

Central Appropriations

Central Appropriations serves two purposes. First, it acts as a “holding account” for funds used to supplement state agency appropriations. These funds are designated for a variety of purposes, including employee compensation, economic contingencies, economic development, employee health insurance premiums, and state legal expenses. Central Appropriations also acts as a “reversion clearing account” to accrue statewide savings for various actions. The Department of Planning and Budget administers Central Appropriations.



Central Appropriations Includes:

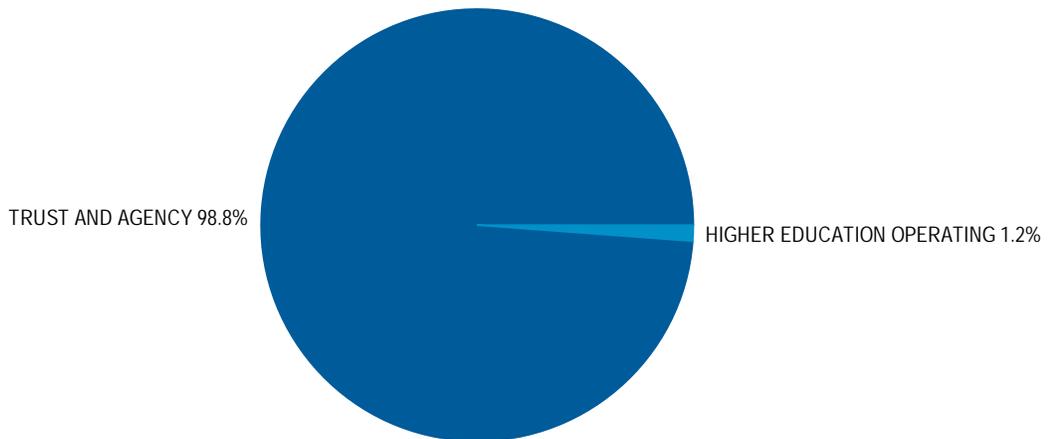
o Central Appropriations

o Central Capital Outlay

Financing of the Central Appropriations*

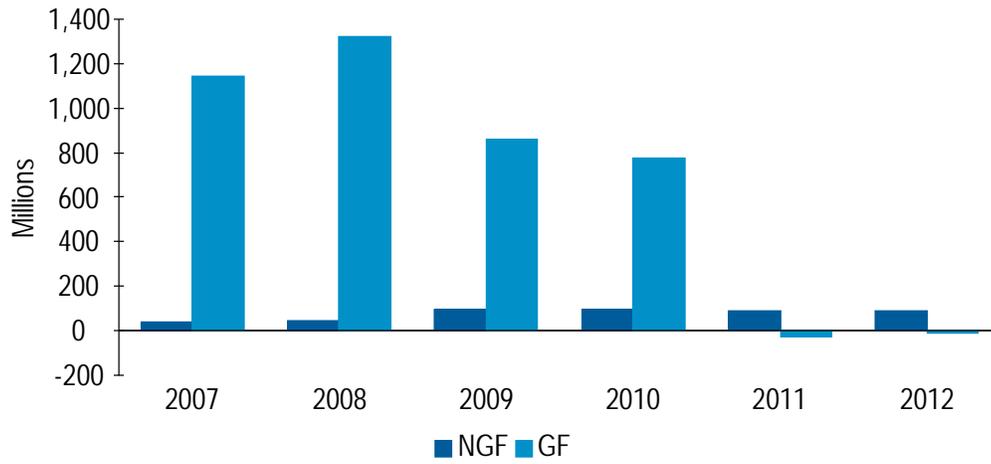
Based on 2010 — 2012 Proposed Operating Budget

*Negative general fund amounts have been excluded from the following charts



Central Appropriations Operating Budget History

Part B: Executive Budget
2010-2012 Biennium



Central Appropriations

Central Appropriations acts as a “holding account” for funds used to supplement state agency appropriations.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2007 Appropriation	1,146,193,264	39,759,462	107,978,227
2008 Appropriation	1,053,952,506	46,313,093	153,797,930
2009 Appropriation	856,578,586	94,829,186	(12,778,307)
2010 Appropriation	776,274,718	93,736,553	(43,968,552)
2011 Base Budget	(55,272,719)	90,333,589	(4,680,268)
2011 Addenda	28,086,976	0	0
2011 Total	(27,185,743)	90,333,589	(4,680,268)
2012 Base Budget	(56,761,255)	88,359,200	12,411,455
2012 Addenda	48,337,318	0	(32,591,493)
2012 Total	(8,423,937)	88,359,200	(20,180,038)

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Base Budget	0.00	0.00	0.00
2011 Addenda	0.00	0.00	0.00
2011 Total	0.00	0.00	0.00
2012 Base Budget	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

• Provide funding to support higher education interest earnings and credit card rebates

Provides funding for the estimated total payment to individual institutions of higher education for 1) the interest earned on tuition and fees and other nongeneral education and general revenues deposited to the state treasury and 2) a pro-rata amount of the rebate paid to the Commonwealth on credit card purchases not exceeding \$5,000 during the previous fiscal year. The State Council of Higher Education must certify that all performance benchmarks prescribed in § 23-9.6:1.01, Code of Virginia, have been successfully achieved by the individual institutions of higher education before any funds are transferred to the affected institution.

	FY 2011	FY 2012
General Fund	0	7,863,990

• Provide additional funding for Line of Duty rates

Provides additional funding to aid state agencies and institutions of higher education with Line of Duty Act costs. Preliminary estimates provided by the Virginia Retirement

System estimate approximately \$3.4 million will be needed in FY 2012 to cover state agency costs for the Line of Duty program.

	FY 2011	FY 2012
General Fund	0	400,000

• Fund Higher Education Commission initiatives

Provides funding for recommendations from the Commission on Higher Education Reform, Innovation, and Investment.

	FY 2011	FY 2012
General Fund	0	50,000,000

• Reduce or eliminate organizational memberships

Reflects savings associated with the elimination of organizational memberships held by state agencies and institutions of higher education or the negotiated reduction in annual membership dues.

	FY 2011	FY 2012
General Fund	0	(440,851)

• Provide funding for the review of operational efficiency proposals

Provides funding for the evaluation of proposals for operational efficiencies submitted by citizens of the Commonwealth, state agencies, institutions of higher education, and state employees that may result in savings and service delivery improvements for the Commonwealth.

	FY 2011	FY 2012
General Fund	0	250,000

• Reduce employer optional retirement plan contributions

Reduces the employer contribution for optional retirement plans from 10.40 percent to 8.5 percent for employees hired prior to July 1, 2011.

	FY 2011	FY 2012
General Fund	0	(7,147,767)

• Provide additional funding for state employee retirement contributions

Increases the employer contribution paid on behalf of state employees for defined benefit retirement programs by four percent effective July 1, 2011.

	FY 2011	FY 2012
Resources	0	(122,866,900)

- **Require state employees to pay a share of retirement contributions**

Requires state employees to pay a share of contributions for defined benefit retirement programs administered by the Virginia Retirement System effective July 1, 2011. In addition, as a partial offset, a three percent salary increase for defined benefit enrolled employees is provided effective July 1, 2011.

	FY 2011	FY 2012
General Fund	0	(32,991,493)
Resources	0	18,201,242

- **Provide a potential bonus for state employees**

Provides the authority to award a bonus payment for state employees of up to two percent in FY 2012 provided that the general fund balance recommended for reversion at the end of FY 2011 meets certain criteria. This bonus payment is intended to share the results of operational efficiencies and other efforts to reduce spending with state employees.

- **Provide funding to cover operating costs of performance budgeting system**

Provides funding to impacted agencies for their general fund share of the operating costs of the Commonwealth's performance budgeting system, an enterprise application.

	FY 2011	FY 2012
General Fund	0	245,000

- **Provide funding for increased information technology costs due to new rate structure**

Transfers funding to and from impacted agencies to cover unbudgeted changes in costs resulting from a new information technology rates structure implemented on July 1, 2010. Statewide, the new rates result in an increase in costs though some agencies will experience savings. These increases reflect the persistent disparity between information technology costs and budgets, attributable to the implementation of decentralized rates as well as historical underfunding of agencies' information technology requirements. With some exceptions, agencies will receive no more than 97 percent of their share of identified general fund impact in the second year and will be guided by language in the Appropriation Act to participate in a savings incentive program that can reduce their costs by at least three percent through a comprehensive information technology assessment.

	FY 2011	FY 2012
General Fund	28,086,976	30,158,439

Central Capital Outlay

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2007 Appropriation	0	0	0
2008 Appropriation	0	0	0
2009 Appropriation	0	0	0
2010 Appropriation	0	0	0
2011 Base Budget	0	0	0
2011 Addenda	0	0	0
2011 Total	0	0	0
2012 Base Budget	0	0	0
2012 Addenda	0	0	0
2012 Total	0	0	0

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Base Budget	0.00	0.00	0.00
2011 Addenda	0.00	0.00	0.00
2011 Total	0.00	0.00	0.00
2012 Base Budget	0.00	0.00	0.00
2012 Addenda	0.00	0.00	0.00
2012 Total	0.00	0.00	0.00

New Capital Outlay Budget Summary

	General Fund	Nongeneral Fund	Bond Proceeds
2011 Addenda	0	0	3,459,718
2012 Addenda	0	0	49,591,207

Recommended Capital Outlay Addenda

- **Central Maintenance Reserve**

Adds \$6.9 million in funding for the statewide repair of National Guard Armories maintained by the Department of Military Affairs and moves maintenance reserve amounts designated for the Department of Behavioral Health and Developmental Services from FY 2012 to FY 2011 to address critical facility deficiencies. In addition, \$2.0 million is provided in FY 2012 to be administered by the Department of General Services, for building and utility repairs at Fort Monroe.

	FY 2011	FY 2012
Bond Proceeds	3,459,718	5,129,207

- **Supplements for Previously Authorized Higher Education Capital Projects**

Provides additional bond proceeds to fund the equipment needs of previously authorized capital projects at various institutions of higher education and the School for the Deaf and Blind at Staunton.

	FY 2011	FY 2012
Bond Proceeds	0	44,462,000