

Administration

As adopted, the 2004-06 budget for the Office of the Secretary of Administration includes a total biennial appropriation of \$1.55 billion, or 10.8 percent more than the secretariat's current adjusted operating appropriation. Included in this biennial appropriation is \$565.0 million the first year and \$572.7 million the second year from the general fund, representing a net increase of \$21.0 million the first year and \$28.7 million the second year.

Among the new general fund spending included within the appropriations made to the agencies assigned to the Office of Administration is \$26.4 million in support for local and regional jail per diem payments, \$10.3 million for additional staff at three new or expanded local and regional jails, \$3.8 million to address jail overcrowding, \$3.3 million to expand the contract bed program between the Department of Corrections and local and regional jails, and \$1.5 million to maintain the one deputy per 1,500 local residents law enforcement ratio.

- **Secretary of Administration**
 - *Resolve Library of Virginia Environmental Control Issues.* Directs the Secretary of Administration to report to the Governor and the General Assembly what actions will be taken to resolve the remaining design and construction problems affecting the Library of Virginia's collections and operations. In preparing this report, the Secretary is to consult with the Secretary of Education, the Office of the Attorney General, and third party professional engineers.
- **Commonwealth Competition Council**
 - *Consolidate Agency within Department of Planning and Budget.* Eliminates the nongeneral fund dollars and positions appropriated to this agency, and reassigns responsibility for staff support of the Commonwealth Competition Council to the Department of Planning and Budget. For each year, a reduction of \$262,297 NGF and 3.00 positions.
- **Compensation Board**
 - *Restore Previous Reductions in Jail Per Diems.* Provides \$13.2 million GF the first year and \$13.2 million GF the second year to

offset previous reductions in the level of state support provided to localities for maintaining prisoners in local and regional jails.

- ***Provide Staff for New or Expanding Local and Regional Jails.*** Includes \$2.5 million GF the first year and \$7.8 million GF the second year to hire additional staff at new and expanding jails expected to come on-line during this biennium. These facilities include the Virginia Beach (expansion), Southwest Regional (new), and Middle River Regional (new) jails.
- ***Support for Additional Deputy Positions Required to Address Jail Overcrowding.*** Provides \$1.3 million GF the first year and \$2.6 million GF the second year to support the hiring of temporary corrections officers at the most overcrowded local and regional jails. This funding will support the addition of 48 positions in FY 2005 and 43 positions in FY 2006 to alleviate security and liability issues in 12 jails that have had inmate populations exceeding 100 percent of operational capacity for more than six months.
- ***Expand the Jail Contract Bed Program.*** Includes \$1.3 million GF the first year and \$2.0 million GF the second year to expand the Department of Corrections' contract bed program with local and regional jails by 200 beds.
- ***Provide One Law Enforcement Deputy for 1,500 Local Residents.*** Provides \$698,908 GF the first year and \$763,894 GF the second year to ensure that sheriff's offices with law enforcement responsibilities have sufficient deputies to meet the 1:1,500 standard required by the Code of Virginia. The funding supports the hiring of an additional 26 law enforcement deputies for the counties of Cumberland, Fauquier, Frederick, Hanover, Loudoun, Orange, Richmond, Rockingham, Spotsylvania, and Stafford.
- ***Restore Previous Reductions to Commonwealth's Attorneys.*** Includes \$552,500 GF the first year and \$1.1 million GF the second year to restore a portion of the budget reductions recommended by the Governor in October, 2002. These funds restore about 25 percent of the October reductions in the first year and 50 percent in the second year. The additional general fund dollars will be distributed to Commonwealth's Attorneys on a proportional basis based upon their state-supported budget. Consequently, large offices serving the Commonwealth's bigger communities will receive a majority of the funding.

- ***Address Gang-Related Crime in Northern Virginia.*** Provides \$695,165 GF the first year and \$389,165 GF the second year to prevent gang-related crime in Northern Virginia. Funding is included for three assistant Commonwealth's Attorneys who will serve the localities of Alexandria, Arlington, Fairfax, Fairfax City, Falls Church, Loudoun, Manassas, Manassas Park, and Prince William. Also included are two staff to provide paralegal and secretarial support to these Commonwealth's Attorneys. General funds of \$300,000 in the first year will be transferred to the Virginia State Police to support equipment needs and overtime expenses of the Anti-Gang Strike Force.
- ***Establish Commissioner of the Revenue Career Development Program.*** Includes \$84,272 GF the first year and \$198,978 GF the second year to create a career development program for commissioners of the revenue and their deputies. Commissioners of the revenue who satisfy the performance criteria and continuing education requirements established for the program by the Compensation Board will receive a minimum salary increase of 4.7 percent and a maximum of 9.3 percent, depending upon the types of services offered by the particular commissioner's office. Deputy Commissioners of the revenue that have satisfied program requirements will receive a 9.3 percent salary increase.
- ***Establish Deputy Treasurer Career Development Program.*** Includes \$68,949 GF the first year and \$162,801 GF the second year to create a career development program for deputy treasurers. Deputy Treasurers who satisfy the performance criteria and continuing education requirements established by the Compensation Board will receive a salary increase of 9.3 percent.
- ***Financial Accountability Reports from Clerks of Circuit Court.*** Requires the submission of corrective action plans by Clerks of Circuit Court in response to any finding of an internal control matter by the Auditor of Public Accounts. If this internal control matter has not been corrected prior to the next audit of that office, the Clerk of Circuit Court will not be eligible for a state salary increase. An internal control matter is a condition that may result in the loss of revenues or office assets. Currently, it is reported that internal control matters exist in nearly 50 Clerk of Circuit Court offices. In many instances, these internal control matters have been repeatedly reported by the Auditor of Public Accounts.

- ***Adjust Technology Trust Fund Appropriation.*** Includes \$1.3 million NGF the first year and \$1.3 million NGF the second year to accurately reflect historical expenditures from the Circuit Court Clerks' Technology Trust Fund.
 - ***Update Program Structure for Constitutional Officers.*** Includes several amendments restructuring the programmatic accounting structure for constitutional officers. The amendments provide greater detail regarding principle officer salaries, staff and office support, and funding for the delivery of services. These amendments have no impact on the support provided by the Commonwealth to these offices. The constitutional officers affected by these amendments include: Sheriffs, Commonwealth's Attorneys, Clerks of Circuit Court, Treasurers, and Commissioners of the Revenue.
 - ***Establish Director of Finance Program Structure.*** Establishes a separate programmatic accounting structure for local Directors of Finance by transferring the general fund appropriation for these offices from the Treasurer program into a new program. This transferred funding totals \$5.5 million GF each year. This action does not affect the level of general fund support provided to Treasurers or Directors of Finance.
 - ***Convert Contractual Systems Support Position to Classified Status.*** Proposes a reduction of \$36,004 GF in the first year and \$42,604 GF in the second year by converting a contractual position into a full-time classified position. The contractual position currently provides application support for the Compensation Board's automated systems. The savings accrue from eliminating the contract's overhead costs.
- **Department of General Services**
 - ***Adjust Rent Charges.*** Provides an increase in the rental rates that state agencies are charged for office space in state-owned buildings at the seat of government. Provides an increase of \$1.7 million NGF the first year and \$2.2 million NGF the second year to account for increases in the costs of contractual services, utilities, payments in lieu of taxes, personal services, and the costs of maintaining vacant space. Sixty-one percent of the department's total collections are derived from the general fund appropriations of other state agencies.

- ***Enhance the Virginia Partnership Procurement Program.*** Provides \$327,603 NGF the first year and \$349,557 NGF the second year to support the continued expansion of the department’s spend management program, which is labeled “Virginia Partners in Procurement.” The Virginia Partners in Procurement program seeks to leverage the purchasing done by state agencies, public colleges and universities, and local governments to seek the lowest possible prices from vendors. This funding will permit the department to continue this initiative using in-house staff rather than contractors. The nongeneral fund revenue necessary to support the initiative will be derived from rebates or surcharges associated with the contracts established as part of the program.
- ***Expand Procurement Account Executive Program to Local Governments.*** Includes \$243,870 NGF the first year and \$254,469 NGF the second year for staff to market the Commonwealth’s procurement services to local governments and to assist localities in using those services. The services that would be made available to localities under this initiative include existing statewide contracts, the establishment of new statewide or regional cooperative procurement contracts, access to and training for the use of the Commonwealth’s electronic procurement system, and staff analysis.
- ***Increase Consolidated Laboratory Appropriations to Account for Existing Federal Grants.*** Provides \$3.7 million NGF the first year and \$3.7 million NGF the second year to account for additional grants received from the federal government for chemical, bioterrorism, epidemiology, and West Nile Virus testing services.
- ***Increase Consolidated Laboratory Appropriations for Newborn Screening Tests.*** Provides \$534,101 NGF in the first year and \$669,762 NGF in the second year to reflect an increase in revenues collected from hospitals, clinics, and physicians for performing newborn screening tests. The cost of these screenings has increased due to the inclusion of a new testing requirement by the General Assembly. The new requirement tests for Medium Chain Acyl-CoA Dehydrogenase Deficiency, a condition that is one cause of Sudden Infant Death Syndrome (SIDS).
- ***Adjust Electronic Procurement System Appropriation.*** Provides \$3.2 million NGF in the first year and \$3.2 million NGF in the second year to account for revenues collected from vendor transaction fees. These fees, capped at one percent of the cost of the

goods ordered or \$500, are used to support the development and operation of the Commonwealth's electronic procurement system.

- ***Provide Spend Management Treasury Loan.*** Provides a \$5 million treasury loan to support the department's expansion and oversight of the spend management program. The spend management program, or "Virginia Partners in Procurement" creates savings in the purchase of goods and services by encouraging agencies, institutions, and participating localities to collaborate when purchasing similar goods and services. The treasury loan will be repaid from rebates or surcharges included in the resulting procurement contracts.
- ***Limit Payments Made in Lieu of Taxes by the Museum of Fine Arts.*** Limits the payments in lieu of taxes paid by the Museum of Fine Arts to \$158,513 each year. This amount represents about 2.5 percent of the agency's general fund appropriation. The Museum of Fine Arts is one of the few state museums within the Office of the Secretary of Education that is required to make such payments.
- **Department of Human Resources Management**
 - ***Adjust Workers' Compensation Premiums.*** A series of amendments to almost all state agencies provides for an overall increase of \$2.6 million (all funds) the first year and \$3.9 million (all funds) the second year to pay for the Commonwealth's workers' compensation liabilities. However, the overwhelming majority of these additional funds will be paid by nongeneral fund agencies. In FY 2005, the general fund's share of these additional premiums is only \$14,963. In FY 2006, the general fund will actually save \$172,969. In large part, these general fund savings are due to the introduction in FY 1999 of an experienced-based premium structure.
- **Department of Veterans Services**
 - ***Enhance Benefits Services for Veterans.*** Provides \$137,659 GF and four positions the first year and \$150,176 GF the second year to increase veterans' access to claims assistance at the department's field offices in Big Stone Gap, Cedar Bluff, Wytheville, and Charlottesville.
 - ***Staffing for New Veterans' Cemetery.*** Includes \$108,796 GF and four positions and \$66,300 NGF the first year and \$102,533 GF and

\$106,500 NGF the second year to provide oversight of the cemetery and perform administrative, burial, janitorial, and groundskeeping services. The source of the nongeneral fund revenues is the federal Department of Veterans' Affairs, which provides a \$300 burial allowance for each veteran buried, and families of eligible dependents, who will be charged a similar fee for burial within the cemetery.

- ***Transfer Education Unit from Department of Education.*** Transfers \$287,266 NGF and three positions the first year and \$287,266 NGF the second year from the Department of Education to support a federally funded unit responsible for approving the educational and vocational programs that veterans may attend when using the benefits associated with the Montgomery G.I. bill. A corresponding amendment eliminates these positions and their associated funding from the Department of Education.
- ***Account for Additional Federal Funds Available to Education Unit.*** Includes an additional \$185,928 NGF and two positions the first year and \$185,928 NGF the second year in federal funds for the state veterans' education program. The department will use these additional federal dollars to inform veterans about their educational benefits.
- **Human Rights Council**
 - ***Provide Additional Staff.*** Includes \$32,577 GF and one position the first year and \$35,539 GF the second year to ensure the agency satisfies its federal contract requirements and to alleviate a backlog in its discrimination investigations.
- **State Board of Elections**
 - ***Help America Vote Act (HAVA).*** Provides \$45.5 million NGF the first year and five positions and \$15.0 million NGF the second year to upgrade election equipment and implement a number of election reforms. The Help America Vote Act was passed by Congress in 2002 and provided states with \$3.65 billion in federal funds to improve the manner in which Americans vote. Currently, \$11.6 million in federal funds have already been received by the board. The board expects to receive another \$20.6 million in FY 2004, \$11.6 million in FY 2005, and \$15.0 million in FY 2006.

- ***Rebase Registrar and Local Electoral Board Salaries.*** Provides an additional \$1.0 million GF the first year and \$1.0 million GF the second year to fund the salary costs of general registrars and local electoral boards. The salaries paid to general registrars and local electoral boards are determined based primarily on population. The amounts included represent the sums needed to comply with the salary tables shown for general registrars and local electoral boards in the Appropriation Act.
- ***Eliminate Local Salary Supplement Restriction.*** Eliminates a previously existing restriction within the Appropriation Act that limited local salary supplements for general registrars to no more than ten percent of the salary shown in the Appropriation Act.