

Independent

The adopted amendments decrease the NGF appropriation for Independent Agencies by a net of \$1.9 million when compared to Chapters 3 and 10 of the 2006 Special Session I. This reduction is the result of increases that total \$9.9 million NGF, which are offset by a reduction of \$11.9 million NGF.

The nongeneral fund increases are largely in the Virginia Retirement System where amendments provide \$4.7 million NGF for the VRS modernization project, \$1.3 million NGF for merit based salary increases, \$1.5 million NGF to continue the investment pay plan, \$0.4 million NGF to reimburse JLARC for contractual services costs related to the study of state employee compensation, \$0.2 million NGF for rent on additional office space, \$0.2 million and one additional staff and \$0.1 NGF million for upgrades to the VRS computer room.

The decrease represents a technical amendment which reduces the State Corporation Commission by \$11.9 million NGF to reflect the transfer of the telecommunications relay fee to the Department for the Deaf and Hard of Hearing.

- **Virginia Retirement System**

- ***Salary Increases and Benefit Costs.*** Includes \$1.3 million NGF in the second year for pay increases and fringe benefit rate changes that were authorized in the current Appropriation Act.
- ***Investment Staff Incentive Pay Plan.*** Provides \$1.5 million NGF in the second year to continue the investment pay plan that was implemented last year.
- ***VRS Modernization Project.*** Includes \$4.7 million NGF and 1.0 FTE position to support the reengineering of business processes and the upgrading of the computer systems. This effort is designed to improve customer service.
- ***Study of State Employee Compensation.*** Includes \$415,000 NGF in the second year for VRS to reimburse JLARC for the cost of contractual services incurred by JLARC as part of the study of state employee compensation. VRS will compensate JLARC for the costs incurred that are related to the review of VRS administered programs. The JLARC study must be completed by October 30, 2008.
- ***Staffing to Implement Administrative Requirements of Legislation Enacted in the 2007 Session.*** Provides \$200,000 NGF and 1 FTE in the second year for VRS to implement the changes to the retirement system mandated in Senate Bill 1166 of the 2007 General Assembly session.
- ***Provide Funding to Upgrade Computer Room.*** Provides \$100,000 NGF for a complete upgrade to the VRS computer room.

- *Leased Space.* Includes an additional \$190,633 NGF in the second year to account for the costs of leasing additional space for the agency’s operations.
- **State Corporation Commission**
 - *Transfer Funding for Telecommunications Relay Fee.* Transfers \$11.9 million NGF in the second year generated by the Telecommunications Relay Fee from the State Corporation Commission to the Department for the Deaf and Hard of Hearing, pursuant to the enactment of House Bill 586 during the 2006 General Assembly Session.
- **Virginia College Savings Plan**
 - *Additional Staffing Due to Increases in Program Participation.* Includes an additional 10.0 FTE positions and \$683,149 NGF in the second year. The additional staff is needed due to an increase in participation in the program and the increase in the number of different programs offered.
- **Virginia Workers’ Compensation Commission**
 - *Additional Staffing for Customer Service.* Provides an additional \$327,584 NGF in the first year and \$328,489 NGF in the second year to provide 10.0 FTE positions for improved customer service to the Commission’s stakeholders.