

# Administration

The Governor's proposed amendments for the Office of Administration for FY 2010 include a net decrease of \$163.2 million in general fund dollars 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 a proposal to supplant \$109.5 million general fund support for sheriff's 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 4<sup>th</sup> quarter payments for retirement and group life insurance for employees of constitutional offices.

The Governor's proposed amendments for the Office of Administration for the 2010-12 biennium include a net decrease of \$23.9 million in general fund dollars and a net increase of \$115.4 million nongeneral fund, compared to the Chapter 781 base. These amounts do not include funding for the Compensation Board which is transferred to the Public Safety Secretariat in the 2010-12 proposed budget.

Significant actions proposed for the 2010-12 biennium within the Office of Administration include a \$1.7 million general fund reduction in grants for public television and radio, the transfer of the remaining funding for public television and radio grants from the Secretary of Administration to the Secretary of Education and Workforce, and the merger of the Department of Employment Dispute Resolution into the Department of Human Resources Management. The significant increase in the NGF appropriation is due to a proposed \$120.0 million increase in the appropriation for the Local Choice health insurance program.

## HB/SB 29

- **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.* Proposes to supplant \$109.5 million GF appropriated for sheriffs' offices with federal stimulus funds in FY 2010.
  - *Governor's September 2009 Budget Reductions.* Includes for FY 2010 savings of \$30.6 million GF to reflect actions included in the Governor's September 2009

budget reduction plan. The bulk of this savings, \$30.4 million GF, is from across-the-board reductions of 5 percent for the Sheriffs and Commonwealth Attorneys and 15 percent for all other offices. In addition, the September budget reduction plan assumed one-time revenues of \$7.0 million from transferring funds in the circuit court clerks Technology Trust Fund and establishing a line of credit for the fund.

- ***Reduce State Support for Retirement and Group Life Insurance.*** Assumes savings of \$7.8 million GF in FY 2010 from eliminating the funding for the 4<sup>th</sup> quarter payments for retirement and group life insurance for employees in the constitutional offices. This proposal is consistent with the proposal included in the September 2009 budget reduction plan to suspend the 4<sup>th</sup> quarter payments to the Virginia Retirement System for these benefits on behalf of state employees.
- ***Reduce Funding for Jail Per Diem Payments.*** Reduces the budget by \$3.6 million GF in FY 2010 and includes language decreasing the jail per diem payments effective March 1, 2010. Proposes to decrease the per diem payments for local responsible inmates from \$8 to \$4 per day and for state responsible inmates from \$14 to \$12 per day.
- ***Adjust Funding Due to Delays in Opening New Jails.*** Reflects \$2.4 million in GF saving 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 \$1.9 million GF from eliminating funding for one day of salary for state supported local employees that are funded through the Compensation Board. This amendment treats state supported local employees in a manner consistent with the one-day furlough proposed for state employees in 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. A companion amendment reverses a proposal included in the September budget reductions to supplant \$2.0 million GF support for the Statewide Agencies Radio System (STARS) project with \$2.0 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.* Assumes 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.* Assumes a 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.* Assumes the reversion of \$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.

## **HB/SB 30**

- **Secretary of Administration**

- *Reduce Funding for Grants to Public Broadcasting.* Proposes 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.* Proposes to transfer 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.* Proposes to transfer the Compensation Board from the Office of Administration to the Public Safety Secretariat.

- **Department of Employment Dispute Resolution**

- *Merge the Department of Employment Dispute Resolution Into the Department of Human Resources Management.* Transfers all of the funding and staffing for the Department of Employment Dispute Resolution into the Department of Human Resources Management. The budget does assume a savings of \$85,222 GF each year of the biennium as a result of the transfer in addition to the continuation of the \$164,974 in savings assumed for the Department of Employment Dispute Resolution for FY 2010 in HB/SB 29.

- **Department of General Services**

- *Transfer Funding for Personal Services from Capital Budget.* Increases the Departments' 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.* Proposes 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 2 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.* Proposes a reduction of \$50,000 GF in each year for the Facility Inventory Condition and Assessment System.

- **Department of Human Resources Management**

- *Merge the Department of Employment Dispute Resolution into the Department of Human Resources Management.* Transfers all of the funding and staffing for the Department of Employment Dispute Resolution into the Department of Human Resources Management. The budget assumes savings of \$85,222 GF each year of the biennium as a result of the transfer in addition to the continuation of the \$164,974 in savings assumed for the Department of Employment Dispute

Resolution for FY 2010 in HB/SB 29. The proposal transfers \$692,939 GF and 16 positions each year to the Department of Human Resources Management for the transfer.

- ***Continue Strategies Included in Governor's September 2009 Budget Reductions.*** Assumes savings of \$594,864 GF in FY 2011 and 2012 from the continuation of the savings strategies proposed in the September 2009 plan. The FY 2011 and 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.*** Proposes 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.

- **Human Rights Council**

- ***Governor's September 2009 Budget Reductions.*** Assumes savings of \$10,705 GF in FY 2011 and 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.*** Proposes 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 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.