

Administration

The adopted amendments for the Office of Administration for FY 2010 include a net decrease of \$163.2 million in general funds and a net increase of \$113.0 million nongeneral fund compared to Chapter 781 of the 2009 Acts of Assembly, resulting in a 24 percent decrease in general funds for the office.

Over 95 percent of the reductions in FY 2010 are within the Compensation Board, with the majority of the reduction coming from supplanting \$109.5 million general fund support for sheriffs' offices with federal stimulus funds. Other significant FY 2010 savings within the Compensation Board include \$30.4 million in across-the-board reductions for constitutional officers included in the Governor's September 2009 Budget Reduction Plan and \$7.8 million in savings from deferring the FY 2010 4th quarter payments for retirement and group life insurance for employees of constitutional offices.

The adopted amendments for the Office of Administration for the 2010-12 biennium include a net decrease of \$114.5 million in general funds and a net increase of \$115.4 million nongeneral fund, compared to the Chapter 781 base. The General Assembly rejected a proposal to transfer the Compensation Board to the Public Safety Secretariat.

Significant actions for the 2010-12 biennium include the restoration of \$174.5 million for locally elected constitutional officers funded through the Compensation Board and the transfer of funding for public television and radio grants from the Secretary of Administration to the Secretary of Education and Workforce. The significant increase in the NGF appropriation is due to a \$120.0 million increase in the appropriation for the Local Choice health insurance program.

HB 29 (Chapter 872)

- **Secretary of Administration**
 - *Governor's September 2009 Budget Reductions.* Includes for FY 2010 savings of \$572,525 GF from a 10 percent reduction in the grants to Virginia's public television and radio stations.
- **Compensation Board**
 - *Supplant Sheriffs' General Fund Support with Federal Stimulus Funds.* Supplants \$109.5 million GF appropriated for sheriffs' offices with federal stimulus funds in FY 2010.
 - *Governor's September 2009 Budget Reductions.* Includes savings of \$30.6 million GF in FY 2010 reflecting actions included in the Governor's September 2009 budget reduction plan. The bulk of these savings – \$30.4 million GF – are from across-the-board reductions of 5 percent for sheriffs and Commonwealth's attorneys and 15 percent for all other Constitutional offices. In addition, the

budget reduction plan assumes one-time revenues of \$7.0 million from transferring funds from the circuit court clerks' Technology Trust Fund to the general fund and establishing a line of credit for the technology fund's expenses.

- ***Reduce State Support for Retirement and Group Life Insurance.*** Assumes savings of \$7.8 million GF in FY 2010 from eliminating funding for the 4th quarter retirement and group life insurance payments for employees in the Constitutional offices. This proposal is consistent with the September 2009 budget reduction plan's suspension of 4th quarter payments to the Virginia Retirement System for these benefits for state employees.
- ***Reduce Funding for Jail Per Diem Payments.*** Reduces the payments for jail per diems by \$3.6 million GF in FY 2010 and includes language decreasing jail per diem rates for all offenders housed in local and regional jails on or after March 1, 2010. The rates for local responsible inmates are reduced from \$8 to \$4 per day and the rates for state responsible inmates are reduced from \$14 to \$12 per day.
- ***Adjust Funding Due to Delays in Opening New Jails.*** Reflects \$2.4 million in GF savings in FY 2010 from additional delays in opening new jail beds at the Riverside Regional and Loudon County jails.
- ***Eliminate One Day of State Funding for State Supported Local Employees.*** Includes savings of \$2.2 million GF from eliminating funding for one day of salary for Constitutional officers and state-supported local employees funded by the Compensation Board. This amendment treats the Constitutional officers and state-supported local employees similarly to state employees for whom a one-day furlough was included as part of the September 2009 budget reduction plan.
- ***Supplant General Fund Support for Dispatchers with E-911 Funding.*** Supplants \$2.0 million GF in funding for local law enforcement dispatchers with \$2.0 million in E-911 funds.
- ***Transfer Surplus Technology Trust Fund Balance.*** Reflects the transfer of an additional \$2.0 million from the circuit court clerks Technology Trust Fund. This is in addition to the \$7.0 million transfer assumed in the September 2009 budget reduction plan.
- ***Adjust Revenue Estimate for Excess Court Fees.*** Assumes an additional \$1.6 million in revenue will be captured from the state share of excess court fees collected by circuit court clerks.

- **Department of Employment Dispute Resolution**

- ***Governor's September 2009 Budget Reductions.*** Includes savings of \$137,293 GF in FY 2010 to reflect actions taken as part of the September 2009 budget reductions.

- *Reduce Discretionary Expenses and Grievance Services.* Captures savings of \$27,681 GF from a reduction in the hours for part-time employees who process grievances and a reduction in expenditures for continuing education for employees.
- **Department of General Services**
 - *Governor's September 2009 Budget Reductions.* Includes savings of \$2.6 million GF in FY 2010 to reflect actions taken as part of the September 2009 budget reductions. These actions include a reduction of 8 FTEs with 6 potential layoffs.
 - *Supplant General Fund Support for Cost Reviewer Position.* Captures savings of \$80,000 GF from a proposal to charge agencies for work performed by one capital outlay cost reviewer. The \$80,000 represents savings for half a year.
- **Department of Human Resources Management**
 - *Governor's September 2009 Budget Reductions.* Includes savings of \$511,053 GF in FY 2010 to reflect actions taken as part of the September 2009 budget reductions. In addition, the plan assumes \$63,095 in revenue transfers from the Training and Forms Recovery Fund. Actions within the agency include a reduction of 6 FTEs with 5 potential layoffs.
- **Human Rights Council**
 - *Governor's September 2009 Budget Reductions.* Includes savings of \$10,705 GF in FY 2010 to reflect actions taken as part of the September 2009 budget reductions.
 - *Funding for Unanticipated Cost Increases.* Provides \$37,328 GF to cover cost overruns at the Human Rights Council.
- **Department of Minority Business Enterprise**
 - *Reversion of General Fund Balances.* Reverts \$191,820 in general fund balances from the Department of Minority Business Enterprise. This amount includes a reversion of \$95,910 in general fund balances that was assumed as part of the September budget reduction plan.
- **State Board of Elections**
 - *Governor's September 2009 Budget Reductions.* Includes savings of \$1.1 million GF in FY 2010 to reflect actions taken as part of the September 2009 budget reductions. The majority of the savings, \$739,267 GF, is realized through a 10 percent reduction in payments to localities for general registrars and electoral board members salaries and travel expenses.

- *Restore Funding for May Elections.* Restores \$80,000 GF to cover the costs of local elections held in May.

HB 30 (Chapter 874)

- **Secretary of Administration**

- *Reduce Funding for Grants to Public Broadcasting.* Includes a reduction of 15 percent, \$858,101 in both FY 2011 and 2012, in the grants to public television and radio stations.
- *Transfer Funding for Public Broadcasting Grants to the Secretary of Education and Workforce.* Transfers the remaining funding for grants to Virginia’s public television and radio stations, \$4.9 million general funds in both FY 2011 and 2012, from the Secretary of Administration to the Secretary of Education and Workforce.
- *Distribute October 2008 Budget Reductions.* Reduces funding by \$155,838 GF each year of the 2010-12 biennium and 1 position to distribute reductions to the Governor’s Office in Item 54.04 of Chapter 781.
- *Consolidate Support Staff in the Cabinet.* Reduces funding by \$73,558 GF over the 2010-12 biennium from eliminating a support staff position.

- **Compensation Board**

- *Transfer the Compensation Board from the Office of Administration to the Public Safety Secretariat.* The General Assembly rejected a proposal to transfer the Compensation Board from the Office of Administration to the Public Safety Secretariat.
- *Summary of Reductions to Constitutional Officers.* The adopted budget for the Compensation Board includes a reduction of \$78.5 million for the biennium (or 6.2 percent below the base budget), including reductions of \$8.3 million GF for sheriffs and regional jails, \$45.9 million GF for payment levels for jail per diems, \$3.2 million GF for local Finance Directors, \$6.0 million GF for Commissioners of the Revenue, \$8.0 million GF for local Treasurers, \$4.5 million for local Commonwealth’s Attorneys, \$1.2 million for Circuit Court Clerks, and \$2.2 million GF for Compensation Board administration.

Sheriffs and Regional Jails

- *Summary for Sheriffs and Regional Jails.* Provides \$49.2 million GF in FY 2011 and \$49.4 million GF in FY 2012 to restore reductions proposed in the introduced budget. After providing these restorations, there is a net increase in funding for sheriffs and regional jails of \$2.1 million GF in FY 2011 and a net decrease of \$10.4 million GF in FY 2012.

- ***Law Enforcement Deputies.*** Provides \$12.6 million GF in FY 2011 and \$12.1 million GF in FY 2012 to restore law enforcement deputy sheriff positions at a ratio of one deputy per 1,500 locality population, per § 15.2-1609.1, *Code of Virginia*. An additional 375 positions for sheriffs are provided in the position count table found in paragraph B.1. of Item 67.90.
- ***Master Deputy and Sheriffs' Career Development Programs.*** Provides \$3.2 million GF in both FY 2011 and FY 2012 to restore funding for those deputies and sheriffs who were participating in the Master Deputy and Sheriffs' career development programs as of January 1, 2010.
- ***Byrne Justice Assistance Grant Funds.*** Provides \$10.0 million GF in FY 2011 and \$10.0 million GF in FY 2012 to partially restore the one-time general fund reduction taken in fiscal year 2010 that supplanted general funds with federal Byrne Justice Assistance Grant funds.
- ***Jail Expansion Projects.*** Provides for a reduction of \$515,678 GF in FY 2011 and an increase of \$239,782 GF in FY 2012 to adjust funding for the Pittsylvania and Patrick County jail construction projects. The introduced budget bill provided funding for the Pittsylvania County Jail's operations beginning December 1, 2010, but the jail's opening has been delayed until July 1, 2011. Funding is also provided for the Patrick County Jail expansion project's operations, for which funding was inadvertently withheld in the introduced bill.
- ***Restore Other Proposed Reductions.*** Provides \$23.9 million GF in FY 2011 and \$23.9 million GF in FY 2012 to restore selected reductions in sheriffs' offices and regional jails.
- ***Adjust Funding for VRS Rates & Elimination of 90 Day Vacancy Savings.*** Reduces funding for sheriffs and regional jails by \$4.9 million GF each year from the net impact of eliminating the savings from the 90 day vacancy savings, a restoration of \$11.2 million each year, and a reduction of \$16.0 million each year from decreased reimbursements as a result of lower VRS contribution rates.

Per Diem Payments

- ***Summary for Per Diem Payments.*** Reduces the amount appropriated for per diem payments for maintenance of prisoners in local and regional jails by \$23.1 million GF in FY 2011 and \$22.7 million GF in FY 2012.
- ***Continuation of Per Diem Rate Changes.*** Includes reductions of \$19.6 million in FY 2011 and \$19.3 million in FY 2012 from the continuation of changes in the rates paid to local and regional jails for housing local-responsible and state-responsible offenders. These rate changes reduce the amounts paid for housing local-responsible offenders from \$8 to \$4 per day and the amounts paid for housing state-responsible inmates from \$14 to \$12 per day.

- ***Jail Contract Bed Program.*** Achieves savings of \$1.5 million GF in both FY 2011 and FY 2012 from the elimination of the Jail Contract Bed program, which the Department of Corrections had used to place up to 500 state-responsible inmates in local or regional jails for work release or reentry programming. In exchange for the use of these jail beds, the department had paid double the existing rate for housing state-responsible inmates in local facilities.

Local Directors of Finance

- ***Summary for Local Directors of Finance.*** Provides \$4.6 million GF in FY 2011 and \$4.6 million GF in FY 2012 to restore selected reductions for local Directors of Finance. After these restorations there is a net decrease of \$1.6 million GF in FY 2011 and \$1.6 million GF in FY 2012.
- ***Adjust Funding for VRS Rates & Elimination of 90 Day Vacancy Savings.*** Provides the Directors of Finance with \$18,913 GF each year in additional funding from the net impact of eliminating the savings from the 90 day vacancy savings, a restoration of \$173,846 each year, and a reduction of \$154,933 each year from decreased reimbursements as a result of lower VRS contribution rates.

Local Commissioners of the Revenue

- ***Summary for Local Commissioners of the Revenue.*** Provides \$8.0 million GF in FY 2011 and \$8.0 million GF in FY 2012 to restore selected reductions for local Commissioners of the Revenue. After these restorations there is a net decrease of \$3.4 million GF in FY 2011 and a \$3.4 million GF in FY 2012.
- ***Restore Other Proposed Reductions.*** Provides \$7.5 million GF in FY 2011 and \$7.5 million GF in FY 2012 to restore selected reductions for local Commissioners of the Revenue.
- ***Career Development Program.*** Provides \$0.5 million GF in FY 2011 and \$0.5 million GF in FY 2012 to restore funding for the Commissioners of the Revenue career development programs.
- ***Adjust Funding for VRS Rates & Elimination of 90 Day Vacancy Savings.*** Reduces funding for Commissioners of Revenue by \$340,980 GF each year from the net impact of eliminating the savings from the 90 day vacancy savings, a restoration of \$332,338 each year, and a reduction of \$673,318 each year from decreased reimbursements as a result of lower VRS contribution rates.

Local Commonwealth's Attorneys

- ***Summary for Local Commonwealth's Attorneys.*** Provides \$8.3 million GF in FY 2011 and \$8.3 million GF in FY 2012 to restore selected reductions for local Commonwealth's Attorneys. After these restorations there is a net decrease of \$2.3 million GF in FY 2011 and \$2.3 million GF in FY 2012.

- ***Restore Other Proposed Reductions.*** Provides \$7.5 million GF in FY 2011 and \$7.5 million GF in FY 2012 to restore selected reductions for local Commonwealth's Attorneys.
- ***Career Development Program.*** Provides \$0.8 million GF in FY 2011 and \$0.8 million GF in FY 2012 to restore funding for the Commonwealth's Attorneys career development programs.
- ***Adjust Funding for VRS Rates & Elimination of 90 Day Vacancy Savings.*** Provides the Commonwealth's Attorneys with \$328,783 GF each year in additional funding from the net impact of eliminating the savings from the 90 day vacancy savings, a restoration of \$2.8 million each year, and a reduction of \$2.4 million each year from decreased reimbursements as a result of lower VRS contribution rates.

Local Circuit Court Clerks

- ***Summary for Local Circuit Court Clerks.*** Provides \$9.0 million GF in FY 2011 and \$9.0 million GF in FY 2012 to restore selected reductions for local Circuit Court Clerks. After these restorations there is a net decrease of \$577,619 GF in FY 2011 and \$577,619 GF in FY 2012.
- ***Adjust Funding for VRS Rates & Elimination of 90 Day Vacancy Savings.*** Reduces funding for Circuit Court Clerks by \$124,959 GF each year from the net impact of eliminating the savings from the 90 day vacancy savings, a restoration of \$1.0 million each year, and a reduction of \$1.1 million each year from decreased reimbursements as a result of lower VRS contribution rates.

Local Treasurers

- ***Summary for Treasurers.*** Provides \$7.9 million GF in FY 2011 and \$7.9 million GF in FY 2012 to restore selected reductions for local Treasurers. After these restorations there is a net decrease of \$4.1 million GF in FY 2011 and \$4.1 million GF in FY 2012.
- ***Restore Other Proposed Reductions.*** Provides \$7.2 million GF in FY 2011 and \$7.2 million GF in FY 2012 to restore selected reductions for local Treasurers.
- ***Career Development Program.*** Provides \$0.7 million GF in FY 2011 and \$0.7 million GF in FY 2012 to restore funding for the local Treasurers' career development programs.
- ***Adjust Funding for VRS Rates & Elimination of 90 Day Vacancy Savings.*** Reduces funding for Treasurers by \$288,420 GF each year from the net impact of eliminating the savings from the 90 day vacancy savings, a restoration of \$348,965 each year, and a reduction of \$673,385 each year from decreased reimbursements as a result of lower VRS contribution rates.

Administration

- *Restore Other Proposed Reductions.* Provides \$113,221 GF in FY 2011 and \$113,221 GF in FY 2012 to restore selected reductions for Compensation Board administrative costs. After these restorations there is a net decrease of \$1.1 million GF in FY 2011 and \$1.1 million GF in FY 2012.

- **Department of Employment Dispute Resolution**

- *Merge the Department of Employment Dispute Resolution Into the Department of Human Resources Management.* The General Assembly rejected a proposal to transfer all of the funding and staffing for the Department of Employment Dispute Resolution into the Department of Human Resources Management. The budget does capture \$164,974 in savings each year assumed for the Department of Employment Dispute Resolution for FY 2010 in HB 29.

- **Department of General Services**

- *Transfer Funding for Personal Services from Capital Budget.* Increases the Department's operating budget by \$300,000 GF each year for professional architectural and engineering staff. Funding for these positions is currently in the section reserved for statewide capital projects.
- *Transfer Funding for Administrative Lease Fees to Agencies.* Provides for the transfer of \$828,142 GF each year of the biennium from the Department of General Services to other agencies to cover the cost of fees charged for central lease administration.
- *Distribute Central Appropriations Reductions to Agency.* Reflects a technical adjustment transferring GF savings of \$598,106 in FY 2011 and FY 2012 from changes to benefit contribution rates and other centrally funded items.
- *Improve Efficiencies in Director's Office.* Assumes savings of \$575,417 GF in FY 2011 and FY 2012 from increased efficiencies in the Director's office. Included in the savings estimate is the assumption that GF support for one graphics position will be supplanted with funds from agencies who utilize the position's services.
- *Supplant General Fund Support for Personnel Costs with Other Sources.* Assumes savings of \$1.0 million GF in each year of the 2010-12 biennium from the supplanting of GF personnel costs with other revenue sources. Annual savings include \$495,000 from funding purchase and supply bid tabulations positions with purchase and supply funds, \$385,000 from funding purchase and supply account positions with nongeneral funds, and \$160,000 from funding one capital outlay cost reviewer from the appropriations of capital projects which the position supports.

- *Eliminate Certain Laboratory Services.* Captures savings of \$174,000 GF in each year from eliminating refugee health screenings and milk and dairy tests that are currently performed at the DGS lab. This proposal eliminates two positions.
- *Eliminate Funding for Vacant Cost Estimator Position.* Includes savings of \$140,000 GF in each year by eliminating funding for a vacant cost estimator position.
- *Improve Efficiency in Lab Courier Services.* Assumes savings of \$120,000 GF in each year from renegotiating vendor and services by vendors to improve efficiencies.
- *Reduce Funding for FICAS System.* Includes a reduction of \$50,000 GF in each year for the Facility Inventory Condition and Assessment System.

- **Department of Human Resources Management**

- *Continue Strategies Included in Governor's September 2009 Budget Reductions.* Assumes savings of \$594,864 GF in FY 2011 and FY 2012 from the continuation of the savings strategies proposed in the September 2009 plan. The FY 2011 and FY 2012 savings amounts are higher than the FY 2010 amount of \$511,053, because they realize a full year of savings from the elimination of statewide training offices.
- *Distribute Central Appropriations Reductions to Agency.* Reflects a technical adjustment transferring GF savings of \$132,043 in each year from changes to benefit contribution rates and other centrally funded items.
- *Increase the Nongeneral Fund Appropriation for the Local Choice Health Insurance Program.* Provides a \$60.0 million increase in the NGF appropriation for the Local Choice health insurance program to reflect changes in cost and participation in the program in each year.
- *Eliminate the Career Center.* Captures savings of \$65,200 GF in FY 2011 and \$97,800 GF in FY 2012 from elimination of the Career Center at the Department of Human Resource Management.

- **Human Rights Council**

- *Governor's September 2009 Budget Reductions.* Assumes savings of \$10,705 GF in FY 2011 and FY 2012 that was originally included as part of the September 2009 budget reductions.
- *Capture Portion of Savings from Eliminating Chief Deputy Position.* Assumes savings of \$13,787 GF in FY 2011 and FY 2012 from the elimination of the chief deputy position at the council effective January 16, 2009. The budget assumes a portion of the savings related to eliminating the chief deputy will be redirected to cover increased operating costs and hire one wage position.

- *Distribute Central Appropriations Reductions to Agency.* Reflects technical adjustment transferring GF savings of \$8,365 in FY 2011 and FY 2012 from changes to benefit contribution rates and other centrally funded items.
- **Department of Minority Business Enterprise**
 - *Eliminate Funding for Certification Support Staff.* Includes savings of \$63,490 GF in FY 2012 from the elimination of a wage position within the certification unit.
 - *Distribute Central Appropriations Reductions to Agency.* Reflects a technical adjustment transferring GF savings of \$19,716 in FY 2011 and FY 2012 from changes to benefit contribution rates and other centrally funded items.
 - *Reduced Administrative Expenses.* Includes savings of \$31,970 GF in FY 2011 and FY 2012 from reducing expenditures for travel through the increased use of teleconferencing.
- **State Board of Elections**
 - *Continue Strategies Included in Governor's September 2009 Budget Reductions.* Assumes savings of \$1.1 million GF in FY 2011 and FY 2012 from the continuation of the savings strategies proposed in the September 2009 plan. The majority of the savings, \$739,267 GF, is realized through a 10 percent reduction in payments to localities for general registrars and electoral board members salaries and travel expenses.
 - *Distribute Central Appropriations Reductions to Agency.* Reflects a technical adjustment transferring GF savings of \$101,683 in FY 2011 and FY 2012 from changes to benefit contribution rates and other centrally funded items.
 - *Suspend Mileage Reimbursement for Electoral Board Members.* Assumes GF savings of \$78,390 in FY 2011 and FY 2012 from suspending the reimbursement of mileage expenses for electoral board members.
 - *Reduce Federal Funding Appropriation.* Reduces the federal fund appropriation within the State Board of Elections by \$5.5 million in FY 2011 and \$6.1 million in FY 2012 to reflect the depletion of federal Help America Vote Act funds.
 - *Constitutional Amendments.* Provides \$440,200 GF in FY 2011 for expenses related to placing three constitutional amendments on the ballot in November 2010. These measures are on the ballot pursuant to SB 31, SB 362 and SB 547.
 - *Reduce Compensation for Local Electoral Boards and Registrars.* Includes an additional reduction of \$739,267 GF in FY 2011 and \$739,267 GF in FY 2011 in compensation for local electoral boards and local registrars. This brings the total reduction to 20 percent reduction.