



MCOECN Update

MCOECN Membership Meeting
September 25, 2009

Agenda Topics

- Budget Update
- K-12 Network
- TSG
 - Director Search
 - Site Reviews
- OECN Rules Review
- COG white paper

FY 10-11 Budget for OECN

OECN 200-426	Original FY 09	Actual FY 09	FY 10	FY 11
INFOhio	\$2,469,223	\$2,021,677	\$1,600,000	\$1,600,000
Connectivity	\$18,136,691	\$15,748,623	\$11,626,123	\$11,895,077
OECN/SSDT	\$1,501,805	\$1,130,479	\$1,130,479	\$1,130,479
ITC Subsidy	\$8,338,468	\$6,934,112	\$5,800,000	\$5,800,000
Total	\$30,446,197	\$25,834,891	\$20,156,602	\$20,425,556

FY 10 Impact on OECON Funding

OECON 200-426	Actual FY 09	FY 10	Change	%
INFOhio	\$2,021,677	\$1,600,000	-\$421,667	-20.86
Connectivity	\$15,748,623	\$11,626,123	-\$4,122,500	-26.18
OECON/SSDT	\$1,130,479	\$1,130,479	\$0.00	0.00
ITC Subsidy	\$6,934,112	\$5,800,000	-\$1,134,112	-16.36
Total	\$25,834,891	\$20,156,602	-\$5,678,289	-21.98

FY 10-11 Budget for EMIS

EMIS 200-446	Original FY 09	Actual FY 09	FY 10	FY 11
District Sub.	\$8,462,984	\$7,421,755	\$6,035,256	\$4,960,388
ITC Sub.	\$1,372,085	\$1,203,272	\$1,000,000	\$810,000
ODE Ops	\$6,751,013	\$6,251,646	\$6,163,896	\$6,163,896
Total	\$16,586,082	\$14,876,673	\$13,199,152	\$11,934,284

FY 10 Impact on EMIS Funding

EMIS 200-446	Actual FY 09	FY 10	Change	%
District Sub.	\$7,421,755	\$6,035,256	-\$1,386,499	-18.68
ITC Sub.	\$1,203,272	\$1,000,000	-\$203,272	-16.89
ODE Ops	\$6,251,646	\$6,163,896	-\$87,750	-1.40
Total	\$14,876,673	\$13,199,152	-\$1,677,485	-11.28

Other Budget Changes

- Language was inserted into the budget that eliminates the ITC fiscal carryover requirement and prohibits ODE from re-establishing a carryover requirement in the future.
- Responsibility for the development of a PK-16 state technology plan was moved from ODE to eTech Ohio.

State Budget Challenges

- CAT tax on groceries
- Use of Tobacco funds
- Video lottery terminals (slot machines)
- Draining of the Rainy Day fund
- Reliance on federal stimulus money

K-12 Network

- Connectivity subsidy -- \$2000 per building, split across two payments.
- District Connectivity Subsidy applications are due no later than October 30th.
 - Application on eTech's web site

TSG Update

- Director Search
- Site Reviews
- OECN Subsidy process concerns

OEEN OAC Rules Review

- Five-year cycle – review will begin soon
- Review team typically includes people from ODE, OEEN, and districts
- Completion target is Spring/Summer 2010
- Several changes to consider:
 - Equipment ownership
 - PD CEU requirements
 - Permit process

COG White Paper

- We were asked by BOT to study and compare COG vs. Consortia
- Still a local decision, but there may be a slight advantage to COG structure.
- Serving other entities possible under either structure

COG vs. Consortia

COG Advantages

- Separate legal entity
- Not controlled by any one member
- Not “owned” by fiscal agent
- Easier to change fiscal agent
- Employee contracts

Consortia Advantages

- Possibility of lower costs for:
 - Insurance
 - Worker’s Comp
 - Fiscal agent costs
 - Audits

Thank You

- Questions?