



Educational Communications Board

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EDUCATIONAL COMMUNICATIONS BOARD MEETING

ECB Board Room
3319 West Beltline Highway
Madison, Wisconsin
July 17th, 2015
9:30 a.m.

EXECUTIVE DIRECTOR REPORT

Gene Purcell

State budget update

As this is being written, the FY 15-17 state budget has not been signed, and the comments that follow are based on budget numbers as approved by the Joint Committee on Finance (JCF) in May.

The original budget proposal for the ECB in February called for a 34% cut to Agency GPR which totaled about \$2.7 million. In May, the Joint Committee on Finance voted to restore about \$1.6 million in GPR funding to ECB and to restore 8.6 positions to GPR support.

The resulting loss of about \$1.1 million in GPR funding is mainly focused on Wisconsin Media Lab (WiML).

In order to adjust ECB operations, since May we have chosen not to fill three vacant WiML positions and have also notified three WiML staff members that they will be laid off. Two positions will remain with ECB in order to keep the WiML website online, provide outreach for K-12 educators and ensure that resources which have already been licensed or paid for will remain available for Wisconsin K-12 educators and students.

In addition, ECB is vacating space within the Beltline Building and will be relocating remaining staff. This process is already underway and is expected to be completed later this fall.

ECB also lost an additional engineering position as part of a proposal from the Department of Tourism to staff a Marketing Division.

Additionally, there were other GPR cuts to the ECB budget, including a \$211,000 cut in funding for Milwaukee Public Television.

Given all of this discouraging news, it's important to remember that over \$1.6 million in proposed funding cuts were restored during the Joint Committee on Finance process which speaks directly to the value that legislators and Wisconsin citizens place on public broadcasting.



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I would like to offer a special thanks to ECB's legislative representatives and in particular, Sen. Luther Olsen for his vigorous support of ECB during the JCF process.

We are also grateful for the many listeners and viewers of WPR and WPT who contacted legislators and the JCF to express their support for state funding of public broadcasting.

Now that the budget is nearly complete, there are several items which remain to be resolved during the next several months.

These include the proposed consolidation of ECB IT and Finance personnel within DOA. The budget legislation as approved, calls for DOA to develop a plan for the proposed consolidation of state agency services that could affect ECB and a variety of other state agencies. DOA is directed to present that plan to the Joint Committee on Finance by March 1, 2016. We will be working with DOA during the coming months to provide Agency input to this process.

During the next few months, we will also be making the necessary adjustments to the ECB budget and operations and through the course of the coming two years, we will be making the effort to explore alternative sources of funding for ECB/WiML as well as exploring the possibility of restoring state support for K-12 services.

In addition, the strategic planning process for the Agency will take place during the next few months with a goal of having a plan to present to the Board in October.

STAR Update

Work continues as ECB prepares for the transition to a new IT platform for state agencies titled "STAR" – an acronym which stands for "State Transforming Agency Resources."

The "STAR" project involves phasing out the wide variety of antiquated HR and financial IT platforms used by State of Wisconsin Agencies and combining these various functions into one common platform. Work on the project began at the Enterprise and Agency level in early 2014 and during the last several months, ECB staff (primarily Marta Bechtol and Aimee Wierzba) have invested a considerable amount of their time in preparation for the transition to this new system.

I bring this to the attention of the Board since elements of the STAR transition have been delayed at the enterprise level until October 1, 2015 and this change will impact ECB's ability to carry out its annual financial audit.



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During the past several years at ECB, auditors have expressed concerns to ECB staff regarding the current accounting system which requires the manual entry of financial data from one system to another in preparation for the audit and can lead to mistakes.

Given those concerns, I believe that the implementation of the STAR platform which eliminates the need to move data from one system to another will greatly decrease ECB's audit exposure in this area.

However, the introduction of an additional financial system into the process during the middle of a fiscal year will complicate this effort since it will essentially mean we will have to pull information from 3 separate accounting systems and this additional transfer of data will greatly increase the opportunity for errors to be noted in the FY16 audit. Meanwhile, the implementation of the STAR system concurrent with audit preparation will add additional workload to ECB Finance staff.

ECB's annual financial audit is schedule to be completed in February 2016.

Staff update

Those of you who have been through budget cuts and layoffs know how difficult it can be for staff members. Whether it is staff members who are leaving, or those who are staying, the effects of budget cuts are very real and are very challenging – and those challenges will certainly continue for the near future.

I would like all of you to know that, to a person, the ECB staff has dealt with the cuts and the uncertainty of the budget in an extraordinarily professional manner. You should be proud of each of them for that professionalism and for their dedication to the mission of ECB.