

Biennium: 2008-10 ▼

Mission and Vision**Mission Statement**

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.

Vision Statement

The Department of Planning and Budget advises the Governor in the prudent allocation of public resources and promotes the development and implementation of effective fiscal, legislative, and regulatory policies in the Commonwealth. The Department serves its customers through creative, proactive, objective, accurate, and timely planning, analysis, and evaluation.

Agency Values

- Integrity
Maintaining the highest ethical standards and conducting our business accordingly.
- Creativity
Continually challenging the status quo to seek innovative and cost-effective ways to improve services.
- Accountability
Accepting accountability for our actions.

Executive Progress Report**Service Performance and Productivity**

- *Summary of current service performance*

Since fiscal year 1990, DPB has experienced a significant reduction in resources (both dollars and personnel) while the statutory responsibilities and duties assigned to DPB have grown significantly. New statutory responsibilities added since 1990 in the Code of Virginia include the following:

Code Section - Chapter No. - Description

1992

§ 2.2-1501 Duties of DPB - Chapters 270 and 711 - Review and verify the accuracy of agency nongeneral fund estimates.

§ 2.2-1509 Budget Bill - Chapter 582 - Change date of budget submission to "On or before December 20" in lieu of "five days after the beginning of each regular session."

§ 2.2-1510 Budget Highlights - Chapter 582- Requires that the Governor submit highlights in the Budget Bill to newspapers in certain areas.

§ 2.2-1508 Budget Document - Chapter 582 - Revises content of the Budget Document to identify common programs and services performed by state agencies, the general purpose of programs, and measures for monitoring and evaluating services.

1993

§ 2.2-1504 Budget Estimates by State Agencies - Chapter 724 - Requires that agency budget estimates for the upcoming biennium also include estimates for the subsequent biennium.

1994

§ 2.2-4007.04 Regulations - Chapters 938 and 873 (2007) - Requires DPB to prepare an economic analysis for proposed regulations within 45 days from receipt of the proposed regulations.

1995

§ 2.2-1501 Duties of DPB - Chapter 219 - Requires that the Budget Document include a report from each agency as to the dollar amount and percentage of its budget from federal funds.

§ 2.2-1501 Duties of DPB - Chapters 152 and 811 - Make reductions in appropriations and employment due to Workforce Transition Act.

1998

§ 2.2-1509 Budget Bill - Chapters 118 and 591 - Requires debt authorization bills for capital projects to be submitted concurrently with the Budget Bill.

2000

§ 2.2-1501 Duties of DPB - Chapter 424 - Requires development of performance management system involving strategic planning, performance measurement and performance budgeting.

2001

§ 2.2-1501 Chapter 43 - Requires DPB to submit annually before the second Tuesday in January to the money committee chairmen a report on agency strategic planning information and performance measurement results (<http://www.dpb.state.va.us/VAResults/Index.cfm>).

§ 2.2-2625 Duties of DPB - Chapter 844 - Requires DPB to adjust an agency's appropriation when all/a portion of their functions are privatized according to the recommendations of the Competition Council. DPB must also staff the Competition Council and ensure that all reporting requirements are met.

2002

§ 2.2-1503.1 6-Year Financial Outline - Chapters 480 and 486 - Requires that the Governor submit to the General Assembly in each even-numbered year a six-year financial plan.

§ 2.2-1503.2 6-Year Capital Improvement Plan - Chapters 839 and 888 - Requires that the Governor submit to the General Assembly in each even-numbered year a six-year capital improvement plan.

2003

§ 2.2-2686 - Chapter 900 - Requires DPB to staff the Council on Virginia's Future to establish long term statewide objectives and a scorecard to measure progress against those objectives.

§ 2.2-1501 and Others (Gov't Performance and Results Act) - Chapter 900 - Requires DPB to establish a performance management system which includes a revised (three-year) strategic planning process for state agencies to articulate goals and objectives, identify program outputs and determine performance measures.

§ 2.2-1503 Revenue Projections Chapter 612 - Governor to include anticipated transportation fund revenues in the six-year nongeneral fund revenue projection.

§ 2.2-1503.3 6-year revenue Forecast - Chapter 14 - Governor to re-estimate general fund revenue based on Comptroller's preliminary close if the close shows that actual general fund revenue is 1% or more below the original estimate.

§ 2.2-1508 Budget Document - Chapter 190 - Requires cross-referencing between budget items in the Budget Document and the Budget Bill and listing of performance standards and evaluations.

§ 2.2-1508 Budget Document - Chapter 888 - Requires a listing in the Budget Document of schedules and descriptions of certain data processing projects and other projects with certain payment requirements.

§ 2.2-1509.2 Repayment Plan - Chapter 970 - Requires the Governor to submit a plan for repayment within three years of money diverted from the Highway Maintenance and Operation Fund or the Transportation Trust Fund.

2005

§ 23-9.2:3.03. Higher Ed 6-Year Plan - Chapters 933 and 945 - Requires DPB, in consultation with the Secretary of Finance, to prescribe a form and manner for the six-year plan for all public institutions of higher education.

2006

§ 2.2-1502.1 School Efficiency Reviews - Chapter 596 - Requires DPB to initiate reviews of school divisions' central operations (upon written request by a local school board or division superintendent).

2007

§ 2.2-2530 Commission on Immigration - Chapter 849 - Requires DPB to provide technical assistance to the Virginia Commission on Immigration.

§§ 2.2-4006 through 2.2-4015 of Code, also known as Article 2 on "Regulations" of the Administrative Process Act - Chapters 316, 561, 873, and 916 - Requires the DPB-managed Virginia Regulatory Town Hall website (www.townhall.virginia.gov) to publish, as well as provide online public comment forums for all (non-exempt) regulatory stages. Requires DPB to complete its economic impact analysis (EIA) of a fast-track regulation within 30 days (reduced from 45 days). Requires DPB to include costs of developing real estate for commercial or residential purposes in its EIAs of proposed regulations. Requires DPB to provide a copy of an EIA to the Joint Commission on Administrative Rules (JCAR), as well as to each member of the General Assembly.

§ 30-58.4 JLARC Pilot Program - Chapter 803 - Requires DPB to provide technical assistance to Joint Legislative Audit and Review Commission in their development of a pilot program to analyze and evaluate the accuracy of estimates submitted by state agencies.

- *Summary of current productivity*

The fact that DPB continues to meet all of its responsibilities despite a 34.6 percent reduction in staff since 1990 and the addition of 26 new statutory responsibilities—some of which are significant new initiatives requiring considerable

resources in terms of personnel and costs—attests to a high level of productivity. DPB has been able to use technology effectively to develop web-based applications for budget and regulatory submissions as well as off-the-shelf and in-house systems for analysis and financial transactions. DPB also provides a formal training program for staff, using in-house resources.

Initiatives, Rankings and Customer Trends

- *Summary of Major Initiatives and Related Progress*

DPB's accomplishments in the past year include the following:

Maintained the state's AAA bond rating. Despite the most serious fiscal downturn in recent history and a cumulative budget shortfall of more than \$6 billion, Virginia maintained its AAA bond rating.

Developed a Six-Year Financial Plan. DPB continues to prepare the long-term financial plans to examine the impact of budgetary decisions over a multi-year period. These plans show major spending items and initiatives by secretarial area. These plans were designed to ensure that spending growth was in line with projected revenues and that structural balance was maintained in the budget during budget development.

Implemented School Efficiency Reviews. In FY 2007, private consulting firms conducted reviews of nine school divisions: Petersburg City, Alleghany County, Covington City, Montgomery County, Roanoke City, Mecklenburg County, Prince William County, Alexandria City, and Prince Edward County. The total annual recommended savings for these nine reviews was \$8.85 million. That brings the total recommended annual savings for all reviews conducted to \$24.2 million.

Updated Key Business Recovery Plan. DPB updated its key business recovery documents – Risk Assessment, Business Impact Analysis, and Continuity of Operation Plan (COOP).

Provided Advanced Performance Management Training and Guidance. DPB provided three days of extensive training to assist state agencies with the development of their strategic plans and service area plans.

Re-tooled Virginia Performs web site. DPB implemented a number of significant enhancements to Virginia Performs, a statewide web-based performance management system.

Contributed to the Development of VEAP. DPB staff, along with subject matter experts from other state agencies, participated in the development of the Virginia Enterprise Applications Program (VEAP) Future State Environment Definition Document for Performance Budgeting. This document, along with related functional and technical requirements, is the "blueprint" for performance budgeting in the future. It sets out a number of process changes to take advantage of the new systems and technology that will be available in the coming years.

Implemented Revenue / Spending Reduction Plans. Implemented revenue / spending reduction plans resulting from the August 20, 2007 announcement that there would be a \$641 million revenue shortfall in the 2006-08 biennium. The first step was the formulation of five percent reduction plans by each of the Secretaries to be submitted to DPB by September 13, 2007. The Governor reviewed the plans and on October 2, 2007, over \$300 million in general fund savings were announced. DPB then began immediate implementation of the approved reduction plans.

Launched Upgraded Virginia Regulatory Town Hall Web Site (townhall.virginia.gov). Since its launch in 1999, the award-winning Town Hall has given citizens instant and wide ranging access to information about regulatory changes under consideration in Virginia. Citizens can comment on regulatory proposals via on-line forums, as well as view minutes from regulatory board meetings across the Commonwealth. The Town Hall's highly-customized e-mail notification service sends registered users the latest information about regulations and regulatory meetings in which they are interested. Town Hall 2.0 includes many new features, such as greatly improved search capabilities, enhanced public comment forums, and a sleek new user interface. This interface allows citizens to access the information they seek as quickly and efficiently as possible. Town Hall 2.0 also features the Virginia Registrar of Regulations' newly developed Regulation Information System (RIS). The RIS is a web-enabled application that allows state agencies to electronically file regulations and related items for publication in the Virginia Register. The synergy between Town Hall 2.0 and RIS streamlines a cumbersome, paper-driven process and makes it faster and more efficient.

Completed Stage One of the Agency Risk Management and Internal Control Standards (ARMICS). DPB certified to the state comptroller that it had completed stage one of ARMICS, Agency-level Assessment of Internal Control.

Developed DPB (ERAD) Operations Manual. Developed a new on-line operations manual for the staff of the Economic and Regulatory Analysis Division (ERAD). This 100+ page manual is designed to cover everything an ERAD staff member needs to know about the regulatory analysis, rulemaking management, and forecasting services provided by the division. The manual covers specific topics such ERAD responsibilities, forecasting, rulemaking, the Virginia

Regulatory Town Hall website, economic impact analyses, policy analyses, training, guidance documents, legislative branch interactions, and gubernatorial transition task lists.

Provided Training to Agencies. Developed a new and regularized system of training to agencies on the rulemaking process in Virginia and on how to use the Town Hall website.

- *Summary of Virginia's Ranking*

Virginia has been named the best managed state in the nation by the Government Performance Project, sponsored by Governing magazine. Virginia's financial strength is also indicated by its AAA bond rating. Virginia is one of only six states to have been given this highest rating by all three national rating agencies. In addition, Virginia consistently ranks in the top in the United States in categories that impact successful economic development. One award includes Forbes.com "Best State for Business" designation for two years in a row, 2006 and 2007. This award reviewed business cost, regulatory climate, quality of the workforce, and economic growth. Pollina Real Estate, Inc, a top U.S. corporate site relocation expert, ranked Virginia in 2007 as the top-rated business-friendly state in the nation. CNBC in 2007 designated Virginia as its "Top State for Business" based on factors that include cost of living, business friendliness, and access to capital.

- *Summary of Customer Trends and Coverage*

DPB anticipates no further changes in its customer base or coverage in the near future.

Future Direction, Expectations, and Priorities

- *Summary of Future Direction and Expectations*

DPB expects to continue to play an integral part and lead role in the development and rollout of the Commonwealth's enhanced integrated strategic planning and budget process. In terms of the overall financial health of the Commonwealth, DPB's six-year financial plan indicates that maintaining necessary funding for the core service of state government will be increasingly challenging in the years ahead. DPB will experience increased pressure to remain vigilant in maintaining financial responsibility and a structural balance in the state's budget.

- *Summary of Potential Impediments to Achievement*

DPB is seriously challenged by a continuously increasing demand for services with a limited number of staff. Since 1990, there has actually been a reduction in staff while 26 new statutory responsibilities have been placed on the agency. Moreover, during this time, no responsibilities were eliminated from DPB's mission. Without additional resources, it will be difficult for DPB to meet its basic responsibilities and address such increasing demands.

Despite enhancements to DPB's automated systems, challenges remain as the operating and central systems have not been significantly updated in many years and are being taxed due to demands for the storage and retrieval of additional information.

Service Area List

Service Number	Title
122 715 02	Budget Development and Budget Execution Services
122 715 04	Legislation and Executive Order Review Service
122 715 05	Forecasting and Regulatory Review Service
122 715 06	Program Evaluation Service
122 715 98	Administrative Services

Agency Background Information

Statutory Authority

Title 2.2, Chapter 15; Title 2.2, Chapter 26, Article 8; Chapter 40, Article 2, and Executive Order 36 (2002)

The Department of Planning and Budget was created by statute in 1976, merging previously existing budget and planning agencies. Sections 2.2-1500 through 2.2-1514 of the Code of Virginia established the agency and set forth the powers and duties of the Department and the director, the requirements for submitting the executive budget to the General Assembly, and the requirements for submitting the Budget Bill. Section 2.2-1501 of the Code specifically assigns the following responsibilities to DPB:

Development and direction of an integrated policy analysis, planning, and budgeting process within state government.

Review and approval of all sub-state district systems boundaries established or proposed for establishment by state agencies.

Formulation of an executive budget as required in this chapter.

Policy analysis and program evaluation for the Governor.

Continuous review of the activities of state government focusing on budget requirements in the context of the goals and objectives determined by the Governor and the General Assembly and monitoring the progress of agencies in achieving these goals and objectives.

Operation of a system of budgetary execution to ensure that agency activities are conducted within funding limitations provided in the Appropriation Act and in accordance with gubernatorial and legislative intent.

Development and operation of a system of standardized reports of program and financial performance for management.

Coordination of statistical data by reviewing, analyzing, monitoring, and evaluating statistical data developed and used by state agencies and by collecting statistical data from outside sources, such as research institutes and the federal government.

Assessment of the impact of federal funds on state government by reviewing, analyzing, monitoring, and evaluating the federal budget, as well as solicitations, applications, and awards for federal financial aid programs on behalf of state agencies.

Review and verify the accuracy of agency estimates of receipts from donations, gifts or other nongeneral fund revenue.

Development and implementation of a performance management system involving strategic planning, performance measurement, evaluation, and performance budgeting within state government. The Department ensures that information generated from these processes is useful for managing and improving the efficiency and effectiveness of state government operations, and is available to citizens and public officials. (Effective until July 1, 2008)

Development and management of an Internet-based information technology system to ensure that citizens have access to performance information.

Development and management of an Internet-based information technology system to ensure that citizens have access to meeting minutes and information pertaining to the development of regulatory policies.

Development and management of a school efficiency review program.

Section 2.2-2625 of the Code requires DPB to “determine the amount of the existing appropriation no longer needed by a state agency or institution where all or a portion of such agency’s function has been privatized in accordance with the recommendations of the Commonwealth Competition Council, and shall unallot such funding. The Department shall also ensure that all appropriate reporting requirements to the Governor and the General Assembly are met. Nothing in this section shall preclude the Governor from recommending in future budget submissions the restoration of a portion of the original appropriation to the state agency or institution.”

Section 2.2-2688 of the Code (effective until July 1, 2008) requires that DPB provide staff assistance to the Council on Virginia’s Future.

Article 2 of the Code. Requires the DPB-managed Virginia Regulatory Town Hall website (www.townhall.virginia.gov) to publish, as well as provide online public comment forums for, all (non-exempt) regulatory stages. In addition, Article 2 requires DPB to prepare an economic impact analysis (EIA) for a proposed regulation within 45 days of its receipt by DPB, and an EIA for a fast-track regulation within 30 days. Further, DPB is required to provide a copy of an EIA to the Joint Commission on Administrative Rules (JCAR), as well as to each member of the General Assembly.

Executive Order (EO) 36 (2006), Development and Review of Regulations Proposed by State Agencies, was signed by Governor Kaine in 2006. This EO assigns to DPB the general role of managing the statewide rulemaking process via the Regulatory Town Hall website and other means with an eye toward promulgating rules in a timely fashion with adequate notice and opportunities for the public to participate in the development of rules. Further, EO 36 establishes a specific role for DPB to play in reviewing assorted regulatory submissions, including Notices of Intended Regulatory Action, proposed, fast-track and emergency regulation packages, and final regulation packages to determine if they comply with the requirements of the Executive Order and applicable statutes. The review also determines if proposed regulatory actions comport with “good government” objectives such as being clearly written and easily understandable, as well as being designed to achieve their intended objective in the most efficient, cost-effective manner.

Customers

Customer Group	Customers served annually	Potential customers annually
Active registered users of the Virginia Regulatory Town Hall	5,042	7,500

website		
Commonwealth Competition Council (members)	15	15
Council on Virginia's Future (members)	18	18
DPB staff	57	68
General Assembly (money committee) staff	37	37
General Assembly members	140	140
General Public (The number of Virginian's served is unknown and unlimited. Since the system does not allow for text, zero was entered into the customer fields.)	0	0
Governor	1	1
Governor's Policy staff	6	6
Governor's Secretaries and Deputy Secretaries	26	30
Local government (cities and counties)	134	134
State agencies	200	200

Anticipated Changes To Agency Customer Base

DPB anticipates no significant changes to its customer base.

Aging Population Analysis: The aging population of the Commonwealth should not have a direct impact on DPB's operations. Indirectly, however, it could increase the agency's workload and overstretch existing staff levels should new "elderly" regulations be created that require review and analysis by staff. Furthermore, an advancing elderly population could challenge funding in the Commonwealth during times of limited resources – once again impacting staff.

Partners

Partner	Description
[None entered]	

Products and Services

- *Description of the Agency's Products and/or Services:*

- § Budget bill
- § Budget document
- § Governor's budget press package
- § Budget development and execution instructions for state agencies
- § Analysis of budget proposals and development of recommendations for the Governor
- § Year-end close and new-year start-up instructions for state agencies
- § Procedures for monitoring agency expenditures
- § Decision briefs for budget execution decisions
- § Instructions for agencies regarding development of legislative proposals
- § Recommendations to the Governor on agency legislative proposals
- § Fiscal impact statements on bills introduced in the General Assembly
- § Planning and performance measure instructions, handbook and training for state agencies
- § Tracking of agency performance measures
- § Economic impact statements and policy analyses on proposed regulations
- § Maintenance of the Virginia Regulatory Town Hall website
- § Coordination of the rulemaking process across state agencies
- § Training on the Virginia Regulatory Town Hall website and state rulemaking process
- § Forecasts of major budget items such as Medicaid expenditures; prison, jail, and juvenile correctional center populations; TANF caseloads; FAMIS expenditures; and Supreme Court trial expenditures.
- § Analyses of federal budget proposals and actions that may affect Virginia
- § Executive Order assistance
- § Detailed assessments of programs and services to achieve a more efficient and cost-effective state government
- § School efficiency reports
- § Best management practices reports
- § Staff assistance to the Council on Virginia's Future
- § Staff assistance to the Commonwealth Competition Council

- § Serve on legislative and executive task forces
- § Advisory assistance to various panels, committees and commissions
- § Presentations on fiscal and budgetary policy

- *Factors Impacting Agency Products and/or Services:*

Requirements associated with Agency Risk Management and Internal Control Standards (ARMICS) will increase DPB’s documentation and processing workload to some extent. However, DPB will strive to ensure that work associated with ARMICS does not hinder the delivery of products and services to its customers.

The possibility of a new statewide performance budgeting system should provide DPB with a better and faster analytical tool, thus enhancing the products and services provided by the agency. It should also improve the quality of budget work from agencies to DPB, thus reducing time spent by DPB staff in correcting errors. However, it is possible that staffing requirements for the implementation of a new system may temporarily affect service levels.

- *Anticipated Changes in Products or Services:*

Although changes to the Code of Virginia or new Executive Orders can affect DPB’s products and services at any time, changes are not anticipated at this time. However, it is expected that continued emphasis would be placed on improving government performance in the Commonwealth, which is a primary function of DPB.

DPB is currently fast-tracking regulations; therefore, any increase in workload associated with this service should be minimal.

Finance

- *Financial Overview:*

Over 77 percent of the Department’s general fund budget supports personnel costs - salaries, wages, and fringe benefits. The remaining budget supports day-to-day operations. Included in this percentage is funding for rent, information technology needs, the School Efficiency Reviews Program, the Council on Virginia’s Future, insurances, training, office supplies, and other miscellaneous costs.

The Department also has an additional \$250,000 of nongeneral fund base budget appropriation dedicated to the Commonwealth Competition Council in each year of the biennium. This appropriation, when backed by savings generated through the Council, would support both personal and nonpersonal service costs.

- *Financial Breakdown:*

	FY 2009		FY 2010	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$8,330,623	\$250,000	\$8,330,623	\$250,000
Change To Base	\$0	\$0	\$0	\$0
Agency Total	\$8,330,623	\$250,000	\$8,330,623	\$250,000

This financial summary is computed from information entered in the service area plans.

Human Resources

- *Overview*

In fiscal year 2008, the Department of Planning and Budget had 68 authorized general fund positions, with 57 of those positions filled on July 1, 2007. DPB consists of eight divisions and is located in Richmond, Virginia.

- *Human Resource Levels*

Effective Date	7/1/2007	
Total Authorized Position level	68	
Vacant Positions	-11	
Current Employment Level	57.0	
Non-Classified (Filled)	0	breakout of Current Employment Level
Full-Time Classified (Filled)	56	
Part-Time Classified (Filled)	1	
Faculty (Filled)	0	

Wage	9
Contract Employees	0
Total Human Resource Level	66.0

= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*

DPB's staff is aging. Data show that 33.4 percent of DPB's employees are age 50 and over, with another 24.6 percent between the ages of 40 and 49. A significant percentage (14.1 percent) of these employees is either at or will be eligible for retirement in the next five years. Clearly, retirements will likely have a significant impact on DPB in future years.

During the period from July 1, 2006 through June 30, 2007, turnover for DPB was 15.8 percent (nine positions). How DPB addresses turnover and anticipated retirements will certainly impact long-term operational stability. Given these workforce trends, new training and cross training for existing staff should receive elevated importance in order to support DPB's mission.

- *Anticipated HR Changes*

With DPB facing significant retirements and high turnover, management must assess all staffing levels and assignments to determine where existing resources can best benefit the agency. Funding may be needed to support changes coming out of the management assessment. An example where additional funds might be needed is in the training arena, especially if retirements occur earlier than projected. Extra training opportunities will have to be offered to augment new staff's knowledge of various programs and processes. Also, funding to support associated retirement costs (annual, compensatory, and sick leave payouts) could become necessary should a retirement spike occur in a given year.

Moving to a human resources administrative service center outside of DPB was identified as a cost-saving strategy for the next biennium. It is expected that this strategy will generate permanent savings; however, there could be unidentified transition costs to bridge the current environment to the future state.

Information Technology

- *Current Operational IT Investments:*

The Commonwealth of Virginia has consistently received the highest bond ratings and rankings for government performance and is recognized nationally as a leader in strategic planning and performance budgeting. In an effort to continue this level of management excellence, the Department of Planning and Budget (DPB) recognizes the need to replace its aging legacy systems that support strategic planning and budgeting with a modern, fully integrated performance budgeting system.

Today the Commonwealth's strategic planning and budget development processes use a wide variety of disparate systems. These systems have limited integration and interfacing capabilities. A common problem shared throughout the enterprise is the need for essentially the same budget data to be entered multiple times. Because of this, a significant amount of time and effort is spent double-checking and verifying data to ensure that it is "in balance." In addition to DPB's systems, the Commonwealth has a collection of agency systems that are used in the strategic planning and budget processes. These systems lack integration, and significant manual processing is necessary.

DPB, in partnership with the Virginia Enterprise Applications Program and the Virginia Information Technologies Agency, developed and released a request for proposals for the procurement and implementation of a performance budgeting system. The goal is to replace the variety of systems, databases, spreadsheets, and documents that currently support strategic planning and budgeting with a modern, Web-based, integrated, user-friendly system. This system will also move the Commonwealth forward by providing additional performance budgeting functionality.

- *Factors Impacting the Current IT:*

The Virginia Information Technologies Agency (VITA) in partnership with Northrop Grumman Corporation has responsibility for the Department's network and hardware. Since transformation to this work environment has not been completed, uncertainty exists with regard to what the transformation will finally look like.

- *Proposed IT Solutions:*

The enterprise application Public-Private Educational Facilities and Infrastructure Act (PPEA) project for performance budgeting continues to move forward through the Virginia Enterprise Applications Program (VEAP). VEAP anticipates that a new budgeting system could be operational in FY 2011.

Agency IT Investments: Because the Virginia Information Technologies Agency (VITA) now owns and controls DPB's network hardware and software, it is difficult to project significant technology procurements for the next biennium. Until VITA directs otherwise, DPB will continue to use Novell Netware 6.5 as its network operation system, Microsoft Outlook

for email, and Microsoft XP as its desktop operating system.

- *Current IT Services:*

Estimated Ongoing Operations and Maintenance Costs for Existing IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Projected Service Fees	\$295,117	\$0	\$299,544	\$0
Changes (+/-) to VITA Infrastructure	\$0	\$0	\$0	\$0
Estimated VITA Infrastructure	\$295,117	\$0	\$299,544	\$0
Specialized Infrastructure	\$0	\$0	\$0	\$0
Agency IT Staff	\$0	\$0	\$0	\$0
Non-agency IT Staff	\$0	\$0	\$0	\$0
Other Application Costs	\$188,952	\$0	\$188,952	\$0
Agency IT Current Services	\$484,069	\$0	\$488,496	\$0

Comments:

[Nothing entered]

- *Proposed IT Investments*

Estimated Costs for Projects and New IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Major IT Projects	\$0	\$0	\$0	\$0
Non-major IT Projects	\$0	\$0	\$0	\$0
Agency-level IT Projects	\$0	\$0	\$0	\$0
Major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Non-major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Total Proposed IT Investments	\$0	\$0	\$0	\$0

- *Projected Total IT Budget*

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Current IT Services	\$484,069	\$0	\$488,496	\$0
Proposed IT Investments	\$0	\$0	\$0	\$0
Total	\$484,069	\$0	\$488,496	\$0

[Appendix A](#) - Agency's information technology investment detail maintained in VITA's ProSight system.

Capital

- *Current State of Capital Investments:*

Not applicable.

- *Factors Impacting Capital Investments:*
Not applicable.
- *Capital Investments Alignment:*
Not applicable.

Agency Goals

Goal 1

Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.

Goal Summary and Alignment

Accomplishment of this goal will protect the state's fiscal reputation and its AAA bond rating as well as maintain the Commonwealth's standing as the best-managed state in the nation.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal 2

Provide objective, accurate, and timely information with respect to planning and evaluation of fiscal, legislative and regulatory activities, in order to enhance the efficiency and effectiveness of state government.

Goal Summary and Alignment

Accomplishment of this goal will protect the state's fiscal reputation and its AAA bond rating as well as maintain the Commonwealth's standing as the best-managed state in the nation.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal Objectives

- 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.

Objective Strategies

- Keep Cabinet officials informed on upcoming changes and issues.
- Facilitate the development and improvement of agency performance measures reported in Virginia Performs, ensuring appropriate linkage to the budget.
- Conduct a survey of the Governor's Office and Cabinet to assess their rating of the timeliness and quality of DPB's analysis with respect to budget issues, proposed legislation, economic forecasting, regulatory review and evaluation.
- Analyze survey feedback and communicate results to DPB staff. Develop and implement improvements to address less-than-satisfactory ratings.

Link to State Strategy

- nothing linked

Objective Measures

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

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: Average rating of 4.5 or more (Good to excellent on a scale of 1 to 5) by June 30, 2010

Data Source and Calculation: Annual survey of the Governor, Governor's policy staff, and the Governor's Cabinet. Calculation: Sum of ratings divided by the number of ratings.

Goal 3

Continue to strengthen communication and relationships with customers.

Goal Summary and Alignment

Accomplishment of this goal will protect the state's fiscal reputation and its AAA bond rating as well as maintain the Commonwealth's standing as the best-managed state in the nation.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal 4

Attract and retain highly qualified and energetic individuals to carry out the mission of the agency.

Goal Summary and Alignment

Accomplishment of this goal will protect the state's fiscal reputation and its AAA bond rating as well as maintain the Commonwealth's standing as the best-managed state in the nation.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal 5

Strengthen the culture of preparedness across state agencies, their employees and customers.

Goal Summary and Alignment

This goal ensures compliance with federal and state regulations, polices and procedures for Commonwealth preparedness, as well as guidelines promulgated by the Assistant to the Governor for Commonwealth Preparedness, in collaboration with the Governor's Cabinet, the Commonwealth Preparedness Working Group, the Department of Planning and Budget and the Council on Virginia's Future. This goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Alignment to Statewide Goals

- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Objectives

- We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

Objective Strategies

- The agency Emergency Coordination Officer will stay in continuous communication with the Office of Commonwealth Preparedness and the Virginia Department of Emergency Management.

Link to State Strategy

- nothing linked

Objective Measures

- Agency Continuity of Operations Plan (COOP) Assessment Score

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: .94 - 2007 COOP Assessment Results (45 of 48 points)

Measure Target Value: Date:

Measure Target Description: .99

Data Source and Calculation: The COOP Assessment Review is a 24-component assessment tool that helps measure the viability of a COOP plan.

Service Area Strategic Plan

Department of Planning and Budget (122)

3/13/2014 9:17 am

Biennium: 2008-10 ▼

Service Area 1 of 5

Budget Development and Budget Execution Services (122 715 02)

Description

This service area consists of two components – budget development and budget execution. The two work in tandem to produce Virginia’s biennial budget and subsequent amended budgets. Each one is described below in detail and is mandated by Section 2.2-1501 of the Code of Virginia. Both include operating and capital budgets.

Budget development is the methodical process used to create the Governor’s executive budget. In general, the biennial budget development process begins in the spring with the preparation of budget instructions for state agencies. This initial phase is followed by a second in September or October whereby funding requests for new initiatives are submitted by state agencies to the Department of Planning and Budget (DPB) for analysis and evaluation. This second phase also requires DPB staff to make forecasts of major budget drivers. Both phases are essential for making recommendations to the Governor on funding issues and levels. They lead to the production of the budget document, budget bill, budget press package, and any subsequent executive amendments, if necessary. Thereafter, budget development is directed toward analyzing the General Assembly’s committee and conference amendments. This effort assists the Governor in taking actions for the reconvened General Assembly session (amendments and item vetoes) and actions on the re-enrolled budget bill. Budget development concludes in late April or early May upon signing of the budget by the Governor.

Budget execution is the implementation component of Virginia’s budget process that allows state agencies to spend appropriations. Within this component, appropriations and allotments are reviewed and approved, expenditures are monitored, and instructional guidance is issued to state agencies on matters such as year-end close and new-year start-up. Budget execution also includes the preparation of decision briefs that are used in making certain budgetary decisions. Although much of budget execution follows budget development, it is a year-round activity.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission

The two phases of budget development are essential for making recommendations to the Governor on funding issues and levels, which supports DPB’s mission of advising the Governor on how to wisely use public resources for the benefit of all Virginians.

Budget execution includes the preparation of decision briefs that are used in making certain budgetary decisions, which also supports DPB’s mission of advising the Governor on how to wisely use public resources for the benefit of all Virginians.

- Describe the Statutory Authority of this Service

Title 2.2, Chapter 15 and Chapter 26. Article 8, Code of Virginia

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
General Assembly members	General Assembly members	140	140
General Public (The number of Virginian’s served is unknown and unlimited. Since the system does not allow for text, zero was entered into the customer fields.)	General public	0	0
Governor	Governor	1	1
Governor’s Policy staff	Governor’s Policy staff	6	6
Governor’s Secretaries and Deputy Secretaries	Governor’s Secretaries and Deputy Secretaries	26	30
State agencies	State agencies	200	200

Anticipated Changes To Agency Customer Base

The budget development and budget execution service area anticipates no significant changes to its customer base.

Partners

Partner	Description
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[None entered]

Products and Services

- *Factors Impacting the Products and/or Services:*
There are no known factors that would adversely impact the delivery of products and services in this service area.
- *Anticipated Changes to the Products and/or Services*
No anticipated changes are expected in this service area.
- *Listing of Products and/or Services*
 - Budget bill
 - Budget document
 - Governor’s budget press package
 - Budget development and execution instructions for state agencies
 - Analysis of budget proposals and development of recommendations for the Governor
 - Year-end close & new-year start-up instructions for state agencies
 - Procedures for monitoring agency expenditures
 - Decision briefs for budget execution decisions
 - Planning and performance measure instructions, handbook and training for state agencies
 - Tracking of agency performance measures
 - Analyses of federal budget proposals and actions that may affect Virginia
 - Serve on legislative and executive task forces
 - Advisory assistance to various panels, committees, and commissions
 - Presentations on fiscal and budgetary policy

Finance

- *Financial Overview*
General fund appropriation supports personal and nonpersonal service costs for this service area.
- *Financial Breakdown*

	FY 2009		FY 2010		FY						
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund	2009	2010	2009	2010	2009	2010	2010
Base Budget	\$4,921,588	\$0	\$4,921,588	\$0							
Change To Base	\$0	\$0	\$0	\$0							
Service Area Total	\$4,921,588	\$0	\$4,921,588	\$0							
Base Budget	\$4,921,588	\$0	\$4,921,588	\$0							
Change To Base	\$0	\$0	\$0	\$0							

Service Area Total	\$4,921,588	\$0	\$4,921,588	\$0
Base Budget	\$4,921,588	\$0	\$4,921,588	\$0
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$4,921,588	\$0	\$4,921,588	\$0
Base Budget	\$4,921,588	\$0	\$4,921,588	\$0
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$4,921,588	\$0	\$4,921,588	\$0
Base Budget	\$4,921,588	\$0	\$4,921,588	\$0
Change To Base	\$0	\$0	\$0	\$0

Service Area Total	\$4,921,588	\$0	\$4,921,588	\$0
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Human Resources

- *Human Resources Overview*
test
- *Human Resource Levels*

Effective Date		
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	
Non-Classified (Filled)		} breakout of Current Employment Level
Full-Time Classified (Filled)		
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage		
Contract Employees		
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

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

Objective Description

Achievement of this objective assures fiscal integrity in the Commonwealth's budget by avoiding the use of short-term or "one-time" monies for ongoing or long-term commitments.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.

Objective Strategies

- Submit a budget to the General Assembly that manages the available general fund resources resulting from one-time revenues and savings actions.
- Submit a budget to the General Assembly that has clear performance measures for budget actions involving new initiatives.
- Continue development of a new performance budgeting system for the Commonwealth.

Link to State Strategy

- nothing linked

Objective Measures

- Ratio of recurring general fund revenue to recurring general fund spending

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: Equal to or greater than one through June 30, 2010

Data Source and Calculation: The introduced budget bill is the analysis source for calculating this measure.
Calculation: Recurring general fund revenue divided by recurring general fund spending

- Percent of new budget initiatives in the introduced budget bill with specified performance measures or outcomes.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 100 percent as of June 30, 2010

Data Source and Calculation: The introduced budget bill is the analysis source for calculating this measure.

- Ensure accurate actions in executing the state budget.

Objective Description

A focus on accuracy ensures that DPB's work is reliable and efficient. In addition, accuracy ensures that monies allocated to agencies are available when needed to service their customers.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.
- Agency Goal: Continue to strengthen communication and relationships with customers.

Objective Strategies

- Educate DPB analysts on appropriateness of changes to special fund operating appropriations.
- Supplement the DPB operations manual with additional explanatory information on how to address special fund

operating appropriations.

- Provide additional training to DPB analysts on budget execution and on the FATS manual and guidelines for processing FATS transactions.

Link to State Strategy

- nothing linked

Objective Measures

- FATS transaction error rate

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 5 or fewer per 1,000 transactions as of June 30, 2010

Data Source and Calculation: Source: Probud; Calculation: Number of Probud Services FATS transactions per 1,000 transactions that hit the error file

- Administratively approved special fund and dedicated special fund operating appropriations as a percentage of the total special fund and dedicated special fund operating appropriations in the Appropriation Act each year

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 5 percent or less as of June 30, 2010

Data Source and Calculation: Source: Probud; Calculation: Amounts appropriated by FATS transactions for special funds and dedicated special funds during a fiscal year divided by special fund/dedicated special fund appropriations in the Appropriation Act for that year

- Conduct timely and comprehensive analyses of the federal budget.

Objective Description

Changes in the federal budget can have direct impacts on the Commonwealth's budget. Thus, timely and comprehensive analyses of federal budget changes helps to ensure that agencies are aware of both positive and negative changes in the availability of federal funds (e.g., availability of grant monies for current or proposed agency programs; reduction in funding for specified programs).

Alignment to Agency Goals

- Agency Goal: Continue to strengthen communication and relationships with customers.

Objective Strategies

- Maintain ongoing communications with the Liaison Office.
- Review NASBO information on federal funds.
- Conduct a survey of the Governor's Office, Cabinet and Liaison Office to assess their rating of the timeliness and comprehensiveness of DPB's analyses of the federal budget.
- Assign resources for analyses.
- Monitor the federal budget.

Link to State Strategy

- nothing linked

Objective Measures

- Average rating of survey respondents' satisfaction with respect to timeliness and comprehensiveness of DPB's federal budget analyses.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 4.5 (Good to excellent on a scale of 1 to 5) as of June 30, 2010

Data Source and Calculation: Annual survey of the Governor, Liaison Office and Cabinet. Calculation: Sum of ratings divided by the number of ratings.

Service Area Strategic Plan

Department of Planning and Budget (122)

3/13/2014 9:17 am

Biennium: 2008-10 ▼

Service Area 2 of 5

Legislation and Executive Order Review Service (122 715 04)

Description

Legislation review provides information to enable the Governor and General Assembly members to assess proposed legislation in order to make informed decisions regarding budget, regulatory, and policy issues. It also helps the Governor and General Assembly provide adequate resources to implement statutory changes that have a fiscal impact. The service uses an electronic fiscal impact statement system (EFIS) that makes fiscal impact statements more readily available to the public during the legislative session.

The legislative review process begins in July and runs through April, with most work occurring in the January-April time frame.

At the request of the Governor's Office, DPB provides technical assistance on executive orders to help ensure clarity, accuracy, and completeness. Additionally, DPB maintains an executive order inventory.

Background Information

Mission Alignment and Authority

- *Describe how this service supports the agency mission*
The legislation and executive order reviews support the agency's mission of advising the Governor on how to wisely use public resources for the benefit of all Virginians.
- *Describe the Statutory Authority of this Service*
Legislative review is not mandated within DPB's codified responsibilities. It was, however, originally assigned to the agency in a 1975 executive order. Executive order review is also not a mandated responsibility.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
General Assembly members	General Assembly members	140	140
General Public (The number of Virginian's served is unknown and unlimited. Since the system does not allow for text, zero was entered into the customer fields.)	General public	0	0
Governor	Governor	1	1
Governor's Policy staff	Governor's Policy staff	6	6
Governor's Secretaries and Deputy Secretaries	Governor's Secretaries and Deputy Secretaries	26	30
State agencies	State agencies	200	200

Anticipated Changes To Agency Customer Base

The are no changes anticipated to the customer base for this service area.

Partners

Partner	Description
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[None entered]

Products and Services

- *Factors Impacting the Products and/or Services:*
There are no known factors that would adversely impact the delivery of products and services in this service area.
- *Anticipated Changes to the Products and/or Services*

No anticipated changes are expected in this service area.

- *Listing of Products and/or Services*

- Instructions for agencies regarding development of legislative proposals
- Recommendations to the Governor on agency legislative proposals
- Fiscal impact statements on bills introduced in the General Assembly
- Executive order assistance

Finance

- *Financial Overview*

General fund appropriation supports personal and nonpersonal service costs for this service area.

- *Financial Breakdown*

	FY 2009		FY 2010		FY 2009	FY 2010	FY 2009	FY 2010	FY 2009	FY 2010
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund						
Base Budget	\$65,363	\$0	\$65,363	\$0						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$65,363	\$0	\$65,363	\$0						
Base Budget	\$65,363	\$0	\$65,363	\$0						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$65,363	\$0	\$65,363	\$0						
Base Budget	\$65,363	\$0	\$65,363	\$0						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$65,363	\$0	\$65,363	\$0						
Base Budget	\$65,363	\$0	\$65,363	\$0						
Change To Base	\$0	\$0	\$0	\$0						
Service Area Total	\$65,363	\$0	\$65,363	\$0						

Human Resources

- *Human Resources Overview*
test

- *Human Resource Levels*

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Effective Date		
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	
Non-Classified (Filled)		} breakout of Current Employment Level
Full-Time Classified (Filled)		
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage		
Contract Employees		
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

- Provide accurate, timely analysis of the fiscal and related impacts of legislation.

Objective Description

DPB provides the General Assembly and Governor with analyses of how constituents and the Commonwealth's budget, policies and service levels may be impacted by legislation.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.
- Agency Goal: Continue to strengthen communication and relationships with customers.

Objective Strategies

- Triage bills as they are introduced to determine which have fiscal impacts and need fiscal analysis, giving high priority to bills that go to money committees.
- Do formal, fiscal impact analyses on all enrolled bills.
- Review all legislation being submitted at the request of the Governor for fiscal, policy and regulatory impacts.

Link to State Strategy

- nothing linked

Objective Measures

- Percentage of all versions of bills assigned to DPB (excluding those marked "no review") for which fiscal impact statements were issued

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: .685 (Results from the 2007 General Assembly Session)

Measure Target Value: Date:

Measure Target Description:

Data Source and Calculation: 1. Copy the "Main.mdb" Access table from EFIS into Excel. Sort on only the bills assigned to DPB. 2. Sort the DPB bills into four categories: No Review, Superseded, Dead, and Completed. 3. Divide the number of bills with fiscal impact statements issued by the number of bills (minus No Reviews) assigned to DPB.

- Percentage of enrolled bills in the House and Senate for which there was a fiscal impact statement prepared by DPB but no fiscal impact statement was prepared for a prior version.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: .102 (Results from the 2007 General Assembly Session)

Measure Target Value: Date:

Measure Target Description:

Data Source and Calculation: 1. In EFIS's "Master.mdb" database, identify all versions of enrolled bills that had FISs prepared by DPB. This can be done by sorting on the Assignee. 2. For the records identified in step 1, make identification of the enrolled bills easier by highlighting the word, "Enrolled" by using global replace to increase font size, make bold, etc. 3. Sort on the range in step 1 by bill number. 4. Count how many of the enrolled bill FISs that did not have a FIS issued in a prior version. Also count how many enrolled FISs were completed. 5. For the bills with no prior FISs, check in the LIS history to determine if the Criminal Sentencing Commission or The Department of Taxation issue a FIS. 6. Divide the number of enrolled bill FISs that did not have a prior version by the total number of enrolled bill FISs to get the percentage.

- Average satisfaction rating of the Governor's policy staff with the quality and timeliness of the impact analyses

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 4.5 (Good to excellent on a scale of 1 to 5) as of June 30, 2010

Data Source and Calculation: Annual survey of the Governor's policy staff; Calculation: Sum of ratings divided by the number of ratings.

Service Area Strategic Plan

Department of Planning and Budget (122)

3/13/2014 9:17 am

Biennium: 2008-10 ▼

Service Area 3 of 5

Forecasting and Regulatory Review Service (122 715 05)

Description

The service area of forecasting and regulatory review services is responsible for three primary functions: (1) assessing the policy implications and estimating the economic impact on Virginia of all proposed regulations, with the objective of designing regulations in the most efficient, effective, and least intrusive manner, (2) coordinating and educating Virginians about Virginia's rulemaking process and advising the Governor's Secretaries and Policy Office concerning regulatory matters, and (3) forecasting major budget items such as Medicaid expenditures; prison, jail, and juvenile correctional center populations; TANF caseloads; FAMIS expenditures; and Supreme Court trial expenditures.

Background Information

Mission Alignment and Authority

- *Describe how this service supports the agency mission*
This service area supports DPB's mission of analyzing various fiscal, programmatic, and regulatory policies.
- *Describe the Statutory Authority of this Service*
Section 2.2-4007.04 of the Code of Virginia

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Active registered users of the Virginia Regulatory Town Hall website	Active registered users of the Virginia Regulatory Town Hall website	5,042	7,500
DPB staff	DPB staff	56	68
General Assembly members	General Assembly members	140	140
General Public (The number of Virginian's served is unknown and unlimited. Since the system does not allow for text, zero was entered into the customer fields.)	General Public	0	0
Governor	Governor	1	1
Governor's Policy staff	Governor's Policy staff	6	6
Governor's Secretaries and Deputy Secretaries	Governor's Secretaries and Deputy Secretaries	26	30
State agencies	State agencies	200	200

Anticipated Changes To Agency Customer Base

Forecasting and regulatory review services anticipates no significant changes to its customer base.

Partners

Partner	Description
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[None entered]

Products and Services

- *Factors Impacting the Products and/or Services:*
There are no known factors that would adversely impact the delivery of products and services in this service area.
- *Anticipated Changes to the Products and/or Services*
No anticipated changes are expected in this service area.
- *Listing of Products and/or Services*

- Economic impact statements and policy analyses on proposed regulations
- Maintenance of the Virginia Regulatory Town Hall website
- Coordination of the rulemaking process across state agencies
- Training on the Virginia Regulatory Town Hall website and state rulemaking process
- Forecasts of major budget items such as Medicaid expenditures; prison, jail, and juvenile correctional center populations; TANF caseloads; FAMIS expenditures; and Supreme Court trial expenditures.

Finance

- *Financial Overview*
General fund appropriation supports personal and nonpersonal service costs for this service area.
- *Financial Breakdown*

	FY 2009		FY 2010		FY 2009	FY 2010	FY 2009	FY 2010
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund				
Base Budget	\$700,249	\$0	\$700,249	\$0				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$700,249	\$0	\$700,249	\$0				
Base Budget	\$700,249	\$0	\$700,249	\$0				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$700,249	\$0	\$700,249	\$0				
Base Budget	\$700,249	\$0	\$700,249	\$0				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$700,249	\$0	\$700,249	\$0				
Base Budget	\$700,249	\$0	\$700,249	\$0				
Change To Base	\$0	\$0	\$0	\$0				
Service Area Total	\$700,249	\$0	\$700,249	\$0				

Human Resources

- *Human Resources Overview*
[Nothing entered]
- *Human Resource Levels*

Effective Date	
Total Authorized Position level	0
Vacant Positions	0
Current Employment Level	0.0
Non-Classified (Filled)	
Full-Time Classified (Filled)	
Part-Time Classified (Filled)	
Faculty (Filled)	
Wage	

breakout of Current Employment Level

Contract Employees

Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees
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- **Factors Impacting HR**
[Nothing entered]
- **Anticipated HR Changes**
[Nothing entered]

Service Area Objectives

- Provide timely analysis of the economic impact of proposed regulations, with the objective of designing regulations in the most efficient, effective, and least intrusive manner.

Objective Description

Section 2.2-4007.04 of the Code requires that DPB prepare an economic impact analysis (EIA) for all non-exempt proposed regulations within 45 days of receipt. An EIA typically clearly and concisely describes the expected economic impact of a regulatory proposal on Virginians. An EIA may produce significant value added for (1) the Governor when deciding whether or not to approve proposed regulations, (2) legislators in learning about the benefits and costs of regulations, and (3) the regulated community and other members of the public who may be directly or indirectly affected by the proposed regulations. An EIA is a public document and may be viewed on the Virginia Regulatory Town Hall website.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.

Objective Strategies

- Provide economic impact analysis reports that correctly indicate economic costs and benefits of proposed regulatory change, using, where feasible, existing reference and high-quality research.
- Provide review within the statutory deadlines that adds positively to public discourse.
- Verify and improve the design of proposed (stage) regulations to maximize economic benefits and minimize economic costs.
- Make implementable recommendations that result in design improvements and that advance the Governor's public policy goals.

Link to State Strategy

- nothing linked

Objective Measures

- The percentage of economic impact analyses that are completed within 45 calendar days from receipt of proposed (stage) regulation.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 90 percent or more completed within the 45 calendar day standard as of June 30, 2010

Data Source and Calculation: Deadlines for the completion of economic impact analyses are statutory and are explicitly stated on the Virginia Regulatory Town Hall website. Also explicitly stated is the date that any given regulatory action is completed and uploaded onto the website. A comparison of these two dates will indicate whether the regulatory review was completed on or before the stated deadline.

- Develop timely and accurate forecasts for major state programs for planning and budgeting purposes.

Objective Description

The Department produces annual forecasts for the following significant state programs, which are provided to decision makers as key input for each year's budget decisions as well as for longer range policy and planning for key budget

drivers: Medicaid Expenditures (DPB has statutory authority for this forecast.); Public Safety Admissions and Inmate Population forecasts for state prisons, local jails, state juvenile correctional facilities, and detention homes; Criminal Fund forecast.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.

Objective Strategies

- Maintain expertise on relevant forecasting techniques and models to maintain quality.
- Manage forecast production to optimize usefulness to decision makers.
- Assure forecast results are communicated effectively.
- Perform other economic analyses and projections, upon request.

Link to State Strategy

- nothing linked

Objective Measures

- Accuracy of the official forecast for total Medicaid expenditures.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 3 percent (Actual Medicaid expenditures will fall within +/-3% of the prior fiscal year's official forecast of Medicaid expenditures.)

Data Source and Calculation: For this forecast, the division will calculate the percentage difference between the forecasted value and actual value.

- Accuracy of DPB's forecast for total state responsible inmate population.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: .0022 (FY 2007)

Measure Target Value: Date:

Measure Target Description: 3 percent (Actual state responsible inmate population will fall within +/-3% of the prior fiscal year's forecast of state responsible inmate population.)

Data Source and Calculation: For this forecast, the division will calculate the average monthly percentage difference between the forecasted value and actual value.

- Facilitate public awareness and participation in the development of state government regulations.

Objective Description

The Department is required to maintain a web-based system for managing the regulatory process and for providing public access to regulatory information as it becomes available. The Virginia Regulatory Town Hall web application uses advanced web and database technology to allow agencies and members of the public to learn about Virginia regulations, track regulatory activity, and offer public comments. The web site also allows agencies to post the minutes of any meetings concerning regulatory matters. In addition, DPB issues instructions and conducts training for agency regulatory coordinators and the public.

Alignment to Agency Goals

- Agency Goal: Continue to strengthen communication and relationships with customers.

Objective Strategies

- Train agency users and executive branch reviewers on the rulemaking process and how to use the Town Hall

website.

- Develop ways to promote public participation in the regulatory process.
- Track legislative proposals that may result in or have an impact on rulemaking activity.
- Formulate legislative proposals to improve regulatory processes.

Link to State Strategy

- nothing linked

Objective Measures

- The number of times files from the Virginia Regulatory Town Hall are downloaded by the public.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: Reflects a two percent increase over 2006

Data Source and Calculation: Number of file downloads by the public on the Virginia Regulatory Town Hall website.

Service Area Strategic Plan

Department of Planning and Budget (122)

3/13/2014 9:17 am

Biennium: 2008-10 ▼

Service Area 4 of 5

Program Evaluation Service (122 715 06)

Description

The service area of Evaluation Services contains three primary functions:

School Efficiency Review Program: The purpose of the reviews is to identify savings that can be gained through best practices in organization, service delivery, human resources, facilities, finance, transportation, technology management and other non-instructional areas, thereby allowing local school divisions to redirect administrative savings back into the classroom for an even greater investment in the children of Virginia. Business practices that appear to be more efficient than those found elsewhere are also documented and shared with other school divisions across the Commonwealth.

Best Management Practices Studies: Studies are conducted to analyze managerial and programmatic issues and present recommendations to ensure effective and efficient outcomes for the citizens of Virginia. The staff serves as the primary program evaluation instrument for the executive branch.

Support for the Commonwealth Competition Council (CCC): This function provides staffing and operational support to the CCC. This includes documenting and validating savings recommendations, providing logistical support for all CCC activities, preparing required reports and presentations, maintaining the CCC website, and determining the amount of an appropriation no longer needed when privatization occurs and unalloting that funding.

Background Information

Mission Alignment and Authority

- Describe how this service supports the agency mission

This service area supports DPB's mission of analyzing and developing various fiscal, programmatic, and regulatory policies. In addition, it provides assessments to support the wise use of public resources for the benefit of all Virginians.

- Describe the Statutory Authority of this Service

Section 2.2-1501 of the Code of Virginia (Duties of Department - Conduct of policy analysis and program evaluation for the Governor)

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
Commonwealth Competition Council (members)	Commonwealth Competition Council (members)	15	15
Council on Virginia's Future (members)	Council on Virginia's Future (members)	18	18
General Assembly members	General Assembly members	140	140
General Public (The number of Virginian's served is unknown and unlimited. Since the system does not allow for text, zero was entered into the customer fields.)	General Public	0	0
Governor	Governor	1	1
Governor's Policy staff	Governor's Policy staff	6	6
Governor's Secretaries and Deputy Secretaries	Governor's Secretaries and Deputy Secretaries	26	30
Local government (cities and counties)	Local government	134	134
State agencies	State agencies	200	200

Anticipated Changes To Agency Customer Base

Program evaluation services anticipates no significant changes to its customer base.

Wage	
Contract Employees	
Total Human Resource Level	0.0 = <i>Current Employment Level + Wage and Contract Employees</i>

- **Factors Impacting HR**
[Nothing entered]
- **Anticipated HR Changes**
[Nothing entered]

Service Area Objectives

- Facilitate improvement of the efficiency and effectiveness of executive branch agency operations.

Objective Description

Best management practices conducts studies to identify opportunities to increase the efficiency and effectiveness of programs under review.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.
- Agency Goal: Provide objective, accurate, and timely information with respect to planning and evaluation of fiscal, legislative and regulatory activities, in order to enhance the efficiency and effectiveness of state government.

Objective Strategies

- Set up a methodology to monitor project timeliness and acceptance of recommendations.
- Conduct objective evaluations of specified programs and processes.

Link to State Strategy

- nothing linked

Objective Measures

- Percent of evaluation study recommendations accepted

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: Acceptance of 97 percent of recommendations by the end of the 12 month period following submission of the school review report.

Data Source and Calculation: A written inquiry of status will be used to calculate the data. The calculation will reflect a rolling average of the most recent three studies.

- Facilitate ways for local school divisions to save money in non-instructional areas.

Objective Description

Conduct studies to identify possible areas of savings in local school divisions using established school efficiency assessment protocols.

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.
- Agency Goal: Continue to strengthen communication and relationships with customers.

Objective Strategies

- Solicit volunteer school divisions for upcoming fiscal years.
- Identify funds to be used to contract for studies.

- Conduct objective evaluations of non-instructional areas within specified schools.
- Manage contracting and performance of private firms.
- Capture and report savings.

Link to State Strategy

- nothing linked

Objective Measures

- Percent of school efficiency recommendations implemented

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 95 percent as of June 30, 2010

Data Source and Calculation: Supervisors are queried in follow-ups to studies to determine the extent of implementation. Recommendations that are fully implemented, partially implemented, implemented by substitute, or on track for implementation are included as positives in this calculation. Recommendations that are reported as “considered and rejected” are not.

- Net savings identified in school efficiency reviews as a percent of total operating budgets in studied divisions.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: 3.0 Percent by 6/30/2010

Data Source and Calculation: Final reports indicate net savings. DOE data captures total budgets. Figure reported is the average net savings percentage for studies completed in the fiscal year

Service Area Strategic Plan

Department of Planning and Budget (122)

3/13/2014 9:17 am

Biennium: 2008-10 ▼

Service Area 5 of 5

Administrative Services (122 715 98)

Description

This service area consists of three primary subunits: employee relations, fiscal services, and facilities management. It also coordinates and implements actions (mandates, directives, changes, etc.) initiated by the Virginia Information Technologies Agency. Five employees provide the services below to approximately 56-68 staff at any given time.

Employee relations: Provides a wide range of personnel services to the agency. Services include benefits administration, payroll coordination, state/federal policy interpretations, employee performance evaluations, position classification reviews, and employee development/training opportunities. Although administrative services coordinates payroll activity, the Department of Accounts processes the agency's payroll, including the reporting of wage data to the federal government. The employee relations subunit also develops the agency's workforce plan, which describes and analyzes staff issues, projects attrition, and forecasts future staffing needs.

Fiscal services: Provides accounting, budgeting, and procurement services to the agency. Invoices and purchase orders are processed and reconciled in a manner consistent with standards established by the Commonwealth Accounting and Reporting System, vendor Prompt Pay, eVA (electronic procurement), and the Agency Procurement and Surplus Property Manual. Budgeting/expenditure services are also provided to ensure that expenditures are always within allotted appropriation levels.

Facilities management: Provides space allotments, renovations, and communication coordination in the agency. It is also responsible for problem resolution on matters that affect employees such as safety, security and comfort in the work environment.

Background Information

Mission Alignment and Authority

- *Describe how this service supports the agency mission*
This service area ensures that sound management practices and qualified staff members are in place to carry out the mission of the agency.
- *Describe the Statutory Authority of this Service*
Not applicable.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
DPB staff	DPB staff	56	68
Governor's Secretaries and Deputy Secretaries	Governor's secretaries (upon request)	26	30
State agencies	State agencies	200	200

Anticipated Changes To Agency Customer Base
No significant changes to the customer base are anticipated.

Partners

Partner	Description
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[None entered]

Products and Services

- *Factors Impacting the Products and/or Services:*
DPB believes that it can continue to provide the services listed. However, the agency's migration to an external administrative services center in the next biennium could change how services are delivered to staff.
- *Anticipated Changes to the Products and/or Services*

There are no anticipated changes to products and service in this service area, only the manner in which they may be delivered.

- *Listing of Products and/or Services*
 - Employee relations services for agency staff members
 - Fiscal services for the agency
 - Facilities management services for the agency

Finance

- *Financial Overview*
General fund appropriation supports personal and nonpersonal service costs for this service area.
- *Financial Breakdown*

	FY 2009		FY 2010	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$493,449	\$0	\$493,449	\$0
Change To Base	\$0	\$0	\$0	\$0
Service Area Total	\$493,449	\$0	\$493,449	\$0

Human Resources

- *Human Resources Overview*
[Nothing entered]
- *Human Resource Levels*

Effective Date	7/1/2007	
Total Authorized Position level	0	
Vacant Positions	0	
Current Employment Level	0.0	
Non-Classified (Filled)	0	breakout of Current Employment Level
Full-Time Classified (Filled)	0	
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	0	
Contract Employees	0	
Total Human Resource Level	0.0	= Current Employment Level + Wage and Contract Employees

- *Factors Impacting HR*
[Nothing entered]
- *Anticipated HR Changes*
[Nothing entered]

Service Area Objectives

- Ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Objective Description

This objective, which is shared by all of Virginia’s state agencies, ensures that sound management practices are exercised in several areas: human resource management, government procurement, financial management, technology, performance management and resource stewardship. DPB reports on each area and publishes the

results in the Governor's Management Scorecard, which is available through the Commonwealth's Virginia Performs website (www.vaperforms.gov).

Alignment to Agency Goals

- Agency Goal: Provide the highest quality financial management for the Commonwealth to protect its fiscal integrity.

Objective Strategies

- Review scorecard categories each quarter and take timely corrective actions to ensure that scorecard expectations are met or exceeded.

Link to State Strategy

- nothing linked

Objective Measures

- Percent of Governor's Management Scorecard categories marked as "meets expectations" for the agency.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Target Value: Date:

Measure Target Description: Reach 100 percent by June 30, 2010

Data Source and Calculation: The Governor's Management Scorecard grades agencies on six criteria. The percentage is calculated by dividing the total number of meets expectations categories in the criteria by the total number of categories for the four quarters.