Central Appropriations

Proposed amendments to the Central Appropriations result in a net decrease of $256.9 million GF for FY 2008. This is the net result of a $272.0 million GF reduction to capture the effect of the October 2007 budget reductions, which are partially offset by increases of $15.1 million GF.

The proposed general fund increases include: include $4.9 million to forgive savings that had been projected to accrue from creation of the Virginia Information Technologies Agency (VITA), $4.7 million for the general fund share of increases in VITA rates, $4.0 million for interest earnings and credit cared rebates due to institutions of higher education, and an additional $1.5 million for the Governor's Development Opportunity Fund.

- **FY 2008 Budget Reductions**

  - *Agency Budget Reductions*. Proposes a $272.0 million GF reduction and related language to capture the effect of the October 2007 budget reductions. A detailed list of these reductions is included in Appendix C.

- **Higher Education Interest**

  - *Higher Education Interest and Charge Card Rebates*. Proposes an additional $4.7 million GF in the second year to pay institutions of higher education interest on NGF balances held by the state treasury and a prorated share of rebates received by the Commonwealth on credit card purchases. This action would bring the total appropriated for this purpose in FY 2008 to $17.4 million GF.

- **Economic Contingency**

  - *VITA Savings*. Proposes $4.9 million GF to forgive savings that had been projected to accrue from creation of the Virginia Information Technologies Agency (VITA).

  - *VITA Rates.* Recommends $4.7 million for the general fund share of increases in the rates charged by VITA under the Northrop Grumman contract for the provision of information technology services.

  - *Governor's Development Opportunity Fund.* Proposes an additional $1.5 million GF the Governor's Development Opportunity Fund. This action would bring the total appropriated for the fund to $16.6 million GF for the biennium.