

## **OVERVIEW OF COMPENSATION BOARD FY09 BUDGET PRIORITIES AND POLICIES**

### **New Positions, FY09**

- **New Positions:** No additional positions have been approved by the General Assembly for FY09 with the exception of new jail construction and expansion projects that are scheduled for completion prior to March 2009. Jail related positions associated with these projects have been allocated in accordance with funding approved by the General Assembly for FY09 as follows:
  - 53 positions for the first phase of an expansion of the Rappahannock Regional Jail with funding effective August 1, 2008;
  - 57 positions for the expansion of the Prince William/Manassas Regional Jail with funding effective October 1, 2008;
  - 16 positions for the expansion of the Newport News City Jail with funding effective March 1, 2009;
  - 135 positions for the second phase of an expansion of the Riverside Regional Jail with funding effective March 1, 2009;
  - 194 positions for the opening of the new Western Virginia Regional Jail with funding effective March 1, 2009 (30 of these positions to be from member jurisdiction local jails).

### **Permanent Salaries, FY09**

- **FY09 Salaries:** The FY09 budget provided on May 1, 2008 provides the base salary amounts approved for FY09, effective July 1, 2008.
- **Salary Increases:** The 2008 General Assembly has provided for a 2.0% salary increase effective December 1, 2008 for all constitutional officers and their Compensation Board funded permanent staff positions. This will be an across the board salary increase for all Compensation Board funded permanent positions. No performance-based pay increases have been provided. Funding for these increases is in addition to the base salaries approved on May 1, 2008, and the increased salary amounts will be reflected in the reimbursement system in December.
  - **Clerks' Internal Control Matters:** The Appropriation Act includes language that links General Assembly approved salary increases for Circuit Court Clerks to audit performance. Any Circuit Court Clerk whose most recent audit report by the Auditor of Public Accounts reflects a repeat of an internal control finding from the previous audit, and such repeated internal control matter has not been corrected prior to the effective date of the next salary increase, shall not receive such salary increase.
- **Annual Leave:** The annual leave payoff reimbursement was eliminated in FY04 and has not been reinstated.

## Career Development Programs, FY09

- **Sheriffs' Career Development Programs:** The Career Development Program includes two tracks: one for offices accredited by certain law enforcement standards committees/associations; and a certification program for offices without such accreditations. For FY09, 44 officers have qualified for the Accreditation Program and have received a 9.30% salary increase, and 4 officers have qualified for the Certification Program and have received a 6.20% salary increase.
- **Master Deputy/Jail Officer Programs:** No additional funding is included in the Appropriation Act in FY09 for the 9 Sheriffs' offices and 4 regional jail facilities that certified their Master Deputy/Jail Officer programs to the Compensation Board prior to July 1, 2007, and are currently not funded for their participation in the program. Any office wishing to opt-in to participate in the Master Deputy/Jail Officer programs will need to notify the Compensation Board by July 1 that they have established the Program in their office, and additional funds will need to be requested for appropriation to the Compensation Board by the General Assembly. **To opt into the program, the Compensation Board will send an email to Sheriffs and Regional Jails in early June advising them to submit the Certification of Career Development Plan form for the Master Deputy or Master Jail Officer program by July 1 of each year for approval of funding for the program the following July 1 (i.e. offices without funding for Master Deputies/Jail Officers should submit the opt-in form by July 1, 2008 to request participation and funding effective July 1, 2009).**
- **Career Prosecutor Program:** Current Compensation Board funding provides for 95 career prosecutor slots in Commonwealth's Attorneys offices. The General Assembly did not approve additional funding for the 38 additional career prosecutor slots requested by Commonwealth's Attorneys certifying the eligibility for participation of their Assistant Commonwealth's Attorneys by July 1, 2007. For those offices with funded slots, when classified as a career prosecutor, the Assistant Commonwealth's Attorneys will receive the associated 19.48% salary increase. **Any office wishing to obtain slots/funding to have positions reclassified to career prosecutor in FY10 must have made the request in the January 2008, FY09 budget request process in COIN, and additional funds will need to be requested for appropriation to the Compensation Board by the General Assembly (i.e. offices without funding for Career Prosecutors should have made the request in the COIN budget in January 2008 to request participation and funding effective July 1, 2009).**
- **Treasurers and Commissioners of the Revenue Career Development Programs:** Language and funding at a base level are included in the Appropriation Act for the ongoing implementation of the Treasurers Career Development Program and the Commissioners of the Revenue Career Development Program (CDP). Associated pay increases for these programs are effective July 1 of each year for a 12-month period. However, funding has not been increased beyond the original level of participation, and is continued at the same level for FY09. All participants of both programs funded for the related salary increase in FY08 that have maintained eligibility for the programs have been funded for the related salary increase in FY09. As additional funding for participation has not been approved by the General Assembly, new participants in the Treasurers CDP or the Commissioners of the Revenue CDP for FY09 have not been approved for the related salary increase.

- **Deputy Treasurers and Deputy Commissioners of the Revenue Career Development Programs:** Language and funding at a base level are included in the Appropriation Act for the ongoing implementation of the Deputy Treasurers Career Development Program and the Deputy Commissioners of the Revenue Career Development Program (CDP). Associated pay increases for these programs are effective July 1 of each year for a 12-month period. However, funding has not been increased beyond the original funded level of participation, and is continued at the same level for FY09. All participants of both programs funded for the related salary increase in FY08 that have maintained eligibility for the programs have been funded for the related salary increase in FY09. As additional funding for participation has not been approved by the General Assembly, new participants in the Deputy Treasurer CDP and Deputy Commissioners of the Revenue CDP for FY09 have not been approved for the related salary increase.

### **Other Funding Items, FY09**

- **Technology Trust Funds:** Appropriation Act language provides for the continued use of \$1.49 million of Technology Trust Funds (TTF) in FY09 to offset general fund budget reductions. As requested by the Virginia Court Clerks Association (VCCA) in FY04, the Compensation Board has continued to offset budget reductions by this amount.
- **Office Equipment Funding:** No funding has been provided for office equipment for any Commonwealth's Attorneys (except full-time conversion offices), Treasurers, Directors of Finance or Commissioners of the Revenue. For Sheriffs and Regional Jails, no funding will be provided for any office equipment except some limited approved requests for Livescan/upgrades (Note for Clerks: Technology Trust Funds are not a part of your base budget funds and budgeting is handled separately in the months of August and September).
- **Training Events:** Additional allowance funding is not available for the reimbursement of attendance at non-Compensation Board-sponsored training events, such as VALECO, LGOC, and the Association's annual meeting. However, attendance at these events is considered a reimbursable expense if funds are available in your budget. 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, Managing Jail Risk, and New Officer Training.

## Transfer Policy, FY09

- **Vacancy Savings:** FY08 policies restricting transfers of accumulated vacancy funds for Sheriffs, Regional Jails, Circuit Court Clerks, Treasurers, Finance Directors and Commissioners of the Revenue will be continued in FY09, and such restrictions will apply to Commonwealth's Attorneys beginning July 1, 2008 for FY09.
  - Exception – one time approval of full salary amount transferred from permanent salaries to the office expense budget category for yearlong vacancy of food service or medical service positions in jails, where a contract for such services is procured in lieu of direct staffing. **Sheriffs and Superintendents who wish to leave such permanent positions vacant for the entire fiscal year and transfer the funds to office expenses should submit their requests to the Compensation Board not later than July 1 for Compensation Board action on July 16;**
  - Exception – transfer of remaining salary funds will be approved for positions held vacant under the position reallocation policy;
  - Exception – transfer of remaining salary funds will be approved for positions which become vacant as a result of the incumbent being called to active military duty.
  
- **Turnover:** Turnover funds can be used by ALL offices as follows:
  - Restoration to prior base salary amount for employees with salaries reduced due to across-the-board budget reductions;
  - Salary increases in accordance with Compensation Board salary policy involving classification actions that result in a change in pay band;
  - FY08 policy restricting the use of turnover for in-band pay adjustments and transfers to other base budget categories has been continued in FY09.
  
- **Base transfers:** Base budget transfers of turnover funds to other budgeted categories will not be approved in FY09. Base budget transfers can be made by ALL offices as follows, but actions require Compensation Board action:
  - From Office Expense or Temporary budget categories to permanent personnel to provide salary increases in accordance with Compensation Board salary policy, including in-band pay adjustments;
  - Between Office Expense and Temporary budget categories.
  
- **One-time transfers:** One-time transfers can be made by ALL offices as follows:
  - from Temporary or Office Expenses to Equipment not to exceed \$10,000 per month (not in the base);
  - between Temporary and Office Expenses not to exceed \$10,000 per month (not in the base).

## **Other Funding Policies, FY09**

- **90-day Vacancy Restrictions:** The FY08 implementation of a 90-day delay in filling vacant positions in the offices of Circuit Court Clerks, Directors of Finance, Treasurers and Commissioners of Revenue will continue in FY09, and has been extended to include Sheriffs, Regional Jails and Commonwealth's Attorneys' offices beginning July 1, 2008.
  - Exception – deputy sheriff positions vacated during the month of July, 2008 by reason of retirement of the incumbent of the position will be exempt from the 90-day vacancy requirement. Sheriffs must notify the Compensation Board of the retirement upon separation of the incumbent from the position.
- **Division of Risk Management Liability Insurance/Surety Bond Premium Recovery:** Approved by the General Assembly for FY09 is language requiring that 50% of the amount of the Compensation Board's payment for liability insurance and surety bond premiums on behalf of Constitutional Officers and their employees to the Division of Risk Management be recovered from payments made to localities. Distribution of the recovery amount for the premiums paid is based upon a prorated number of positions covered in each office. Each office's related cost will be recovered from the July payroll reimbursement amount prior to fund transfer to the locality.
- **Constitutional Officers' VRS Retiree Health Care Credit Premium Recovery:** Approved by the General Assembly for FY09 is language requiring that 50% of the amount of the Compensation Board's payment for the retiree health care credit premium on behalf of Constitutional Officers and their employees to the Virginia Retirement System be recovered from payments made to localities. Distribution of the recovery amount for the retiree health care credit is based upon a prorated amount of salary funds for each office, and does not include recoveries on behalf of Directors of Finance, Regional Jails, or localities not participating in the Virginia Retirement System. Each office's related cost will be recovered from the July payroll reimbursement amount prior to fund transfer to the locality.
- **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.

- **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 and could result in a delay in reimbursement of expenditures in the later months of the fiscal year.

### **Requests for Additional Compensation Board Funding**

- Requests for additional funding in any budget category have little chance of approval.

### **Exceptions**

- The Compensation Board will consider exceptions to these policies upon written request of Constitutional Officers, Finance Directors or Jail Superintendents.

If you have further questions, please contact a member of the Compensation Board staff:

Sheriffs and Regional Jails – Gizella Jarrell - 804.225.3463 – [gizella.jarrell@scb.virginia.gov](mailto:gizella.jarrell@scb.virginia.gov);

Commissioners of the Revenue, Treasurers and Finance Directors – Kari Bullock – 804.225.3475 – [kari.bullock@scb.virginia.gov](mailto:kari.bullock@scb.virginia.gov)

Commonwealth's Attorneys & Circuit Court Clerks – Paige Christy - 804.225.3442 – [paige.christy@scb.virginia.gov](mailto:paige.christy@scb.virginia.gov)

Clerks' Technology Trust Funds – Lisa Carson – 804.225.3443 – [lisa.carson@scb.virginia.gov](mailto:lisa.carson@scb.virginia.gov)

Local Governments

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