

OFFICE OF FINANCE

THE HONORABLE RICHARD D. BROWN, SECRETARY OF FINANCE

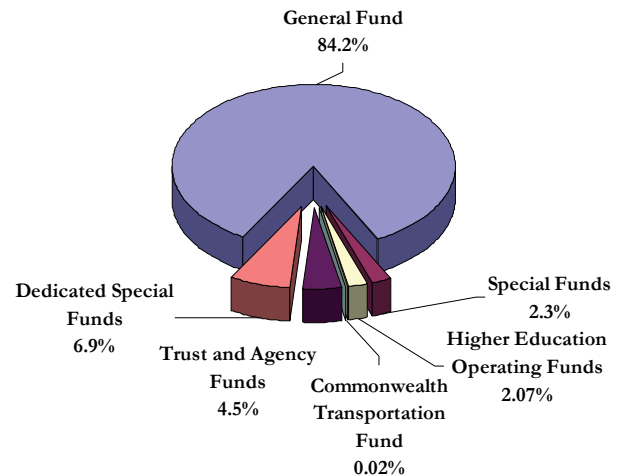
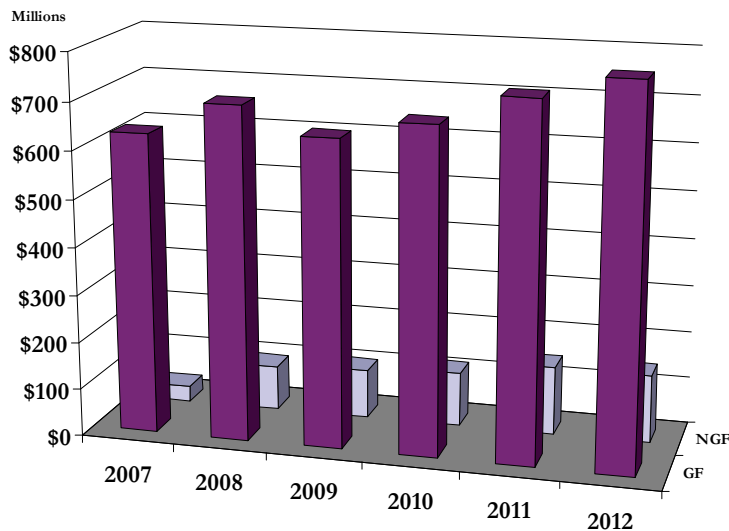
Finance agencies handle the financial transactions of the Commonwealth, from collecting taxes to paying the bills and distributing aid to localities. Responsibilities of Finance agencies include forecasting and collecting revenues, managing the Commonwealth's cash and investments, selling bonds, training agency internal auditors, and preparing and executing the Commonwealth's budget.



FINANCE AGENCIES INCLUDE:
• Department of Accounts
• Department of Accounts Transfer Payments
• Department of Planning and Budget
• Department of Taxation
• Department of the Treasury
• Treasury Board

FINANCING OF THE OFFICE OF FINANCE 2010-2012 BIENNIAL OPERATING BUDGET

OFFICE OF FINANCE OPERATING BUDGET HISTORY



Secretary of Finance

Provide policy and technical guidance and assistance to the Governor of Virginia and other key state leaders regarding the financial matters of the Commonwealth. Provide policy and administrative guidance and leadership to the finance agencies of the Commonwealth, which include the Department of Accounts, the Department of Planning and Budget, the Department of Taxation, and the Department of the Treasury. These agencies are responsible for either making or overseeing all financial transactions of the Commonwealth including collecting taxes, paying businesses that provide services to the state, and distributing state funding support to local governments.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$626,392	\$0	\$596,459
2008	\$626,592	\$0	\$596,459
2009	\$657,466	\$0	\$626,885
2010	\$654,846	\$0	\$610,523
2011 Base	\$654,846	\$0	\$610,523
2011 Addenda	(\$234,423)	\$0	(\$234,528)
2011 TOTAL	\$420,423	\$0	\$375,995
2012 Base	\$654,846	\$0	\$610,523
2012 Addenda	(\$234,423)	\$0	(\$234,528)
2012 TOTAL	\$420,423	\$0	\$375,995

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	5.00	0.00	5.00
2008	5.00	0.00	5.00
2009	5.00	0.00	5.00
2010	5.00	0.00	5.00
2011 Base	5.00	0.00	5.00
2011 Addenda	-1.00	0.00	-1.00
2011 TOTAL	4.00	0.00	4.00
2012 Base	5.00	0.00	5.00
2012 Addenda	-1.00	0.00	-1.00
2012 TOTAL	4.00	0.00	4.00

Recommended Operating Budget Addenda

► Distribute Central Appropriations amounts to agency budgets

Adjusts the agency budget to reflect amounts moved to or from Central Appropriations to cover the cost of items such as changes in retirement and other benefit contribution rates, as well as the distribution of other centrally funded items.

	FY 2011	FY 2012
General Fund	(\$7,997)	(\$7,997)

► Distribute the fall 2008 budget reductions

Distributes the October 2008 budget reductions reflected in Item 54.05 of Chapter 781. The position reduction consisted of the vacant deputy secretary.

	FY 2011	FY 2012
General Fund	(\$176,785)	(\$176,785)
Authorized Positions	(1.00)	(1.00)

► Consolidate support staff in Cabinet

Reflects savings achieved by eliminating funding for a staff position.

	FY 2011	FY 2012
General Fund	(\$49,641)	(\$49,641)

Department of Accounts

Provide a uniform system of accounting, financial reporting, and internal control adequate to protect and account for the Commonwealth's financial resources while supporting and enhancing the recognition of Virginia as the best managed state in the nation.

Key Objectives and Performance Measures

► We will monitor agencies and institutions responses to APA audit reports.

Ensure that the number of recurring APA internal control findings are 35 or below.

► We will process payroll requests timely.

Review and process all payrolls by the final certification date.

► We will produce a quality Comprehensive Annual Financial Report (CAFR).

Receive the Certificate of Excellence in Financial Reporting for the 24th consecutive year.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$9,463,551	\$383,665	\$7,029,802
2008	\$11,039,146	\$383,665	\$8,684,465
2009	\$11,750,195	\$419,643	\$9,530,939
2010	\$11,089,778	\$419,643	\$9,076,836
2011 Base	\$11,089,778	\$419,643	\$9,076,836
2011 Addenda	(\$887,184)	\$1,229,187	(\$705,596)
2011 TOTAL	\$10,202,594	\$1,648,830	\$8,371,240
2012 Base	\$11,089,778	\$419,643	\$9,076,836
2012 Addenda	(\$887,184)	\$1,229,187	(\$705,596)
2012 TOTAL	\$10,202,594	\$1,648,830	\$8,371,240

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	102.00	3.00	105.00
2008	116.00	3.00	119.00
2009	122.00	3.00	125.00
2010	105.00	22.00	127.00
2011 Base	105.00	22.00	127.00
2011 Addenda	-3.00	0.00	-3.00
2011 TOTAL	102.00	22.00	124.00
2012 Base	105.00	22.00	127.00
2012 Addenda	-3.00	0.00	-3.00
2012 TOTAL	102.00	22.00	124.00

Recommended Operating Budget Addenda

► **Distribute Central Appropriations amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved to or from Central Appropriations to cover the cost of items such as changes in retirement and other benefit contribution rates, as well as the distribution of other centrally funded items.

	FY 2011	FY 2012
General Fund	(\$145,550)	(\$145,550)

► **Establish a nongeneral fund appropriation for distribution of Virginia Retirement System payments**

Creates a nongeneral fund appropriation for the agency for cash transferred from the Virginia Retirement System (VRS) for grants and expenditures by the Commonwealth Health Research Board. DOA is authorized as fiscal agent for the Commonwealth Health Research Board to disburse funds received from VRS pursuant to § 23-284, Code of Virginia.

	FY 2011	FY 2012
Nongeneral Fund	\$1,049,187	\$1,049,187

► **Transfer nongeneral fund appropriation for the Commonwealth Charge Card Rebate Fund between fund and fund detail for proper accounting**

Transfers appropriation for the Commonwealth Charge Card Rebate Fund from fund 0200 to fund 0211 for proper accounting.

► **Lay off full-time staff**

Continues savings achieved through the elimination of three full-time positions. Responsibilities affiliated with these positions will be managed through the consolidation of functions and organizational realignments.

	FY 2011	FY 2012
General Fund	(\$300,000)	(\$300,000)
Authorized Positions	(3.00)	(3.00)

► **Maintain selected vacancies**

Maintains existing vacancies due to retirements and resignations. Workload will be managed through inter-unit staff utilization.

	FY 2011	FY 2012
General Fund	(\$107,426)	(\$107,426)

► **Reduce administrative costs in the Line of Duty program**

Captures a portion of the general fund Line of Duty appropriation in the Department of Accounts Transfer Payments. This strategy holds a position vacant and captures savings of \$100,000.

	FY 2011	FY 2012
General Fund	(\$100,000)	(\$100,000)

► **Allocate nongeneral fund interest earnings to support activities**

Authorizes the Department of Accounts to retain a portion of nongeneral fund interest earnings to support administrative tasks associated with interest calculations, charge card rebate distributions and exception processing tasks related to the administration of Tier Three higher education restructuring agreements. These funds will supplant general fund dollars.

	FY 2011	FY 2012
General Fund	(\$180,000)	(\$180,000)
Nongeneral Fund	\$180,000	\$180,000

► **Reduce use of wage employees**

Reduces the use of part-time staff and student interns who primarily provide clerical support functions to the agency's core mission.

	FY 2011	FY 2012
General Fund	(\$15,000)	(\$15,000)

► **Finance Payroll Processing**

Reduces costs by transferring the staff member supporting the Department of Accounts (DOA), the Department of Planning and Budget, and the Department of Treasury payroll activities to a vacant position in the DOA payroll service bureau. Non-payroll activities supported by this position will be eliminated. The payroll service bureau is an internal service fund with a sum sufficient appropriation equal to fees collected from agencies for the cost.

	FY 2011	FY 2012
General Fund	(\$39,208)	(\$39,208)

► **Create a Line of Credit for the Department of Accounts for the administration of the flexible spending benefits and Line of Duty programs**

Establishes a Line of Credit for \$5.25 million for the Department of Accounts Transfer Payments for the administration of the flexible spending benefits and Line of Duty programs. This allows the Department of Accounts to manage program expenses until cash has been collected for the Line of Duty program from the new E-911 fee increase and pay is deducted from the employees' paycheck for the flexible benefits program.

Department of Accounts Transfer Payments

To provide financial assistance to the localities and to administer the Revenue Stabilization Fund, Virginia Education Loan Authority Reserve Fund, and the Line of Duty Act as required by the Code of Virginia.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$168,597,412	\$1,044,778	\$0
2008	\$179,423,706	\$64,703,732	\$0
2009	\$76,667,430	\$72,591,775	\$0
2010	\$57,002,782	\$72,160,621	\$0
2011 Base	\$57,002,782	\$72,160,621	\$0
2011 Addenda	(\$20,597,782)	(\$40,861,103)	\$0
2011 TOTAL	\$36,405,000	\$31,299,518	\$0
2012 Base	\$57,002,782	\$72,160,621	\$0
2012 Addenda	\$43,501,218	(\$40,861,103)	\$0
2012 TOTAL	\$100,504,000	\$31,299,518	\$0

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	0.00	0.00	0.00
2008	0.00	0.00	0.00
2009	0.00	0.00	0.00
2010	0.00	0.00	0.00
2011 Base	0.00	0.00	0.00
2011 Addenda	0.00	0.00	0.00
2011 TOTAL	0.00	0.00	0.00
2012 Base	0.00	0.00	0.00
2012 Addenda	0.00	0.00	0.00
2012 TOTAL	0.00	0.00	0.00

Recommended Operating Budget Addenda

► **Remove nongeneral fund appropriation for the distribution of sales tax on fuel**

Removes the nongeneral fund appropriation from the Department of Accounts Transfer Payments (DOATP). The Department of Taxation (TAX) collects the tax and makes the distributions of the revenue. The 2008 General Assembly provided an appropriation for this distribution by erroneously placing the appropriation in DOATP.

	FY 2011	FY 2012
Nongeneral Fund	(\$71,115,843)	(\$71,115,843)

► **Decrease nongeneral fund appropriation for the Virginia Education Loan Authority Reserve Fund to align with previous budget reductions**

Decreases the nongeneral fund appropriation for the Loan Servicing Fund and Edvantage Reserve Fund to align with decreased cash balances. As part of the 2008-2010 budget reduction strategies, portions of the cash balance were transferred to the general fund.

	FY 2011	FY 2012
Nongeneral Fund	(\$850,000)	(\$850,000)

► **Establish new program and appropriation for proper accounting of employee flexible benefits services**

Establishes a new program and a nongeneral fund appropriation within the Department of Accounts Transfer Payments for the management of payments to state employees enrolled in flexible benefits spending arrangements (FSAs).

	FY 2011	FY 2012
Nongeneral Fund	\$21,646,609	\$21,646,609

► **Supplant the general fund portion of Line of Duty death benefit with funds from Group Life Insurance**

Supplants general fund dollars for the Line of Duty death benefit with funds from the Group Life Insurance program, managed by the Virginia Retirement System.

	FY 2011	FY 2012
General Fund	(\$300,000)	(\$300,000)

► **Supplant portion of general fund Line of Duty health insurance program with state employee retiree health credit**

Supplants general fund dollars for the Line of Duty health insurance program with the state employee retiree health credit from the Virginia Retirement System (VRS). VRS will reimburse the Line of Duty program for the value of the state employee retiree health credit for disabled state employees from their date of eligibility in the Line of Duty program.

	FY 2011	FY 2012
General Fund	(\$300,000)	(\$300,000)

► **Transfer general fund appropriation between years for the Northern Virginia Transportation District payments out of the Recordation Tax collections**

Transfers general fund appropriation between years for the payments due to the Northern Virginia Transportation District; the appropriation for these payments is part of the Distribution of Recordation Taxes service area. Originally \$20.0 million for both years, the annual payments to the Northern Virginia Transportation District out of this appropriation will now be \$8.0 million in FY 2011 and \$32.0 million in FY 2012.

	FY 2011	FY 2012
General Fund	(\$12,000,000)	\$12,000,000

► **Adjust Department of Accounts distribution payments to localities**

Adjusts transfer payments for localities in accordance with revenue projections. The transfer payments adjusted include distribution of Tennessee Valley Authority Payments in Lieu of Taxes and distribution of Rolling Stock Taxes.

	FY 2011	FY 2012
General Fund	\$1,460,349	\$1,559,349

► **Establish an E-911 surcharge to generate revenue to replace general fund support for the Line of Duty Program**

Increases the current E-911 fee to generate nongeneral fund revenue to supplant the general fund dollars currently used to support the Line of Duty (LOD) program. The supplant is based on an \$0.18 surcharge imposed on the end use of each access line for which the \$0.75 E-911 fee is currently charged.

	FY 2011	FY 2012
General Fund	(\$9,458,131)	(\$9,458,131)
Nongeneral Fund	\$9,458,131	\$9,458,131

Department of Accounts Transfer Payments (Continued)

► **Reserve funding for an anticipated mandatory deposit to the Revenue Stabilization Fund in FY 2013**

Reserves funding in FY 2012 for an anticipated mandatory deposit to the Revenue Stabilization Fund in FY 2013.

	FY 2011	FY 2012
General Fund	\$0	\$40,000,000

Department of Planning and Budget

The Department of Planning and Budget advises the Governor on how to wisely use public resources for the benefit of all Virginians by analyzing, developing, and carrying out various fiscal, programmatic, and regulatory policies.

Key Objectives and Performance Measures

➔ **We will develop a financially sound budget in which proposed recurring spending can be maintained by recurring revenue over time.**

Ratio of recurring general fund revenue to recurring general fund spending

➔ **We will maintain a high level of satisfaction from the Governor’s Policy Office and the Cabinet regarding information and analysis provided to them by DPB.**

Average rating of survey respondents’ satisfaction with the timeliness and quality of DPB’s analyses.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$8,200,057	\$250,000	\$5,768,619
2008	\$8,227,102	\$250,000	\$5,768,619
2009	\$7,332,818	\$250,000	\$6,551,905
2010	\$7,299,849	\$250,000	\$5,859,798
2011 Base	\$7,299,849	\$250,000	\$5,859,798
2011 Addenda	(\$569,537)	\$0	(\$202,063)
2011 TOTAL	\$6,730,312	\$250,000	\$5,657,735
2012 Base	\$7,299,849	\$250,000	\$5,859,798
2012 Addenda	(\$679,940)	\$0	(\$293,618)
2012 TOTAL	\$6,619,909	\$250,000	\$5,566,180

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	68.00	2.00	70.00
2008	68.00	2.00	70.00
2009	67.00	2.00	69.00
2010	67.00	2.00	69.00
2011 Base	67.00	2.00	69.00
2011 Addenda	0.00	0.00	0.00
2011 TOTAL	67.00	2.00	69.00
2012 Base	67.00	2.00	69.00
2012 Addenda	0.00	0.00	0.00
2012 TOTAL	67.00	2.00	69.00

Recommended Operating Budget Addenda

► **Distribute Central Appropriations amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved to or from Central Appropriations to cover the cost of items such as changes in retirement and other benefit contribution rates, as well as the distribution of other centrally funded items.

	FY 2011	FY 2012
General Fund	(\$129,602)	(\$129,602)

► **Eliminate funding for a vacant position**

Captures savings from a vacant position.

	FY 2011	FY 2012
General Fund	(\$158,208)	(\$158,208)

► **Reduce funding for nonpersonal services**

Reduces funding for discretionary expenditures for conferences and purchases.

	FY 2011	FY 2012
General Fund	(\$17,810)	\$0

► **Reduce funding to the Council on Virginia's Future**

Reduces funding to the Council on Virginia's Future. The Council advises the Governor and the General Assembly on ways to improve the quality of life in Virginia to make it a better place to live, work, and raise a family.

	FY 2011	FY 2012
General Fund	(\$69,262)	(\$100,920)

► **Reduce funding for the School Efficiency Review Program**

Reduces the School Efficiency Review Program leaving a balance of \$250,000 for studies.

	FY 2011	FY 2012
General Fund	(\$162,997)	(\$167,997)

► **Reduce wage employee compensation**

Reduces funding for wage positions.

	FY 2011	FY 2012
General Fund	(\$31,658)	(\$123,213)

Department of Taxation

The Virginia Department of Taxation’s mission is to serve the public by administering the tax laws of the Commonwealth of Virginia with integrity, efficiency, and consistency.

Key Objectives and Performance Measures

➔ **We will issue current year electronically filed individual income tax refunds within 12 days of receipt of the return.**

Issue current year refunds for 98 percent of all electronically filed returns within 12 days of receipt of the return.

➔ **We will increase electronic interactions with citizens.**

Increase the number of taxpayer transactions through TAX's electronic channels by 10%.

➔ **We will respond to taxpayer inquiries in a timely manner .**

Answer 87% of calls before the caller disconnects.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$86,054,998	\$12,579,537	\$61,180,660
2008	\$86,771,193	\$9,315,597	\$61,249,457
2009	\$87,911,521	\$9,519,328	\$66,800,896
2010	\$89,861,698	\$10,323,428	\$67,057,269
2011 Base	\$89,861,698	\$10,323,428	\$67,057,269
2011 Addenda	(\$6,384,979)	\$68,772,314	(\$3,975,385)
2011 TOTAL	\$83,476,719	\$79,095,742	\$63,081,884
2012 Base	\$89,861,698	\$10,323,428	\$67,057,269
2012 Addenda	(\$6,479,979)	\$69,772,314	(\$3,975,385)
2012 TOTAL	\$83,381,719	\$80,095,742	\$63,081,884

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	909.50	36.00	945.50
2008	910.50	36.00	946.50
2009	959.50	37.00	996.50
2010	959.50	37.00	996.50
2011 Base	959.50	37.00	996.50
2011 Addenda	0.00	0.00	0.00
2011 TOTAL	959.50	37.00	996.50
2012 Base	959.50	37.00	996.50
2012 Addenda	0.00	0.00	0.00
2012 TOTAL	959.50	37.00	996.50

Recommended Operating Budget Addenda

► **Distribute Central Appropriations amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved to or from Central Appropriations to cover the cost of items such as changes in retirement and other benefit contribution rates, as well as the distribution of other centrally funded items.

	FY 2011	FY 2012
General Fund	(\$1,803,738)	(\$1,803,738)

► **Remove one-time funding provided for the implementation of legislation**

Removes one-time funding provided by the 2009 General Assembly for the implementation of Chapter 503, 2009 Acts of Assembly, which requires the Department of Taxation to provide a taxpayer's representative with a power of attorney copies of any written correspondence or other written materials that were provided to the taxpayer.

	FY 2011	FY 2012
General Fund	(\$471,540)	(\$471,540)

► **Increase appropriation for the Contract Collector Fund**

Increases the appropriation to better reflect expenditures.

	FY 2011	FY 2012
Nongeneral Fund	\$7,772,314	\$7,772,314

► **Transfer appropriation for the distribution of sales tax on fuel**

Transfers the appropriation for the tax on fuel sold in certain transportation districts from the Department of Accounts Transfer Payments (DOATP) to the Department of Taxation (TAX). TAX collects the tax and makes the distributions of the revenue. The 2008 General Assembly provided an appropriation for this distribution but erroneously placed the appropriation in DOATP. The amount appropriated in this action is consistent with the department's most recent six year revenue estimate.

	FY 2011	FY 2012
Nongeneral Fund	\$71,115,843	\$71,115,843

► **Distribute amounts for real estate fees to agency budgets**

Transfers amounts for fees charged to agencies for central lease administration from the Department of General Services to agency budgets.

	FY 2011	FY 2012
General Fund	\$57,059	\$57,059

► **Transfer appropriation between service areas**

Eliminates the training for local assessors service area and transfers the appropriation to the valuation and assessment assistance for localities service area.

► **Reduce nongeneral fund appropriation for the distribution of the sales tax on fuel**

Reduces the appropriation for the distribution of the tax on fuel sold in certain transportation districts. A separate adjustment transfers the appropriation from the Department of Accounts Transfer Payments (DOATP) to the Department of Taxation (TAX). TAX collects the tax and makes the distributions of the revenue. This adjustment is necessary to align the appropriation with anticipated revenue, as estimated by TAX.

	FY 2011	FY 2012
Nongeneral Fund	(\$10,115,843)	(\$9,115,843)

► **Legislatively expand the requirements for electronic filing**

Reduces general fund dollars to reflect savings associated with proposed legislation for the 2010 Session. The proposed legislation would require preparers of a large volume of income tax returns to file electronically, and large retailers who file a consolidated retail sales and use tax return for stores in more than one locality to file the consolidated return electronically.

	FY 2011	FY 2012
General Fund	\$0	(\$95,000)

► **Eliminate funding for salary adjustments**

Eliminates funding for non-legislatively enacted salary adjustments, such as in-band adjustments and increases based on changes in an employee's skill set and knowledge base.

	FY 2011	FY 2012
General Fund	(\$300,000)	(\$300,000)

► **Capture savings generated from telecommuting practices**

Captures existing savings from current telecommuting practices within the agency.

	FY 2011	FY 2012
General Fund	(\$130,000)	(\$130,000)

Department of Taxation (Continued)

► **Reduce discretionary non-personal services costs**

Reduces the use of telecommunications, manual services, office supplies, and temporary support.

	FY 2011	FY 2012
General Fund	(\$695,900)	(\$695,900)

► **Capture turnover and vacancy savings**

Captures savings as a result of position vacancies.

	FY 2011	FY 2012
General Fund	(\$2,014,803)	(\$2,014,803)

► **Transfer court debt and land preservation tax credit revenues to the general fund**

Transfers an additional \$500,000 in court debt revenue and \$100,000 in land preservation tax credit revenue, in each year, to the general fund.

	FY 2011	FY 2012
Revenue/Transfers	\$600,000	\$600,000

► **Reduce funding for technology consultants**

Reduces funding for technology consultants.

	FY 2011	FY 2012
General Fund	(\$663,000)	(\$663,000)

► **Reduce wage, travel, and overtime cost**

Reduces wage, travel, and overtime expenses.

	FY 2011	FY 2012
General Fund	(\$298,894)	(\$298,894)

► **Charge for value use taxation program**

Recovers the costs associated with the value use taxation program from localities. The department contracts with Virginia Tech to develop use value assessment estimates for local Commissioners of Revenue to consider when arriving at assessment values for agricultural real property.

	FY 2011	FY 2012
Revenue/Transfers	\$105,000	\$105,000

► **Capture savings from the elimination of the Norfolk district office**

The Department of Taxation is eliminating its district office in Norfolk beginning January 1, 2010. Employees will telework. This adjustment captures the savings in FY 2011 and FY 2012 associated with eliminating the lease for office space in which the Norfolk district office is located.

	FY 2011	FY 2012
General Fund	(\$64,163)	(\$64,163)

Department of the Treasury

The Department of the Treasury is dedicated to serving the Commonwealth by providing excellent financial management and outstanding customer service.

Key Objectives and Performance Measures

► **We will achieve better rates on Virginia's bonds than the average rates of comparable bonds issued nationwide.**

Average yield on bond issues

► **We will ensure, over a trailing five-year period, the yield on the state's general fund investment earnings in the Primary Liquidity Portfolio will exceed the iMoney Net Money Fund Monitor Yield.**

Number of basis points by which the industry benchmark is exceeded.

► **We will strive to increase the use of electronic payments and reduce the number of checks printed. We will ensure that Commonwealth checks are printed and distributed accurately and timely in accordance with agency procedures.**

Percentage of checks delivered in a timely and accurate manner.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$9,688,512	\$8,352,347	\$7,782,139
2008	\$7,851,264	\$8,498,179	\$7,926,297
2009	\$6,927,822	\$9,157,762	\$8,674,281
2010	\$8,619,468	\$9,546,633	\$8,948,447
2011 Base	\$8,619,468	\$9,546,633	\$8,948,447
2011 Addenda	(\$456,047)	\$397,091	\$95,903
2011 TOTAL	\$8,163,421	\$9,943,724	\$9,044,350
2012 Base	\$8,619,468	\$9,546,633	\$8,948,447
2012 Addenda	(\$456,047)	\$409,972	\$108,784
2012 TOTAL	\$8,163,421	\$9,956,605	\$9,057,231

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	46.50	76.50	123.00
2008	46.50	76.50	123.00
2009	39.50	81.50	121.00
2010	38.50	82.50	121.00
2011 Base	38.50	82.50	121.00
2011 Addenda	0.00	0.00	0.00
2011 TOTAL	38.50	82.50	121.00
2012 Base	38.50	82.50	121.00
2012 Addenda	0.00	0.00	0.00
2012 TOTAL	38.50	82.50	121.00

Recommended Operating Budget Addenda

► **Transfer balances from the State Insurance Reserve Trust Fund to the general fund**

Transfers \$4.35 million of the cash balances of the Commonwealth's self-insurance funds administered by the Department of the Treasury. Of the total transfer, \$1.74 million would be transferred from property insurance and \$2.61 million from medical professional.

	FY 2011	FY 2012
Revenue/Transfers	\$4,350,000	\$0

► **Distribute Central Appropriations amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved to or from Central Appropriations to cover the cost of items such as changes in retirement and other benefit contribution rates, as well as the distribution of other centrally funded items.

	FY 2011	FY 2012
General Fund	(\$146,052)	(\$146,052)

► **Remove one-time funding for relief claims**

Removes one-time funding provided by the 2009 General Assembly for relief payments.

	FY 2011	FY 2012
General Fund	(\$259,995)	(\$259,995)

► **Increase nongeneral fund appropriation**

Increases the nongeneral fund appropriation for the Division of Risk Management to cover rent costs.

	FY 2011	FY 2012
Nongeneral Fund	\$100,129	\$100,129

► **Increase nongeneral fund appropriations associated with August 2008 budget reductions**

Provides additional nongeneral appropriation. The department's August 2008 budget reduction strategies included supplanting general fund resources with nongeneral fund resources. This adjustment is necessary to reflect the revised funding sources and to provide the agency with sufficient nongeneral fund spending authority.

	FY 2011	FY 2012
Nongeneral Fund	\$100,731	\$100,731

► **Fund three claims positions in the Unclaimed Property (UCP) Division to address workload**

Provides funding for three positions to address increased workload in the Unclaimed Property Division.

	FY 2011	FY 2012
Nongeneral Fund	\$146,231	\$159,112

► **Charge 10 basis point fee for 9(C) debt financings**

Recovers a portion of Treasury's debt administration costs from institutions participating in 9(C) debt financings by charging a 10 basis point fee to the amount of the debt financing similar to the current process for Virginia College Building Authority pooled debt financings. Fees will be assessed on any 9(C) bonds issued in FY 2011 and after. Fees collected will be deposited directly to the general fund.

	FY 2011	FY 2012
Revenue/Transfers	\$75,000	\$75,000

► **Increase Virginia State Non-Arbitrage Program administration fee**

Increases the fee that Treasury charges to administer the State Non-Arbitrage Program (SNAP) from \$50,000 to \$100,000 per year. The fee is charged to participants in SNAP (state and local governments) and is netted out of their interest income earnings. Treasury has the authority to implement this increased fee which will become effective January 1, 2010.

	FY 2011	FY 2012
General Fund	(\$50,000)	(\$50,000)
Nongeneral Fund	\$50,000	\$50,000

► **Reduce advertising costs for unclaimed property**

Captures savings from a reduction in costs associated with the publication of unclaimed property owner names by increasing the threshold for printing names in newspapers. This will result in an anticipated increase of \$105,000 in each year in Literary Fund revenue.

Treasury Board

To provide sufficient appropriations for the payment of outstanding and future debt obligations of the Commonwealth. (While the Treasury Board is tasked by statute with many duties, the Treasury Board budget is limited to amounts required to pay principal and interest on tax-supported debt obligations of the Commonwealth.)

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Cost
2007	\$347,676,692	\$9,269,878	\$2,300
2008	\$405,205,576	\$11,268,364	\$2,300
2009	\$451,967,447	\$11,266,481	\$2,300
2010	\$507,189,790	\$21,260,287	\$2,300
2011 Base	\$507,189,790	\$21,260,287	\$2,300
2011 Addenda	\$58,984,714	(\$4,562)	(\$2,300)
2011 TOTAL	\$566,174,504	\$21,255,725	\$0
2012 Base	\$507,189,790	\$21,260,287	\$2,300
2012 Addenda	\$106,757,826	(\$5,430)	(\$2,300)
2012 TOTAL	\$613,947,616	\$21,254,857	\$0

Authorized Position Summary

	General Fund	Nongeneral Fund	Total Positions
2007	0.00	0.00	0.00
2008	0.00	0.00	0.00
2009	0.00	0.00	0.00
2010	0.00	0.00	0.00
2011 Base	0.00	0.00	0.00
2011 Addenda	0.00	0.00	0.00
2011 TOTAL	0.00	0.00	0.00
2012 Base	0.00	0.00	0.00
2012 Addenda	0.00	0.00	0.00
2012 TOTAL	0.00	0.00	0.00

Recommended Operating Budget Addenda

► **Distribute Central Appropriations amounts to agency budgets**

Adjusts the agency budget to reflect amounts moved to or from Central Appropriations to cover the cost of items such as changes in retirement and other benefit contribution rates, as well as the distribution of other centrally funded items.

	FY 2011	FY 2012
General Fund	(\$1,300)	(\$1,300)

► **Fund debt service requirements**

Provides the funds necessary to pay debt service on bonds or other obligations. The total debt service appropriation provides for payments on outstanding obligations and amounts estimated to be necessary for debt service on projects authorized for general obligation, Virginia Public Building Authority, and Virginia College Building Authority (VCBA) financing. This adjustment reflects the net effect of additional issues less amounts retired over time. These amounts also assume \$50 million in additional VCBA equipment authorization in each year.

	<u>FY 2011</u>	<u>FY 2012</u>
General Fund	\$58,986,014	\$106,759,126
Nongeneral Fund	(\$4,562)	(\$5,430)