2006 Special Session I

Budget Bill - HB5002 (Chapter 3)

Bill Order » Office of Finance » Item 263

Department of Planning and Budget

Item 263	First Year - FY2007	Second Year - FY2008
Planning, Budgeting, and Evaluation Services (71500)	**$8,450,057**	**$8,449,102**
Budget Development and Budget Execution Services (71502)	$4,782,861	$4,782,861
Legislation and Executive Order Review Service (71504)	$59,886	$59,886
Forecasting and Regulatory Review Services (71505)	$634,542	$634,542
Program Evaluation Service (71506)	$2,510,694	$2,510,694
Administrative Services (71598)	$462,074	$461,119
Fund Sources:		
General	$8,200,057	$8,199,102
Special	$250,000	$250,000

Authority: Title 2.2, Chapter 15 and Chapter 26, Article 8, Code of Virginia.

A. The Department of Planning and Budget shall be responsible for continued development and coordination of an integrated, systematic policy analysis, planning, budgeting, performance measurement and evaluation process within state government. The Department shall collaborate with the Governor's Secretaries and all other agencies of state government and other entities as necessary to ensure that information generated from these processes is useful for managing and improving the efficiency and effectiveness of state government operations.

B. The Department of Planning and Budget shall be responsible for the continued development and coordination of a review process for strategic plans and performance measures of the state agencies. The review process shall assess on a periodic basis the structure and content of the plans and performance measures, the processes used to develop and implement the plans and measures, the degree to which agencies achieve intended goals and results, and the relation between intended and actual results and budget requirements.

C. The Department of Planning and Budget shall include in the Budget Document the amount of projected spending and projected net tax-supported state debt for each year of the biennium on a per capita basis. The Budget Document shall also include the amount of projected spending, less funding for personal property tax relief, for the same fiscal years, on a per capita basis. For this purpose, "spending" is defined as total appropriations from all funds for the cited fiscal years as shown in the Budget Bill. The most current population estimates from the Weldon Cooper Center for Public Services shall be used to make the calculations.

D.1. The Department of Planning and Budget shall provide staffing and operational support to the Commonwealth Competition Council. Other state agencies and institutions of the Commonwealth shall also assist the Commonwealth Competition Council in its work upon the request of the chairman of the Council.

2. There is hereby created upon the books of the Comptroller a special, nonreverting fund known as the

"Commonwealth Competition Council Savings Recovery Fund." This Fund shall provide a nongeneral fund appropriation of $250,000 each year for use by the Department of Planning and Budget in defraying the costs of providing staff and operational support to the council.

3. Prior to April 1 each year, the Director of the Department of Planning and Budget shall notify the Auditor of Public Accounts of any savings recommendations put forth by the Commonwealth Competition Council for which savings are likely to be realized in the current fiscal year or in the fiscal year beginning on the next July 1 after such notification. The Auditor of Public Accounts shall audit the implementation of these savings recommendations and shall certify to the State Comptroller by June 1 each year the total savings realized by state agencies or institutions as a result of the savings recommendations put forth by the Commonwealth Competition Council. By July 1 each year, the State Comptroller shall transfer 10 percent of these certified savings to the Commonwealth Competition Council Savings Recovery Fund for support of the council's operations. However, if these savings have since accrued to the benefit of the general fund, either by subsequent budgetary action or by reversion, then following the certification of the savings by the Auditor of Public Accounts, the State Comptroller shall transfer the equivalent of 10 percent of the affected certified savings from the general fund to the Commonwealth Competition Council Savings Recovery Fund. The total amount transferred to the Commonwealth Competition Council Savings Recovery Fund pursuant to these provisions shall not exceed $500,000 in any one fiscal year.

E.1. Out of this appropriation, $1,182,500 the first year and $1,182,500 the second year from the general fund is provided to support the continuation of the school efficiency reviews program. Any school division undergoing an efficiency review shall provide a report to the Department of Planning and Budget indicating what action has been taken on each recommendation identified in the efficiency review along with any budget savings realized for each recommendation. The report shall also include a schedule for implementation of the remaining recommendations not implemented to date. The Department of Planning and Budget shall forward copies of the reports to the Chairmen of the House Appropriations, House Finance, and Senate Finance Committees within 30 days of receiving such reports. The first report shall be made within six months following the receipt of the final efficiency review, and subsequent follow-up reports shall be submitted annually by June 30th until 100 percent of the recommendations have been implemented or rationale reported that explain and address the division's lack of such implementation. The Department of Planning and Budget shall provide the format for such report that shall include budget savings realized for each recommendation implemented.

2. Commencing in fiscal year 2007, each participating school division shall pay 25 percent of the cost incurred by the state for that school division's efficiency review to be conducted.

Consistent with language and intent contained in Item 130, any school division that elects to participate in a school efficiency review as a component unit of a division level academic review shall be exempt from the 25 percent payment of the costs of the review but will not be exempt from paying a recovery cost of 25 percent if the school division does not initiate at least 50 percent of the review's recommendations within 24 months of receiving their final school efficiency review report.

Payment shall occur in the fiscal year immediately following the completion of the final school efficiency review report. The cost shall include the direct cost incurred by the state for that fiscal year to coordinate the school efficiency review and 100 percent of the costs awarded to the contractor(s) to conduct that school division's review.

3. Additionally, commencing in fiscal year 2007, a recovery of a separate and additional 25 percent payment of the cost of individual reviews shall be made in the fiscal year beginning not less than 12 months and not more than 24 months following the release of a final efficiency review report for an individual school division. Such recovery shall occur if the affected school division superintendent or superintendent's designee has not certified that at least half the recommendations have been initiated or at least half of the equivalent savings of such efficiency review have been realized. Lacking such certification the school division shall reimburse the state for 25 percent of the cost of the school efficiency review. Such reimbursement shall be paid into the general fund of the state treasury. The Department of Planning and Budget shall provide the format for such certification.