of Budget History and Recommendations



**State of Ohio**  
**Department of Taxation**

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL           |                  |                  | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |            |                  |            |
|-------------------------------------|------------------|------------------|------------------|------------------|--------------|-------------------------|------------|------------------|------------|
|                                     | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09     | FY 2010                 | CHANGE     | FY 2011          | CHANGE     |
| General Revenue                     | 93,592           | 93,166           | 84,890           | 90,840           | 7.0          | 81,756                  | -10.0      | 81,756           | 0.0        |
| General Services                    | 18,669           | 17,306           | 23,097           | 21,665           | -6.2         | 28,935                  | 33.6       | 28,935           | 0.0        |
| Federal Special Revenue             | 0                | 25               | 25               | 0                | -100.0       | 0                       | 0.0        | 0                | 0.0        |
| State Special Revenue               | 26,436           | 25,492           | 28,670           | 29,587           | 3.2          | 33,507                  | 13.2       | 33,507           | 0.0        |
| Agency                              | 1,628,223        | 1,501,810        | 1,651,590        | 1,567,800        | -5.1         | 1,567,800               | 0.0        | 1,567,800        | 0.0        |
| Holding Account Redistribution      | 0                | 0                | 0                | 100              | 0.0          | 100                     | 0.0        | 100              | 0.0        |
| Revenue Distribution                | 335,336          | 363,882          | 394,012          | 0                | -100.0       | 0                       | 0.0        | 0                | 0.0        |
| Tobacco Settlement                  | 200              | 297              | 228              | 0                | -100.0       | 0                       | 0.0        | 0                | 0.0        |
| <b>TOTAL</b>                        | <b>2,102,455</b> | <b>2,001,978</b> | <b>2,182,511</b> | <b>1,709,992</b> | <b>-21.7</b> | <b>1,712,098</b>        | <b>0.1</b> | <b>1,712,098</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |            |                  |            |
|---|------------------|------------------|------------------|------------------|--------------|-------------------------|------------|------------------|------------|
|   | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09     | FY 2010                 | CHANGE     | FY 2011          | CHANGE     |
| Personal Services                             | 96,965           | 101,213          | 104,160          | 109,147          | 4.8          | 109,725                 | 0.5        | 109,718          | 0.0        |
| Purchased Personal Services                   | 6,556            | 4,559            | 5,749            | 4,050            | -29.6        | 6,204                   | 53.2       | 5,173            | -16.6      |
| Supplies & Maintenance                        | 26,117           | 23,929           | 23,184           | 22,845           | -1.5         | 25,252                  | 10.5       | 25,316           | 0.3        |
| Equipment                                     | 8,748            | 6,126            | 3,298            | 4,450            | 34.9         | 2,267                   | -49.1      | 3,241            | 42.9       |
| Subsidies & Shared Revenue                    | 335,325          | 363,882          | 394,012          | 0                | -100.0       | 0                       | 0.0        | 0                | 0.0        |
| Judgments, Settlements, & Bonds               | 1,628,745        | 1,502,269        | 0                | 100              | 0.0          | 100                     | 0.0        | 100              | 0.0        |
| Transfers & Non-Expense                       | 0                | 0                | 1,652,107        | 1,569,400        | -5.0         | 1,568,550               | -0.1       | 1,568,550        | 0.0        |
| <b>TOTAL</b>                                  | <b>2,102,455</b> | <b>2,001,978</b> | <b>2,182,511</b> | <b>1,709,992</b> | <b>-21.7</b> | <b>1,712,098</b>        | <b>0.1</b> | <b>1,712,098</b> | <b>0.0</b> |

**PROGRAM SERIES 01: Tax Administration**

This program series provides for all operations related to tax administration. The primary functions are receipt, processing, and the handling of filed documents, determination of tax liability, and compliance related activities.

**Program 01.01: Taxpayer Services**

This program provides for the delivery of service to taxpayers in an effort to increase tax compliance. The services under this program include the operation of regional service centers, telephone and email support, and technical seminars and presentations to industry, trade, and tax practitioner groups.

**The Executive Recommendation will fund the following objectives:**

- Support continued improvements in efficiency and effectiveness of the delivery of services to taxpayers. This program currently handles 1.7 million phone calls, 82,000 e-mails, and more than 50,000 walk-in requests annually;
- Contribute to the Department of Taxation mission "To provide quality service to Ohio taxpayers by helping them comply with their tax responsibilities and by fairly applying the tax law;" and
- Maintain current quality of service while supporting a reduction in staffing from approximately 175 full-time equivalents (FTEs).

| FUND              |      |        |           | RECOMMENDED |            |
|-------------------|------|--------|-----------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME  | FY 2010     | FY 2011    |
| GRF               | GRF  | 110321 | Operating | 17,430,571  | 17,547,830 |
| TOTAL FOR PROGRAM |      |        |           | 17,430,571  | 17,547,830 |

**Program 01.02: Tax Processing**

This program provides for all processing services including the receipt, opening, and distribution for all types of tax filings. Returns are reviewed, keyed, or scanned into Taxation's automated tax applications and filed for audit purposes. The program includes processes for both paper forms and electronic transactions.

**The Executive Recommendation will fund the following objectives:**

- Support all mail and electronic processing of tax services, including the receipt, opening or accessing, and disposition of all tax filings. In calendar year 2007, this program handled approximately 14 million documents;
- Fund new technology which will allow the department to maintain the current quality of service while reducing its dependence in intermittent processing staff; and
- Allow the department to provide revenues to support state operations and tax refunds to eligible taxpayers in an efficient and accurate manner.

| FUND              |      |        |           | RECOMMENDED |            |
|-------------------|------|--------|-----------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME  | FY 2010     | FY 2011    |
| GRF               | GRF  | 110321 | Operating | 10,956,548  | 10,529,694 |
| TOTAL FOR PROGRAM |      |        |           | 10,956,548  | 10,529,694 |

**Program 01.03: Tax Compliance**

This program provides for the review of returns, audits of taxpayer records, and the issuance of notices and assessments to taxpayers who have not paid tax liabilities. The program also provides for the matching of persons delinquent in child support payments with taxpayers due an Ohio income tax refund. Tax compliance is also pursued through investigations of suspected criminal offenses related to tax law, often resulting in combined efforts between ODT and the Internal Revenue Service, as well as federal, state, and local law enforcement agencies.

**The Executive Recommendation will fund the following objectives:**

- Fund the tax compliance initiatives of the Audit, Enforcement, Estate, Corporate Franchise, Personal Income, and Sales & Use divisions of the Department of Taxation;

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- Support the management of billing and assessment functions for the Individual Income, Employer Withholding, Corporate Franchise, Sales & Use, and School District Income taxes;
- Fund continued enforcement costs of the Department of Taxation related to the Tobacco Master Settlement Agreement; and
- Support department activities related to the investigation of fraud, coordinated efforts with other enforcement agencies, tracking of evidence, and testimony for trial cases.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 110321 | Operating                      | 43,350,723        | 43,606,446        |
| GRF                      | GRF  | 110404 | Tobacco Settlement Enforcement | 295,231           | 295,231           |
| GSF                      | 2280 | 110628 | Tax Reform System Implementatn | 13,600,000        | 13,600,000        |
| GSF                      | 5AP0 | 110632 | Discovery Project              | 2,000,000         | 2,000,000         |
| GSF                      | 5W70 | 110627 | Exempt Facility Administration | 60,000            | 60,000            |
| SSR                      | 4360 | 110608 | Motor Vehicle Audit            | 1,000,000         | 1,000,000         |
| SSR                      | 4370 | 110606 | Litter/natural Resrce Tax Admn | 200,000           | 200,000           |
| SSR                      | 4C60 | 110616 | International Registration Pln | 706,855           | 706,855           |
| SSR                      | 4R60 | 110610 | Tire Tax Administration        | 200,000           | 200,000           |
| SSR                      | 5V70 | 110622 | Motor Fuel Tax Administration  | 4,700,000         | 4,700,000         |
| SSR                      | 6390 | 110614 | Cigarette Tax Enforcement      | 1,900,000         | 1,900,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>68,012,809</b> | <b>68,268,532</b> |

**Program 01.04: Tax Policy and Analysis**

This program provides administrative, advisory, and technical assistance, while working closely with other state agencies, industry, trade groups, and professional organizations. This in turn facilitates the promulgation of good tax policy through the drafting of sound statutes and Tax Commissioner rules. As part of this program, the agency monitors legislative activity in the tax area and provides analysis of the revenue impact of these initiatives. This program provides for the legal counsel necessary for the management of bankruptcy cases, information releases, tax appeals, and overall tax counsel.

**The Executive Recommendation will fund the following objectives:**

- Support the development and analysis of various courses of action regarding any and all taxes with the goal of raising sufficient revenue for state programs and services while maintaining a fair and neutral tax structure;
- Fund the collection and publication of statistical and historical tax data from Ohio and other states;
- Provide legal advice to the department and handles filings in bankruptcy court and the adjudication of tax appeals; and
- Fund the provision of seminars on tax policy issues throughout Ohio.

| FUND                     |      |        |           | RECOMMENDED      |                  |
|--------------------------|------|--------|-----------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010          | FY 2011          |
| GRF                      | GRF  | 110321 | Operating | 9,703,214        | 9,757,085        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>9,703,214</b> | <b>9,757,085</b> |

**Program 01.05: Local Government Services**

This program provides information and assistance to local governmental units and school districts, as well as providing for the administration of certain local taxes such as county permissive sales and use and municipal income taxes.

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**Department of Taxation**

**The Executive Recommendation will fund the following objectives:**

- Support the collection and administration of various taxes such as local sales taxes, individual and school district income taxes, and the real, personal, and public utility taxes. These taxes provide revenues that allow local governments to provide a wide range of services for residents of Ohio;
- Fund compliance efforts associated with the collection and administration of these taxes. Approximately 70 percent of audits performed by the department are focused on sales and property taxes, which generate the largest percentage of local government revenue;
- Fund staffing levels at approximately 380 FTEs.

| FUND                     |      |        |                                | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 110412 | Child Support Administration   | 19,512            | 19,512            |
| GSF                      | 4330 | 110602 | Tape File Account              | 125,000           | 125,000           |
| GSF                      | 5N50 | 110605 | Municipal Income Tax Admin     | 600,000           | 600,000           |
| GSF                      | 5N60 | 110618 | Kilowatt Hour Tax Administratn | 100,000           | 100,000           |
| GSF                      | 5V80 | 110623 | Property Tax Administration    | 12,000,000        | 12,000,000        |
| GSF                      | 5W40 | 110625 | Centralized Tax Filing & Pymnt | 200,000           | 200,000           |
| SSR                      | 4350 | 110607 | Local Tax Administration       | 18,000,000        | 18,000,000        |
| SSR                      | 4380 | 110609 | School District Income Tax     | 5,500,000         | 5,500,000         |
| SSR                      | 6880 | 110615 | Local Excise Tax Administratn  | 800,000           | 800,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>37,344,512</b> | <b>37,344,512</b> |

**PROGRAM SERIES 02: Revenue Distribution**

This program series provides for the distribution of refunds to taxpayers and the distribution of revenue to local governments.

**Program 02.01: Refunds and Distributions**

This program distributes funds to qualified parties from the check-offs made by taxpayers on their state individual income tax returns. The program also issues tax refunds due taxpayers, provides reimbursement to counties, and handles misdirected tax payments.

**The Executive Recommendation will fund the following objectives:**

- Fund the distribution of tax refunds, local government funds, portions of the municipal income tax, misdirected tax payments, and political party check-offs.

| FUND                     |      |        |                               | RECOMMENDED          |                      |
|--------------------------|------|--------|-------------------------------|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010              | FY 2011              |
| GSF                      | 5CZ0 | 110631 | Vendor's License Application  | 250,000              | 250,000              |
| SSR                      | 6420 | 110613 | Ohio Politcl Prty Distributns | 500,000              | 500,000              |
| 090                      | R010 | 110611 | Tax Distributions             | 50,000               | 50,000               |
| 090                      | R011 | 110612 | Misc Income Tax Receipts      | 50,000               | 50,000               |
| AGY                      | 4250 | 110635 | Tax Refunds                   | 1,546,800,000        | 1,546,800,000        |
| AGY                      | 7095 | 110995 | Municipalincome Tax           | 21,000,000           | 21,000,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>1,568,650,000</b> | <b>1,568,650,000</b> |



**State of Ohio**  
**Department of Taxation**

**LINE ITEM SUMMARY - Department of Taxation**

| FUND                                 | ALI    | ALI NAME                       | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|--------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                                  | 110321 | Operating                      | 93,557,151        | 93,094,736        | 84,875,363        | 90,490,062          | 81,441,056             | -10.0        | 81,441,055             | 0.0         |
| GRF                                  | 110404 | Tobacco Settlement Enforcement | 0                 | 0                 | 0                 | 328,034             | 295,231                | -10.0        | 295,231                | 0.0         |
| GRF                                  | 110412 | Child Support Administration   | 34,775            | 71,451            | 14,508            | 21,680              | 19,512                 | -10.0        | 19,512                 | 0.0         |
| GRF                                  | 110901 | Property Tax Allocation        | 0                 | 0                 | 0                 | 0                   | 0                      | -100.0       | 0                      | .0          |
| GRF                                  | 110906 | Tangible Tax Exemption         | 0                 | 0                 | 0                 | 0                   | 0                      | -100.0       | 0                      | .0          |
| <b>TOTAL General Revenue</b>         |        |                                | <b>93,591,926</b> | <b>93,166,187</b> | <b>84,889,871</b> | <b>90,839,776</b>   | <b>81,755,799</b>      | <b>-10.0</b> | <b>81,755,798</b>      | <b>0.0</b>  |
| 2250                                 | 110626 | Dept. of Taxation Enforcement  | 0                 | 0                 | 11,161            | 0                   | 0                      | .0           | 0                      | .0          |
| 2280                                 | 110628 | Tax Reform System Implementatn | 0                 | 2,010,182         | 528,211           | 0                   | 13,600,000             | .0           | 13,600,000             | 0.0         |
| 4330                                 | 110602 | Tape File Account              | 79,202            | 103,885           | 110,318           | 140,000             | 125,000                | -10.7        | 125,000                | 0.0         |
| 5AP0                                 | 110632 | Discovery Project              | 0                 | 0                 | 0                 | 0                   | 2,000,000              | .0           | 2,000,000              | 0.0         |
| 5BQ0                                 | 110629 | Commercial Activity Tax Admin  | 3,899,356         | 494,503           | 5,940,050         | 6,000,000           | 0                      | -100.0       | 0                      | .0          |
| 5BW0                                 | 110630 | Tax Amnesty Promotion & Admin  | 1,044,871         | 882,946           | 0                 | 0                   | 0                      | .0           | 0                      | .0          |
| 5CZ0                                 | 110631 | Vendor's License Application   | 93,925            | 131,525           | 126,850           | 1,000,000           | 250,000                | -75.0        | 250,000                | 0.0         |
| 5N50                                 | 110605 | Municipal Income Tax Admin     | 299,100           | 230,021           | 495,188           | 500,000             | 600,000                | 20.0         | 600,000                | 0.0         |
| 5N60                                 | 110618 | Kilowatt Hour Tax Administratn | 72,543            | 24,085            | 96,999            | 175,000             | 100,000                | -42.9        | 100,000                | 0.0         |
| 5V80                                 | 110623 | Property Tax Administration    | 12,052,460        | 12,904,828        | 14,120,683        | 13,500,000          | 12,000,000             | -11.1        | 12,000,000             | 0.0         |
| 5W40                                 | 110625 | Centralized Tax Filing & Pymnt | 1,102,193         | 515,151           | 1,602,488         | 200,000             | 200,000                | 0.0          | 200,000                | 0.0         |
| 5W70                                 | 110627 | Exempt Facility Administration | 25,000            | 8,708             | 64,652            | 150,000             | 60,000                 | -60.0        | 60,000                 | 0.0         |
| <b>TOTAL General Services</b>        |        |                                | <b>18,668,652</b> | <b>17,305,834</b> | <b>23,096,600</b> | <b>21,665,000</b>   | <b>28,935,000</b>      | <b>33.6</b>  | <b>28,935,000</b>      | <b>0.0</b>  |
| 3J60                                 | 110601 | Motor Fuel Compliance          | 105               | 24,895            | 25,000            | 0                   | 0                      | .0           | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |                                | <b>105</b>        | <b>24,895</b>     | <b>25,000</b>     | <b>0</b>            | <b>0</b>               | <b>.0</b>    | <b>0</b>               | <b>.0</b>   |
| 4350                                 | 110607 | Local Tax Administration       | 16,121,773        | 15,975,057        | 16,555,683        | 17,250,000          | 18,000,000             | 4.3          | 18,000,000             | 0.0         |
| 4360                                 | 110608 | Motor Vehicle Audit            | 1,255,728         | 1,316,405         | 1,196,373         | 1,200,000           | 1,000,000              | -16.7        | 1,000,000              | 0.0         |
| 4370                                 | 110606 | Litter/natural Resrce Tax Admn | 592,026           | 551,055           | 673,550           | 800,000             | 200,000                | -75.0        | 200,000                | 0.0         |
| 4380                                 | 110609 | School District Income Tax     | 2,588,788         | 2,478,857         | 3,448,790         | 3,600,000           | 5,500,000              | 52.8         | 5,500,000              | 0.0         |

**State of Ohio**  
**Department of Taxation**

**LINE ITEM SUMMARY - Department of Taxation**

| FUND  | ALI    | ALI NAME                       | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|-------------|
| 4C60  | 110616 | International Registration Pln | 693,398              | 547,015              | 843,114              | 706,855              | 706,855                | 0.0         | 706,855                | 0.0         |
| 4R60  | 110610 | Tire Tax Administration        | 56,887               | 30,037               | 69,608               | 150,000              | 200,000                | 33.3        | 200,000                | 0.0         |
| 5V70  | 110622 | Motor Fuel Tax Administration  | 4,299,239            | 4,098,826            | 4,990,342            | 5,000,000            | 4,700,000              | -6.0        | 4,700,000              | 0.0         |
| 6390  | 110614 | Cigarette Tax Enforcement      | 161,071              | 46,912               | 157,670              | 100,000              | 1,900,000              | 1800.0      | 1,900,000              | 0.0         |
| 6420  | 110613 | Ohio Politcl Prty Distributns  | 390,766              | 373,059              | 440,797              | 600,000              | 500,000                | -16.7       | 500,000                | 0.0         |
| 6880  | 110615 | Local Excise Tax Administratn  | 276,309              | 74,981               | 293,622              | 180,000              | 800,000                | 344.4       | 800,000                | 0.0         |
| <b>TOTAL State Special Revenue</b>          |        |                                | <b>26,435,985</b>    | <b>25,492,202</b>    | <b>28,669,550</b>    | <b>29,586,855</b>    | <b>33,506,855</b>      | <b>13.2</b> | <b>33,506,855</b>      | <b>0.0</b>  |
| 4250  | 090635 | Tax Refunds                    | 0                    | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0          |
| 4250  | 110635 | Tax Refunds                    | 1,591,439,659        | 1,466,070,061        | 1,607,934,383        | 1,546,800,000        | 1,546,800,000          | 0.0         | 1,546,800,000          | 0.0         |
| 7095  | 110995 | Municipalincome Tax            | 36,783,212           | 35,739,874           | 43,655,400           | 21,000,000           | 21,000,000             | 0.0         | 21,000,000             | 0.0         |
| <b>TOTAL Agency</b>                         |        |                                | <b>1,628,222,870</b> | <b>1,501,809,935</b> | <b>1,651,589,782</b> | <b>1,567,800,000</b> | <b>1,567,800,000</b>   | <b>0.0</b>  | <b>1,567,800,000</b>   | <b>0.0</b>  |
| R010  | 110611 | Tax Distributions              | 0                    | 0                    | 0                    | 50,000               | 50,000                 | 0.0         | 50,000                 | 0.0         |
| R011  | 110612 | Misc Income Tax Receipts       | 0                    | 0                    | 0                    | 50,000               | 50,000                 | 0.0         | 50,000                 | 0.0         |
| <b>TOTAL Holding Account Redistribution</b> |        |                                | <b>0</b>             | <b>0</b>             | <b>0</b>             | <b>100,000</b>       | <b>100,000</b>         | <b>0.0</b>  | <b>100,000</b>         | <b>0.0</b>  |
| 7060  | 110960 | Gasoline Excise Tax            | 335,335,538          | 363,882,394          | 394,012,233          | 0                    | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Revenue Distribution</b>           |        |                                | <b>335,335,538</b>   | <b>363,882,394</b>   | <b>394,012,233</b>   | <b>0</b>             | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| T087  | 110402 | Tobacco Settlement Enforcement | 200,008              | 296,495              | 227,571              | 0                    | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Tobacco Settlement</b>             |        |                                | <b>200,008</b>       | <b>296,495</b>       | <b>227,571</b>       | <b>0</b>             | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| <b>TOTAL Department of Taxation</b>         |        |                                | <b>2,102,455,085</b> | <b>2,001,977,943</b> | <b>2,182,510,606</b> | <b>1,709,991,631</b> | <b>1,712,097,654</b>   | <b>0.0</b>  | <b>1,712,097,653</b>   | <b>0.0</b>  |

### **Role and Overview**

The Ohio Department of Transportation (ODOT) plans, builds, and maintains a safe, efficient, and accessible transportation system that integrates highway, rail, air, and water networks. ODOT also helps coordinate and develop Ohio's public transportation and aviation programs which include 60 public transit systems and over 170 public use airports and heliports.

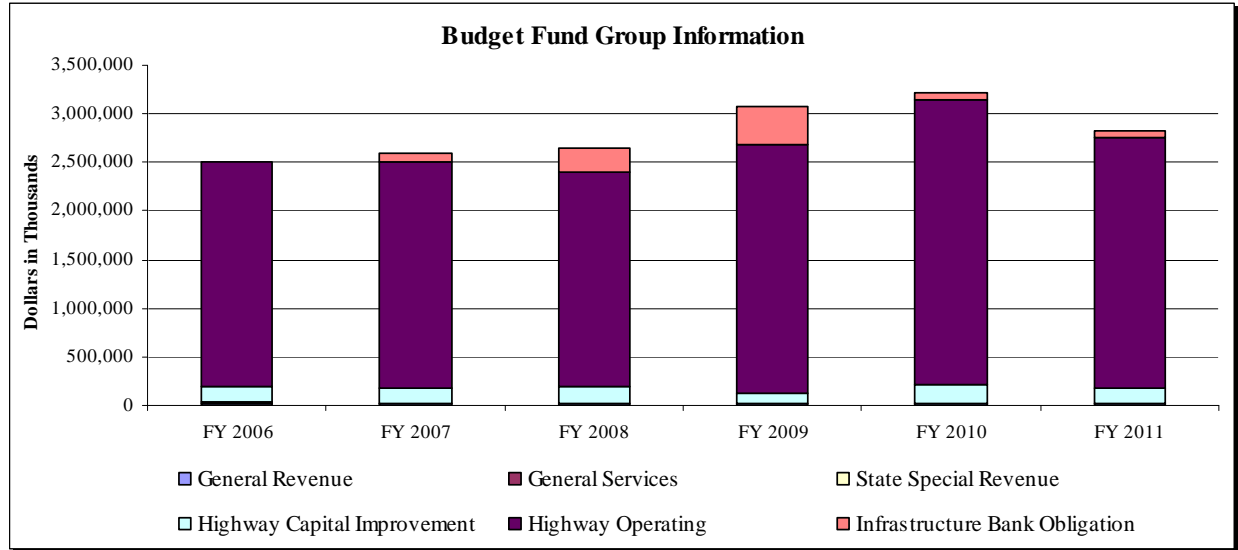
The director is appointed by the Governor and oversees 6,031 employee positions. About 82 percent of ODOT's employees are located in the 12 districts, 88 counties, and 122 outpost facilities throughout the state, with the remainder located in the central office in Columbus.

The department's budget is appropriated in two separate budget bills, with all non-general revenue fund appropriations in the transportation budget bill and all general revenue fund (GRF) appropriations in the main operating budget bill. The department's funding source is mainly state and federal taxes on motor fuels. Approximately 90 percent of ODOT's biennium budget is to be used for the maintenance and construction of highways and bridges, with emphasis on safety and preserving and upgrading the current network. Most highway maintenance work is completed by ODOT employees, while nearly all construction work is done by private contractors with ODOT oversight to ensure the quality of work performed. Additional information regarding the Department of Transportation is available at <http://www.dot.state.oh.us/>.

### **Agency Priorities**

- Promote a multi-modal approach to transportation.
- Become a reliable partner with local communities.
- Create innovative financing tools such as Public Private Partnerships (PPP), Transportation Innovation Authorities (TIA), and Tolling.
- Make communication with ODOT more accessible and understandable.
- Provide a meaningful and safe work environment.
- Embrace environmental stewardship.
- Emphasize economic development in our project selection.
- Improve highway safety for Ohio drivers
- Promote opportunity and diversity.
- Encourage a new spirit of cooperation and innovation.
- Construct Phase I of the Cleveland-Columbus-Cincinnati (3C) Passenger Rail Line.
- Initiate steps necessary to advance development of the Ohio Hub intercity high-speed passenger rail.
- Expands the State Infrastructure Bank to invest in new highway, transit, and rail projects across the state.

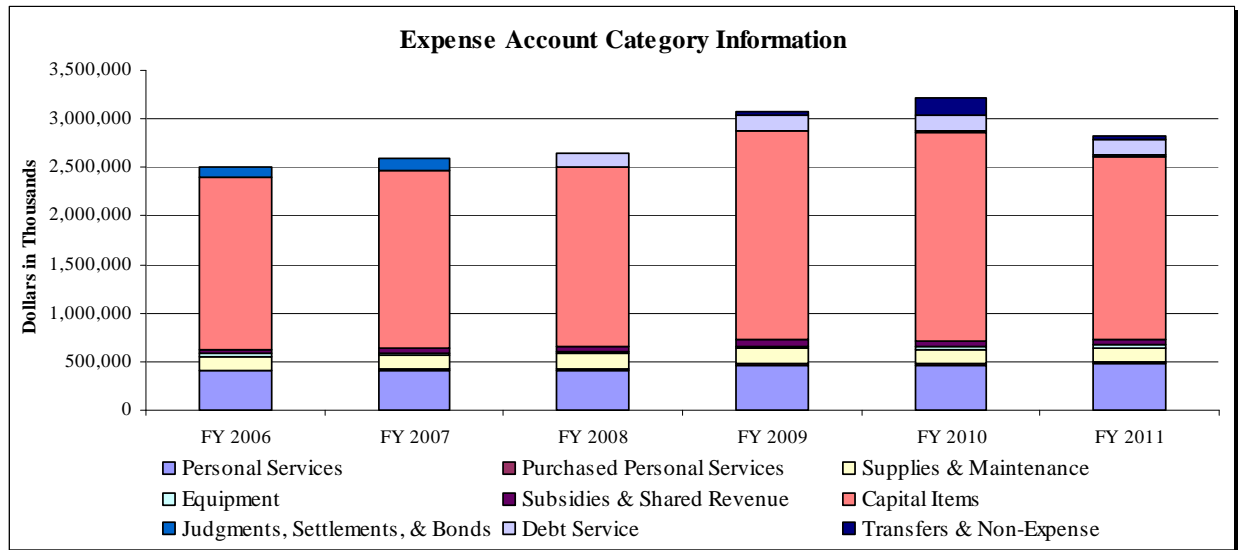
### Summary of Budget History and Recommendations



- A New Generation State Infrastructure Bank is contained within the Highway Operating Fund Group for fiscal years 2010 and 2011.

| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL           |                  |                  | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |                  |              |
|-------------------------------------|------------------|------------------|------------------|------------------|-------------|-------------------------|------------|------------------|--------------|
|                                     | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011          | CHANGE       |
| General Revenue                     | 26,188           | 22,255           | 22,627           | 19,582           | -13.5       | 19,582                  | 0.0        | 19,582           | 0.0          |
| General Services                    | 354              | 352              | 44               | 0                | -100.0      | 0                       | 0.0        | 0                | 0.0          |
| State Special Revenue               | 1,477            | 743              | 2,273            | 3,445            | 51.6        | 3,494                   | 1.4        | 3,496            | 0.0          |
| Highway Capital Improvement         | 164,862          | 153,302          | 164,226          | 100,000          | -39.1       | 194,000                 | 94.0       | 163,000          | -16.0        |
| Highway Operating                   | 2,303,427        | 2,333,284        | 2,213,579        | 2,551,266        | 15.3        | 2,936,109               | 15.1       | 2,566,679        | -12.6        |
| Infrastructure Bank Obligation      | 12,693           | 85,136           | 246,958          | 400,000          | 62.0        | 71,000                  | -82.3      | 65,000           | -8.5         |
| <b>TOTAL</b>                        | <b>2,509,001</b> | <b>2,595,072</b> | <b>2,649,707</b> | <b>3,074,293</b> | <b>16.0</b> | <b>3,224,185</b>        | <b>4.9</b> | <b>2,817,756</b> | <b>-12.6</b> |

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| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL           |                  |                  | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |                  |              |
|---|------------------|------------------|------------------|------------------|-------------|-------------------------|------------|------------------|--------------|
|   | FY 2006          | FY 2007          | FY 2008          | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011          | CHANGE       |
| Personal Services                             | 403,471          | 413,113          | 416,669          | 465,722          | 11.8        | 462,147                 | -0.8       | 471,308          | 2.0          |
| Purchased Personal Services                   | 9,203            | 10,282           | 11,628           | 11,684           | 0.5         | 17,418                  | 49.1       | 17,807           | 2.2          |
| Supplies & Maintenance                        | 136,307          | 137,057          | 155,703          | 154,768          | -0.6        | 145,302                 | -6.1       | 155,060          | 6.7          |
| Equipment                                     | 31,992           | 34,193           | 22,426           | 21,129           | -5.8        | 34,191                  | 61.8       | 36,662           | 7.2          |
| Subsidies & Shared Revenue                    | 46,420           | 38,034           | 43,486           | 68,001           | 56.4        | 49,174                  | -27.7      | 49,077           | -0.2         |
| Capital Items                                 | 1,767,596        | 1,844,675        | 1,857,264        | 2,148,057        | 15.7        | 2,155,411               | 0.3        | 1,888,432        | -12.4        |
| Judgments, Settlements, & Bonds               | 114,012          | 117,718          | 1,626            | 5,764            | 254.4       | 5,763                   | 0.0        | 5,764            | 0.0          |
| Debt Service                                  | 0                | 0                | 129,597          | 165,403          | 27.6        | 160,509                 | -3.0       | 169,382          | 5.5          |
| Transfers & Non-Expense                       | 0                | 0                | 11,309           | 33,766           | 198.6       | 194,271                 | 475.3      | 24,264           | -87.5        |
| <b>TOTAL</b>                                  | <b>2,509,001</b> | <b>2,595,072</b> | <b>2,649,707</b> | <b>3,074,293</b> | <b>16.0</b> | <b>3,224,185</b>        | <b>4.9</b> | <b>2,817,756</b> | <b>-12.6</b> |

### PROGRAM SERIES 01: Transportation Planning and Research

The Transportation Planning and Research program series supports ODOT's strategic initiatives. Over 85 percent of the funding is used for transportation planning with the remainder dedicated to highway research. The Federal Highway Administration (FHWA) requires that 2 percent of core federal funding be dedicated to planning and research.

#### Program 01.01: Planning and Research Operating

The Planning and Research Operating Program provides personnel and operating resources needed to support the various aspects of planning and research. Planning efforts include data collection, analysis, and reporting activities that support the federally mandated Cooperative and Continuing Statewide Metropolitan Transportation Planning process. Technical and administrative support is also provided to both public and private agencies in planning development and operating the transportation system. Planning activities include: statewide traffic monitoring; official Ohio road inventory for state, county, townships, and municipal roads; a Highway Performance Monitoring System required by the FHWA; continual evaluation and update of the department's long-range plan; and the Metropolitan Planning Organization (MPO) urban planning process.

The program also supports the following research activities: conducting research responsive to the department's strategic initiatives; considering economics and emerging technologies; providing information and technology for

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management policy decisions; sharing results with customers through various mechanisms; and producing practical results with the potential for implementation. Collect, process, and analyze data for official Ohio road inventory, pavement condition ratings, environmental data, and travel demand.

**The Executive Recommendation will fund the following objectives:**

- Maintain the official Ohio road inventory by incorporating all changes in mileage, classification, characteristics, and other related attributes;
- Conduct research in a variety of areas, including congestion & capacity, safety and economic development;
- Assist all MPOs using the latest state of the art technologies in the areas of roads, bridges, safety regulations, and transportation for planning, and provide workshops and training opportunities throughout the year;
- The development of a statewide integrated multi modal transportation plan;
- Conduct planning studies for Innovative Energy and Environmental partnerships;
- Advance planning for high speed rail in Ohio;
- Work with ORDC to fund conventional passenger rail service design and development; and
- Provide assistance to Transportation Innovation Authorities for planning.

| FUND              |      |        |                             | RECOMMENDED |            |
|-------------------|------|--------|-----------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                    | FY 2010     | FY 2011    |
| HOF               | 7002 | 771411 | Planning And Research-State | 15,051,824  | 15,409,591 |
| TOTAL FOR PROGRAM |      |        |                             | 15,051,824  | 15,409,591 |

**Program 01.02: Planning and Research Contracts**

This program provides services such as the maintenance of basic data files used to provide input to other aspects of planning. This includes statewide traffic monitoring data; the official Ohio road inventory for state, county, township, and municipal roads; the Highway Performance Monitoring System required by the Federal Highway Administration; and other activities as outlined in the department's Annual State Planning and Research Program.

**The Executive Recommendation will fund the following objectives:**

- Fund various special planning projects, studies, software, and equipment;
- Provide funding for research projects on topics such as mobility, safety, and fuel technologies;
- Estimate present and future traffic for proposed highway improvements in rural and urban areas; and
- Provide fiscal support for the MPO staff to conduct administrative technical analysis and policy development actions needed to support the planning programs.

| FUND              |      |        |                               | RECOMMENDED |            |
|-------------------|------|--------|-------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011    |
| HOF               | 7002 | 771411 | Planning And Research-State   | 5,992,692   | 6,053,578  |
| HOF               | 7002 | 771412 | Planning And Research-Federal | 23,970,770  | 24,214,310 |
| TOTAL FOR PROGRAM |      |        |                               | 29,963,462  | 30,267,888 |

**PROGRAM SERIES 02: Highway Transportation**

Highway Transportation consists of seven programs which cover highway design, acquisition of right-of-way, and highway construction, including inspection and engineering.

**Program 02.01: Highway Operating**

This program includes the operations of the district and central office and the divisions of facilities and equipment; production management; highway operations; contract administration; and construction management. The divisions

employ approximately 5,000 employees and provide many services. These services include snow and ice removal, pothole repair, striping, signage, as well as other activities.

**The Executive Recommendation will fund the following objectives:**

- Construction management including asphalt and concrete testing to ensure minimum standards are met;
- Provide contract oversight, dispute resolution involving contractors, and bid lettings;
- Maintain over 16,000 pieces of rolling stock equipment inventory at a fixed average age;
- Maintain more than 220 salt storage facilities and provide over 500,000 tons of salt; and
- Support geotechnical services for planning, design, construction and maintenance for transportation systems.

| FUND                     |      |        |                            | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010            | FY 2011            |
| HOF                      | 7002 | 772421 | Highway Construction-State | 167,222,324        | 170,406,056        |
| HOF                      | 7002 | 773431 | Highway Maintenance-State  | 342,632,775        | 356,569,075        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>509,855,099</b> | <b>526,975,131</b> |

**Program 02.02: Preservation Pavement and Bridges**

This program provides funding for maintenance, repair, rehabilitation, or replacement of existing roads and bridges throughout Ohio to ensure a steady and sustainable condition level.

**The Executive Recommendation will fund the following objectives:**

- Maintain 90 percent of Ohio's highway pavements at an acceptable pavement condition rating;
- Preserve, replace, and maintain Ohio's nearly 50,000 lane miles of general, priority, and urban system pavements; and
- Preserve, replace, and maintain Ohio's 14,000 bridge structures at a steady condition level.

| FUND                     |      |        |                                  | RECOMMENDED          |                      |
|--------------------------|------|--------|----------------------------------|----------------------|----------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010              | FY 2011              |
| 042                      | 7042 | 772723 | Highway Construction-Bonds       | 142,794,000          | 163,000,000          |
| 045                      | 7045 | 772428 | Highway Infrastructure Bank-Bond | 45,000,000           | 65,000,000           |
| HOF                      | 7002 | 772421 | Highway Construction-State       | 273,271,537          | 279,757,318          |
| HOF                      | 7002 | 772422 | Highway Construction-Federal     | 563,934,463          | 553,090,857          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>1,025,000,000</b> | <b>1,060,848,175</b> |

**Program 02.03: Safety**

This program emphasizes safety in all phases of highway development by identifying and studying safety problems, developing solutions, establishing priorities, and implementing countermeasures. Safety projects are not limited to the state highway system. Proposed local projects for public roads are also evaluated and prioritized to improve safety through better operation of the existing highway facility.

**The Executive Recommendation will fund the following objectives:**

- Study the top 250 crash locations and safety hotspots and evaluate the funding needed to address these priorities; and
- Continue reductions in the number of crashes including 10% reduction in fixed object and intersection crashes by 2015.

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| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| HOF                      | 7002 | 772421 | Highway Construction-State   | 13,400,000        | 13,917,312        |
| HOF                      | 7002 | 772422 | Highway Construction-Federal | 80,885,600        | 56,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>94,285,600</b> | <b>69,917,312</b> |

**Program 02.04: Local Government Programs**

This program provides federal funds for replacement and rehabilitation of transportation infrastructure. It also represents the local funding for transportation projects.

**The Executive Recommendation will fund the following objectives:**

- Provide \$530 million in federal funds to counties and municipalities for the replacement and rehabilitation of bridges, highways, and safety projects; and
- Provide \$231 million in local funds for the replacement and rehabilitation of bridges, highways, and safety projects representing the local funding required to match federal funding or support locally funded construction projects.

| FUND                     |      |        |                              | RECOMMENDED        |                    |
|--------------------------|------|--------|------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010            | FY 2011            |
| HOF                      | 7002 | 772422 | Highway Construction-Federal | 264,844,663        | 265,434,421        |
| HOF                      | 7002 | 772424 | Highway Construction-Other   | 121,377,011        | 109,694,836        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>386,221,674</b> | <b>375,129,257</b> |

**Program 02.05: Major New**

This program provides funding for major new capacity projects greater than \$5 million which do one or more of the following: increase mobility, provide connectivity, increase the accessibility of a region for economic development, increase the capacity of a transportation facility, or reduce congestion. The project selection process operates under the direction of the Transportation Review Advisory Committee (TRAC).

**The Executive Recommendation will fund the following objectives:**

- Provide funding for TRAC projects that include: new interchanges proposed for economic development or local access, any significant interchange modifications, bypasses, general purpose lane additions, intermodal facilities, major transit facilities, passenger rail facilities, or Intelligent Transportation Systems (ITS).

| FUND                     |      |        |                                  | RECOMMENDED        |                   |
|--------------------------|------|--------|----------------------------------|--------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010            | FY 2011           |
| 042                      | 7042 | 772723 | Highway Construction-Bonds       | 51,206,000         | 0                 |
| 045                      | 7045 | 772428 | Highway Infrastructure Bank-Bond | 26,000,000         | 0                 |
| HOF                      | 7002 | 772421 | Highway Construction-State       | 51,732,111         | 19,500,000        |
| HOF                      | 7002 | 772422 | Highway Construction-Federal     | 38,212,918         | 57,234,586        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>167,151,029</b> | <b>76,734,586</b> |

**Program 02.06: Other Construction Programs**

This program includes: Federal GARVEE bond debt service payments; State Infrastructure Bank loan/bond; Appalachian Development; Geological Site Management; Railroad Grade Separation initiative; Emergency projects; Roadside Rest Areas; Noise Walls; Safe Route to Schools; Metro Parks; Amish Buggy; Forest Highways; and the new Direct Investment in Public Transit program.



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**The Executive Recommendation will fund the following objectives:**

- Provides funds for Federal GARVEE bond debt service payments;
- Supports a new program that directs investment to local transit authorities to purchase or improve public transit vehicles;
- Creation of a New Generation SIB fund which will be focused on multi modal projects including highways. There is a loan and bond portion to this fund. This fund will be supported by innovative finance tools and revenue provided by Transportation Innovation Authorities (TIA) as well as approved tolling projects for TIAs. Currently, there are 72 active highway SIB loans totaling \$206 million;
- Provide a safer environment for horse drawn buggies and motor vehicles to share Ohio's roadways;
- Construct noise walls to mitigate increased traffic noise;
- Support the Geologic Site Management Program, which addresses slips, landslides, rock falls, underground mines, and erosion projects;
- Continue construction of the Appalachian corridor highways to promote economic development; and
- Provide grade separations funding through fiscal year 2010 for the most affected communities to ensure access to safety, health, and educational facilities.

| FUND                     |      |        |                                     | RECOMMENDED        |                    |
|--------------------------|------|--------|-------------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010            | FY 2011            |
| HOF                      | 2120 | 772426 | Highway Infrastructure Bank-Federal | 4,018,649          | 4,018,649          |
| HOF                      | 2120 | 772427 | Highway Infrastructure Bank-State   | 10,209,272         | 10,209,272         |
| HOF                      | 2120 | 772429 | Highway Infrastructure Bank-Local   | 11,499,999         | 11,499,999         |
| HOF                      | 2120 | 772430 | Infrastructure Debt Reserve 23-49   | 1,500,000          | 1,500,000          |
| HOF                      | 2130 | 772431 | Roadway Infrastructure Bank-State   | 1,000,000          | 1,000,000          |
| HOF                      | 2130 | 772432 | Roadway Infrastructure Bank- Local  | 6,000,000          | 6,000,000          |
| HOF                      | 2130 | 772433 | Infrastructure Debt Reserve-State   | 2,000,000          | 2,000,000          |
| HOF                      | 2160 | 772439 | New Generation Highway Loan         | 50,000,000         | 0                  |
| HOF                      | 2160 | 772440 | New Generation Highway Bond         | 50,000,000         | 0                  |
| HOF                      | 7002 | 772421 | Highway Construction-State          | 37,175,360         | 33,838,872         |
| HOF                      | 7002 | 772422 | Highway Construction-Federal        | 143,501,056        | 133,977,765        |
| HOF                      | 7002 | 772437 | GARVEE Debt Service-State           | 21,778,200         | 27,547,900         |
| HOF                      | 7002 | 772438 | GARVEE Debt Service-Federal         | 131,814,700        | 136,513,200        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>470,497,236</b> | <b>368,105,657</b> |

**Program 02.07: Highway Maintenance Contracts**

This program provides rest area maintenance to assure roadside rest areas and ODOT facilities on the state highway system are clean and safe. ODOT currently has 110 rest areas, 12 district headquarters, 1 central office headquarter, 88 county garages and 122 outposts. This program also provides maintenance for roadways, guard rail activities, and preventative or reactive maintenance.

**The Executive Recommendation will fund the following objectives:**

- Provide roadway maintenance such as vegetation control, guardrail maintenance, brush cutting, mowing, roadside indicators, raised pavement markers, etc.;
- Provide janitorial services for 110 rest areas, 88 garages, and 13 district or central office headquarters; and
- Provide funding for operation, maintenance, repair, replacement and upgrade freeway management systems.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| HOF                      | 7002 | 773431 | Highway Maintenance-State | 63,000,767        | 68,760,783        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>63,000,767</b> | <b>68,760,783</b> |

### PROGRAM SERIES 03: Public Transportation

This program series includes five programs that assist 60 transit systems serving 60 counties. The program series allows ODOT's Office of Transit to work towards improved ridesharing in rural and urban regions so that all Ohioans have access to transportation regardless of economic status, location, or physical agility.

#### Program 03.01: Public Transit Operating

This program provides for the administration and oversight of the Ohio Coordination Program, the Ohio Elderly and Disabled Transit Fare Assistance Program, and the Ohio Public Transportation Grant Program. Administration of these initiatives includes data collection and reporting, grants management, and dissemination of public transportation information. ODOT also provides technical assistance for administration which includes clarifying requirements, sharing best practices, and providing guidance on the implementation of local projects.

#### The Executive Recommendation will fund the following objectives:

- Administer and oversee the 60 transit systems, various transit projects and the purchase of over 200 transit vehicles;
- Allow ODOT to conduct quality assurance reviews and site visits to ensure program compliance and provide technical assistance;
- Allow staff to coordinate and facilitate training opportunities for all program participants; and
- Provide transportation coordination information and technical and follow up with local entities on federal initiatives.

| FUND                     |      |        |                             | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010        | FY 2011        |
| GRF                      | GRF  | 775451 | Public Transportation-State | 724,758        | 737,505        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>724,758</b> | <b>737,505</b> |

#### Program 03.02: Public Transit Assistance

This program provides partial funding to local public transit systems for operating assistance and capital projects. There are currently 36 rural transit systems and 24 urban systems. In urban areas, 60 percent of the daily trips are work related. In the rural areas, the majority of trips are for medical purposes. During calendar year 2007, more than 143 million passenger trips were provided by public transits.

#### The Executive Recommendation will fund the following objectives:

- Maintain funding for 36 rural transit systems, 24 urban transit systems, and 11 coordination projects; and
- Provide funding for many of the 28 counties which do not have any public transportation service.

| FUND                     |      |        |   | RECOMMENDED       |                   |
|--------------------------|------|--------|---|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010           | FY 2011           |
| GRF                      | GRF  | 775451 | Public Transportation-State                 | 4,772,771         | 4,760,024         |
| GRF                      | GRF  | 776668 | Transportation Operating - Federal Stimulus | 1,666,337         | 1,666,337         |
| HOF                      | 7002 | 775452 | Public Transportation-Federal               | 25,595,785        | 25,595,785        |
| HOF                      | 7002 | 775454 | Public Transportation-Other                 | 1,500,000         | 1,500,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>33,534,893</b> | <b>33,522,146</b> |

#### Program 03.03: Elderly and Disabled Assistance

This program is used to offset losses experienced by transit systems that reduce their fares to half fare for eligible elderly and disabled passengers. Funds from this program support 54 of 60 Ohio transit systems to offer half fares. Approximately 45 percent of the rural transit trips provided in 2007 were for the elderly and people with disabilities.

In most instances, these individuals have no other means of transportation and are on limited, fixed incomes. From 1997 to 2007, ridership among the elderly and people with disabilities increased over 48 percent.

**The Executive Recommendation will fund the following objectives:**

- Provide half fares to elderly and disabled of 54 Ohio transit systems;
- Provide nearly 17 million trips on public transit by the elderly and people with disabilities; and
- Provide specialized transportation for human service agencies.

| FUND                     |      |        |  | RECOMMENDED       |                   |
|--------------------------|------|--------|--|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                   | FY 2010           | FY 2011           |
| GRF                      | GRF  | 775451 | Public Transportation-State                | 7,833,168         | 7,833,168         |
| HOF                      | 7002 | 775459 | Elderly/Disabled Special Equipment-Federal | 4,730,000         | 4,730,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |  | <b>12,563,168</b> | <b>12,563,168</b> |

**Program 03.04: Technical Assistance**

This program provides oversight for the Ohio Public Transportation Grant Program, the Ohio Coordination Program, Job Access/Reverse Commute Program, the New Freedom Program, the Specialized Program, and the federally mandated Rail Safety Program. ODOT staff provides technical assistance to the transit systems through regular site visits. Other technical assistance is provided by ODOT staff and consultants.

**The Executive Recommendation will fund the following objectives:**

- Provide for 48 quality assurance reviews and 8 rail safety and security oversight meetings;
- Continue services of 60 site visits and 24 training workshops; and
- Improve the overall quality of transportation services.

| FUND                     |      |        |                               | RECOMMENDED      |                  |
|--------------------------|------|--------|-------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010          | FY 2011          |
| HOF                      | 7002 | 775452 | Public Transportation-Federal | 1,465,000        | 1,465,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>1,465,000</b> | <b>1,465,000</b> |

**Program 03.05: Transit Infrastructure SIB Loans/Bonds**

This program provides direct loans and bonds to government entities for projects eligible under Federal Highway Title 23 or Title 49. The State Infrastructure Bank (SIB) revolving loan and the bond programs are used to enhance the number of transportation projects that can be completed within the state. The loans and bonds range in size from \$100,000 to over \$20 million. The federal government established this program to help local governments advance transportation projects while leveraging future revenue streams.

**The Executive Recommendation will fund the following objectives:**

- Continue the revolving loan program to provide entities with additional funding options to advance transit projects which would otherwise be unaffordable;
- Provide loans ranging in size from \$100,000 to \$20 million; and
- Creation of a New Generation SIB fund which will be focused on multi modal projects including transit. There is a loan and bond portion to this fund. This fund will be supported by innovative finance tools and revenue provided by Transportation Innovation Authorities (TIA) as well as approved tolling projects for TIAs. Currently, there is one active transit SIB loan totaling \$6.9 million.

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| FUND                     |      |        |                                    | RECOMMENDED        |                  |
|--------------------------|------|--------|------------------------------------|--------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010            | FY 2011          |
| HOF                      | 2120 | 775408 | Transit Infrastructure Bank-Local  | 812,685            | 812,685          |
| HOF                      | 2120 | 775455 | Title 49 Infrastructure Bank-State | 312,795            | 312,795          |
| HOF                      | 2130 | 775457 | Transit Infrastructure Bank-State  | 312,082            | 312,082          |
| HOF                      | 2130 | 775460 | Transit Infrastructure Bank-Local  | 1,000,000          | 1,000,000        |
| HOF                      | 2180 | 775461 | New Generation Multi Modal Loan    | 60,000,000         | 0                |
| HOF                      | 2180 | 775462 | New Generation Multi Bond          | 50,000,000         | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>112,437,562</b> | <b>2,437,562</b> |

#### **PROGRAM SERIES 04: Rail Transportation**

The Ohio Rail Development Commission (ORDC) is an independent Commission within ODOT. ORDC's programs promote economic development and rail-highway safety. ORDC also administers federal and state funding of all rail safety projects including the upgrade and removal of hazardous crossings as determined by the Public Utilities Commission.

##### **Program 04.01: Rail Operating**

This program provides the funding for GRF payroll of the ORDC staff and personal services contracts. All administrative expenses including equipment, travel and rent for the agency are also supported by this program.

##### **The Executive Recommendation will fund the following objectives:**

- Support payroll of eight staff members of the Ohio Rail Development Commission for program operations.

| FUND                     |      |        |                                  | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                         | FY 2010          | FY 2011          |
| GRF                      | GRF  | 776465 | Ohio Rail Development Commission | 1,010,000        | 1,031,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                  | <b>1,010,000</b> | <b>1,031,000</b> |

##### **Program 04.02: Rail Development Grant and Loan Program**

This program provides loans and grants to railroads, private companies, and public agencies for the rehabilitation, acquisition, preservation or construction of rail infrastructure. This program also supports ORDC's efforts to work with communities and businesses on rail issues throughout the state.

##### **The Executive Recommendation will fund the following objectives:**

- Continue maintenance and oversight of the 240 miles of state-owned rail line and related licenses, easements, and rented properties associated with this land;
- Continue existing rail revolving loan fund; and
- Creation of a New Generation SIB fund which will be focused on multi modal projects including rail projects. There is a loan and bond portion to this fund. This fund will be supported by innovative finance tools and revenue provided by Transportation Innovation Authorities (TIA) as well as approved tolling. Currently, there are two active rail SIB loans totaling \$1.2 million.

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| FUND                     |      |        |   | RECOMMENDED        |                  |
|--------------------------|------|--------|---|--------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010            | FY 2011          |
| GRF                      | GRF  | 776465 | Ohio Rail Development Commission            | 1,922,000          | 1,901,000        |
| GRF                      | GRF  | 776668 | Transportation Operating - Federal Stimulus | 336,500            | 336,500          |
| SSR                      | 4N40 | 776663 | Panhandle Lease Payments                    | 762,600            | 764,300          |
| SSR                      | 4N40 | 776664 | Rail Transportation-Other                   | 2,111,500          | 2,111,500        |
| HOF                      | 2180 | 775461 | New Generation Multi Modal Loan             | 60,000,000         | 0                |
| HOF                      | 2180 | 775462 | New Generation Multi Bond                   | 70,000,000         | 0                |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>135,132,600</b> | <b>5,113,300</b> |

**Program 04.03: Rail Highway Grade Crossing Safety**

This program provides for the elimination of hazards at highway-railroad grade crossings through: the installation of flashing lights and roadway gates; railroad crossing closure/consolidations; and grade crossing surface reconstruction.

**The Executive Recommendation will fund the following objectives:**

- Improve safety for the public by reducing crashes, and therefore injuries and deaths, at railroad – highway grade crossings. Over 50% is mandated federal funding requirements.

| FUND                     |      |        |                         | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010           | FY 2011           |
| HOF                      | 7002 | 776462 | Grade Crossings-Federal | 15,000,000        | 15,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>15,000,000</b> | <b>15,000,000</b> |

**PROGRAM SERIES 05: Aviation**

This program series includes three programs which work with airports to meet national safety standards, improve and maintain infrastructure, provide air transportation to state officials, and maintain the state's aircraft fleet.

**Program 05.01: Aviation Operating**

The Flight Operations section is responsible for operating the Ohio Department of Transportation aircraft. The ODOT aircraft are used to transport state officials and other state personnel, and to perform ODOT missions such as aerial photography, emergency management, forestry missions, health, homeland security, prisoner transfers, ODNR missions, wild animal inoculations, and deter criminal activity by assisting in marijuana eradication. The section administers functions pertaining to aircraft flight operations such as policies and procedures, pilot and ground crew qualifications and training, and airport record keeping. The Aircraft Support section maintains the entire fleet of state aircraft, which includes those of the Ohio Highway Patrol and the Ohio Department of Natural Resources.

**The Executive Recommendation will fund the following objectives:**

- Maintain and operate the department's current fleet of 30 aircraft; and
- Maintain oversight of approximately 10,600 aircraft registrations and anti-terrorist forms.

| FUND                     |      |        |                            | RECOMMENDED      |                  |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010          | FY 2011          |
| GRF                      | GRF  | 777471 | Airport Improvements-State | 653,847          | 666,020          |
| HOF                      | 7002 | 777475 | Aviation Administration    | 4,945,697        | 5,186,959        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>5,599,544</b> | <b>5,852,979</b> |

**Program 05.02: Aviation Improvement Program**

This program performs statewide airport system planning projects, including the Ohio airport system plan, airport safety certification updates, and data collection improvements for the airport pavement data base. The primary goals and objectives of the program are obstruction removal, airport safety, airport pavement condition safety and stability.

**The Executive Recommendation will fund the following objectives:**

- Provide funding for air travel and economic development of statewide airports;
- Provide grants for airport maintenance and capital improvements; and
- Regulate 164 public use airports, 9 public use heliports, 390 private airports and 271 private heliports.

| FUND                     |      |        |   | RECOMMENDED      |                  |
|--------------------------|------|--------|---|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                                    | FY 2010          | FY 2011          |
| GRF                      | GRF  | 776668 | Transportation Operating - Federal Stimulus | 178,458          | 178,458          |
| GRF                      | GRF  | 777471 | Airport Improvements-State                  | 483,817          | 471,644          |
| SSR                      | 5W90 | 777615 | County Airport Maintenance                  | 620,000          | 620,000          |
| HOF                      | 7002 | 777472 | Airport Improvements-Federal                | 405,000          | 405,000          |
| <b>TOTAL FOR PROGRAM</b> |      |        |   | <b>1,687,275</b> | <b>1,675,102</b> |

**Program 05.03: Aviation Infrastructure SIB Loans/Bonds**

This program provides direct loans and bonds to public entities for aviation projects. The State Infrastructure Bank (SIB) revolving loan program and the bond program is used to enhance the number of transportation projects that can be completed within the state. The loans and bonds range in size from \$100,000 to over \$20 million.

**The Executive Recommendation will fund the following objectives:**

- Maintain the revolving loan program to assist airports and aviation related projects. Currently, there are four active aviation SIB loans and one active aviation SIB bond totaling \$14.8 million.

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| HOF                      | 2130 | 777477 | Aviation Infrastructure Bank-State | 3,500,000        | 3,500,000        |
| HOF                      | 2130 | 777478 | Aviation Infrastructure Bank-Local | 6,000,000        | 6,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>9,500,000</b> | <b>9,500,000</b> |

**PROGRAM SERIES 06: Program Management**

This program series consists of the Program Management and Land and Buildings Programs.

**Program 06.01: Administration Operating**

This program includes the payroll and routine operating expenses for the Director's executive leadership staff, Divisions of Quality and Human Resources, Finance and Forecasting, Information Technology, Facilities & Equipment Management, and Local Programs. These areas all support the rest of the Department which delivers the multimodal transportation program.

**The Executive Recommendation will fund the following objectives:**

- Provide coordination of employee training and development, labor relations, recruitment and development of the department's human resource plan which evaluates Districts and Central Office human resource needs;

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- Maintain the department's finance activities which include monitoring of both state and federal revenue, budget submission, monitoring of operating and capital budgets, accounts payable and receivable, and payroll processing; and
- Support new systems application development and maintenance, the purchase and maintenance of information technology equipment including hardware, software, and servers.

| FUND                     |      |        |                      | RECOMMENDED        |                    |
|--------------------------|------|--------|----------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME             | FY 2010            | FY 2011            |
| HOF                      | 7002 | 779491 | Administration-State | 109,087,437        | 112,889,042        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                      | <b>109,087,437</b> | <b>112,889,042</b> |

**Program 06.02: Land and Buildings**

This program pays for facilities of the department including environmental compliance, maintenance, and new construction of buildings and underground storage tanks as necessary.

**The Executive Recommendation will fund the following objectives:**

- Provide maintenance and upkeep for 13 headquarters buildings, 88 county garages, and 122 outposts, including salt storage structures. Services include roof repair, landscape maintenance, and remodeling;
- Collaborate with local governments and the private sector to promote innovative enterprise initiatives to power highway lighting, facilities and other energy needs; and
- Support the annual debt service allocated to ODOT for bonds issued under the Ohio Building Authority.

| FUND                     |      |        |                                   | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010           | FY 2011           |
| HOF                      | 7002 | 770003 | Administration-State-Debt Service | 3,415,700         | 1,821,000         |
| HOF                      | 7002 | 779491 | Administration-State              | 22,000,000        | 22,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>25,415,700</b> | <b>23,821,000</b> |

## Department of Transportation

**LINE ITEM SUMMARY - Department of Transportation**

| FUND                                     | ALI    | ALI NAME                                      | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--|--------|---|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|--------------|
| GRF                                      | 775451 | Public Transportation-State                   | 20,130,269         | 17,638,599         | 18,685,470         | 14,677,193          | 13,330,697             | -9.2        | 13,330,697             | 0.0          |
| GRF                                      | 775456 | Public Transportation / Discretionary Capital | 490,393            | 0                  | 0                  | 0                   | 0                      | .0          | 0                      | .0           |
| GRF                                      | 776465 | Ohio Rail Development Commission              | 2,200,145          | 2,021,200          | 2,456,729          | 3,490,912           | 2,932,000              | -16.0       | 2,932,000              | 0.0          |
| GRF                                      | 776466 | Railroad Crossing / Grade Separation          | 254,158            | 899,192            | 196,443            | 0                   | 0                      | .0          | 0                      | .0           |
| GRF                                      | 776668 | Transportation Operating - Federal Stimulus   | 0                  | 0                  | 0                  | 0                   | 2,181,295              | .0          | 2,181,295              | 0.0          |
| GRF                                      | 777471 | Airport Improvements-State                    | 2,577,086          | 1,430,147          | 1,288,514          | 1,414,062           | 1,137,664              | -19.5       | 1,137,664              | 0.0          |
| GRF                                      | 777473 | Rickenbacker Lease Payments-State             | 535,626            | 265,492            | 0                  | 0                   | 0                      | .0          | 0                      | .0           |
| <b>TOTAL General Revenue</b>             |        |   | <b>26,187,677</b>  | <b>22,254,630</b>  | <b>22,627,156</b>  | <b>19,582,167</b>   | <b>19,581,656</b>      | <b>0.0</b>  | <b>19,581,656</b>      | <b>0.0</b>   |
| 5E70                                     | 775657 | Transit Capital Funds                         | 353,917            | 351,988            | 43,725             | 0                   | 0                      | .0          | 0                      | .0           |
| <b>TOTAL General Services</b>            |        |   | <b>353,917</b>     | <b>351,988</b>     | <b>43,725</b>      | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>    |
| 3B90                                     | 776662 | Rail Transportation-Federal                   | 363                | 0                  | 0                  | 0                   | 0                      | .0          | 0                      | .0           |
| <b>TOTAL Federal Special Revenue</b>     |        |   | <b>363</b>         | <b>0</b>           | <b>0</b>           | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>    |
| 4N40                                     | 776663 | Panhandle Lease Payments                      | 0                  | 0                  | 0                  | 763,700             | 762,600                | -0.1        | 764,300                | 0.2          |
| 4N40                                     | 776664 | Rail Transportation-Other                     | 1,040,201          | 226,610            | 1,751,100          | 2,111,500           | 2,111,500              | 0.0         | 2,111,500              | 0.0          |
| 5W90                                     | 777615 | County Airport Maintenance                    | 436,630            | 516,015            | 521,877            | 570,000             | 620,000                | 8.8         | 620,000                | 0.0          |
| <b>TOTAL State Special Revenue</b>       |        |   | <b>1,476,832</b>   | <b>742,625</b>     | <b>2,272,977</b>   | <b>3,445,200</b>    | <b>3,494,100</b>       | <b>1.4</b>  | <b>3,495,800</b>       | <b>0.0</b>   |
| 7042                                     | 772723 | Highway Construction-Bonds                    | 164,862,472        | 153,302,438        | 164,225,624        | 100,000,000         | 194,000,000            | 94.0        | 163,000,000            | -16.0        |
| <b>TOTAL Highway Capital Improvement</b> |        |   | <b>164,862,472</b> | <b>153,302,438</b> | <b>164,225,624</b> | <b>100,000,000</b>  | <b>194,000,000</b>     | <b>94.0</b> | <b>163,000,000</b>     | <b>-16.0</b> |
| 2120                                     | 772426 | Highway Infrastructure Bank-Federal           | 10,542,981         | 4,207,735          | 4,409,995          | 4,018,649           | 4,018,649              | 0.0         | 4,018,649              | 0.0          |
| 2120                                     | 772427 | Highway Infrastructure Bank-State             | 14,030,259         | 12,665,975         | 11,445,406         | 10,209,272          | 10,209,272             | 0.0         | 10,209,272             | 0.0          |
| 2120                                     | 772429 | Highway Infrastructure Bank-Local             | 0                  | 0                  | 0                  | 11,499,999          | 11,499,999             | 0.0         | 11,499,999             | 0.0          |
| 2120                                     | 772430 | Infrastructure Debt Reserve 23-49             | 0                  | 0                  | 0                  | 1,500,000           | 1,500,000              | 0.0         | 1,500,000              | 0.0          |
| 2120                                     | 775408 | Transit Infrastructure Bank-Local             | 0                  | 0                  | 0                  | 812,685             | 812,685                | 0.0         | 812,685                | 0.0          |
| 2120                                     | 775455 | Title 49 Infrastructure Bank-State            | 0                  | 0                  | 0                  | 312,795             | 312,795                | 0.0         | 312,795                | 0.0          |
| 2130                                     | 772431 | Roadway Infrastructure Bank-State             | 1,340,090          | 3,930,023          | 760,395            | 1,000,000           | 1,000,000              | 0.0         | 1,000,000              | 0.0          |



## Department of Transportation

**LINE ITEM SUMMARY - Department of Transportation**

| FUND                           | ALI    | ALI NAME                                   | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|--------------------------------|--------|--|----------------------|----------------------|----------------------|----------------------|------------------------|-------------|------------------------|--------------|
| 2130                           | 772432 | Roadway Infrastructure Bank- Local         | 0                    | 0                    | 0                    | 6,000,000            | 6,000,000              | 0.0         | 6,000,000              | 0.0          |
| 2130                           | 772433 | Infrastructure Debt Reserve-State          | 0                    | 202,923              | 269,630              | 2,000,000            | 2,000,000              | 0.0         | 2,000,000              | 0.0          |
| 2130                           | 775457 | Transit Infrastructure Bank-State          | 0                    | 0                    | 0                    | 312,082              | 312,082                | 0.0         | 312,082                | 0.0          |
| 2130                           | 775460 | Transit Infrastructure Bank-Local          | 0                    | 0                    | 0                    | 1,000,000            | 1,000,000              | 0.0         | 1,000,000              | 0.0          |
| 2130                           | 777477 | Aviation Infrastructure Bank-State         | 609,455              | 0                    | 0                    | 3,500,000            | 3,500,000              | 0.0         | 3,500,000              | 0.0          |
| 2130                           | 777478 | Aviation Infrastructure Bank-Local         | 0                    | 0                    | 0                    | 6,000,000            | 6,000,000              | 0.0         | 6,000,000              | 0.0          |
| 2140                           | 770401 | Infrastructure Debt Service-Federal        | 73,372,557           | 91,963,591           | 0                    | 0                    | 0                      | .0          | 0                      | .0           |
| 2140                           | 772434 | Infrastructure Lease Payments-Federal      | 2,614,380            | 0                    | 0                    | 0                    | 0                      | .0          | 0                      | .0           |
| 2160                           | 772439 | New Generation Highway Loan                | 0                    | 0                    | 0                    | 0                    | 50,000,000             | .0          | 0                      | -100.0       |
| 2160                           | 772440 | New Generation Highway Bond                | 0                    | 0                    | 0                    | 0                    | 50,000,000             | .0          | 0                      | -100.0       |
| 2180                           | 775461 | New Generation Multi Modal Loan            | 0                    | 0                    | 0                    | 0                    | 120,000,000            | .0          | 0                      | -100.0       |
| 2180                           | 775462 | New Generation Multi Bond                  | 0                    | 0                    | 0                    | 0                    | 120,000,000            | .0          | 0                      | -100.0       |
| 7002                           | 770003 | Administration-State-Debt Service          | 12,964,242           | 10,865,614           | 10,519,831           | 3,614,700            | 3,415,700              | -5.5        | 1,821,000              | -46.7        |
| 7002                           | 771411 | Planning and Research-State                | 16,048,767           | 16,133,430           | 16,153,413           | 21,733,301           | 21,044,516             | -3.2        | 21,463,169             | 2.0          |
| 7002                           | 771412 | Planning and Research-Federal              | 24,821,192           | 25,818,158           | 25,963,607           | 30,324,572           | 23,970,770             | -21.0       | 24,214,310             | 1.0          |
| 7002                           | 772421 | Highway Construction-State                 | 493,079,107          | 505,620,899          | 468,788,283          | 504,184,419          | 542,801,332            | 7.7         | 517,419,558            | -4.7         |
| 7002                           | 772422 | Highway Construction-Federal               | 1,086,636,087        | 1,089,947,284        | 948,975,766          | 1,083,674,110        | 1,091,378,700          | 0.7         | 1,065,737,629          | -2.3         |
| 7002                           | 772424 | Highway Construction-Other                 | 52,305,838           | 49,952,760           | 67,129,058           | 100,379,155          | 121,377,011            | 20.9        | 109,694,836            | -9.6         |
| 7002                           | 772437 | Garvee Debt Service-State                  | 0                    | 0                    | 6,937,210            | 19,273,500           | 21,778,200             | 13.0        | 27,547,900             | 26.5         |
| 7002                           | 772438 | Garvee Debt Service-Federal                | 0                    | 0                    | 111,870,317          | 139,015,000          | 131,814,700            | -5.2        | 136,513,200            | 3.6          |
| 7002                           | 773431 | Highway Maintenance-State                  | 370,516,139          | 375,710,054          | 388,768,820          | 412,915,187          | 405,633,542            | -1.8        | 425,329,858            | 4.9          |
| 7002                           | 775452 | Public Transportation-Federal              | 20,730,219           | 21,052,789           | 29,436,638           | 35,391,763           | 27,060,785             | -23.5       | 27,060,785             | 0.0          |
| 7002                           | 775454 | Public Transportation-Other                | 658,843              | 327,766              | 627,319              | 1,500,000            | 1,500,000              | 0.0         | 1,500,000              | 0.0          |
| 7002                           | 775459 | Elderly/Disabled Special Equipment-Federal | 2,213,228            | 999,078              | 2,345,864            | 4,730,000            | 4,730,000              | 0.0         | 4,730,000              | 0.0          |
| 7002                           | 776462 | Grade Crossings-Federal                    | 8,593,475            | 11,483,625           | 10,423,806           | 13,000,000           | 15,000,000             | 15.4        | 15,000,000             | 0.0          |
| 7002                           | 777472 | Airport Improvements-Federal               | 211,169              | 23,384               | 26,464               | 405,000              | 405,000                | 0.0         | 405,000                | 0.0          |
| 7002                           | 777475 | Aviation Administration                    | 5,490,563            | 3,577,913            | 3,536,481            | 5,358,100            | 4,945,697              | -7.7        | 5,186,959              | 4.9          |
| 7002                           | 779491 | Administration-State                       | 106,647,905          | 108,801,135          | 105,191,149          | 127,601,493          | 131,087,437            | 2.7         | 134,889,042            | 2.9          |
| <b>TOTAL Highway Operating</b> |        |  | <b>2,303,426,495</b> | <b>2,333,284,136</b> | <b>2,213,579,452</b> | <b>2,551,265,782</b> | <b>2,936,108,872</b>   | <b>15.1</b> | <b>2,566,678,728</b>   | <b>-12.6</b> |

## Department of Transportation

**LINE ITEM SUMMARY - Department of Transportation**

| FUND  | ALI    | ALI NAME                         | FY 2006<br>ACTUAL    | FY 2007<br>ACTUAL    | FY 2008<br>ACTUAL    | FY 2009<br>ESTIMATE  | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE  |
|---|--------|----------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|--------------|------------------------|--------------|
| 7045  | 772428 | Highway Infrastructure Bank-Bond | 12,693,458           | 85,135,906           | 246,958,336          | 400,000,000          | 71,000,000             | -82.3        | 65,000,000             | -8.5         |
| <b>TOTAL Infrastructure Bank Obligation</b> |        |                                  | <b>12,693,458</b>    | <b>85,135,906</b>    | <b>246,958,336</b>   | <b>400,000,000</b>   | <b>71,000,000</b>      | <b>-82.3</b> | <b>65,000,000</b>      | <b>-8.5</b>  |
| <b>TOTAL Department of Transportation</b>   |        |                                  | <b>2,509,001,213</b> | <b>2,595,071,722</b> | <b>2,649,707,271</b> | <b>3,074,293,149</b> | <b>3,224,184,628</b>   | <b>4.9</b>   | <b>2,817,756,184</b>   | <b>-12.6</b> |

### **Role and Overview**

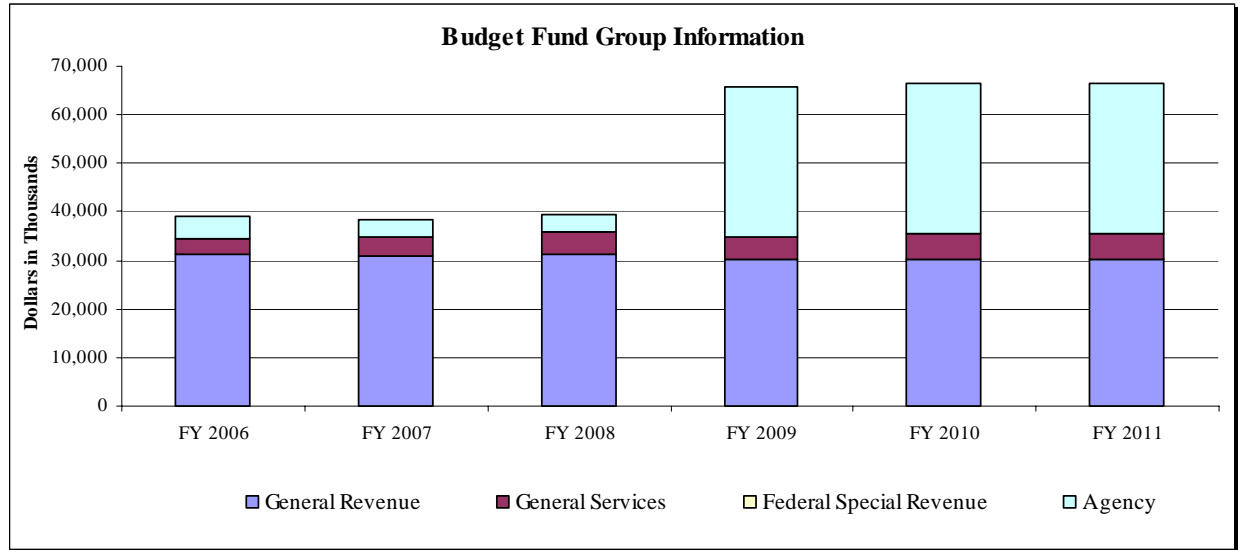
The Treasurer of State (TOS) is a constitutional office holder responsible for collecting, investing and protecting state funds using sound fiscal policy. Serving as the state's banker and chief investments officer, the Treasurer oversees an office of approximately 140 employees. The powers and duties of the Treasurer include, but are not limited to, managing the state's investment portfolios, issuing Ohio debt, and serving as custodian of over \$150 billion of public moneys. Through statutory obligations, the Treasurer's Office works closely with local public funds managers, small businesses, farmers, local governments and banks to promote economic growth and stability. Additionally, the office advances public and personal financial education for all Ohioans. The approximate budget for fiscal year 2009 is \$66.5 million.

More information regarding the Treasurer of State is available at [www.ohiotreasurer.gov](http://www.ohiotreasurer.gov).

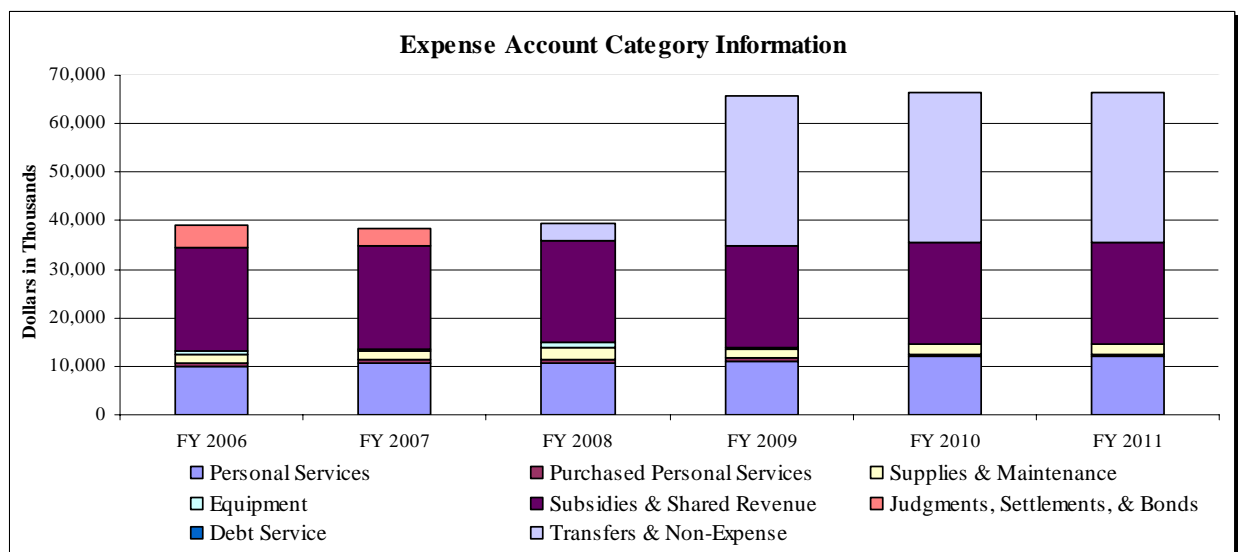
### **Agency Priorities**

- Review and rationalize all contractual commitments.
- Improve and maintain the transparency and accountability of the Treasury's investment and debt activities.
- Improve statewide cash management processes and the collection and concentration of funds to maximize investment returns.
- Improve efficiency and reduce costs of all financial transactions.
- Maximize investment returns by utilizing better cash-flow forecasts without increased risk.
- Review existing programs (namely, Linked Deposit, Bid Ohio, and STAR Ohio) to find strategic investment opportunities to help stimulate economic activity in Ohio in general and target these resources to the most vulnerable sectors of the economy.
- Develop a Linked Deposit program to promote the use of Ohio-made products.
- Partner with others to find immediate statewide foreclosure prevention and intervention solutions.
- Work with local officials and the legislature to improve land banking programs and other frameworks for revitalizing vacant and abandoned properties.
- Continue work with Ohio high school teachers to best implement the personal finance education component of Ohio CORE.
- Expand Teachers Academy training program to equip more teachers with the skills necessary to teach financial literacy.
- Expand the existing Women & Money program to broader demographics.
- Review and update the CPIM training for local financial officials in order to help these officials to provide the best funds management possible to their local jurisdictions.

## Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL        |               |               | EST. %        |             | RECOMMENDED % |            |               |             |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------|---------------|------------|---------------|-------------|
|                                     | FY 2006       | FY 2007       | FY 2008       | FY 2009       | FY 08-09    | FY 2010       | CHANGE     | FY 2011       | CHANGE      |
| General Revenue                     | 31,279        | 30,882        | 31,425        | 30,277        | -3.7        | 30,146        | -0.4       | 30,101        | -0.2        |
| General Services                    | 3,211         | 3,875         | 4,397         | 4,560         | 3.7         | 5,378         | 17.9       | 5,378         | 0.0         |
| Federal Special Revenue             | 0             | 59            | 0             | 0             | 0.0         | 0             | 0.0        | 0             | 0.0         |
| Agency                              | 4,769         | 3,702         | 3,700         | 31,000        | 737.8       | 31,000        | 0.0        | 31,000        | 0.0         |
| <b>TOTAL</b>                        | <b>39,258</b> | <b>38,517</b> | <b>39,522</b> | <b>65,837</b> | <b>66.6</b> | <b>66,524</b> | <b>1.0</b> | <b>66,478</b> | <b>-0.1</b> |



**State of Ohio**  
**Treasurer of State**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL        |               |               | EST. %<br>CHANGE |             | RECOMMENDED %<br>CHANGE |            |               |             |
|---|---------------|---------------|---------------|------------------|-------------|-------------------------|------------|---------------|-------------|
|   | FY 2006       | FY 2007       | FY 2008       | FY 2009          | FY 08-09    | FY 2010                 | CHANGE     | FY 2011       | CHANGE      |
| Personal Services                             | 9,849         | 10,491        | 10,793        | 10,960           | 1.5         | 12,009                  | 9.6        | 12,179        | 1.4         |
| Purchased Personal Services                   | 840           | 821           | 701           | 601              | -14.3       | 405                     | -32.7      | 402           | -0.7        |
| Supplies & Maintenance                        | 1,763         | 1,829         | 2,522         | 1,889            | -25.1       | 2,073                   | 9.7        | 1,974         | -4.8        |
| Equipment                                     | 795           | 464           | 766           | 355              | -53.7       | 190                     | -46.5      | 122           | -35.8       |
| Subsidies & Shared Revenue                    | 21,186        | 21,078        | 20,968        | 21,007           | 0.2         | 20,823                  | -0.9       | 20,778        | -0.2        |
| Judgments, Settlements, & Bonds               | 4,824         | 3,835         | 37            | 24               | -34.1       | 0                       | -100.0     | 0             | 0.0         |
| Debt Service                                  | 0             | 0             | 33            | 0                | -100.0      | 25                      | 100.0      | 25            | 0.0         |
| Transfers & Non-Expense                       | 0             | 0             | 3,701         | 31,000           | 737.6       | 31,000                  | 0.0        | 31,000        | 0.0         |
| <b>TOTAL</b>                                  | <b>39,258</b> | <b>38,517</b> | <b>39,522</b> | <b>65,837</b>    | <b>66.6</b> | <b>66,524</b>           | <b>1.0</b> | <b>66,478</b> | <b>-0.1</b> |

### PROGRAM SERIES 01: Investment of Assets

This program series provides for the administrative expenses associated with the Treasurer of State's role as custodian, protector, and investor of public moneys.

#### Program 01.01: Treasury Management

This program provides for the collection, investment, and protection of state funds. The Treasurer's Office functions as the custodian of the public's money, manager of the state's investment portfolio, and collector of taxes and fees. Treasury Management supports office operations, including treasury expenses such as payroll, fringe benefits, maintenance, and equipment.

#### The Executive Recommendation will fund the following objectives:

- Support approximately 140 staff members working to fulfill the Treasurer's statutory responsibilities to collect, invest, and protect state funds;
- Support investment and management of over \$6 billion in state funds, which requires systems for cash forecasting, investment accounting, pricing of securities, and research; and
- Protect more than \$400 million in deposits in approximately 120 public depositories throughout the state.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| GRF                      | GRF  | 090321 | Operating Expenses        | 8,381,875         | 8,381,875         |
| GSF                      | 4E90 | 090603 | Securities Lending Income | 4,492,622         | 4,492,622         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>12,874,497</b> | <b>12,874,497</b> |

#### Program 01.02: Custodial Funds

This program supports the function of the Treasurer of State as the custodian of the public's money. Funding supports the safekeeping, disbursement, and administration of custodial moneys and assets, which are funds held in the custody of the Treasurer but not part of the state's Ohio Administrative Knowledge System (OAKS), and thus subject to different and lesser rules. This includes retirement system and various other agency funds.

This program also manages the Securities Lending Program, which generates income by loaning securities on a short-term basis to selected brokerage firms and financial institutions for a fee.

**The Executive Recommendation will fund the following objectives:**

- Fund the contracts with eight financial institutions for custody and monitoring services for the over \$150 billion in custodial assets;
- Process approximately 7 million state and custodial warrants from the state's five retirement systems, the Ohio Bureau of Workers' Compensation, the Ohio Department of Job and Family Services, and the Auditor of State; and
- Support the securities lending program for the state's regular and lottery portfolios, including the development of securities lending policies, the selection of agents, and monitoring the performance of those agents.

| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| GSF                      | 6050 | 090609 | TOS Administrative Fund | 185,000        | 185,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>185,000</b> | <b>185,000</b> |

**Program 01.03: STAR Ohio Investment and Management**

This program provides for expenses associated with the Ohio Subdivisions Fund, commonly referred to as STAR Ohio. STAR Ohio is an AAA-rated investment alternative created for eligible governmental subdivisions. This local government investment pool, which consists of local subdivisions' deposits of interim moneys, is invested in high-quality, short-term securities to provide shareholders with safety, return, and liquidity. The TOS is reimbursed for administrative expenses, which are initially paid out of the pool's investment earnings.

**The Executive Recommendation will fund the following objectives:**

- Compensate the Treasurer's Office for its portion of the services provided to approximately 3,200 accounts participating in the STAR Ohio program; and
- Support daily portfolio management, management of the STAR Ohio securities lending program, compliance monitoring, and trade reconciliation.

| FUND                     |      |        |                               | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                      | FY 2010        | FY 2011        |
| GSF                      | 5770 | 090605 | Investment Pool Reimbursement | 550,000        | 550,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                               | <b>550,000</b> | <b>550,000</b> |

**PROGRAM SERIES 02: Office of Debt Management**

This program series provides funding for costs incurred with respect to the issuance and ongoing administration of State of Ohio general obligation debt and Treasurer of State issued revenue and special obligation debt.

**Program 02.01: Debt Administration**

This program supports the debt issuance and administration activities associated with the Office of Debt Management. This includes paying the debt service on general obligation bonds that are authorized by the state constitution and the legislature for specific purposes, although actual debt service payments are appropriated to other state agencies and not to TOS. This program provides funding for costs incurred by order of, or on behalf of, the Commissioners of the Sinking Fund, the Ohio Public Facilities Commission, or TOS with respect to State of Ohio general obligation bonds. It also provides funding for costs incurred by the Office of Debt Management with respect to the issuance and ongoing administration of Treasurer of State issued revenue and special obligation debt. The General Revenue Fund will be reimbursed from the Highway Capital Improvement Bond Retirement Fund for financing costs incurred involving Highway Capital Improvement obligations.

**The Executive Recommendation will fund the following objectives:**

- Provide wages and benefits to five employees associated with debt administration;
- Support administrative expenses associated with the issuance, reporting, and ongoing debt service for the state's general obligation bonds;
- Administer nine general obligation bond retirement funds, and make 48 debt service payments totaling \$1.4 billion; and
- Service seven credit enhancement facilities and make the associated payments annually.

| FUND                     |      |        |                                   | RECOMMENDED    |                |
|--------------------------|------|--------|-----------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                          | FY 2010        | FY 2011        |
| GRF                      | GRF  | 090401 | Commissioners of the Sinking Fund | 537,223        | 537,223        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                   | <b>537,223</b> | <b>537,223</b> |

**PROGRAM SERIES 03: Refunds and Subsidies Oversight**

This program series provides for the payment of certain tax refunds, permissive tax distributions, and state contributions to the Ohio Police and Fire Pension Fund.

**Program 03.01: Police and Fire Subsidies**

This program provides for supplemental moneys to specified members of the Ohio Police and Fire Pension Fund and to surviving spouses and children of law enforcement officers, firefighters, and correction officers who die in the line of duty or from injuries sustained in the line of duty. This is subsidized in part to cover payments to officers who retired prior to the consolidation of the local pension funds into the current entity and in part due to the special service these employees provide to the general population of Ohio.

**The Executive Recommendation will fund the following objectives:**

- Provide disability pensions, supplemental cost-of-living payments, and survivor benefits for beneficiaries who received these payments prior to the consolidation that created the current Ohio Police and Fire Pension Fund;
- Support death benefit payments to the families of law enforcement officers, firefighters, and correction officers who die in the line of duty; and
- Serve approximately 800 families annually.

| FUND                     |      |        |                                     | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                            | FY 2010           | FY 2011           |
| GRF                      | GRF  | 090524 | Police And Fire Disability Pension  | 8,000             | 7,500             |
| GRF                      | GRF  | 090534 | Police & Fire Ad Hoc Cost of Living | 95,000            | 90,000            |
| GRF                      | GRF  | 090554 | Police And Fire Survivor Benefits   | 720,000           | 680,000           |
| GRF                      | GRF  | 090575 | Police And Fire Death Benefits      | 20,000,000        | 20,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                     | <b>20,823,000</b> | <b>20,777,500</b> |

**Program 03.02: Tax Refunds**

This program provides moneys to pay certain tax refunds to Ohio taxpayers.

**The Executive Recommendation will fund the following objectives:**

- This program provides moneys to pay certain tax refunds to Ohio taxpayers.

| FUND                     |      |        |             | RECOMMENDED       |                   |
|--------------------------|------|--------|-------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME    | FY 2010           | FY 2011           |
| AGY                      | 4250 | 090635 | Tax Refunds | 31,000,000        | 31,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |             | <b>31,000,000</b> | <b>31,000,000</b> |

#### **PROGRAM SERIES 04: Public Funds Managers Education**

This program series supports continuing education programming for county treasurers to ensure the proper handling of moneys.

##### **Program 04.01: Continuing Education**

This program provides for the administration of the Center for Public Investment Management (CPIM) that conducts education programs for county treasurers and other public funds managers. CPIM enhances the background and working knowledge of local finance officers in areas of public finance, investments, cash management, and compliance and reporting.

##### **The Executive Recommendation will fund the following objectives:**

- Provide wages and benefits for four employees associated with the continuing education program; and
- Provide resources for approximately nine conferences around the state to provide training to 2, 780 local public fund managers.

| FUND                     |      |        |                            | RECOMMENDED    |                |
|--------------------------|------|--------|----------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                   | FY 2010        | FY 2011        |
| GRF                      | GRF  | 090402 | Continuing Education       | 403,959        | 403,959        |
| GSF                      | 5C50 | 090602 | County Treasurer Education | 150,000        | 150,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                            | <b>553,959</b> | <b>553,959</b> |



**LINE ITEM SUMMARY - Treasurer of State**

| FUND                                 | ALI    | ALI NAME                            | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|-------------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF                                  | 090321 | Operating Expenses                  | 9,292,805         | 8,906,845         | 9,449,508         | 8,360,746           | 8,381,875              | 0.3         | 8,381,875              | 0.0         |
| GRF                                  | 090401 | Commissioners of The Sinking Fund   | 412,904           | 504,905           | 525,250           | 506,333             | 537,223                | 6.1         | 537,223                | 0.0         |
| GRF                                  | 090402 | Continuing Education                | 387,028           | 392,304           | 481,507           | 402,940             | 403,959                | 0.3         | 403,959                | 0.0         |
| GRF                                  | 090524 | Police and Fire Disability Pension  | 18,568            | 13,964            | 10,950            | 12,000              | 8,000                  | -33.3       | 7,500                  | -6.3        |
| GRF                                  | 090534 | Police & Fire Ad Hoc Cost of Living | 156,671           | 138,581           | 121,133           | 130,000             | 95,000                 | -26.9       | 90,000                 | -5.3        |
| GRF                                  | 090554 | Police and Fire Survivor Benefits   | 1,010,750         | 925,320           | 836,290           | 865,000             | 720,000                | -16.8       | 680,000                | -5.6        |
| GRF                                  | 090575 | Police and Fire Death Benefits      | 20,000,000        | 20,000,000        | 20,000,000        | 20,000,000          | 20,000,000             | 0.0         | 20,000,000             | 0.0         |
| <b>TOTAL General Revenue</b>         |        |                                     | <b>31,278,726</b> | <b>30,881,919</b> | <b>31,424,639</b> | <b>30,277,019</b>   | <b>30,146,057</b>      | <b>-0.4</b> | <b>30,100,557</b>      | <b>-0.2</b> |
| 4E90                                 | 090603 | Securities Lending Income           | 2,129,309         | 2,691,915         | 3,325,550         | 3,524,520           | 4,492,622              | 27.5        | 4,492,622              | 0.0         |
| 5770                                 | 090605 | Investment Pool Reimbursement       | 428,647           | 532,211           | 453,512           | 550,000             | 550,000                | 0.0         | 550,000                | 0.0         |
| 5C50                                 | 090602 | County Treasurer Education          | 114,141           | 126,975           | 116,884           | 135,000             | 150,000                | 11.1        | 150,000                | 0.0         |
| 6050                                 | 090609 | TOS Administrative Fund             | 538,681           | 523,639           | 500,923           | 350,000             | 185,000                | -47.1       | 185,000                | 0.0         |
| <b>TOTAL General Services</b>        |        |                                     | <b>3,210,778</b>  | <b>3,874,740</b>  | <b>4,396,868</b>  | <b>4,559,520</b>    | <b>5,377,622</b>       | <b>17.9</b> | <b>5,377,622</b>       | <b>0.0</b>  |
| 3BP0                                 | 090604 | Disaster Recovery Assessment        | 0                 | 59,284            | 0                 | 0                   | 0                      | .0          | 0                      | .0          |
| <b>TOTAL Federal Special Revenue</b> |        |                                     | <b>0</b>          | <b>59,284</b>     | <b>0</b>          | <b>0</b>            | <b>0</b>               | <b>.0</b>   | <b>0</b>               | <b>.0</b>   |
| 4250                                 | 090635 | Tax Refunds                         | 4,768,872         | 3,701,508         | 3,700,270         | 31,000,000          | 31,000,000             | 0.0         | 31,000,000             | 0.0         |
| <b>TOTAL Agency</b>                  |        |                                     | <b>4,768,872</b>  | <b>3,701,508</b>  | <b>3,700,270</b>  | <b>31,000,000</b>   | <b>31,000,000</b>      | <b>0.0</b>  | <b>31,000,000</b>      | <b>0.0</b>  |
| <b>TOTAL Treasurer of State</b>      |        |                                     | <b>39,258,376</b> | <b>38,517,451</b> | <b>39,521,777</b> | <b>65,836,539</b>   | <b>66,523,679</b>      | <b>1.0</b>  | <b>66,478,179</b>      | <b>-0.1</b> |

### **Role and Overview**

Beginning in fiscal year 2010, TTA programs will be under the direction of the Chancellor of the Ohio Board of Regents (BOR), and the TTA staff will become a part of the Chancellor's staff, to achieve administrative cost savings and to integrate Ohio's college savings program with other higher education functions. However, TTA's 11-member board will continue to exist as an advisory body to the Chancellor of the Board of Regents.

TTA administers college savings programs to help Ohio families financially prepare for higher education. TTA serves as the sponsoring entity for Ohio's college savings plan, in accordance with the Ohio Revised Code and Section 529 of the Internal Revenue Code.

The authority, which will exist as an advisory body to the Chancellor of the Board of Regents, is comprised of an 11-member Board of Trustees: seven appointed by the Governor, two appointed by the President of the Senate, two appointed by the Speaker of the House. The authority's budget in fiscal year 2009 is approximately \$7 million.

The CollegeAdvantage 529 savings plans provided by TTA offer many different types of investment products that allow Ohioans to choose from 24 college investment options. There are nine direct actively-managed variable investment options managed by various investment managers, including Vanguard, PIMCO, Oppenheimer, GE and Putnam, 13 passive index investment options managed by Vanguard, and two banking options managed by Fifth Third Bank. There are four age-based options, as well as a variety of conservative, moderate, and aggressive options. The Guaranteed Fund, which is backed by the full faith and credit of the state, was designed to keep pace with tuition growth at Ohio's 13 public universities. Contributions into the Guaranteed Savings Fund have been suspended through December 31, 2009, due to a market-value deficit resulting primarily from negative investment returns in this period of volatile markets.

In fiscal year 2008, approximately 750,000 investors participated in a TTA program. All funds can be used at any accredited college in the country to pay for tuition, fees, room and board, books, and supplies. The State of Ohio exempts earnings in all funds from state income taxes if funds are used for qualified higher education expenses. Ohio citizens who contribute to a CollegeAdvantage fund can deduct up to \$2,000 per year, per beneficiary from their State of Ohio income taxes. CollegeAdvantage is an Internal Revenue Code 529 qualified state tuition program and qualifies for federal tax benefits. Amounts withdrawn that are used for qualified higher education expenses are not subject to federal income taxes.

In fiscal year 2009, TTA estimates that approximately \$881,169 (or 12.6%) of its budget will be dedicated to Guaranteed Savings Plan operations. The remaining amounts will be used to manage the day-to-day operations of the Variable Option Savings Plan (\$2,063,596 or 29.4%), the Index Savings Plan (\$2,425,777 or 34.6%) and the Banking Products Plan (\$1,648,123 or 23.4%).

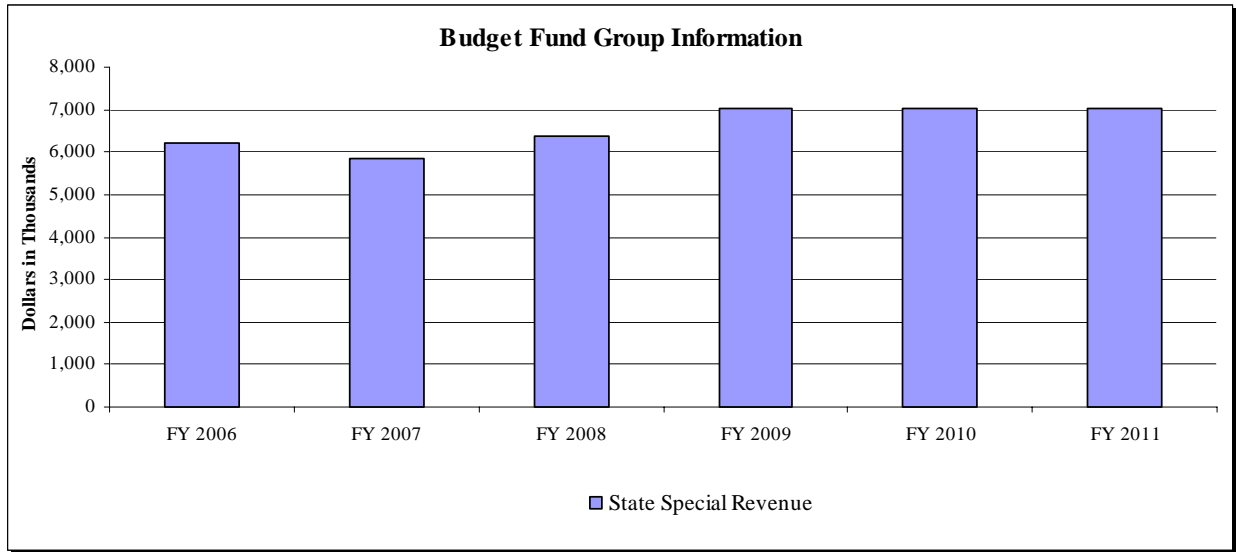
More information regarding the Ohio Tuition Trust Authority is available at [www.collegeadvantage.com/](http://www.collegeadvantage.com/).

### **Agency Priorities**

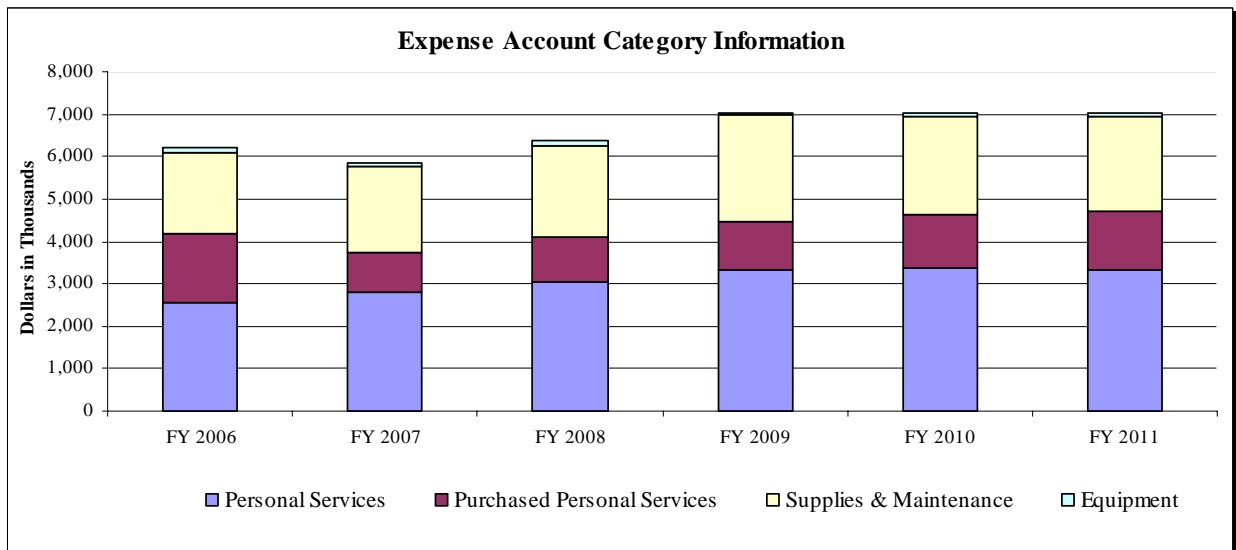
- Continue to strive for the best mix of savings and investment choices for customers and prospects in order to increase contributions and participants in the plan.
- Continue to improve customer support and administration of the plan, including enhancements to the website, improvements in the security of assets and more efficient internal operations in all departments.
- Work to raise awareness of the value and economic impact of higher education, and the importance of early college savings.
- Seek innovative ways to bring more low income families and a more diverse ethnic population into the plan to save for college.
- Promote and ensure the availability of early college savings options for all Ohioans.

- Partner with other state agencies, higher education organizations and community groups to help Ohioans obtain a college degree.

### Summary of Budget History and Recommendations



| (In Thousands)        | ACTUAL       |              |              | EST. % CHANGE |             | RECOMMENDED % CHANGE |            |              |            |
|-----------------------|--------------|--------------|--------------|---------------|-------------|----------------------|------------|--------------|------------|
|                       | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09    | FY 2010              | CHANGE     | FY 2011      | CHANGE     |
| State Special Revenue | 6,210        | 5,866        | 6,370        | 7,019         | 10.2        | 7,019                | 0.0        | 7,019        | 0.0        |
| <b>TOTAL</b>          | <b>6,210</b> | <b>5,866</b> | <b>6,370</b> | <b>7,019</b>  | <b>10.2</b> | <b>7,019</b>         | <b>0.0</b> | <b>7,019</b> | <b>0.0</b> |



State of Ohio  
**Tuition Trust Authority**

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |             | RECOMMENDED  |             |              |             |
|---|--------------|--------------|--------------|------------------|-------------|--------------|-------------|--------------|-------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09    | FY 2010      | %<br>CHANGE | FY 2011      | %<br>CHANGE |
| Personal Services                             | 2,557        | 2,806        | 3,027        | 3,310            | 9.3         | 3,368        | 1.8         | 3,330        | -1.1        |
| Purchased Personal Services                   | 1,628        | 949          | 1,094        | 1,141            | 4.3         | 1,269        | 11.2        | 1,373        | 8.2         |
| Supplies & Maintenance                        | 1,912        | 2,020        | 2,126        | 2,529            | 18.9        | 2,311        | -8.6        | 2,244        | -2.9        |
| Equipment                                     | 113          | 92           | 122          | 39               | -68.1       | 71           | 82.2        | 71           | -0.2        |
| <b>TOTAL</b>                                  | <b>6,210</b> | <b>5,866</b> | <b>6,370</b> | <b>7,019</b>     | <b>10.2</b> | <b>7,019</b> | <b>0.0</b>  | <b>7,019</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: College Advantage

This program series consists of the Tuition Trust Authority's two primary savings plans offered to help Ohio families save for future college expenses. The Authority, created in 1989, provides a mixture of products and investment options to meet the investment needs of Ohioans.

#### Program 01.01: Guaranteed Savings Plan

The Guaranteed Savings Plan, created in 1989 as the first college savings plan supported by the state, has assets worth over \$680.9 million and has over 79,000 participants as of September 30, 2008. The Guaranteed Savings Plan is currently suspended until December 31, 2009. The suspension does not allow new enrollments or contributions into the program; however, the program continues to support accounts for those enrolled prior to program suspension. Basic services associated with this program, such as disbursements to beneficiaries, refunds, rollover of account balances into new funds, and financial reporting, continue to function as normal.

#### The Executive Recommendation will fund the following objectives:

- Provide support for five staff members that are responsible for the day-to-day customer service, processing of payouts, record-keeping, and quarterly financial reporting, for approximately 76,000 participants (down from 79,000 in fiscal year 2009);
- Identify solutions to minimize the State of Ohio's long-term obligations in the Guaranteed Savings Plan, including effective management to maximize returns and minimize risk; and
- Enhance the website to allow more functionality for account owners, improve the agency infrastructure, enhance document imaging and continue to improve the security of all data.

| FUND                     |      |        |                         | RECOMMENDED    |                |
|--------------------------|------|--------|-------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                | FY 2010        | FY 2011        |
| SSR                      | 6450 | 095601 | Guaranteed Savings Plan | 842,959        | 862,150        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                         | <b>842,959</b> | <b>862,150</b> |

#### Program 01.02: Variable Savings Plans

In 2000, the General Assembly authorized TTA to create the CollegeAdvantage 529 Savings Plan. Initially, Putnam Investments was hired to manage the funds. During fiscal year 2005, TTA brought on Vanguard and index options to add to the plan. The index options consist of 13 passively managed index funds and three actively managed index funds that attempt to match a particular stock or bond market index. In September of 2005, Fifth Third banking products were added to the plan. The banking options (savings accounts and certificates of deposit) provide conservative college savings options for risk-averse savers, parents with children near college age, or those with children currently enrolled in college who may not want to take on risk or lose principal. These options also add another way to diversify current 529 investment portfolios. In August of 2008 and February of 2009, the agency along with the assistance of independent outside investment consultants, determined that several changes were to be made to the direct variable savings plan to ensure that investors have diversity of fund managers and options and lower investment fees. The variable savings plan now consists of a multi-managed platform including options from Vanguard, PIMCO, Oppenheimer, GE, Putnam and Fifth Third Bank. Customers are able to choose from a variety

of savings options and have the ability to manage their own accounts depending on where they would like to invest (Asset Allocation Options, Money Market Options, Fixed Income Options, Equity Options and Banking Options). The mutual fund options are not guaranteed a fixed rate of return and investors assume all risk. The banking product options offer a guaranteed rate of return if held to maturity and they are FDIC insured up to \$100,000. Currently, over 214,000 investors participate in the variable savings plan direct program. TTA is responsible for all record-keeping responsibilities of the variable savings plan direct program.

**The Executive Recommendation will fund the following objectives:**

- Support marketing activities including building brand awareness, public relations, corporate partnerships to encourage payroll deduction, community outreach events, greater conversion of leads, investor education and marketing research;
- Support infrastructure improvements and enhancements to the website;
- Fund 42 staff members to support functions of the Variable Savings Plan and more than 258,000 projected direct investors; and
- Support the fulfillment of TTA's directed mission from the Ohio Revised Code and Section 529 of the Internal Revenue Code to help families save for future college expenses.

| FUND              |      |        |                        | RECOMMENDED |           |
|-------------------|------|--------|------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME               | FY 2010     | FY 2011   |
| SSR               | 5P30 | 095602 | Variable Savings Plans | 6,175,707   | 6,156,515 |
| TOTAL FOR PROGRAM |      |        |                        | 6,175,707   | 6,156,515 |

**Appropriation Line Item Analysis for Fiscal Years 2010 and 2011**

**Line Item Restructuring Analysis**

Line items 095603, Index Savings Plans; and 095604, Banking Products, are combined into line item 095602, Variable Savings Plans. This change is designed to better align the agency's program and line item budgets to actual operations. To illustrate changes in funding levels due to this restructuring, estimated FY 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

|      |        |                        | Estimated | Recommended |          |           |          |
|------|--------|------------------------|-----------|-------------|----------|-----------|----------|
| Fund | ALI    | ALI Title              | FY 2009   | FY 2010     | % Change | FY 2011   | % Change |
| 5P30 | 095602 | Variable Savings Plans | 6,137,496 | 6,175,707   | 0.6%     | 6,156,515 | -0.3%    |

**LINE ITEM SUMMARY - Tuition Trust Authority**

| FUND                                 | ALI    | ALI NAME                | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--------------------------------------|--------|-------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5AM0                                 | 095603 | Index College Savings   | 2,332,567         | 1,901,108         | 2,243,155         | 2,425,777           | 0                      | -100.0      | 0                      | .0          |
| 5DC0                                 | 095604 | Banking Products        | 979,559           | 1,836,185         | 1,512,132         | 1,648,123           | 0                      | -100.0      | 0                      | .0          |
| 5P30                                 | 095602 | Variable Savings Plans  | 1,899,351         | 1,334,885         | 1,844,334         | 2,063,596           | 6,175,707              | 199.3       | 6,156,515              | -0.3        |
| 6450                                 | 095601 | Guaranteed Savings Plan | 998,738           | 793,887           | 770,759           | 881,169             | 842,959                | -4.3        | 862,150                | 2.3         |
| <b>TOTAL State Special Revenue</b>   |        |                         | <b>6,210,216</b>  | <b>5,866,064</b>  | <b>6,370,381</b>  | <b>7,018,665</b>    | <b>7,018,666</b>       | <b>0.0</b>  | <b>7,018,665</b>       | <b>0.0</b>  |
| <b>TOTAL Tuition Trust Authority</b> |        |                         | <b>6,210,216</b>  | <b>5,866,064</b>  | <b>6,370,381</b>  | <b>7,018,665</b>    | <b>7,018,666</b>       | <b>0.0</b>  | <b>7,018,665</b>       | <b>0.0</b>  |

## Petroleum Underground Storage Tank Release Compensation Board

### Role and Overview

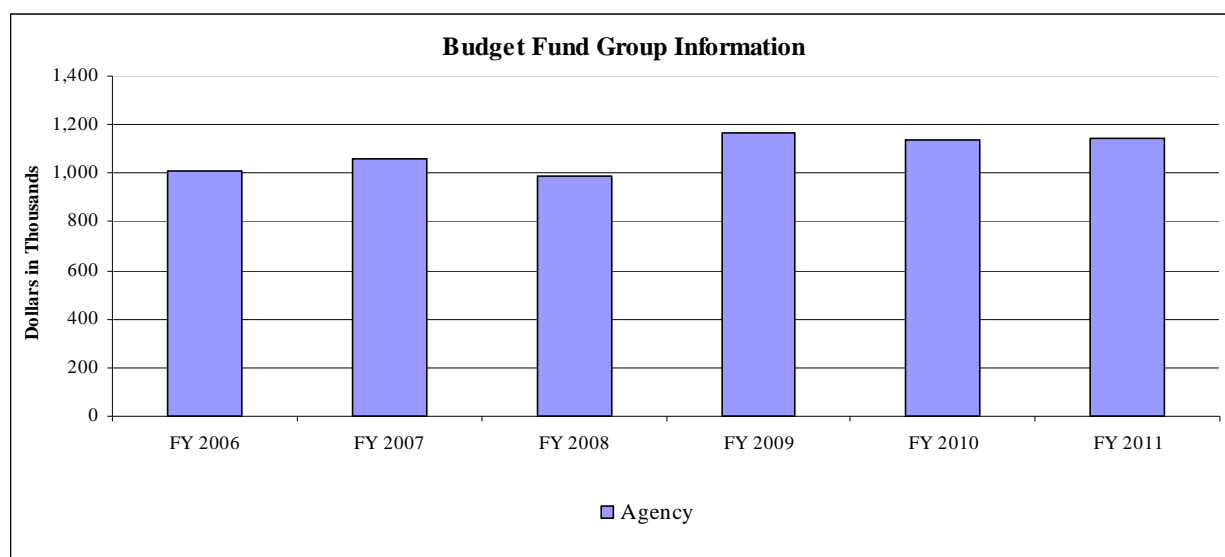
The Petroleum Underground Storage Tank Release Compensation Board administers Ohio's Financial Assurance Fund. The fund provides coverage for clean-up costs and third-party property and bodily damages associated with accidental releases of petroleum from underground storage tanks (USTs).

The Financial Assurance Fund consists of fees and charges paid by owners of underground storage tanks, interest earned on the moneys in the fund, and proceeds from revenue bonds authorized by the board. As of September 2008, there is approximately \$11.4 million in unobligated funds and an additional obligated amount of \$8.1 million for anticipated fiscal year 2009 claim reimbursement payments. Payroll expenses of the board, which are about \$1.14 million annually, are the only funds of the board that are appropriated.

The board consists of nine members appointed by the Governor and three ex-officio members: the Treasurer of State and the directors of the Department of Commerce and the Ohio Environmental Protection Agency. The board has a staff of 16 employees that perform the daily operations of the board with an annual operating budget of \$1.14 million.

Additional information regarding the Petroleum Underground Storage Tank Release Compensation Board is available at <http://www.petroboard.com/>.

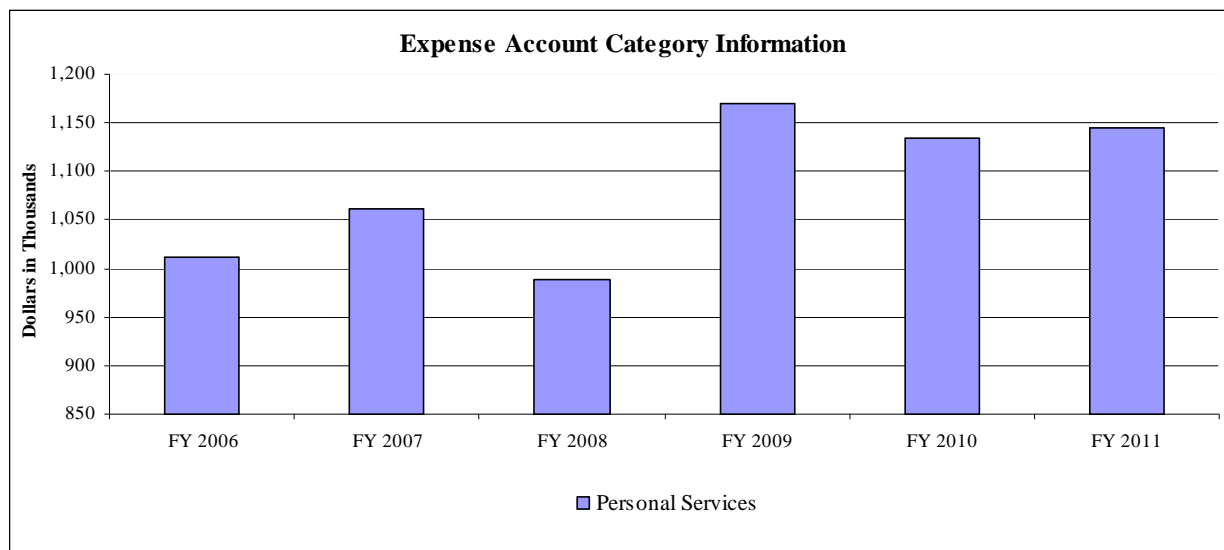
### Summary of Budget History and Recommendations



| (In Thousands) | ACTUAL       |              |            | EST. CHANGE  |             | RECOMMENDED  |             |              |            |
|----------------|--------------|--------------|------------|--------------|-------------|--------------|-------------|--------------|------------|
|                | FY 2006      | FY 2007      | FY 2008    | FY 2009      | FY 08-09    | FY 2010      | CHANGE      | FY 2011      | CHANGE     |
| Agency         | 1,011        | 1,061        | 988        | 1,169        | 18.3        | 1,135        | -2.9        | 1,145        | 0.9        |
| <b>TOTAL</b>   | <b>1,011</b> | <b>1,061</b> | <b>988</b> | <b>1,169</b> | <b>18.3</b> | <b>1,135</b> | <b>-2.9</b> | <b>1,145</b> | <b>0.9</b> |



# Petroleum Underground Storage Tank Release Compensation Board



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |            | EST. % CHANGE |             | RECOMMENDED % CHANGE |             |              |            |
|---|--------------|--------------|------------|---------------|-------------|----------------------|-------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008    | FY 2009       | FY 08-09    | FY 2010              | CHANGE      | FY 2011      | CHANGE     |
| Personal Services                             | 1,011        | 1,061        | 988        | 1,169         | 18.3        | 1,135                | -2.9        | 1,145        | 0.9        |
| <b>TOTAL</b>                                  | <b>1,011</b> | <b>1,061</b> | <b>988</b> | <b>1,169</b>  | <b>18.3</b> | <b>1,135</b>         | <b>-2.9</b> | <b>1,145</b> | <b>0.9</b> |

## PROGRAM SERIES 01: Reporting and Compliance

This program series provides Ohio's petroleum UST owners with \$1 million (less a deductible) of assurance coverage for taking corrective action and compensating third parties for bodily and property damage caused by accidental releases from petroleum USTs. The program satisfies the federal EPA regulations requiring all U.S. petroleum UST owners to demonstrate \$1 million of financial responsibility.

### Program 01.01: Reporting and Compliance

This program is responsible for the collection and application of all fees and penalties; maintenance of the general ledger and fee invoice systems; all accounting and fiscal transactions; preparation of all financial statements and related documents; preparation of an annual actuarial study of the Financial Assurance Fund's estimated claim liability; and coordination of the annual audit with an independent accounting firm and the State Auditor's Office.

#### The Executive Recommendation will fund the following objectives:

- Allow the collection and application of fees and penalties in accordance with law;
- Provide for the issuance of Certificates of Financial Assurance Fund Coverage for approximately 21,900 USTs;
- Perform an annual actuarial study of the Financial Assurance Fund's estimated claim liability;
- Coordinate the annual audit with an independent accounting firm and the State's Auditor's Office; and
- Fund the equivalent of 8.5 full-time employees for the daily operations for Reporting and Compliance Program.

| FUND                     |      |        |               | RECOMMENDED    |                |
|--------------------------|------|--------|---------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME      | FY 2010        | FY 2011        |
| AGY                      | 6910 | 810632 | PUSTRCB Staff | 514,208        | 518,040        |
| <b>TOTAL FOR PROGRAM</b> |      |        |               | <b>514,208</b> | <b>518,040</b> |

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**Petroleum Underground Storage Tank Release Compensation Board**
**Program 01.02: Eligibility and Reimbursement Determination**

This program is responsible for maintaining the eligibility, pre-approval, and reimbursement databases that allow the board and staff members to execute their duties. The board's claim staff reviews appropriate documentation and rules governing the eligibility and reimbursement processes, and makes recommendations to the director regarding an owner's right to place claims against the Financial Assurance Fund and the amounts eligible for reimbursement. Tank owners have the rights of appeal as provided by Ohio Revised Code, Section 119.

**The Executive Recommendation will fund the following objectives:**

- Administer the Financial Assurance Fund that provides coverage for clean-up costs and third-party property and bodily damages associated with accidental releases of petroleum from underground storage tanks;
- Allow the evaluation and determination of 800 reimbursement claim applications per year;
- Provide the resources to remediate contamination through reimbursement payments;
- Assist in the development of innovative ways to reduce clean-up costs through the pre-approval process; and
- Fund the equivalent of 7.5 full-time employees for the daily operations for Eligibility and Reimbursement Determination Program.

| FUND                     |      |        |               | RECOMMENDED    |                |
|--------------------------|------|--------|---------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME      | FY 2010        | FY 2011        |
| AGY                      | 6910 | 810632 | PUSTRCB Staff | 620,652        | 626,587        |
| <b>TOTAL FOR PROGRAM</b> |      |        |               | <b>620,652</b> | <b>626,587</b> |

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**Petroleum Underground Storage Tank Release Compensation Board**
**LINE ITEM SUMMARY - Petroleum Underground Storage Tank Release Compensation Board**

| <b>FUND</b>  | <b>ALI</b> | <b>ALI NAME</b> | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|--|------------|-----------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| 6910   | 810632     | Pustrcb Staff   | 1,011,189                 | 1,061,085                 | 988,138                   | 1,169,181                   | 1,134,860                      | -2.9                | 1,144,627                      | 0.9                 |
| <b>TOTAL Agency</b>  |            |                 | <b>1,011,189</b>          | <b>1,061,085</b>          | <b>988,138</b>            | <b>1,169,181</b>            | <b>1,134,860</b>               | <b>-2.9</b>         | <b>1,144,627</b>               | <b>0.9</b>          |
| <b>TOTAL Petroleum Underground Storage Tank Release Compensation Board</b> |            |                 | <b>1,011,189</b>          | <b>1,061,085</b>          | <b>988,138</b>            | <b>1,169,181</b>            | <b>1,134,860</b>               | <b>-2.9</b>         | <b>1,144,627</b>               | <b>0.9</b>          |

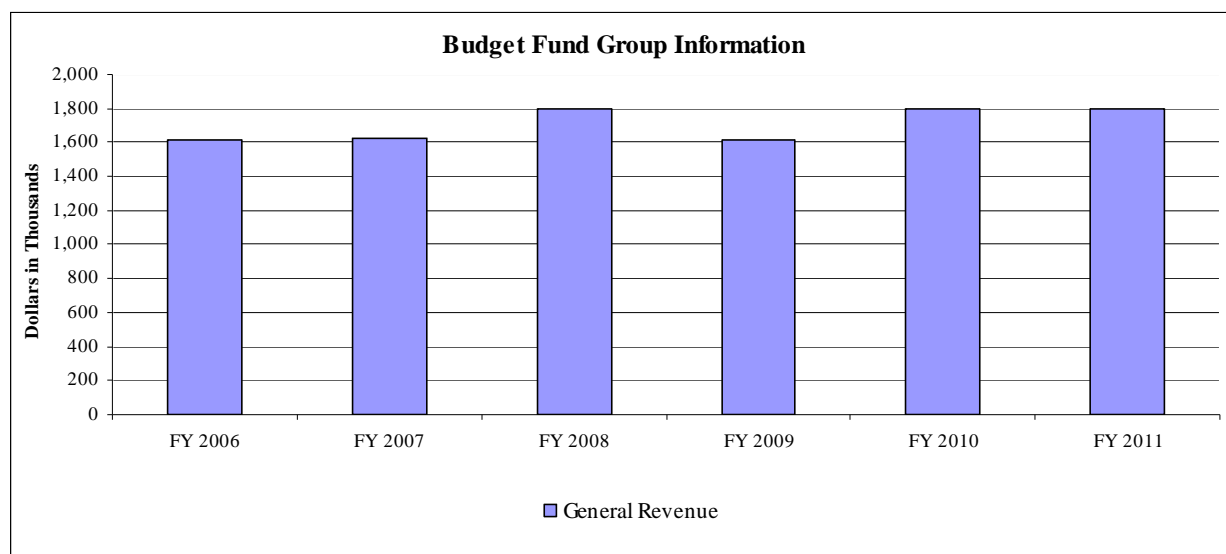
### Role and Overview

Thirteen veterans' organizations, including the Korean War Veterans, the Jewish War Veterans, the Catholic War Veterans, the Military Order of the Purple Heart, the Vietnam Veterans of America, the American Legion of Ohio, the AMVETS, the Disabled American Veterans, the Marine Corps League, the 37<sup>th</sup> Division Veterans' Association, the Veterans of Foreign Wars, the Army and Navy Union, U.S.A., and the American Ex-Prisoners of War, receive a subsidy from the state to help veterans and their dependents identify and claim benefits to which they are entitled. Each organization provides services to its particular constituency. State funding supplements each organization's other funding raised through membership dues, fund-raising efforts, private donations, and federal grants.

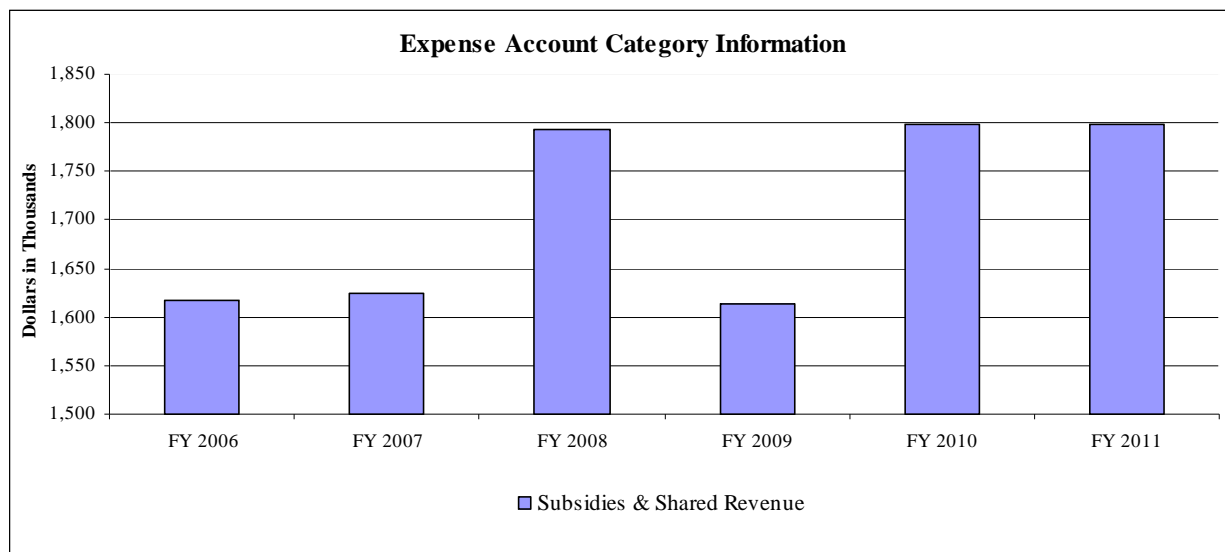
### Executive Priorities for the Veterans' Organizations

- Support the needs of veterans.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL       |              |              | EST. % CHANGE |              | RECOMMENDED % CHANGE |             |              |            |
|-------------------------------------|--------------|--------------|--------------|---------------|--------------|----------------------|-------------|--------------|------------|
|                                     | FY 2006      | FY 2007      | FY 2008      | FY 2009       | FY 08-09     | FY 2010              | CHANGE      | FY 2011      | CHANGE     |
| General Revenue                     | 1,618        | 1,624        | 1,794        | 1,614         | -10.0        | 1,798                | 11.4        | 1,798        | 0.0        |
| <b>TOTAL</b>                        | <b>1,618</b> | <b>1,624</b> | <b>1,794</b> | <b>1,614</b>  | <b>-10.0</b> | <b>1,798</b>         | <b>11.4</b> | <b>1,798</b> | <b>0.0</b> |



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL       |              |              | EST. %<br>CHANGE |              | RECOMMENDED %<br>CHANGE |             |              |            |
|---|--------------|--------------|--------------|------------------|--------------|-------------------------|-------------|--------------|------------|
|   | FY 2006      | FY 2007      | FY 2008      | FY 2009          | FY 08-09     | FY 2010                 | CHANGE      | FY 2011      | CHANGE     |
| Subsidies & Shared Revenue                    | 1,618        | 1,624        | 1,794        | 1,614            | -10.0        | 1,798                   | 11.4        | 1,798        | 0.0        |
| <b>TOTAL</b>                                  | <b>1,618</b> | <b>1,624</b> | <b>1,794</b> | <b>1,614</b>     | <b>-10.0</b> | <b>1,798</b>            | <b>11.4</b> | <b>1,798</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Veterans' Interests

This program series provides a subsidy payment to each of the 13 veterans' groups to support the needs of their memberships.

#### Program 01.01: Subsidy

This program supports the activities of the 13 veterans' groups. Activities include assisting veterans in the benefits claiming process, transporting veterans to VA medical facilities, assisting veterans with job placement and training, and helping homeless and needy veterans find the assistance that they need.

#### The Executive Recommendation will fund the following objectives:

- Provide each organization with a subsidy equal to the amount appropriated in HB 119, the operating budget for fiscal years 2008 and 2009.

State of Ohio  
**Veterans' Organizations**

| FUND                     |      |        |                                    | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                           | FY 2010          | FY 2011          |
| GRF                      | GRF  | 743501 | American Ex-Prisoners of War       | 27,533           | 27,533           |
| GRF                      | GRF  | 746501 | Army & Navy Union USA, Inc.        | 60,513           | 60,513           |
| GRF                      | GRF  | 747501 | Korean War Veterans                | 54,398           | 54,398           |
| GRF                      | GRF  | 748501 | Jewish War Veterans                | 32,687           | 32,687           |
| GRF                      | GRF  | 749501 | Catholic War Veterans              | 63,789           | 63,789           |
| GRF                      | GRF  | 750501 | Military Order of the Purple Heart | 62,015           | 62,015           |
| GRF                      | GRF  | 751501 | Vietnam Veterans of America        | 204,549          | 204,549          |
| GRF                      | GRF  | 752501 | American Legion of Ohio            | 332,561          | 332,561          |
| GRF                      | GRF  | 753501 | AMVETS                             | 316,711          | 316,711          |
| GRF                      | GRF  | 754501 | Disabled American Veterans         | 237,939          | 237,939          |
| GRF                      | GRF  | 756501 | Marine Corps League                | 127,569          | 127,569          |
| GRF                      | GRF  | 757501 | 37th Div AEF Veterans Assoc        | 6,541            | 6,541            |
| GRF                      | GRF  | 758501 | Veterans of Foreign Wars           | 271,277          | 271,277          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                    | <b>1,798,082</b> | <b>1,798,082</b> |

**State of Ohio**  
**Veterans' Organizations**

**LINE ITEM SUMMARY - Veterans' Organizations**

| <b>FUND</b>                          | <b>ALI</b> | <b>ALI NAME</b>                    | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|--------------------------------------|------------|------------------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| GRF                                  | 743501     | American Ex-Prisoners of War       | 25,030                    | 25,030                    | 27,533                    | 24,717                      | 27,533                         | 11.4                | 27,533                         | 0.0                 |
| GRF                                  | 746501     | Army & Navy Union, USA, Inc.       | 55,012                    | 55,012                    | 60,513                    | 54,325                      | 60,513                         | 11.4                | 60,513                         | 0.0                 |
| GRF                                  | 747501     | Korean War Veterans                | 49,453                    | 49,453                    | 54,398                    | 48,835                      | 54,398                         | 11.4                | 54,398                         | 0.0                 |
| GRF                                  | 748501     | Jewish War Veterans                | 29,715                    | 29,715                    | 32,687                    | 29,344                      | 32,687                         | 11.4                | 32,687                         | 0.0                 |
| GRF                                  | 749501     | Catholic War Veterans              | 57,990                    | 57,990                    | 63,789                    | 57,265                      | 63,789                         | 11.4                | 63,789                         | 0.0                 |
| GRF                                  | 750501     | Military Order of The Purple Heart | 56,377                    | 56,377                    | 62,015                    | 55,673                      | 62,015                         | 11.4                | 62,015                         | 0.0                 |
| GRF                                  | 751501     | Vietnam Veterans of America        | 185,954                   | 185,954                   | 204,549                   | 183,630                     | 204,549                        | 11.4                | 204,549                        | 0.0                 |
| GRF                                  | 752501     | American Legion of Ohio            | 302,328                   | 302,328                   | 332,561                   | 298,550                     | 332,561                        | 11.4                | 332,561                        | 0.0                 |
| GRF                                  | 753501     | AMVETS                             | 270,938                   | 276,919                   | 312,506                   | 284,321                     | 316,711                        | 11.4                | 316,711                        | 0.0                 |
| GRF                                  | 754501     | Disabled American Veterans         | 216,308                   | 216,308                   | 237,939                   | 213,605                     | 237,939                        | 11.4                | 237,939                        | 0.0                 |
| GRF                                  | 756501     | Marine Corps League                | 115,972                   | 115,972                   | 127,569                   | 114,522                     | 127,569                        | 11.4                | 127,569                        | 0.0                 |
| GRF                                  | 757501     | 37th Div AEF Veterans Assoc        | 5,946                     | 5,946                     | 6,541                     | 5,872                       | 6,541                          | 11.4                | 6,541                          | 0.0                 |
| GRF                                  | 758501     | Veterans of Foreign Wars           | 246,615                   | 246,615                   | 271,277                   | 243,533                     | 271,277                        | 11.4                | 271,277                        | 0.0                 |
| <b>TOTAL General Revenue</b>         |            |                                    | <b>1,617,638</b>          | <b>1,623,619</b>          | <b>1,793,877</b>          | <b>1,614,192</b>            | <b>1,798,082</b>               | <b>11.4</b>         | <b>1,798,082</b>               | <b>0.0</b>          |
| <b>TOTAL Veterans' Organizations</b> |            |                                    | <b>1,617,638</b>          | <b>1,623,619</b>          | <b>1,793,877</b>          | <b>1,614,192</b>            | <b>1,798,082</b>               | <b>11.4</b>         | <b>1,798,082</b>               | <b>0.0</b>          |

**State of Ohio**  
**Department of Veterans' Services**

### Role and Overview

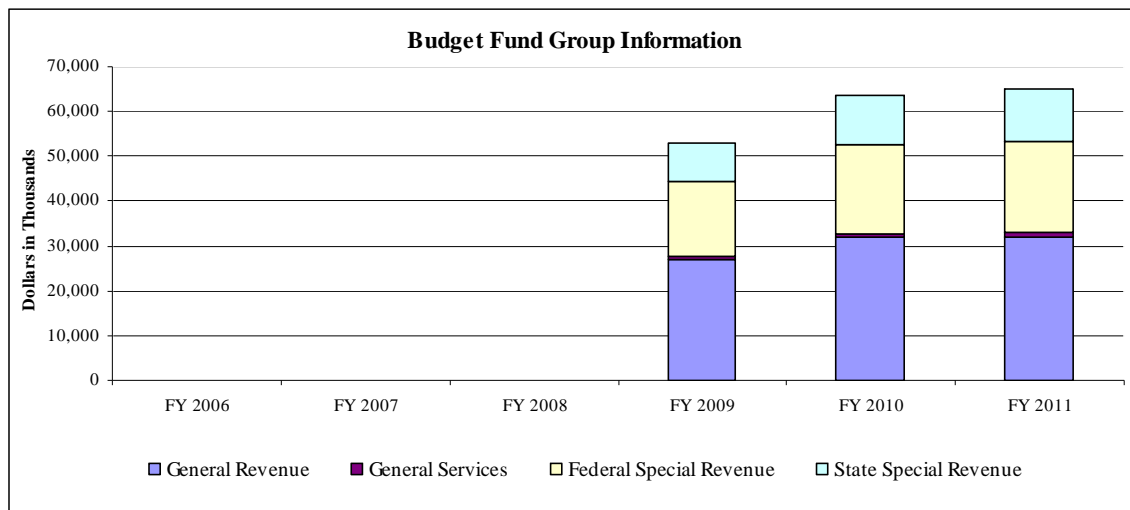
The Department of Veterans' Services (DVS), created by S.B. 289 of the 127<sup>th</sup> General Assembly, was established as an agency on August 21, 2008. The purpose of this agency is to connect the nearly one million veterans and their families who are residents of Ohio with programs and benefits to which they are entitled as a result of their service to our country, and to provide services directly to those who are in most need. DVS began with a core group of existing operations from the Governor's Office of Veterans Affairs (GOVA), the Ohio Veterans Home Agency (OVH) and the Ohio State Approving Agency (SAA) which was transferred from the Ohio Department of Education.

The department is led by a director, appointed by the governor, who manages approximately 850 employees and a budget of approximately \$53 million. Additional information regarding the Department of Veterans Services is online at: <http://www.dvs.ohio.gov/>.

### Agency Priorities

- Secure federal, state, and self-generated resources to improve the ability to maximize the quality and quantity of long-term and domiciliary services to Ohio's heroes.
- Exercise the agency's strategic plan and commensurate measurements to reassure Ohio's veterans' community and taxpayers that the agency obtains the highest results with the same or less resources than public or private competitors.
- Continue to encourage and strengthen community partnerships and business relationships to maximize volunteer, family, and service organization support as well as incorporate best practices in the agency's business plan.

### Summary of Budget History and Recommendations

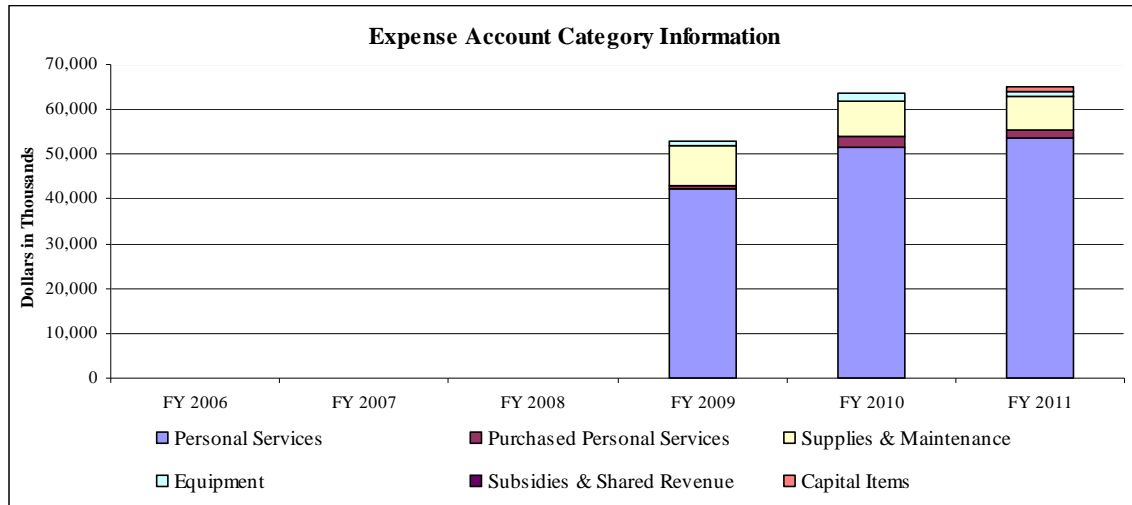


| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL   |          |          | EST. % CHANGE |              | RECOMMENDED % CHANGE |             |               |            |
|-------------------------------------|----------|----------|----------|---------------|--------------|----------------------|-------------|---------------|------------|
|                                     | FY 2006  | FY 2007  | FY 2008  | FY 2009       | FY 08-09     | FY 2010              | CHANGE      | FY 2011       | CHANGE     |
| General Revenue                     | 0        | 0        | 0        | 26,964        | 100.0        | 32,089               | 19.0        | 32,089        | 0.0        |
| General Services                    | 0        | 0        | 0        | 767           | 100.0        | 770                  | 0.4         | 850           | 10.4       |
| Federal Special Revenue             | 0        | 0        | 0        | 16,595        | 100.0        | 19,825               | 19.5        | 20,500        | 3.4        |
| State Special Revenue               | 0        | 0        | 0        | 8,772         | 100.0        | 10,855               | 23.8        | 11,481        | 5.8        |
| <b>TOTAL</b>                        | <b>0</b> | <b>0</b> | <b>0</b> | <b>53,098</b> | <b>100.0</b> | <b>63,540</b>        | <b>19.7</b> | <b>64,920</b> | <b>2.2</b> |

**Note:** FY 2009 data above reflects partial year information. Please refer to the ALI restructuring analysis for full year comparisons.



**State of Ohio**  
**Department of Veterans' Services**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL   |          |          | EST. %        |              | RECOMMENDED % |             |               |            |
|---|----------|----------|----------|---------------|--------------|---------------|-------------|---------------|------------|
|   | FY 2006  | FY 2007  | FY 2008  | FY 2009       | FY 08-09     | FY 2010       | CHANGE      | FY 2011       | CHANGE     |
| Personal Services                             | 0        | 0        | 0        | 42,124        | 100.0        | 51,555        | 22.4        | 53,693        | 4.1        |
| Purchased Personal Services                   | 0        | 0        | 0        | 984           | 100.0        | 2,311         | 134.8       | 1,610         | -30.3      |
| Supplies & Maintenance                        | 0        | 0        | 0        | 8,810         | 100.0        | 7,905         | -10.3       | 7,690         | -2.7       |
| Equipment                                     | 0        | 0        | 0        | 995           | 100.0        | 1,720         | 72.9        | 939           | -45.4      |
| Subsidies & Shared Revenue                    | 0        | 0        | 0        | 100           | 100.0        | 0             | -100.0      | 0             | 0.0        |
| Capital Items                                 | 0        | 0        | 0        | 86            | 100.0        | 49            | -43.2       | 989           | 1,934.2    |
| <b>TOTAL</b>                                  | <b>0</b> | <b>0</b> | <b>0</b> | <b>53,098</b> | <b>100.0</b> | <b>63,540</b> | <b>19.7</b> | <b>64,920</b> | <b>2.2</b> |

### Program Series 01: Veterans Services

This program series provides for assisting veterans in receiving recognition, benefit identification and claims assistance/advocacy, support for federal funded education, training and career transition programs, and assisting special (non-nursing home) needs veteran populations.

#### Program 01.01: Veterans Hall of Fame

This program recognizes post-military achievements of veterans to the civilian workplace. The Ohio Veterans Hall of Fame seeks to recognize veterans that continue to give to their communities, state, and nation after honorable military service, for their countless contributions to society.

#### The Executive Recommendations will fund the following objectives:

- Fund a yearly enshrinement ceremony honoring veterans for their contributions to the community; and
- Support presentations to veterans' organizations and a newsletter publication, now available online.

| FUND                     |      |        |              | RECOMMENDED    |                |
|--------------------------|------|--------|--------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010        | FY 2011        |
| GRF                      | GRF  | 900402 | Hall Of Fame | 118,750        | 118,750        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>118,750</b> | <b>118,750</b> |

#### Program 01.02: Veterans Affairs

This section includes the former GOVA operations and will house the new programs envisioned by the Governor and Legislature in S.B. 289. These new programs are designed to connect veterans with the many

**State of Ohio**  
**Department of Veterans' Services**

(federal, state, and local) benefits that are available to them as a result of their service. The mission of DVS is to identify the veteran populations in Ohio, reach out to them and assist them in obtaining benefits for which they are eligible.

DVS also provides operational oversight of the 88 County Veterans' Service Offices and provides training and certification of more than 800 County Veterans' Service Officers, Veteran Service Commissioners, and staff. In addition, DVS manages the U.S. Department of Veterans Affairs program for obtaining accreditations for the approximate 180 County Veterans' Service Officers. This section also serves as the custodian of approximately 1.7 million veterans' records.

**The Executive Recommendations will fund the following objectives:**

- Fund the initial startup of an organization to fulfill the services envisioned by S.B. 289 that created the Department of Veteran Services;
- Fund a marketing effort to locate and identify Ohio veterans so they can be informed of benefits to which they are entitled;
- Establish a core staff to be located within the US Department of Veterans Affairs (Cleveland Regional Office) to review denied claims and expedite correction; and
- Fund two staff members to support and train County Veteran Service Officers.

| FUND              |      |        |                           | RECOMMENDED |           |
|-------------------|------|--------|---------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011   |
| GRF               | GRF  | 900408 | Dept Of Veterans Services | 2,283,100   | 2,283,100 |
| TOTAL FOR PROGRAM |      |        |                           | 2,283,100   | 2,283,100 |

**Program 01.03: State Approving Agency**

The Ohio State Approving Agency (SAA) for Veterans Training is charged with approving educational, vocational, and professional programs allowing veterans and their eligible family members access to G.I. Bill benefits from the U.S. Department of Veterans Affairs. More than \$102 million a year in federal monies are received by over 14,000 Ohioans to assist with educational and training costs. As a result of the Governor's "Ohio GI Bill Promise" initiative, we expect an increase in the number of veterans participating in these educational and training opportunities.

This activity reviews, approves, and supervises more than 1,300 college, career school, flight, correspondence, apprenticeship, and on-the-job training and licensing/certification programs offering vocational, educational, and professional programming to veterans. SAA is also responsible for compliance site visits, investigations, and administrative training of over 1,000 school and employment site officials and other activities. The U.S. Department of Veterans Affairs provides funds for the operation of this program.

**The Executive Recommendations will fund the following objective:**

- Fund the approval and compliance processes for educational, vocational, and professional programs providing G.I. Bill eligible beneficiaries VA tuition, books, housing, and subsistence support.

| FUND              |      |        |                   | RECOMMENDED |         |
|-------------------|------|--------|-------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME          | FY 2010     | FY 2011 |
| FED               | 3680 | 900614 | Veterans Training | 745,892     | 745,892 |
| TOTAL FOR PROGRAM |      |        |                   | 745,892     | 745,892 |

**Program 01.04: Veterans' Record Convention**

This program digitizes copies of original certificates of discharge and separation for Ohio veterans. Copies of these military service records may be provided to the 88 Ohio county veterans' service offices and

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federal agencies—such as the Social Security Administration, Department of Veterans Affairs, and National Records Center—as required documentation to re-enlist or to claim benefits including retirement, disability, pension, health care, and burial.

**The Executive Recommendation will fund the following objectives:**

- Maintain the Veterans' Records system including software, server, server connections, data storage, and tape backup; and
- Provide for scanning into the system approximately 90,000 new military records of Ohio veterans in fiscal year.

| FUND              |      |        |                           | RECOMMENDED |         |
|-------------------|------|--------|---------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                  | FY 2010     | FY 2011 |
| GRF               | GRF  | 900403 | Veteran Record Conversion | 40,631      | 40,631  |
| TOTAL FOR PROGRAM |      |        |                           | 40,631      | 40,631  |

**Program 01.05: Troops to Teachers**

The Troops to Teachers program was established in 1994 to help recruit quality teachers that serve students in high-need schools throughout America. Troops to Teachers helps relieve teacher shortages, especially in math, science, special education, and other critical subject areas, and assists military personnel in making successful transitions to second careers in teaching.

**The Executive Recommendation will fund the following objective:**

- Support the Troops to Teachers Program, which supports outreach and recruitment to encourage military personnel to enter the teaching profession using the alternative teacher license. The program has trained over 250 teachers, of which 66 percent are placed in high-need schools and in shortage areas.

| FUND              |      |        |                    | RECOMMENDED |         |
|-------------------|------|--------|--------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME           | FY 2010     | FY 2011 |
| FED               | 3740 | 900606 | Troops To Teachers | 100,000     | 100,000 |
| TOTAL FOR PROGRAM |      |        |                    | 100,000     | 100,000 |

**Program Series 02: Resident Services**

This program series provides care for the elderly, chronically ill, and disabled veterans in the appropriate living arrangement to help them achieve their highest level of functional ability.

**Program Series 02.01: Nursing Home**

This program series provides care for the elderly, chronically ill, and disabled veterans in the appropriate living arrangement to help them achieve their highest level of functional ability. The Sandusky and Georgetown facilities provide standard and special care (Alzheimer and dementia care) to veterans in need of nursing home care. Both facilities also offer skilled care to recently hospitalized residents.

**The Executive Recommendation will fund the following objectives:**

- Support the operation of a 427-bed nursing home facility in Sandusky, of which 140 beds are for Alzheimer's/dementia care;
- Support the operation of 126 nursing home beds in Georgetown, of which 42 beds are for Alzheimer's/dementia care; and
- Support the delivery of skilled care and hospice care for residents requiring those levels of care.

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| FUND                     |      |        |                              | RECOMMENDED       |                   |
|--------------------------|------|--------|------------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 900100 | Personal Services            | 21,888,714        | 23,268,333        |
| GRF                      | GRF  | 900200 | Maintenance                  | 3,047,977         | 3,496,220         |
| GSF                      | 4840 | 900603 | Veterans Home Services       | 719,063           | 799,063           |
| FED                      | 3BX0 | 900609 | Medicare Services            | 1,987,523         | 2,187,415         |
| FED                      | 3L20 | 900601 | Veterans Home Operations-Fed | 16,885,124        | 17,356,816        |
| SSR                      | 4E20 | 900602 | Veterans Home Operating      | 7,193,752         | 7,088,949         |
| SSR                      | 6040 | 900604 | Veterans Home Maintenance    | 1,487,284         | 1,046,718         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>53,209,437</b> | <b>55,243,514</b> |

**Program Series 02.02: Domiciliary**

This program provides a level of care which offers independence and freedom in a homelike environment for residents able to care for themselves. Domiciliary care is available at the Sandusky facility. A second level of care, Domiciliary Plus, is provided to residents who require a degree of care between independent living and nursing home care.

**The Executive Recommendation will fund the following objective:**

- Support the operation of a domiciliary that provides domiciliary living services to approximately 200 veterans.

| FUND                     |      |        |                              | RECOMMENDED      |                  |
|--------------------------|------|--------|------------------------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 900100 | Personal Services            | 3,330,568        | 1,950,949        |
| GRF                      | GRF  | 900200 | Maintenance                  | 1,379,287        | 931,044          |
| GSF                      | 4840 | 900603 | Veterans Home Services       | 50,937           | 50,937           |
| FED                      | 3BX0 | 900609 | Medicare Services            | 12,477           | 12,585           |
| FED                      | 3L20 | 900601 | Veterans Home Operations-Fed | 94,121           | 97,230           |
| SSR                      | 4E20 | 900602 | Veterans Home Operating      | 2,120,686        | 2,691,802        |
| SSR                      | 6040 | 900604 | Veterans Home Maintenance    | 53,736           | 653,282          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>7,041,812</b> | <b>6,387,829</b> |

**Appropriations Line Item Analyses for Fiscal Years 2010 and 2011**

**Line Item Restructuring Analysis**

Line Item 430100 was converted to Line Item 900100. This change is due to the creation of the Department of Veterans Services.

Line Item 430200 was converted to Line Item 900200. This change is due to the creation of the Department of Veterans Services.

Line Item 430402 was converted to Line Item 900402. This change is due to the creation of the Department of Veterans Services.

Line Item 430609 was converted to Line Item 900609. This change is due to the creation of the Department of Veterans Services.

Line Item 430601 was converted to Line Item 900601. This change is due to the creation of the Department of Veterans Services.

Line Item 430603 was converted to Line Item 900603. This change is due to the creation of the Department of Veterans Services.

Line Item 430602 was converted to Line Item 900602. This change is due to the creation of the Department of Veterans Services.

Line Item 430604 was converted to Line Item 900604. This change is due to the creation of the Department of Veterans Services.

Line Item 100410 is now converted to Line Item 900403. This change is due to the creation of the Department of Veterans Services. Under the new department, veterans programs in Ohio are being consolidated.

Line Item 040408 was converted to Line Item 900408. This is due to the creation of the Department of Veterans Services.

Line Item 200647 is now converted to Line Item 900606. This change is due to the creation of the Department of Veterans Services. Under the new department, veterans programs in Ohio are being consolidated.

Line Item 200614 is now converted to Line Item 900614. This change is due to the creation of the Department of Veterans Services. Under the new department, veterans programs in Ohio are being consolidated.

To illustrate changes in funding levels due to this restructuring, estimated FY 2009 spending in the following table is converted from the previous line-item structure to the current line-item structure.

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|      |        |                              | Estimated    | Recommended |          |            |          |
|------|--------|------------------------------|--------------|-------------|----------|------------|----------|
| Fund | ALI    | ALI Title                    | FY 2009      | FY 2010     | % Change | FY 2011    | % Change |
| GRF  | 900100 | PERSONAL SERVICES            | \$24,403,903 | 25,219,282  | 3.3%     | 25,219,282 | 0.0%     |
| GRF  | 900200 | MAINTENANCE                  | \$8,458,613  | 4,427,264   | -47.7%   | 4,427,264  | 0.0%     |
| GRF  | 900402 | HALL OF FAME                 | \$125,000    | 118,750     | -5.0%    | 118,750    | 0.0%     |
| GRF  | 900408 | DEPT. OF VETERANS SERVICES   | \$298,000    | 2,283,100   | 666.1%   | 2,283,100  | 0.0%     |
| GRF  | 900403 | VETERANS RECORD CONVERSION   | 38,295       | 40,631      | 6.1%     | 40,631     | 0.0%     |
| 3680 | 900614 | VETERANS TRAINING            | 745,892      | 745,892     | 0.0%     | 745,892    | 0.0%     |
| 3BX0 | 900609 | MEDICARE SERVICES            | 2,576,785    | 2,000,000   | -22.4%   | 2,200,000  | 10.0%    |
| 3L20 | 900601 | VETERANS HOME OPERATIONS-FED | 14,018,647   | 16,979,245  | 21.1%    | 17,454,046 | 2.8%     |
| 4840 | 900603 | VETERANS HOME SERVICES       | 767,125      | 770,000     | 0.4%     | 850,000    | 10.4%    |
| 4E20 | 900602 | VETERANS HOME OPERATING      | 8,005,556    | 9,314,449   | 16.3%    | 9,780,751  | 5.0%     |
| 6040 | 900604 | VETERANS HOME MAINTENANCE    | 765,957      | 1,541,020   | 101.2%   | 1,700,000  | 10.3%    |
| 3740 | 900606 | TROOPS TO TEACHERS           | 100,000      | 100,000     | 0.0%     | 100,000    | 0.0%     |

State of Ohio  
Department of Veterans' Services

**LINE ITEM SUMMARY - Department Of Veterans Services**

| FUND   | ALI    | ALI NAME                     | FY 2006<br>ACTUAL | FY 2007<br>ACTUAL | FY 2008<br>ACTUAL | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|-------------|------------------------|-------------|
| GRF  | 900100 | Personal Services            | 0                 | 0                 | 0                 | 19,630,807          | 25,219,282             | 28.5        | 25,219,282             | 0.0         |
| GRF  | 900200 | Maintenance                  | 0                 | 0                 | 0                 | 6,991,085           | 4,427,264              | -36.7       | 4,427,264              | 0.0         |
| GRF  | 900402 | Hall of Fame                 | 0                 | 0                 | 0                 | 103,456             | 118,750                | 14.8        | 118,750                | 0.0         |
| GRF  | 900403 | Veteran Record Conversion,   | 0                 | 0                 | 0                 | 0                   | 40,631                 | .0          | 40,631                 | 0.0         |
| GRF  | 900408 | Dept of Veterans Services    | 0                 | 0                 | 0                 | 238,653             | 2,283,100              | 856.7       | 2,283,100              | 0.0         |
| <b>TOTAL General Revenue</b>                 |        |                              | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>26,964,001</b>   | <b>32,089,027</b>      | <b>19.0</b> | <b>32,089,027</b>      | <b>0.0</b>  |
| 4840   | 900603 | Veterans Home Services       | 0                 | 0                 | 0                 | 767,125             | 770,000                | 0.4         | 850,000                | 10.4        |
| <b>TOTAL General Services</b>                |        |                              | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>767,125</b>      | <b>770,000</b>         | <b>0.4</b>  | <b>850,000</b>         | <b>10.4</b> |
| 3680   | 900614 | Veterans Training            | 0                 | 0                 | 0                 | 0                   | 745,892                | .0          | 745,892                | 0.0         |
| 3740   | 900606 | Troops To Teachers           | 0                 | 0                 | 0                 | 0                   | 100,000                | .0          | 100,000                | 0.0         |
| 3BX0   | 900609 | Medicare Services            | 0                 | 0                 | 0                 | 2,576,784           | 2,000,000              | -22.4       | 2,200,000              | 10.0        |
| 3L20   | 900601 | Veterans Home Operations-Fed | 0                 | 0                 | 0                 | 14,018,648          | 16,979,245             | 21.1        | 17,454,046             | 2.8         |
| <b>TOTAL Federal Special Revenue</b>         |        |                              | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>16,595,432</b>   | <b>19,825,137</b>      | <b>19.5</b> | <b>20,499,938</b>      | <b>3.4</b>  |
| 4E20   | 900602 | Veterans Home Operating      | 0                 | 0                 | 0                 | 8,005,556           | 9,314,438              | 16.3        | 9,780,751              | 5.0         |
| 6040   | 900604 | Veterans Home Maintenance    | 0                 | 0                 | 0                 | 765,957             | 1,541,020              | 101.2       | 1,700,000              | 10.3        |
| <b>TOTAL State Special Revenue</b>           |        |                              | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>8,771,513</b>    | <b>10,855,458</b>      | <b>23.8</b> | <b>11,480,751</b>      | <b>5.8</b>  |
| <b>TOTAL Department Of Veterans Services</b> |        |                              | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>53,098,071</b>   | <b>63,539,622</b>      | <b>19.7</b> | <b>64,919,716</b>      | <b>2.2</b>  |

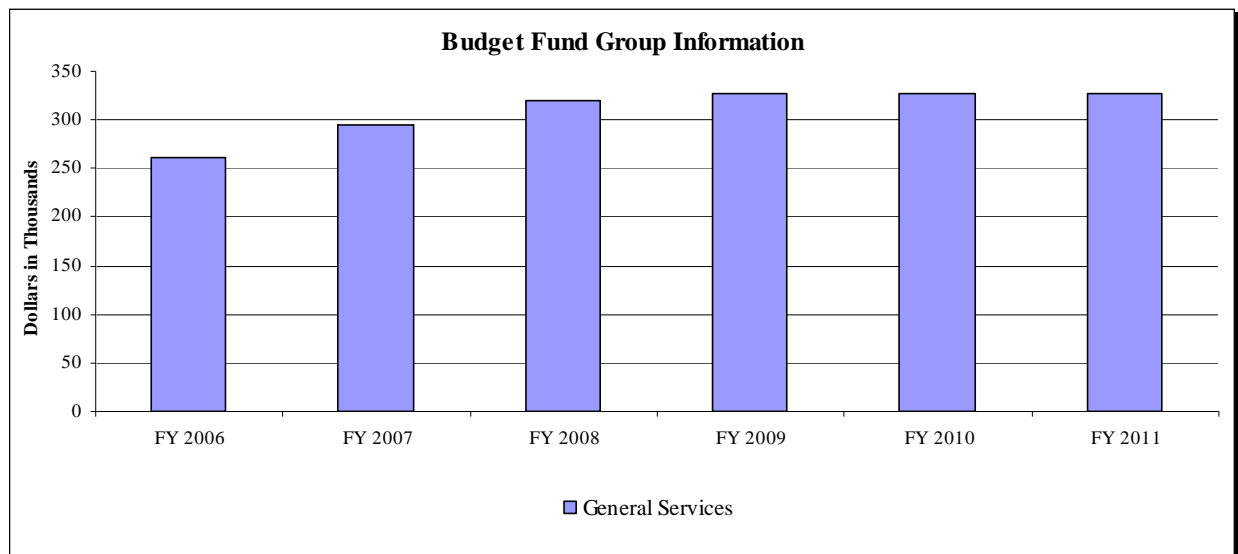
### Role and Overview

The State Veterinary Medical Board (DVM) was established to ensure that those who are licensed by the board meet certain minimum education and training criteria to safely practice veterinary medicine in Ohio. The board then monitors those licensees to ensure compliance with the laws and rules which govern the profession. DVM licenses approximately 3,500 veterinarians and nearly 1,700 veterinary technicians. Additional information regarding the Veterinary Medical Board is available at <http://ovmlb.ohio.gov/>.

### Agency Priorities

- Increase the use of technology to begin an on-line renewal process beginning with veterinarian renewals in 2008 and explore the development of an online application process.
- Regulate and enforce the provision of Chapter 4741 of the Ohio Revised Code to protect the public by improving the quality of veterinary care.
- Continue to develop and implement the Veterinary Student Loan Repayment program to encourage veterinary students to provide care in underserved areas.

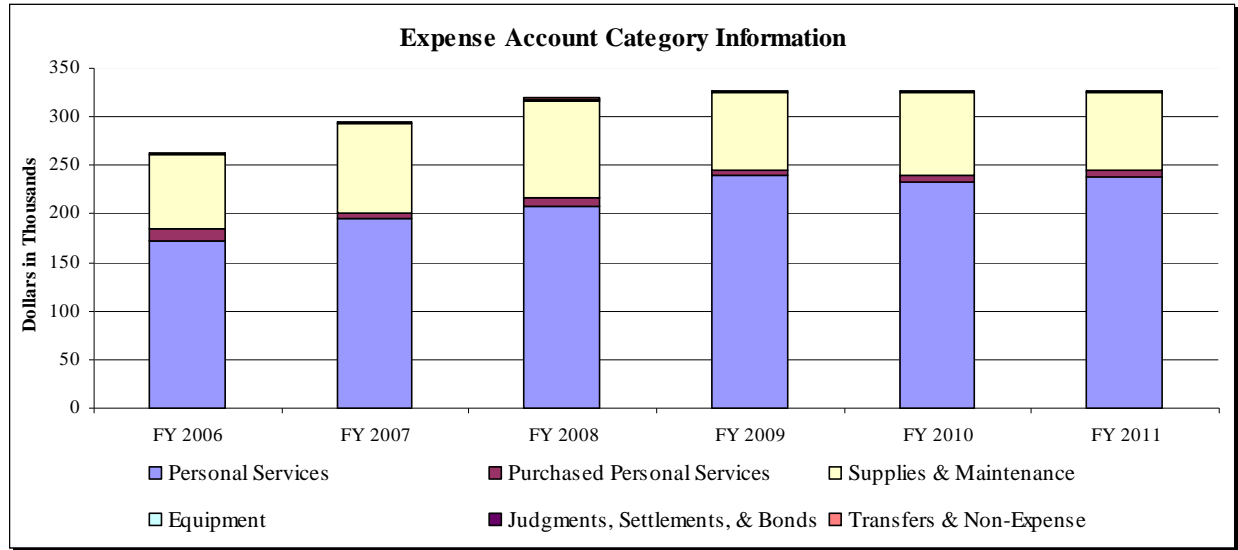
### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL     |            |            | EST. % CHANGE |            | RECOMMENDED % CHANGE |            |            |            |
|-------------------------------------|------------|------------|------------|---------------|------------|----------------------|------------|------------|------------|
|                                     | FY 2006    | FY 2007    | FY 2008    | FY 2009       | FY 08-09   | FY 2010              | CHANGE     | FY 2011    | CHANGE     |
| General Services                    | 262        | 295        | 319        | 327           | 2.5        | 327                  | 0.0        | 327        | 0.0        |
| <b>TOTAL</b>                        | <b>262</b> | <b>295</b> | <b>319</b> | <b>327</b>    | <b>2.5</b> | <b>327</b>           | <b>0.0</b> | <b>327</b> | <b>0.0</b> |



State of Ohio  
State Veterinary Medical Board



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL     |            |            | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |            |            |
|---|------------|------------|------------|------------------|------------|-------------------------|------------|------------|------------|
|   | FY 2006    | FY 2007    | FY 2008    | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011    | CHANGE     |
| Personal Services                             | 172        | 195        | 207        | 239              | 15.3       | 232                     | -3.1       | 238        | 2.8        |
| Purchased Personal Services                   | 12         | 5          | 10         | 6                | -41.9      | 8                       | 36.8       | 8          | 0.0        |
| Supplies & Maintenance                        | 78         | 94         | 99         | 80               | -18.8      | 85                      | 6.3        | 79         | -7.7       |
| Equipment                                     | 0          | 0          | 2          | 2                | -0.4       | 2                       | 0.0        | 2          | 0.0        |
| Judgments, Settlements, & Bonds               | 1          | 1          | 0          | 0                | 0.0        | 0                       | 0.0        | 0          | 0.0        |
| Transfers & Non-Expense                       | 0          | 0          | 1          | 0                | -100.0     | 0                       | 0.0        | 0          | 0.0        |
| <b>TOTAL</b>                                  | <b>262</b> | <b>295</b> | <b>319</b> | <b>327</b>       | <b>2.5</b> | <b>327</b>              | <b>0.0</b> | <b>327</b> | <b>0.0</b> |

### PROGRAM SERIES 01: Regulation

This program series contributes to ensuring the health, safety, and general welfare of citizens of the state through oversight of the regulated profession.

#### Program 01.01: License/Registration/Enforcement

This program includes all operations of the State Veterinary Medical Board.

#### The Executive Recommendation will fund the following objectives:

- Support licensing application and renewal of licensees;
- Allow the board to begin development of an online licensing renewal process and initial application; and
- Support response to and investigation of complaints.

| FUND                     |      |        |           | RECOMMENDED    |                |
|--------------------------|------|--------|-----------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME  | FY 2010        | FY 2011        |
| GSF                      | 4K90 | 888609 | Operating | 327,312        | 327,312        |
| <b>TOTAL FOR PROGRAM</b> |      |        |           | <b>327,312</b> | <b>327,312</b> |

## State Veterinary Medical Board

**LINE ITEM SUMMARY - State Veterinary Medical Board**

| <b>FUND</b>                                 | <b>ALI</b> | <b>ALI NAME</b> | <b>FY 2006<br/>ACTUAL</b> | <b>FY 2007<br/>ACTUAL</b> | <b>FY 2008<br/>ACTUAL</b> | <b>FY 2009<br/>ESTIMATE</b> | <b>FY 2010<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> | <b>FY 2011<br/>RECOMMENDED</b> | <b>%<br/>CHANGE</b> |
|---|------------|-----------------|---------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| 4K90  | 888609     | Operating       | 262,431                   | 295,280                   | 319,407                   | 327,312                     | 327,312                        | 0.0                 | 327,312                        | 0.0                 |
| <b>TOTAL General Services</b>               |            |                 | <b>262,431</b>            | <b>295,280</b>            | <b>319,407</b>            | <b>327,312</b>              | <b>327,312</b>                 | <b>0.0</b>          | <b>327,312</b>                 | <b>0.0</b>          |
| <b>TOTAL State Veterinary Medical Board</b> |            |                 | <b>262,431</b>            | <b>295,280</b>            | <b>319,407</b>            | <b>327,312</b>              | <b>327,312</b>                 | <b>0.0</b>          | <b>327,312</b>                 | <b>0.0</b>          |

State of Ohio

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## Bureau of Workers' Compensation

### Role and Overview

The Bureau of Workers' Compensation (BWC) underwrites insurance coverage for work-related injuries and illnesses for public and private sector employers conducting business in Ohio and oversees the workers' compensation programs for self-insured employers (primarily Ohio's largest companies). BWC also assists employers and employees in creating and maintaining a safe work environment.

The bureau manages all medical and lost-time claims, initiates coverage and determines premium rates and manual classifications. BWC also collects premiums from employers, determines the initial allowance or denial on claim applications, disburses money to pay compensation, and manages the state insurance fund.

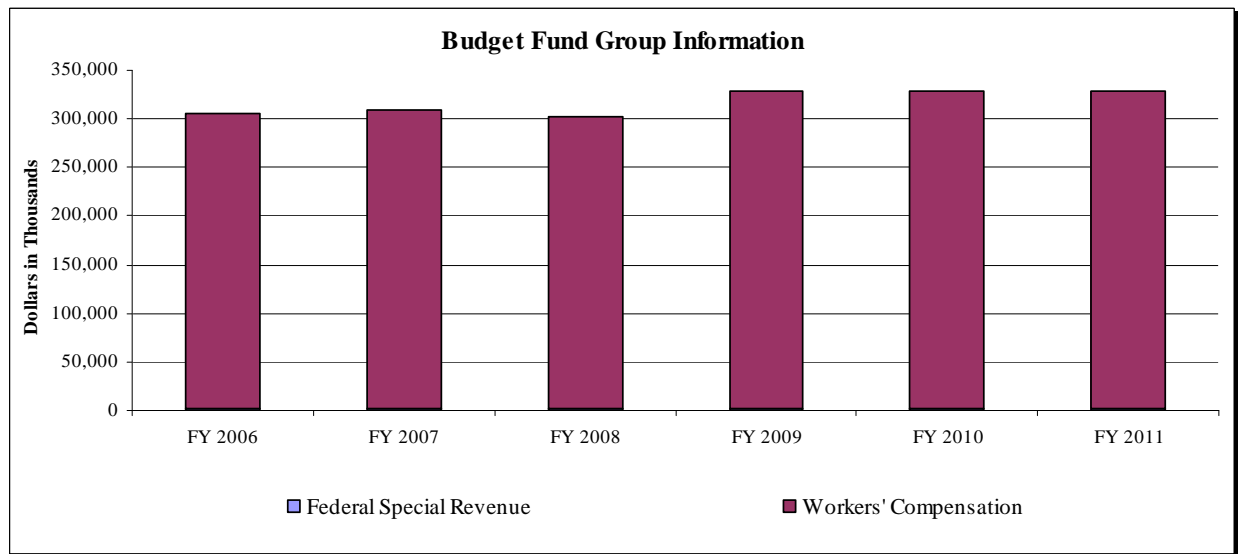
The administrator oversees BWC's annual budget of approximately \$328 million, supporting 2,500 employees. BWC operates 13 statewide customer service offices which house claims, medical, risk, fraud, legal, safety education, accident prevention, and information technology personnel.

More information regarding the Bureau of Workers' Compensation is available at <http://www.ohiobwc.com/>.

### Agency Priorities

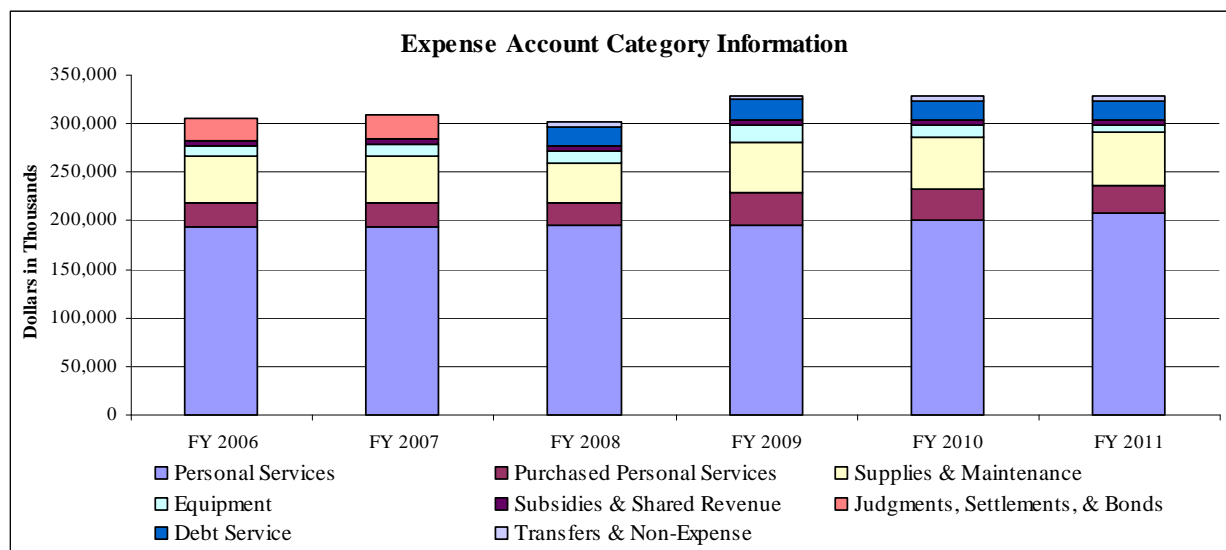
- Provide stable costs to avoid unexpected financial hardship for employers;
- Develop better services to clearly demonstrate BWC's value and enhance Ohio's quality of life;
- Establish accurate rates to fairly match rates with risks and to ensure proper distribution of costs among all employers; and
- Create safe workplaces by promoting safety awareness to prevent claims that cause loss.

### Summary of Budget History and Recommendations



| (In Thousands)          | ACTUAL  |         |         | EST. % CHANGE |          | RECOMMENDED |          |         |          |
|-------------------------|---------|---------|---------|---------------|----------|-------------|----------|---------|----------|
|                         | FY 2006 | FY 2007 | FY 2008 | FY 2009       | FY 08-09 | FY 2010     | % CHANGE | FY 2011 | % CHANGE |
| BUDGET FUND GROUP       |         |         |         |               |          |             |          |         |          |
| Federal Special Revenue | 1,295   | 1,355   | 1,343   | 1,604         | 19.4     | 1,604       | 0.0      | 1,604   | 0.0      |
| Workers' Compensation   | 305,117 | 307,380 | 300,142 | 327,606       | 9.2      | 326,574     | -0.3     | 326,574 | 0.0      |
| TOTAL                   | 306,412 | 308,735 | 301,485 | 329,210       | 9.2      | 328,178     | -0.3     | 328,178 | 0.0      |

State of Ohio  
**Bureau of Workers' Compensation**



| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST.           | %<br>CHANGE | RECOMMENDED    |             |                |             |
|---|----------------|----------------|----------------|----------------|-------------|----------------|-------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        |                |             | FY 2010        | %<br>CHANGE | FY 2011        | %<br>CHANGE |
| Personal Services                             | 194,171        | 192,941        | 195,160        | 195,852        | 0.4         | 200,988        | 2.6         | 208,015        | 3.5         |
| Purchased Personal Services                   | 24,501         | 24,913         | 24,055         | 32,806         | 36.4        | 30,918         | -5.8        | 27,715         | -10.4       |
| Supplies & Maintenance                        | 47,357         | 48,192         | 40,261         | 52,334         | 30.0        | 53,521         | 2.3         | 55,355         | 3.4         |
| Equipment                                     | 11,827         | 13,487         | 12,080         | 17,886         | 48.1        | 13,031         | -27.1       | 8,170          | -37.3       |
| Subsidies & Shared Revenue                    | 4,566          | 4,970          | 5,219          | 5,045          | -3.3        | 5,066          | 0.4         | 5,087          | 0.4         |
| Judgments, Settlements, & Bonds               | 23,990         | 24,231         | 239            | 0              | -100.0      | 0              | 0.0         | 0              | 0.0         |
| Debt Service                                  | 0              | 0              | 20,372         | 20,844         | 2.3         | 20,032         | -3.9        | 19,213         | -4.1        |
| Transfers & Non-Expense                       | 0              | 0              | 4,099          | 4,444          | 8.4         | 4,622          | 4.0         | 4,622          | 0.0         |
| <b>TOTAL</b>                                  | <b>306,412</b> | <b>308,735</b> | <b>301,485</b> | <b>329,210</b> | <b>9.2</b>  | <b>328,178</b> | <b>-0.3</b> | <b>328,178</b> | <b>0.0</b>  |

### PROGRAM SERIES 01: Injury Management

This program series is a group of departments and initiatives designed to ensure the appropriate management of workers' compensation claims, availability of appropriate, cost-effective medical care, and development and credentialing of a strong provider network.

#### Program 01.01: Field Operations

This program focuses on claims management from the first report of injury to the resolution of the claim. The goal is to achieve efficient and effective resolution of claims at the lowest possible cost.

#### The Executive Recommendation will fund the following objectives:

- Investigate approximately 300,000 new injury claims;
- Manage over 570,000 injury claims;
- Pay over \$4 billion in benefits to injured workers for health care and lost wages; and
- Settle 60,000 injury claims.

State of Ohio  
**Bureau of Workers' Compensation**

| FUND              |      |        |                                | RECOMMENDED |            |
|-------------------|------|--------|--------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011    |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 94,532,589  | 98,728,215 |
| TOTAL FOR PROGRAM |      |        |                                | 94,532,589  | 98,728,215 |

**Program 01.02: Injury Management Services**

This program ensures that prompt, quality, cost-effective healthcare is provided to injured workers to facilitate their early, safe return to work and restored quality of life. BWC administers the Health Partnership Program, acts as a liaison and provides development assistance to the healthcare community and develops and provides internal and external training on issues impacting medical policy.

**The Executive Recommendation will fund the following objectives:**

- Provide high quality cost-effective medical treatment for injured workers; and
- Work with 21 Managed Care Organizations to provide medical care to approximately 300,000 injured workers.

| FUND              |      |        |                                | RECOMMENDED |            |
|-------------------|------|--------|--------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011    |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 19,000,155  | 19,286,085 |
| TOTAL FOR PROGRAM |      |        |                                | 19,000,155  | 19,286,085 |

**PROGRAM SERIES 02: Employer Management**

This program series provides a link between Ohio's employers and BWC. This series includes services directed toward large, financially stable employers who retain the financial risk for their companies' workers' compensation claims (self-insured employer services). This series also includes the investigation of potential safety violations.

**Program 02.01: Employer Services**

This program provides underwriting and technical support to help employers reduce their workers' compensation costs through accident/illness prevention and various risk management programs. The goals are to ensure employers are paying the appropriate premium, risk classifications are properly assigned, and employers are provided the appropriate services.

**The Executive Recommendation will fund the following objectives:**

- Manage approximately 242,000 employer policies relative to statewide coverage initiation, policy maintenance, payroll processing and financial adjustment transactions.

| FUND              |      |        |                                | RECOMMENDED |            |
|-------------------|------|--------|--------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011    |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 12,466,688  | 13,249,870 |
| TOTAL FOR PROGRAM |      |        |                                | 12,466,688  | 13,249,870 |

**Program 02.02: Self Insured Services**

Employers who are self-insured employ approximately one-third of Ohio's workforce. This program is responsible for investigating all inquiries/complaints, providing underwriting activities, managing claims for bankrupt self-insuring employers, and auditing self-insuring employers for compliance with state and federal rules and laws.

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**The Executive Recommendation will fund the following objectives:**

- Oversee and monitor approximately 1,150 self insured employer policies; and
- Provide for the audit of approximately 1,200 self-insured employer programs to ensure compliance with state and federal rules and laws.

| FUND              |      |        |                                | RECOMMENDED |           |
|-------------------|------|--------|--------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011   |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 3,131,862   | 3,188,308 |
| TOTAL FOR PROGRAM |      |        |                                | 3,131,862   | 3,188,308 |

**Program 02.03: Safety Violations Investigation**

This program is responsible for investigating and preparing impartial, fact-finding summary reports for the Industrial Commission for all safety violation allegations in Ohio concerning workers' compensation.

**The Executive Recommendation will fund the following objectives:**

- Investigate and prepare reports for the Industrial Commission on over 1,000 safety violation allegations concerning workers' compensation.

| FUND              |      |        |                                | RECOMMENDED |         |
|-------------------|------|--------|--------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011 |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 727,896     | 752,668 |
| TOTAL FOR PROGRAM |      |        |                                | 727,896     | 752,668 |

**PROGRAM SERIES 03: Fraud Investigations**

This program series proactively prevents loss through fraud, whether from an operational or resource standpoint, for external and internal customers.

**Program 03.01: Special Investigations**

This program's mission is to effectively and proactively prevent financial losses to the workers' compensation system by deterring, detecting, investigating, and prosecuting fraudulent behavior. The goal is to ensure that workers' compensation benefits are paid appropriately.

**The Executive Recommendation will fund the following objectives:**

- Process 5,000 new fraud allegations annually;
- Close 2,900 investigations annually; and
- Refer 300 subjects for criminal prosecution annually.

| FUND              |      |        |                                | RECOMMENDED |            |
|-------------------|------|--------|--------------------------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011    |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 2,056,412   | 2,053,944  |
| WCF               | 7023 | 855408 | Fraud Prevention               | 12,546,239  | 13,101,761 |
| TOTAL FOR PROGRAM |      |        |                                | 14,602,651  | 15,155,705 |

**PROGRAM SERIES 04: Accident Prevention**

The Division of Safety and Hygiene is committed to the creation of safe work environments in Ohio through the investigation and prevention of industrial accidents and disease.

**Program 04.01: Safety and Hygiene**

This program provides workplace consultation, training, seminars, and materials to create a safe work environment throughout the state. The program helps ensure Ohio's employees have a safe work environment through the investigation and prevention of industrial accidents and disease.

**The Executive Recommendation will fund the following objectives:**

- Process over 900 industrial hygiene air sampling surveys and over 800 noise surveys;
- Provided \$4 million annually to Ohio employers through the safety intervention grant program;
- Assist nursing homes with the purchase of no lift equipment; and
- Provided approximately 150 safety educational sessions to Ohio employers.

| FUND                     |      |        |                             | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                    | FY 2010           | FY 2011           |
| FED                      | 3490 | 855601 | OSHA Enforcement            | 1,604,140         | 1,604,140         |
| WCF                      | 8260 | 855609 | Safety & Hygiene Operating  | 20,734,750        | 20,734,750        |
| WCF                      | 8260 | 855610 | Gear Program                | 4,000,000         | 4,000,000         |
| WCF                      | 8290 | 855604 | Long Term Care Loan Program | 2,000,000         | 2,000,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                             | <b>28,338,890</b> | <b>28,338,890</b> |

**PROGRAM SERIES 05: Special Benefits Funds**

This program series includes the administration of the Disabled Workers' Relief Fund (DWRF), the Coal Workers' Pneumoconiosis Fund, and the Marine Industry Fund.

**Program 05.01: Special Benefits Funds**

BWC administers the programs associated with providing supplemental cost-of-living benefits to over 20,000 persons permanently and totally disabled, provides benefits to injured workers covered under Title 4 of the Federal Coal Mine Health and Safety Act of 1969, and provides benefits to injured workers covered under the Longshoreman's and Harbor Workers' Compensation Act Amendments of 1972.

**The Executive Recommendation will fund the following objectives:**

- Administer the Disabled Workers' Relief Fund that provides supplemental cost-of-living benefits to over 29,000 persons permanently and totally disabled;
- Administer the Coal Workers Pneumoconiosis fund that provides benefits to injured workers covered under Title 4 of the Federal Coal Mine Health and Safety Act of 1969; and
- Administer the Marine Industry Fund that provides benefits to injured workers covered under the Longshoreman's and Harbor Workers' Compensation Act Amendments of 1972.

| FUND                     |      |        |                              | RECOMMENDED    |                |
|--------------------------|------|--------|------------------------------|----------------|----------------|
| GROUP                    | FUND | ALI    | ALI NAME                     | FY 2010        | FY 2011        |
| WCF                      | 8220 | 855606 | Coal Workers' Fund           | 91,894         | 91,894         |
| WCF                      | 8230 | 855608 | Marine Industry              | 53,952         | 53,952         |
| WCF                      | 8250 | 855605 | Disabled Workers Relief Acct | 492,500        | 492,500        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                              | <b>638,346</b> | <b>638,346</b> |

**PROGRAM SERIES 06: Customer Service**

This program series addresses the needs and concerns of Ohio's employers, injured workers, and other interested parties.

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**Program 06.01: Customer Contact Center**

This program handles customer contacts via phone, e-mail, walk-in, and written correspondence to educate, provide forms, and benefit option information to customers on BWC processes, law, policies, and procedures. This program also helps new employers obtain BWC coverage, issues certificates of coverage, and helps established employers with policy account information.

**The Executive Recommendation will fund the following objectives:**

- Respond to approximately 42,000 calls, 2,000 web chats and 2,800 faxes and e-mails.

| FUND              |      |        |                                | RECOMMENDED |           |
|-------------------|------|--------|--------------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011   |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 5,549,828   | 4,676,920 |
| TOTAL FOR PROGRAM |      |        |                                | 5,549,828   | 4,676,920 |

**Program 06.02: Communications**

This program ensures that internal and external customers receive appropriate, timely, and accurate information about BWC programs, services, initiatives and processes.

**The Executive Recommendation will fund the following objectives:**

- Provide information to about 100,000 customers through Workers' Compensation University, MCO Summits and e-mail newsletters.

| FUND              |      |        |                         | RECOMMENDED |           |
|-------------------|------|--------|-------------------------|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                | FY 2010     | FY 2011   |
| WCF               | 7023 | 855409 | Administrative Services | 3,793,540   | 3,913,125 |
| TOTAL FOR PROGRAM |      |        |                         | 3,793,540   | 3,913,125 |

**Program 06.03: Ombudsman**

The Ombudsman Program assists injured workers and employers in matters dealing with the Bureau of Workers' Compensation and Industrial Commission. The goal is to ensure customers receive appropriate, timely, and accurate resolution to workers' compensation system issues in a fair and objective manner.

**The Executive Recommendation will fund the following objectives:**

- Respond to over 14,000 general inquiries and approximately 4,000 complaints.

| FUND              |      |        |                                | RECOMMENDED |         |
|-------------------|------|--------|--------------------------------|-------------|---------|
| GROUP             | FUND | ALI    | ALI NAME                       | FY 2010     | FY 2011 |
| WCF               | 7023 | 855407 | Claims, Risk & Medical Mangmnt | 664,443     | 723,518 |
| TOTAL FOR PROGRAM |      |        |                                | 664,443     | 723,518 |

**PROGRAM SERIES 07: Program Management**

This program series contains the various internal administrative support services necessary to support the workers' compensation program. Support services needed include fiscal and planning, actuarial, human resources, legal, infrastructure and technology, and investment.



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**Program 07.01: Program Management**

The goals of the Fiscal and Planning division are to increase customer satisfaction and pursue cost reductions without impairing quality or productivity. Actuarial is responsible for the calculation and promulgation of premium rates for all employer groups, all funds, all rating plans, and for the calculation of the fund liabilities (reserves). Human Resources provide leadership and guidance for BWC management and staff in the areas of equal employment opportunity, employee/labor relations, benefits and personnel, training, and employee safety and health. The Legal Division provides advice and assistance to BWC management regarding claims procedures, policies, and appeals lodged on behalf of the State Insurance Fund. The Infrastructure and Technology Division is responsible for all computer equipment and software in use at BWC along with facilities, fleet management, inventory control and mail room services. Investment develops and executes investment management strategies consistent with the bureau's investment policy.

**The Executive Recommendation will fund the following objectives:**

- Provide Finance, Actuarial, IT, Legal and Human Resource support for BWC programs;
- Fund William Green debt payments; and
- Fund payment made to the Attorney General's office for legal services.

| FUND              |      |        |                               | RECOMMENDED |             |
|-------------------|------|--------|-------------------------------|-------------|-------------|
| GROUP             | FUND | ALI    | ALI NAME                      | FY 2010     | FY 2011     |
| WCF               | 7023 | 855401 | William Green Lease Pymnt-OBA | 19,871,795  | 19,049,395  |
| WCF               | 7023 | 855409 | Administrative Services       | 120,237,232 | 115,854,870 |
| WCF               | 7023 | 855410 | Attorney General Payments     | 4,621,850   | 4,621,850   |
| TOTAL FOR PROGRAM |      |        |                               | 144,730,877 | 139,526,115 |

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**LINE ITEM SUMMARY - Bureau of Workers' Compensation**

| FUND   | ALI    | ALI NAME                          | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|--|--------|-----------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 3490   | 855601 | OSHA Enforcement                  | 1,294,709          | 1,354,545          | 1,343,249          | 1,604,140           | 1,604,140              | 0.0         | 1,604,140              | 0.0         |
| <b>TOTAL Federal Special Revenue</b>         |        |                                   | <b>1,294,709</b>   | <b>1,354,545</b>   | <b>1,343,249</b>   | <b>1,604,140</b>    | <b>1,604,140</b>       | <b>0.0</b>  | <b>1,604,140</b>       | <b>0.0</b>  |
| 7023   | 855401 | William Green Lease Payment-Oba   | 19,552,046         | 19,923,134         | 20,237,720         | 20,686,500          | 19,871,795             | -3.9        | 19,049,395             | -4.1        |
| 7023   | 855407 | Claims, Risk & Medical Management | 130,447,316        | 132,144,421        | 124,950,724        | 140,367,719         | 138,129,873            | -1.6        | 142,659,528            | 3.3         |
| 7023   | 855408 | Fraud Prevention                  | 10,918,394         | 10,982,231         | 11,133,024         | 11,772,551          | 12,546,239             | 6.6         | 13,101,761             | 4.4         |
| 7023   | 855409 | Administrative Services           | 115,941,444        | 116,210,892        | 115,756,351        | 122,962,388         | 124,030,772            | 0.9         | 119,767,995            | -3.4        |
| 7023   | 855410 | Attorney General Payments         | 4,062,146          | 4,023,297          | 4,099,303          | 4,444,085           | 4,621,850              | 4.0         | 4,621,850              | 0.0         |
| 8220   | 855606 | Coal Workers' Fund                | 84,837             | 75,714             | 80,912             | 91,894              | 91,894                 | 0.0         | 91,894                 | 0.0         |
| 8230   | 855608 | Marine Industry                   | 53,186             | 52,337             | 45,101             | 53,952              | 53,952                 | 0.0         | 53,952                 | 0.0         |
| 8250   | 855605 | Disabled Workers Relief Acct      | 514,992            | 489,446            | 432,432            | 492,500             | 492,500                | 0.0         | 492,500                | 0.0         |
| 8260   | 855609 | Safety & Hygiene Operating        | 19,818,015         | 19,930,843         | 19,696,991         | 20,734,750          | 20,734,750             | 0.0         | 20,734,750             | 0.0         |
| 8260   | 855610 | Gear Program                      | 3,724,967          | 3,547,945          | 3,707,753          | 4,000,000           | 4,000,000              | 0.0         | 4,000,000              | 0.0         |
| 8290   | 855604 | Long Term Care Loan Program       | 0                  | 0                  | 1,725              | 2,000,000           | 2,000,000              | 0.0         | 2,000,000              | 0.0         |
| <b>TOTAL Workers' Compensation</b>           |        |                                   | <b>305,117,344</b> | <b>307,380,260</b> | <b>300,142,037</b> | <b>327,606,339</b>  | <b>326,573,625</b>     | <b>-0.3</b> | <b>326,573,625</b>     | <b>0.0</b>  |
| <b>TOTAL Bureau of Workers' Compensation</b> |        |                                   | <b>306,412,052</b> | <b>308,734,806</b> | <b>308,734,806</b> | <b>329,210,479</b>  | <b>328,177,765</b>     | <b>-0.3</b> | <b>328,177,765</b>     | <b>0.0</b>  |

### **Role and Overview**

The Ohio Department of Youth Services (DYS) is the juvenile corrections system for the State of Ohio. Its mission is to encourage positive change in the lives of youthful offenders through collaborative partnerships and culturally relevant therapeutic and academic interventions that support public safety and prepare youth to lead productive lives. DYS currently operates eight juvenile correctional facilities and six regional parole offices for felony-level juvenile offenders committed to our custody by one of Ohio's eighty-eight county juvenile courts. The department provides supervision and programming during the youth's stay with DYS and provides similar supervision and transitional services to youth on parole status in the community. Although this number is fluid, the current population of the youth in DYS facilities is 1,458 and the current parole population is 1,477. In FY 2008, the average daily institutional population was 1,735 and the average daily parole population was 1,501. The department has a staff of about 2,200 authorized full-time equivalent employee positions and an annual operating budget of approximately \$306.4 million.

In addition to operating eight juvenile correctional facilities and six regional parole offices, DYS funds and supports a continuum of resources and juvenile justice services at the local level. The Department awards prevention grants, provides significant subsidies to counties, and fully funds twelve Community Corrections Facilities (CCFs) and one private facility. On average, departmental subsidies fund approximately 33 percent of Ohio's juvenile court programs and juvenile justice services in all 88 counties.

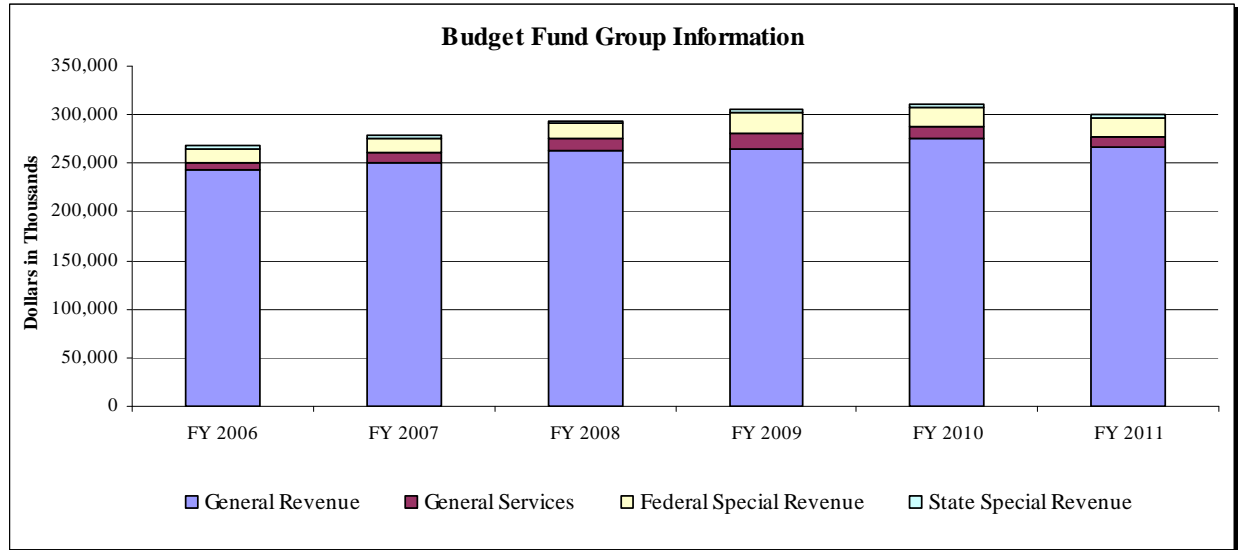
The RECLAIM (Reasoned and Equitable Community and Local Alternatives to the Incarceration of Minors) Ohio subsidy provides the juvenile courts flexibility and funding to develop community programs for young offenders, while at the same time encouraging judges to commit only serious and chronic delinquents to DYS. Research indicates that low and moderate risk offenders should be kept in the community and served by RECLAIM programs rather than CCFs or DYS facilities (Evaluation of Ohio's RECLAIM Funded Programs, CCFs, and DYS Facilities: University of Cincinnati, August 2005). Funding is allocated to each county based on a formula that includes the number of felony youth adjudicated by the local juvenile courts over an average of four years and the actual beds used by counties for juveniles committed to DYS or CCFs from the previous year. The department also supports community rehabilitation efforts with the Youth Services Grant, which helps counties provide a range of programs and services, including detention and inpatient treatment services as well as non-residential supervision, treatment, and delinquency prevention programs.

More information regarding the Department of Youth Services is available at <http://www.dys.ohio.gov/>.

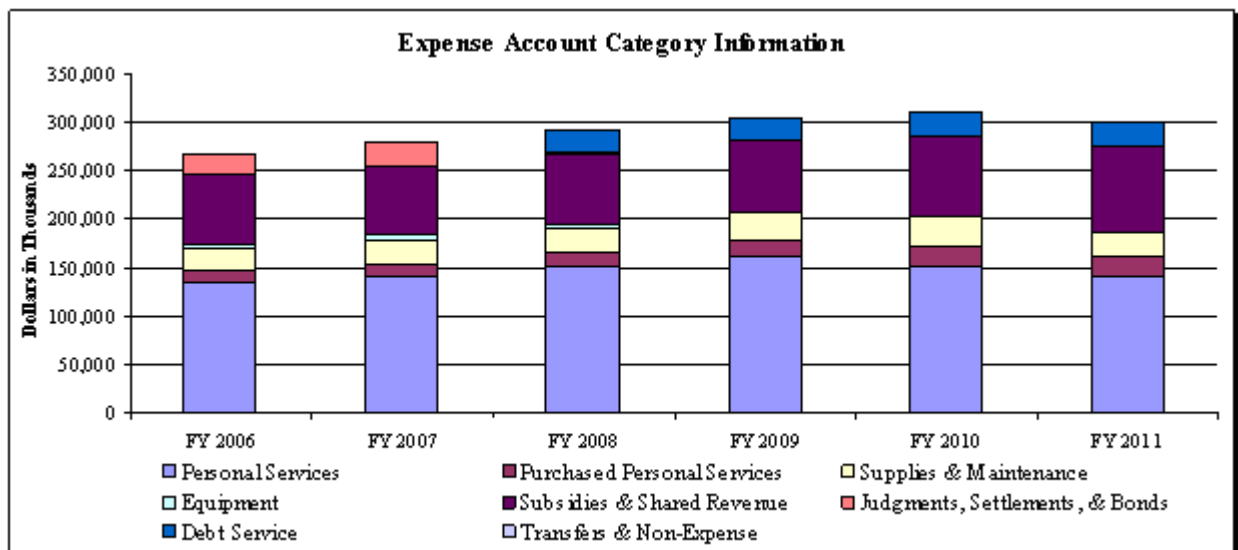
### **Agency Priorities**

- Provide opportunities for rehabilitation and education in a safe, secure, and humane environment.
- Continue the implementation of the DYS Community Saturation Initiative to increase transparency and community involvement in the agency.
- Continue to implement conditions of *S.H. v. Stickrath* consent decree
- Support community-based programs, interventions, and collaborations such as RECLAIM Ohio, Access to Better Care initiative (ABC), Behavioral Health/Juvenile Justice project, JOBS/Reentry project, and Family and Children First Councils.
- Guide the 14 Ohio counties with the highest minority youth populations in identifying and addressing the issue of Disproportionate Minority Contact, or overrepresentation of minorities in the juvenile justice system.
- Invest in evidence-based programs and other methodologies that have been proven by research to work with youth, including the opening of multiple Community-Based Treatment Centers which will employ a Cognitive Behavioral Therapy modality while serving youth in smaller facilities that are closer to home.
- Provide essential services and supervision required to reintegrate released youth into the community through Parole Services and Reentry planning.

### Summary of Budget History and Recommendations



| (In Thousands)<br>BUDGET FUND GROUP | ACTUAL         |                |                | EST. % CHANGE  |            | RECOMMENDED % CHANGE |            |                |             |
|-------------------------------------|----------------|----------------|----------------|----------------|------------|----------------------|------------|----------------|-------------|
|                                     | FY 2006        | FY 2007        | FY 2008        | FY 2009        | FY 08-09   | FY 2010              | CHANGE     | FY 2011        | CHANGE      |
| General Revenue                     | 242,929        | 251,023        | 263,515        | 263,886        | 0.1        | 275,638              | 4.5        | 265,721        | -3.6        |
| General Services                    | 7,668          | 9,883          | 11,815         | 16,351         | 38.4       | 11,935               | -27.0      | 11,885         | -0.4        |
| Federal Special Revenue             | 13,859         | 15,067         | 15,271         | 22,487         | 47.3       | 19,144               | -14.9      | 18,808         | -1.8        |
| State Special Revenue               | 3,120          | 2,977          | 3,212          | 3,642          | 13.4       | 3,666                | 0.7        | 4,289          | 17.0        |
| <b>TOTAL</b>                        | <b>267,577</b> | <b>278,950</b> | <b>293,812</b> | <b>306,365</b> | <b>4.3</b> | <b>310,383</b>       | <b>1.3</b> | <b>300,703</b> | <b>-3.1</b> |



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- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands)<br>EXPENSE ACCOUNT<br>CATEGORY | ACTUAL         |                |                | EST. %<br>CHANGE |            | RECOMMENDED %<br>CHANGE |            |                |             |
|---|----------------|----------------|----------------|------------------|------------|-------------------------|------------|----------------|-------------|
|   | FY 2006        | FY 2007        | FY 2008        | FY 2009          | FY 08-09   | FY 2010                 | CHANGE     | FY 2011        | CHANGE      |
| Personal Services                             | 135,903        | 142,757        | 151,355        | 161,335          | 6.6        | 151,839                 | -5.9       | 140,785        | -7.3        |
| Purchased Personal Services                   | 10,735         | 12,607         | 15,275         | 15,598           | 2.1        | 21,335                  | 36.8       | 20,185         | -5.4        |
| Supplies & Maintenance                        | 23,464         | 24,950         | 25,411         | 31,431           | 23.7       | 28,597                  | -9.0       | 25,580         | -10.6       |
| Equipment                                     | 4,182          | 4,056          | 3,972          | 48               | -98.8      | 0                       | -100.0     | 0              | 0.0         |
| Subsidies & Shared Revenue                    | 71,902         | 72,309         | 73,120         | 73,745           | 0.9        | 85,147                  | 15.5       | 88,109         | 3.5         |
| Judgments, Settlements, & Bonds               | 21,391         | 22,271         | 680            | 0                | -100.0     | 4                       | -100.0     | 0              | -100.0      |
| Debt Service                                  | 0              | 0              | 23,971         | 24,209           | 1.0        | 23,461                  | 100.0      | 26,044         | 11.0        |
| Transfers & Non-Expense                       | 0              | 0              | 28             | 0                | -100.0     | 0                       | 0.0        | 0              | 0.0         |
| <b>TOTAL</b>                                  | <b>267,577</b> | <b>278,950</b> | <b>293,812</b> | <b>306,365</b>   | <b>4.3</b> | <b>310,383</b>          | <b>1.3</b> | <b>300,703</b> | <b>-3.1</b> |

### PROGRAM SERIES 01: Institutional Operations

This program series is responsible for operating the eight juvenile correctional facilities and one contracted private facility used by DYS as alternative placement to DYS institutions.

#### Program 01.01: Juvenile Correctional Facilities

This program provides security & unit management 24 hours a day, seven days a week for male and female adjudicated juveniles, ages 12 – 20, committed to one of the department's eight juvenile correctional facilities. Facility programming delivers rehabilitative services including: mental health treatment, sex offender treatment, social services and recreation. In addition to this, the program also includes education services through the Buckeye United School District which is the department's chartered school system serving students grades 6-12 through an array of academic and career technical courses. The academic program includes a core curriculum (math, English/language arts, science, and social studies), elective courses and auxiliary services that meet state of Ohio core requirements. Facility programming also includes comprehensive medical, clinical, and dietary services for all adjudicated juveniles in these facilities.

#### The Executive Recommendation will fund the following objectives:

- Priorities which will ensure the safety and security at six DYS facilities and twelve juvenile community correctional facilities;
- The efficient daily operations of every facility, while meeting all statutory requirements and American Corrections Association accreditation;
- Mental health, substance abuse, and sex offender assessments for all youth at reception;
- Mental health, substance abuse, and sex offender services and programming at all facilities;
- Suicide assessment, prevention, and response, group and individual therapy/counseling, psychiatric care, treatment planning, and crisis intervention services;
- Basic supervision, care and control of youth, including holding youthful offenders accountable for their behaviors.
- An accredited high school within each DYS institution, providing a quality education for all youth working toward high school graduation or GED, in compliance with the Ohio Department of Education charter;
- Special education programming for all students in need of special education services;
- 24 secondary and one adult program providing vocational training in ten program areas to eligible youth;
- Social workers to develop individual case plans, facilitate cognitive-behavioral/psycho-educational groups, provide individual counseling, write progress reports, and collaborate with parole, juvenile courts, and release authority; and

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- Recreational services for daily exercise and age appropriate leisure time activities; and
- A continuum of care from admission to the agency to the youth transition back into the community.

| FUND                     |      |        |                                | RECOMMENDED        |                    |
|--------------------------|------|--------|--------------------------------|--------------------|--------------------|
| GROUP                    | FUND | ALI    | ALI NAME                       | FY 2010            | FY 2011            |
| GRF                      | GRF  | 470401 | RECLAIM Ohio                   | 118,072,390        | 117,827,738        |
| GRF                      | GRF  | 470640 | RECLAIM Ohio- Federal Stimulus | 12,500,000         | 0                  |
| GSF                      | 1750 | 470613 | Education Reimbursement        | 11,000,000         | 11,000,000         |
| GSF                      | 4790 | 470609 | Employee Food Service          | 200,000            | 150,000            |
| GSF                      | 4A20 | 470602 | Child Support                  | 450,000            | 450,000            |
| FED                      | 3210 | 470601 | Education                      | 6,008,297          | 4,922,179          |
| FED                      | 3210 | 470606 | Nutrition                      | 2,750,000          | 2,750,000          |
| SSR                      | 1470 | 470612 | Vocational Education           | 2,166,296          | 2,788,906          |
| <b>TOTAL FOR PROGRAM</b> |      |        |                                | <b>153,146,983</b> | <b>139,888,823</b> |

**Program 01.02: Private Facility Contracts**

This program provides funding for the private facility contract with the Lighthouse Youth Center (Paint Creek) (LYC-PC). This facility provides an alternative to institutional placement for 50 male Felony 1 and 2 level juvenile offenders. LYC-PC treats male adolescent offenders, and also provides specialized services for chemical dependency and sex offender programming. The program is licensed by the Ohio Department of Job and Family Services for residential placement, and certified by the Ohio Department of Alcohol and Drug Addiction Services for outpatient alcohol and drug counseling. This program also provides funding for a contract for 10 and 11 year olds committed to the department's care.

**The Executive Recommendation will fund the following objectives:**

- Contract with a private facility providing placements for approximately 50 felony level 1 and 2 male offenders.

| FUND                     |      |        |              | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 470401 | RECLAIM Ohio | 2,574,966        | 2,574,966        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>2,574,966</b> | <b>2,574,966</b> |

**PROGRAM SERIES 02: Parole Operations**

This program series provides supervision to juvenile offenders who are released from state correctional facilities and/or brought in through an Interstate Compact Agreement. The program contains the operational costs of six Regional Offices and the contract costs associated with residential and non-residential reentry services provided to DYS parolees.

**Program 02.01: Parole Operations**

This program operates the six DYS regional parole offices serving approximately 1,500 youth a year who have been placed on parole upon release from a juvenile correctional facility. The funding supports administrative staff and parole officers who supervise these youth in their home communities. The funding also supports contract services including residential and non-residential treatment services while youth are under parole supervision. Reentry-focused services such as mental health counseling, substance abuse, transitional living, educational programming, employment services and family counseling are provided to enhance continued rehabilitation and to promote public safety.

**The Executive Recommendation will fund the following objectives:**

- The operations of the six regional parole offices in Ohio; and

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- The supervision of juvenile offenders who are released from state correctional facilities, and/or brought in through an Interstate Compact Agreement.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| GRF                      | GRF  | 472321 | Parole Operations         | 13,400,020        | 13,400,020        |
| FED                      | 3210 | 470614 | Title IV-E Reimbursements | 400,000           | 400,000           |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>13,800,020</b> | <b>13,800,020</b> |

### **PROGRAM SERIES 03: Juvenile Court Subsidies & Community Programs**

This program series provides base and variable funding under the Subsidy Grant (RECLAIM Ohio and the Youth Services Grant) to Ohio's 88 counties in order to develop and sustain programs intended to divert youth from commitment to DYS facilities. The program series also provides funding for the operation of juvenile Community Correctional Facilities (CCFs) and Community-Based Treatment Centers (CBTCs). CCFs focus on diversion from DYS commitment, and CBTCs focus on community placements as an alternative to DYS facilities.

#### **Program 03.01: Youth Services Block Grant**

This program provides funding to Ohio's 88 counties to develop and implement community programs for at-risk, unruly, and delinquent youth. The Youth Services Grant is a subsidy program that has provided funding for basic county juvenile court operations since 1981, when it was enacted to assist the courts in removing status and misdemeanor offenders from institutional commitment to DYS. This represented a major shift in responsibility for this population of youth from the state to the counties. As a result, the majority of funding through the Youth Services Grant has historically been used to provide the courts with direct care staff, such as probation officers.

#### **The Executive Recommendation will fund the following objectives:**

- Grant funding to all 88 Ohio counties for county juvenile court operations courts to create local prevention and diversion programming.

| FUND                     |      |        |                | RECOMMENDED       |                   |
|--------------------------|------|--------|----------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME       | FY 2010           | FY 2011           |
| GRF                      | GRF  | 470510 | Youth Services | 18,558,587        | 18,558,587        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                | <b>18,558,587</b> | <b>18,558,587</b> |

#### **Program 03.02: RECLAIM County Subsidy**

This program provides funding for Ohio's 88 county juvenile courts to create and fund diversion programs. RECLAIM Ohio encourages county juvenile courts to develop or purchase community programs to meet the needs of each juvenile offender, in lieu of commitment to state institutions. In FY 08, over 100,000 youth from across the state were served through the RECLAIM program. Eligible alternatives address the need for community safety, youth accountability, and programs and services that are cost-effective. Through RECLAIM, funding is available to county juvenile courts for programs and services for youth, including residential treatment, substance abuse counseling, wraparound services, education, sex offender treatment, day treatment, probation supervision, employment, family preservation, life skills, and electronic monitoring.

#### **The Executive Recommendation will fund the following objectives:**

- Grant funding to Ohio counties that provide an incentive for county juvenile courts to purchase and develop programs as an alternative to sending juvenile offenders to a DYS facility.

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| FUND                     |      |        |              | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 470401 | RECLAIM Ohio | 30,600,000        | 30,600,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>30,600,000</b> | <b>30,600,000</b> |

**Program 03.03: Community Correctional Facilities (CCFs)**

This program provides funding for 12 juvenile community correctional facilities throughout Ohio. CCFs are locally managed to provide alternatives to commitment to DYS state institutions. The Community Corrections Program allows the 88 counties to divert adjudicated youth to CCFs in lieu of a commitment to state juvenile correctional facilities. The program provides more than 350 beds for felony-level offenders and more individualized care for the juveniles by keeping them closer to their communities and families.

**The Executive Recommendation will fund the following objectives:**

- Grant funding for operations of the 12 juvenile community correctional facilities in Ohio; and
- Programming for education, treatment, medical, mental health, and community services within all juvenile community correctional facilities in Ohio.

| FUND                     |      |        |              | RECOMMENDED       |                   |
|--------------------------|------|--------|--------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010           | FY 2011           |
| GRF                      | GRF  | 470401 | RECLAIM Ohio | 18,773,604        | 18,773,604        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>18,773,604</b> | <b>18,773,604</b> |

**Program 03.04: Community-Based Treatment Centers (CBTCs)**

This program funds a new treatment option in the department's continuum of juvenile justice programs available for youth adjudicated delinquent in Ohio. The department intends to open several new regional units during the FY10-11 biennium to serve youth locally in their home communities in small, 12-24 bed programs. The predicted outcomes of the program are: to divert appropriate youthful offenders from traditional state-operated juvenile correctional facilities by providing intensive, high-fidelity, evidence-based treatment programs in community-based treatment centers; to increase public safety by reducing the rate of recidivism for juvenile offenders; to reduce the length of residential stay of juvenile offenders from 270 days in traditional correctional facilities to 120 days in CBTCs, and; to provide high-quality, intensive reentry services that support community and family reunification/stability.

**The Executive Recommendation will fund the following objectives:**

- New residential programs providing shorter-term, evidence-based treatment beds to divert appropriate youth from juvenile correctional facilities.

| FUND                     |      |        |              | RECOMMENDED      |                  |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP                    | FUND | ALI    | ALI NAME     | FY 2010          | FY 2011          |
| GRF                      | GRF  | 470401 | RECLAIM Ohio | 4,000,000        | 4,000,000        |
| <b>TOTAL FOR PROGRAM</b> |      |        |              | <b>4,000,000</b> | <b>4,000,000</b> |

**Program 03.05: Community Programs**

This program will expand community-based programming for youth involved in the juvenile justice system. The department intends to expand local treatment options available to communities and to the youth they serve during the fiscal year 2010 and fiscal year 2011 biennium. Community programming can span the continuum of juvenile justice services by increasing diversionary residential and non-residential options to incarceration, residential alternatives to juvenile correctional facilities, and community-based aftercare services for youth reentering their



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home communities. Examples of expanded programming may include increases to the RECLAIM County Subsidy, Behavioral Health/Juvenile Justice (BHJJ) programs, wrap-around services for youth released from juvenile correctional facilities, and other residential and non-residential services.

**The Executive Recommendation will fund the following objectives:**

- \$12.5 million in fiscal year 2010 and \$14.7 million in fiscal year 2011 for expanded local juvenile justice programming for communities to provide diversionary or alternative residential and non-residential services to youth who are involved in Ohio's juvenile justice system.

| FUND              |      |        |              | RECOMMENDED |            |
|-------------------|------|--------|--------------|-------------|------------|
| GROUP             | FUND | ALI    | ALI NAME     | FY 2010     | FY 2011    |
| GRF               | GRF  | 470401 | RECLAIM Ohio | 12,500,000  | 14,718,420 |
| TOTAL FOR PROGRAM |      |        |              | 12,500,000  | 14,178,420 |

**PROGRAM SERIES 04: Federal Juvenile Justice Grants**

This program series contains the funding received from the Federal Government for DYS to administer grant programs for juvenile crime prevention, treatment, and rehabilitation in Ohio. DYS serves as either the grantor agency to administer program funding or may receive funding as the grantee to support juvenile justice programs.

**Program 04.01: Juvenile Justice Programs**

This program oversees the administration of federal juvenile justice dollars awarded to the State of Ohio from the federal Office of Juvenile Justice and Delinquency Prevention (OJJDP). These grants are referred to as Block Grants and include Juvenile Accountability Block Grant (JABG), Title II, and Title V.

**The Executive Recommendation will fund the following objectives:**

- Grant funding to units of local government and private agencies to provide prevention and intervention programs and services for youth; and
- The administration of AmeriCorps, JABG, Title II, and Title V block grants.

| FUND              |      |        |   | RECOMMENDED |           |
|-------------------|------|--------|---|-------------|-----------|
| GROUP             | FUND | ALI    | ALI NAME                                | FY 2010     | FY 2011   |
| FED               | 3210 | 470603 | Juvenile Justice Prevention             | 300,000     | 300,000   |
| FED               | 3BH0 | 470630 | Federal Juvenile Programs               | 50,000      | 0         |
| FED               | 3BT0 | 470634 | Federal Juvenile Programs               | 50,000      | 0         |
| FED               | 3BY0 | 470635 | Federal Juvenile Programs SFY 07        | 334,000     | 335,000   |
| FED               | 3BZ0 | 470636 | Federal Juvenile Programs FFY08         | 653,350     | 570,700   |
| FED               | 3CP0 | 470638 | Fed Juvenile Justice Programs FFY 09    | 500,000     | 500,000   |
| FED               | 3CR0 | 470639 | Fed Juvenile Justice Programs FFY 10    | 0           | 500,000   |
| FED               | 3V50 | 470604 | Juvenile Justice/Delinquency Prevention | 1,935,300   | 2,361,000 |
| FED               | 3Z80 | 470625 | Federal Juvenile Programs FFY04         | 2,000       | 0         |
| FED               | 3Z90 | 470626 | Federal Juvenile Programs FFY05         | 2,000       | 0         |
| TOTAL FOR PROGRAM |      |        |   | 3,826,650   | 4,566,700 |

**PROGRAM SERIES 05: Program Management**

This program series is the central planning and administrative component of the department. Program Management's primary role is to support and oversee the direction and implementation of all programs and sub-programs in DYS.

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**Program 05.01: Program Management**

This program provides oversight, management, and staff support to all of the divisions of DYS. Service oversight provided by Program Management include: the Release Authority, Victim Services, Human Resources, Subsidies to Counties, Grants and Compliance, Family and Children First, Education, Medical Services, Clinical Services, Treatment and Rehabilitation Programs, Facility Operations, Substance Abuse, Community-Based Programs, Reentry and Faith-based Programs, Parole, Management Information Systems (MIS), General Counsel, Compliance Monitoring, Chief Inspector, Office of Internal Audits, Office of Construction, Renovation and Maintenance, and Finance.

**The Executive Recommendation will fund the following objectives:**

- Administrative operations that oversee all agency functions.

| FUND                     |      |        |                           | RECOMMENDED       |                   |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME                  | FY 2010           | FY 2011           |
| GRF                      | GRF  | 470401 | RECLAIM Ohio              | 6,442,880         | 4,469,292         |
| GRF                      | GRF  | 477321 | Administrative Operations | 14,754,419        | 14,754,419        |
| GSF                      | 4G60 | 470605 | General Operational Funds | 250,000           | 250,000           |
| GSF                      | 5BN0 | 470629 | E-Rate Program            | 35,000            | 35,000            |
| FED                      | 3210 | 470601 | Education                 | 522,779           | 533,234           |
| FED                      | 3210 | 470610 | Rehabilitation Programs   | 36,000            | 36,000            |
| FED                      | 3210 | 470614 | Title IV-E Reimbursements | 5,600,000         | 5,600,000         |
| SSR                      | 5BH0 | 470628 | Partnerships For Success  | 1,500,000         | 1,500,000         |
| <b>TOTAL FOR PROGRAM</b> |      |        |                           | <b>29,141,078</b> | <b>27,177,945</b> |

**PROGRAM SERIES 06: Debt Service**

This program series provides funding for debt service that must be paid to the Ohio Building Authority for its obligation incurred as a result of issuing bonds to cover DYS capital expenditures for the construction, repair, and renovation of facilities administered or funded by DYS.

**Program 06.01: Debt Service**

This program provides funding for debt service for DYS capital expenditures for the renovation, repair, and construction at all DYS institutions, community correction centers, and detention facilities.

**The Executive Recommendation will fund the following objectives:**

- All debt obligations for capital expenditures for the biennium.

| FUND                     |      |        |                       | RECOMMENDED       |                   |
|--------------------------|------|--------|-----------------------|-------------------|-------------------|
| GROUP                    | FUND | ALI    | ALI NAME              | FY 2010           | FY 2011           |
| GRF                      | GRF  | 470412 | Lease Rental Payments | 23,460,900        | 26,043,900        |
| <b>TOTAL FOR PROGRAM</b> |      |        |                       | <b>23,460,900</b> | <b>26,043,900</b> |

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| FUND                          | ALI    | ALI NAME                           | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|-------------------------------|--------|------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF                           | 470401 | Reclaim Ohio                       | 175,472,788        | 182,045,049        | 190,597,948        | 190,599,131         | 192,963,840            | 1.2          | 192,963,840            | 0.0         |
| GRF                           | 470412 | Lease Rental Payments              | 19,797,581         | 21,558,547         | 23,971,015         | 24,208,700          | 23,460,900             | -3.1         | 26,043,900             | 11.0        |
| GRF                           | 470510 | Youth Services                     | 18,558,588         | 18,558,587         | 18,558,587         | 18,558,587          | 18,558,587             | 0.0          | 18,558,587             | 0.0         |
| GRF                           | 470640 | Reclaim - Federal Stimulus         | 0                  | 0                  | 0                  | 0                   | 12,500,000             | .0           | 0                      | -100.0      |
| GRF                           | 472321 | Parole Operations                  | 14,704,450         | 14,293,250         | 15,469,745         | 15,764,729          | 13,400,020             | -15.0        | 13,400,020             | 0.0         |
| GRF                           | 477321 | Administrative Operations          | 14,395,852         | 14,567,316         | 14,917,492         | 14,754,419          | 14,754,419             | 0.0          | 14,754,419             | 0.0         |
| <b>TOTAL General Revenue</b>  |        |                                    | <b>242,929,259</b> | <b>251,022,749</b> | <b>263,514,787</b> | <b>263,885,566</b>  | <b>275,637,766</b>     | <b>4.5</b>   | <b>265,720,766</b>     | <b>-3.6</b> |
| 1750                          | 470613 | Education Reimbursement            | 7,250,867          | 9,272,946          | 11,207,640         | 15,150,725          | 11,000,000             | -27.4        | 11,000,000             | 0.0         |
| 4790                          | 470609 | Employee Food Service              | 170,135            | 100,549            | 98,770             | 137,666             | 200,000                | 45.3         | 150,000                | -25.0       |
| 4A20                          | 470602 | Child Support                      | 197,706            | 236,414            | 312,400            | 328,657             | 450,000                | 36.9         | 450,000                | 0.0         |
| 4G60                          | 470605 | General Operational Funds          | 6,459              | 18,000             | 10,790             | 433,857             | 250,000                | -42.4        | 250,000                | 0.0         |
| 4G60                          | 470631 | Scale                              | 0                  | 120,580            | 67,174             | 100,000             | 0                      | -100.0       | 0                      | .0          |
| 5BN0                          | 470629 | E-Rate Program                     | 43,169             | 134,072            | 118,102            | 200,000             | 35,000                 | -82.5        | 35,000                 | 0.0         |
| <b>TOTAL General Services</b> |        |                                    | <b>7,668,336</b>   | <b>9,882,560</b>   | <b>11,814,877</b>  | <b>16,350,905</b>   | <b>11,935,000</b>      | <b>-27.0</b> | <b>11,885,000</b>      | <b>-0.4</b> |
| 3210                          | 470601 | Education                          | 1,641,418          | 3,762,246          | 3,249,924          | 5,473,109           | 6,531,076              | 19.3         | 5,455,413              | -16.5       |
| 3210                          | 470603 | Juvenile Justice Prevention        | 1,123,126          | 441,479            | 201,102            | 466,000             | 300,000                | -35.6        | 300,000                | 0.0         |
| 3210                          | 470606 | Nutrition                          | 2,691,972          | 2,639,409          | 2,869,475          | 2,981,078           | 2,750,000              | -7.8         | 2,750,000              | 0.0         |
| 3210                          | 470610 | Rehabilitation Programs            | 36,000             | 36,000             | 36,000             | 36,000              | 36,000                 | 0.0          | 36,000                 | 0.0         |
| 3210                          | 470614 | Title Iv-E Reimbursements          | 2,606,764          | 2,398,298          | 3,287,249          | 6,316,737           | 6,000,000              | -5.0         | 6,000,000              | 0.0         |
| 3210                          | 470617 | Americorps Programs                | 241,616            | 310,467            | 258,360            | 463,700             | 0                      | -100.0       | 0                      | .0          |
| 3210                          | 470632 | Juvenile Sexual Assault & Pre Init | 0                  | 524,181            | 1,081,373          | 175,000             | 0                      | -100.0       | 0                      | .0          |
| 3210                          | 470633 | Project Re-Entry                   | 0                  | 661,871            | 892,152            | 1,142,249           | 0                      | -100.0       | 0                      | .0          |
| 3210                          | 470637 | Family Advocacy                    | 0                  | 0                  | 0                  | 989,740             | 0                      | -100.0       | 0                      | .0          |
| 3BH0                          | 470630 | Federal Juvenile Programs          | 378,301            | 871,394            | 127,315            | 250,000             | 50,000                 | -80.0        | 0                      | -100.0      |
| 3BT0                          | 470634 | Federal Juvenile Programs          | 0                  | 244,222            | 699,557            | 440,000             | 50,000                 | -88.6        | 0                      | -100.0      |
| 3BY0                          | 470635 | Federal Juvenile Programs SFY 07   | 0                  | 0                  | 288,007            | 350,000             | 334,000                | -4.6         | 335,000                | 0.3         |
| 3BZ0                          | 470636 | Federal Juvenile Programs FFY08    | 0                  | 0                  | 0                  | 653,350             | 653,350                | 0.0          | 570,700                | -12.7       |

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| FUND                                      | ALI    | ALI NAME                                 | FY 2006<br>ACTUAL  | FY 2007<br>ACTUAL  | FY 2008<br>ACTUAL  | FY 2009<br>ESTIMATE | FY 2010<br>RECOMMENDED | %<br>CHANGE  | FY 2011<br>RECOMMENDED | %<br>CHANGE |
|---|--------|--|--------------------|--------------------|--------------------|---------------------|------------------------|--------------|------------------------|-------------|
| 3CP0                                      | 470638 | Federal Juvenile Justice Programs FFY 09 | 0                  | 0                  | 0                  | 0                   | 500,000                | .0           | 500,000                | 0.0         |
| 3CR0                                      | 470639 | Federal Juvenile Justice Programs FFY 10 | 0                  | 0                  | 0                  | 0                   | 0                      | .0           | 500,000                | .0          |
| 3V50                                      | 470604 | Juvenile Justice/Delinquency Prevention  | 3,297,783          | 2,642,358          | 2,174,038          | 2,750,000           | 1,935,300              | -29.6        | 2,361,000              | 22.0        |
| 3W00                                      | 470611 | 02 Federal Juvenile Programs             | 353,619            | 0                  | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| 3Z80                                      | 470625 | Federal Juvenile Programs FFY04          | 402,974            | 279,019            | 0                  | 0                   | 2,000                  | .0           | 0                      | -100.0      |
| 3Z90                                      | 470626 | Federal Juvenile Programs FFY05          | 1,084,994          | 256,456            | 106,257            | 0                   | 2,000                  | .0           | 0                      | -100.0      |
| <b>TOTAL Federal Special Revenue</b>      |        |  | <b>13,858,567</b>  | <b>15,067,401</b>  | <b>15,270,810</b>  | <b>22,486,963</b>   | <b>19,143,726</b>      | <b>-14.9</b> | <b>18,808,113</b>      | <b>-1.8</b> |
| 1470                                      | 470612 | Vocational Education                     | 1,866,669          | 1,505,833          | 1,702,504          | 2,141,823           | 2,166,296              | 1.1          | 2,788,906              | 28.7        |
| 4W30                                      | 470618 | Help Me Grow                             | 538                | 0                  | 0                  | 0                   | 0                      | .0           | 0                      | .0          |
| 5BH0                                      | 470628 | Partnerships For Success                 | 1,253,250          | 1,471,342          | 1,509,492          | 1,500,000           | 1,500,000              | 0.0          | 1,500,000              | 0.0         |
| <b>TOTAL State Special Revenue</b>        |        |  | <b>3,120,457</b>   | <b>2,977,175</b>   | <b>3,211,996</b>   | <b>3,641,823</b>    | <b>3,666,296</b>       | <b>0.7</b>   | <b>4,288,906</b>       | <b>17.0</b> |
| <b>TOTAL Department of Youth Services</b> |        |  | <b>267,576,619</b> | <b>278,949,885</b> | <b>293,812,470</b> | <b>306,365,257</b>  | <b>310,382,788</b>     | <b>1.3</b>   | <b>300,702,785</b>     | <b>-3.1</b> |