

COMPENSATION BOARD FY07 BUDGET PRIORITIES

The Compensation Board develops priorities each year to be used in establishing the budgets for all Constitutional Officers. Following are general priorities the Compensation Board is following in establishing FY07 base budget amounts (based upon the requests made by Constitutional Officers in their annual budget requests and General Assembly actions):

- ◆ Level funding of existing base budgets for personnel, including salaries for permanent positions, fringe benefits, and hourly-wage/temporary funding, and for office expenses. The FY07 budgets include annualization of the December 2005 salary increase.
- ◆ Implementation of Career Development Programs and associated pay increases for Sheriffs, Treasurers, Commissioners of the Revenue and Deputy Treasurers and Deputy Commissioners of the Revenue. Continued implementation of the Master Deputy/Jail Officer and Career Prosecutor programs at existing funding levels.
- ◆ Allocation of positions and funding established through legislative actions
- ◆ Salary adjustments for Constitutional Officers changing population groups
- ◆ Reclassifications where there is no salary cost
- ◆ Allocation of positions based on the position reallocation policy
- ◆ No funding will be provided for equipment for any Commonwealth's Attorneys, Clerks, Treasurers, Finance Directors or Commissioners of the Revenue. For Sheriffs and Regional Jails, no funding will be provided for equipment except for some approved requests for Livescan. Note for Clerks: Technology Trust Funds are not a part of your base budget funds and are handled separately.

COMPENSATION BOARD FY07 BUDGET PRIORITIES

Compensation Board budget priorities related to additional funding items for your offices that are not a part of your base budget funds are as follows:

- ◆ Salary increases of 4.0% on Dec. 1, 2006 for all constitutional officers and their Compensation Board funded permanent staff positions. The original 3.0% increase included in the Governor's Budget Bill was increased by the General Assembly Conferees.
- ◆ Reimbursement for attendance at non-Compensation Board-sponsored training events, such as VALECO, LGOC, and the Association's annual meeting will not be provided as additional allowances, but will be considered reimbursable expenses through available office expense funds. All Officers will continue to be reimbursed for the approved travel-related expenses associated with attending Compensation Board-sponsored training events such as Lawful Employment, Jail Risk and New Officer training.
- ◆ The existing policy restricting transfer of accumulated vacancy funds in Sheriffs Offices and Regional Jails will be continued in FY07. If funds become available during the course of the year, as was the case this year, then these balances may become available at some point during the year.

COMPENSATION BOARD FY07 LEGISLATIVE ISSUES

FY07 Legislative Action Summaries:

During the 2006 General Assembly Session, the Compensation Board prepared seven (7) Legislative Action Summaries (LAS) on legislation having a direct and/or indirect impact on the Compensation Board or constitutional officers. Of the seven, three (3) were of particular interest with significant potential impact.

HB658 (Chief Patron Wardrup) provided that a full-time, compensated constitutional officer who becomes a candidate for a different full-time, compensated elected office would forfeit his constitutional office. HB658 was continued to the 2007 Session in Privileges and Elections.

SB432 (Chief Patron Devolites Davis) would add two members to the Board who will be appointees of the House of Delegates and the Senate of Virginia. The gubernatorial appointee is required to be a former constitutional officer who may serve for up to six years. SB432 was continued to the 2007 Session in Local Government.

SB457 (Chief Patron Devolites Davis) provided that funds collected through the \$5 assessment in criminal and traffic cases shall only be used to fund courthouse security personnel and equipment used in connection with courthouse security. SB457 passed and was approved by the Governor on 3/31/06 with an effective date of 7/1/06.

COMPENSATION BOARD FY07 LEGISLATIVE ISSUES

Other Legislation:

Legislation was also passed relating to on-line court records and the Technology Trust Fund. HB563 removed the sunset provision and makes permanent the restriction on court clerks from posting certain personal information on a court-controlled website. In addition, the Compensation Board policies shall require circuit court clerks to certify that proposed technology improvements of their land records will provide secure remote access to land records on or before July 1, 2007. If a circuit court clerk provides remote access to land records on or before July 1, 2007, the clerk may then apply to the Compensation Board for an allocation from the Technology Trust Fund for automation and technology improvements in the civil or criminal divisions of his office. The bill also requests the Virginia Information Technologies Agency (VITA) to develop methods for the redaction of social security numbers from electronic land record documents and to submit a project budget to the Compensation Board for approval.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
SHERIFFS AND REGIONAL JAILS**

New Positions:

In addition to 29 law enforcement positions included in the Governor's Budget, the General Assembly Conferees have recommended an additional 11 law enforcement positions, for a total of 40 new positions, to fully comply with 1:1500.

The General Assembly Conferees have recommended funding for 17 new Court Services Deputy positions in Sheriffs' offices to be allocated based upon staffing standards, a reduction from the 21 new positions included in the Governor's Budget.

The Enrolled Bill includes funding to support 87 positions for the staffing of new construction for the Eastern Shore Regional Jail and the two expansion projects for the Northwestern Regional Jail.

Due to opening delays of the jail construction project in Fairfax County, funding for staffing of the jail expansion was reduced by \$1.5 million in FY06. Full funding is currently available in FY07 for positions for the Fairfax County jail expansion, pending any further action by the Governor and/or General Assembly.

No additional emergency corrections officer positions have been funded to address security needs in overcrowded jails.

Career Development Programs:

The Enrolled Bill includes language and funding for the Sheriffs' Career Development Program. As of July 1, 2006, there are 32 accredited officers that qualify and will receive a salary increase of 9.3%.

No additional funding is included in the Enrolled Bill in FY07 for the 7 additional Sheriffs' offices and 4 regional jail facilities that certified their Master Deputy/Jail Officer programs to the Compensation Board prior to July 1, 2005, and are currently not funded for their participation in the program.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
SHERIFFS AND REGIONAL JAILS**

Jail Per Diem Payments:

In FY06, funding was sufficient to cover the cost of per diem payments. Anticipated growth in costs of approximately \$4.5 million for FY07, however, is not funded at this time. This amount represents approximately one-fourth of one quarterly per diem payment projected for FY07. Language in the Appropriation Act provides that should funding available for a quarterly per diem payment be insufficient to cover the entire amount of the payment, the payment will be pro-rated accordingly. In this case, we anticipate that your 4th quarterly per diem payment may not be fully covered by the funds currently appropriated for FY07. However, another session of the General Assembly will convene and be able to consider funding needs prior to payment of the 4th quarter per diem in FY07.

Federal Overhead Recovery:

Language is included in the Appropriation Act for the recovery of the federal and out-of-state share of state-funded personnel costs. The Compensation Board determines the overhead recovery amount, and will deduct it from the quarterly per diem payment for state and local inmates. Jails that are not owed sufficient quarterly per diem amounts against which to recover the overhead amount will be required to submit a payment to the Compensation Board in the amount that the overhead costs exceed the per diem payment amount.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
SHERIFFS AND REGIONAL JAILS**

Jail Contract Bed Program:

Funding is included in the jails' per diem appropriation for a contract bed program between the Department of Corrections (DOC) and local and regional jail facilities. Local and regional jails receiving per diem funding are required to give priority to the housing of inmates in order of local-responsible, state-responsible, and state contract inmates. Funding in the amount of \$2,555,000 is appropriated for local and regional jails to enter into agreements with the Director of DOC for up to 500 beds to house state-responsible offenders and to effect transfers of convicted state felons between and among local and regional jails. The Compensation Board will reimburse localities not to exceed \$14 per state felon day in addition to amounts reimbursed in the standard quarterly per diem payments.

Withholding of Reimbursements:

Effective July 1, 2007, the Compensation Board is authorized to withhold reimbursements due the locality for sheriff and jail expenses upon notification from the Superintendent of State Police that there is reason to believe that crime data reported by a locality to the Department of State Police in accordance with § 52-28, Code of Virginia, is missing, incomplete or incorrect. Upon subsequent notification by the Superintendent that the data is accurate, the Compensation Board shall make reimbursement of withheld funding due the locality when such corrections are made within the same fiscal year that funds have been withheld.

Moratorium Exemptions:

Jail construction moratorium exemptions have been granted for: Brunswick County; Warren, Page, Rappahannock and Shenandoah Counties for planning of a regional jail facility; Southside Regional Jail Authority, with inclusion of Brunswick, Dinwiddie, Mecklenburg and Sussex Counties; the City of Newport News; Rockbridge Regional Jail Authority; Western Virginia Regional Jail Authority including Franklin, Montgomery, and Roanoke Counties and the City of Salem; and the Blue Ridge Regional Jail Authority, including Appomattox and Amherst Counties and the Moneta facility.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
SHERIFFS AND REGIONAL JAILS**

**Board of Corrections –
Construction Approval:**

The General Assembly has included language in the Enrolled Bill that requires the Board of Corrections to approve any construction, remodeling, renovation or rehabilitation of any facility to house any inmate in secure custody which results in increased jail capacity. The language also makes clear that any local or regional jail facility which houses inmates in secure custody shall be subject to the provisions of §§ 53.1-5 and 53.1-68, Code of Virginia, as well as all rules, regulations, and inspections established by the Board of Corrections.

**Victim Notification/Sex
Offender Registry Interface:**

The Enrolled Bill includes funding of \$260,000 in FY07 and \$216,000 in FY08 for the Compensation Board to contract for services by the Virginia Community Policing Institute to implement an interface between the Statewide Automated Victim Notification (SAVIN) System and the Virginia Sex Offender Registry.

**Sheriffs' Internal Controls –
Annual Assurances by CPA:**

The General Assembly has included language in the Enrolled Bill that the specifications of the Auditor of Public Accounts (APA) for the independent certified public accountants (CPA) auditing localities shall include requirements for any money received by the Sheriff. Specifically, the CPA must submit an annual letter to the APA providing assurance as to whether the Sheriff has maintained a proper system of internal controls and records in accordance with the Code of Virginia.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
COMMONWEALTH'S ATTORNEYS**

New Positions:

The General Assembly Conferees have recommended funding for 170 new positions in Commonwealth's Attorneys' offices to be allocated based upon staffing standards, an increase from the 37 new positions included in the Governor's Budget. The 170 new positions include 89 Assistant Commonwealth's Attorneys and 81 support staff positions.

Conversion of Part-time to Full-Time:

The Enrolled Bill does not include funding to support the conversion of any part-time Commonwealth's Attorneys' offices during the FY07/08 biennium.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
CLERKS**

New Positions:

The General Assembly Conferees have recommended funding for 44 new positions in Circuit Court Clerk's offices to be allocated based upon staffing standards, a reduction from the 56 new positions included in the Governor's Budget.

Career Development Programs:

Language is provided for the implementation of career development programs (CDP) for Circuit Court Clerks and Deputy Court Clerks. However, at the request of the Virginia Court Clerk's Association (VCCA), no funding has been provided by the General Assembly for Clerk and Deputy Clerk CDP's at this time.

Technology Trust Funds:

Proposed Appropriation Act language provides for the continued use of \$1.49 million of Technology Trust Funds (TTF) in FY07 to offset previous general fund budget reductions. As requested by the Virginia Court Clerks Association (VCCA) in FY04, the Compensation Board has continued to offset general operating budget reductions by this amount.

The Appropriation Act also includes a transfer of \$57,848 of TTF to the General Fund in FY07.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
TREASURERS, FINANCE DIRECTORS, and
COMMISSIONERS OF THE REVENUE**

New Positions:

The General Assembly Conferees have recommended funding for 44 new positions in Treasurer's offices to be allocated based upon staffing standards, a reduction from the 47 new positions included in the Governor's Budget.

The General Assembly Conferees have recommended funding for 37 new positions in Commissioners of the Revenue's offices to be allocated based upon staffing standards, a reduction from the 40 new positions included in the Governor's Budget.

The General Assembly Conferees have recommended funding for 20 new positions in Finance Director's offices, a reduction from the 22 new positions included in the Governor's Budget. Positions will be allocated pending further review and analysis of the staffing standards methodology and discussions with Finance Directors.

Career Development Programs:

The 2000 General Assembly approved funding for the participation of Treasurers in a Career Development Program. Original certifications and re-certifications are a part of each year's February 1 budget request process, and associated 9.3% salary increases become effective the following July 1 for a full fiscal year. The funding provided by the 2000 General Assembly was based upon an anticipated participation rate of 40% in FY02. Funding has not been increased beyond that level of participation, and is continued at the same level for FY07.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
TREASURERS, FINANCE DIRECTORS, and
COMMISSIONERS OF THE REVENUE**

**Career Development
Programs, continued:**

The 2004 General Assembly approved language and funding for the participation of Commissioners of the Revenue in a Career Development Program. Original certifications and re-certifications are a part of each year's February 1 budget request process, and associated salary increases ranging from 4.7% to 9.3% (based upon meeting certain criteria of the program) become effective the following July 1 for a full fiscal year. The funding provided by the 2004 General Assembly was based upon an anticipated participation rate of 25% in FY06 and has not been increased beyond that level of participation.

The 2004 General Assembly approved language and funding for the participation of Deputy Treasurers and Deputy Commissioners of the Revenue in Career Development Programs. Original certifications and re-certifications for the deputy programs are a part of each year's February 1 budget request process, and associated salary increases of 9.3% become effective the following July 1 for a full twelve months.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
ALL OFFICES**

Salary Increases:

The 2006 General Assembly has provided for a 4.0% increase effective December 1, 2006, for all constitutional officers and their Compensation Board funded permanent staff positions. No performance-based pay increases have been provided.

Appeals Moratorium:

The General Assembly has removed language in the Appropriation Act providing for a moratorium on appeals from constitutional officers against budgets set by the Compensation Board for the FY07/08 biennium.

Access to Office:

The General Assembly has included language in the Enrolled Bill that requires constitutional officers to provide reasonable access to their work place, files, records, and computer network as may be requested by their duly elected successor after the successor has been certified.

Insurance Coverage:

The General Assembly has included language in the Enrolled Bill whereby coverage provided by the VARISK plan for constitutional officers shall be extended to any action filed against a constitutional officer or appointee of a constitutional officer before the Equal Employment Opportunity Commission or the Virginia State Bar.

**COMPENSATION BOARD
FY07 SPECIFIC BUDGET ISSUES
ALL OFFICES**

June Payroll Shift:

Based upon action by the 2002 Session of the General Assembly, the Compensation Board's reimbursement cycle for fiscal year payroll and expenses has permanently changed. While the Compensation Board has always reimbursed expenditures one month in arrears, prior to FY02 it included an accelerated schedule in June to reimburse both May and June expenditures prior to the end of the fiscal year. In FY02, localities did not receive a reimbursement for June expenditures. Instead, June 2002 expenditures were reimbursed in the month of July 2002, or the beginning of FY03. In FY03, localities received reimbursements for the months of June through May. Since FY04, this reimbursement schedule has remained the same, with localities receiving reimbursement payments for the months of June through May in the months of July through June. This has not changed the budget cycle for the fiscal year, however, which is still established on a fiscal year cycle, beginning July 1 and ending June 30. Because of this change, officers should keep in mind that expenditures in the month of June of each year will be reimbursed out of budgeted funds available for the following fiscal year.

**COMPENSATION BOARD
FY07 REIMBURSEMENT POLICIES
FUNDING LEVELS**

OFFICER SALARIES

**Sheriffs/Regional Jails,
Commonwealth's Attorneys,
and Clerks:**

100% of Appropriation Act amount.

**Treasurers and
Commissioners:**

50% of 1980 salary amount plus 100%
of all increases to Appropriation Act amount.

OFFICER BENEFITS

**Sheriffs/Regional Jails and
Commonwealth's Attorneys:**

FICA at 7.65% and VRS retirement at actual rate, not
to exceed 5.74%, paid on 100% of approved salary
amounts. Contributions for VRS Group Life Insurance
will be required in FY07, and reimbursement will be
made at 0.45%.

Clerks:

Benefit rates as stated above, paid on one-third of
approved salary amounts.

**Treasurers and
Commissioners:**

Benefit rates as stated above, paid at same
percentage level as officer's salary.

**FULL-TIME PERMANENT STAFF SALARIES
& TEMPORARY (HOURLY/WAGE) STAFF SALARIES**

**Sheriffs/Regional Jails*,
Commonwealth's Attorneys,
and Clerks:**

100% of Compensation Board approved amount.

**Treasurers and
Commissioners:**

50% of Compensation Board approved amount.

*Exception: Reimbursement amounts for Medical, Treatment, Classification, and
Records positions in Sheriffs' offices and regional jails represent 2/3rds of the total
salary approved by the Compensation Board.

**COMPENSATION BOARD
FY07 REIMBURSEMENT POLICIES
FUNDING LEVELS**

**FULL-TIME PERMANENT STAFF BENEFITS
& TEMPORARY (HOURLY-WAGE) STAFF BENEFITS**

Sheriffs/Regional Jails and Commonwealth's Attorneys: FICA at 7.65% for full-time staff and hourly staff, and VRS retirement at actual rate, not to exceed 5.74% for full-time staff only, paid on 100% of approved salary amounts. Contributions for VRS Group Life Insurance will be required in FY07, and reimbursement will be made at 0.45%.

Clerks: Benefit rates as stated above, paid on one-third of approved salary amounts.

Treasurers and Commissioners: Benefit rates as stated above, paid on one-half of approved salary amounts.

OFFICE EXPENSES (Sheriffs includes vehicle expenses)

Sheriffs/Regional Jails, Commonwealth's Attorneys, and Clerks: 100% of Compensation Board approved amount. However, base budget office expenses for Sheriffs and Clerks were eliminated in FY04, and only minimal amounts will be budgeted in FY07 in offices that had approved base transfers from another budget category in the last three years.

Treasurers and Commissioners: 50% of Compensation Board approved amount.

EQUIPMENT

Sheriffs/Regional Jails: Funding provided for approved LIVESCAN equipment only. Percentage approved is based on the stress factor for the locality. Due to budget reductions, no other funding is provided in FY07 for equipment.

**COMPENSATION BOARD
FY07 REIMBURSEMENT POLICIES
FUNDING LEVELS**

EQUIPMENT, continued

**Commonwealth's Attorneys,
Treasurers and
Commissioners:**

Due to budget reductions, no funding is provided in FY07 for equipment.

Clerks:

Clerks' technology funding requests will be considered by the Compensation Board at its September 2006 Board Meeting after on-line budget requests are submitted in August. A stress factor will not be applied. An estimate of fiscal year 2007 technology trust funds has been provided with budget estimates to assist in automation planning for the upcoming fiscal year.

**MEETING AND CONFERENCE
EXPENSES**

All Officers:

We anticipate continuing to offer programs in FY07 for new officers, new deputy clerks, treasurers, commissioners, and commonwealth's attorneys' office administrators, for jail management, and for lawful employment practices. Training will also be provided for COIN (reimbursement and personnel processing system) and LIDS (Local Inmate Data System – per diems). Reimbursement will continue to be provided for expenses related to attendance at these training programs. **No other additional funding is available for reimbursement of attendance at non-Compensation Board sponsored training events, although associated expenses may be reimbursed through existing office expense funding.**

**COMPENSATION BOARD
FY07 REIMBURSEMENT POLICIES
FUNDING LEVELS**

**SUBSTITUTE PROSECUTOR
EXPENSES**

**Commonwealth's
Attorneys Only:**

Direct reimbursement of travel expenses to all Commonwealth's Attorneys and assistant Commonwealth's Attorneys not requesting hourly rate reimbursement.

Reimbursement not to exceed \$50 per hour plus expenses only provided for "part time" Commonwealth's Attorneys or assistants.

**EMERGENCY MEDICAL
EXPENSES**

Jails Only:

Based upon the recommendation of the Emergency Medical Review Panel, the Compensation Board may reimburse localities for costs of emergency medical care for state responsible inmates, not to exceed \$377,010 per year statewide

EXCEPTION TO TREASURERS' FUNDING LEVELS:

100% of all Compensation Board approved expenses are reimbursed for the cities of Franklin, Lynchburg, and Richmond. Two-thirds of all Compensation Board approved salary and office expenses are reimbursed for the cities of Danville and Williamsburg.