

Iowa Public Television

Performance Report

Performance Results Achieved for Fiscal
Year 2006

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Introduction

I am pleased to present Iowa Public Television's (IPTV's) performance report for fiscal year 2006 (July 1, 2005 – June 30, 2006). This report contains information about the services Iowa Public Television and its partners provided for Iowans during the past fiscal year. The report is prepared in accordance with the Accountable Government Act to improve decision-making and increase accountability to stakeholders and citizens.

This report contains performance information on how well Iowa Public Television is achieving its strategic plan goals. The report also contains performance information on IPTV's primary activities, services, and products.

An unparalleled explosion of choice in the commercial marketplace, flat-to-shrinking support from all of public television's traditional funding sources, and the federally mandated and expensive conversion to digital broadcast technologies have collided and provided Iowa Public Television with many challenges. IPTV's strategic plan, developed in 2004, continues to provide guidance for addressing these challenges and providing a vision for the future. As seen on page five, for the second year in a row IPTV's audience grew from one fiscal year to the next. IPTV has expanded the services provided beyond broadcast by utilizing the Internet as a distribution mechanism. Over 4,500,000 visits were made to IPTV's web pages (page seven).

The Federal Communications Commission (FCC) has mandated that all over-the-air television stations transition from the current analog broadcast system to a new digital broadcast system. Digital television will allow IPTV to offer new services such as high definition (HDTV), multicasting, and data casting. These new services will result in enhanced services, delivery of interactive content, and more programming that can be targeted to IPTV's various audiences. IPTV is positioning itself to take full advantage of the conversion, once the technology is fully in place.

During fiscal year 2006 Iowa Public Television continued focusing on creating and providing locally-produced and locally-focused enlightening and entertaining programming and educational content that appeal to its customers. IPTV met or exceeded its performance target in nine of the ten performance plan measures presented on pages nine through eleven. IPTV's future focus on the high ground of HDTV, multi- and data-cast programming – when commercial providers are seeking the opposite – will increase its importance to the citizens of the State.

Thank you for giving us this opportunity.

Sincerely,

Daniel K. Miller
Executive Director and General Manager
Iowa Public Television

Network Overview

Purpose: Television programming, in all its forms, is the most powerful media of our time. As a part of our lives each day, it provides a lens through which we see our world. At its best, it gives us insight and inspiration, companionship, comfort, fulfillment and growth. On behalf of all Iowans, Iowa Public Television uses the power of this and other forms of public service media to educate, inform, enrich, and inspire with non-commercial, unique, and trusted programs and services that engage individuals and communities across Iowa.

Mission: To educate, inform, enrich, and inspire Iowans.

Vision: Iowa is at the heart of Iowa Public Television.

We will be a vital and important part of the lives of Iowans of all backgrounds, all generations, and all walks of life. We reach all of Iowa with our broadcast signal; similarly, our programs and services are aimed at all those who live here.

Iowa's youngest residents – and their parents and teachers, grandparents and caregivers – will view us as a key part of their learning lives. We will provide them with trusted quality children's services that educate and entertain them, encouraging them to be part of a broader community.

We will engage learners with interactive educational tools through their early childhood programs, schools, and teachers, taking them on trips that enhance learning.

Iowans will turn to Iowa Public Television as their preferred source for information about the state we call home. Through interactive Internet and ICN-based virtual field trips to Iowa landmarks, simultaneous television programming about our legislature, our communities, our athletes, and our musicians, and through educational opportunities that go beyond our broadcast, Iowans will look to us as their partner in their quest for community and lifelong learning.

We will be a key source of information about Iowa, a hub for civic discourse, a center for community engagement, and a leader in Iowa's future.

Guiding Principles: The people who work at Iowa Public Television—staff and volunteer—share the following beliefs. We believe:

- As broadcasters and educators, we hold a public trust with the people of Iowa.
- Television can be a force for good, and we will exercise its use with integrity.
- Public television should be available to everyone in the state.
- Our programs impact viewers' lives; and their worth is determined by their use, their quality and the service they provide to their viewers.
- The people who make public television and the people who watch it will be treated with dignity and respect.

Core Functions and Key Services: Iowa Public Television (IPTV) is Iowa’s statewide public broadcasting network. IPTV has two core functions.

1. With public broadcast and media services, IPTV provides public television, telecommunications, and other services that educate and enrich people’s lives. Activities include programming, video creation, educational opportunities, outreach, and other media services.

2. With educational telecommunications services, IPTV imparts knowledge by developing skills and competencies through broadcast services or other avenues. Activities may include programming, professional development, public awareness efforts, planning, research and evaluation, technical assistance, curriculum development, and fiscal and/or program oversight.

IPTV staff is focused on creating and providing entertaining programming and educational content that appeal to its customers. Support staff and the IPTV Foundation staff contribute to the creative process by making available a structure that provides cutting edge technology, necessary administrative services, and funding.

As a professional broadcast organization, IPTV is protective of its first amendment rights and responsibilities to exercise independent journalistic and editorial judgments. Decisions are continuously scrutinized to ensure that programming and educational content are free of political influence or commercial consideration. IPTV also has the ability to build collaboration among partners, thereby extending the value of products and services.

Customers and Stakeholders: IPTV’s three key customers groups are viewers, educators, and funders. Viewers want to be able to receive IPTV’s stations, have a clear clean signal, availability of good content, and have consistent and quality programming.

Educators expect quality programming and services that fit their core curriculum. While educators expect outreach tools such as study guides and workshops, viewers see outreach more as a bonus than an expectation. When choosing technology based curriculum materials, the two most important criteria for teachers are relevance to the curriculum and age/grade appropriateness.

Funders such as government agencies and foundations expect mission critical work to be completed and delivered within the funding cycle. Underwriters expect on-air credit around programs that deliver a targeted audience. IPTV Foundation members want strong customer service and recognition for donations and gifts.

Delivery Mechanisms: Programming is delivered to viewers by over-the-air broadcast, cable, and digital broadcast system providers. Services to educational customers are provided through broadcast airwaves, the Iowa Area Education Agencies, the Internet, and the Iowa Communications Network.

Organizational Structure: The Iowa Public Broadcasting Board, the broadcast licensee, governs IPTV and sets general programming objectives and policy guidelines. IPTV is an autonomous agency under the umbrella of the Iowa Department of Education.

The Iowa Public Broadcasting Board elects the 24-member Board of Directors of the IPTV Foundation representing seven geographic areas of Iowa. The nonprofit IPTV Foundation serves as the fundraising arm for IPTV.

The Iowa Public Broadcasting Board hires the Executive Director/ General Manager of IPTV.

Staff: IPTV employs 120 full-time staff. An additional staff of 15 is employed by the IPTV Foundation. Talent, contractors, and intermittent employees are hired as needed for productions and other network activities.

Locations: IPTV operates nine analog transmitters, six high-power digital transmitters, two low-power digital transmitters and eight translators across Iowa. The 62,000 square foot headquarters in Johnston houses two production studios, master control, edit suites, scene shop, Iowa Communications Network video classrooms, and field production equipment. A satellite farm is also located on the seven and one-half acres of ground in Johnston. One building is rented for additional IPTV and Foundation staff.

Budget: IPTV has a \$15,000,000 annual operating budget, of which state appropriations are approximately 47%. An additional \$10,000,000 was received in fiscal year 2006 for capitals and pass through funds.

Key Results

CORE FUNCTION

Name: Public Broadcast and Media Services

Description: Acquisition and scheduling of television programs that educate, inform, enrich and inspire over 1,000,000 viewers a week across the State. Production of 150 hours of local content a year covering Iowa issues and events

Why we are doing this: IPTV is Iowa's network of community, education, enlightenment, and civic engagement – distinguished from all other media sources by local ownership and control, and by its commitment of service to Iowans. IPTV concentrates on presenting an unequaled array of programs of lasting value to Iowans and not on delivering audiences to advertisers.

What we're doing to achieve results: Iowa Public Television listens to its viewers. IPTV is continuing an on-going viewer engagement project that includes dialogues with viewers across the state. IPTV is working with the national organizations PBS and the Corporation for Public Broadcasting (CPB) to utilize their national research on the local level and to provide local feedback into the national schedule. IPTV is also increasing its promotions and marketing efforts to guarantee its place in a 500 channel environment.

Results

Performance Measure:

Viewers per week

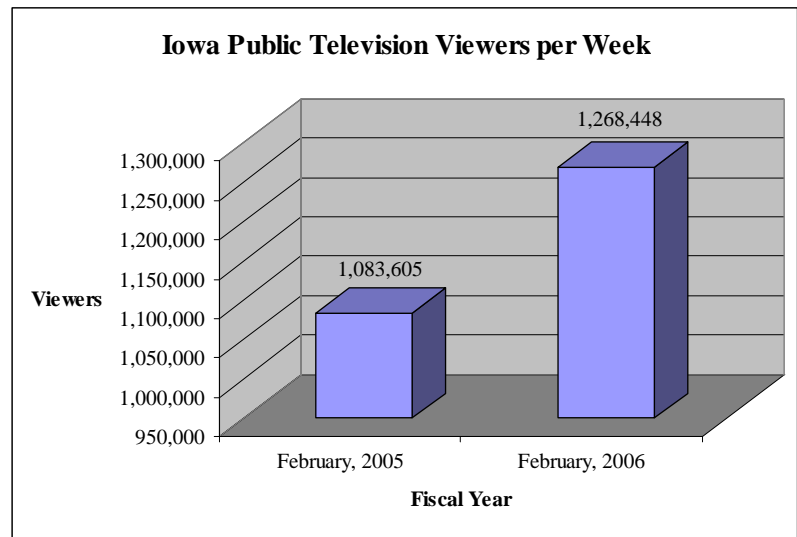
Each individual is counted once – regardless of the number of programs watched or the duration of their viewing.

Performance Target:

980,000

Data Sources:

Nielsen ratings for February



Data reliability: Nielsen ratings are the industry standard. There is debate about the accuracy of Nielsen ratings. For example, Niensens do not measure the television usage in institutions such as preschools, daycares, and K-12 schools. This theoretically results in lower ratings for IPTV. However, at this point in time, Nielsen ratings are the only options for objective measurement of television viewing.

Why we are using this measure: IPTV's noncommercial, public-service mission enables the organization to concentrate on presenting an unequaled array of programs of lasting value to Iowans regardless of where they live or what they can afford. While, concentrating on the quality and variety of services, Nielsen ratings provide IPTV with an objective measure of how audiences are responding to the broadcast schedule.

What was achieved: The number of viewers watching IPTV grew by 17% from fiscal year 2005 to fiscal year 2006.

Analysis of results: Iowa Public Television viewership grew for the second year in a row after declining each of the three previous years. Competition is still extremely fierce. Growing cable penetration and expanded channel capacity increase the tuning options in the average household. According to Nielsen Media Research, in 2002, the average home received 102.1 channels, an increase of almost 13 since 2001. In addition, the percentage of homes receiving 100+ channels rose from 25% in 2001 to 32% in 2002, with 42% receiving between 60 and 99 channels. Per TV Technology.com, during the 2002-2003 season, (commercial) broadcast television stations collectively held an average 49 primetime share of U.S. television households, compared to an average 74 share ten years earlier, a 33.8% decrease.

Factors affecting results: Fragmentation of the media industry.

Growth of Tuning Alternatives

of stations cha

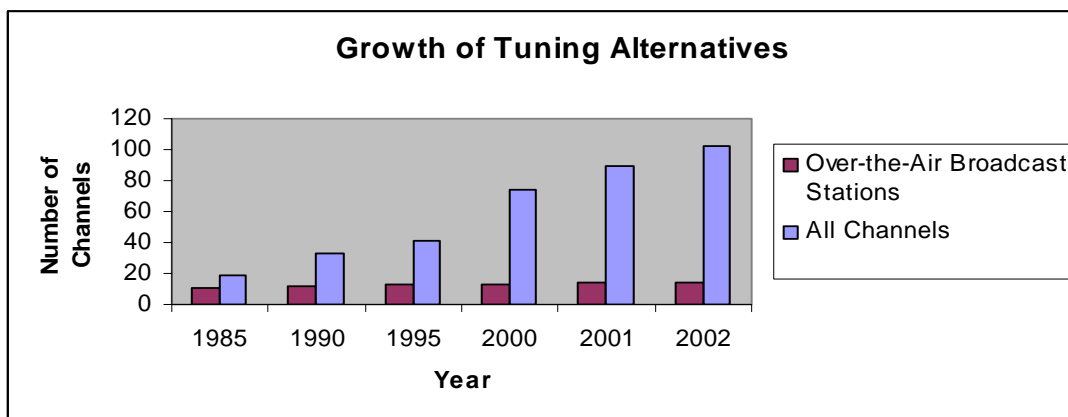
Tuning options continue to grow. The average household now has 102 different channels from which to choose.

	Over-the-Air Broadcast Stations	All Channels*
1950	3.8	N/A
1976	7.7	N/A
1980	9.0	N/A
1985	11.0	18.8
1990	11.7	33.2
1995	13.0	41.1
2000	12.9	74.6
2001	14.6	89.2
2002	14.3	102.1

Sources: NII Audimeter sample: February 1950-85 and National People Meter sample: September 1990-present.

Notes: N/A = not available.

*Includes broadcast and cable.



Resources used: These activities are funded with contributions made to the Iowa Public Television Foundation and with state appropriations.

Key Results

SPA

Name: Web Resources

Description: IPTV develops educational and programming resources via the Web. The resources are in most cases tied to the broadcast services provided to preschoolers, K-12 students, adult learners, and the general audience. There are also Internet resources developed solely for the Internet without direct ties to our broadcast services.

Why we are doing this: The accessibility of broadband technology has made the Internet an important tool for consumers to access content, regardless of the demands of their personal schedule. The Internet allows content providers to provide information beyond the limit of the broadcast. Educators have found Internet resources to be an effective tool for students and appreciate its ease of use and availability.

What we're doing to achieve results: Iowa Public Television staff updates key pages regularly so that information is fresh and timely. Major initiatives are researched, developed and launched, such as the Iowa Pathways site, an Iowa History tool for our state's educators and students. New technologies are researched and used whenever feasible. For example, we are now offering RSS (really simple syndication) on our Market to Market site. During the 2006 campaign season, Iowa Public Television's political coverage provided in-depth interviews with the candidates and serious analysis of the issues that you couldn't find anywhere else. Iowans could find audio, video, and transcripts of IPTV's debate coverage, interviews with candidates and more on IPTV's website. IPTV's promotions and marketing efforts direct customers to our related Internet resources.

Results

Performance Measure:

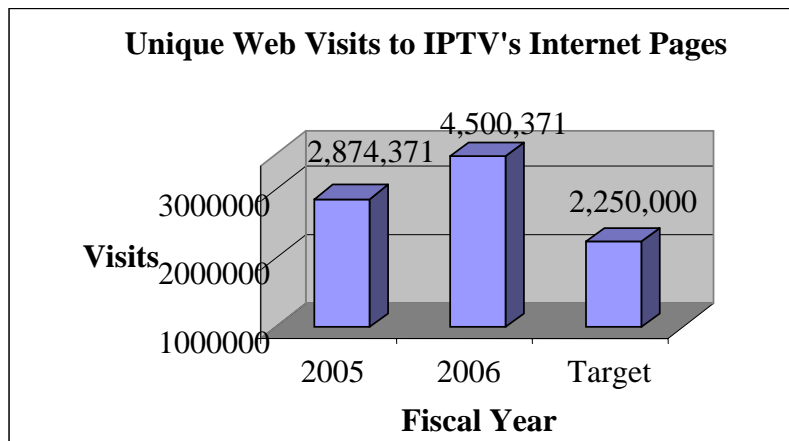
Number of unique Web visits to Iowa Public Television's Internet pages

Performance Target:

2,250,000

Data Sources:

Internet statistical software



Data reliability: The software utilized was developed to track the information reported.

Why we are using this measure: This measure is an indicator of the interest/need for Internet based resources.

What was achieved: The number of web visits to IPTV's web sites increased by 56% from fiscal year 2005 to fiscal year 2006.

Analysis of results: IPTV's web pages provide our customers with additional resources that go beyond the reach of a broadcast. The customers would not access to these resources without utilization of the Internet as a delivery mechanism of resources.

Factors affecting results: The broadcast services that drive the use of the Internet, new initiatives for use on the Internet only, marketing and promotion

Resources used: Web team staff are funded with state appropriations, the Community Services Grant from the Corporation for Public Broadcasting, and with educational grants.

NETWORK PERFORMANCE PLAN RESULTS FY 2005

Name of Network: Iowa Public Television			
Agency Mission: Iowa Public Television provides public television, telecommunications, and other services that educate, inform, and enrich people's lives.			
Core Function: Public Broadcast and Media Services			
Performance Measure (Outcome)	Performance Target	Performance Actual	Performance Comments & Analysis
1. Cumulative number of Iowa children ages 2-11 watching Iowa Public Television's daytime programming every day.	225,000	279,059	What Occurred: The number of children ages 2-11 watching IPTV grew by 17% from fiscal year 2005 to fiscal year 2006. Data Source: Nielsen Station Index February 2006, 2005, and 2004 Average Daily Total Statewide viewing Demographic projections by half-hour Monday-Friday Daytime
2. Individuals and families who support IPTV's service through their membership in Friends of IPTV	65,000	63,768	What Occurred: There was a decline in memberships in Friends of IPTV by 1.7% from fiscal year 2005 to fiscal year 2006. Data Source: Foundation audited financial statements
Service, Product or Activity: Programming and Production			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Total local production hours broadcast	300	565	What Occurred: The number of total local production hours broadcast increased by 35% from fiscal year 2005 to fiscal year 2006. Data Source: Iowa Public Television's programming data base.
Service, Product or Activity: Content Distribution, Delivery, and Support			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percentage of time transmitters are on-air.	95%	99.49%	What Occurred: The percentage of time transmitters were on the air increased by .1% from fiscal year 2005 to fiscal year 2006. Data Source: Incidence Reports

Name of Network: Iowa Public Television			
Agency Mission: Iowa Public Television provides public television, telecommunications, and other services that educate, inform, and enrich people's lives.			
Core Function: Education			
Performance Measure (Outcome)	Performance Target	Performance Actual	Performance Comments & Analysis
1. Cumulative Number of teachers and students who use IPTV's educational services.	400,000	422,175	<p>What Occurred: A stratified random sampling of approximately 400 Iowa educators indicated that 76% of Iowa K-12 teachers actively take advantage of IPTV resources. This number is up from nearly 70% of K-12 teachers from a 1997 survey taken of K-12 teachers.</p> <p>Data Source: Frank N. Magid and Associates, Inc., spring 2004</p>
Service, Product or Activity: Educational Telecommunications			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Number of students who served by interactive learning sessions through K-12 Connections annually.	60,000	62,665	<p>What Occurred: The number of students served by interactive learning declined by 3% from fiscal year 2005 to fiscal year 2006.</p> <p>Data Source: ICN classroom scheduling software</p>
2. Number of hours broadcast time dedicated annually to K-12 Classrooms and college credit hours.	800	1,018	<p>What Occurred: The number of hours broadcast time dedicated to K-12 Classrooms and college credit hours increased by 43% from fiscal year 2005 to fiscal year 2006.</p> <p>Data Source: IPTV programming database</p>

Name of Network: Iowa Public Television			
Agency Mission: Iowa Public Television provides public television, telecommunications, and other services that educate, inform, and enrich people's lives.			
Core Function: Resource Management			
Performance Measure (Outcome)	Performance Target	Performance Actual	Performance Comments & Analysis
1. Growth rate in net assets, as reported in the audited financial statements	0%	23%	What Occurred: There was a positive growth rate in IPTV net assets in fiscal year 2006. Data Source: IPTV financial statements audited by the Auditor of State.
Service, Product or Activity: Public and Governmental Services			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Total newspaper clips in a year	1,000	1,366	What Occurred: The number of press clips IPTV received decreased by 3% from fiscal year 2005 to fiscal year 2006. Data Source: Iowa Press Clipping Bureau
Service, Product or Activity: Administration			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Number of audit comments in Iowa Public Television's audited financial statements	0	0	What Occurred: There were no audit comments in the FY 2006 audited financial statements. Data Source: IPTV financial statements audited by the Auditor of State

RESOURCE REALLOCATION

As a result of state budget cuts from fiscal year 2001 to fiscal year 2003, printed teacher's guides, a printed newsletter, other printed materials as well as the overnight block feed of K-12 programs were eliminated. Focus groups of Iowa educators conducted by the Corporation for Public Broadcasting (CPB) and a 2004 survey of approximately 400 Iowa educators conducted by Frank N. Magid and Associates, indicated that more detailed advance information about IPTV programs and services was needed. For example, in the Magid survey, 59% of the educators surveyed indicated that they wanted more detail and advanced notice about IPTV resources and 55% wanted that information in print format. Although a specific question about overnight block feeds was not posed in the Magid survey, 69% of the survey respondents indicated that video tape was still the preferred mode of using IPTV resources in the classroom. In narrative responses, a sizable number of educators stated that the overnight block feeds were missed as a way to obtain video tape copies of IPTV resources to use in the classroom.

IPTV worked with the Iowa Communications Network (ICN) to have the ICN become responsible for the maintenance of ICN educational classrooms in fiscal year 2006. This transfer of responsibilities to the ICN freed up dollars at IPTV to provide educators the resources they need to improve results in their classrooms.

Iowa Public Television returned to broadcasting 24 hours per day in September, 2005. This not only allowed the return of block-feeds for educators across the State, but should also result in more efficient operations for our aging analog transmitters. Burn outs have happened at three of our transmitter sites as a result of the expansion and contraction of the transmission line over time as we powered up and down. One burn out occurred during the winter and for eight months the coverage area of the Waterloo/Cedar Rapids signal was reduced by 75%. By cycling these aged systems on and off to save utilities, we are reducing the time between failures, increasing the cost of operations and reducing the service provided to Iowans. While there is no guarantee that transmission lines and klystrons won't fail, stopping the power cycling should lower the number of failures our system is currently experiencing.

NETWORK CONTACTS

Copies of Iowa Public Television's Performance Report are available on the IPTV Web site at <http://www.iptv.org/about.cfm>. Copies of Iowa Public Television's Performance Report can also be obtained by contacting Kris Houston at 515-242-3152.

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