

Administration

Governor's Proposed Amendments				
(\$ in millions)				
	FY 2017 Proposed		FY 2018 Proposed	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2016-18 Current Budget (Ch. 780, 2016 Session)	\$711.8	\$2,128.1	\$718.7	\$2,262.0
Proposed Increases	0.0	68.5	2.0	85.1
Proposed Decreases	(6.5)	0.0	0.0	(5.9)
\$ Net Change	<u>(6.5)</u>	<u>68.5</u>	<u>2.0</u>	<u>79.2</u>
HB 1500/SB 900, as Introduced	\$705.3	\$2,196.6	\$720.6	\$2,341.2
% Change	(0.91%)	3.22%	0.28%	3.50%
FTEs	373.46	469.04	353.96	487.04
# Change	0.00	3.00	(19.50)	21.00

- **Compensation Board**

- *Chesapeake City Jail Expansion.* Adds \$549,686 GF the second year to support staffing costs associated with the Chesapeake City Jail expansion project, which adds a 47,282 square foot building adjacent to the existing jail that will house 192 inmates.
- *Remove Funding for Career Development Program.* Removes \$1.7 million GF the first year and \$3.5 million GF the second year for career development funding for constitutional officers that was contingent upon the FY16 revenue forecast.
- *Restore Funding for Career Development Program.* Provides \$3.9 million GF the second year for career development programs for all qualified constitutional officers.
- *Remove Funding for Salary Compression.* Removes \$3.6 million GF the first year, and \$8.7 million GF the second year that was included in the approved budget contingent upon the FY16 revenue forecast.

- ***Restore Funding to Address Salary Compression.*** Restores funding of \$8.7 million GF the second year to address salary compression in sheriffs’ offices and regional jails. Sworn employees of sheriffs’ offices and regional jails with three or more years of continuous service will receive \$80 for each full year of service, up to a maximum of 30 years. Non-sworn employees who have three or more years of continuous service will receive \$65 for each full year of service, up to a maximum of 30 years.

- **Department of General Services**

- ***Transfer of STD Testing to Department of Health.*** Removes \$335,776 GF and 4.5 FTEs from the Division of Consolidated Laboratory Services to reflect the transfer of the responsibility for the testing of sexually transmitted diseases to the Department of Health. There is a corresponding increase in the Department of Health’s budget to reflect this transfer.
- ***Maintain Food Safety Testing Standards.*** Provides \$280,000 GF the second year for the ongoing cost of maintaining compliance with federal food safety testing standards at the Division of Consolidated Laboratory Services due to the expiration of a federal grant.
- ***October 2016 Savings.*** Includes reductions totaling \$1.0 million GF the first year to reflect the budget reductions incorporated in the Governor’s October 2016 savings plan. The plan also included a net increase in nongeneral funded items totaling \$650,816. The adjustments included:
 - Shifted general fund Emergency Preparedness Officer position to nongeneral fund;
 - Moved three contract manager positions and two support positions from general fund to nongeneral fund;
 - Reduced discretionary spending and realized savings through turnover and vacancies;
 - Allocated laboratory media services costs to nongeneral fund revenue sources; and
 - Adopted a less costly Salmonella testing method in the Division of Consolidated Laboratory Services.
- ***Agency Reductions and Savings Strategies.*** Realizes a net reduction of \$906,152 GF the second year as a result of several agency reductions, which include:

- **Virginia Strategic Sourcing Initiative.** Shifts \$425,216 GF the second year from three contract managers and two support staff positions which are currently general funded, to be supported by nongeneral fund revenue sources generated by the Virginia Strategic Sourcing Initiative.
 - **Transfer Media Services Section.** Allocates costs totaling \$116,313 GF the second year for the Media Services Section of the Division of Consolidated Laboratory Services to nongeneral fund revenue sources
 - **Additional Reduction Savings Initiatives.** Eliminates \$364,263 GF the second year through a variety of reduction initiatives including vacancy and turnover savings and the deferment of Executive Mansion projects.
- ***Transfer Emergency Preparedness Position to Internal Service Fund.*** Transfers the costs (\$109,287 GF, the second year) of an Emergency Preparedness Officer position to the internal service fund of the Statewide Building Management Program. The duties of the position fully support the program, which is funded from fees assessed for the rent and management of state office space and other facilities.
 - ***Alternative Laboratory Testing Method for Salmonella Serotyping.*** Eliminates \$219,462 GF and 2.0 vacant FTEs the second year to reflect cost efficiencies gained in the adoption of pulsed-field gel electrophoresis (PFGE) in place of conventional and molecular methods for Salmonella serotyping.
- **Department of Human Resource Management**
 - ***Add Positions to Administer Line of Duty Act Health Benefits Program.*** Adds \$192,905 NGF for two positions the second year to administer the Line of Duty Act Health Benefits Program created under Chapter 677 of the 2016 Acts of Assembly, effective July 1, 2017.
 - ***Establishes Line of Duty Act (LODA) Health Benefits Program.*** Provides \$8.7 million NGF the second year to create a new service area for the health benefits component of LODA. Chapter 677 transferred the administration of health insurance benefits under LODA from the Department of Accounts Transfer Payments to the Department of Human Resource Management, effective July 1, 2017. There is a corresponding amendment in the Department of Accounts Transfer Payments to recognize the transfer of this administrative responsibility to DHRM. In addition, a separate amendment proposes funding for two positions to administer the program.
 - ***Convert Personnel Management Information System (PMIS) to Internal Service Fund (ISF).*** Removes associated PMIS cost of \$1.9 million GF the second year to establish PMIS and its subsystems as an internal service fund. A companion

amendment in Central Appropriations provides executive branch agencies with their respective general fund share of the system's operating cost, which totals \$935,760 GF the second year.

- *Eliminate FTEs, Add Positions to Administer PMIS System.* Eliminates 3.0 FTEs through layoff the second year, the cost for which totals \$379,289 NGF. These positions currently administer antiquated and obsolete software that is scheduled to be decommissioned. Also, a separate amendment adds \$351,300 NGF and three technology related positions the second year to administer the PMIS system. The positions would be funded through Internal Service Fund charges to participating agencies.

- **Department of Elections**

- *Continue Elections Activities Currently Supported by HAVA.* Provides \$2.3 million GF the second year to continue activities currently supported by the federal Help America Vote Act (HAVA) grant. Based on the current rate of spending associated with HAVA funded elections activities, the grant funding will be depleted during FY 2018.
 - **Convert Contract IT Workers to Classified Positions.** Converts five information technology contractors who are funded through HAVA grant funds to classified state employees (three positions the first year, and two additional positions the second year, for a total of five positions). The cost associated with the position conversions are accounted for in the \$2.3 million GF request for the continuation of HAVA related activities following the depletion of grant funding during FY 2018.
- *Maintain Online Services for Military and Overseas Voters.* Provides \$570,000 GF the second year to continue support for an electronic ballot delivery system previously funded through the Department of Defense's Federal Voting Assistance Program. Funding associated with this grant expired on October 31, 2016.
- *Enhancements to the Virginia Election and Registration Information System (VERIS).* Provides \$1.0 million GF to make improvements to the VERIS system that will make it more efficient for localities, ensure uniformity of operations and scalability for different periods of demand.
- *Improve Local Access to VERIS.* Adds \$217,869 GF and 1.0 FTE to implement and administer improvements to VERIS, using a two factor authentication system.
- *November 2017 Election Call Center.* Includes one-time funding of \$105,000 GF the second year for a call center to support voter inquires related to voting locations, registration status and eligibility.

- ***Voter Registration and Absentee Ballot Application Printing Costs.*** Adds \$50,000 GF the second year for one-time costs to print additional voter registration and absentee ballot applications for the November 2017 election.
- ***October 2016 Savings.*** Includes reductions totaling \$109,509 GF the first year to reflect the budget reductions incorporated in the Governor’s October 2016 savings plan. These reductions include savings achieved through leaving vacant positions unfilled, and savings gained by providing required training to general registrars and electoral board members through an online format.
- ***Vacancy Savings.*** Eliminates \$56,041 GF the second year through the continuation of vacancy savings recognized in the October 2016 savings plan.
- ***Reduce Printing of Election Materials.*** Removes \$20,000 GF the second year by providing forms and envelopes to localities in an electronic format, which may be printed by the locality as needed.