

EDUCATIONAL TELEVISION COMMISSION

Enabling Laws

A.C.A. §6-3-101 to 6-3-113
Act 195 of 2014
Act 231 of 2014
Act 45 of 2014

History and Organization

AETN HISTORY AND ORGANIZATION

LEGISLATION CREATING THE AGENCY:

ENABLING LAWS: The Arkansas Educational Television Commission was established by Act 198 of 1961, as amended in the Arkansas Code 6-3-101 to 6-3-113. Arkansas Code 6-3-105 (a) states that AETN was organized “for the purpose of making the benefits of educational television available to and promoting its use by inhabitants of Arkansas.” AETN's Commission has eight members appointed by the governor and is charged with providing educational telecommunications services to the people of Arkansas. AETN is an affiliate of the Public Broadcasting Service (PBS) and functions statewide as a public media service with headquarters in Conway. AETN's services include distributing programs through digital technologies statewide via over-the-air broadcast, satellite and cable; compressed interactive video; web-based video streaming of local productions plus ADE approved curriculum materials for Arkansas' schools; educational workshops; and professional development training for teachers available 24/7 via the IDEAS portal in partnership with the Arkansas Department of Education. AETN's most current operations funding is appropriated by Act 178 of 2012.

HISTORY AND ORGANIZATION: The Commission began broadcasting in December of 1966 using a studio in Conway and its first transmitter (KETS) located at Redfield and licensed to Little Rock for service to Central Arkansas. Transmitters licensed to Arkadelphia/KETG and Fayetteville/KAFT were activated in 1976. Jonesboro/KTEJ was activated in 1977. A fifth transmitter at Mountain View/KEMV began broadcasting in 1980. In June 2004 AETN added digital transmitters and microwaves at each site statewide to fulfill a mandate of the Federal Communications Commission (FCC). In May 2006 AETN finished construction on a sixth new digital transmitter at El Dorado/KETZ to serve southern Arkansas. Today AETN's infrastructure includes 6 transmitters and 13 microwave relays broadcasting to almost 100% of the State.

AETN is the state's only public educational television service and the only television in Arkansas with statewide, over-the-air broadcast capability. Through a network of 13 microwave relay stations sending signals to 6 transmitters around the state, AETN covers Arkansas and provides more than 26,000 hours of non-commercial, educational programming, communications, and training services each year. As a PBS affiliate, AETN broadcasts national programming while also producing local, award-winning programs for and about Arkansas. AETN has one of the best distribution systems in the state for delivering training and information statewide through multi-media platforms. In addition, AETN has the unique capability to begin to expand federal and state emergency alert networks with our six transmitter network.

· **AETN'S MISSION STATEMENT:**

PURPOSE (Mission): The purpose of the Arkansas Educational Television Network (AETN) is to enhance and empower the lives of all Arkansans by offering lifelong learning opportunities through high-quality educational television programs and services.

PROMISE (Core statement): The Arkansas Educational Television Network (AETN) fulfills its purpose by providing: educational resources to schools and all educators; innovative and high-quality public media television programs and services that illuminate the culture and heritage of Arkansas and the world; and opportunities to engage and explore new ideas. This relevant AETN content will expand the minds of children, inform Arkansans about public affairs and current events in our state, highlight arts and culture, and invite Arkansans to explore the outdoors and the world around them.

SHARED VISION: Know more, do more, and be more with AETN

AGENCY GOALS:

- **Agency Goal #1:** AETN partners with educational entities to provide lifelong learning opportunities for all Arkansans, with special emphasis on teacher professional development and classroom resources. (Education)
- **Agency Goal #2:** AETN creates and acquires relevant programming and services designed to educate, enlighten and inspire a diverse, statewide audience. (Programs/Services)
- **Agency Goal #3:** AETN promotes its programs and services to the community of Arkansas through various activities as a recognized source of statewide educational opportunities. (Outreach)
- **Agency Goal #4:** AETN provides broad reliable distribution of programming and services to Arkansans through the innovative use of technology. (Access)
- **Agency Goal #5:** AETN uses a wide variety of resources to consistently support performance-based, fiscally-sound and mission-focused organizational decisions. (Support)

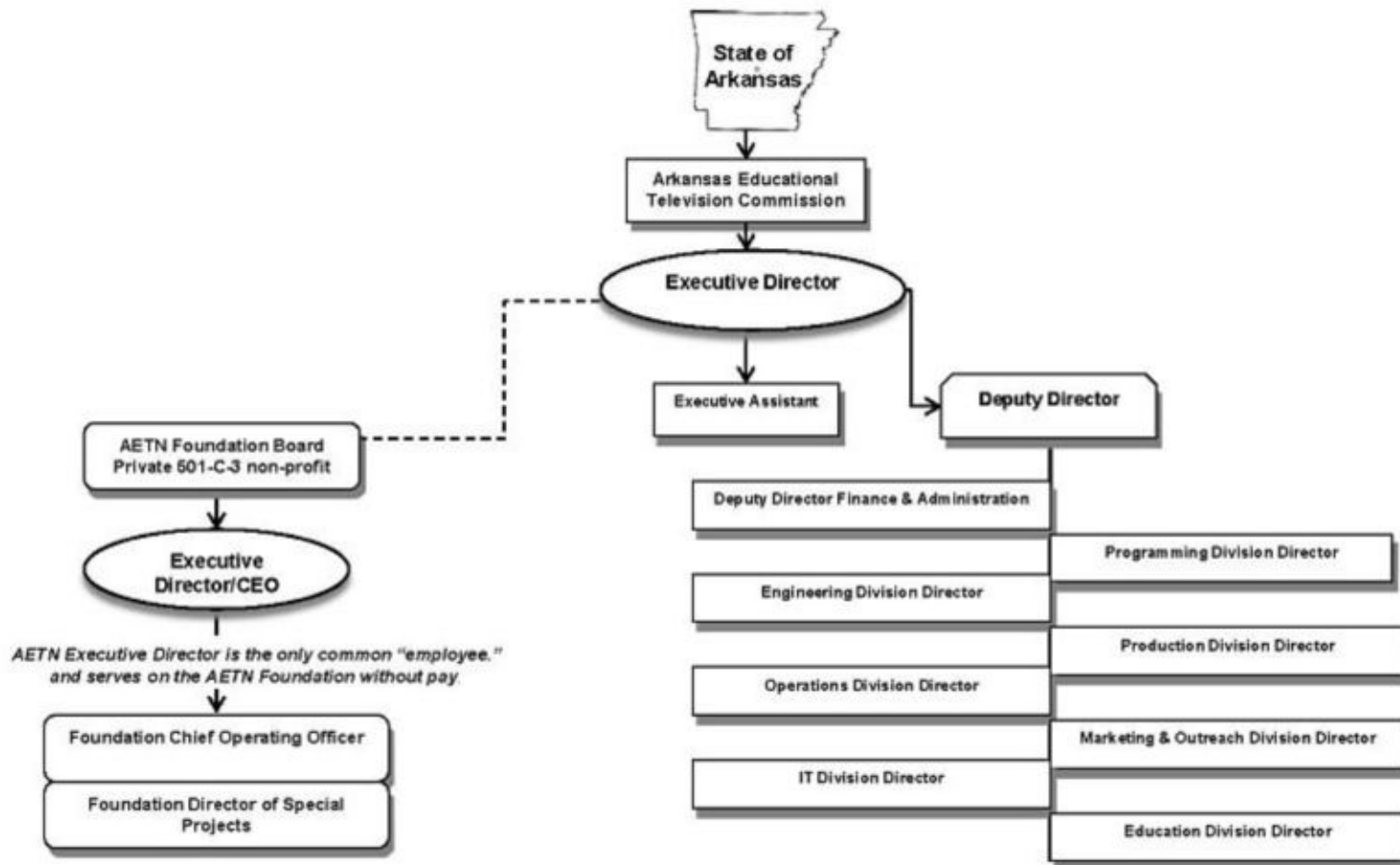
COST-EFFECTIVE SERVICE:

AETN's innovative, free and mission-based programming is increasingly not found on commercial broadcast stations or cable channels and the Network serves Arkansans for a very modest cost, and crucially receives about 40% of its current funding (\$5.4M) from state general revenue. AETN's operational budget sees revenue from various funding resources, including state and federal grants; partnerships with government, non-profits, and businesses; and individual donors who want to help provide quality, educational programs to Arkansans by donating to the affiliated, private, non-profit AETN Foundation. General audience programming is not purchased with state EMA dollars.

PUBLIC SUPPORT:

AETN is a PBS member station. For the eleventh consecutive year, national research confirmed that PBS is the most trusted institution in the United States and is considered an "excellent" use of tax dollars. Only military defense out-ranked PBS as the best value for the American tax dollar. PBS also was considered the most balanced network for news and public affairs. The research was conducted in January and February 2014 by the independent, non-partisan research companies Harris Interactive and ORC Online Caravan. In the same poll, Americans enthusiastically endorsed public broadcasting as the best place for educational programming. PBS KIDS was named the most educational TV/media brand, the safest destination for children to watch television or visit online and the top provider of content that helps children build reading and math skills.

AETN enjoys enthusiastic support for AETN in Arkansas. AETN continues to draw numerous volunteers and various partners from every corner of the state to help bring excellent, diverse programs to all Arkansans. AETN annually produces more than 160 hours of original, award-winning programs, featuring the people, places and issues of Arkansas.



Agency Commentary

AETN'S GENERAL REVENUE REQUEST:

AETN is requesting additional EMA operating funds of \$2,416,000 per fiscal year over base of \$5.398M for increased costs to maintain current statewide infrastructure and services and to be able to increase our emergency alert backbone. While Maintenance & Operations is the overwhelming need for AETN, there are a few other priority projects the network proposes. Since 2004, non-personnel related EMA funding

to AETN has declined \$400,000 while costs of maintenance, technology and other services have steadily increased. With spectrum issues and other technological changes looming it is imperative the network make up lost ground and do important maintenance that has been delayed. Even with the proposed EMA increase, the per annum cost for Arkansans is still less than \$2.80 - a tremendous value for an agency continuing to fulfill our purpose and promise.

AETN requests additional EMA general revenue operating funds for the following priorities:

- 1. MAINTENANCE & OPERATIONS & EMERGENCY MANAGEMENT (Existing Program)** - FY16 - \$1,650,000, FY17 - \$1,650,000
- 2. EARLY CHILDHOOD & ADULT EDUCATION "FAST FORWARD" (Existing Projects)** - FY16 - \$585,000, FY17 - \$585,000
- 3. VETERANS: ARKANSAS STORIES OF SERVICE INITIATIVE (Existing Project)** - FY16 -\$181,000, FY17 -\$181,000

1. MAINTENANCE & OPERATIONS & EMERGENCY MANAGEMENT (Existing Program) -

AETN is requesting EMA funding over base of FY16 - \$1,650,000 and FY17 - \$1,650,000 for **MAINTENANCE & OPERATIONS & EMERGENCY MANAGEMENT** services vital to network operation. AETN's EMA operations funding from the state has remained flat for many years, while costs like leases, equipment and building maintenance, licensing and insurance are continuing to escalate. Although AETN is very frugal and entrepreneurial in earning other revenues from partners, grantors and federal sources, grantors don't pay for personnel and infrastructure needs. AETN's EMA non-salary funding has been cut dramatically over the past decade outstripping the network's ability to do necessary maintenance.

General revenue provides the support and infrastructure for all AETN operations - distribution, engineering both at AETN and through six transmitters and eleven microwave relay sites, IT and production of Arkansas-related services, including the infrastructure necessary to support AETN's partnership with ADE for educational professional development through ArkansasIDEAS. In a unique partnership that is a model for the entire nation, AETN partners with the Arkansas Department of Education (ADE) to provide free professional development training for Arkansas' 53,199 licensed teachers through ArkansasIDEAS. **ArkansasIDEAS has delivered over 708,000 credit hours to Arkansas-licensed teachers and administrators. ArkansasIDEAS currently has over 53,500 registered users from all seventy-five counties in Arkansas as well as a large number of Arkansas-licensed users who live outside of the state.**

AETN provides four full-time digital sub-channels serving Arkansas' students, teachers, parents, citizens and the visually impaired through AETN, AETN Create, AETN Plus and the Radio Reading Service for the Visually Impaired. AETN's statewide digital infrastructure is a multi-million dollar investment for the state to use and maintain.

General revenue provides the support and infrastructure for AETN's partnerships with other state agencies, grantors, and foundations that in turn help keep operational costs lower. AETN continues to seek collaborations with state agencies and potential partners. Cash fund appropriation dollars are only expended when corresponding revenues cover the costs.

Digital equipment of the nature AETN has must be maintained and upgraded on a regular basis and we have only been able to do this on a very limited basis over the past several years. Additionally, FCC mandates like closed captioning add to ongoing costs.

AETN has met with partners in our state (State Police, National Guard, ADEM, etc.) to implement an expansive statewide and nationwide public safety communications network that, unlike other potential national services, is cost-effective and can be implemented in a much, much shorter time period than the 10 years projected in some of the proposed developing programs.

Department of Homeland Security is showing interest in evaluating how datacasting - which AETN can provide - allows data delivery to first responders now. Additionally, unlike some other potential services nationally who are backpedaling on rural coverage, AETN's state network could use our assets (six transmitters covering the state) to provide services now! Again for a cost that is several orders of magnitude less.

There is developed datacasting software and an end-to-end solution to enable a public safety entity (police, fire, DHS, FEMA, etc.) dispatcher to send encrypted, targeted audio, video and text content to multiple recipients in the field. This solution utilizes digital television (AETN's statewide coverage) as the transport layer requiring only a small portion of the unused channel capacity of AETN's network bandwidth for this application. It is important to note that this approach provides a number of benefits to the public safety community, including the ability to simultaneously send large files and video to multiple recipients (as you do with your broadcast programming), but also target specific receivers. Their existing radios do not easily handle these requirements, forcing them to utilize third party solutions that public television is better positioned to provide.

Once the system is in place, AETN's primary involvement will be the distribution backbone. This requires additional ability to maintain the crucial transmission system - transmitters, antennas, towers, etc.

Please note that PBS programming is paid for by grants and individual contributions to the AETN Foundation and, while supported through the network's infrastructure and distributed statewide via AETN's transmitters, is not purchased with general revenues.

2. EARLY CHILDHOOD & ADULT EDUCATION "FAST FORWARD" (Existing Projects) - FY16 - \$585,000, FY17 - \$585,000

AETN is requesting EMA funding over base of FY2016 - \$585,000 and FY2017 - \$585,000 to enhance the network's EARLY CHILDHOOD & ADULT EDUCATION "FAST FORWARD" (Existing Projects). AETN is enhancing our already rich content, outreach and education through on-air, web-based & in-service professional caregiver/educator training. This priority will enable AETN to partner with child care and education entities throughout the state, provide training assistance and maximize the use of AETN & PBS programming - such as SESAME STREET, CURIOUS GEORGE, WORDGIRL, PEG + CAT, WILD KRATTS, DANIEL TIGER'S NEIGHBORHOOD, DINOSAUR TRAIN,

SUPER WHY!, THE CAT IN THE HAT KNOWS A LOT ABOUT THAT, ARTHUR, CLIFFORD THE BIG RED DOG and much more. All these programs have education at the heart of what they do and all have extensive outreach materials and opportunities. AETN's outreach and education effort will focus on **Parents/Caregivers Training Field Services, expansion of AETN's Ready To Learn services.** This proposal will be to target high need areas to deliver additional and specialized training for early childhood development.

AETN is also enhancing our Adult Education services with the "Fast Forward" Pilot Project. Roughly 39,000,000 Americans - and many Arkansans - don't have enough education to go to college-or even enough to fill the jobs needed in the American workplace. They're struggling, and our communities are feeling the economic impact. The problem is too big for anyone to solve alone, but together, we can help open pathways to a brighter future. For people who didn't finish high school, educational options can be confusing and scary. The GED® test is no longer the only measure of high school equivalency. ETS has the HiSET (High School Equivalency Test) and McGraw Hill has the TASC (Test Assessing Secondary Completion).

AETN plans to pilot Fast Forward online courses for learners (with a course management system for teachers). Working with acclaimed developers from Kentucky Educational Television, the system can enable online diploma progress, enroll learners in re-usable seats, track seat time, keep up with students' progress, and generate reports. We will partner with like-minded state agencies to maximize use of this tool.

Fast Forward courses include a Teacher Toolkit offering classroom extension activities, additional instructional video segments, and correlations to GED® Assessment Targets and more. The Fast Forward courses will help learners prepare for the 2014 GED® tests, and plans call for HiSET and TASC resources to follow quickly.

3. VETERANS: ARKANSAS STORIES OF SERVICE INITIATIVE (Existing Project)

AETN is requesting to change the appropriation title from "Honoring Arkansas' War Heros" to "Arkansas Veterans' Initiative". AETN is also requesting funding of FY16 -\$181,000 and FY17 -\$181,000 to continue and enrich our **VETERANS: ARKANSAS, STORIES OF SERVICE INITIATIVE**. AETN has a long history of projects related to Arkansas veterans and is working to launch a new veterans' initiative that expands the network's "In Their Word" project - that resulted in 600 archived oral histories of Arkansas World War II veterans - featuring local on-air production and online web services (combined with national content) national content rolling out over several years, and statewide community engagement efforts to increase dialogue and solutions as our nation's veterans transition to civilian life, in addition to stories of their service. The initiative coincides with national, multi-platform content from PBS under the banner of **Stories of Service**, and a community engagement campaign backed by the Corporation for Public Broadcasting (CPB) called **Veterans Coming Home** that AETN plans to implement in our state.

The programs featured as part of **Arkansas Stories of Service** will tell compelling stories of those who have served and provide a deeper understanding of our nation's military history. As Arkansas's storyteller, we hope to spark conversations in communities and give the public an opportunity to share their personal or family story of service through local events and programs.

Arkansans will connect to these powerful stories of courage, commitment and sacrifice. They will see the veterans as people who have so much to contribute as they return to civilian life. And once they hear and see these stories, they will be compelled to respond through their local public media stations to work with local business and veterans organizations, faith based and community groups and will partner with PBS, America's public media stations, local veterans and business organizations, hoping to speak to opportunities for our troops and their families in the Arkansas communities in which they live and continue to serve.

AETN'S CASH APPROPRIATION REQUEST:

AETN is requesting additional cash appropriation of \$1.0M over base of \$7.7M in FY16 and \$1.0M over base in FY17 for continued services to the state, including expansion of AETN's professional development services now offered to teachers statewide through a partnership with the Arkansas Department of Education (ADE). During fiscal 2014 AETN's acclaimed professional development services featured compressed interactive training events with over a hundred hours of specialized training.

Since its inception in 2006 and as of Summer 2014, ArkansasIDEAS has delivered over 708,000 credit hours to Arkansas-licensed teachers and administrators. ArkansasIDEAS currently has over 53,500 registered users from all seventy-five counties in Arkansas as well as a large number of Arkansas-licensed users who live outside of the state. ArkansasIDEAS is the most reliable source of state-mandated professional development training such as child maltreatment, parental involvement, teen suicide awareness, Arkansas history, dyslexia, and autism. AETN continues to seek similar collaborations with other state agencies and potential partners.

Appropriation is needed to meet ADE's requests to improve the functionality of the IDEAS portal. This includes equipment to film courses while teachers model the objectives being taught; equipment that allows ADE to capture and web-stream professional development being presented at one of the regional co-ops or any location equipped with broadband; course content that provides professional development needs in Special Education, English as a Second Language and Gifted Education; and software redevelopment to meet current database standards giving the portal greater ability to track professional development hours. Utilizing the newest production technology to offer more expansive avenues for Arkansas educators to acquire professional development. AETN now disseminates information on multiple delivery platforms such as: live Compressed Interactive Video (CIV) productions, "face-to-face" in-studio events, and live interactive online streaming (which can be viewed on all Windows and iOS devices like iPhone and iPad).

While Arkansas IDEAS itself is a cash funded appropriation, general revenue supports the AETN infrastructure necessary to deliver such a service.

Additionally, AETN partners with other state agencies, universities, foundations and corporations to originate programs for and about Arkansas.

Cash fund appropriation dollars are only expended when corresponding revenues cover the costs.

Please note that PBS programming is paid for by grants and individual contributions to the AETN Foundation and, while supported through the network's infrastructure and distributed statewide via AETN's transmitters, is not purchased with general revenues.

PERSONNEL - AETN staff pay will remain flat for Fiscal year 2015 and while we hope for increases for biennial years FY16-17, as we are budgeting flat unless informed otherwise. But AETN will request correction of misclassified status for some of our full-time employees.

SPECIAL LANGUAGE - AETN will request continuation of current special language, with the only change reflecting the program title change from "Honoring Arkansas' War Heros" to "Arkansas Veterans' Initiative".

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS EDUCATIONAL TELEVISION COMMISSION
FOR THE YEAR ENDED JUNE 30, 2013

Findings

Recommendations

None

None

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	44	42	86	86 %
Black Employees	7	5	12	12 %
Other Racial Minorities	1	1	2	2 %
Total Minorities			14	14 %
Total Employees			100	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
127 AETN-Treasury Paying	6,653,902	29	7,735,722	35	8,249,750	35	7,039,102	35	8,082,903	35	8,055,688	35	7,039,833	35	8,083,634	35	8,056,419	35
199 AETN-State Operations	5,314,540	76	5,305,799	75	5,398,432	74	5,347,729	75	7,593,960	75	7,586,960	75	5,352,733	75	7,598,964	75	7,591,964	75
2YX Arkansas Veterans' Initiative*	63,798	0	0	0	80,000	0	0	0	181,000	0	181,000	0	0	0	181,000	0	181,000	0
Total	12,032,240	105	13,041,521	110	13,728,182	109	12,386,831	109	15,857,863	109	15,823,648	109	12,392,566	109	15,863,598	109	15,829,383	109

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	2,554,672	17.6	2,446,917	16.6			1,687,275	11.2	1,687,275	9.7	1,687,275	11.2	2,648,173	16.6	1,604,372	9.2	1,631,587	10.9
General Revenue 4000010	5,375,503	37.1	5,305,799	36.0			5,347,729	35.6	7,774,960	44.5	5,347,729	35.6	5,352,733	33.5	7,779,964	44.8	5,352,733	35.7
Cash Fund 4000045	6,546,147	45.2	6,976,080	47.4			8,000,000	53.2	8,000,000	45.8	8,000,000	53.2	8,000,000	50.0	8,000,000	46.0	8,000,000	53.4
M & R Sales 4000340	2,835	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds	14,479,157	100.0	14,728,796	100.0			15,035,004	100.0	17,462,235	100.0	15,035,004	100.0	16,000,906	100.0	17,384,336	100.0	14,984,320	100.0
Excess Appropriation/(Funding)	(2,446,917)		(1,687,275)				(2,648,173)		(1,604,372)		788,644		(3,608,340)		(1,520,738)		845,063	
Grand Total	12,032,240		13,041,521				12,386,831		15,857,863		15,823,648		12,392,566		15,863,598		15,829,383	

Variance in Fund Balance is due to unfunded appropriation.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
113	92	17	109	4	18.58 %	109	100	9	109	0	8.26 %	109	99	10	109	0	9.17 %

Analysis of Budget Request

Appropriation: 127 - AETN-Treasury Paying

Funding Sources: NET - Cash in Treasury

Arkansas Educational Television receives funding for this cash appropriation from Grants from private foundations, earnings for programs produced from the Agency's studios, and partnerships with various educational entities, state agencies, and private groups.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Base Level Request is \$7,038,102 in FY16 and \$7,039,833 in FY17.

The Agency's Change Level Requests are \$1,043,801 in each year and reflect the following:

- Regular Salaries and Personal Services Matching of \$43,801 for reclassification of three (3) positions.
- Operating Expenses increase of \$400,000 for portal licensing costs related to the IDEAS portal project, which provides free professional development training for Arkansas' licensed teachers.
- Professional Fees increase of \$250,000 for software redevelopment to meet current database standards giving the portal greater ability to track professional development hours.
- Capital Outlay increase of \$350,000 for equipment utilized to film courses while teachers model the objectives being taught as well as equipment that allows the Department of Education to capture and web-stream professional development being presented at one of the regional co-ops or any location equipped with broadband.

The Executive Recommendation provides for the Agency Request with the exception of two (2) reclassifications recommended at different grades. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 127 - AETN-Treasury Paying

Funding Sources: NET - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,005,009	1,271,076	1,327,205	1,259,182	1,295,079	1,272,775	1,259,782	1,295,679	1,273,375
#Positions		29	35	35	35	35	35	35	35	35
Extra Help	5010001	66,129	127,930	118,693	118,693	118,693	118,693	118,693	118,693	118,693
#Extra Help		12	46	46	46	46	46	46	46	46
Personal Services Matching	5010003	386,435	459,474	512,312	460,711	468,615	463,704	460,842	468,746	463,835
Operating Expenses	5020002	4,494,785	4,943,973	5,934,997	4,943,973	5,343,973	5,343,973	4,943,973	5,343,973	5,343,973
Conference & Travel Expenses	5050009	42,437	56,450	56,450	56,450	56,450	56,450	56,450	56,450	56,450
Professional Fees	5060010	267,038	399,355	140,093	140,093	390,093	390,093	140,093	390,093	390,093
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Promotional Items	5090028	18,316	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Capital Outlay	5120011	373,753	417,464	100,000	0	350,000	350,000	0	350,000	350,000
Total		6,653,902	7,735,722	8,249,750	7,039,102	8,082,903	8,055,688	7,039,833	8,083,634	8,056,419

Funding Sources										
Fund Balance	4000005	2,554,672	2,446,917		1,687,275	1,687,275	1,687,275	2,648,173	1,604,372	1,631,587
Cash Fund	4000045	6,546,147	6,976,080		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Funding		9,100,819	9,422,997		9,687,275	9,687,275	9,687,275	10,648,173	9,604,372	9,631,587
Excess Appropriation/(Funding)		(2,446,917)	(1,687,275)		(2,648,173)	(1,604,372)	(1,631,587)	(3,608,340)	(1,520,738)	(1,575,168)
Grand Total		6,653,902	7,735,722		7,039,102	8,082,903	8,055,688	7,039,833	8,083,634	8,056,419

Budget exceeds Authorized Appropriation in Extra Help, Professional Fees and Capital Outlay due to a transfer from the Cash Fund Holding Account. Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: 127 - AETN-Treasury Paying
Funding Sources: NET - Cash in Treasury

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	7,039,102	35	7,039,102	100.0	7,039,833	35	7,039,833	100.0
C01	Existing Program	250,000	0	7,289,102	103.6	250,000	0	7,289,833	103.6
C08	Technology	750,000	0	8,039,102	114.2	750,000	0	8,039,833	114.2
C10	Reclass	43,801	0	8,082,903	114.8	43,801	0	8,083,634	114.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	7,039,102	35	7,039,102	100.0	7,039,833	35	7,039,833	100.0
C01	Existing Program	250,000	0	7,289,102	103.6	250,000	0	7,289,833	103.6
C08	Technology	750,000	0	8,039,102	114.2	750,000	0	8,039,833	114.2
C10	Reclass	16,586	0	8,055,688	114.4	16,586	0	8,056,419	114.4

Justification

C01	AETN requests additional cash appropriation to improve the functionality of the IDEAS portal that provides professional development to over 53,500 registered users.
C08	AETN requests additional cash appropriation for equipment and portal licensing costs related to the IDEAS portal project.
C10	AETN requests additional cash appropriation for Salaries and Personal Services Matching for three position reclassification requests to address changes in our infrastructure since the 2009 Pay Plan implementation.

Analysis of Budget Request

Appropriation: 199 - AETN-State Operations

Funding Sources: EMA - ETV-State Operation

Arkansas Educational Television Network (AETN) is Arkansas' only statewide television network. AETN distributes a program of educational and general audience offerings that is broadcast for all citizens of Arkansas. The network's broadcast is carried from the R. Lee Reaves Center for Educational Telecommunications in Conway. In 2009, AETN terminated all analog broadcast as part of the national digital transition, but continues to serve Arkansas with six digital broadcast transmitters around the state. AETN's Second Audio Program (SAP) channel delivers the Arkansas Information Reading Service (AIRS) for the Blind as well as Descriptive Video on selected programs for those who are blind or are visually-impaired. Virtually all programs broadcast on AETN are also closed captioned for the deaf or hearing impaired. This appropriation is used for the infrastructure and operational needs of AETN. Funding for this appropriation comes from State General Revenues.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries do not include Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Base Level Request is \$5,347,729 in FY16 and \$5,352,733 in FY17 in appropriation and general revenue funding.

The Agency's Change Level Requests are \$2,246,231 in appropriation and general revenue funding in each year as follows:

- Regular Salaries and Personal Services Matching of \$11,231 for upgrades of two (2) positions to better reflect their respective responsibilities.
- Professional Fees of \$165,000 for trainers in early childhood and adult education, closed captioning for the hearing impaired, still photography archives, and production expenses.
- Operating Expenses of \$2,070,000 for network services \$40,000; printing and advertising \$95,000; various maintenance expenses \$740,000; electricity, other rent and leases, other insurance, and fuel purchases \$255,000; office, educational, photographic, and shop supplies \$255,000; software related expenses \$195,000; broadcast program license \$200,000; portal courseware license \$250,000; and low value equipment \$40,000.

The Executive Recommendation provides for appropriation only for the position upgrades, one at a lower grade for an increase of \$4,231 in Regular Salaries and Personal Services Matching, and \$2,235,000 for the increase in Operating Expenses and Professional Fees.

Appropriation Summary

Appropriation: 199 - AETN-State Operations

Funding Sources: EMA - ETV-State Operation

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	3,615,526	3,615,971	3,621,275	3,642,093	3,651,171	3,645,434	3,646,193	3,655,271	3,649,534
#Positions		76	75	74	75	75	75	75	75	75
Extra Help	5010001	7,266	8,800	8,800	8,800	8,800	8,800	8,800	8,800	8,800
#Extra Help		1	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	1,170,920	1,162,049	1,249,378	1,177,857	1,180,010	1,178,747	1,178,761	1,180,914	1,179,651
Operating Expenses	5020002	520,828	518,979	518,979	518,979	2,588,979	2,588,979	518,979	2,588,979	2,588,979
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	165,000	165,000	0	165,000	165,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		5,314,540	5,305,799	5,398,432	5,347,729	7,593,960	7,586,960	5,352,733	7,598,964	7,591,964
Funding Sources										
General Revenue	4000010	5,311,705	5,305,799		5,347,729	7,593,960	5,347,729	5,352,733	7,598,964	5,352,733
M & R Sales	4000340	2,835	0		0	0	0	0	0	0
Total Funding		5,314,540	5,305,799		5,347,729	7,593,960	5,347,729	5,352,733	7,598,964	5,352,733
Excess Appropriation/(Funding)		0	0		0	0	2,239,231	0	0	2,239,231
Grand Total		5,314,540	5,305,799		5,347,729	7,593,960	7,586,960	5,352,733	7,598,964	7,591,964

Budget Number of Positions may exceed the Authorized Number due to single salary section in appropriation act.

Change Level by Appropriation

Appropriation: 199 - AETN-State Operations
Funding Sources: EMA - ETV-State Operation

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	5,347,729	75	5,347,729	100.0	5,352,733	75	5,352,733	100.0
C01	Existing Program	1,915,000	0	7,262,729	135.8	1,915,000	0	7,267,733	135.8
C08	Technology	320,000	0	7,582,729	141.8	320,000	0	7,587,733	141.8
C11	Upgrade/Downgrade	11,231	0	7,593,960	142.0	11,231	0	7,598,964	142.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	5,347,729	75	5,347,729	100.0	5,352,733	75	5,352,733	100.0
C01	Existing Program	1,915,000	0	7,262,729	135.8	1,915,000	0	7,267,733	135.8
C08	Technology	320,000	0	7,582,729	141.8	320,000	0	7,587,733	141.8
C11	Upgrade/Downgrade	4,231	0	7,586,960	141.9	4,231	0	7,591,964	141.8

Justification

C01	AETN requests change level appropriation to fund escalating costs in maintaining AETN's operations and distribution system. Additionally, the request will be used to help support the operations of an Emergency Management System, the Early Childhood Resource Center and Adult Education Fast Forward GED programs.
C08	AETN requests change level appropriation for internet access, licensing and software costs associated with general network operations and the Adult Education Fast Forward GED program, part of AETN's educational division.
C11	AETN requests change level appropriation for Salaries and Personal Services Matching for two position upgrade requests to address changes in our infrastructure since the 2009 Pay Plan implementation.

Analysis of Budget Request

Appropriation: 2YX - Arkansas Veterans' Initiative*

Funding Sources: EMA - ETV-State Operations

This general revenue funded appropriation is used by AETN to design documentaries honoring Arkansas' war heroes. AETN is working to launch a new veterans' initiative that expands the network's "In Their Word" project, which resulted in 600 archived oral histories of Arkansas World War II. With the use of this oral history, AETN can now offer a much more inclusive picture of the past.

Act 195 of 2014 Section 7 Special Language requires the Agency to request continuation and any increase of this appropriation as a change level request for the 2015-2017 Biennium.

AETN requests a change to the appropriation title from "Honoring Arkansas' War Heroes" to "Arkansas Veterans' Initiative".

The Agency's Change Level Request provides for appropriation and general revenue funding totaling \$181,000 in each year for the purchase of capital equipment, software, services and upgrades for the program.

The Executive Recommendation provides the Agency Request in appropriation only. This request is recommended from the General Improvement Fund.

Appropriation Summary

Appropriation: 2YX - Arkansas Veterans' Initiative*

Funding Sources: EMA - ETV-State Operations

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Honoring Arkansas' War Heroes 5900046	63,798	0	80,000	0	181,000	181,000	0	181,000	181,000
Total	63,798	0	80,000	0	181,000	181,000	0	181,000	181,000
Funding Sources									
General Revenue 4000010	63,798	0		0	181,000	0	0	181,000	0
Total Funding	63,798	0		0	181,000	0	0	181,000	0
Excess Appropriation/(Funding)	0	0		0	0	181,000	0	0	181,000
Grand Total	63,798	0		0	181,000	181,000	0	181,000	181,000

*The Agency requests to change the title of this appropriation from "Honoring Arkansas' War Heros" to "Arkansas Veterans' Initiative".

Change Level by Appropriation

Appropriation: 2YX - Arkansas Veterans' Initiative*
Funding Sources: EMA - ETV-State Operations

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	181,000	0	181,000	100.0	181,000	0	181,000	100.0

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	0	0	0	0.0	0	0	0	0.0
C01	Existing Program	181,000	0	181,000	100.0	181,000	0	181,000	100.0

Justification

C01	AETN requests change level appropriation for costs associated with the Arkansas Veterans' Initiative, Stories of Service documentation and outreach project.								
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