

# Independent

The Governor's proposed budget for Independent agencies contains a net decrease of \$1.5 million GF and a net increase of \$34.5 million NGF when compared to the adjusted appropriation for current operations.

Funding increases totaling \$37.8 million NGF are included for the Virginia Retirement System – (\$6.3 million NGF); the State Corporation Commission – (\$23.7 million NGF); the Lottery Department – (\$5.4 million NGF); the Virginia Higher Education Tuition Trust Fund Board – (\$1.7 million NGF); and the Workers' Compensation Commission – (\$0.7 million NGF).

Funding of \$1.5 million GF and \$3.3 million NGF for the Virginia Office of Protection and Advocacy is proposed to be transferred to the Office of Administration.

The largest single increase is \$10.9 million NGF for the State Corporation Commission to support the existing pay plan.

- **Virginia Retirement System**

- **Employer and Employee Communications.** Provides an additional \$146,455 NGF and 1.00 FTE position the first year and \$88,300 NGF the second year to support enhancements in communications with employers and employees on benefit related topics
- **Information Systems.** Proposes an additional \$1,643,826 NGF and 2.00 FTE positions the first year and \$1,400,587 NGF the second year for enhanced information systems.
- **Matching Deferred Compensation Program.** Proposes an additional \$159,024 NGF and 1.00 FTE position the first year and \$93,986 NGF the second year for implementation and support of the new matching deferred compensation program.
- **Convert Wage Positions to Full-time.** Proposes an additional \$141,398 NGF and 19.00 FTE positions the first year and \$141,398 NGF the second year to convert wage part-time wage positions to full-time status.
- **Disability Management.** Proposes an additional \$220,000 NGF the first year and \$220,000 NGF the second year to improve the management of disability cases, by implementing a Social Security Advocacy program, and expanding a pilot program to follow-up on disability retirement cases.

- **Internal Investment Services.** Provides an additional \$327,119 NGF and 4.00 FTE positions the first year and \$819,288 NGF and 8.00 positions the second year to provide in-house support of the VRS investment programs. These support services are currently provided on a contractual basis.
- **Retirement Application Process.** Proposes an additional \$250,000 NGF the first year and \$250,000 NGF the second year for consultant services to simplify and automate the retirement application process.
- **Fiduciary and Directors Liability Insurance.** Includes an additional \$400,000 NGF the first year to renew the existing insurance policy for fiduciary liability and directors and officers liability.
- **State Corporation Commission**
  - **Electric Utility Deregulation** Proposes an additional \$355,000 NGF the first year and \$355,000 NGF the second year to hire expert legal consultants in the area of electric utility deregulation.
  - **Workload Increase.** Provides an additional \$1,174,299 NGF and 36.00 FTE positions the first year and \$2,393,681 NGF and 42.00 FTE positions the second year for increased workload in six divisions.
  - **The Virginia Relay Center.** Includes an additional \$3,088,000 NGF the first year and \$3,088,000 NGF the second year for operation of the Virginia Relay Station in Norton, Virginia. This reflects the costs of the updated operating contract.
  - **Management Information Systems.** Proposes an additional \$1,774,000 NGF the first year and \$1,314,000 NGF the second year to modernize the case management and document management systems.
  - **Personnel Costs.** Provides \$4,559,600 NGF and 16.00 FTE positions the first year and \$6,359,600 NGF the second year for ongoing costs of the Commission's previously approved performance pay system, and positions established during the 1998-2000 biennium.
- **Lottery Department**
  - **Staffing Level.** Proposes an additional \$824,579 NGF and 17.00 FTE positions the first year and \$620,613 NGF positions the second year. Nine of these positions are for increased workload and eight positions restore planned operating efficiencies that did not materialize.

- **Advertising.** Includes an additional \$2,000,000 NGF the first year and \$2,000,000 NGF the second year to advertise lotto jackpots and inform the public that lottery profits support public education.
- **Higher Education Tuition Trust Fund Board**
  - **Workload Increase.** Proposes an additional \$835,915 NGF and 19.00 FTE positions the first year and \$835,915 NGF the second year to address increased workload resulting from moving several contractual services to in-house operations.
- **Virginia Office of Protection and Advocacy**
  - **Transfer to the Office of Administration.** Proposes to transfer the appropriation for this agency - \$729,206 GF and, \$1,633,674 NGF and 26 FTE positions the first year and \$729,206 GF and, \$1,633,674 NGF the second year - to the Office of Administration.
- **Workers' Compensation Commission**
  - **Workload Increase.** Includes an additional \$347,711 NGF and 9.00 FTE positions the first year and \$695,422 NGF the second year for increased workload.
- **MCV Hospitals Authority**
  - **MEL Adjustment.** Proposes to eliminate the Maximum Employment Level of 3,727.38 FTE positions for the MCV Hospitals Authority in the second year. This reflects the change in their status from state employees to employees of the authority.