

Administration

Governor's Proposed Amendments				
(\$ in millions)				
	FY 2019 Proposed		FY 2020 Proposed	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2018-20 Current Budget (Ch. 2, 2018 Special Session I)	\$738.0	\$3,333.4	\$740.2	\$3,437.7
Proposed Increases	1.8	3.3	3.2	13.7
Proposed Decreases	<u>(3.0)</u>	<u>(501.2)</u>	<u>(4.5)</u>	<u>(639.2)</u>
\$ Net Change	(1.3)	(497.9)	(1.4)	(625.6)
HB 1700/SB 1100, as Introduced	\$736.7	\$2,835.5	\$738.8	\$2,812.2
% Change	(0.2%)	(14.9%)	(0.2%)	(18.2%)
FTEs	368.46	731.54	377.46	729.94
# Change	0.00	(6.00)	9.00	(7.60)

- **Secretary of Administration**

- *Provide Funding for Statewide Data Inventory.* Recommends \$1.4 million GF the first year to identify data elements, document user access patterns, and develop a data dictionary and catalog, and implement a cloud-based data catalog platform. The data inventory activities are intended to be conducted in FY 2020, with a one-time appropriation proposed in FY 2019 to be carried forward for use in the subsequent fiscal year. The funding is associated with supporting the broader initiatives of the Commonwealth's Chief Data Officer, and includes language compelling state agencies and other applicable governmental and non-governmental entities to cooperate with the Secretary of Administration to further develop the data sharing and analytics program, established pursuant to Chapter 679 of the 2018 Acts of Assembly (SB 580).

- **Compensation Board**

- *Revert Excess Funding and Positions for Expanded Jail Capacity.* Proposes authorizing the reversion of \$847,086 GF the second year due to the delayed

opening of the Prince William/Manassas adult detention center expansion project. Chapter 2 of the 2018 Acts of Assembly, Special Session I (HB 5002), included \$1.5 million GF the second year for staffing costs associated with the expansion of the detention center.

- ***Revert Excess Funding for Jail Per-Diems.*** Proposes the reversion of \$3.0 million GF the first year and \$3.7 million GF the second year due to lower than projected jail per-diem payouts. Chapter 2 (2018 Special Session I) included increases of jail per-diem funding of \$374,114 GF the first year and \$1.4 million GF the second year, based on expected costs at that time.
- ***Provide Additional Funding to Commonwealth’s Attorney’s Offices for Increased Workloads.*** Recommends \$723,420 GF the second year to fund 10 additional Assistant Commonwealth’s Attorneys and six additional administrative support positions to assist select offices experiencing increased workloads as a result of local law enforcement’s use of body-worn cameras.
- ***Revise Language Regarding Reimbursements to Nottoway County.*** Recommends amending existing language regarding the timing and eligibility of applicable costs incurred by Nottoway County for the detention of residents at the Virginia Center for Behavioral Rehabilitation held in the Piedmont Regional Jail for new offenses. Existing language included in Chapter 2 allowed for the reimbursement of costs in the first year for expenses incurred in the prior fiscal year (FY 2018) if not previously reimbursed. The language being amended was written with the intent of expiring after FY 2019, and reverting back to allowing the reimbursement of costs incurred in the last month of a preceding fiscal year.

- **Department of General Services**

- ***Additional Funding and Positions for Disease Testing.*** Proposes \$478,095 GF and 3.00 FTEs the second year for additional reportable disease testing in the Division of Consolidated Laboratory Services (DCLS). The need for additional testing is the result of increased testing requirements from recently adopted Department of Health regulations, as well as an increase in the number of specimen samples being sent to DCLS for analysis.
- ***Funding for “On the Square VA”.*** Recommends \$100,000 GF the second year for the “On the Square VA” employment engagement activities, to include staffing and promotional materials.

- **Department of Human Resource Management**

- ***Provide General Funds for Maintenance Service Charge.*** Proposes \$75,638 GF the first year to refund the Shared Services Center internal service fund for a prior year

maintenance charge that should have been general fund supported. Due to federal requirements, the erroneous charge must be restored in order to avoid a 25 percent penalty based on the state's federal funds participation rate.

- ***Restore Funding for Time, Attendance and Leave System.*** Recommends \$303,220 GF the first year and \$606,439 GF the second year for the continued operation of the Time, Attendance and Leave (TAL) System pending its replacement, due to the delay in the implementation timeline for the Department of Accounts' new integrated payroll system that will replace TAL.
- ***Recruitment Management System Contract Extension.*** Recommends \$25,000 GF the first year for a one-year contract extension, reflecting the vendor's increased costs for the contract with the Virginia Information Technologies Agency (VITA) and People Admin for the state's Recruitment Management System, which expires after this year.
- ***Supplement Existing Funding to Establish Director of Equity, Diversity, and Inclusion.*** Proposes \$72,826 GF the second year to supplement existing funding for a currently funded vacancy to be redefined as the Director of Diversity, Inclusion, and Equity. The role would report directly to the agency head, and be in charge of Equal Employment Opportunity (EEO) functions, following the consolidation of the EEO and Employment Dispute Resolution offices into one entity.

- **Department of Elections**

- ***Provide NGF Funding for New Help America Vote Act (HAVA) Security Grant Award.*** Recommends \$3.0 million NGF the second year to facilitate the use of a portion of a \$9.0 million HAVA security grant awarded in 2018 to be drawn down over a four year period, and to be used to enhance the security of the state's election infrastructure, including the Virginia Election and Registration Information System (VERIS). In Chapter 2, \$10.4 million GF was provided over the biennium to backfill prior HAVA grant funding that was fully depleted at the end of FY 2018, in order to continue HAVA related activities.
- ***Expand Local Election Official Training.*** Proposes \$607,500 GF and 3.00 FTEs the second year to develop and maintain expanded curriculum and training programs for local election officials to promote uniformity in election administration throughout the state.
- ***Add Voter List Maintenance Positions.*** Recommends \$297,433 GF and 2.00 FTEs the second year to enhance voter list maintenance and auditing processes and implement standard list maintenance practices among general registrars. The request for positions and list maintenance activities is consistent with recommendations made by the Joint Legislative Audit and Review Commission

(JLARC) in its September 2018 Operations and Performance of Virginia’s Department of Elections report.

- *Advertise Voter Referendum for Equal Rights Amendment.* Proposes \$160,000 GF the second year to fund the cost of providing public notice of a statewide voter referendum, pursuant to Section 30-19.10, *Code of Virginia*, requiring such notice of statewide voter referenda.
- *Add Fiscal Administrative Position.* Recommends \$106,651 GF and 1.00 FTE the second year to provide back-up and support of existing financial and administrative support staff. The position request is consistent with recommendations made by JLARC in its September 2018 Operations and Performance of Virginia’s Department of Elections report, which identified issues related to the on-boarding of new employees and strengthening agency internal controls.

- **Virginia Information Technologies Agency**

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2018-20 Current Budget (Ch. 2, 2018 Special Session I)	\$0.4	\$412.9	\$0.4	\$410.7
Proposed Increases	0.0	0.4	0.0	0.0
Proposed Decreases	(0.0)	(0.0)	(0.0)	(56.6)
\$ Net Change	0.0	0.4	0.0	(56.6)
HB 1700/SB 1100, as Introduced	\$0.4	\$413.3	\$0.4	\$354.1
% Change	0.0%	0.1%	0.0%	(13.8%)
FTEs	2.0	238.0	2.0	236.40
# Change	0.0	0.0	0.0	(1.60)

*Note: Proposed amendments for VITA are also reflected within the overview table for the Administration Secretariat.

- *Disentanglement Costs Associated With Settlement of Legal Dispute.* Final settlement amount agreed upon in regards to legal dispute between the

Commonwealth of Virginia and Northrup Grumman is \$35.8 million. This amount will be drawn from VITA's line of credit, which was increased over recent fiscal years to accommodate transition and disentanglement costs, and will be repaid in NGF through agency internal service fund (ISF) rates.

- ***Adjust Funding for Vendor Pass-Through Payments.*** Proposes a reduction of \$62.0 million NGF in the second year for vendor pass-through payments to reflect the most recent forecast of state agencies' utilization in service areas after transitioning to the new IT services model.
- ***Adjust Revenues and Transition Activities.*** Adjustments in NGF revenues associated with security audits, as well as network connections and security services management of vendor data centers related to transition and migration from the Commonwealth Enterprise Solution for the Shared Security Center to the new model result in increased costs of \$3.4 million NGF in the second year. These costs are expected to decline in the future following completion of the migration.
- ***Provide Funding for Increased Agency IT Costs.*** Proposes utilization of \$28.1 million GF revenue across the biennium to mitigate an unanticipated increase in disentanglement costs to agencies, as they transition from the old service model to the new model.
- ***Adjust Internal Service Fund Rates.*** Recommends an increase in ISF rates paid by agencies for IT services in the second year in order to pay down the VITA line of credit which has been utilized for transition and disentanglement costs, as well as an error in agency forecasting for FY18 primarily related to disentanglement. It is anticipated that this rate increase is temporary and future rates are expected to decline.
- ***Provide Funding for Software Licenses.*** Proposes \$1.7 million NGF the second year to purchase additional Microsoft licenses as an indirect result of disentanglement activities.
- ***Authorize Line of Credit Utilization for Agency Migration.*** Proposes language amendment that authorizes agencies to utilize VITA's line of credit for final transition and migration costs associated with disentanglement. This authorization is further supported by a formal transition process to be managed by VITA and approved by the Secretaries of Administration and Finance.