

Iowa Public Television

Performance Report

Performance Results Achieved for Fiscal
Year 2007

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Introduction

I am pleased to present Iowa Public Television's (IPTV's) performance report for fiscal year 2007 (July 1, 2006 – June 30, 2007). 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 continues to provide guidance for addressing these challenges and providing a vision for the future. As seen on page five, IPTV maintained its audience from one fiscal year to the next with only a slight decrease in the number of viewers who watch IPTV each week. IPTV has expanded the services provided beyond broadcast by utilizing the Internet as a distribution mechanism. IPTV will be changing its measurement tool of Internet usage to better measure individuals' use of IPTV's web pages (page 7).

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. For the third year in a row, the number of local production hours broadcast has grown (page 9).

During fiscal year 2007 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 eight 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, eight high-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 \$15,700,000 annual operating budget, of which state appropriations are approximately 48%. An additional \$7,000,000 was received in fiscal year 2007 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

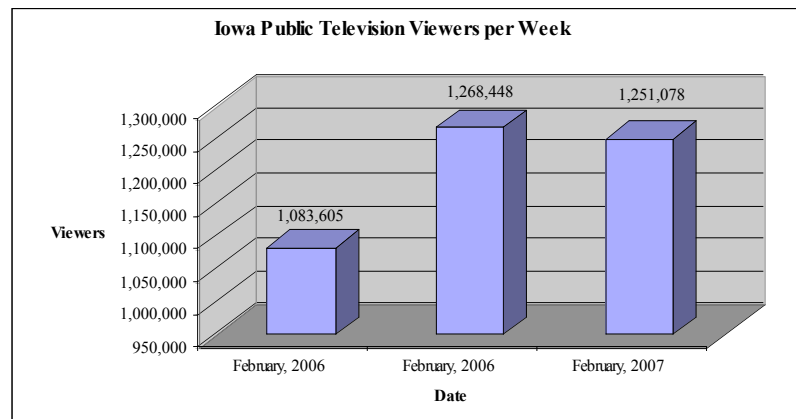
Each individual is counted once – regardless of the number of programs watched or the duration of their viewing.

Performance Target:

1,000,000

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 declined by 1.37% from fiscal year 2006 to fiscal year 2007, a decrease less than the national average. In May, 2007, IPTV's Central Iowa Station, KDIN, was the number one watched station in the country.

Analysis of results: Iowa Public Television viewership declined slightly for the first time in three years. Competition is extremely fierce. Increased online use, plus 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 chg

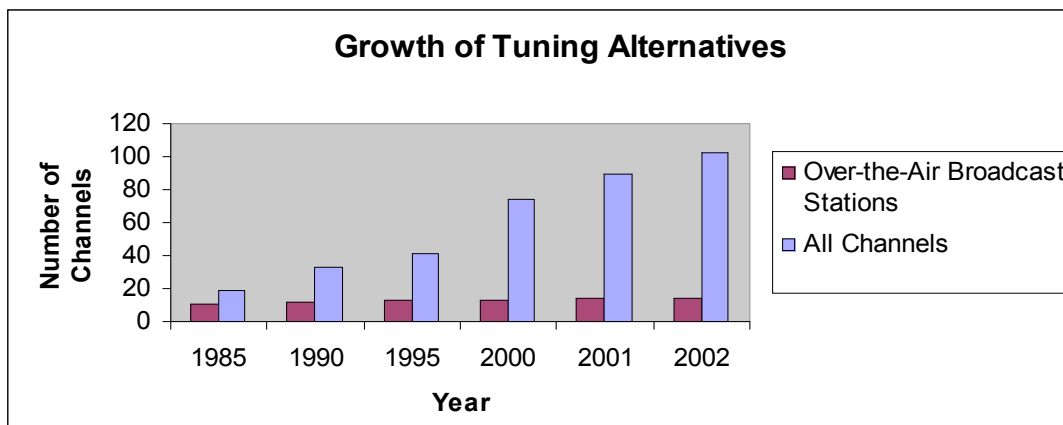
Tuning options continue to grow. The average household now has 102 different channels from which to choose.

	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

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 did a complete redesign of IPTV's web site. Opportunities to watch video are much more prevalent now. Other design features include snapshots of program schedules from multiple channels, highlighting prime time programs, use of Google's search tool, highlighting upcoming local programs and services, service banners, IPTV news, and opportunities to give to Iowa Public Television. Design features of the home page are carried through to sub-pages so that the look and feel of the web pages is the same throughout the site.

Results

Performance Measure:

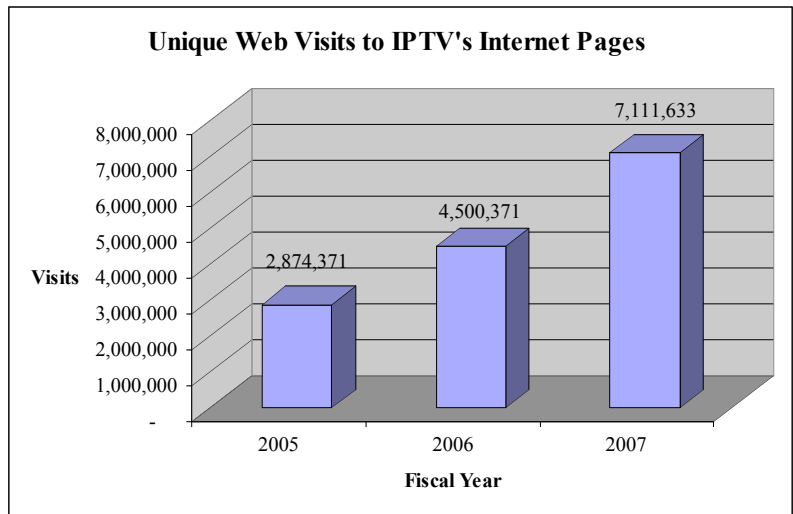
Number of unique Web visits to Iowa Public Television's Internet pages

Performance Target:

2,800,000

Data Sources:

Live Stats 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 58% from fiscal year 2006 to fiscal year 2007.

Analysis of results: The LiveStats statistical software used in fiscal year 2007 includes visits received from web crawlers in counting the number of web visits to IPTV web sites. According to Wikipedia, "a web crawler is a program or automated script which browses the World Wide Web in a methodical, automated number. Web crawlers are mainly used to create a copy of all the visited pages for later processing by a search engine that will index the downloaded pages to provide fast searches."

IPTV will begin using Google Analytics to measure total web site visits in fiscal year 2008. Google Analytics "uses a first-party cookie and JavaScript code to collect information about visitors". Therefore, IPTV will be reporting the number of individuals actually visiting IPTV web sites. Visits from large automated programs will not be included in the reported totals. While the number of web visits reported will decline sharply, the measurement will be a better evaluator of the actual use of the web sites by individuals.

Factors affecting results: Increased use of web crawlers by search engines of the World Wide Web.

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 2007

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	275,237	What Occurred: The number of children ages 2-11 watching IPTV declined by 1.37% from fiscal year 2006 to fiscal year 2007. Data Source: Nielsen Station Index February 2007, and 2006 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	60,000	63,888	What Occurred: There was an increase in memberships in Friends of IPTV by .2% from fiscal year 2006 to fiscal year 2007. 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	594	What Occurred: The number of total local production hours broadcast increased by 5% from fiscal year 2006 to fiscal year 2007. 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%	99.04%	What Occurred: The percentage of time transmitters were on the air decreased by .45% from fiscal year 2006 to fiscal year 2007. 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	393,934	What Occurred: The number of teachers and students reached by IPTV declined by 13% from fiscal year 2006 to fiscal year 2007. According to the survey, Iowa teachers still rank IPTV as their most used video source. Data Source: Market Data Retrieval Survey, January, 2007
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	50,870	What Occurred: The number of students served by interactive learning declined by 22% from fiscal year 2006 to fiscal year 2007. Data Source: ICN classroom scheduling software
2. Number of hours broadcast time dedicated annually to K-12 Classrooms and college credit hours.	800	1,134	What Occurred: The number of hours broadcast time dedicated to K-12 Classrooms and college credit hours increased by 11% from fiscal year 2006 to fiscal year 2007. Data Source: IPTV programming database

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%	7.9%	What Occurred: There was a positive growth rate in IPTV net assets in fiscal year 2007. 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	1,637	What Occurred: The number of press clips IPTV received increased by 20% from fiscal year 2006 to fiscal year 2007. 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 2007 audited financial statements. Data Source: IPTV financial statements audited by the Auditor of State

RESOURCE REALLOCATION

There are many budgetary pressures on Iowa Public Television to provide the new services that technology has made possible and that meet the growing needs of the public. Two examples of successful reallocations to meet these new needs are the new weekly current affairs series *The Iowa Journal* and a partnership-driven college campus event and lecture series called *Intelligent Talk Television*.

Reallocations and redirection of existing personnel and financial resources -- coupled with funds allocated in FY 08 for a mobile television production unit -- will enable IPTV to embark on a dramatic new programming endeavor that responds directly to needs ascertained by the network in a series of statewide listening sessions held during 2005 and 2006.

The endeavor is called *The Iowa Journal*, a weekly exploration of the forces and the hands that shape the life and times of our state. The weekly television programs, quarterly town meetings held on location throughout the state, and their companion online components will begin where daily news programs end – looking beyond the sound bites and the spin at the social, political, economic and cultural trends that impact Iowa, offering viewers the context and perspective that is essential for an informed citizenry and that is uniformly lacking in the breathless “live and late-breaking” programming that elsewhere is the norm.

The Iowa Journal will be Iowa’s televised town square and marketplace of ideas – a center for civic, civil discourse and for interesting, relevant and provocative reporting and perspective about civic and cultural life in the community that is Iowa.

The series represents a significant increase in IPTV’s commitment to current affairs coverage. It responds directly to the public’s interest, as expressed in a series of listening sessions with Iowans across the state in 2005 and 2006, where IPTV heard the need for serious, thoughtful, and civil discourse about the issues important to Iowans.

Intelligent Talk Television is a growing partnership between Iowa Public Television and the state’s colleges and universities that uses college and university media students -- mentored by IPTV professionals -- to capture on video some of the great lectures and events that are occurring every day on college campuses throughout the state. That video is edited and broadcast statewide on one of Iowa Public Television’s digital channels and streamed online via IPTV.org - - extending the reach of the college and university programs to interested Iowans no matter where they live or what they can afford to pay. It is truly a partnership for the public interest.

The partnership began in March 2007, when Iowa Public Television began to work with Iowa State University, the University of Northern Iowa, the University of Iowa and Buena Vista University to begin a proof of concept pilot. Working with faculty and staff at the colleges and Iowa Public Television programming personnel, processes were developed for identifying

speaking events and working with students. By the end of the spring semester seven programs had been completed. They ranged from former President Jimmy Carter's University of Iowa lecture on the Middle East, to former Apple Computer marketing guru Guy Kawasaki talking at Iowa State University about the art of innovation.

Videotapes of selected Iowa Public Radio interview programs are being added to the *Intelligent Talk Television* library. Wartburg, St. Ambrose, North Iowa Area Community College, Kirkwood Community College and William Penn will be added to the partner group this fall.

Another example of Iowa Public Television's efforts to exercise flexibility to make adjustments at the program level to meet identified needs is the launch of the new Adult Literacy Resource service. For many years, IPTV had broadcast college telecourses in support of distance learning initiatives of Iowa's colleges and universities. The number of colleges and universities offering these telecourses for college credit has been decreasing due largely to growth in popularity of online college credit classes. Recognizing Iowa's workforce needs, Iowa Public Television was able to launch a series of broadcast adult literacy programs that can assist in helping Iowans that need to do so to enhance their literacy and language skills to help meet the growing labor needs of the state. IPTV was able to reallocate funding and refocus from offering college telecourses to offering programming in support of adult literacy. As a result of this, IPTV is broadcasting five different series for adult learners. *Connect With English*, *Crossroads Café*, *GED Connection*, *TV411* and *Work Place Essential Skills* collectively address GED preparation, financial literacy life skills, workforce issues, and English language acquisition. These programs are used by the Department of Education and Iowa Workforce Development to aid in their respective efforts.

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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