

INDEPENDENT AGENCIES



The six independent agencies in the Commonwealth do not report through any of the three branches of state government. They are however, state agencies and receive their spending authority through the Appropriation Act.

The responsibilities of independent agencies include: protecting the interest of consumers by regulating various businesses; operating the state lottery; administering the Virginia Workers' Compensation Act and the Crime Victims Compensation Program; administering the statewide public employee retirement system; offering tax-advantaged college savings programs to make college education more affordable; and, helping with disability-related problems like abuse, neglect, and discrimination.

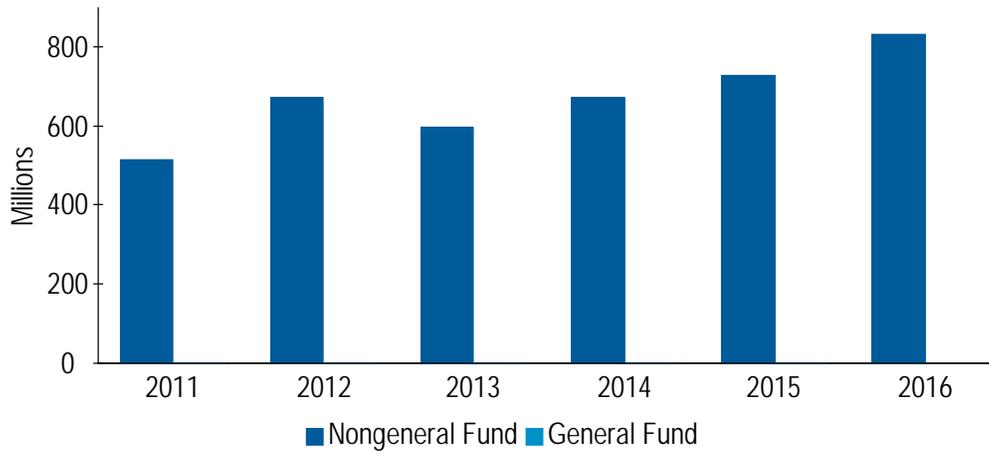


Please note: Effective December 31, 2013 the Virginia Office for Protection and Advocacy will be converted to a not for profit entity.

Independent Agencies Includes:

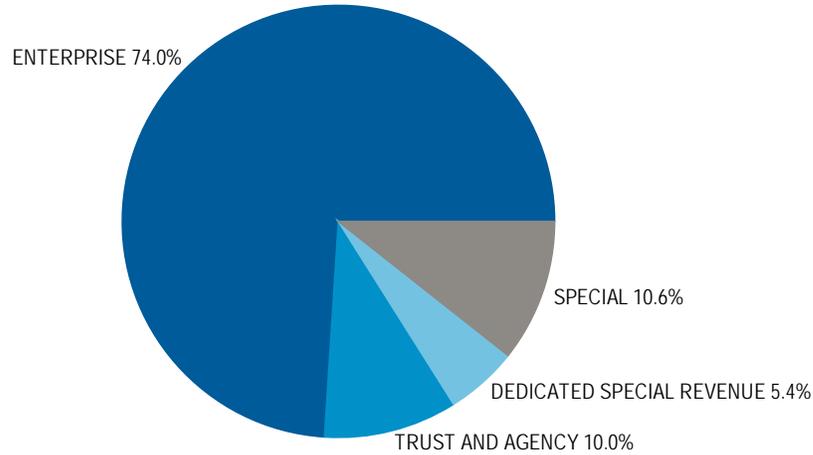
State Corporation Commission	Virginia Retirement System
State Lottery Department	Virginia Workers' Compensation Commission
Virginia College Savings Plan	

Independent Agencies Operating Budget History



Financing of the Independent Agencies* Based on 2014-2016 Proposed Operating Budget

*Funds with totals less than 1% have not been included



State Corporation Commission

The State Corporation Commission is vested with regulatory authority over many business and economic interests in Virginia. These interests are as varied as the SCC's powers, which are delineated by the state constitution and state law. Its authority ranges from setting rates charged by large investor-owned utilities to serving as the central filing agency for corporations in Virginia. The SCC's jurisdiction includes many businesses which directly impact Virginia consumers. The SCC's authority encompasses utilities, insurance, state-chartered financial institutions, securities, retail franchising, and railroads. It is the state's central filing office for corporations, limited partnerships, limited liability companies and Uniform Commercial Code liens. The SCC's structure is unique in that it is organized as a separate department of government with delegated administrative, legislative, and judicial powers. SCC decisions can only be appealed to the Virginia Supreme Court.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2011 Appropriation	\$ 0	\$ 88,200,490	\$ 43,183,911
2012 Appropriation	\$ 0	\$ 88,250,490	\$ 43,183,911
2013 Appropriation	\$ 200,000	\$ 89,411,603	\$ 43,945,024
2014 Appropriation	\$ 1,200,000	\$ 89,498,603	\$ 45,032,024
2015 Base Budget	\$ 1,200,000	\$ 89,498,603	\$ 45,032,024
2015 Addenda	\$ 133	\$ 4,913,000	\$ (87,000)
2015 Total	\$ 1,200,133	\$ 94,411,603	\$ 44,945,024
2016 Base Budget	\$ 1,200,000	\$ 89,498,603	\$ 45,032,024
2016 Addenda	\$ 446	\$ 4,913,000	\$ (87,000)
2016 Total	\$ 1,200,446	\$ 94,411,603	\$ 44,945,024

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Appropriation	0.00	665.00	665.00
2012 Appropriation	0.00	665.00	665.00
2013 Appropriation	4.00	665.00	669.00
2014 Appropriation	13.00	665.00	678.00
2015 Base Budget	13.00	665.00	678.00
2015 Addenda	0.00	0.00	0.00
2015 Total	13.00	665.00	678.00
2016 Base Budget	13.00	665.00	678.00
2016 Addenda	0.00	0.00	0.00
2016 Total	13.00	665.00	678.00

Recommended Operating Budget Addenda

- **Adjust agency appropriation for the cost of Performance Budgeting system charges**

Provides appropriation to pay for the agency's share of ongoing Performance Budgeting system operating and maintenance costs. The general fund share of this cost was previously budgeted in Central Appropriations.

	FY 2015	FY 2016
General Fund	\$ 119	\$ 119

- **Eliminate nongeneral fund appropriation within the health insurance plan management program**

Eliminates nongeneral fund appropriation each year within the agency's health benefit exchange plan management program. The appropriation was inadvertently allocated to the commission and was intended for the Virginia Department of Health for the development and operation of the federally facilitated exchanges. The department has indicated that the nongeneral fund appropriation is no longer needed for this function.

	FY 2015	FY 2016
Nongeneral Fund	\$ (87,000)	\$ (87,000)

- **Fund agency costs for the new Cardinal accounting system**

Provides appropriation to the agency's budget to pay for the agency's share of the costs for the new Cardinal accounting system. The Department of Accounts allocates the yearly cost of the system to agencies based upon the number of transactions the agency completed in the previous fiscal year.

	FY 2015	FY 2016
General Fund	\$ 0	\$ 309

- **Fund changes in state employee workers' compensation premiums**

Adjusts the agency's budget for workers' compensation premiums based on the allocation of 2015 and 2016 program costs provided by the Department of Human Resource Management. The allocation is based on the historical experience of the agency and reflects the current policy of providing agencies with 50 percent of any increased costs and allowing agencies to retain 50 percent of any reduced costs.

	FY 2015	FY 2016
General Fund	\$ 14	\$ 18

- **Increase federal grant appropriation for utility safety**

Increases nongeneral fund appropriation each year within the Regulation of Utility Companies service area. A federal grant supporting utility safety substantially increased as a result of higher reimbursement rates and rising costs of implementation, exceeding its existing appropriation level.

	FY 2015	FY 2016
Nongeneral Fund	\$ 2,000,000	\$ 2,000,000

• **Provide additional nongeneral fund appropriation to replace the Clerk's Information System**

Provides additional nongeneral fund appropriation each year to replace the agency's mainframe system. The Clerk's Information System acts as a central filing location for all business entities authorized to transact within the state and will be replaced after 24 years due to discontinued platform support and to improve operational efficiency.

		FY 2015		FY 2016
Nongeneral Fund	\$	3,000,000	\$	3,000,000

State Lottery Department

Through the sale of Lottery products, the Virginia Lottery generates profits to support local K-12 public education throughout the Commonwealth. The Lottery's mission is to contribute to Virginia's future, one play at a time.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2011 Appropriation	\$ 0	\$ 77,562,842	\$ 21,019,257
2012 Appropriation	\$ 0	\$ 76,887,842	\$ 21,019,257
2013 Appropriation	\$ 0	\$ 78,464,142	\$ 21,496,459
2014 Appropriation	\$ 0	\$ 85,931,375	\$ 21,496,459
2015 Base Budget	\$ 0	\$ 85,931,375	\$ 21,964,375
2015 Addenda	\$ 0	\$ 51,572	\$ 0
2015 Total	\$ 0	\$ 85,982,947	\$ 21,964,375
2016 Base Budget	\$ 0	\$ 85,931,375	\$ 21,964,375
2016 Addenda	\$ 0	\$ 78,126	\$ 0
2016 Total	\$ 0	\$ 86,009,501	\$ 21,964,375

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Appropriation	0.00	309.00	309.00
2012 Appropriation	0.00	308.00	308.00
2013 Appropriation	0.00	308.00	308.00
2014 Appropriation	0.00	308.00	308.00
2015 Base Budget	0.00	308.00	308.00
2015 Addenda	0.00	0.00	0.00
2015 Total	0.00	308.00	308.00
2016 Base Budget	0.00	308.00	308.00
2016 Addenda	0.00	0.00	0.00
2016 Total	0.00	308.00	308.00

Recommended Operating Budget Addenda

• **Adjust agency appropriation for the cost of Performance Budgeting system charges**

Provides appropriation to pay for the agency's share of ongoing Performance Budgeting system operating and maintenance costs. The general fund share of this cost was previously budgeted in Central Appropriations.

		FY 2015		FY 2016
Nongeneral Fund	\$	8,501	\$	8,501

• **Adjust funding for premium changes in the Automobile Insurance Liability program**

Adjusts agency funding for the approved premium changes in the state's Automobile Insurance Liability program.

		FY 2015		FY 2016
Nongeneral Fund	\$	21,597	\$	21,597

• **Adjust funding for state agency Line of Duty costs**

Adjusts funding for state agency Line of Duty Act premiums based on the 2015 and 2016 premium rates set by the Virginia Retirement System.

		FY 2015		FY 2016
Nongeneral Fund	\$	(1,585)	\$	(1,585)

• **Adjust funding to reflect changes in rent charges at the seat of government**

Adjusts agency funding for changes in the cost of rent charges at the seat of government. Overall rent rate changes are the result of additional costs to maintain facilities.

		FY 2015		FY 2016
Nongeneral Fund	\$	31,362	\$	51,170

• **Fund agency costs for the new Cardinal accounting system**

Provides appropriation to the agency's budget to pay for the agency's share of the costs for the new Cardinal accounting system. The Department of Accounts allocates the yearly cost of the system to agencies based upon the number of transactions the agency completed in the previous fiscal year.

		FY 2015		FY 2016
Nongeneral Fund	\$	0	\$	6,203

• **Fund changes in state employee workers' compensation premiums**

Adjusts the agency's budget for workers' compensation premiums based on the allocation of 2015 and 2016 program costs provided by the Department of Human Resource Management. The allocation is based on the historical experience of the agency and reflects the current policy of providing agencies with 50 percent of any increased costs and allowing agencies to retain 50 percent of any reduced costs.

		FY 2015		FY 2016
Nongeneral Fund	\$	(8,303)	\$	(7,760)

Virginia College Savings Plan

It is the mission of the Virginia College Savings Plan (VCSP) to enhance the accessibility and affordability of higher education for all citizens of the Commonwealth by providing a menu of investment options under Section 529 of the Internal Revenue Code to allow college savings in a tax-advantaged investment environment.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2011 Appropriation	\$ 0	\$ 249,258,158	\$ 8,075,978
2012 Appropriation	\$ 0	\$ 272,256,809	\$ 7,880,802
2013 Appropriation	\$ 0	\$ 325,020,602	\$ 9,030,365
2014 Appropriation	\$ 0	\$ 385,747,708	\$ 9,410,365
2015 Base Budget	\$ 0	\$ 385,747,708	\$ 9,410,365
2015 Addenda	\$ 0	\$ 48,947,115	\$ 762,269
2015 Total	\$ 0	\$ 434,694,823	\$ 10,172,634
2016 Base Budget	\$ 0	\$ 385,747,708	\$ 9,410,365
2016 Addenda	\$ 0	\$ 152,730,503	\$ 762,269
2016 Total	\$ 0	\$ 538,478,211	\$ 10,172,634

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Appropriation	0.00	80.00	80.00
2012 Appropriation	0.00	80.00	80.00
2013 Appropriation	0.00	88.00	88.00
2014 Appropriation	0.00	88.00	88.00
2015 Base Budget	0.00	88.00	88.00
2015 Addenda	0.00	7.00	7.00
2015 Total	0.00	95.00	95.00
2016 Base Budget	0.00	88.00	88.00
2016 Addenda	0.00	7.00	7.00
2016 Total	0.00	95.00	95.00

Recommended Operating Budget Addenda

- **Address increase in workload**

Provides additional nongeneral fund appropriation for seven full-time positions. The additional staff will support increased workloads and additional services provided to outside clients.

	FY 2015	FY 2016
Nongeneral Fund	\$ 712,269	\$ 712,269
Authorized Positions	7.00	7.00

- **Adjust nongeneral fund appropriation for operating expenses and scholarship programs**

Adjusts nongeneral fund appropriation to align with the agency's operating budget for nonpersonal service expenditures. The agency's budget includes additional funding for marketing and communications expenditures and a decrease in scholarship funding.

	FY 2015	FY 2016
Nongeneral Fund	\$ (814,236)	\$ (1,031,036)

- **Fund changes in state employee workers' compensation premiums**

Adjusts the agency's budget for workers' compensation premiums based on the allocation of 2015 and 2016 program costs provided by the Department of Human Resource Management. The allocation is based on the historical experience of the agency and reflects the current policy of providing agencies with 50 percent of any increased costs and allowing agencies to retain 50 percent of any reduced costs.

	FY 2015	FY 2016
Nongeneral Fund	\$ (918)	\$ (730)

- **Increase nongeneral fund appropriation for payment of plan members' tuition and educational expenses**

Increases the sum sufficient nongeneral fund appropriation each year for the Virginia529 prePAID and inVEST programs. This amendment will accommodate increasing payouts from the growth of the programs and the population of beneficiaries at college age. This amendment will bring the total appropriation for educational payments to \$414.0 million in the first year and \$518.0 million in the second year.

	FY 2015	FY 2016
Nongeneral Fund	\$ 49,000,000	\$ 153,000,000

- **Provide additional nongeneral fund appropriation for the compression salary adjustment**

Increases the agency's nongeneral fund appropriation to support the salary compression adjustments authorized in Chapter 806, 2013 Acts of Assembly. Nongeneral fund appropriation for the Virginia College Savings Plan was not previously adjusted for this purpose.

	FY 2015	FY 2016
Nongeneral Fund	\$ 50,000	\$ 50,000

- **Transfer personal services appropriation to correct programs and benefits**

Reallocates nongeneral fund appropriation among the agency's programs and benefit items. This amendment nets to zero and will provide adequate funding for personal service expenses within each program area to reflect anticipated expenditures.

Virginia Retirement System

The Virginia Retirement System's mission is to provide superior customer service in the delivery of retirement related benefits on behalf of participating Virginia public employers and their employees and to serve as stewards of the funds in our care.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2011 Appropriation	\$ 0	\$ 59,943,622	\$ 31,936,731
2012 Appropriation	\$ 0	\$ 53,845,797	\$ 31,906,532
2013 Appropriation	\$ 0	\$ 59,630,594	\$ 34,562,586
2014 Appropriation	\$ 0	\$ 63,476,177	\$ 38,577,415
2015 Base Budget	\$ 0	\$ 63,476,177	\$ 38,737,275
2015 Addenda	\$ 0	\$ 6,928,806	\$ 4,348,856
2015 Total	\$ 0	\$ 70,404,983	\$ 43,086,131
2016 Base Budget	\$ 0	\$ 63,476,177	\$ 38,737,275
2016 Addenda	\$ 0	\$ 6,804,806	\$ 4,348,856
2016 Total	\$ 0	\$ 70,280,983	\$ 43,086,131

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Appropriation	0.00	301.00	301.00
2012 Appropriation	0.00	301.00	301.00
2013 Appropriation	0.00	314.00	314.00
2014 Appropriation	0.00	314.00	314.00
2015 Base Budget	0.00	314.00	314.00
2015 Addenda	0.00	21.00	21.00
2015 Total	0.00	335.00	335.00
2016 Base Budget	0.00	314.00	314.00
2016 Addenda	0.00	21.00	21.00
2016 Total	0.00	335.00	335.00

Recommended Operating Budget Addenda

- **Adjust nongeneral fund appropriation to account for the salary increase and compression pay**

Increases the agency's nongeneral fund appropriation to fund the salary increases authorized in Chapter 806, 2013 Acts of Assembly. Nongeneral fund appropriation for the Virginia Retirement System was not previously adjusted for this purpose.

	FY 2015	FY 2016
Nongeneral Fund	\$ 774,390	\$ 774,390

- **Fund ongoing costs for the investment risk management system**

Provides additional nongeneral fund appropriation each year for the ongoing licensing and fees associated with the investment risk management system. The BarraOne risk management system was purchased by the Virginia Retirement System in 2013 to analyze and manage investment risks.

	FY 2015	FY 2016
Nongeneral Fund	\$ 375,000	\$ 375,000

- **Manage frontier markets internally**

Provides nongeneral fund appropriation and one full-time position to facilitate internal management of frontier markets. The transition to internal management will produce significant savings compared to the external management fees currently paid.

	FY 2015	FY 2016
Nongeneral Fund	\$ 474,600	\$ 474,600
Authorized Positions	1.00	1.00

- **Manage risk premia strategies internally**

Provides nongeneral fund appropriation and one full-time position to begin internal management of risk premia strategies. This action will reduce portfolio risk and produce significant savings compared to external management of risk premia strategies.

	FY 2015	FY 2016
Nongeneral Fund	\$ 474,600	\$ 474,600
Authorized Positions	1.00	1.00

- **Provide additional nongeneral fund appropriation for the 2013 health insurance rate increase**

Increases the agency's nongeneral fund appropriation to support the increase in employer contribution rates for health insurance premiums authorized in Chapter 806, 2013 Acts of Assembly. Nongeneral fund appropriation for the Virginia Retirement System was not previously adjusted for this purpose.

	FY 2015	FY 2016
Nongeneral Fund	\$ 494,002	\$ 494,002

- **Provide additional nongeneral fund appropriation for the principal auditor position**

Provides nongeneral fund appropriation to support the full-time position. This position will support the agency's increased auditing needs and adoption of a continuous auditing approach for a more timely and thorough review of agency processes.

	FY 2015	FY 2016
Nongeneral Fund	\$ 124,958	\$ 124,958
Authorized Positions	1.00	1.00

- **Provide additional nongeneral fund appropriation for web application firewall**

Supports the procurement and subsequent maintenance of a web application firewall to increase data security. The firewall will offer more comprehensive security and prevent a variety of cyber attacks.

	FY 2015	FY 2016
Nongeneral Fund	\$ 154,000	\$ 30,000

- **Support the cost of additional office space and parking**

Addresses the Investment Department's increase in staffing levels. The department has expanded to support the internal management of more assets.

	FY 2015	FY 2016
Nongeneral Fund	\$ 435,000	\$ 435,000

- **Support the cost of implementing a new hybrid retirement program**

Provides additional nongeneral fund appropriation and 11 full-time positions to support ongoing costs of implementing pension reforms adopted by the 2012 General Assembly.

	FY 2015	FY 2016
Nongeneral Fund	\$ 1,420,956	\$ 1,420,956
Authorized Positions	11.00	11.00

- **Support the increase in private equity investment allocation**

Provides nongeneral fund appropriation and two full-time positions to support increased asset allocation to private equity investments.

	FY 2015	FY 2016
Nongeneral Fund	\$ 516,100	\$ 516,100
Authorized Positions	2.00	2.00

- **Support the increase in real assets investment allocation**

Provides nongeneral fund appropriation and two full-time positions to support increased asset allocation to real asset investments.

	FY 2015	FY 2016
Nongeneral Fund	\$ 529,100	\$ 529,100
Authorized Positions	2.00	2.00

- **Support the internal management of cash assets**

Provides nongeneral fund appropriation and three full-time positions to facilitate the internal management of cash investments. The transition to internal cash investment management will produce significant savings compared to external management fees.

	FY 2015	FY 2016
Nongeneral Fund	\$ 1,156,100	\$ 1,156,100
Authorized Positions	3.00	3.00

- **Transfer appropriation to reconcile the agency's general ledger**

Redistributes nongeneral fund appropriation between programs to reconcile the agency's budget with the state's general ledger. This action nets to zero.

Virginia Workers' Compensation Commission

Strive for excellence by being an effective leader in providing public services by ethically administering the Commonwealth of Virginia's Workers' Compensation Act and its related funds and the Criminal Injuries Compensation Fund in a fair, unbiased and efficient manner and being responsive to the diverse needs of their customers.

Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2011 Appropriation	\$ 0	\$ 35,242,703	\$ 17,050,488
2012 Appropriation	\$ 0	\$ 35,242,703	\$ 17,050,488
2013 Appropriation	\$ 0	\$ 38,820,782	\$ 21,879,961
2014 Appropriation	\$ 0	\$ 38,826,758	\$ 21,885,937
2015 Base Budget	\$ 0	\$ 38,826,758	\$ 21,235,937
2015 Addenda	\$ 0	\$ 2,073,175	\$ 1,808,519
2015 Total	\$ 0	\$ 40,899,933	\$ 23,044,456
2016 Base Budget	\$ 0	\$ 38,826,758	\$ 21,235,937
2016 Addenda	\$ 0	\$ 2,453,195	\$ 1,808,519
2016 Total	\$ 0	\$ 41,279,953	\$ 23,044,456

Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2011 Appropriation	0.00	248.00	248.00
2012 Appropriation	0.00	248.00	248.00
2013 Appropriation	0.00	266.00	266.00
2014 Appropriation	0.00	266.00	266.00
2015 Base Budget	0.00	266.00	266.00
2015 Addenda	0.00	9.00	9.00
2015 Total	0.00	275.00	275.00
2016 Base Budget	0.00	266.00	266.00
2016 Addenda	0.00	9.00	9.00
2016 Total	0.00	275.00	275.00

Recommended Operating Budget Addenda

- **Address increase in docket referrals and mediation services**

Provides nongeneral fund appropriation and nine full-time positions to support increased docket referrals and demand for mediation services.

		FY 2015		FY 2016
Nongeneral Fund	\$	627,751	\$	627,751
Authorized Positions		9.00		9.00

- **Adjust Criminal Injuries Compensation Fund appropriation and fund public relations campaign**

Adjusts nongeneral fund appropriation for the Criminal Injuries Compensation Fund to reflect projected program expenditures. This amendment reduces appropriation the first year and increases appropriation the second year for payment of claims and operating expenses. Appropriation for operating costs includes funding for additional training and public relations initiatives to meet statutory obligations.

		FY 2015		FY 2016
Nongeneral Fund	\$	(259,623)	\$	120,377

- **Adjust funding to agencies for information technology and telecommunication charges**

Adjusts the agency budget for information technology and telecommunication charges based on the required cost of living adjustments contained in the Northrop Grumman contract and the elimination of the debt recovery surcharge originally approved by the Joint Legislative Audit and Review Commission on July 12, 2010.

		FY 2015		FY 2016
Nongeneral Fund	\$	(8,021)	\$	(8,001)

- **Adjust nongeneral fund appropriation to account for the salary and benefit rate increases**

Increases the agency's nongeneral fund appropriation to support salary and benefit rate increases authorized in Chapter 806, 2013 Acts of Assembly. This amendment also reduces excess personal services appropriation within the Crime Victim Compensation Program to better align with expenditure trends. Nongeneral fund appropriation for the Virginia Workers' Compensation Commission was not previously adjusted for salary and benefit changes within Chapter 806.

		FY 2015		FY 2016
Nongeneral Fund	\$	1,180,768	\$	1,180,768

- **Increase Uninsured Employer's Fund appropriation to meet claim payment obligations**

Provides additional nongeneral fund appropriation for the Uninsured Employer's Fund. This amendment supports increasing volume and severity of claims the fund is obligated to pay.

		FY 2015		FY 2016
Nongeneral Fund	\$	200,000	\$	200,000

- **Provide additional nongeneral fund appropriation for Workers' Compensation Services operating expenditures**

Provides additional nongeneral fund appropriation each year for increases in a variety of nonpersonal services operating expenditures within the Workers' Compensation Services program.

		FY 2015		FY 2016
Nongeneral Fund	\$	332,300	\$	332,300