

**GOVERNOR KAINE'S AUGUST 2008 REDUCTION PLAN
FOR FISCAL YEARS 2009 AND 2010**



PURSUANT TO ITEM 475.10, CHAPTER 879 (2008)

AUGUST 15, 2008

PREPARED BY DEPARTMENT OF PLANNING AND BUDGET

GOVERNOR'S AUGUST 2008 REDUCTION PLAN

Pursuant To Item 475.10 of Chapter 879, The 2008 Appropriation Act

Governor's Office and Cabinet

Secretary of Public Safety

Capture turnover and vacancy savings

The agency will continue to keep one deputy secretary position vacant.

	FY 2009	FY 2010
GF Savings:	(\$101,338)	(\$101,338)

Secretary of Agriculture and Forestry

Capture vacancy and turnover

The Deputy Secretary is serving in a dual role as Chief Deputy Commissioner at the Virginia Department of Agriculture and Consumer Services and his salary costs are reflected in that budget.

	FY 2009	FY 2010
GF Savings:	(\$102,313)	(\$102,313)

TOTALS FOR GOVERNOR'S OFFICE AND CABINET

	FY 2009	FY 2010
GF Savings:	(\$203,651)	(\$203,651)
GF Resources:	\$0	\$0
Total GF Impact:	\$203,651	\$203,651
Position Level:	0.00	0.00

Administration

Department of Human Resource Management

Improve space utilization

The department will convert existing, underused space to space that serves the Common Health program, which is a nongeneral fund activity. In doing so, the department will still retain the same amount of space, but the space will be funded with nongeneral fund dollars rather than the general fund.

	FY 2009	FY 2010
GF Savings:	(\$81,336)	(\$81,336)

State Board of Elections

Eliminate certain technology mainframe costs

Eliminates Unisys mainframe disk and tape storage charges for statewide voter registration system. These tapes contains various election reports and data extracted from the Unisys mainframe system. Data from the agency's mainframe tapes will be transferred and saved to a mass storage device available to network users and eliminate the mainframe storage costs. This strategy does not create increased security risk for the November 2008 elections.

	FY 2009	FY 2010
GF Savings:	(\$50,426)	(\$50,426)

Reduce telecommunications costs

Savings are realized from audit, review and analysis of telecommunications infrastructure. This strategy involves the disconnection of Centrex data circuits which produces savings of approximately \$2,100 per month. This strategy does not create increased security risk for the November 2008 elections.

	FY 2009	FY 2010
GF Savings:	(\$25,210)	(\$25,210)

Compensation Board

Revert projected year end balances in administration program

One-time reversion of projected FY 2008 year-end balances accumulated through agency vacancy savings to offset FY 2009 reduction amount.

	FY 2009	FY 2010
GF Savings:	(\$113,490)	\$0

Reduce expense for surety bond premium payment in administration program

One-time savings in surety bond premium expense by shifting portion of payment expense from FY 2010 to FY 2009 (portion of FY 2009 expense shifted to FY 2008).

	FY 2009	FY 2010
GF Savings:	\$0	(\$113,490)

Department of General Services

Use general fund FY 2008 carry forward

Unexpended FY 2008 balances will be used to cover FY 2009 budget reduction.

	FY 2009	FY 2010
GF Savings:	(\$353,441)	\$0

Reallocate cost of Virginia Partners for Procurement contract management from general fund to Virginia Partners for Procurement program funds

Funding for three contract managers managing Virginia Partners for Procurement (VAPP) contracts will be shifted from general fund to VAPP non-general funds. This move correctly allocates the costs associated with managing VAPP contracts.

	FY 2009	FY 2010
GF Savings:	\$0	(\$180,000)

Improve efficiencies and reduce discretionary spending in the director's office

Reduces the number of copiers, computers, printers, and other discretionary spending items.

	FY 2009	FY 2010
GF Savings:	\$0	(\$123,441)

Department of Minority Business Enterprise

Reduce office supply expenditures

Reduces discretionary office supply expenditures for FY 2009 and FY 2010.

	FY 2009	FY 2010
GF Savings:	(\$11,247)	(\$11,247)

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Department of Employment Dispute Resolution

Reduce skilled services

In 2007 the Department experienced turnover in certain wage positions. These positions were never refilled. This strategy will forfeit some of these funds and the agency's current staff will take on additional duties.

	FY 2009	FY 2010
GF Savings:	\$0	(\$16,600)

Use general fund FY 2008 carry forward

Unexpended FY 2008 balances will be used to cover FY 2009 budget reduction.

	FY 2009	FY 2010
GF Savings:	(\$16,600)	\$0

TOTALS FOR ADMINISTRATION

	FY 2009	FY 2010
GF Savings:	(\$651,750)	(\$601,750)
GF Resources:	\$0	\$0
Total GF Impact:	\$651,750	\$601,750
Position Level:	0.00	0.00

Agriculture and Forestry

Department of Agriculture and Consumer Services

Supplant general fund support with nongeneral fund resources

Transfer personal service costs from general fund support to nongeneral fund resources.

	FY 2009	FY 2010
GF Savings:	(\$190,259)	(\$195,489)

Improve the efficiency of agency operations

Generate savings by reducing warehouse space and shipping costs.

	FY 2009	FY 2010
GF Savings:	(\$51,762)	(\$47,182)

Eliminate wage administrative support position

Eliminate a vacant hourly wage clerical support position.

	FY 2009	FY 2010
GF Savings:	(\$30,572)	(\$30,572)

Reduce equipment costs

Reduce the number of excess personal computers in the agency.

	FY 2009	FY 2010
GF Savings:	(\$45,852)	(\$45,852)

Reduce discretionary expenses

Reduce travel, postage and printing costs through increased use of teleconferencing and communication via automatic faxes, email and websites.

	FY 2009	FY 2010
GF Savings:	(\$67,734)	(\$67,734)

Improve the efficiency of agency operations

Generate savings by streamlining processes through technology projects. Projects include a registration and permitting system and inspection tools.

	FY 2009	FY 2010
GF Savings:	(\$38,631)	(\$37,981)

Department of Forestry

Capture turnover and vacancy savings

Delay filling vacant positions, and when hiring, fill these positions at a reduced salary.

	FY 2009	FY 2010
GF Savings:	(\$152,000)	(\$152,000)

Reduce discretionary spending

Implement internal efficiencies and defer non-firefighting or non-safety related spending including printing, training, uniform replacements, office supplies, office furniture, and building and site improvements.

	FY 2009	FY 2010
GF Savings:	(\$55,168)	(\$101,318)

Use carry-forward FY 2008 general fund balance

Use unexpended FY 2008 general fund balances to offset reductions in FY 2009.

	FY 2009	FY 2010
GF Savings:	(\$46,150)	\$0

TOTALS FOR AGRICULTURE AND FORESTRY

	FY 2009	FY 2010
GF Savings:	(\$678,128)	(\$678,128)
GF Resources:	\$0	\$0
Total GF Impact:	\$678,128	\$678,128
Position Level:	0.00	0.00

Commerce and Trade

Department of Housing and Community Development

Reduce funding for the Regional Research and Development Centers

Reduce grant funding for the Lynchburg Research and Development Center. The Lynchburg center is actively operating and meeting objectives and can continue to do so at a reduced funding level.

	FY 2009	FY 2010
GF Savings:	(\$80,000)	(\$80,000)

Reduce funding for planning district commissions (PDC's)

Reduce pass-through funding included in the agency's budget for planning district commissions (PDC's).

	FY 2009	FY 2010
GF Savings:	(\$43,000)	(\$40,000)

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Reduce funding for the Southeast Rural Community Assistance Project (SERCAP)

Reduce funding provided in the department's budget for the Southeast Rural Community Assistance Project (SERCAP) by approximately 1.5 percent annually.

	FY 2009	FY 2010
GF Savings:	(\$22,000)	(\$22,000)

Department of Labor and Industry

Manage recruitment actions

Generate savings by managing recruitment and related expenses.

	FY 2009	FY 2010
GF Savings:	\$0	(\$85,000)

Use balances from FY 2008 to offset FY 2009 reductions

Use balances to offset reductions in the following fiscal year.

	FY 2009	FY 2010
GF Savings:	(\$85,000)	\$0

Virginia Economic Development Partnership

Reduce expenses, such as attendance at outreach events, in the business development division

Decrease the number of staff members attending outreach activities, reduce technical services, and reduce the use of state plane for prospect visits.

	FY 2009	FY 2010
GF Savings:	(\$48,800)	(\$48,800)

Reduce direct marketing efforts

Reduce the Partnership's direct marketing efforts in foreign countries.

	FY 2009	FY 2010
GF Savings:	(\$25,500)	(\$25,500)

Reduce attendance at trade events

Reduce the number of trade events and individual project manager marketing missions on the international marketing calendar.

	FY 2009	FY 2010
GF Savings:	(\$35,000)	(\$35,000)

Reduce funding for marketing efforts

Eliminate a printed marketing campaign.

	FY 2009	FY 2010
GF Savings:	(\$13,200)	(\$13,200)

Eliminate a research position

Capture savings from the elimination of one position in the research division and internally reallocate a portion of the anticipated savings.

	FY 2009	FY 2010
GF Savings:	(\$31,700)	(\$31,700)

Reduce marketing and promotional activities

Eliminate project manager marketing call trips, reduce the production of marketing material, and reduce the scale of the Partnership's annual hosting event.

	FY 2009	FY 2010
GF Savings:	(\$53,275)	(\$53,275)

Capture turnover and vacancy savings

Capture turnover and vacancy savings.

	FY 2009	FY 2010
GF Savings:	(\$17,500)	(\$17,500)

Reduce information technology equipment purchases

Reduce the purchase of information technology equipment.

	FY 2009	FY 2010
GF Savings:	(\$11,300)	(\$11,300)

Reduce funding for the Virginia National Defense Industrial Authority

Reduce funding for the Virginia National Defense Industrial Authority by approximately 1.5 percent.

	FY 2009	FY 2010
GF Savings:	(\$7,300)	(\$7,300)

Reduce funding for the Virginia Commercial Space Flight Authority

Reduce pass-through funding to the Virginia Commercial Space Flight Authority by approximately 1.5 percent in each year.

	FY 2009	FY 2010
GF Savings:	(\$1,425)	(\$1,425)

Virginia Tourism Authority

Reduce budget for film promotion

Reduce the funding available for the Virginia Film Office.

	FY 2009	FY 2010
GF Savings:	(\$8,000)	(\$8,000)

Department of Business Assistance

Reprogram FY 2008 general fund balances

Use unexpended FY 2008 general fund balances to offset reductions in FY 2009.

	FY 2009	FY 2010
GF Savings:	(\$30,000)	\$0

Change website vendor

Engage Virginia Interactive, a less expensive vendor, to maintain the agency's Web site.

	FY 2009	FY 2010
GF Savings:	(\$6,000)	(\$6,000)

Reduce Virginia Economic Development Association membership

Reduce the number of staff maintaining membership in the Virginia Economic Development Association.

	FY 2009	FY 2010
GF Savings:	(\$600)	(\$600)

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Reduce information technology equipment inventory

Eliminate surplus information technology inventory to reduce its Virginia Information Technologies Agency bill.

	FY 2009	FY 2010
GF Savings:	(\$6,698)	(\$6,698)

Renegotiate facility lease

Renegotiate base lease price and reduce the amount of leased office space.

	FY 2009	FY 2010
GF Savings:	\$0	(\$30,000)

Department of Mines, Minerals and Energy

Defer hiring for vacant position

Defer hiring for vacant geologist position.

	FY 2009	FY 2010
GF Savings:	(\$75,000)	(\$75,000)

TOTALS FOR COMMERCE AND TRADE

	FY 2009	FY 2010
GF Savings:	(\$601,298)	(\$598,298)
GF Resources:	\$0	\$0
Total GF Impact:	\$601,298	\$598,298
Position Level:	0.00	0.00

Education

Department of Education, Central office Operations

Reduce funding for Algebra Readiness Diagnostic Test

Reflects the current contract cost for this assessment instrument, as actual cost is lower than projected. The test is a diagnostic tool used to identify students that need instructional services as part of the Standards of Learning Allegro Readiness Program.

	FY 2009	FY 2010
GF Savings:	\$0	(\$25,000)

Reduce Virginia Teacher Corps administrative budget

Reduces the administrative budget for the Virginia Teacher Corps program by 33 percent. The savings include Department of Education office and staffing costs, travel to training sites and training stipends provided to local school divisions. The program provides incentives for highly qualified teachers to teach in hard to staff schools.

	FY 2009	FY 2010
GF Savings:	\$0	(\$25,000)

Reduce postage budget

Reduces the agency postage budget by implementing efficiency strategies. These strategies include presorting mailing addresses for first class mail to receive postage discounts, use of cheaper bi-fold envelopes, increased use of web and email to transmit documents, and emailing teacher licenses to divisions instead of mailing them.

	FY 2009	FY 2010
GF Savings:	\$0	(\$15,000)

Reduce telephone budget

Reduces the agency telephone budget based on current rates and usage.

	FY 2009	FY 2010
GF Savings:	\$0	(\$50,000)

Reduce administrative technology funding

Contingency funding for major one-time, out-of-scope technology expenses are currently budgeted separately from technology expenses covered under VITA. Many technology expenses are now included in the VITA Comprehensive Services Rates, and so separate agency budget reserved for major one-time expenditures can be reduced.

	FY 2009	FY 2010
GF Savings:	\$0	(\$59,810)

Reduce school nutrition programs administration

Replaces the nonpersonal, or administrative, portion of a staff position with available federal grant funding. State spending requirement to match federal nutrition grant is currently met through payroll expenditures for a general fund staff position that has recently been refilled after being vacant for several years. Since payroll expenditures are now reactivated, the nonpersonal expenses for position can be expended using available federal grant funding.

	FY 2009	FY 2010
GF Savings:	\$0	(\$43,904)

Use FY 2008 general fund balances

Reduces budget and replenishes with reappropriations from previous year.

	FY 2009	FY 2010
GF Savings:	(\$193,714)	\$0

Virginia School for the Deaf and the Blind At Staunton

Use FY 2008 general fund balances

Reduces budget and replenishes with reappropriations from previous year.

	FY 2009	FY 2010
GF Savings:	(\$60,442)	\$0

Eliminate wage positions

Removes two teacher assistant wage positions and two residential advisor wage positions due to consolidation of the two schools for the deaf, blind and multi-disabled. These positions are now classified positions and already included in the consolidated budget.

	FY 2009	FY 2010
GF Savings:	\$0	(\$60,442)

The Science Museum of Virginia

Reduce personnel costs

Reduce personnel expenses across all departments and realign positions to reduce wage hours across Broad Street Station operations.

	FY 2009	FY 2010
GF Savings:	(\$84,320)	(\$84,320)

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Virginia Commission for the Arts

Reduce funding for grant programs

Reduce grant funding available that provides funds to non-profit and school organizations for various art programs.

	FY 2009	FY 2010
GF Savings:	(\$26,950)	(\$26,950)

The Library of Virginia

Reduce purchases of books/manuscripts and online subscriptions

Reduce acquisitions of books and other library materials and online resources.

	FY 2009	FY 2010
GF Savings:	(\$55,000)	(\$55,000)

Reduce preservation/conservation activities

Reduce preservation and conservation of books, manuscripts and other library materials.

	FY 2009	FY 2010
GF Savings:	(\$53,000)	(\$53,000)

Reduce agency travel

Reduce travel expenditures, limiting it to the most critical of library issues.

	FY 2009	FY 2010
GF Savings:	(\$7,000)	(\$7,000)

Reduce equipment purchases

Reduce equipment purchases to emergency procurements or replacements.

	FY 2009	FY 2010
GF Savings:	(\$5,000)	(\$5,000)

Reduce computer and technology support in reading rooms

Reduce purchase of computers and other technology support services in the library's reading rooms.

	FY 2009	FY 2010
GF Savings:	(\$30,000)	(\$30,000)

Reduce supply costs

Reduce purchase of office and library supplies in all library programs.

	FY 2009	FY 2010
GF Savings:	(\$3,970)	(\$3,970)

Virginia Museum of Fine Arts

Reduce travel

Reduce travel costs of museum staff.

	FY 2009	FY 2010
GF Savings:	(\$5,593)	(\$3,825)

Reduce discretionary expenditures

The museum will reduce spending for discretionary items, as well as devise ways to obtain/deliver services in a less expensive but still effective fashion.

	FY 2009	FY 2010
GF Savings:	(\$90,887)	(\$96,619)

Reduce wage costs

The museum will reduce the number of hours for selected wage staff to achieve savings.

	FY 2009	FY 2010
GF Savings:	(\$11,560)	(\$7,643)

Reduce energy costs

The museum will reduce its energy costs through the implementation of performance contracting.

	FY 2009	FY 2010
GF Savings:	(\$30,224)	(\$31,677)

Reduce information technology costs

The museum will reduce Virginia Information Technologies Agency (VITA) costs by eliminating some of its desktop inventory, and will implement an equipment sharing program for selected staff.

	FY 2009	FY 2010
GF Savings:	(\$1,500)	\$0

State Council of Higher Education for Virginia

Reduce discretionary expenditures

Reduce tuition reimbursement and professional development expenditures.

	FY 2009	FY 2010
GF Savings:	(\$15,000)	(\$15,000)

Reduce hourly wage payroll

Reduce hourly wage payroll, by not rehiring or reducing the number of hours wage employees work.

	FY 2009	FY 2010
GF Savings:	(\$10,000)	(\$10,000)

Reduce consultant fees

Reduce expenditures for consultant fees.

	FY 2009	FY 2010
GF Savings:	(\$2,582)	(\$2,582)

Reduce discretionary expenditures

Reduce printing and postage expenditures.

	FY 2009	FY 2010
GF Savings:	(\$7,500)	(\$7,500)

Eliminate funding for Optometry Scholarship

Remove funding associated with an optometry scholarships program due to no students enrolling in the program for over two years.

	FY 2009	FY 2010
GF Savings:	(\$26,640)	(\$26,640)

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Jamestown-Yorktown Foundation

Utilize recruiting efficiencies

Utilize internet and other low cost alternatives to reduce newspaper advertising. Reduce the size of ads when media ads are required.

	FY 2009	FY 2010
GF Savings:	(\$5,000)	(\$5,000)

Reduce training opportunities

Reduce internal and external training opportunities for employees.

	FY 2009	FY 2010
GF Savings:	(\$2,600)	(\$2,600)

Initiate additional office support reductions

Reduce usage of office supplies, cell phones, messenger services, postage and non-eVA vendors.

	FY 2009	FY 2010
GF Savings:	(\$14,722)	(\$14,722)

Limit information technology initiatives and more effectively manage key systems

Restrict computer hardware preventive maintenance expenditures and postpone design and implementation of custom software expansion for ticketing and ticketing and accounting reporting systems.

	FY 2009	FY 2010
GF Savings:	(\$15,377)	(\$15,377)

Maximize useful life of fixed assets

Minimize fixed asset replacement, including furniture, equipment and vehicles.

	FY 2009	FY 2010
GF Savings:	(\$11,750)	(\$11,750)

Implement additional maintenance efficiencies and preventive maintenance

Reduce equipment repair and facility maintenance activity, while ensuring adequate preventive maintenance for security assets..

	FY 2009	FY 2010
GF Savings:	(\$2,233)	(\$2,233)

Restrict certain elements of the marketing program

Reduce dietary and educational supplies, organization memberships, tradeshow presence, and sales production and sales mailing services.

	FY 2009	FY 2010
GF Savings:	(\$11,588)	(\$11,588)

Implement safety and security efficiencies

Reduce size of security guard staff for special exhibits and remove non-recurring payment for COOP printing.

	FY 2009	FY 2010
GF Savings:	(\$43,788)	(\$43,788)

Trim magnitude of educational programs

Strategically reduce sailing program, and interpretive and outreach education programming.

	FY 2009	FY 2010
GF Savings:	(\$23,058)	(\$23,058)

Utilize higher magnitude of volunteer services

Limit contracts for artisans and technical workers and rely more heavily on staff and volunteers.

	FY 2009	FY 2010
GF Savings:	(\$2,500)	(\$2,500)

TOTALS FOR EDUCATION

	FY 2009	FY 2010
GF Savings:	(\$853,498)	(\$878,498)
GF Resources:	\$0	\$0
Total GF Impact:	\$853,498	\$878,498
Position Level:	0.00	0.00

Finance

Department of Planning and Budget

Use carry forward FY 2008 general fund balance

This action uses anticipated fiscal year 2008 unexpended general fund dollars that will be carried forward and reappropriated in FY 2009 to address the Department of Planning and Budget's FY 2009 reduction target.

	FY 2009	FY 2010
GF Savings:	(\$124,959)	\$0

Reduce funding designated for the Council on Virginia's Future

This action reduces general fund appropriation designated for the Council on Virginia's Future.

	FY 2009	FY 2010
GF Savings:	\$0	(\$11,400)

Reduce school efficiency review funding

This action reduces funding for part of a school efficiency review study in FY 2010. After this action there will be funding left in FY 2010 for about seven reviews.

	FY 2009	FY 2010
GF Savings:	\$0	(\$40,599)

Department of Accounts

Implement administrative cost reduction strategies

Reduce printing, postage, travel, training, and other administrative expenses through increased use of electronic document distribution and training methods.

	FY 2009	FY 2010
GF Savings:	(\$25,000)	(\$25,000)

Use carry forward FY 2008 general fund balance

This action uses anticipated FY 2008 unexpended general fund dollars that will be carried forward and reappropriated in FY 2009 to address the department's FY 2009 reduction target.

	FY 2009	FY 2010
GF Savings:	(\$50,000)	\$0

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Department of the Treasury

Eliminate check processing position

Eliminate one vacant position in the agency's check processing unit. Over the last two years the department has experienced a reduction in check volumes.

	FY 2009	FY 2010
GF Savings:	\$0	(\$40,577)
Position Level:	(1.00)	(1.00)

Reallocate costs of an information technology (IT) position

Transfer a portion of the support costs of a general fund position to the appropriate nongeneral fund source. One general fund supported IT position has been servicing both general and nongeneral fund agency functions. Personal service costs associated with the nongeneral fund aspects of this position will be funded with nongeneral funds going forward.

	FY 2009	FY 2010
GF Savings:	\$0	(\$51,932)

Reallocate costs of wage procurement position

Transfer a portion of the support costs of a general fund wage position to the appropriate nongeneral fund source. One general fund supported wage position has been servicing both general and nongeneral fund agency functions. Personal service costs associated with the nongeneral fund aspects of this position will be funded with nongeneral funds going forward.

	FY 2009	FY 2010
GF Savings:	\$0	(\$8,222)

Use carry forward FY 2008 general fund balance

Use unexpended FY 2008 general fund balances to offset reductions in FY 2009.

	FY 2009	FY 2010
GF Savings:	(\$100,731)	\$0

Department of Taxation

Reduce technology staff augmentation

Reduce the use of consultants in the maintenance of the agency's information technology systems. The agency will use in-house resources, to the extent possible, to maintain its taxpayer accounting system.

	FY 2009	FY 2010
GF Savings:	(\$184,110)	(\$184,110)

Reduce compliance travel

Decrease the amount of travel incurred by tax compliance staff.

	FY 2009	FY 2010
GF Savings:	(\$100,000)	(\$100,000)

Reduce discretionary expenses

Reduce funding available for discretionary expenses such as paper, office supplies, and desktop printers.

	FY 2009	FY 2010
GF Savings:	(\$200,000)	(\$200,000)

Reduce funding for staff development

Reduce funding available for training and professional development.

	FY 2009	FY 2010
GF Savings:	(\$50,000)	(\$50,000)

Reduce tobacco stamp purchases

Reduce funding provided for tobacco stamp purchases to capture saving attributable to decreased tobacco stamp sales.

	FY 2009	FY 2010
GF Savings:	(\$175,000)	(\$175,000)

Cancel recruitment of three non-compliance positions

Capture vacancy savings by deferring the hiring of three positions in the policy, tobacco enforcement, and electronic filing units.

	FY 2009	FY 2010
GF Savings:	(\$208,500)	(\$208,500)

Reduce wage payroll costs

Achieve savings by reducing the number of wage staff.

	FY 2009	FY 2010
GF Savings:	(\$75,000)	(\$75,000)

Reduce overtime cost

Reduce overtime paid to staff.

	FY 2009	FY 2010
GF Savings:	(\$62,558)	(\$62,558)

TOTALS FOR FINANCE

	FY 2009	FY 2010
GF Savings:	(\$1,355,858)	(\$1,232,898)
GF Resources:	\$0	\$0
Total GF Impact:	\$1,355,858	\$1,232,898
Position Level:	(1.00)	(1.00)

Health & Human Resources

Department of Mental Health, Mental Retardation and Substance Abuse Services

Maintain vacant positions in the Central Office

Eliminates funding for administrative positions that are currently vacant in the agency's central office.

	FY 2009	FY 2010
GF Savings:	\$0	(\$458,465)

Use FY 2008 balances to offset reductions

Applies FY 2008 balances to offset reductions in nonpersonal services in FY 2009 and assist in paying retirement and Workforce Transition Act costs for eliminated positions.

	FY 2009	FY 2010
GF Savings:	(\$458,465)	\$0

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Mental Health Treatment Centers

Reduce nonpersonal services and freeze hiring of vacant positions

Reduces positions by 8.5 in FY 2009 at Eastern and Western State Hospitals. No further position reductions are planned in FY 2010. The agency will also reduce expenditures for general administrative and nonpersonal services.

	FY 2009	FY 2010
GF Savings:	(\$713,902)	(\$1,095,777)

Use FY 2008 balances to offset reductions

Applies FY 2008 balances to offset reductions in nonpersonal services in FY 2009 and assist in paying retirement and Workforce Transition Act costs for eliminated positions.

	FY 2009	FY 2010
GF Savings:	(\$381,875)	\$0

Mental Retardation Training Centers

Reduce nonpersonal services and freeze hiring of vacant positions

Eliminates eight positions in FY 2009 at Southside and Southeastern Virginia Training Centers, and an additional two positions in FY 2010. The agency will also reduce expenditures for general administrative and nonpersonal services.

	FY 2009	FY 2010
GF Savings:	(\$656,012)	(\$715,652)
Position Level:	(3.00)	(1.00)

Department for the Aging

Reduce funding for the Virginia Respite Care Grant Program

Reduces funding for the program by 5.8 percent. The program solicits proposals for funding of up to \$100,000 to create new or to expand respite care programs in communities. This funding is budgeted for future grants and will not impact any current services.

	FY 2009	FY 2010
GF Savings:	(\$18,634)	(\$18,634)

Department of Rehabilitative Services

Eliminate case services for supported employment for people with disabilities program

Eliminate case services within the Supported Employment for People with Disabilities program. 111 consumers are currently enrolled in this program. Consumers being supported in job situations and funded through this initiative will receive support through other preexisting programs.

	FY 2009	FY 2010
GF Savings:	(\$58,057)	(\$58,057)

Replace general fund transferred to support the Vocational Rehabilitation program at Woodrow Wilson Rehabilitation Center

Supplant general fund dollars transferred to Woodrow Wilson Rehabilitation Center in support of their Vocation Rehabilitation program with nongeneral funds.

	FY 2009	FY 2010
GF Savings:	(\$148,190)	(\$148,190)

Virginia Rehabilitation Center for the Blind and Vision Impaired

Reduce administrative expenses

Reduce administrative office supplies and expenses.

	FY 2009	FY 2010
GF Savings:	(\$2,887)	(\$2,887)

Department of Health

Eliminate discretionary funding for Environment Virginia Conference

Discontinues financial support for the conference.

	FY 2009	FY 2010
GF Savings:	(\$9,600)	(\$9,600)

Accrue turnover and vacancy savings

Fills an existing open position, Engineering Manager II, at a reduced annual salary.

	FY 2009	FY 2010
GF Savings:	(\$35,337)	(\$35,337)

Reclassify a discretionary environmental specialist II position

Fills the Environmental Specialist II position, with a Lab Specialist II position.

	FY 2009	FY 2010
GF Savings:	\$0	(\$14,016)

Reclassify a discretionary scientist III position

Uses funding from an open position, Scientist III, to fill an administrative position.

	FY 2009	FY 2010
GF Savings:	\$0	(\$62,994)

Eliminate discretionary research grant provided to Virginia Tech

Discontinues funding for an on-going research grant with Virginia Tech entitled "Transport of Viruses & Bacteria from Onsite Systems through the Soils." This grant provides statistical support used for modifications to the Environmental Health Hazards Control regulations.

	FY 2009	FY 2010
GF Savings:	\$0	(\$45,000)

Reduce discretionary funding in Office of Epidemiology

Continues to closely manage discretionary expenditures, such as contractual services, equipment, and travel.

	FY 2009	FY 2010
GF Savings:	\$0	(\$175,000)

Eliminate discretionary funding for phenylketonuria treatment

Discontinues funds used for testing phenylketonuria (PKU). Testing for the metabolic disorder can be provided with Medicaid funds from the Department of Medical Assistance Services.

	FY 2009	FY 2010
GF Savings:	\$0	(\$20,000)

GOVERNOR'S AUGUST 2008 REDUCTION PLAN

Pursuant To Item 475.10 of Chapter 879, The 2008 Appropriation Act

Eliminate remaining discretionary abstinence-only education funds

Eliminates remaining state match requirement for the federal abstinence-only education grant. Formal program evaluations at the federal level have indicated that this particular program is no more effective than any other birth control education effort. The state has chosen not to reapply for the federal grant.

	FY 2009	FY 2010
GF Savings:	(\$100,000)	(\$100,000)

Reduce discretionary funding in Office of Information Management

Continues to closely manage discretionary expenditures, such as contractual services, equipment, and travel.

	FY 2009	FY 2010
GF Savings:	\$0	(\$175,000)

Eliminate electronic health records interoperability funds

Eliminates funding used to develop and implement an electronic medical records system for local health departments.

	FY 2009	FY 2010
GF Savings:	(\$75,000)	(\$75,000)

Reduce discretionary funding in Community Health Services

Continues to closely manage discretionary expenditures, such as contractual services, equipment, and travel.

	FY 2009	FY 2010
GF Savings:	\$0	(\$100,911)

Carry forward FY 2008 savings

Carry forward savings derived from discretionary spending management.

	FY 2009	FY 2010
GF Savings:	(\$1,346,271)	\$0

Reduce state investment in Drinking Water State Revolving Fund

Reduces general fund appropriation used as a match for the federal grant. Significant balances have accrued over time and no adverse impact is anticipated from this reduction.

	FY 2009	FY 2010
GF Savings:	\$0	(\$390,484)

Reduce general fund support to X-Ray Inspection Program

Supplant general fund support with annual fee revenues in accordance with Section 32.1-229.2 of the Code of Virginia. This strategy reflects the action taken by the 2008 General Assembly.

	FY 2009	FY 2010
GF Savings:	\$0	(\$211,452)

Reduce funding to Virginia AIDS Drug Assistance Program

Reduces general fund support to the program. Federal appropriation has increased over the years and is sufficient to support the program.

	FY 2009	FY 2010
GF Savings:	\$0	(\$60,000)

Reduce MCHIP balances

Transfers excess revenue balance from the Managed Care Health Insurance Plan (MCHIP) Program to the general fund. The Code of Virginia restricts the use of these special funds to support other programs.

	FY 2009	FY 2010
GF Savings:	\$0	\$0

GF Resources: \$845,616 \$0

Department of Medical Assistance Services

Reduce pharmacy dispensing fee

Reduces the pharmacy dispensing fee by \$0.25, from \$4.00 to \$3.75 per prescription. The dispensing fee is the amount the Medicaid program pays to a pharmacy for the costs of dispensing a prescription drug.

	FY 2009	FY 2010
GF Savings:	\$0	(\$462,666)

Eliminate FY 2010 inflation adjustment for home health agencies

Eliminates the FY 2010 inflation adjustment in Medicaid that is budgeted for home health agencies.

	FY 2009	FY 2010
GF Savings:	\$0	(\$278,402)

Eliminate FY 2010 inflation adjustment for rehabilitation agencies

Eliminates the FY 2010 inflation adjustment in Medicaid budgeted for rehabilitation agencies. However, Community Services Boards and the Woodrow Wilson Rehabilitation Center are excluded and will receive an inflation adjustment in FY 2010.

	FY 2009	FY 2010
GF Savings:	\$0	(\$185,909)

Reduce discretionary administrative costs

This strategy achieves savings efficiencies of 1.5 percent of the discretionary general fund portion of the agency's administrative budget.

	FY 2009	FY 2010
GF Savings:	(\$277,500)	(\$277,500)

Virginia Board for People with Disabilities

Transfer personnel cost from general fund to nongeneral fund

Transfer six and a half percent of the Research, Evaluation-Program Manager salary from general fund to nongeneral fund.

	FY 2009	FY 2010
GF Savings:	(\$2,512)	(\$2,512)

Reduce administrative cost

Reduce administrative cost by one and a half percent.

	FY 2009	FY 2010
GF Savings:	(\$2,274)	(\$2,272)

Department for the Blind and Vision Impaired

Elimination of large print book production

Elimination of large print book production at the Library and Resource Center. This service will be picked up by George Mason University as part of their new Accessible Instructional Materials Center (AIM-VA) which will provide accessible media to Virginia's students with disabilities.

	FY 2009	FY 2010
GF Savings:	(\$82,000)	(\$82,000)
Position Level:	(1.00)	(1.00)

GOVERNOR'S AUGUST 2008 REDUCTION PLAN

Pursuant To Item 475.10 of Chapter 879, The 2008 Appropriation Act

Department of Social Services

Eliminate Virginia Caregivers Grant Program

This savings strategy will eliminate the remaining general fund support for the Virginia Caregiver Grant program, a non-mandated state program.

	FY 2009	FY 2010
GF Savings:	(\$500,000)	(\$500,000)

Reduce administrative positions associated with the oversight of local programs

This savings strategy will eliminate two central office positions in an effort to curtail administrative spending. These positions provide program guidance to and oversight of programs operated by local departments of social services and community organizations. The estimated annual reduction is associated with compensation and can be attained through personnel attrition.

	FY 2009	FY 2010
GF Savings:	(\$85,000)	(\$85,000)
Position Level:	(2.00)	(2.00)

Limit discretionary administrative spending

This strategy captures the savings generated by an freeze on certain administrative expenses. The department will curtail all but necessary spending for items such as printing, contractors, travel and equipment.

	FY 2009	FY 2010
GF Savings:	(\$140,000)	(\$140,000)

TOTALS FOR HEALTH & HUMAN RESOURCES

	FY 2009	FY 2010
GF Savings:	(\$5,093,516)	(\$5,988,717)
GF Resources:	\$845,616	\$0
Total GF Impact:	\$5,939,132	\$5,988,717
Position Level:	(6.00)	(4.00)

Natural Resources

Department of Conservation and Recreation

Use balance from FY 2008 to offset FY 2009 reductions

Use balances in administration to offset savings in the following fiscal year.

	FY 2009	FY 2010
GF Savings:	(\$250,000)	\$0

Capture savings available in the Conservation Reserve Enhancement Program

Capture savings from reduced participation in the voluntary program.

	FY 2009	FY 2010
GF Savings:	\$0	(\$250,000)

Marine Resources Commission

Defer funding for delayed project

Capture savings as a result of delayed implementation of a joint federal/state seawall project.

	FY 2009	FY 2010
GF Savings:	(\$8,000)	(\$8,000)

Supplant general fund support for finfish aging and stock assessment studies

Use nongeneral fund resources for the purchase of fish for finfish aging and stock assessment studies.

	FY 2009	FY 2010
GF Savings:	(\$20,000)	(\$20,000)

Supplant general fund support for oyster replenishment activities with nongeneral fund resources

Use nongeneral fund resources for oyster replenishment activities.

	FY 2009	FY 2010
GF Savings:	(\$121,014)	(\$121,014)

Department of Environmental Quality

Reduce general fund match for Virginia Revolving Loan Fund

Capture savings as a result of less federal funding available for the program than anticipated, reducing the required state match.

	FY 2009	FY 2010
GF Savings:	(\$650,000)	(\$650,000)

TOTALS FOR NATURAL RESOURCES

	FY 2009	FY 2010
GF Savings:	(\$1,049,014)	(\$1,049,014)
GF Resources:	\$0	\$0
Total GF Impact:	\$1,049,014	\$1,049,014
Position Level:	0.00	0.00

Public Safety

Department of Corrections

Continue Closure of Southwest Virginia Day Reporting Center

The Southwest Virginia Day Reporting Center, located in Pound, was closed by the Department of Corrections in January given that the center was not meeting its programmatic objectives. This strategy would continue the closure of the center.

	FY 2009	FY 2010
GF Savings:	(\$396,637)	(\$396,637)

Delay hiring new transitional specialists until FY 2010

The 2008 General Assembly provided five additional probation and parole officers to be used as transitional specialists. The agency will delay filling those positions until the second year of the biennium.

	FY 2009	FY 2010
GF Savings:	(\$300,000)	\$0

GOVERNOR'S AUGUST 2008 REDUCTION PLAN

Pursuant To Item 475.10 of Chapter 879, The 2008 Appropriation Act

Close Richmond Women's Detention Center

The agency will move staff and offenders housed in the Richmond Women's Detention Center to the women's diversion center it operates in Chesterfield County and combine the programs in one facility. This strategy will result in savings from the operational costs of the center in Richmond.

	FY 2009	FY 2010
GF Savings:	(\$82,920)	(\$82,920)

Use prison enterprise revenues to reimburse general fund for capital expenses

A one-time cash balance from prison enterprise activities (Virginia Correctional Enterprises) will be transferred to the general fund as reimbursement for state-supported Virginia Public Building Authority capital expenses related to buildings in which enterprise activities are housed.

	FY 2009	FY 2010
GF Savings:	\$0	\$0
GF Resources:	\$1,000,000	\$0

Capture one-time contractual savings

The Department of Corrections (DOC) had a contract with Virginia Commonwealth University (VCU) to provide consulting, planning, and training services to enable the district probation and parole offices make their transition to evidence-based practices (EBP). The director of the VCU program has left for another university and DOC has been carrying on the EBP work with in-house staff. The identified savings amount is the remainder of the funds set aside for the contract with VCU.

	FY 2009	FY 2010
GF Savings:	(\$203,468)	\$0

Capture savings from increased turnover/vacancy rates in central administration and community corrections

The agency will delay filling positions in the central office and in the division of community corrections in order to capture an additional 2 percent in turnover/vacancy savings. The breakdown of the total is: Detention and Diversion (community corrections)--\$346,671; and Central Administration-- \$597,909.

	FY 2009	FY 2010
GF Savings:	(\$944,580)	(\$944,580)

Sell property at 7 N. 2nd Street in Richmond

The agency will sell the property located at 7 N. 2nd Street. in Richmond. The facility is currently being used to house the Richmond Women's Detention Center program. As part of the budget reduction strategies, this program will be moved to the Chesterfield Women's Diversion Center.

	FY 2009	FY 2010
GF Savings:	\$0	\$0

Department of Military Affairs

Reduce supply costs

Reduce administrative and operational purchases such as office supplies, medals and awards, medical supplies for cadets, supplies for maintenance, fuel, and uniforms.

	FY 2009	FY 2010
GF Savings:	(\$28,432)	(\$28,432)

Reduce travel and training

Reduce attendance at training events and travel costs associated with cadet recruitment for Commonwealth Challenge Program.

	FY 2009	FY 2010
GF Savings:	(\$5,711)	(\$5,711)

Defer facilities maintenance and repairs

Defer maintenance, repairs, and small construction activities at all facilities.

	FY 2009	FY 2010
GF Savings:	(\$45,784)	(\$45,784)

Reduce equipment purchases

Reduce or eliminate purchases of furnishings for cadets, handheld radios for Virginia Defense Force, and other related items necessary to achieve savings.

	FY 2009	FY 2010
GF Savings:	(\$10,243)	(\$10,243)

Reduce outreach services

Decrease purchase of public relations services for Commonwealth Challenge Program.

	FY 2009	FY 2010
GF Savings:	(\$2,840)	(\$2,840)

Reduce personnel costs

Hire new employees at lower salaries and reduce use of hourly wage employees.

	FY 2009	FY 2010
GF Savings:	(\$22,960)	(\$22,960)

Reduce state IT billing

Migrate some of agency's information technology activities from the state network to the federal network operated by the National Guard Bureau.

	FY 2009	FY 2010
GF Savings:	(\$4,800)	(\$4,800)

Department of Emergency Management

Adjust funding split of personnel costs

Increase share of seven positions currently funded with 25 percent federal funding to maximum 50 percent federal funding allowable.

	FY 2009	FY 2010
GF Savings:	(\$73,809)	(\$73,809)

Department of Criminal Justice Services

Delay hiring vacant positions

Delay hiring of positions as they become vacant by time necessary to generate savings.

	FY 2009	FY 2010
GF Savings:	(\$69,180)	(\$69,180)

GOVERNOR'S AUGUST 2008 REDUCTION PLAN

Pursuant To Item 475.10 of Chapter 879, The 2008 Appropriation Act

Department of State Police

Utilize FY 2008 carry-forward balance

Utilize balances generated in FY 2008 through one-time savings strategies to apply to FY 2009 reductions.

	FY 2009	FY 2010
GF Savings:	(\$1,327,994)	\$0

Reduce number of promotions

Limit promotions to approximately ten sworn positions to save costs of salary increases.

	FY 2009	FY 2010
GF Savings:	\$0	(\$63,840)

Delay filling of vacant civilian positions

Delay hiring for vacant civilian (now-sworn) positions in the department.

	FY 2009	FY 2010
GF Savings:	\$0	(\$209,850)

Virginia Parole Board

Utilize FY 2008 carry-forward balance

The agency will use a portion of its FY 2008 balance carried into FY 2009 to meet its budget reduction target.

	FY 2009	FY 2010
GF Savings:	(\$11,403)	\$0

Reduce travel and purchases

The Parole Board will reduce travel for its members and will reduce purchases of administrative supplies.

	FY 2009	FY 2010
GF Savings:	\$0	(\$11,403)

Department of Juvenile Justice

Close Correctional Center housing pod

Close housing pod by placing residents in other operating pods. Only vacant positions are expected to be eliminated.

	FY 2009	FY 2010
GF Savings:	(\$144,725)	(\$144,725)

Reduce funding for capital outlay program management

Increase project management workloads to existing staff.

	FY 2009	FY 2010
GF Savings:	(\$35,617)	(\$35,617)

Eliminate vacant administrative positions

Eliminate vacant administrative positions and reallocate duties to other staff.

	FY 2009	FY 2010
GF Savings:	(\$202,758)	(\$202,758)
Position Level:	(3.00)	(3.00)

Turnover and vacancy savings from non-security positions

Delay hiring of non-security positions when they become vacant to generate savings.

	FY 2009	FY 2010
GF Savings:	(\$265,215)	(\$265,215)

Department of Forensic Science

Utilize FY 2008 carry-forward balance

Apply balance carried from FY 2008 to apply to FY 2009 reduction.

	FY 2009	FY 2010
GF Savings:	(\$200,000)	\$0

Expand limits on travel

Reduce and consolidate travel for training conferences.

	FY 2009	FY 2010
GF Savings:	(\$100,000)	(\$100,000)

Reduce use of wage employees

Reduce hours worked by wage employees.

	FY 2009	FY 2010
GF Savings:	(\$120,000)	(\$120,000)

Delay filling of vacant positions

Delay filling of vacant positions in order to generate required savings.

	FY 2009	FY 2010
GF Savings:	\$0	(\$200,000)

Department of Veterans Services

Defer filling vacant positions

Hold vacant positions open longer before filling to generate required savings.

	FY 2009	FY 2010
GF Savings:	(\$38,642)	(\$38,642)

Commonwealth's Attorneys' Services Council

Reduce number of student interns

Reduce the number of interns hired and the number of hours they work.

	FY 2009	FY 2010
GF Savings:	(\$11,621)	(\$11,621)

Department of Fire Programs

Reduce wage employee hours worked

Reduce number of wage employees and number of hours they work to generate needed savings.

	FY 2009	FY 2010
GF Savings:	(\$38,208)	(\$38,208)

GOVERNOR'S AUGUST 2008 REDUCTION PLAN

Pursuant To Item 475.10 of Chapter 879, The 2008 Appropriation Act

TOTALS FOR PUBLIC SAFETY

	FY 2009	FY 2010
GF Savings:	(\$4,687,547)	(\$3,129,775)
GF Resources:	\$1,000,000	\$500,000
Total GF Impact:	\$5,687,547	\$3,629,775
Position Level:	(3.00)	(11.00)

Technology

Virginia Information Technologies Agency

Reduce use of management consultants

As the agency's efforts mature in the development of a business model that defines the business functions of the Commonwealth, there is less need to engage subject matter expert consultants. Limiting reliance on consultants is also consistent with the agency's commitment to reducing overhead expenses.

	FY 2009	FY 2010
GF Savings:	(\$34,255)	(\$34,255)

Innovative Technology Authority

Reduce general and administrative costs

Reduce staff dedicated to general and administrative functions handling legal, information technology, facilities, fiscal, budget, office management, and human resources related matters.

	FY 2009	FY 2010
GF Savings:	(\$87,710)	(\$87,710)

TOTALS FOR TECHNOLOGY

	FY 2009	FY 2010
GF Savings:	(\$121,965)	(\$121,965)
GF Resources:	\$0	\$0
Total GF Impact:	\$121,965	\$121,965
Position Level:	0.00	0.00

Central Appropriations

Central Appropriations

Reduce funding for the Productivity Investment Fund

Reduces funding levels for the Productivity Investment Fund from \$950,000 each year to \$932,000 each year.

	FY 2009	FY 2010
GF Savings:	(\$18,000)	(\$18,000)

TOTALS FOR CENTRAL APPROPRIATIONS

	FY 2009	FY 2010
GF Savings:	(\$18,000)	(\$18,000)
GF Resources:	\$0	\$0
Total GF Impact:	\$18,000	\$18,000
Position Level:	0.00	0.00

Virginia Enterprise Applications

Virginia Enterprise Applications Program Office (VEAP)

Eliminate subscription

Cancel the agency's Forrester RoleView research service subscription. (The service is a tool for access to industry insight and expert analysis on initiatives across IT, marketing, and business units.)

	FY 2009	FY 2010
GF Savings:	(\$15,372)	(\$15,372)

Reduce Request-for-Proposal support

Reduce use of Gartner consulting for Request-for-Proposal activities.

	FY 2009	FY 2010
GF Savings:	(\$1,191)	(\$1,191)

TOTALS FOR VIRGINIA ENTERPRISE APPLICATIONS

	FY 2009	FY 2010
GF Savings:	(\$16,563)	(\$16,563)
GF Resources:	\$0	\$0
Total GF Impact:	\$16,563	\$16,563
Position Level:	0.00	0.00

STATEWIDE TOTALS

	FY 2009	FY 2010
GF Savings:	(\$15,330,788)	(\$14,517,257)
GF Resources:	\$1,845,616	\$500,000
Total GF Impact:	\$17,176,404	\$15,017,257
Position Level:	(10.00)	(16.00)