

# Independent

The approved budget for Independent agencies contains a net decrease of \$0.6 million GF and a net increase of \$37.8 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); the State Corporation Commission – (\$23.7 million); the Lottery Department – (\$5.4 million); the Virginia Higher Education Tuition Trust Fund Board – (\$1.7 million); and the Workers' Compensation Commission – (\$0.7 million).

The General Assembly rejected a proposal to move the Department for the Rights of Virginians with Disabilities to the Administration Secretariat, and adopted legislation establishing the organization as an Independent agency -- the Virginia Office of Protection and Advocacy.

- **Virginia Retirement System**

- **Employer and Employee Communications.** Provides an additional \$146,455 NGF the first year and 1.00 FTE position and \$88,300 NGF the second year to support enhancements in communications with employers and employees on benefit related topics
- **Information Systems.** Includes an additional \$1,643,826 NGF the first year and 2.00 FTE positions and \$1,400,587 NGF the second year for enhanced information systems.
- **Matching Deferred Compensation Program.** Adds an additional \$159,024 NGF the first year and 1.00 FTE position and \$93,986 NGF the second year for implementation and support of the new matching deferred compensation program.
- **Convert Wage Positions to Full-time.** Provides an additional \$141,398 NGF the first year and 19.00 FTE positions and \$141,398 NGF the second year to convert wage part-time wage positions to full-time status.
- **Disability Management.** Includes an additional \$220,000 NGF in each 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.** Adds 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.** Includes an additional \$250,000 in each 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** Provides an additional \$355,000 NGF in each 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 in each for operation of the Virginia Relay Station in Norton, Virginia. This reflects the costs of the updated operating contract.
- **Management Information Systems.** Adds 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 the first year and 16.00 FTE positions and \$6,359,600 NGF the second year for ongoing costs of the Commission's previously approved performance pay system, and for positions established during the 1998-2000 biennium.

- **Lottery Department**

- **Staffing Level.** Provides an additional \$824,579 NGF the first year and 17.00 FTE positions and \$620,613 NGF the second year. Nine of these positions are for increased workload and eight positions are restorations because planned operating efficiencies did not materialize.
- **Advertising.** Includes an additional \$2,000,000 NGF in each year to advertise lotto jackpots and inform the public that lottery profits support public education.

- **Higher Education Tuition Trust Fund Board**
  - **Workload Increase.** Adds \$835,915 NGF the first year and 19.00 FTE positions 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**
  - **Establish New Agency.** Includes \$437,357 GF, \$1.6 million NGF, and 26 positions each year to establish the new Independent agency.
  
- **Workers' Compensation Commission**
  - **Workload Increase.** Includes an additional \$347,711 NGF the first year and 9.00 FTE positions and \$695,422 NGF the second year for increased workload.
  
- **MCV Hospitals Authority**
  - **MEL Adjustment.** Eliminates 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.