



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #285

Base Budget Reductions (Educational Communications Board)

[LFB 2011-13 Budget Summary: Page 164, #4]

CURRENT LAW

The Educational Communications Board has an adjusted base budget of \$7,833,300 GPR, \$1,171,800 FED, and \$9,713,500 PR and has 35.14 GPR positions and 21.54 PR positions.

GOVERNOR

Delete \$250,900 GPR annually from the Educational Communication Board's general program operations appropriation. According to the administration, this reduction should be applied to administrative costs related to public radio and public television. Adjusted base level funding for this appropriation is \$3,086,300.

DISCUSSION POINTS

1. The Educational Communications Board (ECB) is an independent state agency with the responsibility of planning, developing, constructing, and operating radio and television broadcasting systems for the presentation of educational, informational, and public service programming and public safety communications for the people of Wisconsin. The Board works closely with the educational community in determining program needs for instructional programs with special emphasis on programs that are specific to the State of Wisconsin.

2. ECB has five divisions: (1) education; (2) public radio; (3) public television; (4) delivery; and (5) administration. Table 1 shows ECB's 2010-11 budget by division and fund source. Although ECB's adjusted base budget includes expenditure authority for \$1,171,800 FED, ECB reports that it did not receive any federal funding in the most recent year.

TABLE 1

**Educational Communications Board's 2010-11 Budget
by Division and Fund Source**

<u>Division</u>	<u>GPR</u>	<u>PR</u>	<u>Total</u>
Education	\$1,328,400	\$455,500	\$1,783,900
Public radio	0	5,128,500	5,128,500
Public television	51,800	2,284,400	2,336,200
Delivery	5,178,900	1,825,000	7,003,900
Administrative and financial services	<u>1,172,700</u>	<u>339,200</u>	<u>1,511,900</u>
Total	\$7,731,800	\$10,032,600	\$17,764,400

3. For the purpose of financial audits, ECB attributes 70% of its administrative and financial services costs and 60% of its delivery costs, excluding any debt service, to public television. The remainder of administrative and financial services and delivery costs, excluding debt service, is attributed to public radio. Debt service is allocated to public television and public radio based on the nature of the project supported. Using these splits, ECB's GPR budget, excluding debt service, in the current year is \$2.4 million for public television and \$1.3 million for public radio.

4. ECB's education division provides educational media, classroom resources, and professional development to Wisconsin K-12 teachers. All programming and supplemental materials are selected or developed by ECB in conjunction with the Department of Public Instruction and conform to state curricular standards. In 2007-09, ECB broadcast approximately 1,500 program episodes for use in K-12 classrooms through partnerships with Wisconsin Public Television, Milwaukee Public Television, and WDSE in Duluth, Minnesota. ECB's website provides teachers with instructional and student materials, lesson plans, and professional development video. In 2010, approximately 45,700 teachers used ECB-provided instructional programming in their classrooms for a total of 680,000 student viewers.

5. Wisconsin public television (WPT) is broadcast on six regional channels located throughout the state and on Milwaukee Public Television and Duluth Public Television through agreements with those stations. WPT offers programs on nature, news and public affairs, science, community issues, and children's programming. Since the conversion from analog broadcast to digital broadcast, WPT has been able to offer programming on three separate channels simultaneously. "The Wisconsin Channel" features content primarily about Wisconsin and serves as a platform for Wisconsin filmmakers and musicians. "WPT Create" features how-to programs, including series on cooking, home improvement, art, and gardening. This channel also airs Wisconsin PBS Kids programs during the school day while programs produced by the education division for use in K-12 classrooms are shown on the main channel. In 2010, public television had an estimated 573,500 viewers of which 25,233 were contributing members.

6. Wisconsin public radio broadcasts news and classical music on 31 signals located

throughout the state. In addition, stations belonging to the "Ideas Network" feature nine and a half hours of statewide call-in programming daily and individual stations may also air community programming. In 2010, public radio had an estimated 456,800 listeners of which 47,100 were contributing members.

7. Similar to other state agencies, the bill would reduce the amount of GPR provided to ECB to reflect increases in employee contributions for pensions and health insurance (-\$182,400 GPR annually), the elimination of long-term vacancies (-\$131,900 GPR annually), and across-the-board reductions of most appropriations equal to 10% of the appropriation less any amounts used to fund salary and fringe benefit costs (-\$121,900 GPR annually). These last two items would reduce GPR funding for ECB by \$253,800 annually, which is equal to 5.7% of the ECB's GPR adjusted base less GPR debt service and energy costs. The proposed base budget reduction would reduce GPR funding for ECB by an additional \$250,900 annually which is equal to an additional 5.6% reduction. In addition, the bill would reduce ECB's GPR energy cost appropriation by \$95,900 annually. This reduction would be made in addition to the reestimate of the funding needed for that appropriation.

8. The ECB base budget reduction would be made in addition to the reductions proposed for all state agencies resulting in a larger GPR reduction for ECB than for other state agencies. For this reason, the Committee may wish to restore the reduction. However, unlike other state agencies, both public television and public radio generate a significant amount of revenue from gifts and donations. To the extent that ECB is able to increase the amount of gifts and donations received, it may be able to absorb greater GPR reductions than other state agencies.

ALTERNATIVES

1. Approve the Governor's recommendation.
2. Provide \$125,500 annually to restore 50% of the base funding reduction.

ALT 2	Change to Bill Funding
GPR	\$251,000

3. Delete provision, which would restore the base funding reduction.

ALT 3	Change to Bill Funding
GPR	\$501,800

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