

# Administration

The adopted 2002-04 budget for Administration results in a net decrease of \$31.1 million GF when compared to the adjusted appropriation for current operations. This total reflects new spending of \$111.9 million, offset by \$143.8 million in reductions.

The new general fund spending includes \$62.7 million for increased per diem payments to local and regional jails and \$7.4 million for new law enforcement deputies to maintain a ratio of 1:1,500 population.

The general fund reductions include targeted decreases of \$16.9 million by moving more state responsible inmates out of local jails, \$7.5 million from reimbursement of state costs for supporting out-of-state inmates, \$5.0 million by supplanting a portion of the Circuit Court clerks' operating appropriation with the Technology Trust Fund, \$2.4 million from revised VRS rates for local constitutional officers, and \$2.0 million from the imposition of a fee for drinking water tests. In addition to the targeted reductions, a total of \$60.1 million is saved through across-the-board reductions - \$54.0 million from local constitutional officers and \$6.1 million from other Administration agencies.

- **Secretary of Administration**
  - ***Across-the-Board Reductions.*** Includes a reduction of \$69,942 GF the first year and \$79,933 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
  
- **Charitable Gaming Commission**
  - ***Additional Senior Auditor Positions.*** Provides \$224,660 NGF the first year and \$243,816 NGF the second year and 4.0 FTE positions to increase the number and frequency of audits conducted on regulated gaming organizations. The nongeneral funds include license, audit, and administration fees paid by gaming organizations.
  - ***Establish Accounting Manager Position.*** Includes \$56,165 NGF the first year and \$60,964 NGF the second year and 1.0 FTE position to oversee the agency's financial functions.
  - ***Across-the-Board Reductions.*** Includes a reduction of \$187,963 NGF the first year and \$216,730 NGF the second year as part of the

general 7 and 8 percent across-the-board reductions. These funds are transferred to the general fund in Part 3 of the budget.

- **Commonwealth Competition Council**

- ***Nongeneral Fund Support.*** Support for the Council’s operations is shifted from general fund to nongeneral funds in the second year, resulting in a reduction of \$ 302,317 GF and a like increase in NGF.

- **Compensation Board**

- ***Provide Technology Staffing Support.*** Includes an increase of 3.0 FTE positions to convert contracted information technology positions to full-time status.
- ***Provide Population-based Salary Increases for Constitutional Officers.*** Adds \$160,462 GF each year for salary increases for constitutional officers based on local population increases.
- ***Inmate Per Diem for Local and Regional Jails.*** Includes an increase of \$19.8 million GF the first year and \$23.7 million GF the second year for per diem payments to localities, reflecting the projected increase in local jail populations. However, the increases are partially offset by savings related to a change in the definition the Compensation Board uses for state-responsibility versus local-responsibility, when dealing with prisoners serving exactly 12 months and the assumption that more state-responsible inmates will be transferred to the Department of Corrections than the official forecast assumes.

<b>Jail Per Diem Calculations (\$ Millions)</b>			
	<b>FY 2003</b>	<b>FY 2004</b>	<b>Total</b>
Additional funds needed per forecast	\$24.5	\$28.2	\$52.7
Increased state-responsible population	\$2.9	\$6.8	\$9.7
Change in state-responsible definition	(\$1.0)	(\$1.0)	(\$2.0)
Transfer more inmates to DOC	(\$6.6)	(\$10.3)	(\$16.9)
Net jail per diem funds recommended	\$19.8	\$23.7	\$43.5

- **1:1,500 Deputy Sheriffs.** Adds \$3.1 million GF the first year and \$4.2 million GF the second year to support 119 new deputy sheriff positions for localities with growing populations, in order to maintain a ratio of one deputy per 1,500 general population.
- **Supplant GF Support for Circuit Court Clerks with Technology Trust Fund.** Includes a reduction of \$5.0 million GF and a corresponding increase in NGF the first year to supplant general fund support for office operations of Circuit Court clerks with revenue from the Technology Trust Fund. This fund comes from a special assessment added to land recordation transactions and is designated for technology upgrades for the clerks' land records.
- **Reporting on Inmate Canteen Accounts.** Adds language to require the Compensation Board to include an audited accounting of inmate canteen funds and other auxiliary funds in their annual jail cost report.
- **Part-time to Full-time Commonwealth's Attorney.** Removes \$94,885 GF the first year and \$79,901 GF the second year for a proposed upgrade from part-time to full-time status for a Commonwealth's Attorney.
- **VRS Rate Reductions.** Realizes savings of \$1.2 million each year from a reduction in VRS contribution rates.
- **Across-the-Board Reductions.** Includes a reduction of \$26.3 million GF the first year and \$27.7 million GF the second year as part of the general across-the-board reductions. Of this amount, a reduction of \$16.8 million GF each year is applied to sheriffs' operations. This is the same average percent reduction (5 percent) that was applied to state aid to localities with police departments (HB 599). The remaining reduction of \$9.5 million GF the first year and \$10.8 million GF the second year reflects application of the standard 7 and 8 percent across-the-board reductions to the other constitutional officers.
- **Delay Reimbursements to Constitutional Officers for June 2003 Expenses to FY 2004.** The introduced budget had proposed one-time savings of \$38.7 million to be achieved by delaying reimbursements to constitutional officers for June 2003 expenses to FY 2004. The budget, as adopted, shifts this timing change in reimbursements by the Compensation Board to 2002 and is reflected in HB 29.

- **Council on Human Rights**
  - ***Across-the-Board Reductions.*** Includes a reduction of \$25,720 GF the first year and \$29,395 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
- **Department of Employee Dispute Resolution**
  - ***Across-the-Board Reductions.*** Includes a reduction of \$75,647 GF the first year and \$86,453 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
- **Department of General Services**
  - ***Molecular Biology Analysis.*** Provides an increase of \$394,073 GF the first year and \$432,869 GF the second year and 4.0 FTE positions to expand the molecular biology program at the Division of Consolidated Laboratory Services. This program provides advanced testing services to public health and law enforcement agencies.
  - ***Drinking Water Analysis.*** Includes an increase of \$341,771 GF the first year and \$391,556 GF the second year and 3.0 FTE positions to expand the drinking water supply testing program at the Division of Consolidated Laboratory Services.
  - ***Security Equipment of the Seat of Government.*** Provides an increase of \$344,990 GF the second year for the purchase of equipment necessary to control access to state office buildings and other equipment such as blast-resistant windows, emergency call stations, security cameras, and xray equipment. Funds will be used to secure equipment through the Master Equipment Leasing Program.
  - ***Equipment for the Consolidated Laboratory.*** Includes \$600,000 GF the first year for equipment and other expenses to enable the new consolidated laboratory to meet additional testing requirements imposed by the threat of terrorist attack.
  - ***NGF Support for Drinking Water Tests.*** Substitutes user fees for the \$1.0 million GF appropriation that currently supports the drinking water tests performed by the Division of Consolidated Laboratory Services. The division analyzes water samples from approximately 1,100 small and 35 medium-sized water suppliers.

A decrease of \$1.0 million GF and an increase of \$1.0 million NGF each year are included.

- **Newborn Screening Tests.** Adds \$301,000 NGF and 2.00 FTE positions for the Division of Consolidated Laboratory to expand newborn screening tests pursuant to Senate Bill 218, to include medium-chain Acyl-CoA Dehydrogenase Deficiency (MCAD), an inherited disorder which inhibits the proper metabolizing of stored fat.
- **DGS Rent Plan.** Includes a reduction of \$810,252 GF in the first year and \$72,682 GF in the second year for savings associated with a re-evaluation of agency space needs and associated rates.
- **Fire Inspection Services.** Provides an additional \$90,000 NGF in the first year for fire inspection Services by the Bureau of Capital Outlay Management.
- **Electronic Procurement System.** Approved a series of four amendments for the electronic procurement system (eVa).
  - 1) Increased the treasury loan to the Department of General Services from \$3.0 million to \$8.0 million. This loan will be used for development and implementation of the electronic procurement system, and will be repaid over ten years from 2006 to 2016.
  - 2) Increased the appropriation for development and implementation of the electronic procurement system to \$7.1 million NGF the first year and \$0.9 million the second year.
  - 3) Authorizes in the Central Accounts an unspecified, statewide “subscription fee” to total \$7.0 million -- \$2.6 million GF to be withheld from agency appropriations and \$4.4 million NGF – to help develop, implement and operate the electronic procurement system. Requires agencies that do not make a majority of purchases on the electronic procurement system to pay a prorated share of operating and maintenance costs in the second year.
  - 4) A Part 3 transfer captures \$4.4 million from nongeneral fund agencies.

- ***Across-the-Board Reductions.*** Includes a reduction of \$853,584 GF the first year and \$975,524 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
- **Department of Human Resource Management**
  - ***Create Workplace Violence Prevention Unit.*** Includes an increase of \$185,534 NGF the first year and \$181,934 NGF the second year to create a workplace violence-prevention program. The program would offer training and tools to assist state agencies in preventing workplace violence. The agency will use three existing vacant positions to support the program.
  - ***Convert Workers' Compensation Contractual Staff to Full-time Employees.*** Provides an increase of \$196,070 NGF the first year and \$210,064 NGF the second year to replace workers' compensation program management contractual employees with full-time staff. The agency will use three existing vacant positions to support the conversion.
  - ***Across-the-Board Reductions.*** Includes a reduction of \$375,283GF the first year and \$428,895 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
  - ***Flexible Spending Account for Commuting Expenses.*** Requires the Department of Human Resource Management to expand the flexible spending accounts available to state employees to include parking, mass transit and other commuting expenses.
- **Administration of Health Insurance**
  - ***Transfer Local Health Insurance Appropriation.*** Includes an increase of \$65.0 million NGF each year representing a technical adjustment to transfer this appropriation from Central Appropriations. This is a holding account for the health insurance program for localities.
  - ***Local Choice Health Benefits Program.*** Provides an increase of \$35.0 million NGF each year to reflect activity of the local health insurance fund. The local choice program has grown over the past few years, and costs have increased. The appropriation has been increased administratively to reflect this activity, and this technical amendment reflects those increases.

- **Department for the Rights of Virginians with Disabilities**
  - ***Transfer Funding.*** Transfers funding for the department to a new independent agency.
- **Department of Veterans' Affairs**
  - ***Across-the-Board Reductions.*** Includes a reduction of \$186,286 GF the first year and \$212,899 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
- **State Board of Elections**
  - ***Across-the-Board Reductions.*** Includes a reduction of \$711,242 GF the first year and \$812,848 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
  - ***Referenda Advertising Costs.*** Provides \$50,000 GF the first year for the advertisement of the referenda on the November 2002 ballot as required by §30-19.9 and §30-19.10 of the *Code of Virginia*. An additional appropriation of \$125,000 is included in each of the General Obligation bond bills passed by the General Assembly.
- **Virginia Public Broadcasting Board**
  - ***Restore 10 Percent Reduction for Community Service Grants.*** Restores proposed reductions of \$379,848 GF each year in the Community Service Grant program for public television. Community service grants remain subject to the 7 percent and 8 percent reductions that are applied to agencies generally.
  - ***Across-the-Board Reductions.*** Includes a reduction of \$551,780 GF the first year and \$630,605 GF the second year as part of the general 7 and 8 percent across-the-board reductions.
- **Virginia Veterans Care Center Board of Trustees**
  - ***Establish Marketing Director Position.*** Provides an increase of \$46,668 NGF each year and 1.0 FTE position for a marketing director for the Virginia Veterans Care Center.