

Appendix I: The basis of Virginia's budget

Virginia's budget operates within a legal framework that includes the Constitution of Virginia, the Code of Virginia, and the Appropriation Act. It is proposed by the governor in the form of a budget bill, and is amended and approved by the General Assembly. The final budget bill is approved and signed into law by the governor. Everything in the state budget stems from this process by the state's elected officials.

Budget cycle

Virginia's budget operates on a two-year cycle known as a biennium. Each biennial budget is passed and amended by the General Assembly three times. The General Assembly approves the initial budget act for the upcoming biennium in even numbered years along with amendments and adjustments to the prior biennial budget (known as the caboose bill). During odd-numbered years, the General Assembly approves amendments for the first and second fiscal years of the biennium. JLARC's state spending report covers the last six biennial budgets, with each budget cycle spanning three General Assembly sessions (Table I-1).

Budget terminology

Appropriations

An appropriation can be considered a limit on spending, or a spending ceiling, that is authorized by the General Assembly and approved by the governor. Expenditures may be made only if the agency or program has an appropriation (legal authority) to do so. Appropriations are maximum limits that expenditures cannot exceed. In addition, appropriations are payable in full only if sufficient revenues are available to pay all appropriations in full. A non-general funded program or agency must have both an appropriation and sufficient cash within the state treasury to expend the funds.

This report primarily focuses on appropriations. Unless otherwise noted, appropriations used in this report are the final appropriations approved (voted on and adopted) by the General Assembly and approved by the governor. This includes all legislative changes made to appropriations during a biennium, such as second year changes to first year amounts and the caboose bill. Administrative adjustments made to appropriations subsequent to the adoption of the Appropriation Act are not included. The Appropriation Act authorizes the governor, under certain conditions, to make limited adjustments to appropriations.

Expenditures

Expenditures are actual amounts spent or transferred by state agencies and certified by the Department of Accounts. In addition to agency spending, expenditures include financial assistance to localities for personal property tax relief and deposits made to the Revenue Stabilization Fund. Expenditures also include payments made on capital projects in a given year, regardless of when appropriations were made to the projects. Expenditures may vary from appropriations because of administrative

To learn more about Virginia's budget, visit the official state budget websites:

Legislative information: Virginia State Budget
budget.lis.virginia.gov

Virginia Department of Planning and Budget
dpb.virginia.gov/budget/budget.cfm

adjustments to the legislative appropriation amount, as authorized in the Appropriation Act, and because of changes in the amount of revenue collected from what was assumed in the Appropriation Act.

TABLE I-1
Virginia's biennial budget cycle over the past six biennia

FYs covered by budget	Session year	Budget bill
2018–2020 biennium budget		
FY19–FY20	2020	Final caboose bill amendments to FY20
	2019	Mid-cycle biennial budget amendments to FY19 and FY20
	2018	Initial biennial budget
2016–2018 biennium budget		
FY17–FY18	2018	Final caboose bill amendments to FY18
	2017	Mid-cycle biennial budget amendments to FY17 and FY18
	2016	Initial biennial budget
2014–2016 biennium budget		
FY15–FY16	2016	Final caboose bill amendments to FY16
	2015	Mid-cycle biennial budget amendments to FY15 and FY16
	2014	Initial biennial budget
2012–2014 biennium budget		
FY13–FY14	2014	Final caboose bill amendments to FY14
	2013	Mid-cycle biennial budget amendments to FY13 and FY14
	2012	Initial biennial budget
2010–2012 biennium budget		
FY11–FY12	2012	Final caboose bill amendments to FY12
	2011	Mid-cycle biennial budget amendments to FY11 and FY12
	2010	Initial biennial budget

Functions and programs

Virginia's budget is based on a program structure, a mechanism intended to uniformly identify and organize the state's activities and services. Under this structure, services that the state provides are classified in three levels: functions, programs, and agencies.

Functions represent the broadest categories of state government activities. Virginia government activities are grouped by the following seven broad operating functions:

- education,
- administration of justice,
- individual and family services,
- resource and economic development,
- transportation,

- general government, and
- enterprises.

Budget programs include funding directed to specific objectives such as developing or preserving a public resource, preventing or eliminating a public problem, or improving or maintaining a service for the public. Programs are grouped by function and may appear in several agencies. First adopted by Virginia in the mid-1970s, program budgeting is an attempt to avoid the excessive detail of line-item budgets by combining logical groupings of government activities into broader “programs.”

Programs are more specific than the broad government functions and may appear in several agencies. For example, the budget program “State health services” within the broad individual and family services function includes the provision of direct health-care services to individuals and families through state-operated facilities, including services relating to child development, drug and alcohol abuse, geriatric care, inpatient medical, maternal and child health, mental health, intellectual disabilities, outpatient medical, technical support and administration, and other services. This program is included in several agencies, including the University of Virginia Medical Center, Virginia Commonwealth University, the Department of Behavioral Health and Developmental Services, and the Department of Veterans Services. The “administrative and support services” program combines a wide variety of discrete services, including architectural and engineering services, food and dietary services, physical plant services, human resources, information technology services, and others. Administrative and support services can be found across many different agencies. As of 2020, Virginia had 199 budget programs.

State “agency” defined

An agency represents the major unit of operational and budgetary control and administration of state services. Agencies are generally thought of as including a set of programs under the purview of an agency head who is typically appointed by the governor, along with staff, who implement the agency’s programs.

There are, however, differing notions about what constitutes a state agency and how many there are in Virginia. The state accounting and budgeting system essentially regards anything assigned an agency code to be equivalent to a state agency, although such codes are often merely a matter of administrative convenience. For example, appropriations for agency codes 720 (central office), 790 (grants to localities), 792 (mental health treatment centers), 793 (intellectual disability training centers), and 794 (Virginia Center for Behavioral Rehabilitation) must be combined to arrive at a budget total for the Department of Behavioral Health and Developmental Services.

Agency codes are sometimes used to enter a new program or activity into the state financial system and ensure budget control. For example, “central appropriations” is assigned an agency code of 995 even though it is not an actual agency. For purposes of this report, the number of agency codes in the 2020 Appropriation Act (185 agency codes) was adjusted for duplication and to exclude various financial accounts (Table I-2). The resulting count was 148 agencies.

This report does not treat the personal property tax relief program as a separate agency even though it has its own agency code and is included in the 148 total. In FY20, this program received an appropriation of \$950 million and was larger than all but 11 state agencies. Because it is not an actual entity, it is not listed in relevant tables as one of the 10 *agencies* with the largest appropriations, highest growth amounts of appropriations, and fastest growth rates in appropriations. However, it is included in the

other agencies subtotal and total appropriations for these tables. The personal property tax relief program is treated solely as a program for this report and is included in relevant tables for appropriations and appropriations growth by *program*.

TABLE I-2
Number of state agencies, FY20

Unique agency codes in 2020 Appropriation Act	185
Codes assigned to DBHDS Facilities & Programs	5
Codes assigned to UVA Academic Division (207) & Medical Center (209)	2
Codes assigned to William & Mary (204) and VIMS (268)	2
Codes assigned to DARS (262), Woodrow Wilson Rehab Center (203), and Department for the Aging (163)	3
Codes assigned to Department for the Blind and Vision Impaired (702) and Rehab Center for the Blind and Vision Impaired (263)	2
Codes assigned to Councils, Commissions and Boards under the Division of Legislative Services	27
Codes assigned to various financial activities ^a DOA transfer payments (162) ^b Central appropriations (995) Interstate Organization Contributions (921)	3
Total number of state agencies	148

SOURCE: 2020 Appropriation Act (Chapter 1283); Department of Planning and Budget.

NOTE: Total number of state agencies is calculated by subtracting the number of codes assigned from the number of unique agency codes, ensuring that the principal agency is correctly counted. (For example, from 185, subtract 5 for DBHDS facilities and programs and add back 1 for the overall agency.)

^aThe three agency codes assigned to various financial activities were not included in the total number of state agencies for FY20.

^bThe Department of Accounts has a separate line item for transfer payments such as the Revenue Stabilization Fund (program 735).

General and non-general funds

State revenues and appropriations are grouped into two categories, depending on their origin: general and non-general funds. The state's general fund consists primarily of revenue from income and sales taxes that are not restricted in any way and are used for the widely varied purposes of government. Non-general funds derive from many diverse sources and are restricted to certain specified uses.

General and non-general funds comprised 36 and 64 percent, respectively, of the FY20 Virginia budget. The expenditure of non-general funds is controlled by their authorizing statute—thus, more than half the state budget is determined by statute rather than through the appropriation process. This ensures that child support payments, for example, are spent for child support and not some other purpose. It also means that growth in more than half the budget is determined by factors other than the annual appropriation process.

Appendix J: 10 largest annual general fund increases, 2010–2020 biennial totals (\$M)

In the following tables, the number labeled “10 Largest as a Percentage of Total” reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-1
10 largest increases in 2018–2020 budget made by 2019 General Assembly – Final budget (\$M)

Rank	Agency	Program	GF
1	DOE (Direct aid)	Increases direct aid for increased membership counts and decreases in lottery proceeds	\$55.4
2	Central appropriations	COVID-19 funding	50.1
3	Central appropriations	Legal costs and settlements for VDH and DOC	15.0
4	DOC	Inmate health care for hepatitis C treatment and other medical costs	11.6
5	DHCD	Housing trust fund	7.0
6	CSA	Fund caseload increases and increases in private day school costs	6.6
7	Central appropriations	Reimburse ELECT for presidential primary expenses	5.9
8	General District and Juvenile & Domestic Relations District Courts	Increases to criminal fund for indigent legal defense	4.6
9	DMAS	FAMIS utilization and inflation	2.2
10	DBHDS	Provider licensing, compliance, quality improvement, assessments	2.1
Subtotal, 10 largest			\$160.5
Total of all general fund increases, 2020 session (FY19–FY20)			\$166.2
10 largest as a percentage of total			97%

SOURCE: Analysis of “Summary of 2018–2020 Budget Actions” (2020 Session, Chapter 1283) prepared jointly by staff of the House Appropriations and Senate Finance and Appropriation committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-2
10 largest increases in 2018–2020 budget made by 2019 General Assembly – Mid-cycle biennial budget amendments (\$M)

Rank	Agency	Program	GF
1	DOA transfer payments	Deposits to the revenue reserve fund	\$474.5
2	DMAS	Medicaid utilization and inflation	423.6
3	DOA transfer payments	Mandatory deposit to revenue stabilization fund	262.9
4	DOA transfer payments	Set-aside for FY22 revenue stabilization fund deposit	97.5
5	DOE (Direct aid)	K–12: additional 2% teachers and support staff salary increase	72.8
6	DOE (Direct aid)	Use GF for public school employee retirement contributions ^a	35.0
7	DCR	Mandatory deposit to Water Quality Improvement Fund	73.8
8	Higher education	In-state undergraduate tuition moderation	52.5
9	EDIP ^b	Semiconductor manufacturing grant payment	50.0
10	DBHDS	Replace Medicaid funds for Piedmont and Catawba hospitals	46.3
Subtotal, 10 largest			\$1,588.9
Total of all general fund increases, 2019 session (FY19–FY20)			\$1,935.5
10 largest as a percentage of total			82%

SOURCE: Analysis of “Summary of 2018–2020 Budget Actions” (2019 Session, Chapter 854) prepared jointly by staff of the House Appropriations and Senate Finance and Appropriation committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

^a General funds used to free up literary funds (NGF) for use to make school construction loan funding available. ^b Economic development incentive payments.

TABLE J-3
10 largest increases in 2018–2020 budget made by 2018 General Assembly – Initial budget (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Medicaid utilization and inflation	\$533.8
2	DOE (Direct aid)	K–12: Update costs of standards of quality	481.1
3	DOE (Direct aid)	K–12: Salary increase for teachers and support staff	131.5
4	Central appropriations	2% salary increase plus 2% merit (FY20)	124.3
5	Central appropriations	State employee health insurance	118.2
6	DOA transfer payments	Deposits to revenue cash reserve fund	91.0
7	Central appropriations	Adjust funding for state agency IT costs (VITA services)	50.5
8	HHR	Other mandated services	50.5
9	Central appropriations	Targeted salary action (DBHDS, correctional and other officers)	49.3
10	DMAS	Additional waiver slots pursuant to DOJ settlement	45.0
Subtotal, 10 largest			\$1,675.2
Total of all general fund increases, 2018 session (FY19–FY20)			\$2,163.3
10 largest as a percentage of total			77%

SOURCE: Analysis of “Summary of 2018–2020 Budget Actions” (2018 Session, Chapter 2) prepared jointly by staff of the House Appropriations and Senate Finance committees.

NOTE: Reflects only new funds added to the budget. Does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-4
10 largest increases in 2016–2018 budget made by 2018 General Assembly – Final budget (\$M)

Rank	Agency	Program	GF increase
1	Central appropriations	Revenue cash reserve	\$121.4
2	DMAS	Medicaid utilization and inflation	86.7
3	DOC	Inmate medical care	5.0
4	DSS	DSS information technology	4.2
5	DMAS	Contract for assistance with waiver applications	3.5
6	DSS	Child support enforcement revenue offset	3.0
7	DMAS	FAMIS utilization and inflation	2.7
8	VITA	Repay VEAP capital advance	2.3
9	DSS	Fund increased costs of child welfare services	2.2
10	DMAS	Medical services for involuntary commitments	2.2
Subtotal, 10 largest			\$233.1
Total of all general fund increases, 2018 session (FY17–FY18)			\$242.9
10 largest as a percentage of total			96%

SOURCE: Analysis of “Summary of 2016–2018 Budget Actions” (2018 Session, Chapter 1) prepared jointly by staff of the House Appropriations and Senate Finance Committees and DPB’s Final Budget for the 2016–2018 Biennium Chapter 1, 2018 General Assembly Caboose Bill (excel file from website).

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-5
10 largest increases in 2016–2018 budget made by 2017 General Assembly – Mid-cycle biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Funds increasing enrollment and medical costs	\$247.8
2	Children’s Services Act	Funds an increased caseload and cost of services for Children’s Services Act	85.7
3	Central appropriations	Salary increase for state employees	64.8
4	Central appropriations	Revenue Cash Reserve Fund deposit	35.0
5	DOE (Direct aid)	Increase lottery per pupil allocation	34.1
6	DOE (Direct aid)	Salary increase for funded teachers and support positions	32.0
7	DOC	Inmate medical costs	18.6
8	Higher education	Faculty salary increase	18.4
9	Central appropriations	Salary increase for state-supported local employees	15.6
10	Central appropriations	State Police salary initiative	14.3
Subtotal, 10 largest			\$566.3
Total of all general fund increases, 2017 session (FY17–FY18)			\$652.5
10 largest as a percentage of total			87%

SOURCE: Analysis of “Summary of 2016–2018 Budget Actions” (2017 Session, Chapter 836) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-6
10 largest increases in 2016–2018 budget made by 2016 General Assembly – Initial biennial budget act (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Medicaid utilization and inflation	\$789.1
2	DOA transfer payments	Revenue Stabilization (Rainy Day) Fund deposit	605.5
3	DOE (Direct aid)	Re-benchmarking Standards of Quality for public schools	399.0
4	DOE (Direct aid)	Reinstate lottery per pupil allocation	193.8
5	Central appropriations	Salary increase for K–12 and state-supported local employees	162.5
6	Central appropriations	Salary increase for state employees and faculty	155.9
7	Central appropriations	Fund state employee health insurance program	143.2
8	Treasury Board	Debt service for currently authorized projects and equipment	107.8
9	DMAS	Funding for ID and DD Medicaid waiver slots	105.0
10	Higher education	Support access, affordability, and degree completion	104.0
Subtotal, 10 largest			\$2,765.8
Total of all general fund increases, 2016 session (FY17–FY18)			\$3,310.3
10 largest as a percentage of total			84%

SOURCE: Analysis of “Summary of 2014–2016 Budget Actions” (2016 Session, Chapter 780) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Does not include \$10.8 million in general funds appropriated to the capital outlay portion of the budget. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-7
10 largest increases in 2014–2016 budget made by 2016 General Assembly – Final biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	Central appropriations	Early repayment of deferred contributions to VRS	\$172.7
2	DMAS	Funds increasing enrollment and medical costs	166.6
3	Children’s Services Act	Funds an increased caseload and cost of services for Children’s Services Act	18.1
4	Compensation Board	Funds an increase in per diem payments to local and regional jails	11.3
5	DMAS	Rebases budget for training centers to reflect anticipated closures	7.3
6	DSS	Funds new eligibility information system operating costs	7.1
7	DBHDS	Offsets revenue shortfall from loss of federal funding at Hancock Geriatric Treatment Center	4.4
8	Central appropriations	Reimburses the Department of Elections and localities for presidential primary expenses	3.8
9	DSS	Funds foster care and adoption subsidy programs	1.7
10	DMAS	Funds physician and hospital services for involuntary commitments	1.1
Subtotal, 10 largest			\$394.1
Total of all general fund increases, 2016 session (FY15–FY16)			\$413.7
10 largest as a percentage of total			95%

SOURCE: Analysis of “Summary of 2014–2016 Budget Actions” (2016 Session, Chapter 732) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Does not include \$141.4 million in general funds appropriated to the capital outlay portion of the budget. Reflects only new funds added to the budget. Does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-8
10 largest increases in 2014–2016 budget made by 2015 General Assembly – Mid-cycle biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	DOA transfer payments	Revenue Stabilization (Rainy Day) Fund deposit	\$129.5
2	DMAS	New behavioral health program and other coverage changes	119.3
3	Central appropriations	Salary increase for state and state-supported local employees	77.5
4	DOE (Direct aid)	K–12 state share of teacher and school staff salary increase	52.9
5	Higher education	Funding support, financial aid, research and faculty salary increases	48.9
6	DOC	Inmate medical costs, staffing, Hepatitis C medications	35.4
7	VRS	Fund board-approved rate for state employees at 90 percent	32.3
8	Central appropriations	Eliminate the aid to localities reversion account	29.8
9	Natural Resources	Water quality and land conservation efforts	21.5
10	Commerce and Trade	Commonwealth's Development Opportunity Fund	20.7
Subtotal, 10 largest			\$567.8
Total of all general fund increases, 2015 session (FY15–FY16)			\$1,118.5
10 largest as a percentage of total			51%

SOURCE: Analysis of "Summary of 2014–2016 Budget Actions" (2015 Session, Chapter 665) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Does not include \$141.1 million in general funds appropriated to the capital outlay portion of the budget. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-9
10 largest increases in 2014–2016 budget made by 2014 General Assembly – Initial biennial budget act (\$M)

Rank	Agency	Program	GF increase
1	DOA transfer payments	Appropriated revenue reserve	\$842.5
2	DMAS	Medicaid utilization and inflation	674.4
3	DOE (Direct aid)	Re-benchmarking costs for K–12 Standards of Quality	589.6
4	DOA transfer payments	Revenue Stabilization (Rainy Day) Fund deposit	243.2
5	Treasury Board	Debt service for currently authorized projects and equipment	179.2
6	Central appropriations	Fund updated costs for state employee retirement rates	97.6
7	Central appropriations	Fund state employee health insurance program	83.9
8	DOE (Direct aid)	Fund K–12 retirement to supplant literary fund payments	32.9
9	Central appropriations	Fund payback of deferred retirement contributions	46.8
10	DMAS	Funding for mandatory waiver slots	37.5
Subtotal, 10 largest			\$2,827.6
Total of all general fund increases, 2014 session (FY15–FY16)			\$4,184.7
10 largest as a percentage of total			68%

SOURCE: Analysis of "Summary of 2014–2016 Budget Actions" (2014 Session, Chapter 2) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Chapter 2 of the 2014 Appropriation Act included \$689 million in general fund decreases for the 2014–2016 biennium. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-10

10 largest increases in 2012–2014 budget made by 2014 General Assembly – Final biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	DOE (Direct aid)	Student enrollment update	\$11.9
2	Compensation Board	Per diem payments to local and regional jails	9.3
3	DSS	New eligibility determination system	4.4
4	DSS	Child welfare services	3.4
5	DSS	Offset for decline in child support enforcement revenue	2.9
6	DOE (Direct aid)	VRS payment from Literary Fund reduction	2.5
7	DMAS	Medicaid call center	1.7
8	DOE (Direct aid)	Sales tax distribution for school age population update	1.4
9	DMAS	Indigent care for individuals from 100% to 200% of poverty	1.4
10	VSP	Personal services	1.3
Subtotal, 10 largest			\$40.3
Total of all general fund increases, 2014 session (FY13–FY14)			\$45.1
10 largest as a percentage of total			89%

SOURCE: Analysis of “Summary of 2012–2014 Budget Actions” (2014 Session, Chapter 1) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Chapter 1 of the 2014 Appropriation Act included \$326 million in general fund decreases for the 2012–2014 biennium. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-11

10 largest increases in 2012–2014 budget made by 2013 General Assembly – Mid-cycle biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Medicaid utilization and inflation	\$114.6
2	DOA transfer payments	Advance deposit for FY15 Rainy Day Fund requirement	95.0
3	DOA transfer payments	Complete funding for mandatory FY14 Rainy Day Fund deposit	78.3
4	DOE (Direct aid)	2% salary increase for funded teachers and support positions	70.2
5	DHRM	Additional funding for state employee health insurance	57.9
6	Central appropriations	Eliminate local aid reversion account	45.0
7	Central appropriations	Classified, other state-sponsored local salary increase	35.0
8	Higher education	Higher education Top Jobs Initiative	29.4
9	DMAS	Children’s health insurance utilization and inflation	20.9
10	DMAS	FAMIS utilization and inflation	20.2
Subtotal, 10 largest			\$566.5
Total of all general fund increases, 2013 session (FY13–FY14)			\$892.1
10 largest as a percentage of total			64%

SOURCE: Analysis of “Summary of 2012–2014 Budget Actions” (2013 Session, Chapter 806) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-12

10 largest increases in 2012–2014 budget made by 2012 General Assembly – Initial biennial budget act (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Medicaid utilization and inflation	\$610.2
2	DOE (Direct aid)	Update Costs of K–12 Standards of Quality	377.8
3	DOE (Direct aid)	Teacher VRS, group life and retiree health care employer rates	342.4
4	DOA transfer payments	Revenue Stabilization Fund Deposit	299.1
5	Higher education	Higher education funding	200.0
6	DOE (Direct Aid)	Update costs of K–12 incentive and categorical programs	196.2
7	Treasury Board	Debt service for new and currently authorized projects	115.5
8	DOE (Direct Aid)	Assistance with teacher retirement, inflation and pre-K	110.0
9	DHRM	State Employee Health Insurance Program	100.3
10	DCR	Water Quality Improvement Fund	92.6
Subtotal, 10 largest			\$2,444.1
Total of all general fund increases, 2012 session (FY13–FY14)			\$3,265.2
10 largest as a percentage of total			75%

SOURCE: Analysis of “Summary of 2012–2014 Budget Actions” (2012 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-13

10 largest increases in 2010–2012 budget made by 2012 General Assembly – Final biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Adds funding for Medicaid utilization and inflation	\$85.4
2	DOE (Direct aid)	Adjusts funding to reflect increase in projected lottery proceeds	37.2
3	Central appropriations	Held in reserve to address future federal budget reductions	30.0
4	VDOT	Provide GF for Virginia Transportation Infrastructure Bank	28.7
5	VDOT	One-time capitalization of the Intercity Passenger Rail Operating and Capital Fund	28.7
6	Higher education	Eliminate higher education reversion	10.0
7	DOC	Increased costs of off-site inpatient and outpatient medical care and services provided by specialists	7.4
8	DSS	Projected increases in foster care and adoption subsidy programs	6.4
9	Compensation Board	Additional funding for per diem payments to local and regional jails	5.8
10	Central appropriations	Cover costs associated with the 2012 presidential primary	3.0
Subtotal, 10 largest			\$242.6
Total of all general fund increases, 2012 session (FY11–FY12)			\$467.7
10 largest as a percentage of total			52%

SOURCE: Analysis of “Summary of 2010–2012 Budget Actions” (2012 Session, Chapter 2) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-14

10 largest increases in 2010–2012 budget made by 2011 General Assembly – Mid-cycle biennial budget amendments (\$M)

Rank	Agency	Program	GF increase
1	DMAS	GF to suspend Medicaid payment delays in FY11	\$113.6
2	DCR	Provide for Water Quality Improvement Fund deposit	32.8
3	VDOT	Provide GF for VA transportation infrastructure bank	32.7
4	Central appropriations	Funding for VITA rate increases	26.6
5	DOE (Direct aid)	Sales tax revenue forecast net adjustment	19.5
6	DMAS	Adjust funding for Virginia Health Care Fund	10.0
7	Compensation Board	Restore sheriff's funding	8.3
8	Compensation Board	Provide funding for jail per diems	6.1
9	General District Courts	Increase funding for the Criminal Fund	5.4
10	DBHDS	Increase GF for loss of federal Medicaid match for Hancock Geriatric Facility and add 8 positions	5.4
Subtotal, 10 largest			\$260.4
Total of all general fund increases, 2011 session (FY11–FY12)			\$284.0
10 largest as a percentage of total			92%

SOURCE: Analysis of "Summary of 2010–2012 Budget Actions" (2011 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE J-15

10 largest increases in 2010–2012 budget made by 2010 General Assembly – Initial biennial budget act (\$M)

Rank	Agency	Program	GF increase
1	DMAS	Backfill Medicaid due to phase-out of Recovery Act funds	\$1,191.5
2	DMAS	Fund Medicaid utilization and inflation	777.7
3	DOE (Direct aid)	Composite index hold-harmless payments	174.1
4	Treasury Board	Debt service for current authorizations	165.8
5	DOE (Direct aid)	SOQ model data input costs	105.1
6	Central appropriations	Eliminate aid to localities reduction	100.0
7	DOE (Direct aid)	VRS, Group Life and RHCC rates	91.2
8	DOE (Direct aid)	Composite Index	68.5
9	DOA transfer payments	Revenue reserve	50.0
10	DOE (Direct aid)	Student enrollment projections	39.4
Subtotal, 10 largest			\$2,763.3
Total of all general fund increases, 2010 session (FY11–FY12)			\$5,337.9
10 largest as a percentage of total			52%

SOURCE: Analysis of "Summary of 2010–2012 Budget Actions" (2010 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

Appendix K: State expenditures by governmental function including capital (\$M, not adjusted for inflation)

Fiscal year	Education	Administration of justice	Individual & family service	Resource & economic development	Transportation	General government	Enterprises	Capital projects	Total expenditures
1981	\$1,916	\$339	\$1,853	\$145	\$924	\$290	\$285	\$158	\$5,909
1982	\$2,049	\$430	\$1,992	\$156	\$732	\$284	\$306	\$148	\$6,095
1983	\$2,170	\$481	\$2,044	\$165	\$830	\$230	\$432	\$178	\$6,530
1984	\$2,357	\$502	\$2,058	\$174	\$903	\$232	\$453	\$171	\$6,849
1985	\$2,633	\$549	\$2,191	\$200	\$1,064	\$269	\$485	\$146	\$7,536
1986	\$2,961	\$626	\$2,387	\$224	\$1,331	\$296	\$508	\$170	\$8,502
1987	\$3,256	\$692	\$2,573	\$267	\$1,494	\$349	\$576	\$198	\$9,405
1988	\$3,539	\$763	\$2,837	\$290	\$1,716	\$370	\$607	\$256	\$10,378
1989	\$3,878	\$857	\$3,095	\$348	\$1,825	\$390	\$726	\$271	\$11,389
1990	\$4,169	\$964	\$3,389	\$402	\$1,913	\$417	\$765	\$280	\$12,298
1991	\$4,333	\$1,020	\$3,989	\$405	\$1,907	\$397	\$885	\$190	\$13,126
1992	\$4,325	\$1,034	\$4,439	\$389	\$1,812	\$382	\$941	\$208	\$13,530
1993	\$4,599	\$1,070	\$4,860	\$381	\$1,670	\$398	\$957	\$167	\$14,102
1994	\$4,758	\$1,143	\$5,047	\$419	\$1,833	\$893	\$1,012	\$277	\$15,382
1995	\$5,067	\$1,250	\$5,316	\$501	\$2,265	\$1,037	\$1,034	\$355	\$16,825
1996	\$5,195	\$1,326	\$5,445	\$480	\$2,330	\$1,008	\$1,065	\$332	\$17,181
1997	\$5,568	\$1,387	\$5,562	\$482	\$2,449	\$1,088	\$1,085	\$460	\$18,081
1998	\$5,941	\$1,550	\$5,594	\$539	\$2,573	\$1,174	\$1,140	\$553	\$19,064
1999	\$6,622	\$1,745	\$5,888	\$624	\$2,867	\$1,514	\$1,198	\$444	\$20,902
2000	\$7,058	\$1,914	\$6,385	\$673	\$2,797	\$1,880	\$1,230	\$428	\$22,365
2001	\$7,570	\$2,091	\$6,897	\$790	\$3,158	\$2,198	\$1,286	\$451	\$24,441
2002	\$7,742	\$2,069	\$8,275	\$743	\$3,359	\$2,546	\$1,375	\$466	\$26,575
2003	\$7,875	\$2,021	\$8,608	\$659	\$3,209	\$2,625	\$1,397	\$532	\$26,926
2004	\$8,363	\$2,034	\$8,814	\$693	\$3,147	\$2,969	\$1,499	\$710	\$28,231
2005	\$9,327	\$2,170	\$9,288	\$734	\$3,366	\$3,003	\$1,689	\$890	\$30,467
2006	\$10,144	\$2,338	\$9,904	\$844	\$3,454	\$3,008	\$1,853	\$1,179	\$32,724
2007	\$11,318	\$2,401	\$10,175	\$818	\$3,424	\$3,564	\$1,839	\$1,294	\$34,833
2008	\$10,793	\$2,611	\$10,084	\$887	\$4,151	\$3,885	\$1,727	\$1,192	\$35,330
2009	\$12,428	\$2,618	\$11,960	\$983	\$4,099	\$4,031	\$2,008	\$1,898	\$40,025
2010	\$12,236	\$2,466	\$13,683	\$1,048	\$3,719	\$4,101	\$2,140	\$1,381	\$40,774
2011	\$12,572	\$2,536	\$13,901	\$1,057	\$4,259	\$4,693	\$2,207	\$1,245	\$42,470
2012	\$13,013	\$2,573	\$13,654	\$982	\$4,827	\$4,823	\$2,456	\$1,157	\$43,485
2013	\$13,257	\$2,642	\$14,044	\$977	\$5,025	\$5,137	\$2,482	\$1,034	\$44,598
2014	\$13,486	\$2,761	\$14,265	\$993	\$5,495	\$5,204	\$2,643	\$752	\$45,599
2015	\$14,004	\$2,777	\$14,597	\$1,064	\$5,751	\$5,289	\$2,651	\$933	\$47,066
2016	\$14,129	\$2,866	\$15,381	\$1,069	\$6,236	\$5,647	\$2,815	\$947	\$49,090
2017	\$14,691	\$2,951	\$16,107	\$1,136	\$6,133	\$5,538	\$2,891	\$856	\$50,303
2018	\$14,987	\$3,073	\$16,760	\$1,066	\$6,718	\$5,612	\$3,010	\$850	\$52,076
2019	\$15,502	\$3,133	\$18,423	\$1,150	\$6,788	\$5,896	\$3,162	\$1,210	\$55,264
2020	\$16,027	\$3,227	\$25,623	\$1,266	\$6,833	\$6,913	\$3,002	\$1,346	\$64,237

SOURCE: Department of Accounts (Comprehensive Annual Financial Reports).

NOTE: Expenditures are on a budgetary or cash basis. Includes all operating and capital spending as well as expenditure of bond proceeds.

Appendix L: Final legislative operating appropriations by fund (\$M, not adjusted for inflation)

Fiscal year	Total	General	Special	Higher Ed Operating	Commonwealth Transportation	Enterprise	Trust & Agency	Debt Service	Dedicated Special Revenue	Federal Trust	Internal Service	Total Non- General
1981	\$5,713	\$2,687	\$189	\$549	\$982	\$206	\$133	\$22	\$15	\$930		\$3,026
1982	\$6,033	\$2,904	\$212	\$614	\$968	\$217	\$181	\$24	\$15	\$898		\$3,129
1983	\$6,477	\$3,111	\$249	\$748	\$949	\$248	\$219	\$22	\$24	\$908		\$3,366
1984	\$6,841	\$3,268	\$271	\$834	\$971	\$254	\$235	\$31	\$25	\$952		\$3,573
1985	\$7,682	\$3,753	\$251	\$911	\$1,092	\$214	\$339	\$37	\$29	\$1,057		\$3,929
1986	\$8,269	\$4,032	\$299	\$984	\$1,174	\$217	\$393	\$44	\$31	\$1,097		\$4,237
1987	\$9,351	\$4,599	\$333	\$1,144	\$1,384	\$219	\$405	\$100	\$31	\$1,135		\$4,751
1988	\$10,021	\$4,932	\$423	\$1,203	\$1,618	\$218	\$333	\$84	\$33	\$1,178		\$5,089
1989	\$11,383	\$5,619	\$575	\$1,386	\$1,673	\$227	\$487	\$77	\$44	\$1,296		\$5,765
1990	\$11,836	\$5,989	\$668	\$1,464	\$1,598	\$228	\$428	\$39	\$46	\$1,377		\$5,847
1991	\$12,620	\$6,315	\$676	\$1,631	\$1,553	\$294	\$401	\$80	\$58	\$1,612		\$6,305
1992	\$12,858	\$6,140	\$775	\$1,806	\$1,600	\$296	\$380	\$42	\$59	\$1,760		\$6,717
1993	\$13,927	\$6,402	\$842	\$2,087	\$1,728	\$300	\$467	\$34	\$64	\$2,004		\$7,526
1994	\$14,686	\$6,777	\$878	\$2,228	\$1,906	\$303	\$386	\$34	\$68	\$2,105		\$7,909
1995	\$15,854	\$7,356	\$937	\$2,395	\$1,948	\$359	\$419	\$104	\$76	\$2,260		\$8,498
1996	\$16,291	\$7,597	\$915	\$2,487	\$1,919	\$371	\$449	\$108	\$78	\$2,368		\$8,694
1997	\$17,131	\$8,134	\$918	\$2,570	\$1,953	\$365	\$447	\$87	\$134	\$2,522		\$8,997
1998	\$17,621	\$8,715	\$940	\$2,219	\$2,106	\$366	\$463	\$92	\$123	\$2,596		\$8,905
1999	\$19,962	\$9,967	\$938	\$2,471	\$2,706	\$391	\$486	\$104	\$142	\$2,757		\$9,995
2000	\$21,369	\$11,093	\$1,029	\$2,489	\$2,597	\$399	\$486	\$108	\$140	\$3,028		\$10,276
2001	\$23,323	\$12,284	\$1,156	\$2,616	\$2,785	\$429	\$614	\$119	\$245	\$3,074		\$11,039
2002	\$23,483	\$12,014	\$1,202	\$2,704	\$2,876	\$428	\$767	\$121	\$250	\$3,120		\$11,469
2003	\$24,983	\$12,105	\$1,324	\$3,240	\$2,680	\$566	\$898	\$167	\$285	\$3,718		\$12,878
2004	\$26,379	\$12,370	\$1,352	\$3,575	\$3,194	\$590	\$893	\$171	\$258	\$3,976		\$14,009
2005	\$29,258	\$13,782	\$1,430	\$4,014	\$3,213	\$650	\$1,085	\$164	\$585	\$4,333		\$15,476
2006	\$31,991	\$15,111	\$1,402	\$4,387	\$3,978	\$700	\$1,110	\$170	\$614	\$4,519		\$16,881
2007	\$35,095	\$17,033	\$1,603	\$4,853	\$3,929	\$850	\$1,083	\$234	\$638	\$4,872		\$18,062
2008	\$36,003	\$16,960	\$1,766	\$5,147	\$3,884	\$879	\$1,360	\$244	\$718	\$5,046		\$19,043
2009	\$37,057	\$16,192	\$1,834	\$5,518	\$3,751	\$941	\$1,966	\$261	\$861	\$5,732		\$20,865
2010	\$37,165	\$14,785	\$1,872	\$5,837	\$3,469	\$982	\$2,347	\$213	\$847	\$6,814		\$22,380
2011	\$38,983	\$15,457	\$1,743	\$6,658	\$3,528	\$1,146	\$2,327	\$256	\$811	\$7,056		\$23,525
2012	\$40,351	\$16,342	\$1,795	\$6,672	\$3,884	\$1,174	\$3,136	\$250	\$807	\$6,292		\$24,009
2013	\$42,675	\$17,116	\$1,795	\$7,280	\$3,988	\$1,319	\$2,752	\$293	\$1,426 ^a	\$6,707		\$25,559
2014	\$43,324	\$17,705	\$1,776	\$7,509	\$3,972	\$1,403	\$2,249	\$313	\$1,424	\$6,971		\$25,619
2015	\$46,979	\$18,240	\$1,745	\$7,920	\$4,367	\$1,291	\$2,378	\$326	\$1,860	\$7,081	\$1,772 ^b	\$28,740
2016	\$49,547	\$18,961	\$1,753	\$8,030	\$4,976	\$1,443	\$2,652	\$328	\$1,835	\$7,660	\$1,909	\$30,586
2017	\$52,187	\$20,114	\$1,767	\$8,541	\$5,586	\$1,566	\$2,392	\$329	\$1,885	\$7,929	\$2,077	\$32,073
2018	\$52,614	\$20,450	\$1,781	\$8,249	\$5,591	\$1,684	\$2,245	\$338	\$1,900	\$8,399	\$1,975	\$32,164
2019	\$58,242	\$21,443	\$1,767	\$9,014	\$6,696	\$2,124	\$2,256	\$345	\$2,397	\$10,101	\$2,100	\$36,799
2020	\$62,572	\$22,283	\$1,778	\$9,215	\$7,018	\$2,167	\$2,408	\$345	\$2,885	\$12,402	\$2,071	\$40,288

SOURCE: Final Appropriation Act for each biennium (typically “caboose” bills), Acts of Assembly, Department of Planning and Budget.

^a The \$619 million increase after FY12 is primarily the result of new taxes within the Department of Accounts.

^b Beginning in FY15, internal service fund (ISF) service agencies also received a specific appropriation amount in the budget to provide greater transparency and accountability for these funds. Funding to cover ISF goods and services used to only be included in customer agency budgets.

Appendix M: Major uses of non-general funds, FY20

The eight categories of non-general funds are listed below, along with the five largest budget programs (by dollar amount) that receive appropriations from each fund.

Agency	Programmatic purpose	\$(M)
Dedicated Special Revenue Funds		
DMAS	Medicaid program services	\$1,114.0
VDOT	Financial assistance to localities for ground transportation	622.9
DOA transfer payments	Financial assistance to localities - general	505.0
DMV transfer payments	Financial assistance to localities - general	153.7
VDH	State health services	65.0
Total, top 5		\$2,460.6
Top 5 as percentage of this non-general fund category		85%
Debt Service Funds		
GMU	Higher education auxiliary enterprises	\$54.1
JMU	Higher education auxiliary enterprises	34.1
VCU	Higher education auxiliary enterprises	33.9
UVA	Financial assistance for E&G services	22.8
ODU	Higher education auxiliary enterprises	22.6
Total, top 5		\$167.5
Top 5 as percentage of this non-general fund category		49%
Trust & Agency Funds		
DOE (Direct aid)	State education assistance programs	\$749.8
VEC	Workforce systems services	546.4
VDOT	Highway construction programs	344.7
VDOT	Non-toll supported transportation debt service	210.0
Central appropriations	Distribution of tobacco settlement	119.3
Total, top 5		\$1,970.2
Top 5 as percentage of this non-general fund category		82%
Enterprise Funds		
ABC	Alcoholic beverage merchandising	\$769.2
Admin of Health Insur.	Personnel management services (administration of health insurance)	534.1
Lottery	Disbursement of lottery prize payments	350.0
Virginia529	Investment, trust, and insurance services	250.0
Lottery	State lottery operations	102.7
Total, top 5		\$2,005.9
Top 5 as percentage of this non-general fund category		93%

Agency	Programmatic purpose	\$(M)
Higher Education Operating Funds		
UVA	State health services	\$1,970.1
UVA	Financial assistance for E&G services	544.2
VA Tech	Higher education instruction	353.6
VA Tech	Financial assistance for E&G services	331.4
UVA	Higher education instruction	305.2
Total, top 5		\$3,504.6
Top 5 as percentage of this non-general fund category		38%
Federal Trust Funds		
DMAS	Medicaid program services	\$8,495.3
DOE (Direct aid)	Federal education assistance programs	1,066.5
DSS	Financial assistance for local social services staff	363.1
DSS	Financial assistance for self-sufficiency programs	259.8
DMAS	Administrative and support services	201.3
Total, top 5		\$10,385.9
Top 5 as percentage of this non-general fund category		84%
Commonwealth Transportation Funds		
VDOT	Highway construction programs	\$2,861.9
VDOT	Highway system maintenance and operations	2,097.6
VDOT	Financial assistance to localities for ground transportation	472.8
DRPT	Financial assistance for public transportation	442.1
VDOT	Administrative and support services	297.6
Total, top 5		\$6,171.9
Top 5 as percentage of this non-general fund category		88%
Special revenue		
DSS	Child support enforcement services	\$691.7
VPA	Administrative and support services	116.1
VDH	Community health services	111.5
DBHDS	State health services	80.6
SCC	Regulation of business practices	72.8
Total, top 5		1,072.7
Top 5 as percentage of this non-general fund category		60%

SOURCE: 2020 Appropriation Act (Chapter 1283) data from Department of Planning & Budget.

NOTE: Operating appropriations only. Numbers may not sum because of rounding.

Appendix N: Total, general fund, and non-general fund appropriations for the 10 agencies with the most growth in total appropriations, FY11–FY20 (\$M)

TABLE N-1

10 agencies with the most growth in total appropriations (Table 3, page 10 of the report)

Rank	Agency	<u>Total appropriation</u>		<u>Average annual growth</u>		% of total growth
		FY11	FY20	\$	%	
1	DMAS	\$7,532.5	\$15,128.4	\$844.0	8%	32%
2	VDOT	3,366.4	7,265.5	433.2	10	17
3	DOE (Direct aid)	6,248.4	8,376.2	236.4	3	9
4	UVA	2,237.4	3,665.2	158.6	6	6
5	Va Tech	1,003.7	1,445.2	49.1	4	2
6	GMU	747.9	1,120.3	41.4	5	2
7	VCU	943.5	1,255.3	34.6	3	1
8	DSS	1,918.9	2,219.6	33.4	2	1
9	DBHDS	928.5	1,221.3	32.5	3	1
10	DOC	1,011.1	1,289.6	30.9	3	1
Top 10 agencies, subtotal		\$25,938.4	\$42,986.6	\$1,894.2	6%	72%
Other agencies, subtotal		\$13,044.4	\$19,585.2	\$726.8	5%	28%
Total operating budget		\$38,982.7	\$62,571.7	\$2,621.0	5%	100%

TABLE N-2

General fund growth for the 10 agencies with the most growth in total appropriations

Rank	Agency	<u>General fund appropriation</u>		<u>Average annual growth</u>		% of total growth
		FY11	FY20	\$	%	
1	DMAS	\$2,822.3	\$4,899.5	\$230.8	6%	30%
2	VDOT	44.7	40.0	-0.5	53	0
3	DOE (Direct aid)	4,713.3	6,556.8	204.8	4	27
4	UVA	136.3	153.4	1.9	1	0
5	Va Tech	166.2	198.6	3.6	2	0
6	GMU	127.0	176.1	5.5	4	1
7	VCU	183.0	232.5	5.5	3	1
8	DSS	379.6	431.2	5.7	1	1
9	DBHDS	534.0	908.9	41.7	6	5
10	DOC	930.6	1,223.2	32.5	3	4
Top 10 agencies, subtotal		\$10,036.9	\$14,820.3	\$531.5	4%	70%
Other agencies, subtotal		\$5,420.6	\$7,462.9	\$226.9	4%	30%
Total general fund budget		\$15,457.5	\$22,283.2	\$758.4	4%	100%

TABLE N-3

Non-general fund growth for the 10 agencies with the most growth in total appropriations

Rank	Agency	<u>Non-general fund appropriation</u>		<u>Average annual growth</u>		% of total growth
		FY11	FY20	\$	%	
1	DMAS	\$4,710.2	\$10,228.9	\$613.2	10%	33%
2	VDOT	3,321.7	7,225.5	433.8	10	23
3	DOE (Direct aid)	1,535.0	1,819.3	31.6	2	2
4	UVA ^a	2,101.1	3,511.8	156.7	6	8
5	Va Tech	837.5	1,246.6	45.5	5	2
6	GMU	621.0	944.1	35.9	5	2
7	VCU	760.5	1,022.8	29.1	3	2
8	DSS	1,539.4	1,788.4	27.7	2	1
9	DBHDS	394.5	312.4	-9.1	-2	0
10	DOC	80.5	66.4	-1.6	-2	0
Top 10 agencies, subtotal		\$15,901.5	\$28,166.2	\$1,362.8	7%	73%
Other agencies, subtotal		\$7,623.8	\$12,122.3	\$499.8	6%	27%
Total non-general fund budget		\$23,525.3	\$40,288.5	\$1,862.6	6%	100%

SOURCE: DPB data on appropriation, 2011–2020.

NOTE: Excludes capital appropriations and DOA transfer payments. Appropriations not adjusted for inflation. Numbers may not sum because of rounding. General fund appropriations for VDOT fluctuated from year to year during the time period (from a low of \$12 million to a high of \$135 million).

^a Excludes UVA-Wise but includes the medical center.