

INDEPENDENT AGENCIES

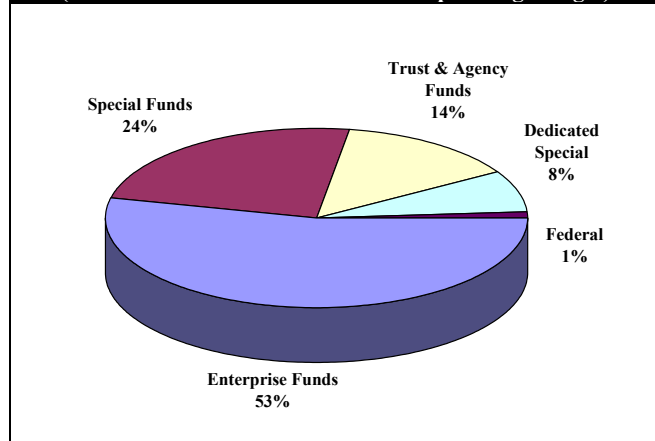
INDEPENDENT AGENCIES INCLUDE:

- State Corporation Commission
- State Lottery Department
- Virginia College Savings Plan
- Virginia Retirement System
- Virginia Workers' Compensation Commission
- Virginia Office for Protection and Advocacy

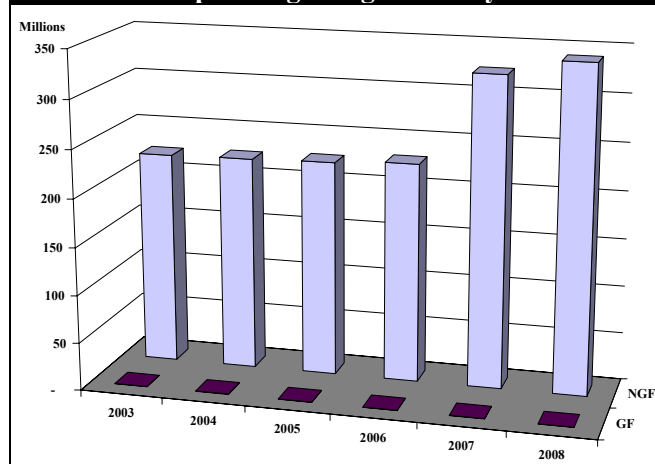
INDEPENDENT AGENCIES:

The six independent agencies 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.

Financing of Independent Agencies*
(Based on FY 2006 - 2008 Biennial Operating Budget)



**Independent Agencies
Operating Budget History**



*Funds with totals less than 1% have not been included in the graph.

State Corporation Commission

<http://www.scc.virginia.gov/>

Mission Statement:

Have custody of and preserve all records, documents, papers and files of the Commission and make them available for public examination. When requested, make and certify copies of documents and furnish information from Commission records. Process and maintain corporate, limited liability company, business trust and partnership filings, Uniform Commercial Code financing and related statements and federal tax liens. Receive all registration fees, fines, penalties and judgments imposed by the Commission. Issue all notices, writs, processes or orders awarded by the Commission. Keep a record of all proceedings, orders and findings of the public sessions of the Commission.

Operating Budget History:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|---------|---------------------|------------------------|--------------|------------------------|--------------------|------------------|
| FY 2003 | \$0 | \$92,496,663 | \$92,496,663 | \$35,366,054 | \$57,130,609 | 653.00 |
| FY 2004 | \$0 | \$93,151,463 | \$93,151,463 | \$36,966,248 | \$56,185,215 | 653.00 |
| FY 2005 | \$0 | \$89,898,495 | \$89,898,495 | \$35,616,404 | \$54,282,091 | 653.00 |
| FY 2006 | \$0 | \$92,671,801 | \$92,671,801 | \$36,277,685 | \$56,394,116 | 653.00 |

New Operating Budget Summary:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|-----------------------|---------------------|------------------------|---------------------|------------------------|---------------------|------------------|
| FY 2007 Appropriation | \$0 | \$89,574,141 | \$89,574,141 | \$39,780,280 | \$49,793,861 | 653.00 |
| FY 2007 Amendments | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00 |
| FY 2007 TOTAL | \$0 | \$89,574,141 | \$89,574,141 | \$39,780,280 | \$49,793,861 | 653.00 |
| FY 2008 Appropriation | \$0 | \$90,268,151 | \$90,268,151 | \$40,812,478 | \$49,455,673 | 653.00 |
| FY 2008 Amendments | \$0 | (\$11,860,910) | (\$11,860,910) | \$0 | (\$11,860,910) | 0.00 |
| FY 2008 TOTAL | \$0 | \$78,407,241 | \$78,407,241 | \$40,812,478 | \$37,594,763 | 653.00 |

Recommended Operating Budget Amendments

► Transfer telecommunications relay fee to the Department of the Deaf and Hard of Hearing

A technical adjustment to transfer the appropriation for the telecommunications relay fee to the Department of the Deaf and Hard of Hearing pursuant to House Bill 568 passed during the 2006 Session of the Virginia General Assembly. For 2008, a decrease of \$11.9 million (NGF).

State Lottery Department

<http://www.valottery.com/>

Operating Budget History:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|---------|---------------------|------------------------|--------------|------------------------|--------------------|------------------|
| FY 2003 | \$0 | \$75,637,643 | \$75,637,643 | \$18,936,774 | \$56,700,869 | 309.00 |
| FY 2004 | \$0 | \$75,637,643 | \$75,637,643 | \$18,936,774 | \$56,700,869 | 309.00 |
| FY 2005 | \$0 | \$76,337,975 | \$76,337,975 | \$18,959,956 | \$57,378,019 | 309.00 |
| FY 2006 | \$0 | \$76,337,975 | \$76,337,975 | \$18,959,956 | \$57,378,019 | 309.00 |

New Operating Budget Summary:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|-----------------------|--------------|---------------------|---------------------|---------------------|---------------------|---------------|
| FY 2007 Appropriation | \$0 | \$77,947,609 | \$77,947,609 | \$20,868,722 | \$57,078,887 | 309.00 |
| FY 2007 TOTAL | \$0 | \$77,947,609 | \$77,947,609 | \$20,868,722 | \$57,078,887 | 309.00 |
| FY 2008 Appropriation | \$0 | \$77,947,609 | \$77,947,609 | \$20,868,722 | \$57,078,887 | 309.00 |
| FY 2008 TOTAL | \$0 | \$77,947,609 | \$77,947,609 | \$20,868,722 | \$57,078,887 | 309.00 |

Virginia College Savings Plan

<http://www.virginia529.com/>

Mission Statement:

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 History:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|---------|--------------|-----------------|-------------|-----------------|-------------|-----------|
| FY 2003 | \$0 | \$3,654,608 | \$3,654,608 | \$2,848,653 | \$805,955 | 50.00 |
| FY 2004 | \$0 | \$3,812,127 | \$3,812,127 | \$2,725,239 | \$1,086,888 | 50.00 |
| FY 2005 | \$0 | \$3,899,222 | \$3,899,222 | \$3,283,733 | \$615,489 | 50.00 |
| FY 2006 | \$0 | \$3,899,222 | \$3,899,222 | \$3,283,733 | \$615,489 | 50.00 |

New Operating Budget Summary:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|-----------------------|--------------|----------------------|----------------------|--------------------|----------------------|--------------|
| FY 2007 Appropriation | \$0 | \$89,978,587 | \$89,978,587 | \$3,938,370 | \$86,040,217 | 50.00 |
| FY 2007 Amendments | \$0 | \$102,840 | \$102,840 | \$102,840 | \$0 | 10.00 |
| FY 2007 TOTAL | \$0 | \$90,081,427 | \$90,081,427 | \$4,041,210 | \$86,040,217 | 60.00 |
| FY 2008 Appropriation | \$0 | \$105,477,515 | \$105,477,515 | \$3,938,370 | \$101,539,145 | 50.00 |
| FY 2008 Amendments | \$0 | \$683,149 | \$683,149 | \$683,149 | \$0 | 10.00 |
| FY 2008 TOTAL | \$0 | \$106,160,664 | \$106,160,664 | \$4,621,519 | \$101,539,145 | 60.00 |

Recommended Operating Budget Amendments

► Increase funding and positions to governing board approved level

Adjusts the agency budget and positions to reflect the increase required to accommodate the continuing increase in participation in the Plan's programs, continued expansion of the program offerings, and the increased volume of students requiring withdrawals from the Plan's programs. For 2007, \$102,840 (NGF) and 10 positions. For 2008, \$683,149 (NGF).

Virginia Retirement System

<http://www.varetire.org/>

Mission Statement:

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

Agency Goals:

- To deliver high-quality, cost-effective, customer-focused service.
- To maintain an environment conducive to successful performance.
- To be an informed and collaborative partner in the government and business environments.
- To practice superior stewardship and sound management.

Customers Served:

Retirees ♦ Active Members ♦ Employers ♦ Inactive and Deferred Members

Operating Budget History:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|---------|--------------|-----------------|--------------|-----------------|--------------|-----------|
| FY 2003 | \$0 | \$29,402,462 | \$29,402,462 | \$15,014,844 | \$14,387,618 | 233.00 |
| FY 2004 | \$250,000 | \$29,779,522 | \$30,029,522 | \$15,433,680 | \$14,595,842 | 233.00 |
| FY 2005 | \$78,000 | \$32,251,252 | \$32,329,252 | \$17,739,690 | \$14,589,562 | 257.00 |
| FY 2006 | \$78,000 | \$33,304,775 | \$33,382,775 | \$18,626,213 | \$14,756,562 | 261.00 |

New Operating Budget Summary:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|-----------------------|-----------------|---------------------|---------------------|---------------------|---------------------|---------------|
| FY 2007 Appropriation | \$78,000 | \$39,011,476 | \$39,089,476 | \$24,092,181 | \$14,997,295 | 281.00 |
| FY 2007 Amendments | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00 |
| FY 2007 TOTAL | \$78,000 | \$39,011,476 | \$39,089,476 | \$24,092,181 | \$14,997,295 | 281.00 |
| FY 2008 Appropriation | \$78,000 | \$38,859,811 | \$38,937,811 | \$24,087,516 | \$14,850,295 | 281.00 |
| FY 2008 Amendments | \$0 | \$7,855,641 | \$7,855,641 | \$3,550,008 | \$4,305,633 | 1.00 |
| FY 2008 TOTAL | \$78,000 | \$46,715,452 | \$46,793,452 | \$27,637,524 | \$19,155,928 | 282.00 |

Recommended Operating Budget Amendments

▶ **Continue funding for merit based salary increases fringe benefit cost changes**

Continues the nongeneral fund spending authority for pay increases and fringe benefit rate changes authorized by the current Appropriation Act. For 2008, \$1.3 million (NGF).

▶ **Continue funding for the investment pay plan**

Continues the nongeneral fund spending authority for the Virginia Retirement System investment pay plan that was initiated in fiscal year 2007. This pay plan is designed to attract and retain high quality investment professionals to the Virginia Retirement System. For 2008, \$1.5 million (NGF).

▶ **Continue funding for additional office space rent**

Continues the nongeneral fund spending authority required for the added cost of rental charges associated with the expansion of the Virginia Retirement System (VRS) utilization of the Bank of America Pavilion Building. For 2008, \$190,633 (NGF).

▶ **Upgrade the Virginia Retirement System computer room**

Provides nongeneral fund pending authority required to complete the upgrade of the Virginia Retirement System computer room. This additional spending authority is required to support increased equipment capacity and to meet building codes. These upgrades support industry standards for reliability and will allow for future growth. For 2008, \$100,000 (NGF).

Recommended Operating Budget Amendments

► Improve customer service through the Virginia Retirement System modernization project

Provides funding for the start of the Virginia Retirement System modernization project. This effort involves the improvement of customer services through the reengineering of business processes and the upgrade of technology systems. This project will enable the Virginia Retirement System to better serve the employers, employees, and retirees of the various benefit programs administered by the agency. For 2008, \$4.7 million (NGF) and an increase of one position.

Selected Objectives and Performance Measures:

Objective 1. Enhance on-line customer service.

Measure 1: Roll-out phase I member access by June 30, 2006 in accordance with the project plan developed.

Objective 2. Enhance customer service delivery across the agency.

Measure 1: Implement customer service standards to reduce the established abandoned call rate no later than June 30, 2006.

Measure 2: Replace the telephone switch and develop a customer relationship management (CRM) strategy no later than June 30, 2006.

Measure 3: Complete a study of service and creditable compensation. Publish findings and recommendations no later than June 30, 2006.

Objective 3. Maintain Operational Standards.

Measure 1: 100% of monthly retirement payrolls will be run to ensure that the recurring retirement benefit is issued no later than the first day of the month.

Measure 2: Ensure 90% of members are reported by the due date.

Measure 3: 98% of Purchase of Prior Service cost letters processed with 95% accuracy and within 30 days of receipt of completed application.

Measure 4: Process Service Retirements in an average of 75 days from submittal of a completed application with 95% accuracy rate.

Measure 5: 98% of Disability Retirements processed with 95% accuracy and placed on payroll within 40 days of medical review board approval.

Measure 6: 95% of refunds processed within 60 days.

Measure 7: 85% of calls received by the Customer Contact Center are answered without being transferred.

Measure 8: Estimates completed in less than 30 days.

Measure 9: 98% of service retirement cases are placed on payroll without intervention to adjust service.

Measure 10: 96% of monthly employer payrolls are processed within 30 days of the due date.

Objective 4. Maintain Operational Standards.

Measure 1: Monitor and maintain approved asset allocations.

Measure 2: Exceed investment benchmarks.

Measure 3: 90% of the partnerships' financial analysis to Mellon by the last day of the month.

Selected Objectives and Performance Measures:

Measure 4: Receive 100% of the reconciliations from all investment managers for all four quarters.

Measure 5: 100% of fees must be verified for accuracy within prescribed error margins.

Objective 5. Maintain Operational Standards.

Measure 1: Administrative Cost not to exceed peer group median cost as defined by Cost Effectiveness Measurement, Inc. (CEM).

Measure 2: Complete 100% of reconciliations monthly within last working day of the following month.

Measure 3: Achieve 99% System Availability for all critical business systems.

Measure 4: Image 95% of workflow documents within 24 hours.

Objective 6. Enhance processes to insure operations are managed in an efficient, effective, fiscally responsible manner.

Measure 1: Complete the project management process roll-out and implement phase I of the financial management system and KMS by June 30, 2006.

Virginia Workers' Compensation Commission

<http://www.vwc.state.va.us/>

Mission Statement:

Administer 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.

Operating Budget History:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|---------|--------------|-----------------|--------------|-----------------|-------------|-----------|
| FY 2003 | \$0 | \$19,236,132 | \$19,236,132 | \$9,683,756 | \$9,552,376 | 184.00 |
| FY 2004 | \$0 | \$19,236,132 | \$19,236,132 | \$9,683,756 | \$9,552,376 | 184.00 |
| FY 2005 | \$0 | \$20,324,760 | \$20,324,760 | \$11,375,829 | \$8,948,931 | 189.00 |
| FY 2006 | \$0 | \$20,324,760 | \$20,324,760 | \$11,375,829 | \$8,948,931 | 189.00 |

New Operating Budget Summary:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|-----------------------|--------------|---------------------|---------------------|---------------------|---------------------|---------------|
| FY 2007 Appropriation | \$0 | \$24,785,692 | \$24,785,692 | \$13,204,563 | \$11,581,129 | 206.00 |
| FY 2007 Amendments | \$0 | \$327,584 | \$327,584 | \$327,584 | \$0 | 10.00 |
| FY 2007 TOTAL | \$0 | \$25,113,276 | \$25,113,276 | \$13,532,147 | \$11,581,129 | 216.00 |
| FY 2008 Appropriation | \$0 | \$24,785,692 | \$24,785,692 | \$13,204,563 | \$11,581,129 | 206.00 |
| FY 2008 Amendments | \$0 | \$328,489 | \$328,489 | \$328,489 | \$0 | 10.00 |
| FY 2008 TOTAL | \$0 | \$25,114,181 | \$25,114,181 | \$13,533,052 | \$11,581,129 | 216.00 |

Recommended Operating Budget Amendments

► **Improve services to stakeholders**

Makes a technical adjustment to provide improved customer service and support services to agency stakeholders. For 2007, \$327,584 (NGF) and 10 positions. For 2008, \$328,489 (NGF).

Virginia Office for Protection and Advocacy

<http://www.vopa.state.va.us/>

Mission Statement:

Through zealous and effective advocacy and legal representation to:

Protect and advance the legal, human, and civil rights of persons with disabilities;

Combat and prevent abuse, neglect and discrimination;

Promote independence, choice and self determination by persons with disabilities in the Commonwealth.

Agency Goals:

- People with Disabilities are Free from Abuse and Neglect.
- Children with Disabilities Receive an Appropriate Education.
- People with Disabilities Have Equal Access to Government Services.
- People with Disabilities Live in the Most Integrated Environment Possible.
- People with Disabilities are Employed to their Maximum Potential.
- People with Disabilities have Equal Access to Appropriate and Necessary Health Care.
- People with Disabilities in the Commonwealth of Virginia are Aware of the Virginia Office for Protection and Advocacy's (VOPA) Services.

Customers Served:

Persons with cognitive, sensory, mental, and physical disabilities, with specific goals addressing the needs of vulnerable, complex, and underserved populations, and the systems that serve them

Operating Budget History:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|---------|---------------------|------------------------|--------------|------------------------|--------------------|------------------|
| FY 2003 | \$211,733 | \$1,980,341 | \$2,192,074 | \$0 | \$2,192,074 | 25.00 |
| FY 2004 | \$211,928 | \$1,980,341 | \$2,192,269 | \$714,543 | \$1,477,726 | 25.00 |
| FY 2005 | \$216,247 | \$2,527,407 | \$2,743,654 | \$1,993,961 | \$749,693 | 35.00 |
| FY 2006 | \$216,247 | \$2,527,407 | \$2,743,654 | \$1,993,961 | \$749,693 | 35.00 |

New Operating Budget Summary:

| | General Fund | Nongeneral Fund | TOTAL | Personnel Costs | Other Costs | Positions |
|-----------------------|---------------------|------------------------|--------------------|------------------------|--------------------|------------------|
| FY 2007 Appropriation | \$228,785 | \$2,655,118 | \$2,883,903 | \$2,354,905 | \$528,998 | 35.00 |
| FY 2007 Amendments | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00 |
| FY 2007 TOTAL | \$228,785 | \$2,655,118 | \$2,883,903 | \$2,354,905 | \$528,998 | 35.00 |
| FY 2008 Appropriation | \$228,785 | \$2,655,118 | \$2,883,903 | \$2,354,905 | \$528,998 | 35.00 |
| FY 2008 Amendments | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00 |
| FY 2008 TOTAL | \$228,785 | \$2,655,118 | \$2,883,903 | \$2,354,905 | \$528,998 | 35.00 |