

Administration

The adopted amendments for Administration result in a net decrease of \$51.5 million GF and an increase of \$17.1 million NGF for the biennium. This represents a 3.6 percent reduction in GF appropriations for the biennium.

An additional \$37.6 million (\$14.3 million GF and \$23.3 million Federal funds) is provided to fully restore the across-the-board reductions to locally elected constitutional officers that were proposed in the introduced budget for FY 2010. The only significant new spending is the addition of \$2.9 million GF in the second year for staffing of new jails, which is partially offset by a decrease of \$1.0 million in funding the first year due to the delay in the opening of the second phase of the Riverside Regional Jail.

The majority of the savings initiatives are included within the Compensation Board's budget. Savings of \$12.0 million GF are achieved from supplanting general funds with E-911 funds to support sheriffs' dispatcher positions, and one-time savings of \$1.5 million GF from supplanting general funds with technology trust fund revenue to support circuit court clerk offices.

- **Secretary of Administration**

- ***Reduced Funding for Public Broadcasting Board Grants.*** Includes reductions of \$318,070 GF the first year and \$636,139 GF the second year in the community service and instructional television services grants to public television and radio stations. These reductions represent a 5 percent reduction the first year and a 10 percent reduction the second year.

(NOTE: AN ADDITIONAL REDUCTION OF \$1.0 MILLION GF WAS APPROVED BY THE GENERAL ASSEMBLY, BUT VETOED BY THE GOVERNOR).

- ***Remove Additional Funding for Pay Practices.*** Includes a reduction of \$4,580 GF the second year to remove the half-percent pay practices funding provided to executive branch agencies during the 2006-08 biennium.

- **Compensation Board**

General Impact on Constitutional Officers

- ***Restore Funding for Constitutional Offices.*** An additional \$37.6 million (\$14.3 million GF and \$23.3 million federal funds) is provided for support of locally elected constitutional officers. This action fully restores the across-the-board reductions that were proposed in the introduced budget for FY 2010. Reductions of 7 percent had been proposed for Sheriffs, local and regional jails, and commonwealths' attorneys. Reductions of 10 percent had been proposed for circuit court clerks, commissioners of the revenue, treasurers, and directors of finance. A language amendment to the Department of Criminal Justice Services

directs the use of \$23.3 million from federal Byrne Memorial Justice Assistance Grants available under the American Recovery and Reinvestment Act of 2009 for restoration of funding for sheriffs and jails.

Constitutional Officers' Funding Restorations (FY 2010)			
Officer	GF	Byrne JAG Grants	Total
Sheriffs & Jails	\$5.3	\$23.3	\$28.6
Commonwealth's Attorneys	\$3.5	\$0.0	\$3.5
Circuit Court Clerks	\$2.7	\$0.0	\$2.7
Commissioners of the Revenue	\$1.1	\$0.0	\$1.1
Treasurers	\$1.1	\$0.0	\$1.1
Directors of Finance	<u>\$0.6</u>	<u>\$0.0</u>	<u>\$0.6</u>
Total	\$14.3	\$23.3	\$37.6

- *Eliminate Funding for the Constitutional Officers' Retiree Health Care Credit.* Captures savings of \$402,725 GF in the second year of the biennium from eliminating the state funding for the retiree health care credit for constitutional officers. Beginning in FY 2009 state support for this benefit was decreased from 100 percent to 50 percent.
- *Staffing Standards.* Language requires the Compensation Board to convene a workgroup to update the staffing standards for the constitutional officers' offices and report its recommendations for commonwealth's attorneys' offices, by November 15, 2009; for sheriffs' offices, by June 30, 2010; and for circuit court clerks, treasurers, commissioners of the revenue and compensation board funded directors of finance, by November 15, 2010.

Sheriffs and Regional Jails

- *Staffing for New Jails.* Assumes a GF decrease of \$1.0 million in the first year and a \$2.9 million GF increase the second year to staff new jails. The savings in the first year is the result of a delay in the opening of the second phase of the Riverside Regional Jail. The second year increase results from staffing needs at the Loudon Jail, the New River Regional Jail, the Newport News Jail, and the Blue Ridge Regional Jail.

- ***Supplant GF with E-911 Funds.*** Includes a \$6.0 million GF reduction in each year of the biennium for sheriffs' dispatchers. These funds are supplanted with a \$6.0 million NGF appropriation from the E-911 funds each year.
- ***Inmate per Diem Payments.*** Captures savings of \$2.2 million GF the first year and \$2.2 million GF the second year from a re-estimate of per diem payments for inmates in local and regional jails. This is in addition to a 7 percent reduction, \$5.6 million, in the second year which was included in the across the board reductions in the introduced budget.
- ***Federal Inmate Cost Recoveries.*** Realizes additional savings of \$256,000 GF the second year by expanding the existing federal inmate cost recovery methodology to include office and vehicle allowances, grants, construction reimbursements, and other support in addition to the salaries that are currently included.
- ***Change Due Date for Annual Report.*** Includes language which changes the due date for the Compensation Board's annual report on the number and diagnoses of inmates with mental illness in local and regional jails from October 1 to November 1 of each year, to be consistent with the jail cost report due date.

Circuit Court Clerks

- ***Increase Funding for Circuit Court Clerks Offices Fringe Benefits.*** Includes \$2.1 million general fund in the second year for the additional fringe benefit costs of circuit court clerks that results from the change in the excess circuit court clerks' fees to be retained by the Commonwealth from one-third to two-thirds.
- ***Supplant GF with the Technology Trust Fund.*** Reduces the appropriation for the circuit court clerks' offices by \$1.5 million GF in the second year. These funds are supplanted with a \$2.5 million NGF appropriation from the circuit court clerks' Technology Trust Fund. The additional \$1.0 million NGF is intended to assist with other costs of circuit court clerks.
- ***Newport News Clerk's use of the Technology Trust Fund.*** A language amendment enables the Newport News Circuit Court Clerk to utilize up to \$100,000 the first year and \$200,000 the second year from the Technology Trust Fund to support office operations.

Compensation Board Administration

- ***Increase Agency Efficiencies.*** Reduces funding for the Compensation Board's administrative budget by \$389,008 GF the first year and \$220,469 GF the second year based on proposed streamlining of the Compensation Board's administrative operations.
- ***Improve Internal Systems Efficiencies.*** Captures savings of \$100,000 GF the first year and \$190,542 GF the second year from improved systems efficiencies

including the archiving of historical data, overnight report generation and training on efficient practices.

- ***Reduce Information Technology Equipment Expenditures.*** Captures savings of \$9,000 GF the first year and \$18,000 GF the second year through reduced expenditures on information technology equipment, and discontinuation of the agency's training room.
- ***Revert General Fund Balances.*** Reflects a one time reduction in the first year of \$55,020 GF from the reversion of general fund balances.
- ***Discontinue Geronimo Legal Research Contract.*** Captures savings of \$55,020 GF in the second year from discontinuing the Geronimo Legal Research contract.
- ***Remove Additional Funding for Pay Practices.*** Includes a reduction of \$8,053 GF the second year to remove the half-percent pay practices funding provided to executive branch agencies during the 2006-08 biennium.

- **Department of Employment Dispute Resolution**

- ***Reduce Personnel Costs.*** Includes savings of \$61,699 GF the first year from a delay in filling a budget/fiscal position.
- ***Supplant General Funds with Nongeneral Funds.*** Captures savings of \$64,105 GF for costs in the hearing program the first year from the one-time use of special funds. The budget includes a corresponding \$64,105 NGF in the first year.
- ***Management and Efficiency Savings.*** Captures general fund savings of \$37,702 each year from several savings actions. Planned actions include reducing expenditures for temporary labor, computer equipment, rent, and travel and training.

- **Department of General Services**

- ***Transfer Positions to the Virginia Enterprise Applications Program.*** Transfers nine positions from the Department to the Virginia Enterprise Applications Program along with the responsibility for oversight of the Virginia Election, Registration and Information System (VERIS).
- ***Eliminate Equipment Replacement Funding.*** Captures savings of \$595,607 GF the second year from the elimination of funding for the purchase of laboratory equipment by the Division of Consolidated Laboratory Services.
- ***Reduce Staffing in the Director's Office.*** Captures savings of \$19,000 GF the first year and \$29,000 GF the second year through the elimination of one position in the Director's office. This action includes one layoff.

- ***Improve Efficiencies in Director's Office.*** Captures savings of \$60,000 GF in the first year and \$586,450 GF in the second year from increased efficiencies in the Director's office. This action assumes reduced expenditures for supplies, travel, the communication office and other administrative costs.
- ***Transfer Nongeneral Fund Cash Balances into the General Fund.*** Transfers approximately \$2.0 million the first year into the general fund from cash balances from six different nongeneral fund revenue sources.
- ***Capture Office Depot Refund.*** Reflects \$1.2 million in revenues in the first year from the nonfederal portion of a refund from Office Depot as a result of overpayments.
- ***Supplant GF with NGF from the Virginia Procurement Program.*** Saves \$582,572 GF each year of the biennium, and an identical NGF increase, from the supplanting of GF with NGF to cover the cost of procurement administration and oversight. The nongeneral funds are derived from existing vendor fees.
- ***Improve Efficiencies in Information Systems Services Business Unit.*** Captures savings of \$83,000 GF in each year of the biennium from increased operational efficiencies in the unit. A portion of the reduction is offset by a \$33,000 NGF increase in each year of the biennium.
- ***Remove Additional Funding for Pay Practices.*** Includes a reduction of \$69,851 GF the second year to remove the half-percent pay practices funding provided to executive branch agencies during the 2006-08 biennium.
- ***Allow the Provision of Fleet Management Services to Local Public Entities.*** Includes language which allows the Department to provide fleet management services to local public entities on a fee-for-service basis.
- ***Update Internal Service Funds Costs.*** Includes language which revises the estimated cost for the Real Estate Services, Procurement Services, Statewide Building Management, and Fleet Management internal services funds. Included in these adjustments is an \$11.2 million decrease in the expected cost for Real Estate Services in the second year. Language is included which requires the Department to develop a plan to reduce by 15 percent the fees it charges agencies and institutions for Real Estate Services. The report is due to the Department of Planning and Budget by July 15, 2009.
- ***Payments in Lieu of Taxes.*** Language is included that limits the total service charge paid to the City of Richmond for the General Assembly Building and the State Capitol Building to \$70,000 per fiscal year beginning in FY 2010.
- ***Consolidated Fuel Purchase.*** Authorizes the Department of General Services to initiate actions to consolidate the purchase of fuel for state agencies and local governments in an effort to leverage purchasing power.

- **Department of Human Resources Management**

- *Allocate Administrative Expenses to Programs.* Captures savings of \$514,906 GF each year of the biennium along with a corresponding increase in NGF as the agency will allocate certain administrative expenditures to the appropriate nongeneral fund sources.
- *Recognize VEAP Office Special Fund Reimbursement.* Includes savings of \$10,644 GF in the first year and an identical NGF increase to reflect reimbursements made by the Virginia Enterprise Application Project Office for agency staff time during the first quarter of FY 2009.
- *Charge Agencies for Specialized Training.* Includes savings of \$50,000 GF in the first year and \$15,000 GF in the second year, with corresponding NGF increases, reflecting a proposal to charge agencies for the cost of special training previously provided by the agency free of charge.
- *Management and Efficiency Savings.* Captures savings of \$180,126 GF and \$35,495 NGF the first year and \$214,494 GF the second year from several savings actions. Planned actions include turnover and vacancy savings, eliminating the employee reward and recognition bonuses, reducing expenditures for wage positions, and reducing computer equipment expenditures.

- **Human Rights Council**

- *Eliminate One Position.* Captures savings of \$40,998 GF the first year through the elimination of the Equal Opportunity Employment Manager position. This action includes one layoff.
- *Management and Efficiency Savings.* Captures savings of \$10,639 GF each year from several savings actions. Planned actions include eliminating one wage position and reducing expenditures on furniture and computer equipment.

- **Department of Minority Business Enterprise**

- *Eliminate One Position.* Captures savings of \$57,055 GF each year from the elimination of one vacant executive administrative assistant position.
- *Transfer Unobligated Nongeneral Fund Balances.* Transfers \$350,634 in unused cash balances for disparity studies to the general fund in the first year of the biennium.
- *Management and Efficiency Savings.* Captures savings of \$67,378 GF the first year and \$36,270 GF the second year from several savings actions. Planned actions include reducing contractor costs, expenditures on office supplies, and delaying the hiring of the Director of Operations until January 1, 2009.

- ***Management and Efficiency Savings.*** Captures savings of \$67,378 GF the first year and \$36,270 GF the second year from several savings actions. Planned actions include reducing contractor costs, expenditures on office supplies, and delaying the hiring of the Director of Operations until January 1, 2009.
- ***Disparity Study.*** Provides \$30,000 from the general fund the first year for the procurement disparity study that is being conducted by the Department of Minority Business Enterprise.

- **State Board of Elections**

- ***Eliminate Obsolete Servers.*** Captures savings of \$111,840 GF the first year from reduced expenditures as a result of the transfer of server storage from the old statewide voter registration system to a server owned and maintained by the Virginia Information Technologies Agency.
- ***Reduce Expenditures to VEAP Office.*** Captures savings of \$113,679 GF each year by using internal agency staff to perform tasks related to the Help America Vote Act which have been provided through a contract with the Virginia Enterprise Application Program office.
- ***Recover Indirect Costs Related to Help America Vote Activities.*** Captures savings of \$111,839 GF the first year and \$75,000 GF the second year from the recovery of indirect costs incurred in support of the federal Help America Vote Act. The budget proposes a \$111,839 NGF increase in appropriation.
- ***Implement Campaign Finance Filing Fees.*** Includes increased revenues of \$100,772 NGF the second year from a proposal to require payment of an annual filing fee for campaign finance disclosure reporting. These NGF revenues will be appropriated and will supplant GF appropriations. This proposal would include filing fees for candidate campaign committees, local candidates, political action committees and political party committees.
- ***Require Cities and Towns to Pay for the Cost of May Elections.*** Reflects savings of \$80,000 GF the second year, which will be realized from requiring localities that chose to hold May elections to cover 100 percent of the cost of these elections.
- ***Additional Funding for Pay Practices.*** Includes a reduction of \$6,138 GF the second year to remove the half-percent pay practices funding provided to executive branch agencies during the 2006-08 biennium.