



# Office of Commerce and Trade

The agencies in the Commerce and Trade secretariat promote statewide economic growth. They provide programs that attract and retain business, foster tourism, promote the state's film industry, address needs for moderate- and low-income housing, assist disadvantaged businesses, regulate professions, ensure safe workplaces, and pursue international markets for Virginia products.

## Secretarial Area Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$79,266,844	\$590,117,022	\$669,383,866	\$109,060,066	\$560,323,800	1,767.00
FY 2004	\$75,569,418	\$593,086,920	\$668,656,338	\$106,658,494	\$561,997,844	1,759.00
FY 2005	\$84,827,707	\$709,668,211	\$794,495,918	\$116,551,789	\$677,944,129	1,842.50
FY 2006	\$101,109,049	\$686,728,018	\$787,837,067	\$117,820,750	\$670,016,317	1,829.50
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$101,109,049	\$686,728,018	\$787,837,067	\$114,606,459	\$673,230,608	1,829.50
FY 2007 Addenda	\$9,489,094	\$38,785,401	\$48,274,495	(\$456,090)	\$48,730,585	14.00
<b>FY 2007 TOTAL</b>	<b>\$110,598,143</b>	<b>\$725,513,419</b>	<b>\$836,111,562</b>	<b>\$114,150,369</b>	<b>\$721,961,193</b>	<b>1,843.50</b>
FY 2008 Base Budget	\$101,109,049	\$686,728,018	\$787,837,067	\$114,606,459	\$673,230,608	1,829.50
FY 2008 Addenda	\$3,997,716	\$50,868,508	\$54,866,224	(\$412,543)	\$55,278,767	14.00
<b>FY 2008 TOTAL</b>	<b>\$105,106,765</b>	<b>\$737,596,526</b>	<b>\$842,703,291</b>	<b>\$114,193,916</b>	<b>\$728,509,375</b>	<b>1,843.50</b>

# Secretary of Commerce And Trade

## Mission Statement

Through delegated authority, and specific management and measuring tools, the Secretary of Commerce and Trade provides guidance to agencies within its secretariat. The office oversees agencies responsible for promoting statewide economic growth and community development, attracting and retaining business, promoting the state's tourism, racing, and film industries, addressing the need for moderate and low income housing, assisting disadvantaged business, regulating professions, ensuring safe workplaces, pursuing international markets for Virginia products, developing and conserving energy and mineral resources, administering the unemployment compensation program, and funding infrastructure projects for localities.

## Agency Goals:

- To effectively oversee the implementation of the Governor's priorities in a manner consistent with applicable state and federal requirements.
- Foster the growth of existing businesses and attraction of new businesses in Virginia, in traditional industries, and growing high-tech fields, and expand the competitive participation of Virginia companies in the global markets.
- Provide a high-skill workforce training program that builds a competitive workforce prepared to enter Virginia's safe and fair workplace.
- Reduce economic disparity in the Commonwealth by focusing revitalizing economic development on the areas of greatest need.
- Strengthen the national and international tourism appeal and economic impact of each of Virginia's regions and attractions, including those for business, pleasure, film, and horse racing.
- Address the rising costs and inadequate supply of housing, while fostering community development.
- Provide for safe and environmentally sound mineral and fossil fuel extraction.

## Customers Served:

- All customers of the agencies under the oversight of the Secretary are the customers of the Secretariat. Primary stakeholders include:
  - Companies looking to expand and relocate, as well as good prospects for expansion or relocation
  - Licensed professionals and workers under the auspices of DPOR, and the Board of Accountancy
  - Community and economic development agencies including VEDP, DHCD, VRA, and the Tobacco Commission and the Virginia localities and workers they serve
  - Employees and workers served by DOLI and VEC

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$544,326	\$0	\$544,326	\$560,819	(\$16,493)	5.00
FY 2004	\$525,823	\$0	\$525,823	\$453,796	\$72,027	5.00
FY 2005	\$658,171	\$0	\$658,171	\$491,603	\$166,568	8.00
FY 2006	\$797,149	\$0	\$797,149	\$731,532	\$65,617	8.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$797,149	\$0	\$797,149	\$733,039	\$64,110	8.00
FY 2007 Addenda	\$39,720	\$0	\$39,720	\$42,377	(\$2,657)	0.00
<b>FY 2007 TOTAL</b>	<b>\$836,869</b>	<b>\$0</b>	<b>\$836,869</b>	<b>\$775,416</b>	<b>\$61,453</b>	<b>8.00</b>
FY 2008 Base Budget	\$797,149	\$0	\$797,149	\$733,039	\$64,110	8.00
FY 2008 Addenda	\$39,920	\$0	\$39,920	\$42,377	(\$2,457)	0.00
<b>FY 2008 TOTAL</b>	<b>\$837,069</b>	<b>\$0</b>	<b>\$837,069</b>	<b>\$775,416</b>	<b>\$61,653</b>	<b>8.00</b>

## Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$43,158 (GF).

► **Adjust funding for agency expenditures related to cost of basic operations**

Adjusts funding for changes in operating costs related to central agency services and various charges. These include rental charges at the seat of government, procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For 2007, a decrease of \$3,438 (GF). For 2008, a decrease of \$3,238 (GF).

**Agency Service Areas:**

**Administrative and Support Services**

This service area provides the resources to provide general management and direction to agencies. It also specifically defines broad policy goals, defines how state and federal funds are to be allocated, and details special reports the Secretary and reporting agencies are to provide to the General Assembly or other groups.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$797,149	\$797,149	8.00	8.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$43,158	\$43,158	0.00	0.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	(\$3,438)	(\$3,238)	0.00	0.00
<b>Total for Service Area</b>	<b>\$836,869</b>	<b>\$837,069</b>	<b>8.00</b>	<b>8.00</b>

**Objective:** To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of agencies that "Meet Expectations" in each of the five management functions in Virginia Excels.	82%	100%

**Board of Accountancy**

**Mission Statement**

The Board of Accountancy (BOA), as mandated by the Virginia General Assembly, protects the citizens of the Commonwealth, through a regulatory program of licensure and compliance of Certified Public Accountants (CPA) and CPA firms.

**Agency Goals:**

- BOA's goal is to maximize the efficiencies available through the use of Information Systems technology.
- BOA's goal is to maximize the "work experience" for BOA's staff.

**Customers Served:**

- Certified Public Accountants (CPA)
- CPA Firms
- CPA Examination Candidates
- Complainants
- Professional Associations
- Public affected by practice of CPAs and CPA Firms
- Government agencies, i.e., SEC, PCAOB, Justice, OAG

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$0	\$628,514	\$628,514	\$306,252	\$322,262	4.00
FY 2004	\$0	\$559,630	\$559,630	\$306,252	\$253,378	4.00
FY 2005	\$0	\$586,000	\$586,000	\$278,173	\$307,827	4.00
FY 2006	\$0	\$586,000	\$586,000	\$278,173	\$307,827	4.00

### NEW OPERATING BUDGET SUMMARY:

FY 2007 Base Budget	\$0	\$586,000	\$586,000	\$353,089	\$232,911	4.00
FY 2007 Addenda	\$0	\$204,441	\$204,441	\$179,763	\$24,678	3.00
<b>FY 2007 TOTAL</b>	<b>\$0</b>	<b>\$790,441</b>	<b>\$790,441</b>	<b>\$532,852</b>	<b>\$257,589</b>	<b>7.00</b>
FY 2008 Base Budget	\$0	\$586,000	\$586,000	\$353,089	\$232,911	4.00
FY 2008 Addenda	\$0	\$184,441	\$184,441	\$179,763	\$4,678	3.00
<b>FY 2008 TOTAL</b>	<b>\$0</b>	<b>\$770,441</b>	<b>\$770,441</b>	<b>\$532,852</b>	<b>\$237,589</b>	<b>7.00</b>

### Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$19,441 (NGF).

► **Provide funding and positions for administration of Certified Public Accountant exam**

Provides funding for three positions to handle the increased workload resulting from the agency assuming responsibility for administration of the Uniform Certified Public Accountant (CPA) Examination. The agency will take over this responsibility when the current contract with CPA Examination Services, Inc expires on August 15, 2006. For 2007, \$185,000 (NGF) and three positions. For 2008, \$165,000 (NGF).

### Agency Service Areas:

#### Accountant Regulation

This service area is comprised of all the work performed by the Board of Accountancy including determining the standards for education, examination, licensing and enforcement for the professional practice by CPAs and CPA firms.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
<b>Base Budget</b>	<b>\$586,000</b>	<b>\$586,000</b>	<b>4.00</b>	<b>4.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$19,441	\$19,441	0.00	0.00
<i>Provide funding and positions for administration of Certified Public Accountant exam</i>	\$185,000	\$165,000	3.00	3.00
<b>Total for Service Area</b>	<b>\$790,441</b>	<b>\$770,441</b>	<b>7.00</b>	<b>7.00</b>

**Objective: Ensure regulants have the most direct and efficient access to Board information.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Average amount of time to request and receive a copy of the Board's records by a regulant.	7 days (FY 2005)	6 days (FY 2007)

**Objective:** To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as meets expectations for the agency.	100%, FY 2005	100%, 2006-2008 biennium.

## **Department of Business Assistance**

### **Mission Statement**

The Virginia Department of Business Assistance promotes economic growth by helping Virginia businesses prosper.

### **Agency Goals:**

- Develop creative applications of public and private financing for the benefit of new and expanding businesses and assist in the creation or retention of jobs.
- Provide marketing incentives for new and expanding Virginia businesses to create job opportunities by offering consulting services, recruiting, retraining, and funding assistance.
- Enhance the positive business climate in Virginia by solving business problems through the delivery of services provided through the Virginal Business Information Center, existing business outreach team, procurement assistance and incubator program.
- Improve the chance of business success by increasing the awareness of available services to Virginia businesses through the delivery of informational seminars, trade show exhibits, newsletters, website management and strategic public relations.
- Provide for the effective management of DBA personnel and state resources.

### **Customers Served:**

- Banks
- State Agencies
- Economic Development Allies
- Business Establishments
- Local Industrial/Economic Development Bond Issuing Authorities
- Small Business Incubators
- Agency Staff

### **Agency Budget Summary**

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$11,505,692	\$2,250,095	\$13,755,787	\$3,925,202	\$9,830,585	48.00
FY 2004	\$10,795,084	\$1,110,430	\$11,905,514	\$3,829,407	\$8,076,107	48.00
FY 2005	\$10,865,726	\$2,331,045	\$13,196,771	\$3,394,907	\$9,801,864	62.50
FY 2006	\$11,066,542	\$2,331,045	\$13,397,587	\$3,394,907	\$10,002,680	62.50
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$11,066,542	\$2,331,045	\$13,397,587	\$3,723,600	\$9,673,987	62.50
FY 2007 Addenda	\$506,824	(\$1,139,683)	(\$632,859)	\$355,478	(\$988,337)	-15.50
<b>FY 2007 TOTAL</b>	<b>\$11,573,366</b>	<b>\$1,191,362</b>	<b>\$12,764,728</b>	<b>\$4,079,078</b>	<b>\$8,685,650</b>	<b>47.00</b>
FY 2008 Base Budget	\$11,066,542	\$2,331,045	\$13,397,587	\$3,723,600	\$9,673,987	62.50
FY 2008 Addenda	\$437,256	(\$1,139,683)	(\$702,427)	\$363,410	(\$1,065,837)	-15.50
<b>FY 2008 TOTAL</b>	<b>\$11,503,798</b>	<b>\$1,191,362</b>	<b>\$12,695,160</b>	<b>\$4,087,010</b>	<b>\$8,608,150</b>	<b>47.00</b>

## Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$226,898 (GF) and \$41,329 (NGF).

► **Transfer funding to the Department of Minority Business Enterprise**

Transfers funding and positions from the agency to the Department of Minority Business Enterprise (DMBE) to reflect DMBE's independent status. For 2007, a decrease of \$200,408 (GF), \$1.1 million (NGF), and a reduction of 16.5 positions. For 2008, a decrease of \$200,408 (GF) and \$1.1 million (NGF).

► **Eliminate federal trust fund appropriation**

Eliminates the federal trust fund appropriation. This appropriation is not needed because the program that these funds supported is no longer administered by the agency. For each year, a reduction of \$115,088 (NGF).

► **Adjust funding for agency expenditures related to cost of basic operations**

Adjusts funding for changes in operating costs related to central agency services and various charges. These include procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For each year, \$58,083 (GF).

► **Increase funding and positions for Workforce Services Program**

Provides funding for the agency's Workforce Services Program. The Workforce Services Program is an integral component of the State's overall economic development effort, resulting in thousands of new jobs per year and billions of dollars in new capital investment. The 2006 funding is fully committed and demand for the program continues to increase. For each year, \$250,000 (GF).

► **Provide funding for a program manager position for the "Selling to the State" initiative**

Funds a program manager position for the "Selling to the State" initiative. The demand from the business community to help them understand state certification and the Commonwealth's e-procurement (eVa) registration process exceeds the agency's ability to deliver the service. By funding this position, the agency will be able to double the number of training sessions and provide more assistance to businesses that want to sell to the state. For 2007, \$97,251 (GF) and one position. For 2008, \$102,683 (GF).

► **Provide one-time funding to update technology in the Virginia Business Information Center**

Provides funds to the Virginia Business Information Center (VBIC) to upgrade telephone equipment in order to handle increased call volume, improve the ability to update the website, and increase marketing to niche, entrepreneur markets including the Limited English Proficiency (LEP) markets. For 2007, \$75,000 (GF).

### Agency Service Areas:

#### Workforce Services Jobs Investment Program

This service area involves the management of the Workforce Services Jobs Investment Program (WSJIP). As a business development incentive supporting economic development efforts throughout Virginia since 1965, the program reduces the human resource development costs of new and expanding companies that are creating new jobs throughout the Commonwealth. WSJIP is an integral component of the State's economic development efforts.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$8,198,680	\$8,198,680	14.00	14.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$75,804	\$75,804	0.00	0.00
<i>Increase funding and positions for Workforce Services Program</i>	\$250,000	\$250,000	0.00	0.00
<b>Total for Service Area</b>	<b>\$8,524,484</b>	<b>\$8,524,484</b>	<b>14.00</b>	<b>14.00</b>

**Objective: Provide customized recruitment and training to qualified employers to create and retain jobs.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of economic development projects funded.	520 (FY05)	520 (FY07)
Number of employees trained.	13,350 (FY05)	13,350 (FY07)
Number of employees retrained.	3,162 (FY05)	3,200 (FY07)

**Objective: Achieve return on investment within the first 12 months of the job being created.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of projects with 12 month return on investment.	509 (FY05)	520 (FY07)

### **Business Formation Services**

This service area contributes to the economy of Virginia by integrating entrepreneurship into the Commonwealth's economic development efforts. By supporting the formation, growth and survival of entrepreneurs, we are not only creating jobs and capital investment but also aiding in the diversification of the economy of the Commonwealth. Support of entrepreneurship also promotes the development of small, women, and minority businesses and aids rural and distressed communities in the development of their economic base.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$301,676	\$301,676	3.50	3.50
<i>Transfer centrally funded amounts to agency budgets</i>	\$19,028	\$19,028	0.00	0.00
<b>Total for Service Area</b>	<b>\$320,704</b>	<b>\$320,704</b>	<b>3.50</b>	<b>3.50</b>

**Objective: To facilitate the formation of businesses in Virginia.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of business problems solved.	22,477 (FY05)	22,500 (FY07)
Number of businesses contacting the Virginia Business Information Center.	14,773 (FY05)	15,000 (FY07)

**Objective: To build healthy and lasting businesses by supporting the small business incubation network in Virginia.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of businesses located in the incubator network.	254 (FY04)	250 (FY07)
Number of businesses graduating from the incubator network.	179 (FY04)	175 (FY07)
Number of jobs created by businesses located in the incubator network.	1918 (FY04)	1900 (FY07)

### **Administrative Services**

The Administration Service Area provides administrative support to the agency's staff by providing financial management, human resource management, government procurement, information technology, performance management, legislative services, and marketing and special events coordination.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$2,960,408</b>	<b>\$2,960,408</b>	<b>29.50</b>	<b>29.50</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$83,627	\$83,627	0.00	0.00
<i>Transfer funding to the Department of Minority Business Enterprise</i>	(\$1,266,332)	(\$1,266,332)	-16.50	-16.50
<i>Eliminate federal trust fund appropriation</i>	(\$115,088)	(\$115,088)	0.00	0.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$58,083	\$58,083	0.00	0.00
<b>Total for Service Area</b>	<b>\$1,720,698</b>	<b>\$1,720,698</b>	<b>13.00</b>	<b>13.00</b>

**Objective: Encourage uniform presentation of the agency's message in promotional materials and public relations efforts.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of articles published.	16 (FY05)	17 (FY07)
Number of contacts maintained in data base.	17,000 (FY05)	25,500 (FY07)

**Objective: Broaden educational and relationship building opportunities for Virginia businesses.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of seminar attendees at DBA sponsored events.	600 (FY05)	900 (FY07)
Number of Business Appreciation events hosted community organizations.	88 (FY05)	110 (FY07)
Number of outreach events sponsored.	20 (FY05)	20 (FY07)

**Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percent of Governor's Management scorecard categories marked as meets expectations for the agency.	100%, FY 2005	100%, 2006-2008 biennium.

### **Financial Services for Economic Development**

The Financial Services service area implements the Virginia Small Business Financing Act, assisting Virginia's new and existing businesses, as well as businesses expanding into Virginia, by increasing access to capital through the creative application of public and private financing. The goal is to maximize employment opportunities and investment throughout the Commonwealth.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$1,288,280</b>	<b>\$1,288,280</b>	<b>9.00</b>	<b>9.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$52,416	\$52,416	0.00	0.00
<b>Total for Service Area</b>	<b>\$1,340,696</b>	<b>\$1,340,696</b>	<b>9.00</b>	<b>9.00</b>

**Objective: Increase financing to small businesses for fixed asset and working capital needs to support their growth when the private lending sector cannot fully assist.**



Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Funds committed by the Virginia Small Business Financing Authority.	\$11.2 million (FY05)	\$1 million (FY07) Reduction of target is due an increase in demand causing a strain on funds. Target based on projected repayments of P&I.
Number of businesses receiving loans from the Virginia Small Business Financing Authority.	183 (FY05)	19 (FY07) Reduction of target is due an increase in demand causing a strain on funds. Target based on projected repayments of P&I.
Number of jobs created by businesses receiving loans from the Virginia Small Business Financing Authority.	2,315 (FY05)	185 (FY07) Reduction of target is due an increase in demand causing a strain on funds. Target based on projected repayments of P&I.
Private capital investment by businesses receiving loans from the Virginia Small Business Financing Authority.	\$70.8 million (FY05)	\$5 million (FY07) Reduction of target is due an increase in demand causing a strain on funds. Target based on projected repayments of P&I.

### Existing Business Services

This service area is designed to retain and to assist in the expansion of existing businesses in Virginia, thereby, contributing to the stability and growth of the economy. This program proactively links businesses with the state's 65 business assistance programs and 35 regulatory programs. By assisting business growth, the programs of Existing Business Services, facilitate job creation and capital investment in the Commonwealth.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
<b>Base Budget</b>	<b>\$648,543</b>	<b>\$648,543</b>	<b>6.50</b>	<b>6.50</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$37,352	\$37,352	0.00	0.00
<i>Provide funding for a program manager position for the "Selling to the State" initiative</i>	\$97,251	\$102,683	1.00	1.00
<i>Provide one-time funding to update technology in the Virginia Business Information Center</i>	\$75,000	\$0	0.00	0.00
<b>Total for Service Area</b>	<b>\$858,146</b>	<b>\$788,578</b>	<b>7.50</b>	<b>7.50</b>

**Objective:** To grow the revenues of small, women and minority businesses by providing assistance and training that will improve their ability to sell to the state.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of contract dollars received by small, women and minority businesses.	12.63 percent (3rd quarter FY05)	13 percent (FY07)

**Objective:** To be the principal point of communication between state government and business and industry in the Commonwealth for business solutions.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of business problems solved.	9,803 (FY05)	10,000 (FY07)

**Objective:** To be THE resource for business information in the Commonwealth.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of businesses contacting the Virginia Business Information Center.	14,773 (FY05)	15,000 (FY07)

# Department Of Housing And Community Development

## Mission Statement

The Department of Housing and Community Development works in partnership to make Virginia's communities safe, affordable, and prosperous places in which to live, work and do business.

## Agency Goals:

- Revitalize communities in Virginia through strategic investment of technical assistance and financial resources.
- Increase the ability of communities to implement innovative and creative responses to community defined needs.
- Increase the availability and affordability of safe and accessible housing throughout the Commonwealth.
- Enhance the health and safety of the built environment in a cost effective manner.
- Support policy development and research related to significant economic development, inter-governmental relations, community development and housing issues.
- Use strategic management and model business practices to effectively and efficiently accomplish its mission and deliver services.

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$22,430,703	\$70,347,934	\$92,778,637	\$8,614,841	\$84,163,796	118.00
FY 2004	\$23,461,786	\$71,097,934	\$94,559,720	\$8,019,150	\$86,540,570	121.00
FY 2005	\$28,718,516	\$71,323,791	\$100,042,307	\$8,343,552	\$91,698,755	127.00
FY 2006	\$42,539,134	\$71,318,291	\$113,857,425	\$8,456,523	\$105,400,902	136.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$42,539,134	\$71,318,291	\$113,857,425	\$8,405,598	\$105,451,827	136.00
FY 2007 Addenda	\$1,284,502	(\$6,745,754)	(\$5,461,252)	\$863,150	(\$6,324,402)	0.00
<b>FY 2007 TOTAL</b>	<b>\$43,823,636</b>	<b>\$64,572,537</b>	<b>\$108,396,173</b>	<b>\$9,268,748</b>	<b>\$99,127,425</b>	<b>136.00</b>
FY 2008 Base Budget	\$42,539,134	\$71,318,291	\$113,857,425	\$8,405,598	\$105,451,827	136.00
FY 2008 Addenda	(\$1,100,262)	(\$6,775,754)	(\$7,876,016)	\$863,150	(\$8,739,166)	0.00
<b>FY 2008 TOTAL</b>	<b>\$41,438,872</b>	<b>\$64,542,537</b>	<b>\$105,981,409</b>	<b>\$9,268,748</b>	<b>\$96,712,661</b>	<b>136.00</b>

## Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**  
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$453,792 (GF) and \$224,246 (NGF).
- ▶ **Remove one-time spending amounts from agency budget**  
Removes one-time spending amounts from the agency's budget, including funding for the DELMARVA Advisory Council; an artisan network organization; establishment of a community development financial institution; a performance job creation grant program; a regional artisan center; the Virginia Removal or Rehabilitation of Derelict Structures Fund; and for regional consortium grants to support workforce training. For each year, a reduction of \$5.0 million (GF).
- ▶ **Transfer funding from Central Appropriations for Virginia Works**  
Transfers funding from Central Appropriations associated with the Virginia Works initiative. This funding will be used to provide support for the regional artisan centers. For each year, \$300,000 (GF).
- ▶ **Correct technical error in funding Planning District Commissions**  
Provides additional funding to correct a technical error in funding the Planning District Commissions. The additional funding will bring each Planning District Commission's appropriation up to a minimum level of \$90,000. For each year, \$17,964 (GF).

- ▶ **Reduce federal fund appropriations to reflect reduced federal revenues**  
Reduces federal fund appropriations to reflect reduced federal revenues. For each year, a reduction of \$7.0 million (NGF).
- ▶ **Adjust funding for agency expenditures related to cost of basic operations**  
Adjusts funding for changes in operating costs related to central agency services and various charges. These include procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For 2007, \$35,661 (GF). For 2008, \$35,897 (GF).
- ▶ **Provide additional funding for State Fire Marshal's Office program management system**  
Provides additional funding to develop and implement a new integrated, automated, Web-enabled electronic field inspection and management reporting system for the State Fire Marshal's Office with geographic information systems capability. For 2007, \$145,000 (GF) and \$30,000 (NGF).
- ▶ **Provide additional funding for administration of housing and homeless assistance programs**  
Provides additional funding for administrative support for the agency's housing and homeless assistance programs. For each year, \$199,585 (GF).
- ▶ **Provide funding to support The Crooked Road: Virginia's Heritage Music Trail**  
Provides funding for operational support for The Crooked Road: Virginia's Heritage Music Trail non-profit organization. The Crooked Road is a heritage music tourism organization committed to tripling tourism revenues in the 10 counties, three cities, and 11 towns that participate and support this initiative. For each year, \$75,000 (GF).
- ▶ **Provide funding for Alleghany Highlands regional economic development effort**  
Provides additional funding for grants to assist a regional economic development effort involving the Counties of Alleghany, Bath, and Highland, the City of Covington, and the Towns of Clifton Forge and Iron Gate. For each year, \$500,000 (GF).
- ▶ **Provide funding for regional research and development centers**  
Provides additional funding to support the creation of industry-focused regional research and development centers. Funds will be used to provide grants to four communities, including but not limited to Bristol, Covington, Hopewell, and Lynchburg, that will partner with a higher education institution in the development of the regional research and development centers. These centers will support existing industry clusters by providing research on product and process development and enhancements. For 2007, \$660,000 (GF). For 2008, \$1.8 million (GF).
- ▶ **Provide funding to expand rural access to broadband technology**  
Provides additional funding to expand rural access to broadband technology. Of the funding provided, \$3.0 million in the first year will be used to fund the costs for engineering and permitting related to expansion of a broadband network to the Eastern Shore and other rural Tidewater areas in the Northern Neck and Middle Peninsula; \$500,000 in each year will be used to fund feasibility studies of best last-mile solutions for other rural areas; and \$200,000 in the first year will be used to support the extension of broadband infrastructure from the Crossroads Institute in the City of Galax to business and customer locations in Carroll and Grayson Counties, the City of Galax, and the Town of Independence. For 2007, \$3.7 million (GF). For 2008, \$500,000 (GF).
- ▶ **Provide additional funding for the Appomattox River Dredging Project**  
Provides additional funding for the City of Petersburg for the Appomattox River Dredging Project. For 2007, \$200,000 (GF).

## **Agency Service Areas:**

### **Housing Assistance**

This service area administers the Commonwealth's programs seeking to provide safe, accessible, and decent housing opportunities through local for-profit and nonprofit organizations who serve low income individuals and households with incomes falling below 80% of area median income (AMI), including the elderly and disabled.

Funds are used for grants and loans to increase production of single and multi-family housing targeted at households at or below 80% of AMI, to remove of health and safety hazards including lead-based paint removal, to improve affordability and habitability through energy-efficiency, heating, and plumbing improvements, to address accessibility needs.

This service area also seeks to re-establish the Virginia Housing Partnership Fund as the Virginia Housing Trust Fund (VHTF) by allocating up to \$20 million annually from the dedication of a portion of the recordation taxes collected under the provisions of §58.1-803 and not otherwise committed to specific programs to serve as a source of long term funding establishing a true housing trust fund. This would enable the Commonwealth to create, preserve and rehabilitate affordable housing, as well as allow localities to develop rental and other subsidies targeted at Virginia's lower income, most vulnerable households. This would increase the range of

affordable housing options for more than available to over 400 households each year within 3 years of its establishment.

Additionally, this service area addresses the back log of substandard housing in Virginia’s rural areas through housing rehabilitation services. One in every seven housing units in the most rural Virginia counties is over 65 years old compared to less than one in ten in the state as a whole. Even when indoor plumbing may exist, older housing is more likely to require rehabilitation, including improvements to major building components and systems, to meet current health and safety standards. Funds will be provided to local and regional organizations for housing rehabilitation. Substandard housing units will be brought up to DHCD’s Housing Quality Standard ensuring a decent, safe and sanitary living environment. Program beneficiaries will have household incomes of 80 percent or less of the area median income.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$27,139,508	\$27,139,508	15.50	15.50
<i>Transfer centrally funded amounts to agency budgets</i>	\$91,898	\$91,898	0.00	0.00
<b>Total for Service Area</b>	\$27,231,406	\$27,231,406	15.50	15.50

**Objective: Improve the quality of housing units occupied by low-income households, including the elderly and disabled**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of households provided with new or improved affordable housing.	Rehab assistance provided to 1650 housing units in FY 05.	With increasing cost and age of properties to be rehabilitated, the goal is to maintain current production levels of 1700 rehabbed units in FY 07 and 08; and 200 homes improved through Indoor Plumbing.
Number of households provided with new or improved affordable housing.	130 households were modified to accommodate accessibility needs of low-income elderly or households with persons having a physical disability in FY 05.	Improved accessibility to a minimum of 130 units in FY 07 & 08 in the number of housing units occupied by low-income individuals with a physical disability that receive accessibility improvements through a local agency.

**Objective: Provide homeownership opportunities to low-income, first-time homebuyers**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of households provided with new or improved affordable housing.	Reports from nonprofit organizations providing homeownership assistance indicate that 331 units receiving assistance closed in 2004-05	With increasing housing costs, the goal is to maintain the level of 330 new homeowners in FY 07 & 08 with at least 5 of these being households that include a person having a disability.

**Objective: To increase the availability of affordable rental units**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of households provided with new or improved affordable housing.	Through the use of DHCD resources, an average of 400 units were developed in FY 05 for households at or below 80% of AMI.	Maintain a minimum production level of 400 units in FY 07 & 08 by successfully addressing issues of rising costs for land and materials.

## Homeless Assistance

This service area administers the Commonwealth's programs seeking to end homelessness in Virginia in partnership with local nonprofit organizations who serve the homeless, those at imminent risk of homelessness, and persons with HIV/AIDS.

Funds are used for operational expenses for homeless shelters and transitional housing, support services, temporary rental and mortgage assistance, security deposits, and costs of construction, rehabilitation, acquisition and leasing of facilities for homeless individuals and families, low-income individuals and families at risk of eviction or foreclosure, mentally and/or physically challenged homeless persons, and low-income persons with HIV/AIDS and their families.

This service area also seeks funding for administering state housing and homeless assistance programs. A proposal has been submitted requesting general funds for administrative funds to support 3 of 8 FTEs assigned to the administration of housing and homeless assistance programs. The request is for \$200,000 per year. The other 5 FTE's are charged to NGF. The Housing Division of DHCD administers \$15.4 million in funding of which State general funds (GF) account for more than 50% of grant funds (\$8.2 million). No GF funds are available to cover administrative costs.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$17,262,184</b>	<b>\$17,262,184</b>	<b>4.00</b>	<b>4.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$12,463	\$12,463	0.00	0.00
<i>Provide additional funding for administration of housing and homeless assistance programs</i>	\$199,585	\$199,585	0.00	0.00
<b>Total for Service Area</b>	<b>\$17,474,232</b>	<b>\$17,474,232</b>	<b>4.00</b>	<b>4.00</b>

**Objective: To ensure that the homeless and those at risk of homelessness are able to maintain or access appropriate affordable housing.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of homeless households securing permanent housing	5487 households exited to permanent housing from shelters in 2004-05 through non-profits and local government programs.	4500 households will exit to permanent housing from shelters in 2007 & 08. With current plans to end homelessness, fewer households should be served and therefore, fewer households would exit shelters.
Number of households averting homelessness	In 2004-05, 2258 households averted homelessness through assistance	In 2007 & 08, 2200 households will avert homelessness through assistance. The lower number reflects the increased cost of housing throughout the Commonwealth.

**Objective: Increase the number of housing options available to homeless and special needs populations at threat of homelessness**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of new units available for special needs populations	These units are planned with funding of Virginia's Balance of State Continuum of Care application through HUD. When awarded, this will be the first year that DHCD has had these funds for this specific purpose.	200 units of permanent supportive housing for homeless persons created in FY 2007 & 08.

## Financial Assistance for Housing Services

This service area provides funds to local governments that partner with DHCD to administer the Commonwealth's programs seeking to provide safe, accessible, and decent housing opportunities through local governments and nonprofit organizations who serve low income individuals and households with incomes falling below 80% of area median income (AMI), including the elderly and disabled. The primary goals of this service area are the same as found in Service Area Plans 45801 and 45804.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$5,000,000	\$5,000,000	0.00	0.00
<i>Reduce federal fund appropriations to reflect reduced federal revenues</i>	(\$2,000,000)	(\$2,000,000)	0.00	0.00
<b>Total for Service Area</b>	\$3,000,000	\$3,000,000	0.00	0.00

**Objective: Improve the quality of housing units occupied by low-income households, including the elderly and disabled.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of households provided with new or improved affordable housing.	Rehab assistance will be provided to 50 housing units in FY05	The goal is to rehab 50 units each year through indoor plumbing, weatherization and other housing preservation units.

**Objective: Insure homeless and those at risk of homelessness are able to maintain or access appropriate affordable housing.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of homeless households securing permanent housing	5487 households exited to permanent housing from shelters in 2004-2005 through programs administered by non-profits and local governments	900 households will exits to permanent housing from shelters administered by local governments in 2007 & 2008

### **Community Development and Revitalization**

This service area encompasses work programs that are designed to support and enhance local community development and revitalization efforts. It is a combination of grants, technical assistance, design assistance and training initiatives that the Community Development Division provides to local partners to carry out revitalization and development activities in distressed areas of Virginia's communities and urban neighborhoods. Activities are targeted to distressed communities where needs are greatest. Training and technical assistance are targeted toward helping clients understand the resources available through this activity and learning how to effectively apply them to their own local situations. Specific programmatic efforts include the Virginia Enterprise Initiative, the Virginia Main Street Program, Community Capacity Building Program, Seed Grants, CDBG Program administration, ARC Program administration, the Virginia Individual Development Accounts, TechRiders and Virginia Works activities. Virginia Works activities are designed to improve the economic conditions in distressed rural areas. They include regional consortia workforce grants, industrial site redevelopment activities, creation of a community development bank, assistance in accessing New Markets Tax Credits, support of artisan networks and the development of two artisan/tourism destination centers.

This service area also assists in redeveloping sites in distressed communities. A \$ 2 million funding proposal has been submitted for this purpose. These funds will be used to provide grants to distressed communities to redevelop abandoned and derelict properties. Such sites would be those that are no longer being used and which are in such poor condition as to deter revitalization and economic opportunities. Grants would be used for physical activities such as acquisition, demolition, removal, rehabilitation or repair of structures and sites.

Additionally, this service area supports the Crooked Road: Virginia's Heritage Music Trail. A funding proposal has been submitted for operational support for the Crooked Road non-profit organization. The Crooked Road is a heritage music tourism organization committed to tripling tourism revenues in the 10 counties, three cities and 11 towns that participate and support this initiative. This proposal is to provide funding to support a full-time director and related administrative costs for the 2006-2008 biennium at a cost of \$75,000 each year.

This service area also promotes a demonstration project to revitalize urban areas. This proposal originated as a recommendation from the Urban Policy Task Force, a group that examines the condition of Virginia's urban areas and makes recommendations to stimulate urban revitalization and help reverse the decline of central cities. This proposal would provide \$5 million per year for three years for a targeted demonstration in three urban neighborhoods. The funding would be allocated to the selected communities through the existing mechanisms of the Housing Revitalization Zone Program, the Derelict Structures Program and the Public/Private Partnership Program.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$7,844,958	\$7,844,958	23.50	23.50
<i>Transfer centrally funded amounts to agency budgets</i>	\$101,545	\$101,545	0.00	0.00
<i>Remove one-time spending amounts from agency budget</i>	(\$3,002,500)	(\$3,002,500)	0.00	0.00
<i>Transfer funding from Central Appropriations for Virginia Works</i>	\$300,000	\$300,000	0.00	0.00
<i>Provide funding to support The Crooked Road: Virginia's Heritage Music Trail</i>	\$75,000	\$75,000	0.00	0.00
<b>Total for Service Area</b>	<b>\$5,319,003</b>	<b>\$5,319,003</b>	<b>23.50</b>	<b>23.50</b>

**Objective: Promote greater prosperity for distressed communities and citizens.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of new jobs created.	939 New Jobs Created in FY 2005	1000 New Jobs Created in FY 2007 & 08.
Amount of new private investment in distressed communities	\$30 Million in FY 2005	\$30 Million in FY 2007 & 08.

**Objective: Increase the effectiveness of community partners in carrying out community development activities.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of clients receiving technical assistance	15,000 in FY 2005	16,000 in FY 2007 & 08.

### **Financial Assistance for Regional Cooperation**

The primary purpose of this service area is to encourage and facilitate local government cooperation in addressing on a regional basis problems of greater than local significance. Cooperative efforts are intended to assist local governments in meeting their own problems by enhancing their ability to recognize and analyze regional opportunities and take account of regional influences in planning and implementing their public policies and services. Planning district commissions are charged with assisting localities in meeting these goals. There are 21 Planning District Commissions. Benefits include greater effectiveness in conducting local government functions and the Planning District Commissions provide a wide range of assistance to local governments including funding applications, grant management, economic development coordination and management assistance.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$3,033,885	\$3,033,885	0.00	0.00
<i>Correct technical error in funding Planning District Commissions</i>	\$17,964	\$17,964	0.00	0.00
<b>Total for Service Area</b>	<b>\$3,051,849</b>	<b>\$3,051,849</b>	<b>0.00</b>	<b>0.00</b>

**Objective: Provide technical and financial support to 21 regional Planning District Commissions (PDC's) to help identify and address critical community development needs.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of payments disbursed to Planning District Commissions in a timely and accurate manner.	100% monthly payments disbursed in a timely and accurate manner in FY 2005	100% monthly payments to be disbursed in a timely and accurate manner in FY 2007 & 08.

## **Financial Assistance for Community Development**

This service area encompasses work programs that are designed to support and enhance local community development and revitalization efforts primarily through financial assistance. It includes both state and federal funding resources. Wide ranges of activities are funded, including infrastructure development, economic development support, downtown revitalization, neighborhood improvements, housing rehabilitation, economic self sufficiency, asset building, and community service facilities. Activities are targeted to distressed communities where needs are greatest. These tools will include financial resources available through the Community Development Division. Specific programmatic efforts include the Southwest Virginia Infrastructure Construction Fund, the Regional Infrastructure Planning and Design Fund, the CDBG Program and the ARC Program.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$31,030,272</b>	<b>\$31,030,272</b>	<b>10.00</b>	<b>10.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$60,066	\$60,066	0.00	0.00
<i>Remove one-time spending amounts from agency budget</i>	(\$1,000,000)	(\$1,000,000)	0.00	0.00
<i>Reduce federal fund appropriations to reflect reduced federal revenues</i>	(\$5,000,000)	(\$5,000,000)	0.00	0.00
<i>Provide funding for Alleghany Highlands regional economic development effort</i>	\$500,000	\$500,000	0.00	0.00
<i>Provide funding for regional research and development centers</i>	\$660,000	\$1,820,000	0.00	0.00
<i>Provide funding to expand rural access to broadband technology</i>	\$3,700,000	\$500,000	0.00	0.00
<i>Provide additional funding for the Appomattox River Dredging Project</i>	\$200,000	\$0	0.00	0.00
<b>Total for Service Area</b>	<b>\$30,150,338</b>	<b>\$27,910,338</b>	<b>10.00</b>	<b>10.00</b>

**Objective: Provide targeted funding for infrastructure that will provide new or enhanced water and wastewater treatment for citizens in distressed communities.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of households provided with new or improved water/wastewater treatment	657 in FY 2005	800 in FY 2007 & 08.

**Objective: Provide targeted funding for new and improved housing stock for low- and moderate-income citizens now living in substandard housing.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of households provided with new or improved affordable housing	100 in FY 2005.	150 in FY 2007 & 08.

## **Financial Assistance for Economic Development**

This service area includes assistance targeted to businesses and investors in order to encourage new job creation and investment targeted to distressed areas of the Commonwealth. Activities are targeted to distressed communities where needs are greatest. Assistance is provided in the form of grants and tax credits. Specific programmatic efforts include the Distressed Localities Grant Program and the Enterprise Zone Program.



<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$14,666,199</b>	<b>\$14,666,199</b>	<b>3.00</b>	<b>3.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$12,268	\$12,268	0.00	0.00
<i>Remove one-time spending amounts from agency budget</i>	(\$1,000,000)	(\$1,000,000)	0.00	0.00
<b>Total for Service Area</b>	<b>\$13,678,467</b>	<b>\$13,678,467</b>	<b>3.00</b>	<b>3.00</b>

**Objective: Provide incentives to businesses to stimulate new job creation and private investment in distressed areas.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of new jobs created.	3,200 in FY 2005	3,500 in FY 2007 & 08.
Amount of new private investment in distressed communities.	\$67 Million in FY 2005.	\$79 Million in FY 2007 and 2008.

### **State Building Code Administration**

This service area, State Building Code Administration (SBCA), focuses on the development, application, and interpretation of building regulations applicable to conventional buildings and structures as well as to manufactured homes and industrialized or modular buildings. Emphasizing uniformity in regulatory requirements and enforcement reduces building construction and maintenance costs while ensuring an appropriate level of safety in the built environment. Virginia is one of a limited number of states with a uniform set of building codes that are applicable statewide. These codes are adopted by the Board of Housing and Community Development and are enforced locally without amendments by local governments across the Commonwealth. In addition to providing for uniformity, special attention is paid to achieving appropriate levels of safety while keeping the costs of construction and maintenance of structures, especially housing, affordable. The Department emphasizes a systems approach including code development, training and interpretation. DHCD works collaboratively with a diversity of stakeholder organizations representing consumers, building owners and managers, local governments, design professionals, builders, trade organizations and members of the manufactured housing and modular building industries.

Additionally, this service area, through the Jack Proctor Virginia Building Code Academy, provides administrative, technical and code update training concerning the content, intent and application of the Uniform Statewide Building Code and other building and fire safety regulations adopted by the Board of Housing and Community Development. The funding of programs for training of code enforcement personnel and private sector clients are all supported by a statewide surcharge of 13/4% levied on all building permits issued by local building departments.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$2,456,218</b>	<b>\$2,456,218</b>	<b>14.00</b>	<b>14.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$72,598	\$72,598	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,528,816</b>	<b>\$2,528,816</b>	<b>14.00</b>	<b>14.00</b>

**Objective: To ensure uniformity in the application and enforcement of the building and fire regulations**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percent of code enforcers certified within the mandated time frames.	Limited data in FY 2005 and full data base will be available during FY 2006.	Have 90% of code enforcers certified within the mandated time frames in FY 2007 and 97% in FY 2008.
Number of customers and code enforcers trained in the use of existing building codes.	It is anticipated that eight programs will be offered to at least 500 customers and code enforcers during FY 2006. Several have already been completed.	Conduct each year of 2007-2008 at least eight programs for 500 or more private sector customers and code enforcers. Conduct every three years customer survey to determine needs and the effectiveness of the programs.

**Objective: Ensure the national model building and fire codes are coordinated with our statewide building and fire codes, with code changes submitted from our trade and advocacy groups and any enacted legislation thereby resulting in consensus based code changes.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of the new editions of the international model codes adopted after publication.	During the last code cycle for the 2003 Edition, 90% of the International Codes were adopted within the 18 month cycle.	Complete review and adoption of 100% of the new editions of the International Codes within 18 months of publication.

**Objective: Carry out administration of the Industrialized Building Safety Regulations for the construction, registration and use of industrialized buildings in a cost effective manner.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of newly constructed industrialized buildings found to be code compliant.	In FY 2005, 92% of industrialized buildings were in compliance with codes when delivered from the factory to the location for installation and code deficiencies were corrected within 60 days of discovery and notice to the manufacturer.	Feedback reports and inspections will result in at least 95% of newly constructed industrialized buildings be code compliant and any code deficiencies will be corrected within 60 days of discovery and notification to the manufacturer.

**Objective: Carry out the terms of the Cooperative Agreement with HUD to act as the State Administrative Agency for manufactured housing in Virginia in accordance with the requirements in the Manufactured Home Safety Regulations.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of manufactured home consumer complaints closed within 120 days of referral to the manufacturer.	In FY 2005, 85% manufacturer home consumer complaints were closed within 120 of referral to the manufacturer..	Ninety percent of manufactured home complaints will be closed within 120 days of referral to the manufacturer of all required documentation regarding the complaint.

**State Fire Prevention Code Administration**

The purpose of the State Fire Marshal's Office (SFMO) is to provide safety to life and property from the hazards of fire or explosion for the citizens of the Commonwealth. There are currently (36) FTEs and six P-14s assigned to this activity. The SFMO has authority to enforce the Statewide Fire Prevention Code (SFPC) in all areas of the Commonwealth and is mandated by the Code of Virginia (COV) to inspect state residential buildings, state owned or operated college dormitories, public schools (in areas without local fire prevention inspections), adult living facilities (in areas without local fire prevention inspections), and child care facilities with religious exemption from licensure by the Department of Social Services.

Also, as specified in the COV, the SFMO provides assistance, including both plans review and construction inspections, to the Department of General Services on state construction projects to insure conformance with the Uniform Statewide Building Code (USBC).

In addition, the SFMO is under contract to inspect Health Care Facilities, primarily nursing facilities and mental health buildings, for conformance with federal standards (Life Safety Code) and effective October 1, 2003, the SFMO began issuing permits for fireworks on state property.

Many local governments in the Commonwealth opt not to appoint a fire official. In these areas, the SFMO is the only available fire authority. In addition to the COV mandates for inspection of buildings in areas without a local fire official as listed above, the SFMO inspects childcare facilities and local correctional facilities and respond to requests or complaints under provisions of the SFPC. The Explosives Safety Program, including issuing permits for the storage, sale, and use of explosives in areas without local enforcement, are assigned to the SFMO.

The SFMO provides consultive assistance to building and fire officials, architects, engineers, contractors, and building owners and occupants on the provisions of the USBC, Statewide Fire Prevention Code and referenced standards. An extremely important function of the SFMO, 95% of this assistance is on the fire safety provisions of the USBC including referenced standards on automatic sprinkler systems, fire alarm systems, standpipe systems, and other fire suppression and protection systems. Without resources to staff their offices, many small local governments rely heavily on this assistance for the proper application of the USBC and to ensure initial conformance with the Code.

In addition to the above mentioned areas of responsibility, staff attend and provide training to client groups. Client groups include the Virginia Fire Prevention Association, State Fire Chiefs Association, State Firefighters Association, Virginia Building Officials Association and other fire and building organizations in the state as well as architects, engineers, local government officials, state agencies and officials, building owners, builders, and the general public.

Direct immediate and long-term benefits from this activity include reduction in the loss of life and property from the hazards of fire or explosion and a safer environment in which to live and work. Inspection programs described above insure fire protection and fire safety systems are maintained to standards under which they were constructed and insure safe storage and use of hazardous materials and provide for emergency planning and training for staff and occupants. Technical assistance and training programs for code officials, design professionals, contractors, building owners and other clients described above enhance the uniform and accurate application of codes and standards statewide providing increased safety statewide.

For those citizens for whom the SFMO does not have direct contact or are not in buildings subject to inspection programs, public education and information programs make citizens aware of unsafe activities both in the work place and in the home, increasing their safety. Another direct benefit that has been recognized is the economic impact on a community. Fires in businesses, health care facilities, manufacturing facilities, schools, and other facilities not only can result in loss of life and property but also in jobs and tax bases. Inspection, technical assistance, and educational programs all decrease the possibility of this occurrence.

This service area also seeks to enhance efficiency and effectiveness of the SFMO by implementing a SFMO Program Management System. A funding request is being submitted to realize cost-savings by developing and implementing a new integrated, automated, Web-enabled electronic field inspection and management reporting system for the State Fire Marshal's Office (SFMO) with Geographic Information Systems (GIS) capability. The cost would be a one time GF appropriation of \$145,000.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$2,605,499</b>	<b>\$2,605,499</b>	<b>36.00</b>	<b>36.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$185,832	\$185,832	0.00	0.00
<i>Provide additional funding for State Fire Marshal's Office program management system</i>	\$175,000	\$0	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,966,331</b>	<b>\$2,791,331</b>	<b>36.00</b>	<b>36.00</b>

**Objective: Provide a safe environment for people working and residing in private, state-owned and institutional buildings where the State Fire Marshal's Office provides inspections.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of inspected mandated buildings that will be brought into compliance with the Virginia Statewide Fire Prevention Code or the Life Safety Code within a specified time frame.	In FY 2005, 99.6% of the mandated buildings were brought into compliance within the specified time frame.	Achieve 100% compliance rate, for inspections of mandated buildings, with the Virginia Statewide Fire Prevention Code and the Life Safety Code within a specified time frame after the initial inspection.

**Objective: To minimize the potential hazards caused by the improper use, storage, and selling of explosives and fireworks.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
The number of permits issued each year.	The SFMO issued an average of 439 permits per year in fiscal years 2004 and 2005.	Issue 400 permits annually for 2007 and 2008.

**Intergovernmental Relations**

The Commission on Local Government's activities are focused in four principal areas: (a) reviews and assists the resolution of proposed boundary change and transition issues as well as inter-local agreements that settle such actions; (b) analyses and reports on the comparative fiscal condition of Virginia's counties and cities; (c) examines proposed state legislation for its fiscal impact on the Commonwealth's local governments; and (d) oversees and reports on all state and federal mandates imposed on Virginia localities.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$334,000	\$334,000	4.00	4.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$20,392	\$20,392	0.00	0.00
<b>Total for Service Area</b>	<b>\$354,392</b>	<b>\$354,392</b>	<b>4.00</b>	<b>4.00</b>

**Objective: Assist the Commonwealth in promoting and preserving the viability of its local governments.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Commission's reports on Inter-local issues published within 6 months of a complete filing of requested materials.	75% of the Commission's reports on inter-local issues were issued within six months following a completed filing of the requisite materials	80% of the Commission's reports on inter-local cases will be issued within six months following a complete filing of the requisite materials by the initiating party,

**Administrative and Support Services**

The purpose of this service area is to provide overall direction and support of all services and programs provided by the other service areas within the agency. Provide a high quality of administrative services and technical support to all agency employees. Provide analytical resources needed for the development, implementation, and evaluation of agency and administration policies for housing and community development through legislative, regulatory, and administrative processes. Provide administrative services and support over all the agencies services related to fiscal operations and financial management, federal grant draws and payments, the reconciliation of agency records to the Department of Account's records, procurement; human resource functions including implementation of policies and directives, recruitment, selection, benefits, classification and compensation, and various other employee programs; public relations programs and website functions; computer and information processing activities including the local area network, database development and support for the entire agency located in Richmond and five field offices. All agency administrative functions are directed by this service area

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$2,484,702	\$2,484,702	26.00	26.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$120,976	\$120,976	0.00	0.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$35,661	\$35,897	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,641,339</b>	<b>\$2,641,575</b>	<b>26.00</b>	<b>26.00</b>

**Objective:** To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percent of Governor's Management scorecard categories marked as meets expectations for the agency	100 % in FY 2005.	100% in FY 2007 and 2008.

## **Department of Labor and Industry**

### **Mission Statement**

It is the mission of the Virginia Department of Labor and Industry to make Virginia a better place in which to work, live and conduct business. We will achieve this goal by promoting safe, healthful workplaces, best employment practices, job training opportunities through registered apprenticeship, the protection of children from hazardous employment, and safe operation of boiler and pressure vessel devices.

### **Agency Goals:**

- Provide for safe, healthy, and productive workplaces for Virginia workers, businesses, and general public.
- Enhance the development of highly skilled workers for Virginia economy.
- Protect children from serious injury or death while employed.
- Provide efficient resolution of wage issues.
- Provide excellent customer service through the effective performance of DOLI personnel.

### **Customers Served:**

- Apprentices
- Employer Sponsors
- Related Instruction Coordinators
- Trade Associations
- Labor Organizations
- Parents
- Minors working in Virginia
- Employers
- Issuing Officers
- Employees
- Attorneys
- Asbestos and Lead Removal Contractors
- Public
- Other governmental agencies
- Agency Employees and Volunteers
- Virginia Apprenticeship Council
- Safety and Health Codes Board

## Customers Served:

- Owners/Users of boilers and pressure vessels
- Inspection Companies
- Agency Vendors
- Users of Agency Website, Publications, Notices
- News Organizations
- Potential Vendors and SWAM Contacts
- Non-English Speaking Media Organizations
- Volunteer Organizations

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$6,567,286	\$5,127,692	\$11,694,978	\$10,080,795	\$1,614,183	172.00
FY 2004	\$6,439,983	\$5,895,579	\$12,335,562	\$9,786,582	\$2,548,980	177.00
FY 2005	\$6,745,668	\$5,246,020	\$11,991,688	\$9,629,266	\$2,362,422	181.00
FY 2006	\$6,870,186	\$5,378,737	\$12,248,923	\$9,871,681	\$2,377,242	180.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$6,870,186	\$5,378,737	\$12,248,923	\$9,888,913	\$2,360,010	180.00
FY 2007 Addenda	\$552,425	\$584,425	\$1,136,850	\$662,119	\$474,731	3.00
<b>FY 2007 TOTAL</b>	<b>\$7,422,611</b>	<b>\$5,963,162</b>	<b>\$13,385,773</b>	<b>\$10,551,032</b>	<b>\$2,834,741</b>	<b>183.00</b>
FY 2008 Base Budget	\$6,870,186	\$5,378,737	\$12,248,923	\$9,888,913	\$2,360,010	180.00
FY 2008 Addenda	\$545,447	\$583,525	\$1,128,972	\$662,119	\$466,853	3.00
<b>FY 2008 TOTAL</b>	<b>\$7,415,633</b>	<b>\$5,962,262</b>	<b>\$13,377,895</b>	<b>\$10,551,032</b>	<b>\$2,826,863</b>	<b>183.00</b>

## Agency Summary of Recommended Operating Budget Addenda

### ► Transfer centrally funded amounts to agency budgets

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$285,367 (GF) and \$547,975 (NGF).

### ► Adjust funding for agency expenditures related to cost of basic operations

Adjusts funding for changes in operating costs related to central agency services and various charges. These include rental charges at the seat of government, procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For 2007, \$94,508 (GF). For 2008, \$92,480 (GF).

### ► Provide management staff for registered apprenticeship program

Funds an Assistant Director of Administration in the Registered Apprenticeship program. The position will research new and emerging industries, work with other government agencies, as well as corporate, trade and labor associations, assist apprenticeship representatives with registering new sponsors and apprentices, and participate in workforce development activities. For 2007, \$67,825 (GF) and one position. For 2008, \$66,025 (GF).

### ► Resolve employer and employee wage disputes

Funds a litigation and alternative dispute resolution attorney position to work with labor and employment law cases. The position will be dedicated to resolving disputes between employers and employees under the Virginia Payment of Wage Act. Prompt case resolution reduces costs for both the Commonwealth and employers. For 2007, \$68,275 (GF) and one position. For 2008, \$66,025 (GF).

► **Provide legal review for health and safety compliance program**

Funds a litigation and alternative dispute resolution attorney position to support the Virginia Occupational Safety and Health program. The position will be dedicated to litigation of safety and health contested cases, with a focus on providing alternative dispute resolution to quickly resolve cases. This should reduce the time it takes to decide cases. For 2007, \$36,450 (GF), \$36,450 (NGF), and one position. For 2008, \$35,550 (GF) and \$35,550 (NGF).

**Agency Service Areas:**

**Apprenticeship Program**

This service area oversees Virginia's Registered Apprenticeship Program, implements the Virginia Voluntary Apprenticeship laws, and provides staffing for the Virginia Apprenticeship Council. Products and services include:

- Register apprenticeship programs that meet standards.
- Assist private employers, state government, and local governments in establishing and maintaining apprenticeship programs.
- Provide educational programs and materials to promote apprenticeship as an effective workplace program.
- Issue Certificates of Completion to apprentices that successfully complete their apprenticeship.
- Implement program according to direction received from the Virginia Apprenticeship Council.
- Protect the safety and well-being of apprentices.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$868,901</b>	<b>\$868,901</b>	<b>16.00</b>	<b>16.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$18,156	\$18,156	0.00	0.00
<i>Provide management staff for registered apprenticeship program</i>	\$67,825	\$66,025	1.00	1.00
<b>Total for Service Area</b>	<b>\$954,882</b>	<b>\$953,082</b>	<b>17.00</b>	<b>17.00</b>

**Objective:** To increase the numbers of apprentices enrolled in Virginia's Registered Apprenticeship Programs.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of apprentices participating in Registered Apprenticeship training programs.	Baseline reflects number of registered apprentices recorded for FY 2004.	Increase by 6% the number of registered apprentices by fiscal year 2008.

## Labor Law Services

This service area implements the laws of the Commonwealth governing payment of wages, minimum wage, garnishee rights, discharge for work-related injuries, other conditions of employment, and employment of children. Products and services include:

- **Inspection and Enforcement:**

Thorough and consistent inspection and enforcement of the laws and regulations governing child labor. Assessing corporate or individual responsibility as appropriate. Investigating complaints of violations of child labor or payment of wage laws.

- **Permitting:**

Training, assisting and providing oversight to officials of local schools who issue permits for 14 and 15 year olds who are to be employed. Providing supplies to issuing officers. Issuing theatrical and solicitation permits for minors.

- **Hearings and Conferences:**

Initiating informal conferences to settle disputes between employers and employees regarding wages. Planning, setting and providing notice of administrative hearings in payment of wage cases. Under authorization of Office of the Attorney General (OAG), lawsuits are filed in General District Court in payment of wage cases. As approved by the OGA, litigating child labor cases and criminal matters regarding payment of wages.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$708,093</b>	<b>\$708,093</b>	<b>13.00</b>	<b>13.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	<i>(\$11,008)</i>	<i>(\$11,008)</i>	<i>0.00</i>	<i>0.00</i>
<i>Resolve employer and employee wage disputes</i>	<i>\$68,275</i>	<i>\$66,025</i>	<i>1.00</i>	<i>1.00</i>
<b>Total for Service Area</b>	<b>\$765,360</b>	<b>\$763,110</b>	<b>14.00</b>	<b>14.00</b>

**Objective:** To reduce the number of children working in hazardous or unhealthy occupations in Virginia.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Revocation of Employment Certificates Issued to Minors	The measure baseline is the number (119) of revoked employment certificates or permits for 2004.	To reduce by 10% the number of permits revoked because of hazardous employment.

**Objective:** To advance the fair and efficient investigation of wage complaints.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Length Of Time To Investigate A Payment of Wage Claim	The baseline is from 2004. The average number of days required to complete an investigation of a valid wage claim was 116.	To reduce by 5 business days the length of time required for completion of an investigation of a valid wage claim.



## Virginia Occupational Safety and Health Services

This service area administers occupational safety and health activities in Virginia (the Virginia State Plan agreement with federal OSHA as required by § 40.1-1 of the Code of Virginia ) for general industry, agriculture, construction and the public sector. The federal Occupational Safety and Health Act of 1970 requires federal OSHA to enforce its regulations throughout the country, except in states that apply and receive approval for a State Plan for occupational safety and health. Virginia received its approval as a State Plan state in 1988. Products and services include:

- Customer service, such as training and technical assistance;
- Investigation of worker occupational safety and health complaints in construction and general industry companies.
- Investigating workplace fatalities.
- Inspection and enforcement of the occupational safety and health laws and regulations in the construction industry and general industry in the public and private sectors, with the exception of employers covered by federal agencies under § 4(b)(1) of the OSH Act of 1970.
- Regulatory development to establish minimum requirements for worker and public safety.
- Safety and health consultation to private and public sector employers with priority given to high-hazard companies with 250 or fewer employees.
- Certification of qualified high-hazard companies with 250 employees or less as SHARP (Safety and Health Achievement Recognition Program) sites.
- Certifying companies with 250 or more employees with exemplary safety and health programs under the Voluntary Protection Program (VPP) using the STAR and MERIT designations.
- Operation of the Voluntary Protection Program (VPP) to recognize and promote effective occupational safety and health management for companies with 250 or more employees, and certification of qualified companies as STAR and MERIT worksites under the VPP program.
- Annual Virginia Occupational Safety and Health (VOSH) Conference to provide training and information to Virginia employers, employees and safety and health professionals.
- Conducting the Annual Survey of Occupational Injuries and Illnesses and the Census of Fatal Occupational Injuries (CFOI) under cooperative agreements with the US Bureau of Labor Statistics.
- Assure compliance with the Virginia Overhead High Voltage Line Safety Act.
- Participation in the OSHA Data Initiative in high-hazard industries.
- Economic development support by ensuring safe and healthy workplaces in Virginia companies.
- Legal support from the Office of Legal Support (OLS) to VOSH compliance divisions under the guidance and direction of the Office of the Attorney General.
- The Office of Planning and Evaluation (OPE) provides support to the VOSH divisions in the areas of development, coordination, and issuance of plans, policies, procedures, program directives, operational manuals, regulations, and other related documents.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$7,400,704</b>	<b>\$7,400,704</b>	<b>102.30</b>	<b>102.30</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$539,713	\$539,713	0.90	0.90
<i>Provide legal review for health and safety compliance program</i>	\$72,900	\$71,100	1.00	1.00
<b>Total for Service Area</b>	<b>\$8,013,317</b>	<b>\$8,011,517</b>	<b>104.20</b>	<b>104.20</b>

**Objective: Work toward reducing workplace fatalities in the high-hazard construction industry.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Workplace fatalities in the high-hazard construction industry.	The Measure Baseline is taken from the USDOL tables for 2002. The rate is 14.12 fatalities per 100,000 workers.	By 2008, reduce the rate of fatality by 5% among workers in the high-hazard construction industry.

**Objective: Work toward reducing workplace injuries and illnesses in the high-hazard construction industry.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of workplace injuries in the high-hazard construction industry.	The Measure Baseline is taken from the USDOL tables for 2001. The rate is 7.10 injuries/illnesses per 100 workers.	By 2008, reduce the rate of injuries/illnesses by 30% per 100 workers in the high-hazard construction industry.

**Objective: Respond quickly to all safety and health complaints.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percentage of health/safety complaints initiated within 1 business day of receipt and/or conduct on-site investigation within 5 business days.	94%- FY 2004	Percentage of health/safety complaints initiated within 1 business day of receipt and/or conduct on-site investigation within 5 business days. 95 % of complaints will be initiated within targets.
Number of occupational safety and health hazards identified.	This is a new performance measure. Baseline data will be established in FY 2006.	This is a new performance measure. Baseline data will be established in FY 2006.

**Asbestos and Lead Safety Services**

This service area implements the laws and regulations regarding asbestos and lead removal projects and the Virginia Asbestos NESHAP Act. Regulation of asbestos and lead removal projects involves issues of occupational safety and health, as well as issues of public safety. Products and services include:

- Customer service by providing technical assistance;
- Issuance of asbestos and lead project permits to abatement contractors;
- Conducting an on-site unannounced inspection of each asbestos and lead removal contractor at least once a year;
- Assurance of contractor adherence to the National Emission Standard for Hazardous Air Pollutants (NESHAP) to protect the general public and the environment from asbestos emissions during renovation and demolition activities;
- Assurance of safe work practices during installation, removal, and encapsulation of asbestos and lead;
- Regulatory development to establish minimum requirements for worker and public safety during installation, removal, and encapsulation of asbestos and lead; and
- Economic development support through helping ensure older buildings can be safely rehabilitated by the removal of asbestos and lead.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$324,697	\$324,697	5.66	5.66
Transfer centrally funded amounts to agency budgets	\$603	\$603	-0.50	-0.50
<b>Total for Service Area</b>	<b>\$325,300</b>	<b>\$325,300</b>	<b>5.16</b>	<b>5.16</b>

**Objective: Work toward reducing workplace injuries and illness in the asbestos and lead abatement industry.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Inspections of asbestos and lead removal contractors.	Number of asbestos and lead contractors inspected at least once in the previous fiscal year.	Inspect each asbestos and lead contractor once per year.

**Objective: Respond quickly to health and safety complaints involving asbestos and lead.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of responses to health/safety complaints initiated within targets.	94%- FY 2004	Begin investigations in health/safety complaints within one business day of receipt and/or conduct on-site inspections within 5 business days. 95% of complaints will be initiated within targets.

### **Boiler and Pressure Vessel Safety Services**

This service area implements the Boiler and Pressure Vessel Safety Act. Products and services include:

- Customer service, such as training and technical assistance.
- Issuance of certificates for properly inspected boiler and pressure vessels.
- Commission of owners/users inspection personnel to inspect their own boilers and pressure vessels.
- Identification of unregistered boilers and pressure vessels.
- Issuance of interpretations and technical letters on processes.
- Examination and issuance of inspector certificates to qualified private boiler and pressure vessel inspectors.
- Regulatory development to establish requirements for the construction, installation, operation, maintenance, and registration of boiler and pressure vessels; and examination of private boiler and pressure vessel inspectors.
- Quality control review and surveys.
- Economic development support through the assurance that boilers and pressure vessels are constructed, inspected and maintained in a safe manner to protect life and property.

Boiler Safety has a unique public-private partnership with insurance companies that insure boiler and pressure vessels and contract fee inspection companies for uninsured companies. The previously described Boiler and Pressure Vessel Safety Act and the Safety and Health Codes Board's Boiler and Pressure Vessel rules and regulations permit these DOLI certified inspectors, acting on behalf of the Commissioner of Labor and Industry to conduct inspections of these objects and for these inspections to serve as a basis for Boiler Safety's issuance of a Certificate of Inspection.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$489,749	\$489,749	9.00	9.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$49,485	\$49,485	0.00	0.00
<b>Total for Service Area</b>	<b>\$539,234</b>	<b>\$539,234</b>	<b>9.00</b>	<b>9.00</b>

**Objective: To eliminate, or mitigate, injuries, fatalities, and property damage through increasing the numbers of operational certificates issued for pressurized, temperature controlled boilers and pressure vessels.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of first inspection reports of objects for each company given 30 day notices	880 represents the number of unregistered pressure vessel objects inspected during FY 2005.	A 5% target is established, with emphasis on compliance visits on automobile related services and apartment buildings.
Number operational certificates issued for high pressure, high temperature boilers/pressure vessel devices.	8,582 Certificates issued during the fourth quarter of FY 2005. Three and ten year average is 32,000.	Increase the number of boiler and pressure vessel inspections by 15 % by 2008.

### Administrative and Support Services

Administrative and Support Services for the Department of Labor and Industry include the Office of the Commissioner; Human Resources; and Administration and Finance. This service area is responsible for the following agency-wide functions: executive management and direction; agency human resource services which includes staff recruitment and retention, training, benefit administration, dispute resolution, implementation and evaluation of fair employment practices; and resource administration that includes accounting, budgeting, financial management and compliance (including grants), IT and management information services, records management, regulatory promulgation, legislative coordination, policy management, asset management, risk management, contract management, purchasing, facilities management, general service support, and telecommunications. Service partners include Virginia's central support agencies; federal grantor agencies; non-English language radio stations, newspapers, and chamber of commerce groups; media groups; senior citizen worker placement organizations; vendors; and minority and women owned businesses.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,456,779	\$2,456,779	34.04	34.04
<i>Transfer centrally funded amounts to agency budgets</i>	\$236,393	\$236,393	-0.40	-0.40
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$94,508	\$92,480	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,787,680</b>	<b>\$2,785,652</b>	<b>33.64</b>	<b>33.64</b>

**Objective:** To ensure the efficient utilization and management of resources in the performance of the agency mission.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
External Audit/Evaluation Report Results (Department of Accounts Decentralization, Auditor of Public Accounts, U.S. Department of Labor, Management Scorecard)	Department of Labor and Industry has not received any written findings in the last APA, DOA, and U. S. Department of Labor Audit Reports and meets expectations of Management Scorecard Objectives at last update.	No audit findings, management letter comments or material internal control weaknesses reported in the most recent external audit reports. Meets Expectations of Management Scorecard Objectives in most recent reporting period.

**Objective:** To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Management Scorecard	100%- The 2005 percentage calculated based on the agency scorecard.	Maintain 100%

## Department of Mines, Minerals and Energy

### **Mission Statement**

It is the mission of the Department of Mines, Minerals and Energy (DMME) to enhance the development and conservation of energy and mineral resources in a safe and environmentally sound manner to support a more productive economy.

## Agency Goals:

- Provide for safe and environmentally sound mineral and fossil fuel extraction.
- Encourage economic development through our customers' wise management of Virginia's energy, mineral, land, and water resources.
- Provide for the effective performance of DMME personnel.

## Customers Served:

- Mineral extraction operators
- Mineral extraction workers
- Public affected by mineral extraction operations
- Affiliated mineral extraction business interests
- Other governmental agencies
- General public and businesses

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$10,184,789	\$15,323,723	\$25,508,512	\$15,615,436	\$9,893,076	244.00
FY 2004	\$9,110,114	\$16,159,582	\$25,269,696	\$14,643,309	\$10,626,387	237.00
FY 2005	\$9,545,182	\$17,845,337	\$27,390,519	\$15,597,710	\$11,792,809	237.00
FY 2006	\$9,545,201	\$17,845,337	\$27,390,538	\$15,597,710	\$11,792,828	235.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$9,545,201	\$17,845,337	\$27,390,538	\$14,589,235	\$12,801,303	235.00
FY 2007 Addenda	\$2,141,848	\$756,631	\$2,898,479	\$1,746,835	\$1,151,644	4.00
<b>FY 2007 TOTAL</b>	<b>\$11,687,049</b>	<b>\$18,601,968</b>	<b>\$30,289,017</b>	<b>\$16,336,070</b>	<b>\$13,952,947</b>	<b>239.00</b>
FY 2008 Base Budget	\$9,545,201	\$17,845,337	\$27,390,538	\$14,589,235	\$12,801,303	235.00
FY 2008 Addenda	\$2,161,896	\$756,631	\$2,918,527	\$1,765,577	\$1,152,950	4.00
<b>FY 2008 TOTAL</b>	<b>\$11,707,097</b>	<b>\$18,601,968</b>	<b>\$30,309,065</b>	<b>\$16,354,812</b>	<b>\$13,954,253</b>	<b>239.00</b>

## Agency Summary of Recommended Operating Budget Addenda

### ► Transfer centrally funded amounts to agency budgets

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$683,038 (GF) and \$756,631 (NGF).

### ► Adjust funding for agency expenditures related to cost of basic operations

Adjusts funding for changes in operating costs related to central agency services and various charges. These include rental charges at the seat of government, procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For 2007, \$103,774 (GF). For 2008, \$105,080 (GF).

### ► Provide funding and positions for three minerals specialists (inspectors)

Funds three mineral specialist (inspector) positions to provide mandated services in the gas and oil and mineral mining service areas. Due to customer growth in gas and oil and mineral mining, the agency's current inspection staff is not able to adequately meet the increased workload. The three additional positions will ensure that public safety and health are not further threatened by the increased activity. For 2007, \$246,860 (GF) and three positions. For 2008, \$265,602 (GF).

► **Enhance assistance to agencies to execute additional energy savings contracts**

Funds a position to help agencies identify potential energy savings projects and assist agencies in executing energy savings contracts in order to fund these projects. Currently, agencies are hesitant to enter into energy savings contracts because they lack the expertise to execute them. This position will provide the expertise necessary to execute the contracts and will result in additional energy savings for the Commonwealth. For 2007, \$116,400 (GF) and one position. For 2008, \$116,400 (GF).

► **Provide additional funding to address an increased workload in energy and mineral extraction programs**

Provides funding for department operations and equipment replacements in the Minerals Management and Administrative and Support Services programs. These programs contain six of the department’s eight service areas. The agency is faced with a workload increase caused by expansions in coal, gas, and mineral extraction due to high energy prices and growing housing and infrastructure development. The additional funding will replace depleted permit and license fee cash balances, which will be substantially depleted in 2006 and will not be available to cover agency expenses. For each year, \$991,776 (GF).

► **Provide appropriation authority for a manufacturing incentive for alternative fuels manufacturers**

Authorizes the Governor to appropriate up to \$3.0 million from the unappropriated balance to provide incentive payments of up to \$0.20 per gallon to manufacturers of alternative fuels that begin production or expand production of alternative fuels on or after July 1, 2006.

**Agency Service Areas:**

**Geologic and Mineral Resource Investigations, Mapping, and Utilization**

This service area provides information on Virginia’s geology and mineral resources. Geologic maps, reports, commodity information, and consultations are used by mineral producers, local, state, and federal agencies, developers, consultants, and other. They use this information for land use planning, environmental assessments, identification of mineral deposits needed for manufacturing, highway, and infrastructure construction, locating producible groundwater resources, and other uses. The Director of DMME’s geologic service area is designated as the State Geologist. Many activities in this service area are coordinated with the United States Geological Survey (USGS). Products and services include:

- Customer assistance, such as examination of the state’s geology, geologic and topographic mapping, geologic reports, technical assistance, information on mineral and energy reserves, identification of natural hazards, assistance with mine and public safety concerns, mineral industry statistics, and information on geology and mineral resources on state-owned lands.
- Assistance with regulatory development through providing geologic information about mining areas.
- Identification, investigation, and cataloging of abandoned/orphaned mine lands.
- Providing information in support of economic development, such as site geology, mineral availability, and on-site sources of groundwater.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$1,871,020	\$1,871,020	25.00	25.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$125,382	\$125,382	0.00	0.00
<i>Provide additional funding to address an increased workload in energy and mineral extraction programs</i>	\$53,850	\$53,850	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,050,252</b>	<b>\$2,050,252</b>	<b>25.00</b>	<b>25.00</b>

**Objective: To improve customer capabilities in the wise use of mineral, land, and water resources and energy technologies.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Annual percent increase in the Virginia Geospatial Data Index.	8% (avg. FY 2001 - FY 2005)	>= 4% (FY 2007 - FY 2008)

**Objective: To improve availability of and generate new targeted commodity information.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Customer satisfaction rating.	3.2 (first half of FY 2005)	>=3.0 (FY 2007 - FY 2008)

## Mineral Mining Environmental Protection, Worker Safety and Land Reclamation

This service area implements the Virginia Mineral Mine Safety Act and Virginia's mineral mining reclamation laws. The laws and regulations protect workers on mineral mines and other public affected by the operations from risks due to unsafe conditions and unsafe acts on the operations, and protect the public safety and health from the possible harmful environmental effects of mineral mining operations. Products and services include:

- Customer service, such as training, technical assistance, and risk assessment.
- Inspection and enforcement of the mine safety and reclamation laws and regulations.
- Certification of general mineral mine workers and miners performing specialized mineral mining tasks.
- Permitting and licensing of mineral mine sites.
- Regulatory development to establish minimum requirements for worker and public safety and operation and reclamation of mineral mine sites.
- Land reclamation through use of financial guarantees to ensure proper reclamation on permitted sites and reclamation of orphaned (abandoned) mineral mine lands.
- Economic development support through helping ensure adequate supplies of non-fuel mineral products are available to support Virginia's economic needs.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$2,133,635	\$2,133,635	21.00	21.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$108,490	\$108,490	0.00	0.00
<i>Provide funding and positions for three minerals specialists (inspectors)</i>	\$84,337	\$90,984	1.00	1.00
<i>Provide additional funding to address an increased workload in energy and mineral extraction programs</i>	\$165,468	\$165,468	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,491,930</b>	<b>\$2,498,577</b>	<b>22.00</b>	<b>22.00</b>

**Objective: To eliminate injuries and fatalities at mineral mine sites.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Serious personal injury-fatality rate on mineral mine sites.	0.14 (avg. CY 2000 - CY 2004)	<0.14 (avg. CY 2002 - CY 2006)
Percentage of safety violations successfully eliminated by the violations' due dates.	91.7% (avg. FY 2003 - FY 2005)	>=95% (FY 2007 - FY 2008)

**Objective: To eliminate adverse environmental conditions and public safety hazards at mineral mine sites.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of mineral mine sites with no adverse off-site environmental damage or public safety hazards.	98.4% (avg. FY 2003 - FY 2005)	>=95% (avg. FY 2005 - FY 2007)
Percentage of environmental violations successfully eliminated by the violations' due dates.	81.4% (avg. FY 2003 - FY 2005)	>= 80% (FY 2007 - FY 2008)

**Objective: To eliminate environmental and public safety hazards associated with orphaned mineral mines and bond forfeiture sites.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of orphaned mineral mine sites assessed with data entered into the orphaned mineral mine inventory.	52.4% (FY 2005)	>52.4% (FY 2007 - FY 2008; subject to available funding).
Percentage of orphaned mineral mine sites on which safety and health hazards have been eliminated.	2.8% (FY 2005)	>2.8% (FY 2007 - FY 2008; subject to available funding).

## Gas and Oil Environmental Protection, Worker Safety and Land Reclamation

This service area implements the Virginia Gas and Oil Act and gas and oil regulations promulgated by the Virginia Gas and Oil Board and the Department of Mines, Minerals and Energy. The law and regulations protect the property ownership interests of persons owning gas and oil rights around gas and oil wells, and protect the public safety and health from possible environmental effects of gas and oil wells and gas gathering pipelines. Products and services include:

- Customer service, such as training, technical assistance, and information sharing.
- Inspection and enforcement of the gas and oil laws and regulations.
- Permitting gas and oil exploration and development wells, and gathering pipelines.
- Protection of property interests around gas and oil wells through pooling and unitization of property interests, and establishment of escrow accounts for unknown or unlocatable owners or where ownership of coalbed methane is contested.
- Regulatory development to establish minimum requirements for protection of correlative rights of gas and oil owners and operations, plugging and reclamation of gas and oil wells, and gathering pipeline sites.
- Land reclamation through use of financial guarantees to ensure proper reclamation on permitted sites and orphaned (abandoned) wells.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$831,931	\$831,931	9.00	9.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$33,196	\$33,196	0.00	0.00
<i>Provide funding and positions for three minerals specialists (inspectors)</i>	\$162,523	\$174,618	2.00	2.00
<i>Provide additional funding to address an increased workload in energy and mineral extraction programs</i>	\$72,996	\$72,996	0.00	0.00
<b>Total for Service Area</b>	<b>\$1,100,646</b>	<b>\$1,112,741</b>	<b>11.00</b>	<b>11.00</b>

**Objective:** To eliminate dangers to workers on gas and oil operations.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of inspections finding unsafe acts on permitted gas and oil operations.	1.6% (FY 2005)	<= 2% (FY 2007 - FY 2008)

**Objective:** To eliminate adverse environmental conditions and public safety hazards resulting from gas and oil operations.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of gas and oil sites with no adverse off-site environmental damage or public safety hazards.	99.9% (avg. FY 2001 - FY 2005)	>=95% (avg. FY 2003 - FY 2007)
Percentage of environmental violations successfully eliminated by the violations' due dates.	66.2% (avg. FY 2001 - FY 2005)	>=80% (avg. FY 2004 - FY 2008)

**Objective:** To provide effective and efficient services to the Virginia Gas and Oil Board and the Board's customers.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percent timely recordation and distribution of Virginia Gas and Oil Board orders.	100% (avg. FY 2003 - FY 2005)	100% (FY 2007 - FY 2008)



## **Coal Environmental Protection and Land Reclamation**

This service area implements the Virginia Coal Surface Mining Control and Reclamation Act and attendant regulations. Virginia operates the coal surface mining regulatory program under approval (primacy) of the federal Office of Surface Mining. The law and regulations protect the public safety and health from the possible harmful environmental effects of coal mining operations. Products and services include:

- Customer service, such as training, technical assistance, and information sharing.
- Inspection and enforcement of the coal mine reclamation laws and regulations.
- Certification of blasters on surface coal mines.
- Permitting of coal mine sites and point-source pollution discharges to surface waters.
- Regulatory development to establish minimum requirements for operations on and reclamation of surface coal mine sites.
- Land reclamation through use of financial guarantees to ensure proper reclamation of permitted sites and use of the Abandoned Mine Land Program for coal mine lands abandoned before reclamation was required under the mining laws.
- Economic development support through assessing reclaimed mine land for residential, commercial, or industrial use and identification of coalfield resources (water, land, infrastructure) available for economic development uses.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$14,854,093</b>	<b>\$14,854,093</b>	<b>95.80</b>	<b>95.80</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$739,211	\$739,211	0.00	0.00
<i>Provide additional funding to address an increased workload in energy and mineral extraction programs</i>	\$205,528	\$205,528	0.00	0.00
<b>Total for Service Area</b>	<b>\$15,798,832</b>	<b>\$15,798,832</b>	<b>95.80</b>	<b>95.80</b>

**Objective: To eliminate adverse environmental impacts and unsafe conditions related to permitted coal mine sites.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of coal mine sites with no adverse off-site environmental damage or public safety hazards.	95.1% (avg. FY 2001 - FY 2005)	>=95% (avg. FY 2003 - FY 2007)
Percentage of environmental violations successfully eliminated by the violations' due dates.	86.7% (avg. FY 2001 - FY 2005)	>= 80% (FY 2007 - FY 2008)

**Objective: To eliminate public safety hazards and adverse environmental conditions from abandoned coal sites.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Funds added to Virginia's Abandoned Mined Land program through partnerships annually.	\$41,334 (avg. FY 2004 - FY 2005)	>= \$30,000 (FY 2007 - FY 2008)

## **Coal Worker Safety**

This service area implements the Virginia Coal Mine Safety Act and attendant regulations. The coal mine safety laws and regulations protect workers on coal mines and other public affected by the operations from risks due to unsafe conditions and unsafe acts on the operations. Products and services include:

- Customer service, such as training, technical assistance, job safety analysis, and risk assessment.
- Inspection and enforcement of the coal mine safety laws and regulations.
- Certification of general coal mine workers and miners performing specialized coal mining tasks.
- Licensing of and approval of mining plans on coal mine sites.
- Regulatory development to establish minimum requirements for worker and public safety on coal mine sites.
- Emergency response to mine accidents.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$4,001,790	\$4,001,790	48.90	48.90
<i>Transfer centrally funded amounts to agency budgets</i>	\$186,450	\$186,450	0.00	0.00
<i>Provide additional funding to address an increased workload in energy and mineral extraction programs</i>	\$348,181	\$348,181	0.00	0.00
<b>Total for Service Area</b>	<b>\$4,536,421</b>	<b>\$4,536,421</b>	<b>48.90</b>	<b>48.90</b>

**Objective:** To eliminate unsafe practices and conditions, which contribute to accidents, injuries, and fatalities.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Serious personal injury-fatality rate on coal mine sites.	0.46 (avg. CY 2000 - 2004)	<0.46 (avg. CY 2002 - CY 2006)
Percentage of safety violations eliminated by their due date.	96.2% (avg. FY 2001 - FY 2005)	>=95% (FY 2007 - FY 2008)

**Objective:** To improve the knowledge and skills of coal mine workers.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of coal miners satisfied with DMME coal mine safety training.	70.2% (avg. FY 2004 - FY 2005).	>=70% (FY 2007 - FY 2008).

**Objective:** To improve the quality of emergency preparedness and emergency responses.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Violation rate of emergency response provisions of the Coal Mine Safety Act.	1.49 (avg. FY 2001 - FY 2005)	<= 1.5 (avg. FY 2003 - FY 2007)

### **Energy Conservation and Alternative Energy Supply Programs**

This service area works to increase the use of alternative energy products and services, increase energy efficiency in state government operations, and improve other customers' ability to make informed choices related to energy efficiency and alternative energy uses, environment, and economic development activities. Products and services include:

- Customer service, such as training, technical assistance, education, helping with state government centralized electric, natural gas, and fuel oil purchasing, and emergency fuel supply management.
- Managing economic development incentives for solar industry development and providing information needed for new energy business development.
- Assisting energy extraction operators in developing new markets for their products and assisting mineral extraction operators reduce energy costs to improve productivity.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$1,038,362	\$1,038,362	6.00	6.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$100,000	\$100,000	0.00	0.00
<i>Enhance assistance to agencies to execute additional energy savings contracts</i>	\$116,400	\$116,400	1.00	1.00
<b>Total for Service Area</b>	<b>\$1,254,762</b>	<b>\$1,254,762</b>	<b>7.00</b>	<b>7.00</b>

**Objective:** To increase the use of alternative energy products and services.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percent hybrid and alternative fueled vehicles used by participating governments in Virginia.	New measure. Baseline not yet established.	2% (FY 2007)

**Objective: To increase energy efficiency in state government operations by 10% through June 30, 2006, when compared to 2002 baseline.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent decrease in energy use per square foot in state facilities.	8.9% (FY 2004)	10% (FY 2007)

**General Management and Direction**

This service area provides management direction and administrative support to the Department of Mines, Minerals and Energy’s other service areas. Products and services include:

- Customer assistance to other DMME staff, energy and mineral businesses, vendors, other federal, state and local agencies, and the general public.
- Regulatory development to establish minimum requirements for worker and public safety and operation and reclamation of mineral mine sites.
- Fee collection for permits, licenses, certifications, bonding, and land reclamation.
- Management and administrative support to ensure compliance with mandates and effective and efficient delivery of service to DMME’s customers.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,659,707	\$2,659,707	29.30	29.30
<i>Transfer centrally funded amounts to agency budgets</i>	\$146,940	\$146,940	0.00	0.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$103,774	\$105,080	0.00	0.00
<i>Provide additional funding to address an increased workload in energy and mineral extraction programs</i>	\$145,753	\$145,753	0.00	0.00
<b>Total for Service Area</b>	<b>\$3,056,174</b>	<b>\$3,057,480</b>	<b>29.30</b>	<b>29.30</b>

**Objective: To perform administrative functions in compliance with externally mandated and internal performance standards.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Findings in external audits.	0 (avg. FY 2001 - FY 2005)	0 (FY 2007 - FY 2008)

**Objective: To provide for the most efficient and effective application of DMME’s resources.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Prompt pay compliance.	99.75% (FY 2005)	>=95% (FY 2007 - FY 2008)
Payroll processing accuracy.	98.8% (FY 2004)	>=98% (FY 2007 - FY 2008)
Vehicle maintenance time.	73% (FY 2004)	>=70% (FY 2007 - FY 2008)
Purchase order timeliness.	97.8% (FY 2004)	>=95% (FY 2007 - FY 2008)

**Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as meets expectations for the agency.	100%, FY 2005	100%, 2006-2008 biennium.

# **Department of Minority Business Enterprise**

## **Mission Statement**

The Virginia Department of Minority Business Enterprise (DMBE) is dedicated to the establishment, preservation, and strengthening of minority-owned businesses. The DMBE was established to promote the growth and development of the Commonwealth's minority and disadvantaged business sectors by promoting a diverse business base that is profitable, efficient, and competitive, and that maximizes the opportunity for job creation. The DMBE is responsible for administering the Commonwealth's Small, Women, and Minority (SWAM) and disadvantaged business policies and programs and is empowered to certify SWAM and disadvantaged businesses. As part of the Commonwealth's Commerce and Trade Secretariat team, it is committed to assuring that Virginia is attractive to business leaders from around the world.

## **Agency Goals:**

- The Agency's goal for P.A.C.E. is to successfully administration and management of the Capital Access Fund for Disadvantaged Businesses in a manner that results in 4 or more sound loans per year.
- The goal for Certification is to increase the number certification of Small, Woman, and Minority (SWAM) Businesses and Disadvantaged Businesses (DBE) by 25%.
- The goal for Outreach is to provide assistance to SWAM firms that would produce greater participation in State procurement with SWAM certified firms.
- The goal for Procurement Reporting and Coordination is to produce the SWAM Quarterly Reports within 30 day of the end of the quarter as a tool, along with the Procurement Advocate, to assist agencies in meeting their SWAM goals.

## **Customers Served:**

- Small Business Enterprises
- Women-owned Business Enterprises
- Minority-Owned Business Enterprises
- Disadvantaged Business Enterprises (DBE)
- State Agencies
- Federal Agencies
- Local Governments
- Voluntary Organizations/Trade Associations
- Colleges and Universities, HBCU
- Private Contractors
- Legislators
- Governor

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$325,744	\$926,151	\$1,251,895	\$1,129,345	\$122,550	19.00
FY 2004	\$319,322	\$923,302	\$1,242,624	\$946,807	\$295,817	19.00
FY 2005	\$435,013	\$0	\$435,013	\$1,450,069	(\$1,015,056)	7.50
FY 2006	\$463,163	\$0	\$463,163	\$1,478,216	(\$1,015,053)	7.50
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$463,163	\$0	\$463,163	\$410,339	\$52,824	7.50
FY 2007 Addenda	\$231,532	\$1,380,354	\$1,611,886	\$1,357,241	\$254,645	21.50
<b>FY 2007 TOTAL</b>	<b>\$694,695</b>	<b>\$1,380,354</b>	<b>\$2,075,049</b>	<b>\$1,767,580</b>	<b>\$307,469</b>	<b>29.00</b>
FY 2008 Base Budget	\$463,163	\$0	\$463,163	\$410,339	\$52,824	7.50
FY 2008 Addenda	\$231,323	\$1,380,354	\$1,611,677	\$1,357,241	\$254,436	21.50
<b>FY 2008 TOTAL</b>	<b>\$694,486</b>	<b>\$1,380,354</b>	<b>\$2,074,840</b>	<b>\$1,767,580</b>	<b>\$307,260</b>	<b>29.00</b>

### Agency Summary of Recommended Operating Budget Addenda

► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$12,972 (GF) and \$42,111 (NGF).

► **Reflect the transfer of amounts between agencies**

Transfers funding and positions from the Department of Business Assistance to reflect the Department of Minority Business Enterprise's independent status and from the Department of Transportation to implement the U.S. Department of Transportation's disadvantaged business enterprise certification process. For 2007, \$200,408 (GF), \$1.3 million (NGF), and 21.5 positions. For 2008, \$200,408 (GF) and \$1.3 million (NGF).

► **Adjust funding for agency expenditures related to cost of basic operations**

Adjusts funding for changes in operating costs related to central agency services and various charges. These include rental charges at the seat of government, procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For 2007, \$18,152 (GF). For 2008, \$17,943 (GF).

### Agency Service Areas:

#### Minority Business Enterprise Procurement Reporting and Coordination

The Department works closely with the Department of Accounts and the Department of Information Technology to obtain and provide information regarding the Commonwealth's procurement of goods and services from SWAM firms.

The annual Procurement Report summarizes the amount of purchasing dollars state agencies spent with SWAM businesses, related to total agency dollars spent on procurement for the year. In the past, the Procurement Reports only report upon purchases from ethnic minorities. Ethnic minorities are highly visible and extremely important groups that must be tracked and measured by a number of measures: year-over-year growth, the number of contracts obtained, the size of the contracts, the number of solicitations, and number of different firms contacted in each of the aforementioned categories. The Governor's Executive Order 029 established a quarterly reporting cycle for the Agencies and required the data on Small business enterprises, Women-owned business enterprise, And Minority business enterprises (SWAM). The Department is the focal point for collecting and reporting this information to the Governor.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$235,203	\$235,203	4.00	4.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$9,629	\$9,629	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	\$162,170	\$162,170	2.00	2.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$18,152	\$17,943	0.00	0.00
<b>Total for Service Area</b>	<b>\$425,154</b>	<b>\$424,945</b>	<b>6.00</b>	<b>6.00</b>

**Objective: Produce quarterly small, women, and minority-business (SWAM) reports for Secretarial and Governor use.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of executive branch agencies filing quarterly reports.	100% Executive Branch agencies participation.	100% of Executive Branch agencies reporting quarterly on SWAM procurement.

## **Minority Business Enterprise Outreach**

Outreach to the SWAM and DBE communities is a matter of reaching those whom the Department was created to help. The primary reason for Outreach is to improve the citizens of the Commonwealth's knowledge of the agency's programs and services, the Agency's visibility, and customer perception. By implementing an effective marketing strategy and customer feedback mechanism targeted to state government partners and SWAM and DBE businesses; local, county and federal procurement officers; corporate MBE program directors; the Agency's personnel will educate agency customers on ways to access and utilize agency services. The overall advocacy mission of the Department will be shared with stakeholders through marketing presentations at conferences and seminars. The Office of the Director is the primary point of contact for coordinating all agency media relations, and developing print and broadcast materials for effective public relation campaigns.

The Outreach staff seeks to identify SWAM businesses for the agency's certification program. It also works with MBEs, WBEs and DBEs in its capacity as a partner with VDOT, Metropolitan Washington Airport Authority, (MWAA), and other recipients of U.S. Transportation funds, under the Unified Certification Program, which has certain obligations to assure participation of all MWD/BEs in federally, funded I transportation programs. The Department also works with state, local, federal and private entities that see the Department's assistance with establishing an affirmative outreach program or identification of SWAM and DBE firms to provide goods or services.

As part of its outreach efforts, the Department provides a number of discrete services. They are as follows:

- Certified Businesses and Specialized Vendor Lists

The Department's primary publication is the VDMBE Minority Vendors List. The requests for this publication come from various places: state and local governments, private firms seeking to incorporate minority firms in their bids, and procurement officers seeking to assure that minorities know about an IFB or RFP. There are enormous requests for Specialized Vendor Lists of Certified Businesses from the state and local governments as well as private firms. The Department's has made the list available on its website for downloading and has provided user with a means to search the list of Certified Businesses.

- Management Assistance and Technical Assistance to SWAM and DBE firms

The Department conducts business assessments of SWAM and DBE firms to determine the type of management assistance needed. The assessment determines the sufficiency of the firm's organizational structure, management team, business model, market and/or distribution area, and their business capacity to create value.

The Department's technical assistance range from engaging select firms in a core curriculum designed to improve business operation to providing highly specialized direct services to assess internal controls, manufacturing and processing, estimating, bidding, cost analysis, and distribution.

The management assistance and technical assistance are extended to the field, when possible, where the assistance is applied to the project.

- Other Services

Mentoring, Marketing, Financial Assistance, and Training directly or through Workshops, Seminars, Conferences and one on one counseling and access to the Department's Procurement Opportunities Database and Plans Room.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$28,330	\$28,330	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	\$1,078,071	\$1,078,071	14.00	14.00
<b>Total for Service Area</b>	<b>\$1,106,401</b>	<b>\$1,106,401</b>	<b>14.00</b>	<b>14.00</b>

**Objective: Provide assistance to certified small, women, and minority-owned businesses.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of businesses assisted	Number of firms assisted in FY 2005 (33,800 firms)	35,000 of firms assisted in FY 2007.

**Objective:** To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as meets expectations for the agency	The 2005 percentage calculated based on the agency scorecard: 60%	100% FY 2007

**Minority Business Enterprise Certification**

Certification of SWAM firms and the certification of DBE firms

Certification of SWAM firms and DBE certification, Lists of certified businesses, and a declaration of the certification process are the most sought after products the agency delivers to its customers. The Department is the primary agency for the Commonwealth's SWAM certification. The agency assist DBE firms in establishing validation of their business capacity through certification with the Commonwealth of Virginia.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$201,869	\$201,869	3.00	3.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$15,882	\$15,882	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	\$272,319	\$272,319	5.00	5.00
<b>Total for Service Area</b>	<b>\$490,070</b>	<b>\$490,070</b>	<b>8.00</b>	<b>8.00</b>

**Objective:** To provide state certification to minority-owned, women-owned, small and disadvantaged business enterprises in order to increase their opportunities to do business with the state.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of certified businesses	The number of certified firms at the end of FY05 (4769).	The number of certified firms at the end of FY07 (greater than 6000).

**Capital Access Fund for Disadvantaged Businesses**

In accordance with the legislative mandate, the Virginia Department of Minority Business Enterprise has aggressively focused on the development of the Capital Access Fund for Disadvantaged Businesses. This is the foundation of the Department's Providing Access to Capital for Entrepreneurs Program. (P.A.C.E). The goal of the P.A.C.E. program is to expand the purview of the Department of Minority Business Enterprise through the provision of critically important financial resources for disadvantaged entrepreneurs. The Department has leveraged the current funding of \$200,000 for loan guarantees into loans totaling over \$500,000 from the Program's lenders. The successful implementation of the PACE Program is facilitated through building and maintaining effective partnerships with a committed network of lenders, as well as with funding of the Capital Access Fund for Disadvantaged Businesses to the \$1,000,000 level, as indicated at the inception of the Fund.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$26,091	\$26,091	0.50	0.50
<i>Transfer centrally funded amounts to agency budgets</i>	\$1,242	\$1,242	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	\$26,091	\$26,091	0.50	0.50
<b>Total for Service Area</b>	<b>\$53,424</b>	<b>\$53,424</b>	<b>1.00</b>	<b>1.00</b>

**Objective:** To provide means for individuals with diminished capital and credit opportunities to compete in a competitive market area.

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Total number of new loans	One loan achieved in FY 2005	The measure target is two new loans in FY 2007.



# Department of Professional and Occupational Regulation

## Mission Statement

The Department of Professional and Occupational Regulation's mission is to protect the health, safety and welfare of Virginians, while promoting a competent workforce, productive economy and fair housing opportunities.

## Agency Goals:

- Promote a positive business climate by helping citizens succeed in their chosen professions and ensuring a competent workforce through the issuance of licenses, certifications and registrations for the authorized practice of regulated professions.
- Protect the public and promote fair housing opportunities by preventing statutory and regulatory violations and resolving complaints against regulated professionals who fail to comply with minimal standards of practice.
- Enhance organizational effectiveness and improve the quality of customer service in all programs through efficient delivery of administrative support for agency functions while increasing awareness of DPOR's mission, activities and services.

## Customers Served:

- Regulators (individuals/businesses holding licenses, certifications, registrations, and other authorizations)
- Applicants (potential licensees)
- Board Members
- Local, state and federal government offices and agencies
- Affiliated trade and professional organizations
- Complainants
- Employees

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$0	\$10,687,711	\$10,687,711	\$7,876,261	\$2,811,450	136.00
FY 2004	\$0	\$10,920,608	\$10,920,608	\$7,884,276	\$3,036,332	137.00
FY 2005	\$0	\$11,472,485	\$11,472,485	\$8,210,202	\$3,262,283	137.00
FY 2006	\$0	\$13,286,379	\$13,286,379	\$8,625,005	\$4,661,374	144.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$0	\$13,286,379	\$13,286,379	\$8,954,784	\$4,331,595	144.00
FY 2007 Addenda	\$0	\$2,405,197	\$2,405,197	\$878,197	\$1,527,000	3.00
<b>FY 2007 TOTAL</b>	<b>\$0</b>	<b>\$15,691,576</b>	<b>\$15,691,576</b>	<b>\$9,832,981</b>	<b>\$5,858,595</b>	<b>147.00</b>
FY 2008 Base Budget	\$0	\$13,286,379	\$13,286,379	\$8,954,784	\$4,331,595	144.00
FY 2008 Addenda	\$0	\$2,407,070	\$2,407,070	\$895,070	\$1,512,000	3.00
<b>FY 2008 TOTAL</b>	<b>\$0</b>	<b>\$15,693,449</b>	<b>\$15,693,449</b>	<b>\$9,849,854</b>	<b>\$5,843,595</b>	<b>147.00</b>

## Agency Summary of Recommended Operating Budget Addenda

### ► Transfer centrally funded amounts to agency budgets

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$691,680 (NGF).

### ► Adjust appropriation for increased fee revenue

Adjusts the agency budget to reflect increased fee revenue estimates. For each year, \$1.5 million (NGF).

► **Appropriate revenue from increases in applications and licensees**

Adds positions and funding to address increases in the number of individuals and businesses regulated by the department and increases in the volume of license applications the department receives. For 2007, \$213,517 (NGF) and three positions. For 2008, \$215,390 (NGF).

**Agency Service Areas:**

**Licensure, Certification, and Registration of Professions and Occupations**

The licensure, certification and registration service area maintains clear licensure requirements and standards, and issues licenses, certifications and registrations for the authorized practice of regulated professions and occupations.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$4,179,861	\$4,179,861	55.00	55.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$232,404	\$232,404	0.00	0.00
<i>Adjust appropriation for increased fee revenue</i>	\$394,191	\$394,191	0.00	0.00
<b>Total for Service Area</b>	<b>\$4,806,456</b>	<b>\$4,806,456</b>	<b>55.00</b>	<b>55.00</b>

**Objective: Issue licenses, certifications, registrations and other authorizations to individuals and businesses in an efficient manner.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Cost per regulant	\$74.22 per licensee for the 2002-04 biennium.	Maximum of 8.6% increase for the 2004-06 biennium. (Based on 75% of average biennial expenditure increases, adjusted for one-time or non-discretionary costs.)

**Objective: Regulate professions and occupations in an effective manner.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Frequency of regulation review	Per Executive Order 21, all regulations must be reviewed once every four years	At least once every four years

**Enforcement of Licensing, Regulating and Certifying Professions and Occupations**

The enforcement of licensing, regulating and certifying service area investigates, ascertains probable cause, and processes complaints of violations of statutory and regulatory requirements including possible violations of fair housing laws that prohibit discriminatory practices in residential housing.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$4,255,459	\$4,255,459	51.00	51.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$261,455	\$261,455	0.00	0.00
<i>Adjust appropriation for increased fee revenue</i>	\$182,152	\$182,152	0.00	0.00
<b>Total for Service Area</b>	<b>\$4,699,066</b>	<b>\$4,699,066</b>	<b>51.00</b>	<b>51.00</b>

**Objective: Investigate and resolve complaints efficiently to bring regulants and non-licensed practitioners into compliance.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of regulatory and unlicensed activity complaint respondents brought into compliance	In FY05, 24% of regulatory and unlicensed activity complaint respondents were brought into compliance.	Increase regulatory and unlicensed cases ending in compliance by 2% annually.

**Objective: Investigate and resolve fair housing complaints to enforce fair housing laws effectively.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of fair housing cases closed within 150 days	In 2004, 45% of all fair housing cases were closed within 150 days.	In FY06, 50% of all fair housing cases closed within 150 days

**Administrative Services**

The administrative services area conducts efficient and effective business and administrative support functions in support of functional activities.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$4,851,059	\$4,851,059	38.00	38.00
Transfer centrally funded amounts to agency budgets	\$197,821	\$197,821	0.00	0.00
Adjust appropriation for increased fee revenue	\$923,657	\$923,657	0.00	0.00
Appropriate revenue from increases in applications and licensees	\$213,517	\$215,390	3.00	3.00
<b>Total for Service Area</b>	<b>\$6,186,054</b>	<b>\$6,187,927</b>	<b>41.00</b>	<b>41.00</b>

**Objective: Manage resources effectively and comply with legal, state and operational requirements to achieve agency goals.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Auditor of Public Accounts and Department of Accounts audit results	No repeat findings (audit points)	No repeat findings (audit points)

**Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Governor's Management Scorecard	100% based on DPOR's score on the 2005 Governor's Management Scorecard	100% score on all scorecard measures

**Virginia Economic Development Partnership**

**Mission Statement**

To enhance the quality of life and raise the standard of living for all Virginians, in collaboration with Virginia communities through aggressive business recruitment, expansion assistance, and trade development, thereby building the tax base and creating higher income employment opportunities.

**Agency Goals:**

- To recruit new and expanding businesses to invest dollars and create jobs in Virginia and promote Virginia products and services.

**Customers Served:**

- Virginia Communities
- A. VEDP's customer base is so large and diverse and the VEDP serves its customers in such a variety of ways, it is not practical to assign numerical values to its potential or served customers.
- Virginia, U.S., and International Businesses

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$14,341,758	\$0	\$14,341,758	\$0	\$14,341,758	0.00
FY 2004	\$14,486,241	\$0	\$14,486,241	\$0	\$14,486,241	0.00
FY 2005	\$15,933,880	\$0	\$15,933,880	\$0	\$15,933,880	0.00
FY 2006	\$15,616,939	\$0	\$15,616,939	\$0	\$15,616,939	0.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$15,616,939	\$0	\$15,616,939	\$0	\$15,616,939	0.00
FY 2007 Addenda	\$2,260,762	\$0	\$2,260,762	\$0	\$2,260,762	0.00
<b>FY 2007 TOTAL</b>	<b>\$17,877,701</b>	<b>\$0</b>	<b>\$17,877,701</b>	<b>\$0</b>	<b>\$17,877,701</b>	<b>0.00</b>
FY 2008 Base Budget	\$15,616,939	\$0	\$15,616,939	\$0	\$15,616,939	0.00
FY 2008 Addenda	\$1,060,762	\$0	\$1,060,762	\$0	\$1,060,762	0.00
<b>FY 2008 TOTAL</b>	<b>\$16,677,701</b>	<b>\$0</b>	<b>\$16,677,701</b>	<b>\$0</b>	<b>\$16,677,701</b>	<b>0.00</b>

### Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**  
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$681,888 (GF).
- ▶ **Eliminate funding for the Virginia Commission on Military Bases**  
Eliminates funding for the Virginia Commission on Military Bases. The Commission's work will be completed by the end of 2006. For each year, a reduction of \$303,000 (GF).
- ▶ **Reflect the transfer of amounts between agencies**  
Transfers funding from the Virginia Tourism Authority to attract motor sports-related businesses to Virginia and from Central Appropriations for Virginia Modeling and Simulation Center marketing and for the Hampton Roads Partnership. For each year, \$475,000 (GF).
- ▶ **Adjust funding for agency expenditures related to cost of basic operations**  
Adjusts funding for changes in operating costs related to central agency services and various charges. These include procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For each year, \$6,874 (GF).
- ▶ **Provide additional funding for advertising**  
Provides additional funding for advertising. The funding would be used for research, media strategy, and message development; advertising production; and media placement. For 2007, \$1.0 million (GF).
- ▶ **Provide additional funding to develop business development international markets**  
Provides additional funding for the Partnership to work with local and regional economic development offices, other state agencies, universities, and private sector partners to establish a physical presence in both China and India. Of the funding provided, \$100,000 will be used for research to identify business sectors and individual companies in those sectors that are ready to consider expanding operations outside their own countries. The other \$100,000 will be used for marketing activities, such as direct contact trips, seminars, events, and print materials to communicate Virginia's many business-ready assets. For 2007, \$200,000 (GF).
- ▶ **Provide additional funding to offset foreign currency losses**  
Provides additional funding to offset foreign currency losses. Because of the Partnership's considerable presence in world markets, it is impacted by currency fluctuations associated with world economic conditions. Since 2003 the value of the dollar compared to the Euro, Yen, and Won has fallen almost 30 percent. For each year, \$200,000 (GF).

### Agency Service Areas:

**Financial Assistance for Economic Development**

This area is used exclusively to disburse pass-through type funding. VEDP disburses funds to the recipients as directed by the Appropriations Act. For example, VEDP disburses \$100,000 to the Virginia Commercial Space Flight Authority in 4 equal quarterly installments.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$100,000	\$100,000	0.00	0.00
<b>Total for Service Area</b>	\$100,000	\$100,000	0.00	0.00

**Objective: Pass through State funds to other economic development entities**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Make periodic payments to other State economic development entities in a timely and accurate manner	25% of funds paid each quarter of FY05	25% of funds paid each quarter in FY07

**Economic Development Services**

VEDP has one significant service area, Economic Development Services. The other service area, Financial Assistance for Economic Development, is only funded with pass-through funds over which VEDP has no control. All narrative entries that follow are consistent with the “Agency Strategic Plan Structure.”

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$15,516,939	\$15,516,939	0.00	0.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$681,888	\$681,888	0.00	0.00
<i>Eliminate funding for the Virginia Commission on Military Bases</i>	(\$303,000)	(\$303,000)	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	\$475,000	\$475,000	0.00	0.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$6,874	\$6,874	0.00	0.00
<i>Provide additional funding for advertising</i>	\$1,000,000	\$0	0.00	0.00
<i>Provide additional funding to develop business development international markets</i>	\$200,000	\$0	0.00	0.00
<i>Provide additional funding to offset foreign currency losses</i>	\$200,000	\$200,000	0.00	0.00
<b>Total for Service Area</b>	\$17,777,701	\$16,577,701	0.00	0.00

**Objective: Assist new and existing companies in making investments in Virginia.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Dollars invested by new and existing companies	Average goal for years FY2001 through FY2005 = \$2.2 billion	\$2.75 billion invested by new and existing companies in FY2007.

**Objective: Assist new and existing companies in creating jobs in Virginia.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Jobs created by new and existing Companies	Average goal for years FY2001 through FY2005 = 24,000 jobs	28,000 jobs created by new and existing companies in FY2007

**Objective: Assist Virginia companies in increasing international sales of their products and services.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Companies actively counseled or that have participated in a Trade event	Average goal for years FY2001 through FY2005 = 227 Companies	250 companies counseled or have participated in a Trade event in FY2007

**Objective: Engage Virginia companies to participate in the Virginia Leaders in Export Trade (VALET) Program.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Companies participating in the Virginia Leaders in Export Trade (VALET) program	Average goals for years FY2004 and FY2005 = 30	30 companies participating in the VALET program for FY2007

**Objective: Engage Virginia companies, particularly in economically distressed communities, to participate in the Accessing International Markets (AIM) program.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Companies participating in the Accessing International Markets (AIM) program	The baseline is set by program capacity, which is currently 10 companies annually.	10 companies participating in the AIM program for FY2007

**Objective: Ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as "Meets Expectations" for VEDP	100% of "Meets Expectations" achieved by VEDP in the criteria of the Governor's Management Scorecard for FY05.	100% of the Governor's Management Scorecard criteria designated as "Meets Expectations in FY07."

## **Virginia Employment Commission**

### **Mission Statement**

The Virginia Employment Commission's mission is to promote economic growth and stability by delivering and coordinating workforce services to include:

- Policy development
- Job placement services
- Temporary income support
- Workforce information
- Transition and training services

To accomplish our mission, we will:

- Partner with our stakeholders
- Develop and empower staff
- Improve our processes
- Embrace innovative solutions and technologies
- Continually renew our organization

### **Agency Goals:**

- Lead the development and implementation of the state workforce system.
- Develop a high performance and customer focused agency workforce.
- Strengthen and expand the agency's internal and external communications.
- Create efficient and aligned business processes and service delivery systems.

### **Customers Served:**

- Employers
- Job Seekers and Workers
- Federal, State, and Local Government Entities
- Workforce Investment Act Participants

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$80,689	\$481,105,600	\$481,186,289	\$60,082,719	\$421,103,570	1,001.00
FY 2004	\$79,807	\$483,424,954	\$483,504,761	\$60,082,719	\$423,422,042	1,001.00
FY 2005	\$180,637	\$597,067,403	\$597,248,040	\$68,433,107	\$528,814,933	1,068.50
FY 2006	\$80,637	\$571,774,099	\$571,854,736	\$68,663,803	\$503,190,933	1,042.50
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$80,637	\$571,774,099	\$571,854,736	\$66,535,371	\$505,319,365	1,042.50
FY 2007 Addenda	\$1,530	\$40,816,368	\$40,817,898	(\$6,738,968)	\$47,556,866	-5.00
<b>FY 2007 TOTAL</b>	<b>\$82,167</b>	<b>\$612,590,467</b>	<b>\$612,672,634</b>	<b>\$59,796,403</b>	<b>\$552,876,231</b>	<b>1,037.50</b>
FY 2008 Base Budget	\$80,637	\$571,774,099	\$571,854,736	\$66,535,371	\$505,319,365	1,042.50
FY 2008 Addenda	\$1,530	\$52,948,502	\$52,950,032	(\$6,738,968)	\$59,689,000	-5.00
<b>FY 2008 TOTAL</b>	<b>\$82,167</b>	<b>\$624,722,601</b>	<b>\$624,804,768</b>	<b>\$59,796,403</b>	<b>\$565,008,365</b>	<b>1,037.50</b>

### Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**  
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$1,530 (GF) and \$4.9 million (NGF).
- ▶ **Decrease federal appropriation to reflect reductions in federal grant funding**  
Reduces agency appropriation to reflect reductions in federal grant funding. For each year, a reduction of \$15.4 million (NGF).
- ▶ **Transfer five positions to the Department of Rehabilitative Services**  
Transfers five positions to the Department of Rehabilitative Services (DRS) to implement the Disability Navigator Program, which is designed to address the needs of individuals with disabilities who seek training and employment opportunities through the One-Stop Center system established by the Workforce Investment Act. For 2007, a reduction of five positions.
- ▶ **Increase nongeneral fund appropriation for unemployment insurance benefits**  
Adjusts the agency's nongeneral fund appropriation to reflect the projected 2007 and 2008 unemployment insurance benefit payments. The commission routinely projects the effect that changes in Virginia's economy and workforce will have on unemployment insurance benefit payments. For 2007, \$12.9 million (NGF). For 2008, \$29.6 million (NGF).
- ▶ **Appropriate Special Reed Act funding to upgrade unemployment insurance systems**  
Provides a Special Reed Act Fund appropriation to upgrade the agency's unemployment insurance systems. The current systems that the agency operates for benefits, tax, and wage records are antiquated and expensive to maintain. By modernizing the unemployment insurance systems, the agency will be able to respond to new legislative requirements on a more timely basis and the agency would be in a position to mitigate business risks associated with operating the antiquated and inflexible systems. For 2007, \$25.0 million (NGF). For 2008, \$20.0 million (NGF).
- ▶ **Appropriate Special Reed Act funding for procurement of a web based financial/accounting system**  
Provides a Special Reed Act Fund appropriation to procure a web based financial/ accounting system. The agency's existing accounting system is complex, inflexible, fragile, and not user friendly. Due to the system's age and the number of changes made over the years, the agency has been experiencing an increased frequency of system problems and delays. An upgraded system will meet federal reporting requirements and interface with the Commonwealth's Accounting and Reporting System. For 2007, \$2.5 million (NGF). For 2008, \$500,000 (NGF).

- ▶ **Appropriate Special Reed Act funding to replace the existing Virginia Workforce Network Information System**  
Provides a Special Reed Act Fund appropriation to replace the existing Virginia Workforce Network Information System (VWNIS) with a modern state-of-the-art workforce management information system. The current management information system has become the limiting factor in moving the vision of a unified workforce system forward within the Commonwealth. A new workforce management information system will provide the Virginia Workforce Network with the ability to integrate the Workforce Investment Act (WIA), Wagner-Peyser Trade Act, Virginia Initiative for Employment not Welfare (VIEW) and Labor Market Information (LMI) programs and other essential workforce system programs and components under a common information system. For 2007, \$3.1 million (NGF).
- ▶ **Appropriate Special Unemployment Compensation Administrative funding and Special Reed Act funding for administration of the Unemployment Insurance Program**  
Appropriates Special Unemployment Compensation Administrative funding and Special Reed Act funding for administration of the Unemployment Insurance Program. The U.S. Department of Labor has reduced the funding available to the states. Due to these reductions, the agency anticipates a \$13.4 million shortfall in its Unemployment Insurance Program during the biennium. Along with internal cost saving measures, the recommended appropriation will reduce the projected deficit. For 2007, \$4.1 million (NGF). For 2008, \$7.6 million (NGF).
- ▶ **Appropriate Special Reed Act funding for administration of the Job Services Program**  
Provides a Special Reed Act Fund appropriation for administration of the Job Services Program. The U.S. Department of Labor has reduced the funding available to the states. Due to these reductions, the agency anticipates a \$7.9 million shortfall in its Job Services Program during the biennium. Along with internal cost saving measures, the recommended appropriation will reduce the projected deficit. For 2007, \$3.7 million (NGF). For 2008, \$5.7 million (NGF).

**Agency Service Areas:**

**Job Placement Services**

This service area implements programs and processes that provide assistance to employers, who are seeking to hire qualified workers and to workers who are seeking employment. The Employment Service (or Job Service), established by the Wagner-Peyser Act of 1933, makes available job search assistance to individuals, and recruiting and referral services to employers. Services to employers include screening and referring applicants for job vacancies, and providing critical labor market information for business and economic planning. Employers may participate in local Employer Advisory Committees in order to become aligned closer with VEC and give feedback on the delivery of services. Services to workers include job referral and placement, referral to training, and job search skills building activities. Services are available universally to anyone eligible to work in the United States.

Special programs and services administered by VEC on behalf of job seekers and employers that provide job placement services for special groups include:

- Case management, placement assistance, and transition services for veterans of military service, regardless of when the service occurred. Veterans of the U.S. military receive priority of service, in accordance with Federal law and regulations, in all of the job placement services.
- Certification of agricultural and non-agricultural foreign workers.
- Rapid response assistance for displaced workers from businesses who are downsizing a significant number of workers, or who are going out of business. Support is also provided for the impacted business as well.
- Provision of services to migrant and seasonal farm workers.
- Job placement and unemployment assistance to workers and businesses who are impacted by US import/export policies that result in downsizing a workforce or going out of business.
- Also, included are the administrative and support services necessary to support the functions of this service area.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$36,114,767</b>	<b>\$36,114,767</b>	<b>372.50</b>	<b>372.50</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$1,768,180	\$1,768,180	0.00	0.00
<i>Decrease federal appropriation to reflect reductions in federal grant funding</i>	(\$3,339,523)	(\$3,339,523)	0.00	0.00
<i>Transfer five positions to the Department of Rehabilitative Services</i>	\$0	\$0	-5.00	-5.00
<b>Total for Service Area</b>	<b>\$34,543,424</b>	<b>\$34,543,424</b>	<b>367.50</b>	<b>367.50</b>

**Objective: 1. Measure and report the number of job seekers, who successfully find new employment after receiving job placement services from the VEC.**



Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Entered Employment rate	New Measure; baseline will be established using FY06 data.	Meet or exceed FY06 baseline for each quarter of FY07

### **Unemployment Insurance Services**

This Service Area implements programs and processes that provide temporary income assistance to qualified individuals that become unemployed or are faced with reduced employment. The main objectives for this Service Area are to alleviate hardship for the unemployed, prevent unemployment, promote reemployment and provide stability to the economy. The Unemployment Insurance System was created by the Social Security Act of 1935 in response to chaotic economic conditions created by the “Great Depression.” The program was established and continues today as a joint partnership between the states and the federal government. It is administered by states with oversight by the U.S. Department of Labor. The federal government collects the Federal Unemployment Tax (FUTA) to administer the state-run Employment Security Programs nationwide. The states are required to collect state unemployment taxes that are placed in a Trust Fund from which benefits are paid to eligible unemployed workers. Federal law provides certain requirements and guidelines but individual states determine many requirements related to eligibility, benefit levels, and tax rates for employers.

In addition to the state Unemployment Insurance Program this Service Area administers the following federal temporary income assistance programs:

- UCFE – Unemployment Compensation for Former Federal Employees.
- UCX – Unemployment Compensation for Ex-Military Personnel
- DUA – Disaster Unemployment Assistance
- TRA/TAA – Unemployment Assistance to workers impacted by U.S. import/export policies that result in downsizing and business closures.
- Federal Extended Benefits – Federal legislated programs that provide additional income assistance to individuals unemployed for long periods due to severe economic conditions.
- Administratively this Service Area is organized into three components:
- Tax – This component establishes employer liability for state UI taxes used to fund the benefits paid to eligible claimants, collects UI taxes when due, monitors employer accounts through a program of audits, and follows up on delinquent accounts for collection.
- Benefits – This component determines eligibility for unemployment insurance benefits when claims are filed, adjudicates eligibility issues, and pays benefits when due.
- Appeals – This component handles resolution of disputed UI claims through a two-tiered appeals process (First Level Appeals and Commission Appeals). The Office of Commission Appeals is the final administrative adjudicative authority in disputed benefit and tax liability cases.

Additionally, this Service Area operates several programs to maximize integrity, detect fraud, and determine over/under payments:

- Benefit Payment Control Program
- Eligibility Review Program
- Benefit Accuracy Measure Program
- Also, included are the administrative and support services necessary to support the functions of this service area.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$485,299,535</b>	<b>\$485,299,535</b>	<b>543.00</b>	<b>543.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$2,577,103	\$2,577,103	0.00	0.00
<i>Decrease federal appropriation to reflect reductions in federal grant funding</i>	(\$19,585,532)	(\$19,585,532)	0.00	0.00
<i>Increase nongeneral fund appropriation for unemployment insurance benefits</i>	\$12,888,570	\$29,588,570	0.00	0.00
<i>Appropriate Special Reed Act funding to upgrade unemployment insurance systems</i>	\$25,000,000	\$20,000,000	0.00	0.00
<i>Appropriate Special Reed Act funding for procurement of a web based financial/accounting system</i>	\$2,500,000	\$500,000	0.00	0.00
<i>Appropriate Special Reed Act funding to replace the existing Virginia Workforce Network Information System</i>	\$3,067,866	\$0	0.00	0.00
<i>Appropriate Special Unemployment Compensation Administrative funding and Special Reed Act funding for administration of the Unemployment Insurance Program</i>	\$4,100,000	\$7,600,000	0.00	0.00
<i>Appropriate Special Reed Act funding for administration of the Job Services Program</i>	\$3,700,000	\$5,700,000	0.00	0.00
<b>Total for Service Area</b>	<b>\$519,547,542</b>	<b>\$531,679,676</b>	<b>543.00</b>	<b>543.00</b>

**Objective: Meet or exceed the United States Department of Labor standard of 87 percent for first payments of unemployment insurance benefits made within 14 days of the first compensable week.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
First payment time lapse. Payments were made within 14 days of the first compensable week.	86.7% (CY2004)	Equal to or greater than 87% for CY2006 & CY2007

### **Workforce Development Services**

The Workforce Development Services Area includes intensive and training services for the employers, job seekers and workers of Virginia delivered through a one-stop delivery system known as the Virginia Workforce Network. Internally, they are combined with the services of the Job Placement, Unemployment Insurance and Economic Development areas. The network is present in 17 geographically based local workforce areas that cover all of Virginia, with approximately 40 comprehensive service center locations.

This service area includes the Adult, Dislocated Worker and Youth activities of the Workforce Investment Act, as well as the Trade and Veterans Programs. Combined, these programs represent 7 of the 14 workforce programs that are administered by various State agencies and required by the Workforce Investment Act to be present and participate in a one-stop delivery system. By leveraging services and resources through unified planning for these 7 programs within a single agency, the Virginia Employment Commission is well positioned to be Virginia's first choice in workforce services as stated in the agency vision.

Beyond program service provision, this Service Area is responsible for building the integrated delivery system that coordinates the various programs delivered by other State agencies through the Virginia WORKforce Network. In addition, the Service Area provides staff assistance to the Virginia Workforce Council in order to allow that body to meet its charge to act as the principal advisor to the Governor regarding the workforce development system and its efforts to create a strong workforce aligned with employer needs.

Also, included are the administrative and support services necessary to support the functions of this service area.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$41,240,772</b>	<b>\$41,240,772</b>	<b>40.00</b>	<b>40.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$189,785	\$189,785	0.00	0.00
<i>Decrease federal appropriation to reflect reductions in federal grant funding</i>	\$6,155,160	\$6,155,160	0.00	0.00
<b>Total for Service Area</b>	<b>\$47,585,717</b>	<b>\$47,585,717</b>	<b>40.00</b>	<b>40.00</b>

**Objective:** To match citizen job seekers and workers with the jobs available and in demand in the employer community by providing a well-trained workforce through the collaborative efforts of a state workforce system.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Employment Retention Rate. Retention rate for adult customers that enter employment after completion of a program and remain employed for at least 6 months.	80% (FY2005)	Equal to or greater than 80%

### **Workforce System Organization Services**

This service area implements the demand-driven workforce development system that produces a workforce with the required skills to maintain and enhance the state and regional economies. Products and services include:

- Single point of entry for workforce and career services for employers, workers and job seekers (one stop workforce service delivery system).
- Timely data collection and analysis of state and workforce area demographic, economic and educational trends.
- Capacity building for all partners, such as training, technical assistance, professional certification and conferences.
- Linking workforce development strategies with economic development initiatives.
- Linkages with mandatory and optional workforce service delivery partners, such as other state/local agencies, education providers, and local government officials
- Strategic planning to create systems change to better meet the workforce development needs of employers and other customers.
- Workforce systems policy development for statewide strategic direction, consistency and efficiency.
- Support the Office of the Governor's Special Advisor for Workforce Development.
- Workforce Information Services
- Also, included are the administrative and support services necessary to support the functions of this service area.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$6,575,447</b>	<b>\$6,575,447</b>	<b>39.00</b>	<b>39.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$185,041	\$185,041	0.00	0.00
<i>Decrease federal appropriation to reflect reductions in federal grant funding</i>	\$1,775,992	\$1,775,992	0.00	0.00
<b>Total for Service Area</b>	<b>\$8,536,480</b>	<b>\$8,536,480</b>	<b>39.00</b>	<b>39.00</b>

**Objective:** Integrate workforce services at the state level and workforce service delivery at the local level.

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of comprehensive Virginia Workforce Centers in VEC facilities which have integrated services.	New Measure. Baseline data not available. Baseline will be established using FY2007 data.	Exceed FY07 baseline by 10%

**Objective: Identify, obtain, and leverage resources to promote economic growth and provide quality workforce services**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Customer satisfaction rate with Virginia Workforce Network System.	New measure baseline data not available. Baseline will be established using FY06 data.	Exceed FY06 baseline by 1% in FY07

**Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as meets expectations for the agency.	80%, FY 2005	100%, 2006-2008 biennium.

### **Economic Information Services**

Virginia's labor market information system is an essential part of its economic infrastructure, providing information about employment, jobs, and workers to a wide range of users. In cooperation with the Bureau of Labor Statistics and other federal agencies, the VEC produces this information.

VEC's EIS Division collects, analyzes and publishes data relating to all aspects of Virginia's labor market. The many users of this information include employers, jobseekers, policy makers and analysts, economic developers, economists, and planners. The data collected and reported by the EIS Division includes Current Employment Statistics; Covered Employment and Wages; Local Area Unemployment Statistics; Occupational Employment Statistics and Wages; and Mass Layoff Statistics. The State Data Center, which develops Virginia's population projections and is a repository of census information, is another of the VEC's economic information programs.

VEC economists prepare economic forecasts and analyze recent trends for inclusion in various agency publications. Two capabilities of the EIS Division are economic impact analyses using the Impact Analysis for Planning Model and Geographic Information Systems mapping. Staff provides economic and demographic information and analysis on request, or customers may access labor market information through Virginia's Electronic Labor Market Access System on the VEC's website (<http://www.VaEmploy.Com/>). The EIS Division is also responsible for the statewide employment statistics system under the Workforce Investment Act of 1998. Also, included are the administrative and support services necessary to support the functions of this service area.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$2,624,215	\$2,624,215	48.00	48.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$227,748	\$227,748	0.00	0.00
<i>Decrease federal appropriation to reflect reductions in federal grant funding</i>	(\$392,492)	(\$392,492)	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,459,471</b>	<b>\$2,459,471</b>	<b>48.00</b>	<b>48.00</b>

**Objective: To compute and release to the public the statewide unemployment rate and the rates for all Virginia cities and counties, according to the schedule established by USDOL.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Data is released in agreement with schedule established by DOL.	100% (FY05)	100% in F07 & FY08

## **Virginia Racing Commission**

### **Mission Statement**

The Virginia Racing Commission's mission is to grow, sustain, and control a native horse racing industry with pari-mutuel wagering by prescribing regulations and conditions that command and promote excellence and complete honesty and integrity in racing and wagering.

## Agency Goals:

- Maintain horse racing in the Commonwealth of Virginia of the highest quality, free of corrupt, incompetent, dishonest or unprincipled practices by maintaining complete honesty and integrity in racing.
- Assist in the growth of the pari-mutuel horse racing industry in Virginia.
- Provide Financial Incentives to Owners and Breeders of Virginia Bred Horses.
- Increase the Awareness of the Equine Industry in Virginia.

## Customers Served:

- Racetrack Owners and Operators
- Horsemen and other participants
- Governments

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$0	\$2,963,801	\$2,963,801	\$868,396	\$2,095,405	10.00
FY 2004	\$0	\$2,994,901	\$2,994,901	\$706,196	\$2,288,705	10.00
FY 2005	\$0	\$3,796,130	\$3,796,130	\$723,200	\$3,072,930	10.00
FY 2006	\$0	\$4,208,130	\$4,208,130	\$723,200	\$3,484,930	10.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$0	\$4,208,130	\$4,208,130	\$1,012,491	\$3,195,639	10.00
FY 2007 Addenda	\$0	\$523,422	\$523,422	\$197,718	\$325,704	0.00
<b>FY 2007 TOTAL</b>	<b>\$0</b>	<b>\$4,731,552</b>	<b>\$4,731,552</b>	<b>\$1,210,209</b>	<b>\$3,521,343</b>	<b>10.00</b>
FY 2008 Base Budget	\$0	\$4,208,130	\$4,208,130	\$1,012,491	\$3,195,639	10.00
FY 2008 Addenda	\$0	\$523,422	\$523,422	\$197,718	\$325,704	0.00
<b>FY 2008 TOTAL</b>	<b>\$0</b>	<b>\$4,731,552</b>	<b>\$4,731,552</b>	<b>\$1,210,209</b>	<b>\$3,521,343</b>	<b>10.00</b>

## Agency Summary of Recommended Operating Budget Addenda

- ▶ **Transfer centrally funded amounts to agency budgets**  
Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$37,718 (NGF).
- ▶ **Increase live race days**  
Provides additional funds to allow the agency to cover the additional costs associated with increasing the number of race days for the 2007 and 2008 thoroughbred and harness racing seasons. The additional costs include laboratory testing and seasonal staff. For each year, \$200,000 (NGF).
- ▶ **Increase appropriation for the Breeder's Fund**  
Provides additional appropriation in the Breeder's Fund for anticipated increased revenue from pari-mutuel wagering. The Code of Virginia requires that one percent of all money generated from wagering be placed in the Breeder's Fund to support awards to owners and breeders of Virginia bred horses. For each year, \$180,000 (NGF).
- ▶ **Replace the license application system**  
Provides additional funding to upgrade the agency's data management system using the master equipment lease purchase program. The upgrades will be financed over a three year period. The existing system will no longer be supported after the end of calendar year 2006. For each year, \$105,704 (NGF).

## Agency Service Areas:

### Financial Assistance to the Horse Breeding Industry

This service area provides funds to breeders and owners of Virginia-bred horses.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$1,920,000	\$1,920,000	0.00	0.00
<i>Increase appropriation for the Breeder's Fund</i>	\$180,000	\$180,000	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,100,000</b>	<b>\$2,100,000</b>	<b>0.00</b>	<b>0.00</b>

**Objective: Increase and sustain the horse breeding industry in Virginia by awarding financial incentives to Virginia bred horses.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of Breeders Awards	The number of awards issued in 2004 is the base measurement for this objective. In 2004, 914 awards were issued to breeders and owners of Virginia bred horses.	Increase the number of awards by 5% by 2007.
Dollar Amount of Breeders Awards	The total dollars in awards issued in 2004 is the base measurement for this objective. In 2004, \$1,271,148 in awards was issued to breeders and owners of Virginia bred horses.	Increase the dollar amount of awards by 25% by 2007.

**License and Regulate Horse Racing and Pari-mutuel Wagering**

This service area regulates and oversees all aspects of pari-mutuel wagering and live racing. It conducts proceedings for issuing licenses to racetracks and wagering facilities. It also issues permits to all participants of live horse racing and employees at racetracks and wagering facilities.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	\$1,788,130	\$1,788,130	10.00	10.00
<i>Transfer centrally funded amounts to agency budgets</i>	\$37,718	\$37,718	0.00	0.00
<i>Increase live race days</i>	\$200,000	\$200,000	0.00	0.00
<i>Replace the license application system</i>	\$105,704	\$105,704	0.00	0.00
<b>Total for Service Area</b>	<b>\$2,131,552</b>	<b>\$2,131,552</b>	<b>10.00</b>	<b>10.00</b>

**Objective: Ensure that all participants in racing are licensed.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of Licenses Issued and Renewed	The number of licenses issued in 2004 is the base measurement for this objective. In 2004, 4,500 licenses were issued and renewed.	Increase by 1% the number of licenses issued to participants by 2007.

**Objective: Ensure that all horses are free of substances that could affect the outcome of a race.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of Samples Taken and Submitted to the Laboratory for Analysis	In 2004, there were 1,480 samples taken and tested.	Increase the number of samples tested by 10% by the end of 2007.

**Objective: Ensure that all participants in horse racing, especially those directly involved in the sport, are free of illegal substances and alcohol.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of Random Drug Tests Performed on Individuals During Live Horse Racing Meets	In 2004, 3,680 alcohol and drug tests were performed.	Increase the number of drug and alcohol tests by 10% by the end of 2007.

**Objective: Increase the number of live race days.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Number of live race days	There were 66 live race days in 2004.	An increase of 20% in the number of live race days by the end of 2007

**Objective: Increase the tax revenue to the Commonwealth and local governments from pari-mutuel wagering.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Amount of pari-mutuel tax revenue received by the Commonwealth and localities	In 2004, \$3.8 million in tax revenue was distributed to the Commonwealth and localities.	An increase of 10% in the amount of tax revenue by the end of 2007

**Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
Percent of Governor's Management scorecard categories marked as meets expectations for the agency	100%	100%

### **Promote the Horse Industry**

A Marketing Committee was established for the purpose of distributing grants to qualified equine related entities to promote the Virginia horse industry. The report of the Virginia Racing Commission's Marketing Advisory Committee recommended that the Commission use anticipated marketing funds to form the Virginia Horse Partnership (the "Partnership"). The Partnership is a public-private partnership that will lead a statewide marketing initiative and form a network for marking and promoting Virginia's horse racing and breeding industry. The Partnership seeks to maximize the full marketing and economic development potential of all of the stakeholders in Virginia's horse industry. The Partnership shall establish priorities and recommend to the Commission proposals for the marketing and promotion of Virginia's horse industry.

Service Area Budget	2007 Dollars	2008 Dollars	2007 Positions	2008 Positions
Base Budget	\$500,000	\$500,000	0.00	0.00
Total for Service Area	\$500,000	\$500,000	0.00	0.00

**Objective: Make grants available to qualified equine related entities that will grow the Virginia horse industry.**

Key Performance Measure(s)	Measure Baseline(s)	Measure Targets(s)
The total amount of funds distributed to individuals and organizations for the promotion of the horse industry in Virginia.	This is a new service area and as a result a baseline cannot be determined.	To fully fund the service area by the end of 2007.

## **Virginia Tourism Authority**

### **Mission Statement**

The Virginia Tourism Authority, doing business as the Virginia Tourism Corporation, serves the broader interests of the economy of Virginia by supporting, maintaining and expanding the Commonwealth's domestic and international travel market and motion picture production, thereby generating increased visitor expenditures, tax revenues and employment. The Corporation develops and implements programs beneficial to Virginia travel-related and motion picture production-related businesses and/or consumers that no industry component or organization would be expected to carry out on its own.

In summation: It is the mission of the Authority to bring More People (visitors) to the Commonwealth; get them Staying Longer; and Spending More Money.

## Agency Goals:

- Strengthen awareness of the Virginia brand.
- Develop and execute collaborative statewide marketing programs.
- Educate elected officials and key opinion leaders on the economic importance of tourism and encourage investment in the industry.
- Advance the use of technology in tourism marketing.
- Expand hospitality workforce training.
- Improve infrastructure that supports tourism.
- Support existing tourism products of all sizes, including high revenue generating destinations, and support the development of new tourism product.
- Promote Virginia's existing and expanding meeting and convention facilities.
- Increase the economic impact of the film and video industry throughout the Commonwealth.
- Provide leadership, management and direction for the VTC.

## Customers Served:

- Website Visitors - Consumers
- Welcome Centers Visitors
- Directors, Producers, Location Managers, Production Designers
- Requestors of Travel Information
- Tour Operators, Receptive Operators, Travel agents, Travel Planners, etc
- Convention and Meeting Centers
- Travel Writers, Journalists, and Media
- Advertising Partners
- Website Visitors - Industry
- Public Media, News Releases, Articles, Editorials
- Financial Assistance Entities

## Agency Budget Summary

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
<b>OPERATING BUDGET HISTORY:</b>						
FY 2003	\$13,285,857	\$0	\$13,285,857	\$0	\$13,285,857	0.00
FY 2004	\$10,351,258	\$0	\$10,351,258	\$0	\$10,351,258	0.00
FY 2005	\$11,744,914	\$0	\$11,744,914	\$0	\$11,744,914	0.00
FY 2006	\$14,130,098	\$0	\$14,130,098	\$0	\$14,130,098	0.00
<b>NEW OPERATING BUDGET SUMMARY:</b>						
FY 2007 Base Budget	\$14,130,098	\$0	\$14,130,098	\$0	\$14,130,098	0.00
FY 2007 Addenda	\$2,469,951	\$0	\$2,469,951	\$0	\$2,469,951	0.00
<b>FY 2007 TOTAL</b>	<b>\$16,600,049</b>	<b>\$0</b>	<b>\$16,600,049</b>	<b>\$0</b>	<b>\$16,600,049</b>	<b>0.00</b>
FY 2008 Base Budget	\$14,130,098	\$0	\$14,130,098	\$0	\$14,130,098	0.00
FY 2008 Addenda	\$619,844	\$0	\$619,844	\$0	\$619,844	0.00
<b>FY 2008 TOTAL</b>	<b>\$14,749,942</b>	<b>\$0</b>	<b>\$14,749,942</b>	<b>\$0</b>	<b>\$14,749,942</b>	<b>0.00</b>

## Agency Summary of Recommended Operating Budget Addenda



► **Transfer centrally funded amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved from Central Appropriations to cover the cost of items such as the continuation of 2005 and 2006 salary and health insurance premium increases, and changes in retirement and disability contribution rates. For each year, \$313,674 (GF).

► **Remove one-time spending amounts from agency budget**

Removes one-time spending amounts from the Authority's budget. For 2007, a decrease of \$400,000 (GF). For 2008, a decrease of \$900,000 (GF).

► **Reflect the transfer of amounts between agencies**

Transfers funding to the Virginia Economic Development Partnership to attract motor sports-related businesses to Virginia and transfers funding from Central Appropriations associated with the Virginia Works initiative. This funding will be used for a Virginia Artisan Trail, tourism development support, and the Virginia Trails program. For each year, \$450,000 (GF).

► **Adjust funding for agency expenditures related to cost of basic operations**

Adjusts funding for changes in operating costs related to central agency services and various charges. These include rental charges at the seat of government, procurement fees, property insurance premiums, and workers compensation insurance premiums. It also includes adjustments for changes in project management and security provided by the Virginia Information Technologies Agency and the transformation to service-based billing for technology services other than hardware and software. For 2007, \$6,277 (GF). For 2008, \$6,170 (GF).

► **Provide additional marketing funds for Jamestown 2007 Commemoration**

Provides additional funds to advertise and market the statewide commemorative events marking the 400th anniversary of the founding of Jamestown in 1607, the first permanent English settlement in the United States. Statewide events are planned beginning in 2006 and continuing through calendar year 2007. For 2007, \$1.5 million (GF). For 2008, \$250,000 (GF).

► **Provide additional funding to leverage advertising and marketing funds**

Increases funding for the Authority's partnership leveraging program, which is designed to leverage state marketing dollars with a two-to-one match or better by public and private partnerships. The partnership leveraging program provides a matching grant, paid quarterly, for partnership advertising proposals. This program allows the Authority to extend its core messaging reach while at the same time allowing public and private sector participants to pool funds and advertise in venues that they would not otherwise be able to afford. The program is narrowly defined for advertising (brochures, fulfillment, print, broadcast, and Internet). For each year, \$500,000 (GF).

► **Provide funding support for the Danville Welcome Center**

Increases funds for support for the Danville Welcome Center. For 2007, \$100,000 (GF).

**Agency Service Areas:**

**Financial Assistance for Tourist Promotion**

This area represents those financial resources provided by General Assembly action to fund specific entities in support of tourism or film production in the Commonwealth. They are generally tourism related entities, advertising and marketing entities, entities that assist in the development or management of tourism product, tourist destinations or film production enterprises.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$700,000</b>	<b>\$700,000</b>	<b>0.00</b>	<b>0.00</b>
<i>Remove one-time spending amounts from agency budget</i>	(\$100,000)	(\$100,000)	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	(\$250,000)	(\$250,000)	0.00	0.00
<i>Provide funding support for the Danville Welcome Center</i>	\$100,000	\$0	0.00	0.00
<b>Total for Service Area</b>	<b>\$450,000</b>	<b>\$350,000</b>	<b>0.00</b>	<b>0.00</b>

**Objective: Make timely payments to recipients.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percentage of payments made on a timely basis.	100% timely in FY05	100% timely in FY07

## **Tourist Promotion Services**

The Marketing and Promotions section is responsible for planning, implementing and evaluating VTC's advertising, public relations, sales, Internet marketing and research activities. It accomplishes this through five service areas having targeted purposes and objectives to promote Virginia as a travel destination. This section also works collaboratively with industry members to market the Commonwealth in targeted markets.

The Customer Service and Industry Relations section manages programs aimed at providing superior customer service, establishing continuing education opportunities for the industry, evaluating and improving customer fulfillment programs, cultivating community outreach, and assisting the industry in business development and expansion with a goal of repeat visitation. The section works cooperatively with Virginia Department of Transportation in the operations of the state's ten Welcome Centers and Rest Areas to promote and encourage the traveler to visit Virginia. This unit also serves as a resource for the industry in seeking and securing grants to supplement marketing and product development programs.

The Film Office is committed to attracting film and video production to Virginia and supporting the indigenous production industry, with an ultimate goal of bringing economic and employment benefits to the Commonwealth. Film, video and multi-media production is a growth industry worldwide and in Virginia, and the economic benefits to the state have grown significantly. The Virginia Film Office pursues its goals through the creation and implementation of aggressive marketing and development programs.

<b>Service Area Budget</b>	<b>2007 Dollars</b>	<b>2008 Dollars</b>	<b>2007 Positions</b>	<b>2008 Positions</b>
<b>Base Budget</b>	<b>\$13,430,098</b>	<b>\$13,430,098</b>	<b>0.00</b>	<b>0.00</b>
<i>Transfer centrally funded amounts to agency budgets</i>	\$313,674	\$313,674	0.00	0.00
<i>Remove one-time spending amounts from agency budget</i>	(\$300,000)	(\$800,000)	0.00	0.00
<i>Reflect the transfer of amounts between agencies</i>	\$700,000	\$700,000	0.00	0.00
<i>Adjust funding for agency expenditures related to cost of basic operations</i>	\$6,277	\$6,170	0.00	0.00
<i>Provide additional marketing funds for Jamestown 2007 Commemoration</i>	\$1,500,000	\$250,000	0.00	0.00
<i>Provide additional funding to leverage advertising and marketing funds</i>	\$500,000	\$500,000	0.00	0.00
<b>Total for Service Area</b>	<b>\$16,150,049</b>	<b>\$14,399,942</b>	<b>0.00</b>	<b>0.00</b>

**Objective: To increase the number of consumer inquiries for travel and destination information.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of consumer inquiries.	4 million Inquiries in FY05	4.2 million inquiries in FY07.

**Objective: To increase film and video production economic impact.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Economic impact of film and video production.	\$192 million of production economic value in calendar year 2004	\$197 million of production economic value in calendar year 2006.

**Objective: To increase meeting and convention business in Virginia.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Economic impact of conventions and meetings	\$15.5 million economic impact of business and convention meetings in FY05.	\$16 million economic impact of business and convention meetings in FY07.

**Objective: To leverage the Authority's partnership advertising funds.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Amount leveraged for every dollar invested.	\$2.20 for every dollar invested in FY05.	\$2 for every dollar invested in FY07.

**Objective: To increase reservation assistance at Welcome Centers.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of assisted reservation bookings.	6,872 assisted reservations in FY05.	7,080 assisted reservations in FY07.

**Objective: To increase the number of annual contacts with producers, script writers, production companies, studios, etc. of film and video.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of industry contacts.	928 contacts made in FY05.	955 contacts to be made in FY07.

**Objective: To increase the number of unique users of websites.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Number of unique Website users	1.8 million in FY05.	2 million in FY07.

**Objective: To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.**

<b>Key Performance Measure(s)</b>	<b>Measure Baseline(s)</b>	<b>Measure Targets(s)</b>
Percent of Governor's Management scorecard categories marked as meets expectations for the Authority.	100% in FY05	100% in FY07