

READERS' GUIDE TO THE COMMONWEALTH'S BUDGET DOCUMENT

This publication describes Governor Kaine's proposed budget amendments to the Commonwealth of Virginia's 2008-2010 budget biennium (Chapter 879). Additional information regarding agency strategic plans and performance management, including detailed service area budget tables, may be accessed via:

- www.vaperforms.virginia.gov
- www.dpb.virginia.gov

The budget document contains the following components:

Part A: Introduction

This section contains: (1) highlights of Governor Kaine's proposed budget amendments for the 2008-2010 biennium, (2) an *Economic Forecast* outlining the status of Virginia's economy, and (3) a *Revenue Forecast* reviewing the Commonwealth's fiscal outlook, including the projected revenues on which the preceding budget amendments are based.

Part B: Operating Budget

Part B presents the Governor's proposed amendments for the operating budget. This section is organized by the three branches of government (Legislative, Judicial, and Executive). The Executive Department section is also organized by secretarial area.

For each branch of government or secretarial area, you will find:

Overview: The branch's major functions of government or secretarial area.

Agency Listing: A listing of each agency within the branch of government or secretarial area.

Summary Graphs: Depicts the financing of secretarial areas by funding source and the general fund and nongeneral fund



operating budget history for secretarial areas.

Activity Summary: A narrative summary of current activities in each secretarial area.

For each individual agency you will find:

Agency Name: Agency's proper name and website address.

Mission Statement: The organization-wide strategic direction and the organization's purpose.

Key Objectives and Key Measures: The most important functions that are considered critical to an agency's mission.

Performance Measures: A quantitative measure that describes the magnitude or degree of an aspect of a product, service, or activity performance characteristic over time. This document has performance measures associated with "Agency Key Objectives." A complete listing of up-to-date performance measures for a specific agency may be viewed via:

- www.vaperforms.virginia.gov.

Agency Budget Summary Tables: The Governor's operating budget amendments for the 2008-2010 biennium, including agency historical funding data and capital outlay amendments. The categories related to funding are general fund and nongeneral

fund. Also, there is a category indicating an agency's maximum number of allowed positions. **TABLE NOTES:** All figures represent dollars rounded to millions; due to rounding, figures may not add exactly; figures in parenthesis are negative amounts; and agencies appear in the same order as in the Budget Bill.

Recommended Operating Budget Amendments: "Bullet items" briefly describe specific budget recommendations for specific agencies. If the Governor has no specific recommendations for an agency, the word "none" follows the subject heading. Within each "bullet item," amounts and positions recommended are designated either "GF" (general fund) or "NGF" (nongeneral fund). References to positions are to "full-time equivalent" (FTE) positions. Positions are only mentioned in the initial year affected by a budget amendment.

Within the "recommended operating budget amendments" are bullets summarizing 2008-2010 administrative budget reductions and targeted budget reductions. These budget reductions are detailed in Part D of this document.

Capital Outlay Amendments: "Bullet items" briefly describe any amendments to previously-approved capital construction projects or funding for new projects. If the Governor has no specific recommendations for an agency, the word "none" follows the subject heading. Within each "bullet item," amounts recommended are designated either "GF" (general fund) or "NGF" (nongeneral fund).

Part C: Other Reports

This section has four main components:

Studies and Evaluations: Various studies, evaluations, and assessments of agencies or

agency programs that were conducted in the two most recent fiscal years.

Aid to Localities (ATL): The Governor's recommendations for funds that go directly to localities for locally-operated programs or are spent by the Commonwealth on behalf of localities for specific programs.

Supplemental Information: Information on tax-supported debt capacity and per capita appropriations.

Miscellaneous Transfers: Review of actions affecting state debt, revenue transactions, interfund transfers, working capital advances and loans, and required deposits into the general fund.

Part D: Budget Reduction Detail

Part D displays the individual reduction strategies that comprise the Governor's Reduction Plan for the 2008-2010 biennium. This section is organized by secretarial area and is separated by "October Reduction Strategies" and "December Reduction Strategies." The following are key terms used throughout the plan:

2009 - 2010 General Fund Appropriation: Total legislative appropriations for agencies participating in the reduction plan. The legislative appropriation is the amount included for agencies in Chapter 879, the 2008 Appropriation Act.

Nongeneral Fund (NGF) Appropriation: Total changes to the agency NGF appropriation/spending authority.

General Fund Savings: The amount shown is the proposed reduction to the item's general fund appropriation.

Revenue/Cash Transfers: Any dollar amount shown here reflects cash transfers to the general fund or increased revenue as a result of the budget action.

Total General Fund Impact: For general fund, the total impact is the combination of savings and revenue enhancements.

Total Position Level Changes: This term refers to changes in the authorized employment level for full- and part-time classified employees, faculty, and appointed positions. It does not include wage or contract employees. Position reductions do not always result in a layoff, since agencies may eliminate vacant positions.

Total Layoffs: This term refers to the number of individual employees whose positions were projected to be eliminated by agencies in the September 2008 5-10-15 percent targeted reduction plans. Thus requiring that the employee be laid-off. It includes layoffs of full-and part-time classified employees, faculty, and appointed officials as a result of the budget action (shown in the fiscal year in which the layoff occurs). It does not include wage or contract employees. For the institutions of higher education, the numbers provided are estimates only. The number of employees actually laid-off may differ from the number projected by agencies in September 2008.