

Administration

The Governor's recommended amendments result in a net increase of \$8.1 million GF for the biennium when compared to the original appropriation. This total reflects new spending of \$17.9 million, offset by \$9.8 million in reductions.

The major funding increase is in the Compensation Board, where \$13.9 million is proposed to reimburse local and regional jails for housing local and state responsible inmates. For the State Board of Elections, \$2.1 million is added to continue development of the Virginia Voter Registration System.

A series of technical adjustments reflects a total of \$86,406 in savings associated with the suspensions of performance indemnity bond premium payments, suspension of automobile liability insurance payments, and the new state telecommunications contract.

In addition to the net general fund increase, there also is a net increase of \$107.5 million in nongeneral funds. Of this amount, \$100.0 million is appropriated to a new Administration of Health agency that will act as a "clearing house" for state and local government employee health insurance costs. State health benefit costs are appropriated to the various agencies, and the \$100.0 million nongeneral fund appropriation consists of a \$65.0 million transfer from Central Appropriations and an additional \$35.0 million estimate of local health benefit costs related to the local choice program.

- **Secretary of Administration.**
 - **Executive Management Savings.** Includes reductions totaling \$15,108 GF in FY 2001 and \$25,215 GF in FY 2002. These include reductions in printing costs through expanded use of web-based printing. The nongeneral fund appropriation is increased by \$25,000 in the second year to reflect a payment by the Virginia Veterans Care Center and the Charitable Gaming Commission for services provided by the Division of Selected Support.
 - **Productivity Savings.** Includes reductions of \$14,519 GF the first year and \$14,634 GF the second year to reflect productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract and a reduction in discretionary contractual services and supplies and materials expenses.
 - **Decentralization Programs.** Includes language to continue the decentralization programs of selected financial and administrative functions in institutions of higher education. A report of findings and recommendations to the General Assembly is due December 1, 2001.

- **Long-Term Care Program.** Removes \$2.7 million in funding from Central Appropriations that was provided by the 2000 General Assembly to implement a long-term care insurance program for state employees who are enrolled in the Virginia Sickness and Disability program. Language requires the Secretary of Administration to study the feasibility of implementing a long-term care insurance program for all full-time state employees, with a report due by October 15, 2001.
- **Commission on Local Government**
 - **Executive Management Savings.** Includes reductions totaling \$10,176 GF in FY 2001 and \$19,453 GF in FY 2002. Actions include a reduction of \$9,100 GF in FY 2002 to eliminate per diem payments to commission members and a \$10,000 reduction in personal service costs in each year. Finally, savings include reductions in printing costs through expanded use of web-based printing.
 - **Productivity Savings.** Includes reductions of \$10,442 GF the first year and \$11,307 GF the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract, a reduction in personal services, a reduction in discretionary contractual services and supplies and materials expenses, a reduction in equipment purchases, the implementation of e-procurement, and expanded use of the Internet for recruitment actions.
- **Commonwealth Competition Council**
 - **Executive Management Savings.** Includes reductions totaling \$48,000 GF and 1.0 FTE position in FY 2001 and \$50,650 GF and 1.0 FTE position in FY 2002. Savings reflect a reduction in per diem payments to commission members, as well as the elimination of one position.
 - **Productivity Savings.** Includes reductions of \$4,924 GF the first year and \$5,043 GF the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract and a reduction in discretionary contractual services and supplies and materials expenses.
- **Compensation Board**
 - **1:1,500 Deputy Sheriff.** Adds \$851,958 GF in FY 2002 to support 30 new deputy sheriff positions for localities with growing populations in order to maintain a ratio of one deputy per 1,500

general population. The following localities will receive additional funding based on the 1:1,500 ratio:

Amelia	Fluvanna	King George	Shenandoah
Bedford	Frederick	Loudoun	Spotsylvania
Brunswick	Giles	Pittsylvania	Stafford
Culpeper	Goochland	Pulaski	Wise
Fauquier	Hanover	Rappahannock	York

- **Inmate Per-Diem Payments.** Provides \$6.9 million GF in each year for per-diem payments to localities for local jail population.
- **Treasurers Staffing.** Adds \$516,712 GF in the second year to support 50 positions at local treasurers' offices.
- **Part-time Commonwealth Attorney.** Includes \$94,763 GF in the second year to convert the part-time Commonwealth's Attorney office in Greene County to full-time status.
- **Commissioner of Revenue Support.** Removes \$3.0 million GF in the second year to reduce state support for salaries of Commissioners of Revenue from 80 percent to 50 percent.
- **Systems Support Positions.** Adds 2.0 FTE positions in the second year for conversion of systems support from vendor contracts to full-time personnel.
- **E-Government.** Adds \$667,608 NGF in FY 2001 and \$2.6 million NGF in FY 2002 from the Technology Trust Fund to upgrade hardware and software systems for Constitutional Officers. The source of this revenue is a \$3 additional fee on the recordation tax assessed by Circuit Court clerks. Introduced language extends the deadline established by §17.1-279 for the Technology Trust Fund from July 1, 2002 to June 30, 2004.
- **Executive Management Savings.** Includes reductions totaling \$357 GF in FY 2001 and \$2.3 million GF in FY 2002. The second year reduction reflects revised Virginia Retirement System contribution rates for Constitutional Officers.
- **Productivity Savings.** Includes reductions of \$47,155 GF in the first year and \$104,832 GF in the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract, the implementation of e-procurement, and expanded use of the Internet for recruitment actions.

- **Council on Human Rights**
 - ***Executive Management Savings.*** Includes reductions totaling \$25 GF in FY 2001 and \$1,199 GF in FY 2002 to reflect elimination of per diem payments to commission members and reductions in printing costs through expanded use of web-based printing.
 - ***Productivity Savings.*** Includes reductions of \$5,584 GF the first year and \$5,936 GF the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract, a reduction in personal services, a reduction in discretionary contractual services and supplies and materials expenses, the implementation of e-procurement, and expanded use of the Internet for recruitment actions.
- **Department of Employee Relations Counselors**
 - ***Executive Management/Productivity Savings.*** Includes reductions of \$51,927 GF the first year and \$57,001 GF the second year to reflect the productivity savings approved in the 2000 Appropriation Act and proposed executive management savings. This includes savings associated with the new state telecommunications contract, a reduction in personal services, a reduction in discretionary contractual services and supplies and materials expenses, expanded use of electronic distribution for reports, the implementation of e-procurement, and expanded use of the Internet for recruitment actions.
- **Department of General Services**
 - ***Executive Management Savings.*** Includes reductions totaling \$4,442 GF in FY 2001 and \$561,356 GF in FY 2002. This includes a reduction of \$180,000 in FY 2002 associated with closing the Luray Regional Laboratory. Most of the remaining second-year reduction will be offset by nongeneral funds derived from indirect cost recoveries and surplus property sales.
 - ***Across-the-Board Reductions.*** Includes other, unspecified reductions of \$564,227 GF in FY 2001 and \$1,109,195 GF in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year. Funding for the Virginia War Memorial renovations, e-procurement, and nongeneral fund recoveries were exempt from this calculation.
 - ***Productivity Savings.*** Includes reductions of \$47,196 GF in the first year and \$165,091 GF in the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract,

the implementation of e-procurement, and expanded use of the Internet for recruitment actions.

- ***E-Procurement Language.*** Modifies language authorizing a \$3.0 million e-procurement treasury loan for the purpose of developing and implementing a statewide electronic procurement system. Language proposes that repayment of the treasury loan commence in 2004 and extend over five years, with repayments to come from fees levied on vendors or state agencies and institutions of higher education using the system.

- **Department of Human Resource Management**

- ***Executive Management Savings.*** Includes reductions totaling \$70,495 GF in FY 2001 and \$281,981 GF in FY 2002 to reflect expected recovery of agency administrative costs. A corresponding increase is recommended in nongeneral funds.
- ***Across-the-Board Reductions.*** Includes other, unspecified reductions of \$146,012 GF in FY 2001 and \$274,133 GF in FY 2002 representing the application of a 3 percent reduction the first year and 6 percent the second year.
- ***Productivity Savings.*** Includes reductions of \$110,963 GF the first year and \$164,424 GF in the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract, a reduction in personal services, a reduction in discretionary contractual services and supplies and materials expenses, and the implementation of e-procurement
- ***Internet Recruitment.*** Adds \$138,824 GF in FY 2001 and \$117,648 GF in FY 2002 for costs associated with a new centralized employee recruitment system.
- ***Nongeneral Fund Technical Adjustment.*** Adds \$127,000 NGF in FY 2002 to correct the agency's nongeneral fund appropriation for training programs and administration of the Commonwealth of Virginia Campaign.

- **Administration of Health Insurance**

- ***Creation of Agency.*** Transfers \$65.0 million NGF from central accounts and adds \$35.0 million NGF to establish a "clearing house" for the costs associated with the health insurance programs that previously been handled from central accounts. State health costs are appropriated to the various agencies, and the \$100.0 million NGF appropriation represents estimated health benefit costs for the local choice program.

- **Department for the Rights of Virginians with Disabilities**
 - **Establish Agency Budget.** Adds \$237,357 GF along with \$1.6 million NGF and 21.0 FTE positions in the first year and \$237,755 GF along with \$1.6 million NGF and 21.0 FTE positions in the second year. The 2000 General Assembly established this agency as the Virginia Office for Protection and Advocacy through House Bill 491, which subsequently was vetoed.
 - **Executive Management/Productivity Savings.** Includes reductions of \$3,698 GF and \$37,771 NGF in the first year and \$5,029 GF and \$39,956 NGF in the second year to reflect the productivity savings approved in the 2000 Appropriation Act and proposed executive management savings. This includes savings associated with the new state telecommunications contract, the implementation of e-procurement, expanded use of the Internet for recruitment actions, and expanded use of web-based printing.
- **Department of Veterans' Affairs**
 - **Executive Management/Productivity Savings.** Includes reductions of \$56,974 GF in the first year and \$94,552 GF in the second year to reflect the productivity savings approved in the 2000 Appropriation Act and proposed executive management savings. This includes savings associated with the new state telecommunications contract, a reduction in discretionary contractual services and supplies and materials expenses, the implementation of e-procurement, expanded use of the Internet for recruitment actions, expanded use of web-based printing, and elimination of per diem payments for commission members.
 - **Across-the-Board Reductions.** Includes other, unspecified reductions of \$84,212 GF in FY 2001 and \$166,160 GF in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year. Funding for the World War II Memorial Campaign was exempt from this calculation in the first year.
- **State Board of Elections**
 - **Voter Registration System.** Adds \$420,000 GF and 2.0 FTE positions in FY 2001 and \$1.7 million GF and 2.0 FTE positions in FY 2002 for the continued development of the Virginia Voter Registration System.
 - **Executive Management Savings.** Includes reductions totaling \$13,281 GF in FY 2001 and \$27,062 GF in FY 2002 for lower costs through expanded use of web-based printing and the elimination of per diem payments for commission members.

- **Productivity Savings.** Includes reductions of \$85,773 GF in the first year and \$121,964 GF in the second year to reflect the productivity savings approved in the 2000 Appropriation Act. This includes savings associated with the new state telecommunications contract, a reduction in personal services, the elimination of printing registration “alpha-rosters,” the implementation of e-procurement, and expanded use of the Internet for recruitment actions.
- **Virginia Public Broadcasting Board**
 - **Executive Management/Productivity Savings.** Includes reductions totaling \$26,502 GF and 0.5 FTE positions in FY 2001 and \$26,504 GF and 0.5 FTE positions in FY 2002 to reflect lower personal service costs and printing costs through expanded use of web-based printing.
- **Virginia Veterans Care Center Board of Trustees**
 - **Marketing Director.** Adds \$50,000 NGF and 1.0 FTE position in FY 2001 and \$55,000 NGF and 1.0 FTE position in FY 2002 to hire a marketing director.
 - **Purchase Adjustable Beds.** Provides \$32,000 NGF in each year for the purchase of adjustable beds from rental payments made by the facility’s private operator.