



Educational Communications Board

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EDUCATIONAL COMMUNICATIONS BOARD MEETING

**ECB Board Room
3319 West Beltline Highway
Madison, Wisconsin
October 16th, 2015
9:30 a.m.**

EXECUTIVE DIRECTOR REPORT

Gene Purcell

The final 2015-2017 State of Wisconsin budget was signed in July and we have since received the final budget figures for the next two years and along with them, a much better idea of the impacts to the ECB budget.

I'll begin by providing a review of the budget process which began in February and ended in July with the signing of the 2015-2017 State Budget:

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

The remaining cut of about 1.3-million dollars in GPR funding is mainly focused on Wisconsin Media Lab (WiML).

In order to adjust ECB operations, we have chosen not to fill 3 vacant WiML positions and have laid off 3 WiML staff members. Currently, 2 positions remain with ECB in order to keep the WiML website online, complete existing projects, 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.

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-thousand dollar cut in funding for Milwaukee Public Television.

Since the passage of the budget, ECB has been vacating space and reconfiguring remaining space within the Beltline Building and is in the process of relocating remaining staff. The moves are being made to save rent costs and to reflect the loss of staff to ECB. We expect this project to be complete by the end of October.



Several elements of the state budget remain unresolved for ECB, specifically a proposal to move remaining IT and Finance department functions from ECB to the Department of Administration. The budget calls for DOA to consult with affected Agencies and to present a plan to the Joint Committee on Finance by next spring. I expect to be working with DOA during the coming months to provide Agency input into this process.

Separately, it appears this issue may also be included in current legislation aimed at updating some State of Wisconsin civil service rules.

I have also started the process of visiting the members of the Joint Committee on Finance to provide them with details of how the budget has affected the ECB. I expect those to continue during the next several months.

The STAR transition

Another milestone in the transition to the STAR system was reached on October 1 as many of ECB's financial systems went online using the new technology.

The "STAR" project essentially involves phasing out the wide variety of antiquated HR and financial IT platforms used by State of Wisconsin Agencies and combining these functions into one common platform.

ECB staff, primarily ECB's Deputy Director Marta Bechtol, and ECB's Financial Director Aimee Wright have been working on preparing for the transition for the last year.

This has been the largest and most complex project to affect our financial systems in the last several decades and Marta and Aimee both deserve a considerable amount of thanks for their hard work to ensure that ECB systems and staff were prepared for the transition.

Remaining elements of the STAR system will be transitioned during the coming year.

Spectrum Auction update

As I shared with you at the July meeting, the FCC plans to undertake a voluntary auction of television spectrum beginning in March 2016.

The auction itself is being undertaken to provide additional spectrum to wireless providers, as well as providing revenue to the Federal government.



The auction will require that all television broadcasters in the country make a decision as to whether to participate in the auction. Since this is a voluntary auction, the FCC has indicated there is no penalty to stations which choose not to participate.

The consequences of participation need to be carefully considered. For example, by participating in the auction, stations could essentially sell their spectrum (i.e. their channel) to the FCC. In exchange for that payment, those stations will then relinquish their broadcast licenses, go off the air, and cease to be broadcasters.

For commercial stations, this will primarily be a business decision, and for some, it will be a complicated one.

In the case of non-commercial public stations, the considerations must also include our public service mission inherent in public media. For ECB, another factor is the long-standing partnership between ECB and the UW to operate WPT as a statewide service.

Stations will have until the end of the year to formally indicate their intentions to the FCC.

Spectrum Auction “Quiet Time”

Since our meeting in July, an additional issue surrounding the spectrum auction has been brought to the attention of public television station managers throughout the country.

The issue is what’s known as “quiet time” – a period of time around and during the auction process when license holders are prohibited from engaging in certain types of communication regarding their plans for the auction.

Here is an outline of the basic issues from our Washington DC counsel. I have **bolded** the issues which ECB Board members will especially need to be aware of:

*As activity relating to the TV Spectrum Auction increases this fall (at the FCC and at stations), we are providing our current advisory on the FCC’s anti-collusion rule that binds **all** broadcasters to stringent “prohibited communications” requirements regarding auction strategies and plans. The anti-collusion rule will kick in on the still-to-be-set auction participation application deadline later this year. While the public TV industry is awaiting further guidance from the FCC on some issues, we believe it is essential for our clients to have this advisory in hand now for purposes of educating governing boards, station management, and station staff about a rule that is likely novel to all of you. **We note that the rule runs counter to some basic public TV and public***



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sector practices on transparency and openness, which underscores that stations and their boards will need some time to adjust to, and plan for, the restrictions of this rule.

Since this has ramifications to ECB in terms of open meetings and open records requirements under Wisconsin state law, I have met with our attorneys at DOA to alert them to these issues and have requested guidance from them for Board members and ECB staff as we move forward.

I will provide more details on this topic for you during the October Board meeting.