

State of Ohio
The Executive Budget
Fiscal Years 2012 and 2013

The Jobs Budget
Transforming Ohio for Growth

Governor John R. Kasich



Book Four:
The Savings Book

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The Jobs Budget

Transforming Ohio for Growth

The Savings Book

Introduction

Year after year, Ohio's taxpayers have been asked to pay for more government than they can afford. As families and businesses were forced to tighten their belts, government continued to grow. All this spending has been supported by higher and higher taxes, and now Ohio's combined state and local income tax burden is higher than most other states.

With Ohio facing an \$8 billion state budget shortfall, cuts alone cannot solve the problem. Instead, a pragmatic and thoughtful approach was adopted in Governor John Kasich's Jobs Budget to restructure government and ensure long-term fiscal stability.

Nonetheless, spending reductions to state agencies are essential to reducing government's overall costs and helping to create the jobs-friendly environment Ohio needs. The Savings Book highlights some key funding reductions in each department. Rather than simply reducing each line item by an arbitrary percentage, each program was analyzed to identify opportunities for cost-savings reforms. While some reductions may be difficult, the overarching goal in each case is to operate more effectively, ultimately providing better services and a greater return on investment for taxpayers.

Of the 371 line items comprising this budget's General Revenue Fund expenditures, The Jobs Budget reduces funding in 250 of them for \$2.3 billion in savings. In many cases, funding reductions will be absorbed by departments and programs through restructuring that helps improve efficiency or reduce redundancy within or across agencies. In some cases, however, funding simply was not justified based on a program's performance or available resources. While funding for many programs will be reduced, this budget provides more flexibility to local governments, allowing them to determine how they wish to spend the funds available.

Items included in the Savings Book are many, but not all, of the changes that are proposed in order to help Ohio get its fiscal house back in order. With comprehensive savings and the major transformations proposed in The Jobs Budget, Ohio can create an economic environment that can robustly fuel job creation and improve the quality of life for all Ohioans.

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Administrative Services, Department of

State Architect (3420B)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$10,293	FY 2011 Operating Budget \$10,344	FY 2012 Proposed Budget \$8,956	FY 2013 Proposed Budget \$8,961	Biennial Savings \$2,720
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Background:

The State Architect's Office (SAO) provides for the proper management of capital facility development for a large portion of the state's capital projects. That function is produced through a staff of licensed professionals, paraprofessionals and administrative support. Within the State Architect's Office, Energy Services provides cost-effective, efficient use of energy resources in state government operations and facilities through reviews existing energy systems in state buildings and the design and construction of new systems that result in energy savings.

Executive Budget Proposal and Impact:

DAS estimates that implementing the OAKS Capital Improvements (CI) module will save the state more than \$2.1 million annually due to the reduction or elimination of printing and mailing costs. All new SAO and locally administered projects will be managed using OAKS CI to leverage this technology for increased efficiencies in most business processes used to manage capital improvement projects.

Administrative Services, Department of
Accountability and Results Program (3945B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$795	FY 2011 Operating Budget \$826	FY 2012 Proposed Budget \$617	FY 2013 Proposed Budget \$607	Biennial Savings \$397
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Background:

The Accountability and Results program provides internal consulting services including coaching on process improvement, meeting design, facilitation, moderation, documentation and follow-up; Lean principle applications, including Kaizen events and value stream mapping; and strategic planning.

Executive Budget Proposal and Impact

Insufficient funds exist to continue funding this program at current levels.

Agriculture, Department of

County Agriculture Society (Fund 700501)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$406	FY 2011 Operating Budget \$435	FY 2012 Proposed Budget \$391	FY 2013 Proposed Budget \$391	Biennial Savings \$58
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Background:

This program provides funding to reimburse the 94 county and independent agricultural societies throughout Ohio for 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 agricultural society receives.

Executive Budget Proposal and Impact

The FY 2012/2013 Executive Budget proposes a 7 percent reduction in funds. Insufficient funds exist at the state level to provide the same level of funding that has been provided in the past.

Agriculture, Department of

Farmland Preservation (Fund 700409)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$199	FY 2011 Operating Budget \$200	FY 2012 Proposed Budget \$73	FY 2013 Proposed Budget \$73	Biennial Savings \$253
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Background:

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 program purchases and records perpetual restrictive use covenants on farmland real estate.

Executive Budget Proposal and Impact

The 2012/2013 Executive Budget proposes a reduction in administrative support of the farmland preservation office. Program staff will focus on simplifying the current application and approval process which will reduce existing workload levels and allow for the reduction of operating expenses. Clean Ohio Agricultural Easement Program funds from CLF 7057 will be utilized to further support this program.

Agriculture, Department of

International Trade (Fund 700411)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$462	FY 2011 Operating Budget \$507	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$969
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Background:

This program provides marketing services to Ohio's food and agricultural industry to promote Ohio-based products that are marketed worldwide. Program staff participates in trade shows, coordinate and participate in international trade missions, conduct training seminars on exporting, and provide market research.

Executive Budget Proposal and Impact

The 2012/2013 Executive Budget proposes eliminating the International Trade Program. Existing international trade staff and resources at the Global Marketing Division at the Department of Development will work with agricultural producers and processors interested in international trade.

Agriculture, Department of

Ohio Proud (Fund 700404)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$160	FY 2011 Operating Budget \$197	FY 2012 Proposed Budget \$50	FY 2013 Proposed Budget \$50	Biennial Savings \$257
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Background:

The Ohio Proud Program was created in 1993 to raise awareness about food and agricultural products that are made or grown in Ohio. The department licenses 468 companies from 80 counties that represent more than 5,000 products.

Executive Budget Proposal and Impact

The 2012/2013 Executive Budget proposes to continue operation of the Ohio Proud Program but at a reduced level. The department will maintain a dedicated staff person to maintaining the integrity of the state-identity logo program.

Agriculture, Department of

Meat Inspection (Fund 700499)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$4,148	FY 2011 Operating Budget \$4,961	FY 2012 Proposed Budget \$4,175	FY 2013 Proposed Budget \$4,175	Biennial Savings \$759
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Background:

This program inspects meat and poultry products produced and processed in Ohio at 296 meat processing facilities. The primary goal is to protect public health and safety by providing inspections of animals and birds slaughtered and processed for commerce. Meat product labels are reviewed and approved for accuracy and program inspectors assure the proper use of those approved labels.

Executive Budget Proposal and Impact

Reductions proposed in the FY 2012/2013 Executive Budget can be absorbed through increased program efficiencies. Sufficient funding for the state meat inspection program remains to ensure full accreditation.

Agriculture, Department of

Large Livestock Regulation (Fund 700418)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$1,279	FY 2011 Operating Budget \$1,344	FY 2012 Proposed Budget \$1,108	FY 2013 Proposed Budget \$1,108	Biennial Savings \$407
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Background:

This program monitors large livestock operations for environmental quality compliance. The program aims to eliminate water quality hazards and establish acceptable standards to maintain quality surface and ground water in areas affected by large livestock operations.

Executive Budget Proposal and Impact

The FY 2012/2013 Executive Budget proposes funding this program at levels that will assure that all Ohio Revised Code standards are fully met.

Alcohol and Drug Addiction Services, Department of

Treatment – Allocation to ADAMHS/ADAS Boards

Funding
(in thousands of dollars)

GRF Line 401

FY 2010 Operating Budget \$19,977	FY 2011 Operating Budget \$20,709	FY 2012 Proposed Budget \$2,938	FY 2013 Proposed Budget \$938	Biennial Savings \$36,810
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SSR 4750

FY 2010 Operating Budget \$10,252	FY 2011 Operating Budget \$10,736	FY 2012 Proposed Budget \$6,627	FY 2013 Proposed Budget \$2,422	Biennial Savings \$11,942
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Background:

This series provides state funds to the 50 Alcohol Drug Addiction and Mental Health Services (ADAMHS)/Alcohol and Drug Addiction Services (ADAS) boards to provide treatment services.

Executive Budget Proposal and Impact:

Funding will be redirected to integrate the alcohol and other drug addiction carve-out benefit currently administered by ODADAS into the overall Medicaid program administered by the Ohio Department of Job and Family Services.

Dedicating this funding to Medicaid will maintain services while allowing boards currently using local levy funds to match Medicaid to redirect those funds for priority non-Medicaid purposes. This approach provides for a more stable and predictable fiscal environment for local boards and providers.

In addition to state dollars, the ADAMHS/ADAS boards will receive \$28.3 million in treatment allocation dollars from the Federal Substance Abuse Treatment and Prevention block grant.

Alcohol and Drug Addiction Services, Department of

Treatment – Grant Initiatives

Funding
(in thousands of dollars)

GRF 401 - TASC

FY 2010 Operating Budget \$345	FY 2011 Operating Budget \$308	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$653
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SSR 4750 - TASC

FY 2010 Operating Budget \$0	FY 2011 Operating Budget \$339	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$339
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Background:

This series provides program-specific funding that addresses the service needs of criminal justice involved persons through the Treatment Alternatives to Street Crime (TASC) programs.

Executive Budget Proposal and Impact:

Funding will be redirected to integrate the alcohol and other drug addiction carve-out benefit currently administered by ODADAS into the overall Medicaid program administered by Ohio Department of Job and Family Services.

Dedicating this funding to Medicaid allows boards currently using local levy to match Medicaid to redirect those funds for non-Medicaid purposes. This approach provides for a more stable and predictable fiscal environment for local boards.

Alternate funds for TASC programs are available from federal sources. ADAMHS/ADAS boards can also direct discretionary funds to sustain local programming.

Alcohol and Drug Addiction Services, Department of

Driver Intervention Program (DIP)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$626	FY 2011 Operating Budget \$626	FY 2012 Proposed Budget \$313	FY 2013 Proposed Budget \$313	Biennial Savings \$626
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Background:

This program provides funding for indigent offenders convicted of operating a vehicle under the influence of alcohol or drugs who are eligible to attend a driver intervention program in lieu of incarceration.

Executive Budget Proposal and Impact:

Fifty percent of this funding will be diverted to integrate the alcohol and other drug addiction carve-out benefit currently administered by ODADAS into the overall Medicaid program administered by Ohio Department of Job and Family Services. The remaining SSR 4750 funds will be utilized to cover half the costs of driver intervention services. OVI offenders will be responsible for the remaining 50 percent, saving the state \$312,865. Dedicating this funding to Medicaid provides greater flexibility to ADAMHS/ADAS boards in addressing locally identified needs using federal Substance Abuse Prevention and Treatment (SAPT) Block Grant dollars and local levy funds for non-Medicaid purposes. This provides a more stable and predictable fiscal environment for local boards.

Budget and Management, Office of
Office of Health Transformation (3065B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$293	FY 2011 Operating Budget \$153	FY 2012 Proposed Budget \$306	FY 2013 Proposed Budget \$0	Biennial Savings \$140
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Background:

Funding for the Office of Health Transformation (OHT) from a combination of state and federal funds is included within the Office of Budget and Management’s biennial budget. OHT replaced the Executive Medicaid Management Administration (EMMA), which was established to coordinate the delivery of Medicaid services in Ohio.

Executive Budget Proposal and Impact:

The Office of Health Transformation will adopt and implement plans that streamline the delivery of federal Medicaid and state matching funds through administrative efficiencies, program adjustments and improved flexibility at the local level. While EMMA was a continuing bureaucracy, the Office of Health Transformation will adopt and implement the Medicaid transformation by the end of FY 2012, saving the state \$140,000 over the biennium. The savings incurred in the Office of Budget and Management’s budget represent the operating costs of EMMA and OHT.

Budget and Management, Office of
Administrative Staff Reductions (multiple programs)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$245	FY 2011 Operating Budget \$245	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$490
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Background:

The Office of Budget and Management administers and carries out multiple programs, including the Budget Development and Implementation (8000B), Accounting Operations and Processing (8020B), Internal Control and Audit Oversight (8040B), and Ohio Shared Services (8055B). The costs of administrative oversight, such as the director's office, legal counsel, human resources and fiscal management are shared these programs.

Executive Budget Proposal and Impact:

Administrative oversight and operations functions in the Office of Budget and Management have been reviewed and streamlined to save funds. Reorganization results in ongoing payroll savings by reducing budgeted support staff by two full time equivalents (FTE)s.

Budget and Management, Office of
Internal Control and Audit Oversight (8040B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$0	FY 2011 Operating Budget \$454	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$454
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Background:

The Internal Control and Audit Oversight Program includes the Office of Internal Audit (OIA) which was created in FY 2009 to consolidate and improve the internal audit function of the largest state agencies. The initial design of the office took into account a risk assessment of all agencies' financial activities and was approved by the State Audit Committee. This assessment determined staffing levels and audit priorities.

Executive Budget Proposal and Impact:

Functions of the OIA will be absorbed by existing staff in both the Internal Control and Audit Oversight Program and the Auditor of State's office. By utilizing existing resources, sufficient coverage will be ensured and will provide an annual savings of \$454,000 to all agencies that currently utilize OIA's services.

Commerce, Department of

Penalty Enforcement Fund (5K70)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$127	FY 2011 Operating Budget \$150	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$277
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Background:

The Penalty Enforcement Fund primarily receives its revenue from penalties assessed by the Division of Industrial Compliance and Labor relating to prevailing wage enforcement. In a prevailing wage case, the division can impose up to a 100 percent penalty in addition to the prevailing wage determination. In these cases, 75 percent of the penalty is provided to the worker and 25 percent is deposited with the former Division of Labor and Worker Safety.

Executive Budget Proposal and Impact:

The Executive Budget proposes termination of this fund due to the merger of the former Division of Labor and Worker Safety into the new Division of Industrial Compliance and Labor. Any prevailing wage penalties assessed in the new biennium will be deposited in Fund 5560 for the Division of Industrial Compliance and Labor. This change will more readily identify costs for the entire division and will complete the financial consolidation of the Division of Labor and Worker Safety with the Division of Industrial Compliance and Labor.

Commerce, Department of

Real Estate Education and Research Fund (5470)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$8	FY 2011 Operating Budget \$250	FY 2012 Proposed Budget \$125	FY 2013 Proposed Budget \$125	Biennial Savings \$8
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Background:

The Ohio Real Estate Commission’s Education and Research Committee is responsible for recommending the funding of research and other educational projects aimed at the advancement of the real estate profession. In addition, the committee advances loans, not to exceed \$800, to help pre-licensure applicants for the real estate sales license to defray the costs of satisfying the pre-license education requirements.

Executive Budget Proposal and Impact:

In order to ensure long-term sustainability of this fund, the Executive Budget proposes a 50 percent budget reduction. This action prevents the appropriation from exceeding the revenues coming into this fund.

Commerce, Department of

Consumer Finance Fund (5530)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$3,808	FY 2011 Operating Budget \$5,149	FY 2012 Proposed Budget \$3,613	FY 2013 Proposed Budget \$3,517	Biennial Savings \$1,827
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Background:

The Division of Financial Institutions - Consumer Finance Fund licenses non-depository institutions such as check cashers, credit service organizations, insurance premium finance companies, mortgage brokers, mortgage broker loan originators, mortgage bankers, pawnbrokers, precious metals dealers, mortgage loan act lenders, mortgage loan act loan originators and small loan businesses. The section receives registration and licensing fees from active registrants and licensees as well as applicants.

Executive Budget Proposal and Impact:

Due to a significant decline in the number of mortgage-related licensees in recent years, the section's revenues have declined and trailed expenses. The Executive Budget addresses the decline in Consumer Finance Section revenues by streamlining its processes and reducing staff through attrition and an early retirement incentive.

Development, Department of
Thomas Edison Program (195401)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$14,945	FY 2011 Operating Budget \$15,797	FY 2012 Proposed Budget \$14,820	FY 2013 Proposed Budget \$0	Biennial Savings \$15,922*
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*Appropriation level for this program in 2013 will be determined via future JobsOhio legislation. Biennial savings assumes zero funding.

Background:

The Thomas Edison Program provides funding for seven Edison Technology Centers located around the state. These centers provide product and process innovation and commercialization services to both established and early-stage technology-based businesses such as: new product design; CAD/CAM; prototyping; materials selection and handling; plant layout and design; quality systems; information systems; machining; joining technology assistance; and biotechnology business consulting.

Executive Budget Proposal and Impact:

The Executive Budget proposes a six percent funding reduction from FY 2011 to FY 2012. The cost savings efforts in the Edison Program will be distributed across the program recipients and Edison Technology Centers. Additional cost share revenue will be obtained to ensure economic development activities continue at current levels.

Development, Department of

Governor's Office of Appalachia (195416)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$3,458	FY 2011 Operating Budget \$4,509	FY 2012 Proposed Budget \$3,700	FY 2013 Proposed Budget \$0	Biennial Savings \$4,267*
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*Appropriation level for this program in 2013 will be determined via future JobsOhio legislation. Biennial savings assumes zero funding.

Background:

The Governor's Office of Appalachia (GOA) represents the interests of the 29 Ohio Appalachian counties. GOA manages the Ohio Appalachian Development program, coordinates the planning process and sets the direction of ARC funding within the State of Ohio with the three local development districts.

Executive Budget Proposal and Impact:

The FY 2012/2013 Executive Budget proposes an 18 percent funding reduction based on average actual spending over the last five years. Funding reductions do not jeopardize availability of federal assistance for these 29 counties. Moreover, the Department's Strategic Business Investment Division can provide additional assistance in the form of grants, loans, loan guarantees, and tax credits.

Development, Department of

Facilities Establishment Fund (FEF) Group

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$89,058	FY 2011 Operating Budget \$119,744	FY 2012 Proposed Budget \$104,002	FY 2013 Proposed Budget \$104,002	Biennial Savings \$798
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Background:

The Facilities Establishment Fund (FEF) Group is comprised of several loan and grant programs that support economic development efforts in targeted constituencies.

Executive Budget Proposal and Impact:

Upon review, the Department determined that in order to maintain the financial health of the FEF Group it must discontinue the practice of making grants out of a revolving loan fund. The Department has reviewed and consolidated multiple functions into fewer funds, specifically the Rural Industrial Park Loan, the Urban Redevelopment Loan, the Logistics and Distribution Infrastructure Fund, and the Rural Development Initiative. The Department achieved biennial savings through consolidation by discontinuing separate appropriations for these funds. Additionally, it anticipates having the flexibility to react more quickly to changing economic conditions, and maintain its ability to make loans to all constituencies through the remaining FEF programs.

Development, Department of
Advanced Energy Programs (5M50 195660)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$8,515	FY 2011 Operating Budget \$17,269	FY 2012 Proposed Budget \$8,000	FY 2013 Proposed Budget \$8,000	Biennial Savings \$9,784
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Background:

The Advanced Energy Program (AEP) promotes the development and growth of the energy industry in Ohio by providing financial support to organizations seeking to develop wind, biomass, and energy storage technologies.

Executive Budget Proposal and Impact:

Although the line item for this program is significantly reduced, 2011 was an unusual year. HB 1 of the 128th General Assembly appropriated \$8,268,581 for the program. The appropriation increase of \$9,000,000 was provided by the Controlling Board in response to extraordinarily high demand for the program.

The program was a time limited program that received payments from utility companies. The appropriation request for the biennial budget is financed through payments that are expected from the programs linked deposits (loan guarantees) that will become available as project related bank loans are repaid.

Developmental Disabilities, Department of
Subsidies (322503, 322501, and 322451)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$92,999	FY 2011 Operating Budget \$87,270	FY 2012 Proposed Budget \$60,839	FY 2013 Proposed Budget \$64,382	Biennial Savings \$55,048
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Background:

Three subsidies – the Tax Equity (322503) subsidy, the 501 (322501) subsidy and the Family Support (322451) subsidy – provide funding to county boards of developmental disabilities. Services provided with these funds may include respite care, family counseling, training, and education, adaptive equipment, and home modifications.

Executive Budget Proposal and Impact:

The department will work with the county boards association to seek the ability to reallocate the distribution of the subsidies to all 88 Ohio counties based on need. The department will also provide guidance to county boards on ways to share valuable resources between them and improve administrative structures to offset costs of the GRF reductions.

Developmental Disabilities, Department of
Protective Services

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$4,967	FY 2011 Operating Budget \$4,967	FY 2012 Proposed Budget \$4,967	FY 2013 Proposed Budget \$4,749	Biennial Savings \$218
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Background:

DODD contracts with a private agency to provide guardianship and protective services to individuals within the developmental disability system aged 18 or older.

Executive Budget Proposal and Impact:

The department will renew the contract with the private agency providing protective services at a lower rate to make up for the funding difference when the contract expires at the end of this fiscal year.

Environmental Protection Agency, Ohio

Air Pollution Control (7000A)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$48,289	FY 2011 Operating Budget \$55,743	FY 2012 Proposed Budget \$49,576	FY 2013 Proposed Budget \$49,540	Biennial Savings \$4,916
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Background:

The Air Pollution Control Program Series implements federal clean air requirements and seeks to balance regulatory controls designed to limit adverse impacts on Ohio's businesses. Air Pollution Control monitors air quality and compliance with clean air standards, issues permits and develops new programs to meet national air quality standards.

Executive Budget Proposal and Impact:

The Air Pollution Control Program Series will save nearly \$2.5 million a year as a result of the competitive bidding process for motor vehicle emissions testing and the attrition of 14 positions.

Environmental Protection Agency, Ohio

Hazardous Waste Management (7040A)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$13,688	FY 2011 Operating Budget \$15,727	FY 2012 Proposed Budget \$14,629	FY 2013 Proposed Budget \$14,178	Biennial Savings \$608
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Background:

The Hazardous Waste Management Program Series regulates facilities that generate, transport, treat, store or dispose of hazardous waste. More than 659 facilities are currently conducting some type of corrective action to clean up a portion of their property, with Hazardous Waste program series oversight.

Executive Budget Proposal and Impact:

In FY 2012/2013 the Hazardous Waste Management Program Series will be consolidated into the Emergency and Remedial Response and Solid and Infectious Waste Management program series. This will allow the Hazardous Waste Program Series to reduce staffing and save approximately \$600,000 each year.

Governor, Office of the
Total Budget (All Funds)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$2,994	FY 2011 Operating Budget \$3,221	FY 2012 Proposed Budget \$3,045	FY 2013 Proposed Budget \$3,048	Biennial Savings \$122
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Background:

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 budget for the Governor also includes funding for the Office of the Lieutenant Governor.

Total budget expenses include general operating expenses (personnel, personal services, purchased personal services, supplies and maintenance, and equipment) as well as federal relations and National Governors' Conference expenditures.

Executive Budget Proposal and Impact:

The Executive Budget proposes a reduction in the Governor's Office budget of \$122,897 from FY 2010/2011 to FY 2012/2013. These savings are reduced by reduced staffing levels and operational costs.

Health, Ohio Department of

Immunizations (440418)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$6,994	FY 2011 Operating Budget \$7,239	FY 2012 Proposed Budget \$6,439	FY 2013 Proposed Budget \$6,439	Biennial Savings \$1,335
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Background:

The goal of the Ohio Department of Health Immunization Program is to reduce and eliminate vaccine-preventable diseases among Ohio's children, adolescents and adults.

Executive Budget Proposal and Impact:

Reduced state funding requires a budget reduction of approximately \$700,000 in each fiscal year. However, the reduction will not affect the purchase of vaccines.

Health, Ohio Department of

**Infectious Disease and Public Health Laboratory
(Consolidated 440451, 440446, and 440407)**

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$4156	FY 2011 Operating Budget \$4,457	FY 2012 Proposed Budget \$3,654	FY 2013 Proposed Budget \$3,655	Biennial Savings \$1,304
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Background:

The Public Health Laboratory provides microbiology and radiochemistry testing and tests for a variety of infectious diseases. The lab's preparedness program conducts biological, chemical, and radiological terrorism testing for the state of Ohio. In addition, the ODH lab's radiochemistry program provides environmental services for nuclear power plants in Ohio, Michigan, and Pennsylvania. The Infectious Disease Protection and Surveillance Program gathers information on infectious diseases of public health concern from doctors, hospitals and laboratories in accordance with Ohio's Communicable Disease Reporting Rules. The Animal Borne Disease and Prevention program has significantly reduced cases in raccoons and other animals.

Executive Budget Proposal and Impact:

Reducing the purchase of certain laboratory test kits that are not being requested as frequently will result in much of the savings. Activities for rabies baiting will be conducted by other federal and state agencies.

Health, Ohio Department of

Bureau of Children with Medical Handicaps (440405)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$8,706	FY 2011 Operating Budget \$8,762	FY 2012 Proposed Budget \$7,512	FY 2013 Proposed Budget \$7,512	Biennial Savings \$2,444
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Background:

The Bureau for Children with Medical Handicaps (BCMh) is a program that links families of children with special health care needs to a network of quality providers.

Executive Budget Proposal and Impact:

Savings of nearly \$1.25 million each fiscal year will be replaced with county funds.

Health, Ohio Department of

Mothers and Children Safety Net Services (440416)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$4805	FY 2011 Operating Budget \$4,338	FY 2012 Proposed Budget \$4,228	FY 2013 Proposed Budget \$4,228	Biennial Savings \$687
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Background:

Mothers and Children Safety Net Services provide prenatal, well childcare and family planning services on a sliding fee scale.

Executive Budget Proposal and Impact:

Savings will be met through program changes as this grant is up for the competitive application process at the local level. Award amounts will be adjusted accordingly.

Health, Ohio Department of

Help Me Grow (440459)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$35,932	FY 2011 Operating Budget \$36,500	FY 2012 Proposed Budget \$33,674	FY 2013 Proposed Budget \$33,674	Biennial Savings \$5,084
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Background:

Help Me Grow (HMG) provides state and federal funds to county Family and Children First Councils. The program maintains a coordinated, community-based infrastructure that promotes family-centered services for expectant parents, newborns, infants and toddlers and their families. The ODH Bureau of Early Intervention Services (BEIS) is the lead agency administering HMG program in Ohio.

Executive Budget Proposal and Impact:

Staff reductions and a decrease in subsidies to Family and Children First Councils will result in \$2,826,453 annually.

Health, Ohio Department of

Adult Care Facilities (440453)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$9,382	FY 2011 Operating Budget \$9,903	FY 2012 Proposed Budget \$8,171	FY 2013 Proposed Budget \$8,174	Biennial Savings \$2,940
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Background:

DQA regulates and inspects more than 600 adult care facilities affecting more than 5,000 adults.

Executive Budget Proposal and Impact:

Moving the Adult Care Facility licensure program to the Department of Mental Health will result in nearly \$3 million in savings over the biennium.

Health, Ohio Department of

Breast and Cervical Cancer Program (440438)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$997	FY 2011 Operating Budget \$739	FY 2012 Proposed Budget \$709	FY 2013 Proposed Budget \$709	Biennial Savings \$228
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Background:

Ohio's Breast and Cervical Cancer Project (BCCP) provides cancer screenings, diagnostic testing and case management services at no cost to eligible women in Ohio.

Executive Budget Proposal and Impact:

ODH recently received \$2.5 million in tobacco settlement funds for this program and will use it to supplement the reduction in state funding.

Health, Ohio Department of

Cancer Incidence Surveillance System (440412)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$671	FY 2011 Operating Budget \$774	FY 2012 Proposed Budget \$611	FY 2013 Proposed Budget \$611	Biennial Savings \$223
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Background:

The Ohio Cancer Incidence Surveillance System (OCISS) collects and analyzes cancer incidence data of Ohio residents. Providers are required to report cancers diagnosed and/or treated in Ohio. Ohio's cancer incidence data are widely used by public health professionals, medical researchers and others to develop, implement and promote cancer prevention and control activities in Ohio and to support important cancer-related research.

Executive Budget Proposal and Impact:

Sufficient funds remain for program operations. If additional funds are required, ODH will explore additional funding sources through various OCISS partners.

Health, Ohio Department of

Federally Qualified Health Centers (440465)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$1996	FY 2011 Operating Budget \$2,687	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$4,683
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Background:

Federally Qualified Health Centers (FQHCs) are community-based organizations that provide comprehensive primary care and preventive care, including health, oral, and mental health/substance abuse services to persons of all ages, regardless of their ability to pay.

Executive Budget Proposal and Impact:

Significant federal funding alternatives exist under the Affordable Care Act that ODH will pursue if needed.

Job and Family Services, Department of

Early Care and Education (600535)

Funding

(in thousands of dollars)

FY 2010 Operating Budget	FY 2011 Operating Budget	FY 2012 Proposed Budget	FY 2013 Proposed Budget	Biennial Savings
\$137,368	\$134,269	\$123,596	\$123,596	\$24,472

Background:

Early Care and Education services are provided to children of eligible parents in order to support the parent's work and training efforts and to help families achieve self-sufficiency. Ohio's 88 county departments of job and family services determine eligibility for child care services, certify more than 8,200 small family child care homes, and assist parents in locating certified homes or licensed centers. ODJFS inspects, licenses and sets the standards for nearly 4,300 child care facilities, including child care centers, child day camps and licensed, private homes, where care is provided for seven or more children. ODJFS also operates Step Up To Quality, Ohio's voluntary quality rating system for child care centers, and oversees quality initiatives that provide professional development, technical assistance, scholarships and other activities to improve the quality of services.

Executive Budget Proposal and Impact:

This budget reduces child care eligibility to an intake level at 125 percent of the federal poverty level (FPL), from the current level of 150 percent, but maintains an outtake level of 200 percent of the FPL. All families currently receiving assistance will maintain services. ODJFS expects to serve an average of 103,865 children per month in 2012 and an average of 104,350 children per month in 2013. During SFY 2011, the agency is serving approximately 104,000 children each month.

In addition to the limiting the intake level, ODJFS will reduce provider rates by 7 percent, or approximately \$40 million per year. Due to the loss of federal stimulus funding, the child care program will also realize an overall loss of \$69 million from the Child Care Development Fund and an additional \$46 million in TANF funding.

The quality budget will be \$27.7 million per year, which exceeds the federal requirement of \$19.6 million. The funding will support child care resource and referral services, professional development, technical assistance and quality payments to providers that demonstrate increased levels of quality that lead to better child outcomes. In addition, the enhanced subsidy payments will be maintained for programs serving Ohio's most vulnerable children.

Job and Family Services, Department of
County Allocation Line Items (600521, 600523, 600533, and 600534)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$166,275	FY 2011 Operating Budget \$154,635	FY 2012 Proposed Budget \$139,172	FY 2013 Proposed Budget \$139,172	Biennial Savings \$42,566
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Background:

ODJFS allocates General Revenue Funding to county family services agencies to support the local administration of the Medicaid, Food Assistance and Disability Assistance programs. The state funds are the primary source of the federally required state match for these local administrative expenditures. ODJFS also allocates General Revenue Funds to county agencies for child and adult protective services programs.

Executive Budget Proposal and Impact:

To help county agencies adapt to these reductions, ODJFS has begun allowing counties to use their mandated share – the amount they contribute toward our state maintenance of effort funds for the Temporary Assistance to Needy Families (TANF) program – for Food Assistance and Medicaid administration instead. Counties that choose to do this also receive federal matching funds for it. Counties also are able to transfer up to ten percent of their TANF allotments to their Title XX funds. They may use all or part of that transfer to help offset reductions in local child welfare programs.

Job and Family Services, Department of

Child Support Match (600502)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$20,706	FY 2011 Operating Budget \$19,839	FY 2012 Proposed Budget \$16,814	FY 2013 Proposed Budget \$16,814	Biennial Savings \$6,917
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Background:

This line item provides state funds for county child support administrative expenditures. Child support activities include, but are not limited to, locating absent parents; establishing paternity; obtaining child, spousal and medical support; and enforcing support obligations owed by the absent parent. Funds appropriated for this purpose are allocated to the counties and provide a portion of the nonfederal share of county child support administrative expenditures.

Executive Budget Proposal and Impact:

The reduction in spending will be offset at the state level through attrition and a hiring freeze. Reductions in state spending to the county agencies will be distributed evenly as a percentage of total funding according to the county allocation formula.

Job and Family Services, Department of

Adoption Services (600528)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$72,209	FY 2011 Operating Budget \$70,381	FY 2012 Proposed Budget \$63,343	FY 2013 Proposed Budget \$63,343	Biennial Savings \$15,904
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Background:

The Title IV-E Adoption Assistance (AA) and the State Adoption Maintenance Subsidy (SAMS) provide monthly subsidies to families who adopt children with special needs. AA is a federal program and is paid for with a combination of federal, state and, in some instances, local dollars. SAMS is a state program and is paid for with state and sometimes local dollars.

For AA, county agencies are responsible for providing the local match amount above the state amount. For SAMS, counties may pay an additional amount above the state amount, based on the availability of funding.

Executive Budget Proposal and Impact:

The state share of both the AA and SAMS subsidies will be reduced from \$250 to \$230 per child per month in both FY 2012 and FY 2013. County agencies have the option of either making up the difference or seeking a revised subsidy with the adoptive parent(s). Counties cannot force changes upon adoptive parent(s), however, as federal regulation and state rules require any changes to subsidy amounts to be agreed to and signed by both parties.

Job and Family Services, Department of

Children's Hospital (600537)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$6,000	FY 2011 Operating Budget \$6,000	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$12,000
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Background:

Since FY 2008, Ohio has used General Revenue Funds to make supplemental Medicaid payments to the state's children's hospitals.

Executive Budget Proposal and Impact:

Beginning in FY2006, the General Assembly required ODJFS to make supplemental payments to Ohio's children's hospitals. In FY 2009 the General Assembly created a designated line item for these payments and earmarked \$4.4 million in FY2010 and \$4.0 million in FY2011 from the hospital franchise fee to provide additional payments to children's hospitals.

Children's hospitals typically are paid above Medicaid's Fee For Service rates already, however, and most also benefit from gains related to the hospital franchise fee. Furthermore, these supplemental payments are not linked to the requirement of a specific policy or performance outcome, which is in contrast to most Medicaid payments where payments are made in exchange for the delivery of an actual service.

Effective July 1, 2011, the Executive Budget will eliminate these special payments, saving \$33.4 million over the biennium.

Job and Family Services, Department of

Second Harvest Food Bank (600540)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$3,500	FY 2011 Operating Budget \$3,500	FY 2012 Proposed Budget \$3,000	FY 2013 Proposed Budget \$3,000	Biennial Savings \$1,000
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Background:

ODJFS has served as the contract manager for state and federal funds to be distributed to the Ohio Association of Second Harvest Foodbanks (OASHF), for distribution to needy Ohioans at area food pantries and soup kitchens.

All of the funding the agency provides to OASHF (including GRF, Title XX and TANF/Title XX transfer funds) supports two programs: the Ohio Food Purchase Program and the Ohio Agricultural Clearance Program. The Ohio Food Purchase program receives bids, awards contracts and distributes food to local food banks for distribution to emergency food providers. The Ohio Agricultural Clearance Program is a statewide effort to direct surplus agricultural products to food banks.

Executive Budget Proposal and Impact:

Because of budget constraints, GRF for this item is being reduced by \$1 million over the biennium. However, ODJFS will still be able to transfer approximately \$8.5 million in federal and other funding to OASHF, to help feed children and families across the state. In addition, the organization also receives additional support from foundations, individuals, the U.S. Department of Agriculture, and many other public and private supporters.

Job and Family Services, Department of
Kinship Permanency Incentive Program (600541)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$5,000	FY 2011 Operating Budget \$5,000	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$10,000
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Background:

The Kinship Permanency Incentive (KPI) program was designed to encourage kinship caregivers to become guardians of minor children who would otherwise be unsafe or at risk of harm if they remained in their own homes.

Executive Budget Proposal and Impact:

Because of budget constraints, GRF will no longer be available for this line item. Kinship families still can apply for other forms of assistance, including Ohio Works First, Food Assistance, Medicaid and subsidized child care.

Job and Family Services, Department of

Disability Cash Assistance (600511)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$29,399	FY 2011 Operating Budget \$30,759	FY 2012 Proposed Budget \$26,600	FY 2013 Proposed Budget \$27,109	Biennial Savings \$6,449
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Background:

The Disability Financial Assistance program provides a basic cash assistance payment to the very lowest-income Ohioans: those with incomes at 14 percent of the federal poverty level. Recipients have no other resources, are unable to work because of severe physical or mental impairments, and are often homeless. They also do not meet all the eligibility requirements for Ohio Works First. Most of them rely on a Disability Financial Assistance payment of up to \$115 a month while they wait for their Supplemental Security Income (SSI) applications to be determined. This can take as long as three years.

Executive Budget Proposal and Impact:

Current case load projections indicate this reduction will not impact the program's ability to provide services to the target population.

Mental Health, Ohio Department of

Central Administration (333321)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$16,249	FY 2011 Operating Budget \$17,204	FY 2012 Proposed Budget \$16,484	FY 2013 Proposed Budget \$16,484	Biennial Savings \$486
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Background:

Central Office Administration supports the clinical, legal, operational and programmatic functions of the Ohio Department of Mental Health. It is funded primarily through GRF line item 333321, with some additional small rotary funds.

Executive Budget Proposal and Impact:

Reductions in spending will be managed via the reduction in staff by 1.5 percent through attrition and not filling vacancies.

Mental Health, Ohio Department of

Resident Trainees (333402)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$528	FY 2011 Operating Budget \$530	FY 2012 Proposed Budget \$477	FY 2013 Proposed Budget \$477	Biennial Savings \$104
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Background:

The ODMH Residency and Training Program grant funds are used primarily to support faculty in providing training of mental health professionals, including psychiatric residents and students of psychology, nursing and social work.

Executive Budget Proposal and Impact:

Due to budgetary constraints, ODMH will see a small decrease in this line item. These reductions will allow the department to provide the maximum possible resources for other critical needs, such as hospital services and non-Medicaid supports.

Mental Health, Ohio Department of
Research and Evaluation (333416)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$538	FY 2011 Operating Budget \$582	FY 2012 Proposed Budget \$422	FY 2013 Proposed Budget \$422	Biennial Savings \$276
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Background:

The Office of Research and Evaluation identifies questions of importance to the department and the public mental health system, and funds research projects to address these priorities. The office also evaluates department’s program and policy initiatives.

Executive Budget Proposal and Impact:

This line item is not related to direct client services or patient care. ODMH will reduce this line item to allow the department to provide the maximum possible resources for other critical needs, such as hospital services and non-Medicaid supports.

Mental Health, Ohio Department of

Court Costs (333506)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$714	FY 2011 Operating Budget \$649	FY 2012 Proposed Budget \$584	FY 2013 Proposed Budget \$584	Biennial Savings \$194
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Background:

Per Ohio Revised Code (5122.43 and 5122.15H), probate courts are required to hold hearings related to their jurisdiction over forensic patients in our state hospitals. A small allocation reimburses judges for associated court-related costs. The allocation is based on a weighted average and historical utilization. It was reduced in FY2010/2011 and does not cover the actual costs.

Executive Budget Proposal and Impact:

ODMH will use savings from this program to allow the department to provide the maximum possible resources for other critical needs, such as hospital services and non-Medicaid supports. Community court systems will absorb funding to cover more of the actual costs of these probate hearings.

Mental Health, Ohio Department of
Family and Children First (335405)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$1,431	FY 2011 Operating Budget \$1,502	FY 2012 Proposed Budget \$1,386	FY 2013 Proposed Budget \$1,386	Biennial Savings \$161
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Background:

The Ohio Family and Children First Cabinet Council appropriates funds equally to 88 county family and children first councils. The allocated funds may be used to provide a stipend to parent representatives that serve on county councils, pay for audits and technical assistance or for planning costs.

Executive Budget Proposal and Impact:

Due to budget constraints, these stipends will be reduced as a tool to better manage the overall revenue shortage.

Mental Health, Ohio Department of
Community Medication (335419)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$9,960	FY 2011 Operating Budget \$9,960	FY 2012 Proposed Budget \$8,964	FY 2013 Proposed Budget \$8,964	Biennial Savings \$1,992
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Background:

This line item is used to assist community mental health boards with the purchase of psychotropic medication for indigent individuals and newly released inmates from Ohio prisons.

Dispensed psychotropic medications are provided to eligible clients of community mental health boards and agencies. These medications are purchased through the Ohio Pharmacy Service Center (OPSC) within the Office of Support Services at the Ohio Department of Mental Health. OPSC is part of the cooperative purchasing group deemed eligible under ORC 5119.16.

Executive Budget Proposal and Impact:

At the reduced level, ODMH can still serve the same number of people (approximately 15,000) because of the proliferation of generic drugs at reduced costs.

Natural Resources, Ohio Department of

Division of Parks & Recreation

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$32,029	FY 2011 Operating Budget \$32,937	FY 2012 Proposed Budget \$30,295	FY 2013 Proposed Budget \$30,295	Biennial Savings \$4,378
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Background:

The ODNR Division of Parks and Recreation has the statutory obligation to create, supervise, operate and maintain a system of state parks and to promote the recreational use of these parks by the public. There are 75 state parks in 60 counties with more than 174 acres of land and water resources. Facilities include nine resort lodges, three dining lodges, six golf courses, more than 9,000 campsites in 56 family campgrounds, 518 cottages, 36 visitor/nature centers, 80 swimming beaches, 19 swimming pools, 188 boat ramps, 7,583 boat docks, 463 picnic areas, and 1,167 miles of trails. Ohio State Parks host about 55 million visitor occasions each year.

Executive Budget Proposal and Impact:

The ODNR Division of Parks and Recreation will absorb an 8 percent cut in general revenue funding. To offset this reduction, the division will utilize cash reserves of \$800,000 from the State Park Fund (5120). It also will use \$400,000 from the Department Projects Fund, applying those monies to the salaries of former fulltime Division of Natural Area & Preserves' employees who are now part of Ohio State Parks. These and other measures, including restructuring in the division and an ongoing review of vacant positions, will allow the division to adequately meet ongoing funding needs.

Natural Resources, Ohio Department of

Division of Forestry

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$5,693	FY 2011 Operating Budget \$5,420	FY 2012 Proposed Budget \$5,007	FY 2013 Proposed Budget \$5,010	Biennial Savings \$1,096
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Background:

The ODNR Division of Forestry is charged with ensuring sustainable use and protection of the state's private and public forestlands. This includes management of strategic timber harvests (a management tool for maintaining healthy forests) on state forestlands. Proceeds from those harvests go into the State Forest Fund. A portion of those funds is redistributed to each township and school district within the county of harvest. The division also manages state-owned forests as sources of aesthetics, forest products, recreational opportunities, quality streams and diverse wildlife habitats.

Additionally, the Division of Forestry employs Service Foresters who help private landowners decide what can and should be done to develop their woodlands for wildlife habitat/viewing, timber production, rare species habitat, hunting, or recreation. More than 88 percent of Ohio's forested lands are in private ownership.

Executive Budget Proposal and Impact:

The ODNR Division of Forestry will absorb a 7.8 percent reduction in general revenue funding. The division is committed to meeting this challenge by not filling vacant positions, restructuring its staff, and reevaluating its focus on how it manages and provides services to the general public.

Natural Resources, Ohio Department of

Office of Information Technology

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$411	FY 2011 Operating Budget \$438	FY 2012 Proposed Budget \$194	FY 2013 Proposed Budget \$197	Biennial Savings \$458
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Background:

The ODNR Office of Technology provides management and support services to the divisions and offices of the department. Five of the office's 35 employees are assigned to the Geographic Information Management Systems (GIMS) section that manages spatial data – critical data used to identify the location and dimensions of natural and manmade features. This section of the IT office provides natural resource information to the public and to the department for purposes of mapping and analysis.

Executive Budget Proposal and Impact:

Reductions in funding will be absorbed by staff and purchasing reductions. The possibility of shared IT services with other state agencies is being investigated as one way to meet the department's ongoing communication and data processing infrastructure needs.

Public Safety, Department of
Ohio State Highway Patrol Division

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$7,220	FY 2011 Operating Budget \$7,220	FY 2012 Proposed Budget \$6,449	FY 2013 Proposed Budget \$6,449	Biennial Savings \$1,542
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Background:

The Ohio State Highway Patrol provides statewide police traffic services. They also work to participate in statewide emergency response services and support services to the public and the criminal justice community.

Executive Budget Proposal and Impact:

The Ohio State Highway Patrol, through attrition and restructuring of the organization, has reduced the number of sworn officers' ranks of Staff Lieutenant and above. This reorganization will minimize the impact in the Patrol's service to the public.

Public Safety, Department of

Ohio State Highway Patrol Division Electricity Usage

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$685	FY 2011 Operating Budget \$730	FY 2012 Proposed Budget \$584	FY 2013 Proposed Budget \$584	Biennial Savings \$247
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Background:

The Ohio State Highway Patrol (OSHP) has hired an energy consultant to develop an electric rate analysis and procurement process to obtain savings for approximately 80 OSHP-owned and/or leased facilities across Ohio.

Executive Budget Proposal and Impact:

In FY 2011, it is estimated that these facilities will use more than eight million kilowatts of electricity at a cost of \$730,000. Recent market declines have resulted in lower wholesale electricity prices that will save the Patrol an estimated 20 percent over the next fiscal biennium and provide the Patrol with a fixed, stable electric rate over time.

Public Safety, Department of

Bureau of Motor Vehicles

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$26,660	FY 2011 Operating Budget \$26,093	FY 2012 Proposed Budget \$26,093	FY 2013 Proposed Budget \$26,093	Biennial Savings \$567
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Background:

The Ohio Bureau of Motor Vehicles oversees driver and motor vehicle licensing and registration.

Executive Budget Proposal and Impact:

The Bureau of Motor Vehicles (BMV) has closed 17 license agencies, thus achieving approximate savings of \$1.7 million (or \$100,000 per license agency) over the last three years.

In addition to the \$1,133,334 in savings, the BMV will continue closing agencies with low-volume, declining sales or inefficient operations to further reduce costs.

Public Safety, Department of

Licensing and Registration (4131B)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$1,316	FY 2011 Operating Budget \$1,017	FY 2012 Proposed Budget \$1,017	FY 2013 Proposed Budget \$1,017	Biennial Savings \$596
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Background:

The Bureau of Motor Vehicles (BMV) is responsible for licensing drivers, registering motor vehicles, and titling of motor vehicles.

Executive Budget Proposal and Impact:

Since January 2011, BMV has reduced wages and eliminated numerous positions through attrition, resulting in cost savings of \$298,238. These positions will not be filled during FY 2012 and FY 2013; thus, there will be a total savings of \$596,476 over the biennium.

In addition to the savings over the biennium, the BMV will continue to assess operations in order to improve efficiencies and achieve additional cost savings.

Public Safety, Department of

Office of Criminal Justice Services and Ohio Traffic Safety Office

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$331	FY 2011 Operating Budget \$331	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$662
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Background:

The Office of Criminal Justice Services (CJS) administers grant funds to Ohio's criminal justice constituents and coordinates Ohio's criminal justice plan. Grants are monitored for compliance, audited for accuracy and evaluated for effectiveness.

The Ohio Traffic Safety Office (OTSO) administers Section 402 State and Community grants, related National Highway Traffic Safety Administration (NHTSA) awards and initiatives, contracts for traffic safety activities, and oversees the state-funded Driver Training, Motorcycle Ohio, and Traffic Statistics programs.

Executive Budget Proposal and Impact:

The merger of the Ohio Traffic Safety Office (OTSO) into the Office of Criminal Justice Services (OCJS) will result in the elimination of four staff positions on the OTSO Table of Organization.

Two past OCJS-administered technology programs, the Juvenile Justice Information System (JJIS) and the Task Force Information System, have been incorporated into the Ohio Courts Network (OCN), administered by the Supreme Court of Ohio. The Task Force Information System (TFIS) was closed due to lack of usage.

The Department of Public Safety's Traffic Statistics Section revised the OH-1 crash report process which resulted in workforce efficiency. Traffic Stats uses an outside vendor for imaging and data entry. This process has saved labor hours and allows crash reports to be made available to the public in a timely manner.

Public Safety, Department of

Legal Services

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$1.091	FY 2011 Operating Budget \$824	FY 2012 Proposed Budget \$800	FY 2013 Proposed Budget \$800	Biennial Savings \$315
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Background:

The Office of Legal Services provides legal counsel to the director and employees of the Department of Public Safety to ensure the proper execution of their duties.

Executive Budget Proposal and Impact:

Ohio Department of Public Safety (ODPS) Legal Services, through attrition and restructure, has reduced both the number of funded positions and overall payroll costs. The impact of budget savings includes \$315,045 potential state savings and four fewer state-funded positions for ODPS Legal Services.

Public Safety, Department of
Ohio Emergency Management Agency (4170B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$181	FY 2011 Operating Budget \$181	FY 2012 Proposed Budget \$92	FY 2013 Proposed Budget \$92	Biennial Savings \$178
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Background:

The Ohio Emergency Management Agency works with local Emergency Management Agencies to oversee response and recovery to disasters. When not responding to disasters, it leads efforts to prepare for future disasters.

Executive Budget Proposal and Impact:

Ohio Emergency Management Agency (EMA) is implementing technological improvements to reduce operating costs related to servers, the State of Ohio Rain/Snow Monitoring System (STORMS) and recurring landline costs.

- Through employing virtual servers and data storage, EMA will reduce server power draw and maintenance. The purchase of virtual servers will save the expense of individual server replacement costs.
- Improvements to Ohio's 288 STORMS gauges through the replacement of data processing cards and the installation of solar power will increase system reliability and reduce maintenance costs. The savings are a result of a decrease in equipment failure rates and replacement component costs. Maintenance trips for equipment repair will be reduced, saving personnel and transportation costs.
- Landline connections for STORMS and radio control circuits will be reduced through the sharing of circuits with other users or applications and downgrading capacity.

The EMA state vehicle fleet will be reduced by one vehicle. Under this reduction, EMA will turn in one owned vehicle and will not replace that vehicle under the agency's fleet lease.

Public Safety, Department of
Ohio Investigative Unit (4160B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$217	FY 2011 Operating Budget \$217	FY 2012 Proposed Budget \$174	FY 2013 Proposed Budget \$174	Biennial Savings \$85
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Background:

The Ohio Investigative Unit is a division of the Department of Public Safety which specializes in the enforcement of Ohio’s liquor and cigarette laws.

Executive Budget Proposal and Impact:

Cost savings will be achieved in a variety of ways, including by working to make sure its six annual recruits are already trained peace officers, thereby eliminating the need for \$4,500-per agent training costs. Other savings options are being considered in vehicle acquisition policies.

Public Safety, Department of
Emergency Medical Services

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$37	FY 2011 Operating Budget \$38	FY 2012 Proposed Budget \$6	FY 2013 Proposed Budget \$6	Biennial Savings \$63
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Background:

The Division of Emergency Medical Services is responsible for the education, certification and investigation of all emergency medical service and fire service providers in the state of Ohio. The division serves as the administrative arm of the State Board of EMS which is made up of medical, nursing, hospital administration and EMS and Fire service professionals from around the state.

Executive Budget Proposal and Impact:

Savings will be achieved over the biennium by cost cutting and efficiency including:

- The Emergency Medical Services (EMA) One Card System prints all certifications for each applicant on one card, eliminating the need to print and mail multiple cards to a single person. Approximately 30,000 certification holders are multi-certified, resulting in a savings of approximately \$14,400 over the next three-years (certifications are issued for a three year period).
- Because of improvements and increased utilization of the online renewal process, the division discontinued the mailing of renewal applications at 90-day and 30-day cycles for each active EMS certification holder, saving more than \$94,000 in the next three-year certification cycle. This will allow for a systematic process that will educate all EMTs about the online process for renewal. All applicants will be notified of certification expiration by a postcard that will also explain the online renewal process.

Public Safety, Department of

Ohio Homeland Security

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$436	FY 2011 Operating Budget \$375	FY 2012 Proposed Budget \$0	FY 2013 Proposed Budget \$0	Biennial Savings \$811
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Background:

The Office of Homeland Security works with federal and local agencies to help protect Ohioans from potential acts of terrorism.

Executive Budget Proposal and Impact:

OHS has steadily reduced staffing over the last five years and will continue to examine ways to make use of current personnel. The division is streamlining its mission and core activities, while reviewing all contract personnel to determine ways to reduce costs.

In February 2011, Ohio Homeland Security (OHS) moved the Private Investigators/Security Guards (PISG) section out of the division and placed it with the Ohio Investigative Unit (OIU) to improve customer service and allow OHS to better focus on its core mission. By making this move, OHS will save \$300,000, as OIU will be able to conduct investigations with current personnel instead of having to use four contract positions that were necessary when the section was at OHS.

The National Bureau of Investigation (NBI) is a multi-jurisdictional law enforcement border protection program. The programmatic management transitioned in January 2011 to the NBI Task Force oversight committee with the point of contact being the Ottawa County Sheriff's Office. This change means that two OHS positions dedicated to NBI will no longer be required. This will provide OHS with the flexibility to fund high priority projects.

Rehabilitation and Correction, Department of

Sell Five Prisons (Two Public, Two Private and One Vacant)

Funding
(in thousands of dollars)

Prison Operations

FY 2010 Operating Budget \$109,978	FY 2011 Operating Budget \$107,383	FY 2012 Proposed Budget \$107,692	FY 2013 Proposed Budget \$100,397	Biennial Savings \$9,272
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Sale of Five Prison Sites

FY 2010 Operating Budget \$0	FY 2011 Operating Budget \$0	FY 2012 Sale Revenue \$200,000	FY 2013 Proposed Budget \$0	Biennial Savings \$200,000
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Background:

The Ohio Department of Rehabilitation and Correction (DRC) currently has 31 correctional institutions; 29 are publicly operated and two are privately operated. Lake Erie Correctional Institution (LaECI) and North Coast Correctional Treatment Facility (NCCTF) are operated by Management & Training Corporation. Both contracts are reviewed for renewal on a biennial basis.

Executive Budget Proposal and Impact:

DRC proposes selling – through a competitively bid process – two privately operated prisons, two state operated prisons and one vacant prison facility to qualified private prison vendors. After the sale, vendors will own assets on each site. Vendors will be paid to house and maintain DRC inmates. The proposed facilities are LaECI, NCCTF, Grafton Correctional Institution (GCI), North Central Correctional Institution (NCCI), and Marion Juvenile Correctional Facility (MJCF). Currently, MJCF is vacant. Proceeds of the sale will help offset DRC’s budget deficit, retire bond obligations and will result in cost-savings beyond the biennium. The sale will generate a projected \$200 million in revenue this biennium.

By law, privately-operated correctional institutions are required to realize a five percent savings compared to state operations. As a result, a projected operating savings of \$9.3 million is expected over the biennium, with \$55.6 million in savings expected over a ten year period.

Communities in Ashtabula, Lorain and Marion counties will benefit from increased tax revenue from the sale of these prisons, as the facilities will be subject to applicable local millage rates. Privatizing, rather than closing the facilities, will save thousands of jobs in the impacted communities. Also, maintaining the current facilities and adding an additional facility may decrease prison violence and unsafe working conditions resulting from inmate over-crowding.

Rehabilitation and Correction, Department of
Fund Counties to Write Pre-Sentence Investigations

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$75,785	FY 2011 Operating Budget \$77,326	FY 2012 Proposed Budget \$73,426	FY 2013 Proposed Budget \$71,555	Biennial Savings \$8,131
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Background:

The Pre-Sentence Investigation (PSI) report provides information to courts on a defendant's personal history and criminal conduct in order to promote individualized sentencing. Due to recent trend towards determinate sentencing, the PSI has become more offense-focused and less individualized.

PSI's are produced by both the Adult Parole Authority (APA) and Common Pleas Court probation departments. The APA presently has 124 positions assigned to complete approximately 14,000 pre- and post-Sentence investigation reports annually.

Executive Budget Proposal and Impact:

DRC proposes reinvesting the report writing function to counties, and directly funding 25 counties currently reliant on DRC to complete these statutorily mandated reports. Three counties (Cuyahoga, Franklin and Butler) will not receive additional funds as they currently have fully staffed probation departments of their own. The remaining counties currently produce their own reports.

The proposed direct funding will reduce 115 APA positions assigned to investigation writing. However, 76 unit manager positions requiring skill levels similar to APA investigation writers will become available in January 2012.

Rehabilitation and Correction, Department of
Prison Camp (Annex) Consolidation

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$3,682	FY 2011 Operating Budget \$3,682	FY 2012 Proposed Budget \$674	FY 2013 Proposed Budget \$0	Biennial Savings \$6,690
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Background:

Camps exist as annex facilities to 11 state correctional institutions. These camps house low-level offenders who typically take part in work details and other activities. However, the camps divert staff from main prison facilities, and often contribute to increased overtime and other payroll expenses.

Executive Budget Proposal and Impact:

DRC proposes consolidating four camps adjacent to London, Ross, Toledo and Trumbull correctional institutions into secure prison facilities. Camp inmates and staff will be transferred to appropriate and/or adjacent prison facilities.

The consolidation will increase the unit staff at the four correctional institutions. This staffing increase will augment crucial unit management staff. Properly applied unit management is proven to significantly reduce incidents of violence in prisons because it enhances inmate supervision and programming.

The proposed consolidation will not result in staff displacement and inmate transfers will not result in overcrowding because bed space will be made available by the inclusion of the currently empty Marion County facility.

Rehabilitation and Correction, Department of

Sentencing Reform

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$194,848	FY 2011 Operating Budget \$195,966	FY 2012 Proposed Budget \$187,038	FY 2013 Proposed Budget \$176,741	Biennial Savings \$27,034
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Background:

Ohio's prison population is at 131 percent of capacity, with 50,454 inmates. In 2009, 11,900 offenders (46 percent of DRC's intake) were serving sentences of one year or less. Due to space concerns, short-term and non-violent offenders are often bunked with violent offenders at reception centers awaiting transfer. However, comingling non-violent and violent offenders contributes to an environment that negatively impacts rehabilitation and increases recidivism.

Executive Budget Proposal and Impact:

The Department of Rehabilitation and Correction (DRC) proposes enacting comprehensive and public safety focused sentencing reform aimed at reducing recidivism and promoting rehabilitation. This proposal will divert low-level offenders to community based corrections programs. It will provide prison inmates with incentives for positive behavior. For example, inmates who follow rules and engage in betterment programs will receive consideration for sentencing credit. However, inmates who act violently or violate institutional rules will be sanctioned and provided appropriate disincentives.

In addition, sentencing reform may reduce overall incidents of prison violence because it gradually reduces inmate populations. DRC projects the overall saving of this proposal will be more than \$27 million over the biennium.

Taxation, Department of

Staff Reductions

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$88,124	FY 2011 Operating Budget \$90,224	FY 2012 Proposed Budget \$75,805	FY 2013 Proposed Budget \$74,135	Biennial Savings \$28,408
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Background:

The Ohio Department of Taxation (ODT) is responsible for the administration of most state-collected taxes, several locally collected taxes, and the supervision of the real property tax. In an effort to enhance the performance of those duties, the department has in recent years implemented measures and technologies that improve convenience for taxpayers and increase the operational efficiency of the department.

Executive Budget Proposal and Impact:

The Department's new consolidated taxpayer assistance call center, electronic messaging, and internet filing of tax returns makes possible the closing of seven regional Taxpayer Service Centers (Akron, Cincinnati, Cleveland, Dayton, Toledo, Youngstown, and Zanesville) with an accompanying reduction in 99 taxpayer service staff at those locations. ODT will also reduce staff by an additional 72 positions across the department, primarily through attrition, retirements, not filling vacancies and shifting the financing of some positions out of the General Revenue Fund and into dedicated accounts. Those dedicated accounts generate funding from the provision of services in exchange for fees. This reduction represents a 12 percent reduction in authorized staffing, from 1,455 to 1,284 full-time positions.

Taxation, Department of

Closing of Taxpayer Service Centers

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$560	FY 2011 Operating Budget \$560	FY 2012 Proposed Budget \$60	FY 2013 Proposed Budget \$60	Biennial Savings \$1,000
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Background:

The Ohio Department of Taxation (ODT) operates regional Taxpayer Service Centers in Akron, Cincinnati, Cleveland, Dayton, Toledo, Youngstown, and Zanesville. Each center acts as a regional office and base of operations for three of ODT's primary activities: auditing, enforcement of tax laws (criminal), and taxpayer services.

Executive Budget Proposal and Impact:

The seven Taxpayer Service Centers are no longer needed as a result of the continued consolidation of ODT operations made possible by the increasing acceptance and growth of electronic tax filing, teleconferencing and internet messaging. Taxpayer assistance and other services provided at the centers will be shifted to the department's call center.

These closings will cause a reduction in ODT costs for office leases, security, parking and data lines. They will also result in reductions in staffing equivalent to 99 full-time positions (*cost savings estimate does not include savings from staff reductions*). Auditors and enforcement agents based at those offices will begin telecommuting when the centers close.

Transportation, Department of

State Public Transit (ALI 775451)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$13,087	FY 2011 Operating Budget \$10,871	FY 2012 Proposed Budget \$7,300	FY 2013 Proposed Budget \$7,300	Biennial Savings \$9,358
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Background:

The Transit Office provides financial and technical assistance to public transit systems, local governments, and human service agencies throughout the state for the planning, establishment and operation of public transportation systems.

Funds are provided via formula to both rural and urban public transit systems. The transit systems use GRF for matching federal funds for operating, capital, technical assistance and planning projects. A portion of the funds has also been used to provide reimbursement to transit systems for offering 50 percent reduction in fares for individuals who are elderly or have a disability.

Executive Budget Proposal and Impact:

The Executive Budget proposes a reduction in the appropriation for public transit funding. The majority of these reductions, \$2 million per year, will be taken from the eight largest transit systems in Ohio to minimize the effect to the rural and small urban systems that rely more heavily on General Revenue Funds. The eight largest systems are: Columbus, Cleveland, Dayton, Toledo, Cincinnati, Youngstown, Akron and Canton.

A total of \$1.8 million was used by large systems to subsidize peak-time Elderly and Disabled Transit Fares. \$1.8 million did not fully cover the systems costs for reimbursement during peak hours and Federal Code qualifying riders must still be offered the discounted rate during non-peak times. The additional \$200,000 in reductions to complete the \$2 million in savings will eliminate the Urban Formula participation by the eight largest urban systems.

Ohio's Rural systems will be reduced by an estimated \$200,000 and Small Urban systems by approximately \$400,000 per year compared to FY 2011. All Rural and Small Urban Transit Systems will be able to continue services with small reductions of service and/or fare adjustments.

Transportation, Department of

Ohio Rail Development Commission (776-465)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$2,954	FY 2011 Operating Budget \$2,288	FY 2012 Proposed Budget \$2,040	FY 2013 Proposed Budget \$2,041	Biennial Savings \$1,161
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Background:

The Ohio Rail Development Commission (ORDC) provides assistance to freight rail infrastructure improvements. During the previous biennium, ORDC approved grant and/or loan assistance to 33 rail development projects. ORDC contributed a total of \$5.38 million to those projects - \$3.93 million in grants and \$1.45 million in loans.

Executive Budget Proposal and Impact:

Insufficient state funds exist to continue this program at previous funding levels.

Transportation, Department of

Office of Aviation

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$1,359	FY 2011 Operating Budget \$923	FY 2012 Proposed Budget \$819	FY 2013 Proposed Budget \$819	Biennial Savings \$644
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Background:

The Ohio Department of Transportation's Office of Aviation inspects 157 commercial service public use airports and provides grants for local airport upgrades and improvements, including the Ohio Airport Grant Program which issues grants to publicly owned airports covering 90 percent of the cost of runway maintenance and improvements.

Executive Budget Proposal and Impact:

The previous level of state support for local runway maintenance costs is no longer sustainable in light of current budget realities. Support will continue at a reduced level. Local airport authorities will need to develop revenue models that more accurately reflect the cost of their operations. Sufficient funds will continue to support statutorily-mandated inspections for all airports.

Veterans Services, Ohio Department of
Ohio Veterans Homes (ALI 900321)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$26,996	FY 2011 Operating Budget \$29,647	FY 2012 Proposed Budget \$27,370	FY 2013 Proposed Budget \$27,370	Biennial Savings \$1,903
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Background:

The Ohio Department of Veterans Services operates Ohio Veterans Homes in Sandusky and Georgetown, which are open to Ohio-resident veterans of periods of armed conflicts. Both homes offer standard nursing home as well as dementia care. The Sandusky home provides 427 nursing home beds and an additional 293 domiciliary or “DOM” beds, while Georgetown offers 147 nursing home beds, including 21 hospice beds. Both homes were recognized in 2010 for their high level of care by both the Ohio Department of Health and the U.S. Department of Veterans Affairs.

Executive Budget Proposal and Impact:

The budget maintains essential care for veterans without reducing available beds. The savings implemented will require changes to some services and existing practices, but do not compromise the basic care provided to all veterans in the homes.

Youth Services, Department of
Juvenile Correctional Facilities (5450B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$130,515	FY 2011 Operating Budget \$116,261	FY 2012 Proposed Budget \$101,961	FY 2013 Proposed Budget \$96,261	Biennial Savings \$32,000
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Background:

In collaboration with community partners, the Department of Youth Services (DYS) has established initiatives to enhance the community’s capacity to serve youth locally. This has been part of the agency’s effort to expand community programming for the low- to moderate- risk population of youth who are better served in less restrictive and less costly community settings. Based on research from the University of Cincinnati, the cost effective approach of community alternatives to DYS for lower-risk youth has resulted in better outcomes and lower recidivism. Over the past few years, this innovative continuum of services has allowed the DYS population to drop from an average of 1874 in February 2007 to 786 in February 2011.

Executive Budget Proposal and Impact:

The FY 2012 / 2013 budget proposal will reduce DYS institutional operations by 12 percent in FY 2012 and 17 percent in FY 2013 compared to FY 2011 levels. This reduction in funding will result in the closure of one DYS facility, decreasing the total facilities to four (down from eight facilities three years ago). Based upon the current population trend, it is anticipated that DYS will be able to re-assign youth from the closing facility to one of the remaining facilities while still maintaining the agency’s program capacity. By closing a DYS facility, along with reductions in other areas, the critical funding stream to the community will remain at a level that will allow youth to continue to be served in community settings.

Youth Services, Department of

Parole Operations (5500B)

Funding

(in thousands of dollars)

FY 2010 Operating Budget \$11,400	FY 2011 Operating Budget \$11,400	FY 2012 Proposed Budget \$10,830	FY 2013 Proposed Budget \$10,830	Biennial Savings \$1,140
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Background:

The Bureau of Parole supervises youth after discharge from the Department of Youth Services (DYS) by collaborating with courts, the community, and families. Parole staff members work to enforce the rules of parole, hold the youth accountable in the community, and place them in programs and services that contribute to competency development and self-sufficiency. The Bureau of Parole currently uses the Effective Practices in Community Supervision (EPICS) model of supervision. EPICS is an evidence-based model designed to structure a Juvenile Parole Officer's interaction with youth and families, target the highest risk areas, and intervene at a cognitive level.

Executive Budget Proposal and Impact:

The FY 2012/2013 budget reduces funding to parole staff and services by five percent which would be absorbed by the elimination of juvenile parole officer positions that have remained vacant as a cost-savings measure. This is made feasible by a reduction in the youth parole population, resulting in declining caseloads. The additional reduction would be realized by the elimination of a small number of current positions combined with an effort to reduce the costs (number of youth, length of stay) incurred by placing youth in community residential placements.

Youth Services, Department of
Program Management (5800B)

Funding
(in thousands of dollars)

FY 2010 Operating Budget \$19,343	FY 2011 Operating Budget \$19,616	FY 2012 Proposed Budget \$17,654	FY 2013 Proposed Budget \$17,654	Biennial Savings \$3,650
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Background:

Central Office Administration supports and oversees the direction and implementation of all programs within the Department of Youth Services. Staff provides oversight, management and support to all divisions and sites of the department. .

Executive Budget Proposal and Impact:

The FY 2012/2013 proposal is to reduce the Central Office Administration budget by ten percent, resulting in the loss of 24 positions. This reduction in staff is in line with fewer sites managed and monitored by the agency.