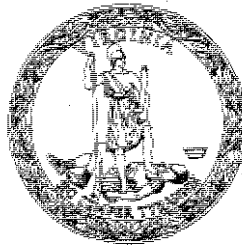


**INTERIM REPORT OF THE
JOINT LEGISLATIVE AUDIT AND REVIEW COMMISSION
ON
FEDERAL FUNDS IN VIRGINIA
TO
THE GOVERNOR
AND
THE GENERAL ASSEMBLY OF VIRGINIA**



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**COMMONWEALTH OF VIRGINIA
Richmond, Virginia
1980**

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RAY D. PETHTEL
Director

January 4, 1980

The Honorable John N. Dalton
Governor, Commonwealth of Virginia

Members of the Virginia General Assembly

Gentlemen:

I am pleased to transmit to you this interim report of a study on federal funds prepared by the Joint Legislative Audit and Review Commission. The study was authorized by HJR 237 of the 1979 session.

The report and recommendations for legislative consideration were authorized for release at the December 10, 1979 meeting of the Commission.

With highest personal regards, I am

Sincerely yours,

Omer L. Hirst
Chairman

OLH:ss

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Report Summary

Special Study: Federal Funds

Federal funds comprise almost twenty-five percent of all State revenues. During the first year of the 1978-1980 biennium, \$1.2 billion in federal funds was received by State agencies. Approximately another \$300 million was provided directly to local governments. Almost one-quarter billion dollars in aid to State agencies was received and authorized for expenditure without going through the legislative appropriation process.

CHAPTER I--INTRODUCTION

Under the intergovernmental aid system, federal dollars are funneled to State and local governments for their use in supporting programs which complement national objectives. State and local governments participate in the decision-making and expenditure processes of the intergovernmental aid system. Upon acceptance of federal funds, however, State and local governments are also required to comply with numerous conditions and requirements which accompany the funds.

The expansion of federal aid to Virginia during the past ten years has paralleled national trends. According to U. S. Treasury figures, federal intergovernmental aid to states and localities increased by approximately 300 percent, from \$20 billion in 1969 to almost \$80 billion in 1978. Virginia's receipt of intergovernmental aid funds increased at almost exactly the same rate, rising from \$370 million to \$1.5 billion during the same period.

The growing dependence of state agencies and programs on federal funds has caused concern in the legislatures of most states. Of foremost concern is the degree to which the flow of federal funds has preempted the legislature's prerogative to review programs and appropriate revenues. In some states federal funds have remained outside the appropriations process. In other states, including Virginia, only a portion of federal fund receipts and expenditures undergo legislative review.

CHAPTER II--RECEIPT OF FEDERAL FUNDS BY STATE AGENCIES

Many State agencies and programs are heavily dependent on federal funds. In FY 1979, 107 State agencies and institutions received \$1.2 billion in federal funds. Major agencies such as the Office on Aging, the Virginia Employment Commission, and the Departments of Rehabilitative Services, Welfare, and Health received over one-half of their revenues from federal sources. The University of Virginia, Virginia Tech and VCU received over \$15 million each in federal funds.

A number of smaller agencies and institutions, while not receiving comparable amounts, are equally dependent on federal revenues to provide a large proportion of their budgets. Local governments in Virginia also depend heavily on federal support. Almost a quarter-billion dollars in federal funds are channeled to local governments annually through State agencies. Hundreds of millions more are received directly by localities from federal sources.

When looked at in terms of programs, the influence of federal funds is also apparent. State programs and services for transportation, health, welfare, employment, nutrition and all aspects of education would be difficult to maintain at present levels without federal support. The magnitude of federal aid gives the federal government an important lever to use in influencing State program priorities and directions.

Chapter II and the Appendix to this interim report provide detailed information on federal fund receipts by State agencies. These data are the most reliable available and are based on a variety of State and federal records.

CHAPTER III--STATE AGENCY ACQUISITION OF FEDERAL FUNDS-- PROCESS AND CONTROLS

The federal government provides aid to states in order to further national goals and objectives. The State, in turn, seeks to control the flow of federal funds to support those programs approved by the Governor and legislature. However, there appear to be a number of weaknesses in the present process which could affect the State's ability to control the flow of federal funds. Of greatest concern are gaps in information and review processes which have led to the receipt and expenditure of federal funds without clear legislative or executive approval.

Notification of Intent Noncompliance. State notification of intent procedures, which are designed to ensure that agencies solicit or accept only those funds which are consistent with State objectives, are not always followed. In one case federal funds were applied for, without authorization, to support a project which was contrary to State plans and priorities. The value of State planning, and the ability of the executive and legislature to make decisions based on formal plans, can be seriously undercut by agency failure to follow notification of intent procedures.

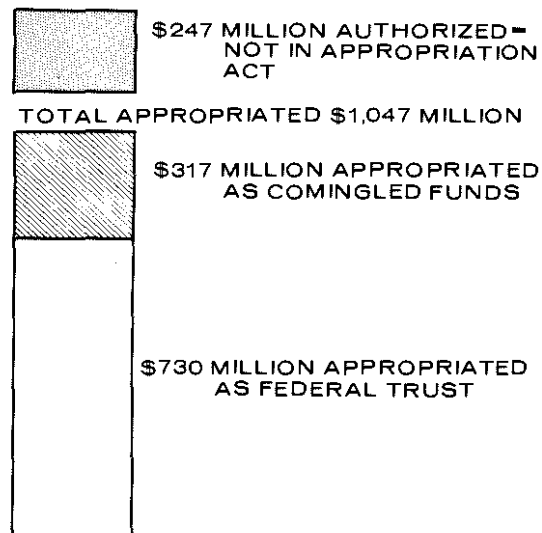
Budget Underestimation. When preparing estimates for the biennial budget, State agencies consistently underestimate the amount of nongeneral revenue they will receive for their programs. Federal funds make up a large part of these revenues. When the funds are subsequently received during the interim, the Governor routinely uses the authority granted in the Appropriations Act to allow agencies to spend the additional funds. In this way State agencies were authorized to spend approximately \$247 million more in federal funds

in FY 1979 than were appropriated by the General Assembly. This represents a 24 percent increase in federal funding above the \$1 billion legislative appropriations.

Dilution of Legislative Prerogative. Both the failure to follow notification of intent requirements and chronic underestimation of revenues results in a dilution of legislative prerogatives to review State programs and appropriate revenues. Currently it is possible for agencies, using federal funds received after passage of the Appropriations Act, to initiate new programs or greatly expand programs beyond the scope authorized by the legislature.

Information Weaknesses.

There are several problems with the present procedures for reporting on the receipt and expenditure of federal funds during the legislative interim. These weaknesses need to be corrected in order to strengthen the control process. In addition to the \$247 million in federal funds which were not appropriated by the General Assembly, substantial amounts of federal funds are also not clearly identified in the budget bill and, subsequently, in the Appropriations Act. For example, \$317 million in federal funds appropriated for FY 1979 were comingled with other fund categories in the Act. As shown in the figure, only \$730 million of a total of \$1.2 billion of federal funds eventually authorized for expenditure were actually identified as federal funds and appropriated in the Act.



RECOMMENDATIONS TO STRENGTHEN CONTROL

Several steps can be taken to strengthen existing procedures and controls. Clarifying the intent of the legislature regarding interim authority to receive and spend federal funds is the most important step which can be taken, at this time, to improve the control of federal funds flowing into Virginia.

Recommendation 1. The General Assembly may wish to consider including language in the Appropriations Act for the 1980-1982 biennium which clarifies the desire of the legislature to be

kept fully informed of the flow and use of federal funds in the Commonwealth. Specifically, the General Assembly may wish to:

- (a) require inclusion in agency budget estimates for 1982-1984 of all federal revenues which can be reasonably anticipated, whether or not a written agreement is in force; and
- (b) require agencies to make a written reconciliation of all differences between federal funds that were originally appropriated, and funds actually received. Particular emphasis could be placed on identifying programs which are initiated or expanded, or which undergo an increase in the level of effort, as a result of federal funds received under the Governor's authorization during the legislative interim. Reconciliations should be provided on a timely basis to the House Appropriations and Senate Finance Committees.

Recommendation 2. The Department of Planning and Budget should clarify its policies governing the notification of intent process to ensure that all agency heads are aware of notification requirements.

Recommendation 3. The Governor's 1982-1984 budget bill should identify all federal revenues anticipated by agencies. Comingling of funds, where necessary to conform to Department of Accounts fund structure, should be explained with appropriate footnotes and supporting detail.

Recommendation 4. For the 1980-1982 biennium the General Assembly may wish to reenact as a separate section those portions of Section 4-3.05 of the 1978-1980 Appropriations Act which require the Governor to submit quarterly reports of approvals given to agencies to expend federal grants and other nongeneral funds in excess of legislative appropriations. Such action would clearly distinguish between the approval authority and the reporting responsibility of the Governor.

Recommendation 5. The Department of Accounts should require all agencies to use the appropriate federal identification program codes when reporting deposits to the State Treasury. These codes would provide important information for improved executive control and legislative review.

Virginia recently agreed to participate in a federal project which would improve the quality of federal notification to the states on the status of grant awards. It is estimated that only 50 percent of current awards are properly accounted for.

Recommendation 6. The State should continue its participation in this project (the Federal Assistance Information Test) and examine ways to link this information system to central State accounting records for legislative reporting purposes.

I. Introduction

Over the past decade, the flow of federal funds to Virginia, as well as other states, has rapidly increased. Legislative concern over the impact of these federal funds prompted the passage of House Joint Resolution 237 during the 1979 Session of the Virginia General Assembly. This resolution directed JLARC to study the amounts, purposes, and impacts of federal funds coming into the Commonwealth; as well as existing procedures for seeking, using, and controlling these funds. HJR 237 is shown at Appendix 1, p. A-1.

Increased federal aid is reflective of a shift in philosophy at the national level. Rather than creating federally administered programs to implement national objectives, the federal government funnels dollars to state and local governments for their use in providing services in accordance with federal guidelines. Participation is optional; however, states and localities that do not participate in this process lose their share of available tax dollars to other parts of the country. This philosophy, sometimes referred to as the "new federalism," has brought about marked changes in the nature of state/federal relationships.

Central to the intent of HJR 237 is the General Assembly's concern that the use of federal funds can distort or preempt the legislative prerogatives to review State programs and appropriate State revenues. Federal support sometimes enables agencies to initiate new programs without prior State legislative review and approval, or to increase program expenditures beyond levels set by the legislature. In addition, the possibility is everpresent that the federal government will shift costs to the State after programs have been created, employees have been hired, and clients have become dependent on program services.

STUDY DEFINITION AND PURPOSE

This interim report on federal funds in Virginia provides background information to the legislature for use in its consideration of the 1980-82 biennial budget. The report includes a description of the intergovernmental aid system and information on the growth and distribution of federal funds in Virginia.

JLARC's final report, due in December 1980, will address each issue raised in HJR 237 and will provide additional, detailed information to be considered in legislative appropriation decisions. The final report will consist of two principal components: a review of operational aspects of the intergovernmental aid system, and an assessment of its impact.

The operational review will: (1) analyze existing control procedures and policies used by the State to account for and control federal funds; (2) identify the rights and duties available to the State in the event of federal action to withdraw or shift funds; and (3) evaluate the procedures used by the State and localities to identify, seek, and use federal funds.

The impact assessment will: (1) catalog the distribution of federal funds among State and local programs; (2) examine the dependence of State and local programs on federal funds and the corresponding federal influence on these programs; (3) identify federal funding requirements and analyze the potential in Virginia for loss of funds through noncompliance; and (4) assess the performance of the State in securing appropriate federal funds.

Federal Funds Defined

There are two broad categories of federal expenditures: direct federal spending and intergovernmental aid (Figure 1).

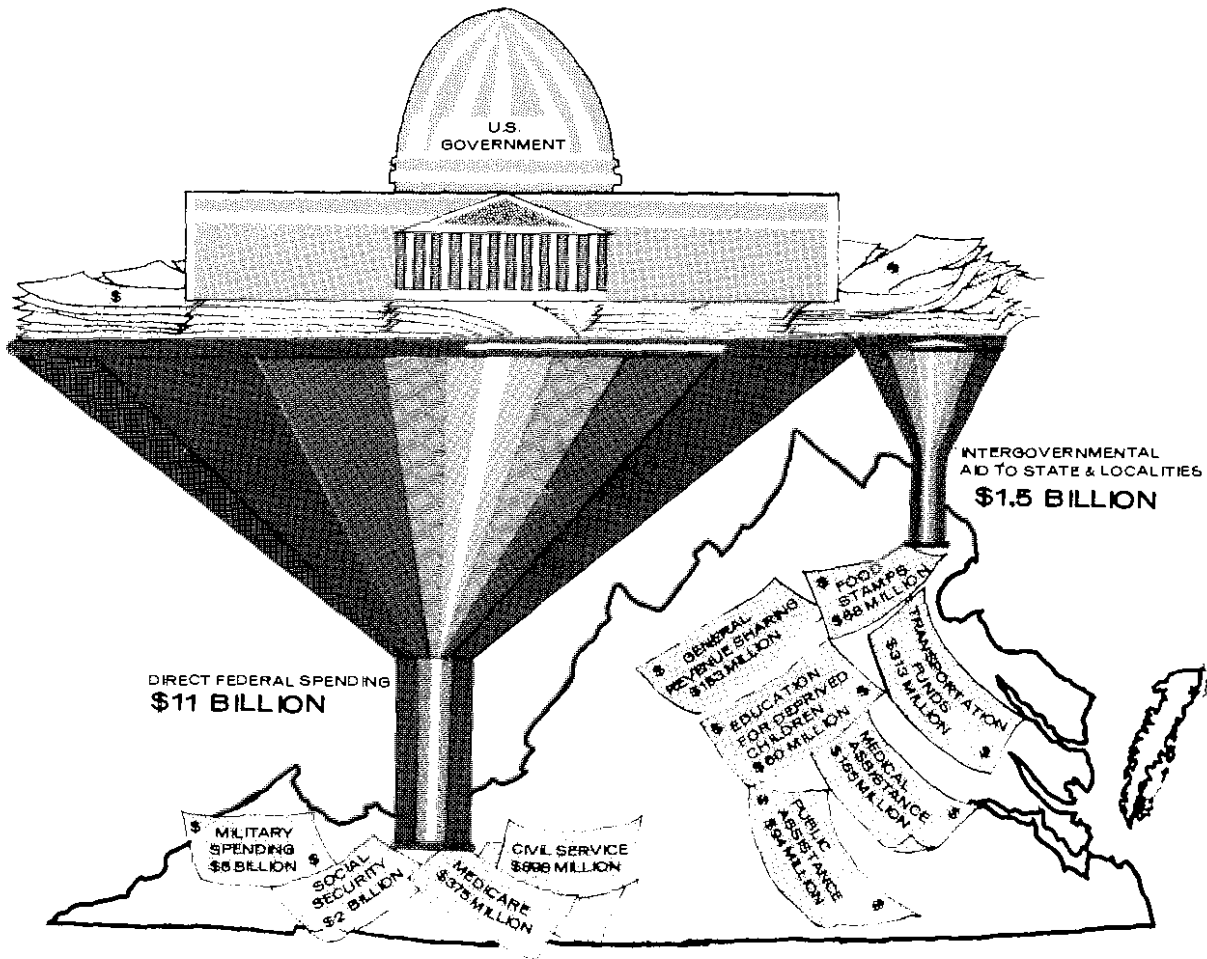
Direct Federal Spending. Direct federal spending includes funding for federal agencies and activities located in the Commonwealth, as well as federal payments to individuals. Examples of direct federal spending in Virginia include:

- operation of military facilities;
- operation of federal offices and services;
- salaries of federal employees, civil service and military personnel; and
- social security and medicare payments.

Direct federal spending in Virginia amounted to approximately \$11 billion in FY 1978. These funds exert a substantial impact on Virginia's economy and, therefore, on State and local governments. For example, social security payments and G.I. Bill benefits for Virginia college students are estimated to total about \$50 million per year, making these programs important sources of student financial support in the State. Consequently, federal decisions regarding Social Security or the G.I. Bill could affect college and university attendance and revenues. Characteristic of direct federal spending, however, is the absence of state or local participation in expenditure decisions. There is no State legislative appropriation prerogative exercised over direct federal spending.

Intergovernmental Aid. The second major category of federal funds coming into Virginia is intergovernmental aid. During FY 1978, the Commonwealth received \$1.5 billion in such federal funds. These funds are generally distributed to State

Figure 1
CATEGORIES OF FEDERAL FUNDS



Source: JLARC staff illustration from Community Services Administration data for FY 1978.

agencies, local governments, and local or regional subdivisions. There is a strong element of participation by these bodies in the decision-making and expenditure processes.

Definition Used in This Report. Intergovernmental aid funds are related to the legislative appropriation prerogative addressed in HJR 237. Direct federal spending, while important, is effectively outside the appropriations control of the General Assembly. Therefore, JLARC's study of federal funds will focus on intergovernmental aid, and the term "federal funds" will refer only to intergovernmental aid for the remainder of this report.

Intergovernmental Aid Classified

There are two general methods of further defining and classifying intergovernmental aid. One focuses exclusively on grants, which comprise the majority of intergovernmental aid funds. The other includes grants as one of three classes of intergovernmental aid.

The Tripartite Grant Classification. This older and more widespread classification divides federal aid to state and substate governments into three grant types: categorical grants; block grants; and general revenue sharing grants. Each type is distinguished by the level of federal control which accompanies the grant.

- Categorical grants are usually awarded for specific programs or activities with fairly narrow goals and objectives defined by the federal government. There are about 500 such categorical grant programs which have typically represented the majority of federal funds going to states and localities. Some examples are highway safety grants, school aid, higher education research grants, and medicaid.
- Block grants are distributed according to statutory formula and may be used for a variety of activities within a broad functional area. Recipients have more flexibility in determining the specific activities undertaken within the functional range. There are currently five block grant programs: Partnership for Health; Omnibus Crime Control and Safe Streets; Comprehensive Employment and Training; Housing and Community Development; and Title XX Social Services.
- General revenue sharing grants are distributed to state and local governments on a formula basis with few limits on purpose or the procedures by which they are spent.

New Classification Proposal. The second intergovernmental aid typology was developed and proposed in the late 1970s. The typology is based on a federal study by the Commission on Government Procurement which concluded that grants were not precisely defined and, as a result, were inconsistently and incorrectly administered and controlled. The new typology is considerably more precise. It focuses on the nature of intergovernmental agreement and the relationship and responsibilities of the participants. This typology also identifies three classes of federal funds: cooperative agreements, procurements, and grants.

- Cooperative agreements are federal government assistance to support or stimulate recipient activity. They have substantial federal involvement and monitoring. The award of cooperative agreements is based on need and mutual

agreement on programs. Most intergovernmental aid involving State or local matching funds would fall into this category.

- Procurements are contracts to purchase products and services for the federal government, and are awarded on the basis of technical and price competition. Federal involvement varies. Examples of procurements are federal research contracts to State universities for cancer research and energy development.
- Grants are federal government assistance to support or stimulate recipient activity, and are awarded on the basis of need. Grants entail relatively less federal control than cooperative agreements. Grants include general revenue sharing grants to states and localities.

Both classifications are helpful in a consideration of intergovernmental aid. The tripartite grant typology is useful because it reflects the historical patterns by which grant programs have evolved. The new typology is useful because it provides more specificity on the nature of the agreement and it identifies intergovernmental aid programs not included in the tripartite classification. The federal government is studying the possible adoption of the new classification proposal.

A NATIONAL ISSUE: THE POWER OF THE PURSE

In passing HJR 237, the Virginia General Assembly voiced concerns shared by many other states regarding the current system of federal intergovernmental aid. The impact of federal funds on state legislatures' appropriation powers is a broadly-based national issue. For example, the National Conference of State Legislatures (NCSL) recently listed some concerns about federal aid which closely parallel the substance of HJR 237. They include:

- the predominance of federal priorities;
- the inability of state and local governments to comply with federal matching and maintenance of effort requirements;
- duplication among federal, state, and local programs;
- the uncoordinated proliferation of federal assistance programs;
- gubernatorial initiation or augmentation of programs without legislative approval;

- increasing state obligations to fully fund programs or maintain staff once federal support declines; and
- poor information about federal assistance in the state budgetary process.

A comparison of the NCSL list and HJR 237 as shown in Appendix 1 confirms that the problems Virginia is facing are not unique, but are shared by many states.

The Growth of Federal Funds

The growth of federal aid has increased the problems of state legislative control. At an average annual growth rate of 16 percent, federal intergovernmental aid nationwide and in Virginia has increased dramatically over the past ten years (Table 1). In 1969, federal aid constituted about 17 cents of every State and local revenue dollar collected throughout the country. Current estimates indicate that federal funds comprised 33 percent of all State-local revenues for FY 1978.

Table 1
FEDERAL AID IN THE U. S. AND VIRGINIA
Fiscal Years 1969-1978

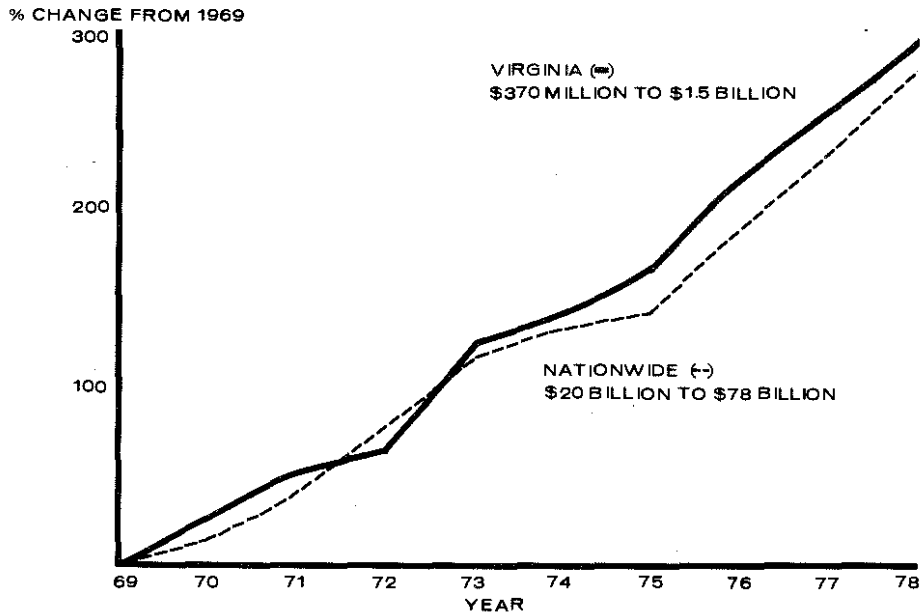
<u>FY</u>	<u>Total Federal Aid</u>	<u>Federal Aid to Virginia</u>
1969	\$20,287,399,000	\$ 370,223,000
1970	24,194,090,000	465,682,000
1971	29,844,721,000	571,854,000
1972	35,940,614,000	622,860,000
1973	43,963,648,000	828,076,000
1974	46,040,380,000	890,559,000
1975	49,723,153,000	1,004,305,000
1976	59,111,874,000	1,185,831,000
1977	68,436,840,000	1,311,454,000
1978	77,900,903,000	1,468,126,000

Source: U. S. Treasury, Federal Aid to States, for appropriate fiscal year.

The expansion of federal aid to Virginia during the past ten years has paralleled the national trend (Figure 2). According to the U. S. Treasury figures shown above, from 1969 to 1978 the Commonwealth's receipt of federal intergovernmental aid increased 297 percent. Total intergovernmental aid for the same period increased 284 percent.

Figure 2

GROWTH OF FEDERAL FUNDS IN VIRGINIA AND NATIONWIDE
1969-1978



Sources: U. S. Treasury, Federal Aid to States; JLARC.

National Perspective on Control

Until recently, most state legislatures have refrained from exerting their full authority over federal funds. As late as 1975, a survey of budget officers from 36 states showed that legislatures in at least seven states did not even consider federal funds in their budget deliberations. Twelve of the 36 state legislatures, Virginia's among them, included only some federal aid in their appropriation bills.

Among the states which did appropriate some or all of their federal receipts, one-third, including Virginia, permitted agencies to spend federal funds above the amount stipulated in their appropriation acts without the approval of the legislature or one of its committees or staff. Three-fourths of the states surveyed, including Virginia, did not establish specific subprogram priorities for the expenditure of formula grants. Only two states, North Dakota and Oklahoma, exercised any discretionary power over federal funds channeled through state agencies to local governments.

As state agencies across the country received increased federal support, much of it received outside of the legislative appropriations process, executive accountability to the state

legislature tended to diminish. Acting without legislative approval, some agencies initiated new programs, expanded existing activities, added personnel, and otherwise altered service levels and priorities set by the legislature. Two examples follow:

The Pennsylvania Board of Probation and Parole used federal funds to establish 130 positions specifically denied by the legislature. When federal support declined, the legislature had to choose between funding the positions with state dollars or putting 117 experienced parole officers out of work.

In 1976, state agencies in South Carolina held over \$24 million in federal aid in special fund accounts not subject to legislative control while the state's general fund suffered a \$16.3 million deficit. It has been estimated that \$15.9 million of the state's general fund deficit could have been avoided had agencies used federal funds to reduce state administrative costs for federal-state programs.

Over the past few years, state legislatures have begun to reassert control over state expenditure and service levels. They have moved to limit the discretionary power which federal aid confers on state agencies. In general, legislatures have utilized one of two basic approaches to manage the expenditure of federal funds: legislative control of grant applications; or formal legislative appropriation of federal intergovernmental aid.

Control of Grant Applications. According to a January, 1979 NCSL survey, five states have instituted procedures for legislative review and authorization of state agency grant applications. Oregon's procedures, described on the next page, provide an example.

Control Through Appropriation. The NCSL survey also found that legislative appropriation of federal funds is practiced by 42 states. Seven of the 42 states actively appropriate aid by establishing priorities for non-categorical funds, appropriating them to specific agency divisions, and performing program reviews on their use. These legislatures also maintain control over federal support during their interim periods. Legislatures in the remaining 35 states, including Virginia, were less involved in determining how federal funds were used.

For legislatures which are not in session full-time, such as Virginia's, perhaps the most crucial issue in controlling the expenditure of federal aid is their authority over the funds during the legislative interim. Four general types of legislative authority over the receipt of federal funds during the interim are in use in some of the states.

APPLICATION REVIEW AND APPROVAL IN OREGON

During the legislative session, the Oregon Joint Committee on Ways and Means reviews applications for federal funds as part of its budgetary process. Applications must be approved prior to their submission to the federal government.

During the interim period between legislative sessions, authority to review requests for federal aid is delegated to the State Emergency Board. The Board has 15 members, including the Speaker of the House, the President of the Senate, the House and Senate Co-Chairmen of the Ways and Means Committee, and three additional Senators and four additional Representatives with Ways and Means experience.

The Board meets every six weeks during the interim period. If federal deadlines require, an agency may submit an application before it is reviewed by the Board. In such cases, however, the application is subject to withdrawal if it is not approved by the Board at its next scheduled meeting.

Oregon has exempted certain types of federal funds from the legislative review process. Most notably, college and university research and contract activities are not, for all practical purposes, controlled.

1. *Appropriation by Legislative Committee.* In Oregon, the Emergency Board has constitutional authority to increase "legislatively established expenditure limitations for federal funds" during the interim period. In Louisiana, a 28-member Legislative Budget Committee has interim approval authority over federal funds.

Delegation of appropriation authority to an interim legislative committee was considered in four other states. It has been ruled unconstitutional in Missouri, Montana, and Utah. In a 1978 ballot, Alaskans defeated a measure to amend their Constitution to grant interim appropriation authority to a legislative committee.

2. *Appropriation by Joint Legislative-Executive Committee.* In Kansas, Mississippi, Ohio, and Vermont, joint

legislative-executive bodies have been granted authority to approve the expenditure of additional federal funds during the interim period. Each of these groups is composed almost entirely of legislators. The single executive member serves as committee chairman.

3. *Limited Appropriation by Committee.* In Arkansas, Maine, North Carolina, and South Carolina funding approval may be granted during the interim by a legislative committee or executive authority. Approvals are subject to confirmation by the full legislature in each case.
4. *Appropriation by Full Legislature Only.* In 1975, the Missouri Supreme Court ruled that appropriation by committee during the interim was unconstitutional. Consequently, Missouri's full legislature must authorize the expenditure of additional, unbudgeted federal funds through an "emergency appropriation."

In contrast to these examples, however, most state legislatures exercise little direct authority over the receipt and expenditure of additional federal funds during the legislative interim. Rather, they delegate appropriation authority to the executive branch. In these states, the legislature's role in controlling the use of unanticipated federal aid is largely confined to a review of executive action. The Virginia General Assembly falls into this general category.

Legislative Control of Federal Funds in Virginia

The Virginia Constitution provides for the legislative appropriation of all funds. Consequently, revenue from federal as well as all other sources must be appropriated by the General Assembly. However, as a matter of practicality, the executive branch has been authorized by the Appropriations Act to "increase appropriations" and approve agencies' receipt and expenditure of federal funds during the legislative interim. In FY 1979, \$247 million--almost one-fourth of all federal funds received by State agencies--were not included in the Appropriation Act.

In effect, these procedures sometimes allow agencies to receive and expend significant sums of federal funds without the knowledge or approval of the legislature. There is some evidence that agencies opt for the administrative approval process even when use of the legislative appropriation process would be possible. A full discussion of State controls and gaps in these controls is included in Chapter III.

CONCLUSION

Over the last decade, concerns have primarily focused on the rapid growth of federal funding of State and local programs. These concerns may soon be complicated by a shift in federal funding policy. In a distinct turnaround from recent trends, the Carter Administration budgets for 1979 and 1980 sharply reduce the rate of growth of intergovernmental aid. It is estimated that federal funds grew only five percent in 1979 and will expand only one percent in FY 1980, with no adjustment for inflation. Approximately \$82 billion was distributed to state and local governments in 1979, and just over \$83 billion will be available for distribution in 1980.

Actual reductions in intergovernmental aid may also be on the horizon. The states are thought to be relatively affluent today. State surpluses are contrasted with federal deficits as Congress debates whether or not to continue general revenue sharing to the states. State affluence, "Proposition 13" movements, the call for a constitutional amendment to balance the federal budget, and other factors have led Congress to take a second look at the desirability, and indeed the feasibility, of continuing to funnel massive amounts of federal funds to the states.

If federal support of state activities does decline significantly, state legislatures will face mounting demands for scarce tax dollars and legislative control of federal funds will assume even greater importance. The next chapter documents the scope of federal funding received by Virginia State agencies, and the dependence generated by the receipt of large amounts of federal funds.

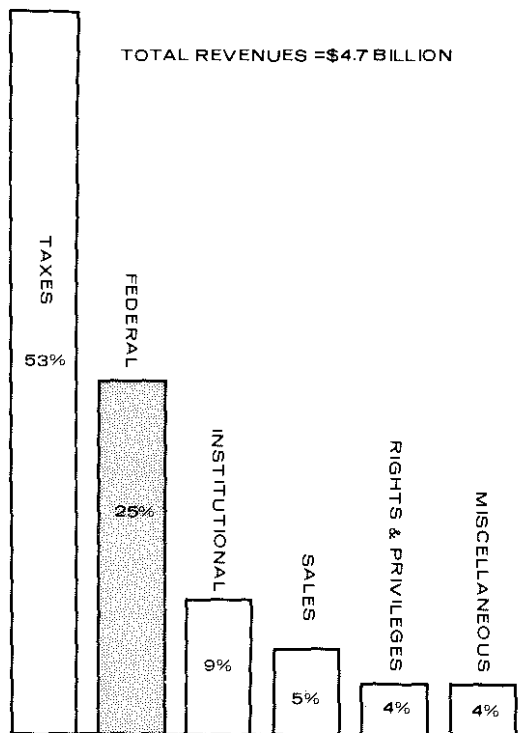
II. Receipts of Federal Funds by State Agencies

During the first year of the 1978-1980 biennium, approximately \$1.2 billion in federal funds was received by State agencies and deposited into the State Treasury. This amount represented approximately 25 percent of State government revenues collected during FY 1979 (Figure 3). In fact, federal revenues were exceeded only by the general category of taxes as a source of State revenues last year.

Over 90 percent of all the federal funds that came to Virginia State government in FY 1979 were received by agencies under three secretarial areas: Human Resources, Transportation, and Education. For every dollar in federal revenue received, 46 percent went to Human Resources, 25 percent went to Transportation, and 20 percent went to Education. The remaining nine percent was distributed among Administration and Finance, Commerce and Resources, Public Safety, and other recipients.

Figure 3

SOURCES OF VIRGINIA STATE REVENUES
Fiscal Year 1979



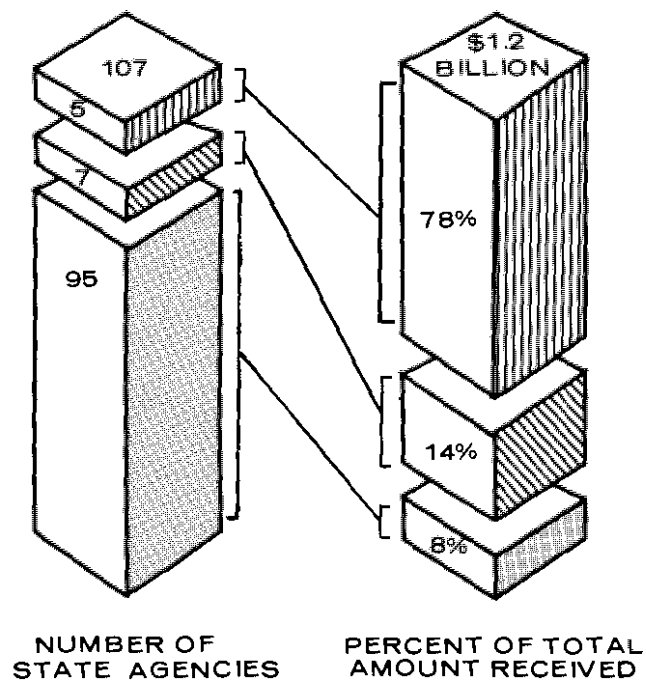
Source: JLARC staff illustration; data from the Office of the Comptroller, Preliminary Report on the Financial Condition of the Commonwealth for FY 1979.

During FY 1979, 46 percent (107) of Virginia's State agencies and institutions received federal financial assistance (Table 3). The amounts received by these agencies and institutions varied greatly, from as little as a few hundred dollars to approximately \$286 million.

Two-thirds of the 107 agencies and institutions received less than \$1 million in federal aid. In contrast, there is a substantial concentration of federal funds in a few agencies. Of the 107 recipients, five with total receipts of over \$100 million account for over three-quarters of all federal funds received by the Commonwealth in FY 1979. The receipts of seven other agencies, each with \$10 million to \$100 million in federal funds, represent another 14 percent of the total (Figure 4).

Figure 4

CONCENTRATION OF FEDERAL RECEIPTS IN STATE AGENCIES
Fiscal Year 1979



Source: JLARC staff illustration; data from the Department of Accounts, June 1979 Federal Revenue Status Report.

Twelve agencies (or divisions within agencies) which received 92 percent of all federal funds are shown in Table 2. The fact that most federal funds are received by only twelve agencies suggests that enhanced control of federal funds could result from focusing legislative attention on these twelve agencies. However, other, smaller State agencies receive enough federal funds to raise additional questions about the adequacy of State control. The final report will address the question of the control of federal funds received by all State agencies in more detail.

Table 2

STATE AGENCIES (DIVISIONS) WITH FEDERAL RECEIPTS
OVER \$10 MILLION
Fiscal Year 1979

	<u>Amount Received</u>	<u>Percent of State Total</u>
<u>Receipts over \$100 million</u>		
State Highway Commission	\$ 285,601,862	24.4%
State Department of Health	209,572,684	17.9
Department of Welfare	176,441,853	15.1
State Board of Education	138,213,342	11.8
Virginia Employment Commission	107,748,906	9.2
Subtotal	\$ 917,578,647	78.4%
<u>Receipts from \$10-\$100 million</u>		
Department of the Treasury	\$ 48,225,524	4.1%*
UVA Academic Division	30,251,161	2.6
Department of Rehabilitative Services	27,714,191	2.4
VCU Academic Division	16,419,386	1.4
VPI Research Division	14,140,680	1.2
Div. of Justice & Crime Prevention	12,425,474	1.1
Office on Aging	11,620,896	1.0
Subtotal	\$ 160,797,312	13.8%
Table Total	\$1,078,375,959	92.2%

*Includes receipt of general revenue sharing funds for use by other agencies and programs.

Source: Department of Accounts, June 1979 Federal Revenue Status Report.

DEPENDENCE

The large amount of federal funds received by State agencies indicates substantial dependence on federal revenues. In its most basic form, dependence can be measured as the absolute

Table 3

FEDERAL RECEIPTS BY STATE AGENCY AND INSTITUTION
(RANK ORDERED)
Fiscal Year 1979

<u>Agency</u>		<u>FY 1979 Receipts</u>
State Highway Commission		\$ 285,601,862
State Department of Health		209,572,684
State Department of Welfare		176,441,853
State Department of Education		138,213,342
Virginia Employment Commission		107,748,906
Department of the Treasury		48,225,524
University of Virginia		
Academic Division	30,251,161	
Hospital Division	730,240	
Clinch Valley College	367,191	
School of General Studies	148,281	31,496,873
Department of Rehabilitative Services		27,714,191
Virginia Polytechnic Institute & State University		
Research Division	14,140,680	
Extension Division	7,076,137	
Academic Division	1,002,159	22,218,976
Virginia Commonwealth University		16,419,386
Division of Justice and Crime Prevention		12,425,474
Office on Aging		11,620,896
State Corporation Commission		8,685,607
Virginia State University		6,247,043
Governor's Employment and Training Council		5,467,327
Norfolk State University		5,251,928
Virginia Community College System		
J. Sargeant Reynolds Community College	731,447	
Wytheville Community College	614,189	
Northern Virginia Community College	609,171	
Tidewater Community College	528,015	
Virginia Western Community College	379,434	
Dabney S. Lancaster Community College	341,095	
New River Community College	332,735	
Virginia Highlands Community College	292,127	
Southwest Virginia Community College	227,678	
Piedmont Virginia Community College	219,179	
Thomas Nelson Community College	201,584	
Paul D. Camp Community College	185,390	
Danville Community College	114,571	
Rappahannock Community College	111,905	
Central Virginia Community College	84,035	
Mountain Empire Community College	60,236	
John Tyler Community College	54,696	
Patrick Henry Community College	40,042	
Southside Virginia Community College	36,908	
Lord Fairfax Community College	26,906	
Germanna Community College	22,094	
Blue Ridge Community College	17,953	
Eastern Shore Community College	16,386	5,247,776
Commission of Outdoor Recreation		5,007,097
Virginia Commission for the Visually Handicapped		
The Commission	4,198,468	
Virginia Rehabilitation Center for the Blind	703,490	4,901,958
Department of Mental Health & Mental Retardation		
State Mental Health & Mental Retardation Board	3,744,346	
Southeastern Virginia Training Center	102,651	
Lynchburg Training School & Hospital	102,146	
Northern Virginia Training Center	65,594	
Southwestern Virginia Training Center	38,560	
Eastern State Hospital	29,722	
DeJarnette Center for Human Development	12,642	
Virginia Treatment Center for Children	8,470	
Hiram W. Davis Medical Center	927	4,105,058

Table 3

<u>Agency</u>		<u>FY 1979 Receipts</u>
College of William and Mary		
Virginia Institute of Marine Science	2,163,467	
The College	1,045,765	
Virginia Associated Research Campus	392,221	
Richard Bland College	14,971	3,616,424
Department of Housing and Community Development		3,574,595
Department of Conservation & Economic Development		
Division of Forestry	1,823,826	
Division of Mined Land Reclamation	1,575,244	
Division of Mineral Resources	40,000	
Virginia State Travel Service	25,000	
Division of Parks	24,978	3,489,048
Department of Corrections		
Mecklenburg Correctional Center	2,218,886	
Board of Corrections	618,300	
Appalachian Learning Center	10,860	2,848,046
Department of Transportation Safety		2,746,828
State Water Control Board		2,593,471
State Council of Higher Education		1,416,961
State Offices of Emergency and Energy Services		1,410,080
James Madison University		1,234,118
Department of Labor and Industry		1,211,797
State Air Pollution Control Board		1,145,000
Virginia State Library		1,072,740
Department of Military Affairs		1,058,477
Department of Agriculture and Consumer Services		982,883
Virginia Historic Landmarks Commission		895,383
Commission of Game and Inland Fisheries		783,774
Virginia Developmental Disability Planning Council		591,582
Secretary of Commerce and Resources		576,423
George Mason University		514,071
Virginia Commission of the Arts and Humanities		470,718
Department of Personnel and Training		470,000
State Education Assistance Authority		413,640
Radford University		327,599
Marine Resources Commission		312,223
State Office of Minority Business		248,370
Old Dominion University		219,433
Longwood College		168,780
Virginia Developmental Disabilities Protection & Advocacy Office		164,443
Virginia Museum of Fine Arts		118,771
Attorney General		97,754
Rehabilitative School Authority		94,054
Christopher Newport College		78,516
Department of Intergovernmental Affairs		27,438
Division for Children		20,330
Secretary of Human Resources		17,780
The Science Museum of Virginia		16,269
Department of State Police		14,703
Virginia Soil and Water Conservation Commission		11,985
Governor's Council on Transportation		8,870
Virginia State Fire Services Commission		5,000
Mary Washington College		3,906
Virginia State Bar		147
Total		\$1,167,686,191

Source: Department of Accounts June, 1979 Federal Revenue Status Report.

amount of dollars received and as the percent of total revenues which federal funds comprise. This interim report uses this basic measure of dependence. The final report on federal funds will focus on more comprehensive measures of dependence, and will include an analysis of city, county, and substate jurisdictional dependence on federal funds.

Agency Dependence

Table 4 illustrates the degree of State dependence on federal funds using 11 agencies with receipts of more than \$10 million. As the table shows, three State agencies with heavy federal funding--the Office on Aging, the Division of Justice and Crime Prevention, and the Department of Rehabilitative Services--are almost wholly dependent on federal funds for their operation. Other major agencies such as Welfare, Health and the Virginia Employment Commission receive from one-half to two-thirds of their revenues from federal sources.

Table 4

FEDERAL COMPONENT OF FUNDS AUTHORIZED FOR
EXPENDITURE IN AGENCIES WITH
RECEIPTS OVER \$10 MILLION
Fiscal Year 1979

	Total Amount Authorized for Expenditure (Millions)	Federal Funds Authorized for Expenditure (Millions)	Percent Federal
Office on Aging	\$ 13.1	\$ 12.9	98%
Division of Justice and Crime Prevention	12.5	11.2	90
Department of Rehabilitative Services	38.3	32.2	84
Department of Welfare	293.9	181.7	62
Virginia Employment Commission	254.2	144.0	57
State Department of Health	420.9	211.4	50
VPI Research Division	35.1	10.9	31
State Highway Commission	928.7	244.8	26
University of Virginia	142.0	34.5	24
State Board of Education	987.7	159.6	16
VCU Academic Division	131.0	17.7	13
TOTAL	\$3,258.8	\$1,061.1	33%

Source: Department of Accounts, Funding Analysis of Appropriations, Allotments and Expenditures by Agency, FY 1979.

Appendix II of this report shows federal fund receipts by program for all agencies and institutions which received federal aid in FY 1978 or FY 1979. It should be noted that the agency receipts shown in this interim report are based primarily on data for the initial recipient of the federal funds. They do not include the full range of interdepartmental transfers between agency programs. According to Department of Accounts records, at least 76 agencies were involved in interagency transfer of federal funds in FY 1979. The significance of these transfers will be analyzed in the final JLARC report.

Program Dependence

Federal dollars provide support for a number of important State programs and services. Without federal dollars, certain programs would require greatly expanded appropriations of State general funds to avoid elimination or a reduction in scope and impact.

Transportation. Federal assistance in the area of transportation totaled almost \$300 million in FY 1979, making it the most highly funded program area. These funds came primarily from the U. S. Department of Transportation for highway projects, although harbors, airports and mass transit also received federal aid.

Health. The majority of health-related program funds are provided through the U. S. Department of Health, Education and Welfare. The largest of these is the medicaid program which provided Virginia with \$186 million in FY 1979. Other federally funded programs include a variety of categorical health project grants such as \$110,000 for migrant health, \$167,000 for emergency medical services, and \$227,000 for health statistics training and technical assistance. Altogether, about \$237 million was received by State agencies through federal health programs in FY 1979.

Income Assistance. Close to \$100 million was provided to Virginia for lower-income persons. The largest is the Aid to Dependent Children program which received \$93 million in FY 1979. Another example is \$3.2 million for special assistance to refugees from Indochina.

Employment Assistance. Virginia received over \$116 million from the U.S. Department of Labor for employment assistance in FY 1979. The Comprehensive Employment and Training Act (CETA) provided the largest amount of funding (\$77 million). Fourteen State agencies indicate that they receive funds under the CETA program. Other programs include Job Corps, the Indian Employment and Training Programs, and Occupational Safety and Health Act programs.

Nutritional Assistance. Several programs provide funds to support nutritional diets for three client groups: children, the elderly, and low income persons. Funds from the U.S. Department of Agriculture support seven programs including the Food Stamp and School Lunch programs.

Education. Federal funds are provided to support many programs in primary, secondary, vocational, and adult education in the Commonwealth. Some examples of these programs are: \$56 million for educationally deprived children; \$9 million for basic support of vocational education programs; \$506,000 for vocational education of persons with special needs; and \$44,000 for community education programs. In addition, programs such as those for nutritional assistance for school children impact the area of education.

Higher Education. State-supported colleges and universities, as well as their students, benefit from large amounts of federal funds. Student financial aid, teaching and library grants, and funds to increase the accessibility of facilities to handicapped persons are examples of funding assistance. A large, although undetermined, amount supports research activities carried out by faculty.

Local Dependence

HJR 237 mandated that JLARC look at the dependence of local governments on federal funds. For this interim report the analysis is limited to federal funds received by State agencies and, in turn, "passed-through" to local governments. Pass-through funds are federal aid initially received by a State agency but eventually used by localities to support their programs and services. Funds may be passed-through by the State agency in accordance with State-established conditions and guidelines. The final report will include a more detailed review of pass-through funds as well as an analysis of federal funds received directly by localities.

In FY 1977, 23 percent of all State fiscal aid to local government was originally federal money. Over 15 percent of all education, 60 percent of all welfare, and 85 percent of all airport assistance provided to localities by the State were pass-through funds (Figure 5). Included in these totals are the Aid to Dependent Children and Title XX welfare programs, education funds for school lunch and vocational and compensatory training, community health matching funds, and facility construction grants for hospitals, airports and libraries.

By FY 1979, approximately \$250 million in federal funds were passed-through State agencies for use by local governments. In addition to this federal aid, the State spent over \$44 million in State funds to match federal aid to localities. Table 5 shows the FY 1979 pass-through receipts for each county and city as shown in Department of Accounts records.

The distribution of pass-through funds shows some regional variation across the Commonwealth (Figure 6). Figure 6 does not, however, completely identify the distribution of benefits. The impact of funds are often regional. For example, the State Highway Commission provides money for transportation projects with

Table 5

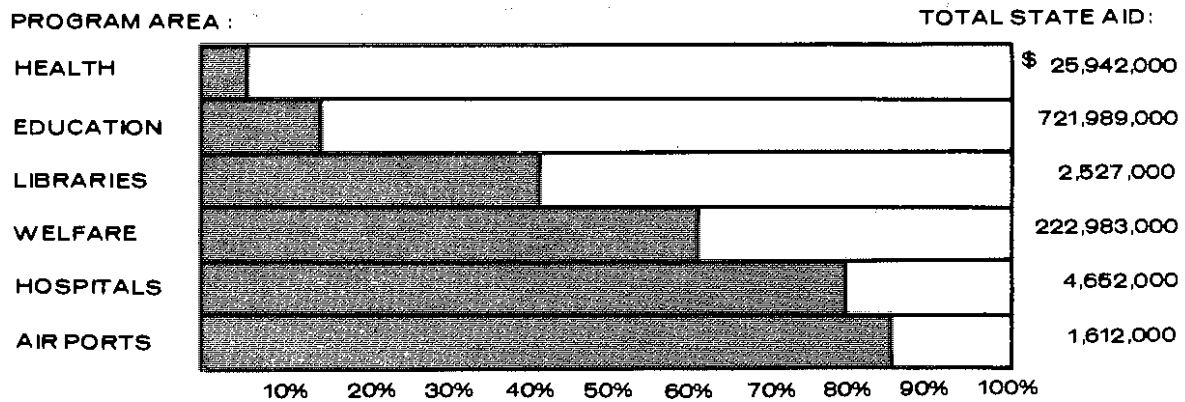
**LOCAL GOVERNMENT RECEIPTS OF
FEDERAL PASS-THROUGH MONEY
FY 1979**

<u>Counties:</u>			<u>Cities:</u>		
Accomack	\$ 4,575,834	King William	504,017	Alexandria	\$ 4,019,838
Albemarle	3,618,416	Lancaster	955,043	Bedford	77,559
Alleghany	542,958	Lee	1,992,629	Bristol	973,529
Amelia	479,339	Loudoun	1,528,276	Buena Vista	334,471
Amherst	869,747	Louisa	753,699	Charlottesville	2,612,023
Appomattox	591,612	Lunenburg	794,301	Chesapeake	4,309,046
Arlington	4,770,103	Madison	390,099	Clifton Forge	218,473
Augusta	2,772,293	Mathews	294,758	Colonial Heights	325,486
Bath	768,395	Mecklenburg	2,160,391	Covington	294,432
Bedford	1,025,177	Middlesex	496,139	Danville	3,034,418
Blad	475,219	Montgomery	3,120,499	Emporia	147,422
Botetourt	690,162	Nelson	705,115	Fairfax	70,947
Brunswick	1,633,451	New Kent	276,319	Falls Church	265,182
Buchanan	3,986,447	Northampton	1,417,775	Franklin	460,988
Buckingham	1,277,308	Northumberland	630,854	Fredericksburg	1,048,463
Campbell	2,136,046	Nottoway	1,058,031	Galax	365,594
Caroline	825,101	Orange	994,585	Hampton	4,895,076
Carroll	2,021,739	Page	1,252,116	Harrisonburg	906,848
Charles City	426,685	Patrick	893,295	Hopewell	964,385
Charlotte	1,703,594	Pittsylvania	4,560,166	Lexington	351,424
Chesterfield	2,216,233	Powhatan	328,235	Lynchburg	3,678,343
Clarke	399,510	Prince Edward	847,443	Manassas	266,756
Craig	122,998	Prince George	840,034	Manassas Park	534,991
Culpeper	926,200	Prince William	3,445,180	Martinsville	1,500,230
Cumberland	521,672	Pulaski	1,572,610	Newport News	5,782,393
Dickenson	2,017,552	Rappahannock	241,667	Norfolk	14,465,965
Oinwiddie	1,009,905	Richmond	531,499	Norton	242,692
Essex	783,794	Roanoke	2,191,916	Petersburg	3,027,059
Fairfax	13,265,960	Rockbridge	1,231,534	Poquoson	146,434
Fauquier	986,961	Rockingham	1,472,172	Portsmouth	6,877,903
Floyd	555,309	Russell	3,327,778	Radford	363,421
Fluvanna	514,141	Scott	1,750,854	Richmond	16,007,489
Franklin	1,465,756	Shenandoah	818,014	Roanoke	5,119,925
Frederick	1,400,632	Smyth	1,826,283	Salem	639,485
Giles	1,228,951	Southampton	1,583,732	South Boston	568,936
Gloucester	879,087	Spotsylvania	852,282	Staunton	1,068,622
Goochland	528,528	Stafford	1,731,356	Suffolk	2,799,234
Grayson	904,133	Surry	635,392	Virginia Beach	6,157,066
Greene	348,355	Sussex	1,029,249	Wavnesboro	686,710
Greensville	1,148,972	Tazewell	2,879,130	Williamsburg	638,399
Halifax	2,624,552	Warren	1,079,646	Winchester	787,274
Hanover	1,227,369	Washington	3,963,905		
Henrico	5,924,923	Westmoreland	1,000,294		
Henry	2,794,670	Wise	4,301,023		
Highland	257,922	Wythe	1,496,974		
Isle of Wight	1,330,156	York	1,375,668		
James City	438,329				
King and Queen	604,966	County Total	\$149,240,941	City Total	\$97,034,931
King George	491,802			GRAND TOTAL	\$246,275,872

Source: Department of Accounts, Distribution to Counties/Cities - Federal Index Processing System (FIPS) Report. Note: These totals do not include disbursements to towns or to regional bodies such as planning district commissions or health service districts.

Figure 5

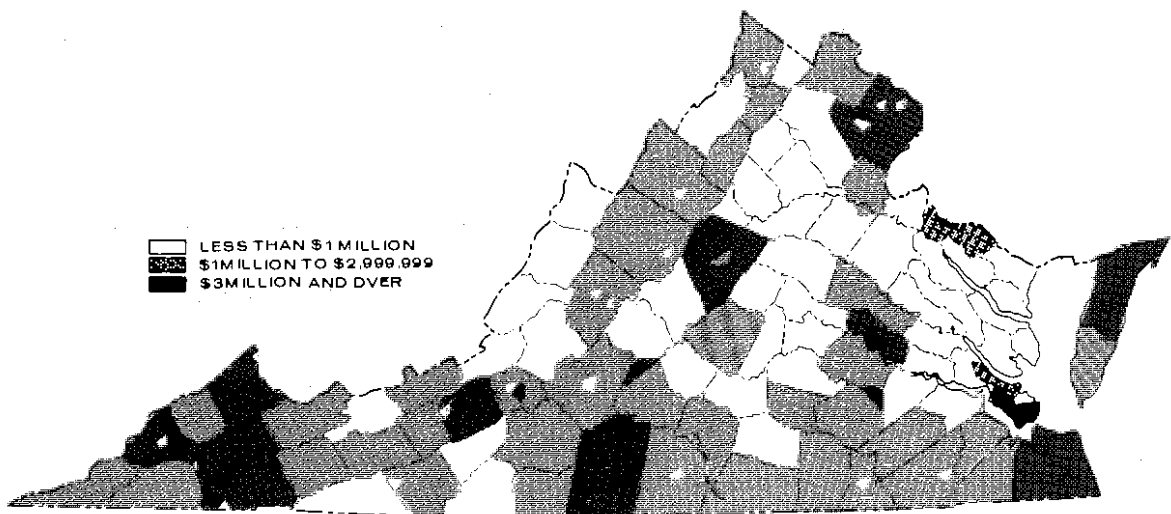
PERCENT OF STATE AID TO LOCALITIES
DERIVED FROM FEDERAL SOURCES
Fiscal Year 1977



Source: JLARC staff illustration, data from Institute of Government and Tayloe Murphy Institute.

Figure 6

DISTRIBUTION OF PASS-THROUGH FUNDS TO LOCALITIES
Fiscal Year 1979



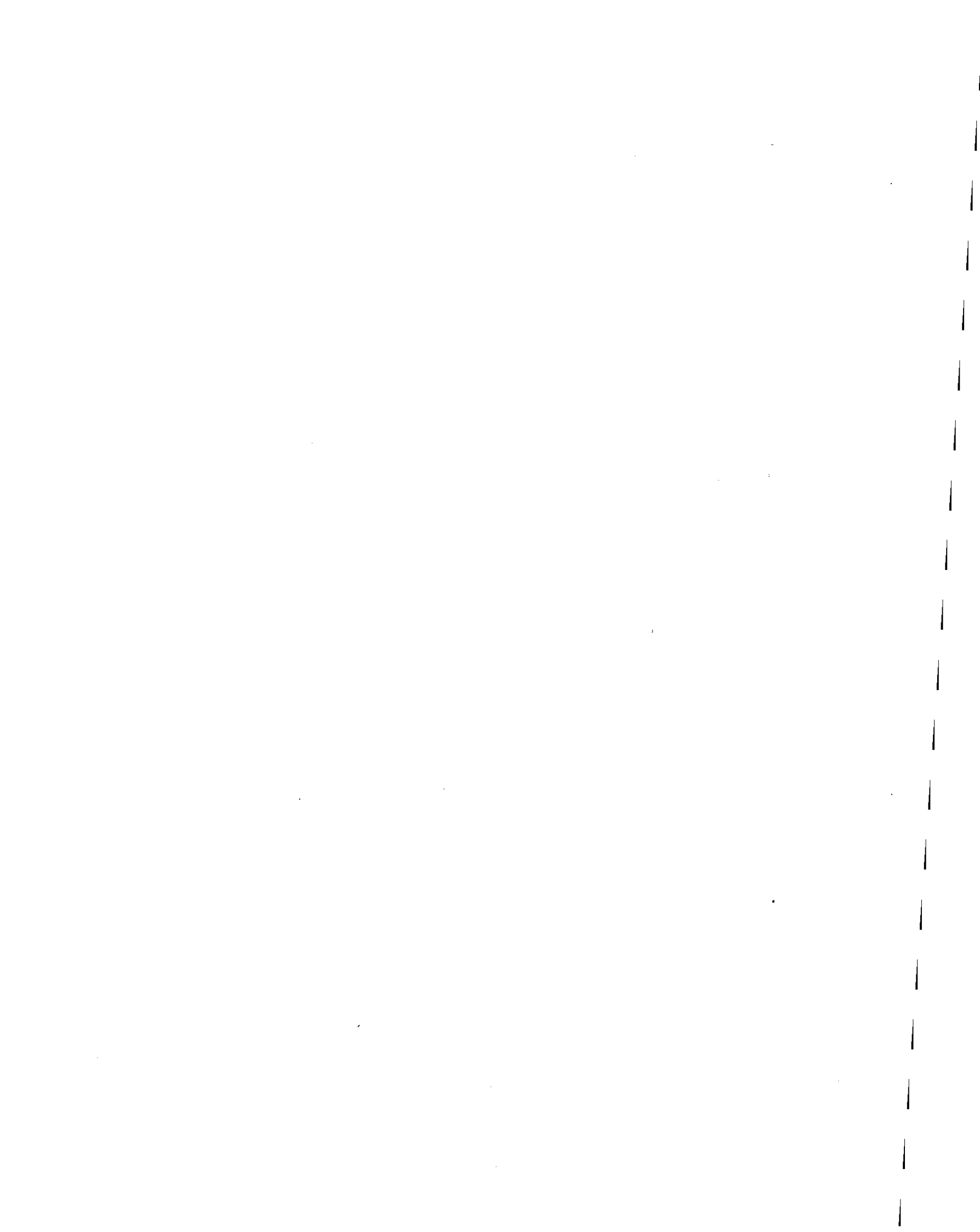
Source: JLARC staff illustration, data from Department of Accounts, Distribution to Counties/Cities - Federal Index Processing System.

regional implications. Another example is the State Water Control Board which passes through funds for waste water treatment which can affect a large geographic area.

CONCLUSION

The preliminary information in this chapter indicates that some of the concerns that led to the passage of HJR 237 are well-founded. Virginia State agencies receive large amounts of federal funds through many different federal programs. The dependence of the Commonwealth on these monies is evidenced by the fact that close to 25 percent of all State government revenue in FY 1979 were derived from federal sources. The magnitude of federal funding also provides the federal government with an important means to influence both the priorities and activities of State agencies.

These facts make legislative scrutiny and control of the flow of federal funds to the Commonwealth a necessity. In addition, the executive must have strong procedures to monitor and control the use of these funds. A description of the current procedures used by Virginia to apply for, receive, and use federal funds, as well as gaps in these procedures and practices is provided in Chapter III.



III. State Agency Acquisition of Federal Funds Process and Controls

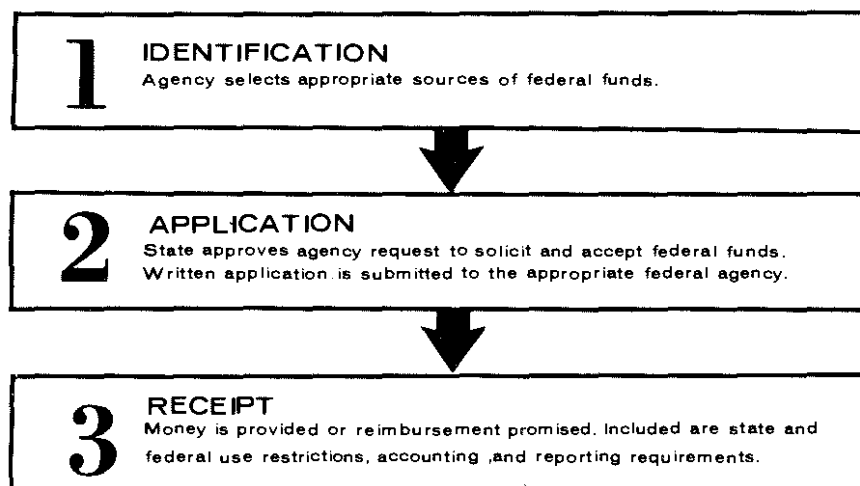
The federal government provides aid to states in order to further national goals and objectives. The State, in turn, seeks to control the flow of federal funds to support those programs approved by the Governor and legislature. However, there appear to be a number of weaknesses in the present process which could affect the State's ability to control the flow of federal funds. There are, for example, gaps in information and review processes which have led to the receipt and expenditure of federal funds without clear legislative or executive approval.

THE PROCESS

There are three phases in the process through which federal funds are acquired: identification, application, and receipt (Figure 7). The identification phase includes all of the steps which a State agency takes in identifying and selecting the specific funding source appropriate to support its programs. The application phase is the process for obtaining State authorization to solicit federal funds, and subsequently preparing the application for federal government approval. Receipt is the final phase in acquiring federal funds--the agency's request is approved by the federal government and money is provided or reimbursement is promised.

Figure 7

PHASES IN ACQUIRING FEDERAL FUNDS



Source: JLARC Staff Illustration.

Identification

State agencies have access to numerous sources of information, both formal and informal, which help identify available federal funds. Two formal sources are: federal publications which periodically list existing federal programs; and State organizations which assist in notifying agencies of available funding. Informal sources are primarily the contacts agency personnel have established with federal grantor agencies as a result of past receipt of federal funds.

Federal Publications. Federal publications which identify available funds include the Catalog of Federal Domestic Assistance (CFDA) and the Federal Register. There is also a computerized retrieval system which facilitates the use of the CFDA.

The CFDA is an annual report, updated three times a year, which contains a comprehensive list of most federal assistance programs. In addition to identifying programs, the CFDA provides information on how to seek and apply for program funds. Figure 8 shows a page from the CFDA for one program which illustrates the level of detail available.

The Federal Register is a source of more current information than is provided by the CFDA. Published daily, it provides information on new federal programs and funding.

An important complement to both the CFDA and the Federal Register is the Federal Assistance Programs Retrieval System (FAPRS). The Extension Division of Virginia Polytechnic Institute and State University provides FAPRS services within the Commonwealth. FAPRS is a computerized, information-retrieval system for federal programs listed in the CFDA. A potential applicant first defines the funding need. FAPRS then lists the appropriate CFDA programs for which the applicant may be eligible.

The benefit of FAPRS is that it provides up-to-date (weekly) information about federal programs and is well suited for restricted searches. For example, if a local government is only interested in federal housing programs, then the search finds only housing programs that the community is eligible to receive. FAPRS can eliminate time-consuming study of the CFDA and Federal Registers.

State Organizations. State organizations that serve as formal sources for federal program identification are the Department of Intergovernmental Affairs and the Virginia Liaison Office in Washington, D.C. These agencies are assigned joint responsibility for coordinating intergovernmental relations between agencies of the Commonwealth and the federal government. Specifically, this responsibility includes identifying federal grants and alerting State agencies and localities to early opportunities for federal funding.

Figure 8

EXAMPLE OF CFDA INFORMATION

TO.537 SPECIAL SUPPLEMENTAL FOOD PROGRAM
FOR WOMEN, INFANTS, AND CHILDREN

(WIC Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Child Nutrition Act of 1966, as amended, 42 U.S.C. 1771 et seq; Public Law 92-433; Section 17 of Child Nutrition Act of 1966, as amended, 86 Stat. 729; Public Law 94-105; Section 17 of the Child Nutrition Act of 1966, as amended; 89 Stat. 518; Public Law 95-627, 92 Stat 3603.

OBJECTIVES: To supply supplemental nutritious foods and nutrition education as an adjunct to good health care to participants identified to be nutritional risks because of inadequate income and inadequate nutrition.

TYPES OF ASSISTANCE: Project Grants.

USES AND USE RESTRICTIONS: Grants are made to State health or comparable agencies, Indian tribes, bands, or intertribal councils, or groups recognized by the Department of the Interior, or the Indian Health Service of the Department of Health, Education, and Welfare in order to make supplemental foods available to pregnant or lactating women, infants, and children up to five years of age through local public or nonprofit private health or welfare agencies. Funds must be expended to purchase supplemental foods for participants or to redeem vouchers issued for that purpose. Twenty percent of the total Federal funds provided may be used for State and local agency administrative costs. State and local agencies are provided administrative funds according to a formula determined by FNS. Only local agencies qualifying under State agency applications submitted to Department may operate WIC programs.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: A local agency is eligible to apply to participate in the WIC program provided: (a) it gives health services free or at reduced cost to residents of low-income areas; (b) it serves a population of women, infants, and children at nutritional risk; (c) it has the personnel, expertise, and equipment to perform measurements, tests, and data collection specified for the WIC program; (d) it maintains or is able to maintain adequate medical records; and (e) it is a public or private nonprofit health or welfare agency. All applicants must apply through the responsible State or U.S. Territory agency.

Beneficiary Eligibility: Pregnant, postpartum or breastfeeding women, infants, and children shall be eligible if they are determined by a competent professional on the staff of the local agency to be in need of the special supplemental foods supplied by the program, and they have a family income of less than the poverty guideline increased by 95 percent.

Credentials/Documentation: Individuals are certified as meeting an income standard. Certification regarding need for supplemental foods is determined by professionals on staff of local health facility. Costs will be determined in accordance with FMC 74-4 for State and local governments. Of the funds made available to the State, up to 20 percent may be approved for administrative expenses. Governors (or their designated Plan review agency) must be given an opportunity to review the State Plan pursuant to Part III, Attachment A of OMB Circular A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: The standard application forms as furnished by the Federal agency and required by OMB Circular No. A-102 must be used for this program.

Application Procedure: Local agencies must apply to the State health agency in writing. The State or U.S. Territory agency must notify the local agency of the status of the application within 30 days of receipt. Individual recipients apply for WIC benefits at the approved local agency. This program is subject to the provisions of OMB Circular No. A-110.

Award Procedure: Funds are awarded by the Department on the basis of a funding formula to State agencies for further distribution to approved local agencies subject to the availability of appropriated funds. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: An application for the next fiscal year is required by August 15.

Range of Approval/Disapproval Time: An eligibility determination will be made within 30 days of submission of a completed plan.

Appeals: Not applicable.

Renewals: The program authorization has been extended through September 30, 1982.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Grants are allocated on the basis of a formula determined by the Department. Consideration is also given to current participation levels, historical and projected food costs and State administrative costs. No matching funds are required, but states and local agencies are expected to bear the administrative costs in excess of their administrative funds allocation.

Length and Time Phasing of Assistance: Grants have been released for the duration of the fiscal year, using Letters of Credit to the Department of the Treasury. State agencies may withdraw funds only as needed.

POST ASSISTANCE REQUIREMENTS:

Reports: Monthly report of participation, types of foods distributed or value of vouchers issued, operating expenses, and funds withdrawn from the Federal Letter of Credit. Quarterly report of Civil Rights Participation Data.

Audits: Grantee must arrange to have audits performed as required by OMB Circular No. A-102, Attachment G, and by program Regulations, Section 246.21.

Records: Adequate to account for amounts received and disbursed; food authorizations to each participant; food receipt, disposal, and inventory; medical measurements and income information taken.

FINANCIAL INFORMATION:

Account Identification: 12-3510-0-1-604.

Obligations: (Grants) FY 78 \$397,718,000; FY 79 est \$550,000,000; and FY 80 est \$750,000,000.

Range and Average of Financial Assistance: Not presently available.

PROGRAM ACCOMPLISHMENTS: FNS approved the operation of the WIC Program by 73 State agencies. This figure includes 49 states, 22 Indian agencies, Puerto Rico and the Virgin Islands. These State agencies had a peak caseload of 1,323,619 in fiscal year 1978.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 C.F.R. Part 246

INFORMATION CONTACTS:

Regional or Local Office: See Food and Nutrition Service Regional Offices listed in Appendix IV.

Headquarters Office: Special Supplemental Food Division, Food and Nutrition Service, Department of Agriculture, Washington, DC 20250. Telephone: (202) 447-8206 (Use same 7-digit number for FTS). Contact: Jennifer Nelson.

RELATED PROGRAMS: 10.550, Food Distribution; 10.551, Food Stamps; 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.556, Special Milk Program For Children; 13.433, Follow Through; 13.600, Administration for Children, Youth and Families-Head Start; 23.013, Appalachian Child Development; 49.005, Community Food and Nutrition.

EXAMPLES OF FUNDED PROJECTS: Not presently available.

CRITERIA FOR SELECTING PROPOSALS: Not presently available.

Source: OMB 1979 Catalog of Federal Domestic Assistance.

Local governments can also receive identification assistance from the Local Government Advisory Council. The council, established in 1978, is given responsibility for a wide range of intergovernmental concerns. Among the council's specific duties is to "provide information on, and assist in, soliciting federal grants."

Informal Sources of Identification. Informal sources are, in some ways, more important than the formal sources. Agencies which have received federal funds in the past find themselves on the "inside" of the intergovernmental aid system, with numerous advantages over a first-time applicant. Among these advantages are:

- development of grant-seeking expertise by staff members;
- personal contacts with federal counterparts;
- familiarity with program procedures and requirements;
and
- inclusion on mailing lists for relevant federal circulars and memos.

In practice, it is not uncommon for federal agencies to contact their State counterparts to inform them of new programs and funding opportunities. Receipt of professional publications and staff attendance at meetings and conferences can also help inform agencies of new federal program opportunities.

Application

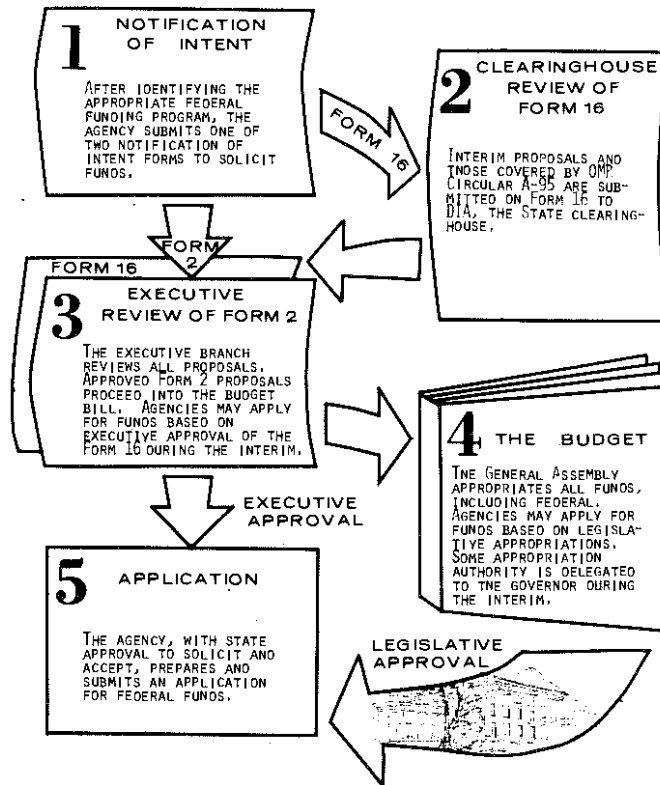
Agencies which apply for federal funds must comply with a variety of federal and State controls. Federal controls derive from statutes, judicial decisions, and administrative guidelines. The basis for most State controls is the Appropriations Act which mandates that agencies must receive executive or legislative approval prior to soliciting or accepting additional federal funds beyond amounts explicitly appropriated in the act.

There are five basic steps in the application process (Figure 9): (1) notification of intent; (2) coordination through the State clearinghouse; (3) executive branch review and approval; (4) legislative review and appropriation; and (5) preparation and submission of the written application.

Notification of Intent. The first step, notification of intent, is based in the budgetary process. The Appropriations Act requires the Governor's approval before agencies can solicit or accept gifts, grants, donations and contracts. The notification of intent requirement applies generally to all State agencies. However, the Act excludes endowment funds of higher education institutions. In addition, the Governor has established a practice of exempting

Figure 9

STEPS IN THE APPLICATION PHASE



Source: JLARC Staff Illustration.

gifts, grants and contracts for institutions of higher education provided that such funds do not require State financial support or exceed the institution's State-approved role.

Agencies comply with the notification of intent requirement in two ways: one used during biennial budget preparation periods; the other used between budget sessions of the General Assembly. If federal funds are anticipated during the budget preparation cycle, the expected funds are reported by the agency to the Department of Planning and Budget (DPB). This report (DPB Form 2) is incorporated into the agency financial plans and is used in preparing the budget bill.

If federal funds become available but were not anticipated during the budget preparation cycle, or if actual funding available is different than the amounts in the budget bill, a separate notification of intent report is used. These funds are reported to the Governor through DPB using a Form 16. The Form 16 reporting process is used throughout the interim between budget sessions of the General Assembly.

Clearinghouse Review. All states are required by federal regulations to have a system for informing other agencies or jurisdictions of the fact that one agency is planning to apply for federal funds. Clearinghouse review is required by the Office of Management and Budget's Circular A-95. The operation of the "A-95" process in Virginia is the responsibility of the Department of Intergovernmental Affairs for Statewide review, and the planning district commissions for districtwide review.

The purpose of the "A-95" review is to give agencies and jurisdictions which might be affected by a federally-supported program an opportunity to comment on the grant application. For example, comments may raise questions of overlap and duplication of effort. Not all applications are required to go through an "A-95" review. Programs which have a direct impact on a specific area or community, such as construction of new facilities, must be reviewed. Projects exempt from "A-95" review are those which have little potential for overlap because they offer benefits to no specific group or area. Examples of exempt programs are contract research and assistance programs with a nationwide target population.

"A-95" uses the notification of intent report (Form 16) which is sent to the Department of Intergovernmental Affairs (DIA). DIA then forwards the form to other State agencies and to the districtwide clearinghouses. The clearinghouses, in turn, circulate the form to affected local agencies and jurisdictions. All reviewers' comments are included with the application for funding, and are supposed to be taken into consideration by the federal agency before an award is made.

Executive Review and Approval. All agency proposals to apply for federal funds must have executive approval. The review is performed by DPB under the direction of the Governor and the Secretary of Administration and Finance. The notification of intent forms, described previously, serve as the basis for this review. For those funds reported on a Form 2 during budget preparation, inclusion in the Governor's budget signifies executive approval. Solicitation of additional funds during the interim between budget sessions is approved on a case-by-case basis by DPB.

The executive review process is based on provisions in the State Budget Manual as well as several directives issued by the Secretary of Administration and Finance. Currently, this process is being evaluated by DPB and the Secretary of Administration and Finance. The proposed changes would have the effect of merging the procedures now used for review of the Form 16 and Form 2.

Legislative Review and Appropriation. The Virginia General Assembly has a constitutionally established role in the appropriation of all revenues received by the State, including federal funds. Article X, Section 7 of the *Constitution of Virginia* states:

All taxes, licenses, and other revenues of the Commonwealth shall be collected by its proper officers and paid into the State treasury. No money shall be paid out of the State treasury except in pursuance of appropriations made by law.

The General Assembly fulfills this obligation for most revenues through passage of the biennial appropriation act. However, funds received during the interim are approved for expenditure by the Governor under authority delegated to him by Sections 4-4.01 and 4-3.05 of the Appropriations Act. The Act states that the Governor may authorize agencies to spend funds, including federal funds, that are paid into the State Treasury to the agency's credit.

Preparation and Submission of Application. Funding applications are prepared by State agencies according to the requirements of individual federal programs. Some programs may require technical proposals that can be judged on a competitive basis. Others may supply printed forms for agencies to complete. Another important type of federally required application is the State plan. Plans are generally called for in programs that distribute federal funds through a central State agency to other State agencies and localities.

Receipt

For those agency applications that are approved for funding by the federal government, a series of federal and State controls govern the receipt and use of the funds. State law requires that all awards of federal funds to agencies be deposited in the State Treasury. The transfer of funds from federal to State agencies can take three forms: reimbursements, letters of credit, and cash advances.

Reimbursements. The first funding mechanism involves the expenditure of State funds and the subsequent request for federal agency reimbursement. The federal government then prepares a check to cover the itemized expenditures of the grant or contract. These reimbursements are generally sought on a monthly or quarterly basis.

Letters of Credit. The second funding mechanism is the letter of credit. Agencies receive the letter of credit from the federal funding agency which establishes a timetable for permissible withdrawals. State agencies present this letter at the Federal Reserve Bank to make a withdrawal. The Federal Reserve Bank then prepares a draft on the letter of credit, which can then be deposited in the State Treasury.

Cash Advances. The third way that federal funds are received by the State is through cash advances. Basically, the federal government provides a check to the State for the full amount

of the grant prior to the initiation of the program. Spending control is essentially in the hands of the State.

GAPS IN STATE CONTROL

In Virginia, existing controls for soliciting and accepting federal funds appear, in some instances, to be imprecise and inadequate. Of greatest significance are apparent gaps in the control process due to poor information which inhibits executive and legislative oversight. As much as a quarter billion dollars a year in federal funds have been authorized for use by State agencies without legislative review.

Notification of Intent Noncompliance

State notification of intent procedures, which are designed to ensure that agencies solicit or accept funds which are consistent with State objectives, are not always followed.

In June, 1979, Norfolk State University applied directly to the Department of Housing and Urban Development for a \$4.8 million federal loan to acquire and renovate additional student housing. NSU officials have indicated that they were not aware that such projects were covered by State notification of intent requirements, and a notification form was not submitted. The request was approved by HUD without State review.

Subsequently, the State Council of Higher Education for Virginia (SCHEV), which should have been informed under State procedures, was notified by a third party that funds had been sought and approved for NSU. Much of the proposed additional student housing at NSU is inconsistent with overall higher education construction plans. Consequently, SCHEV has recommended that only a portion of the funds, about \$868,000, be accepted.

The value of State planning, and the ability of the executive and legislature to make decisions based on adopted plans, are seriously undercut by agency failure to follow notification of intent procedures.

Budget Underestimation

When preparing estimates for the biennial budget, many State agencies consistently underestimate the amount of nongeneral revenue they will receive for their programs. Federal funds make

up a large part of these revenues. When the funds are subsequently received during the interim, the Governor uses his authority under the Appropriations Act to allow agencies to spend the additional funds. While the General Assembly may have viewed this grant of authority to the Governor as something to be used on a limited or occasional basis, in practice DPB routinely authorizes additional expenditures. In this way State agencies were authorized to spend approximately \$247 million more in federal funds in FY 1979 than were appropriated by the General Assembly. This represents a 24 percent increase in federal funding above the \$1 billion in legislative appropriations.

The importance of additional federal funds to agency operations is illustrated by Table 6, which lists all agencies which were authorized to spend \$1 million or more in federal funds in excess of their original appropriation.

Table 6

MAJOR* EXECUTIVE AUTHORIZATIONS FOR EXPENDITURE
OF FEDERAL FUNDS, FISCAL YEAR 1979

<u>Agency</u>	<u>Amount</u>
Department of Highways & Transportation	\$ 66,000,000
Virginia Employment Commission	30,184,765
State Board of Education	26,379,751
State Department of Health	23,925,897
Governor's Employment & Training Council	5,654,625
Commission on Outdoor Recreation	4,649,286
Department of Rehabilitative Services	4,486,080
Department of Housing & Community Development	4,256,044
State Board of Community Colleges	4,254,825
State Department of Welfare	4,177,491
VPI&SU - Research Division	3,225,000
Department of Mental Health & Mental Retardation	2,955,000
Mecklenburg Correctional Center	2,799,742
Office on Aging	2,361,067
State Corporation Commission	2,079,936
Rehabilitative School Authority	1,807,191
Virginia State University	1,778,700
State Council of Higher Education	1,454,882
State Water Control Board	1,096,603
VPI&SU - Extension Division	1,063,000
Department of State Police	1,001,929
Division of Mined Land Reclamation	1,000,000
Total	\$196,591,894

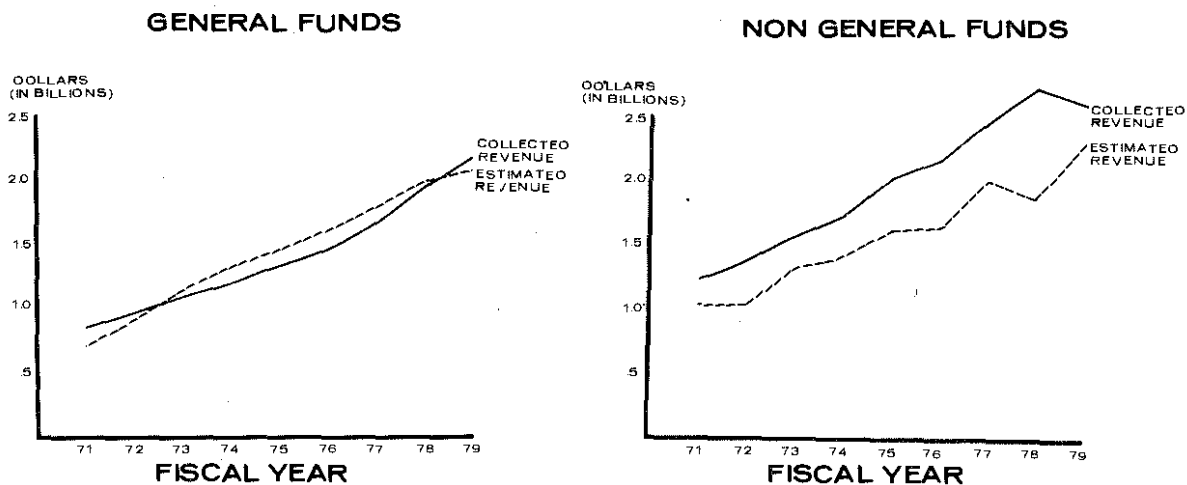
*Amounts of \$1,000,000 or more, excluding capital outlay
reappropriations.

Source: Department of Accounts.

A review of past trends confirms that underestimation of nongeneral revenues, including federal funds, is chronic. Figure 10 shows that nongeneral fund revenues have always exceeded estimates during the past decade. Collected revenues exceeded estimates by as much as \$850 million (FY 1978). On the other hand, general fund monies, which are more tightly controlled by the legislature, have much more closely matched estimates and collections.

Figure 10

ESTIMATED VS. COLLECTED REVENUE
Fiscal Years 1971-1979



Source: DOA Annual Reports and DPB Budget Documents.

There are a number of reasons given by agencies for the chronic underestimation of federal fund support that will become available for their programs. In some cases, new or expanded federal programs arise between budget sessions of the General Assembly. In these cases, agencies cannot forecast the availability of federal funds accurately. The provision allowing the Governor to authorize agency expenditures in excess of their original appropriation was designed to take advantage of federal initiatives for programs of importance to the Commonwealth.

In 1978 Congress amended Title I of the Elementary and Secondary Education Act to include a new "Concentration Grants" program.

Under this program, additional federal support was to be channeled through State agencies to local school districts with a high concentration of children from low-income families.

Although the concentration grants legislation was passed in 1978, funds were not appropriated by Congress until July, 1979. As late as June, 1979, the U. S. Senate had voted not to fund the program. However, a House-Senate joint conference committee agreed to appropriate \$150 million nationally for the program. Grants for each state were announced in August, 1979.

The Virginia State Board of Education received over \$2 million in concentration grants for FY 1980. Because funding for the program was very uncertain until the fiscal year had already begun, the Board did not include concentration grants in its FY 1980 revenue projections.

A second reason given for chronic underestimation is probably not within the intent of the legislature in granting the Governor the power to increase agency appropriations. This relates to policies and understandings adopted by agencies which limit inclusion of federal funds in their revenue projections. For example, some agencies have a policy that federal funds not be included in their revenue estimates unless the agency has an agreement in writing with the federal government at the time an estimate is made. Revenues are not reflected in agency estimates even if the agency has a reasonable expectation that the federal funding will continue.

Under an arrangement between Virginia's Department of Agriculture and Consumer Services and the U. S. Department of Agriculture, the salary of an agricultural commodity inspection employee has been shared since February 1, 1972. The USDA provided \$13,978 in FY 1979 as its share of these costs. Funding is provided to Agriculture and Consumer Services through an annual reimbursable contract. Because this contract had not been signed at the time that revenue projections were made, the agency did not include this source of federal funding in their estimated revenues for the 1980-82 biennium despite the long-term nature of the arrangement with the federal agency.

In other cases, agencies fail to fully disclose anticipated receipt of federal funds due to misunderstandings about State budget policies.

Although the State Council of Higher Education for Virginia (SCHEV) has received federal funds on a 50/50 matching basis for the State Student Incentive Grant Program, these federal monies were not included in its revenue estimates prior to the 1980-1982 budget preparation cycle.

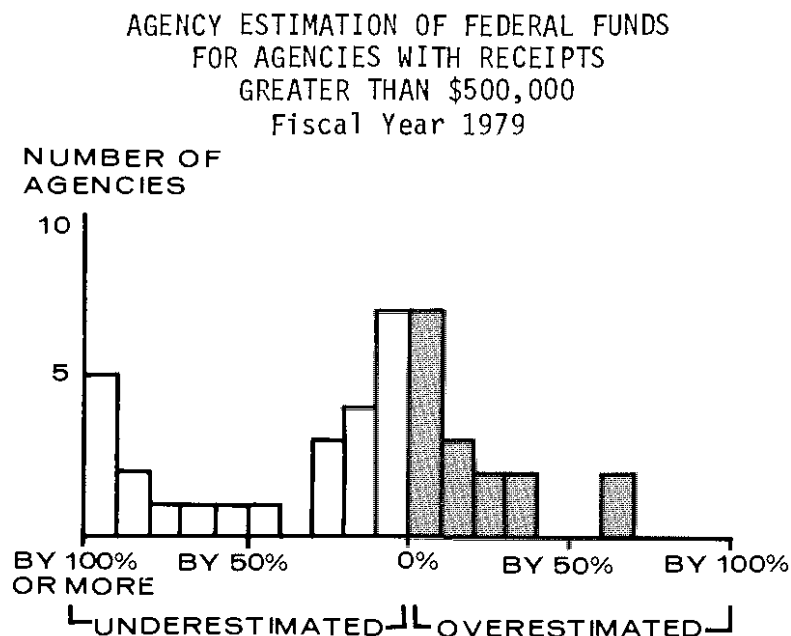
The program received federal funds amounting to \$1.2 million in both FY 1978 and FY 1979. The Governor authorized the expenditure of these nonappropriated funds.

SCHEV considered the exclusion of these federal monies from its budget request to be in compliance with State policy.

A final reason cited by some agency personnel for underestimation is budgetary politics. It has been suggested that some agencies deliberately underestimate nongeneral revenues, including federal funds, in order to strengthen their request for general fund appropriations. When the additional nongeneral funds then become available during the interim, the agencies can request expenditure authorization from the Governor and, thereby, increase the total scope of their programs.

It should also be noted that many State agencies overestimate the amount of federal funds they will receive. Figure 11 shows that 17 agencies with federal fund receipts over \$500,000

Figure 11



Source: JLARC Staff Illustration.

overestimated their federal fund receipts, in two cases by more than 50%. Appendix 3 to this report shows estimates and actual receipts for all State agencies receiving federal funds in FY 1979. The significance of agency overestimation will be more fully addressed in JLARC's final report.

Dilution of Legislative Prerogative

Both the failure to follow notification of intent requirements and chronic underestimation of available revenues result in a dilution of the legislative prerogative to review State programs and appropriate revenues accordingly. Currently it is possible for agencies, using federal funds received after passage of the Appropriations Act, to initiate new programs and greatly expand programs beyond the scope authorized by the legislature. In other cases, the level of effort in approved programs can be greatly increased without additional legislative review.

Program Initiation and Expansion. In one case a program was presented to the General Assembly for approval and funding as a demonstration project, despite the fact that the program was already in operation in over 130 localities. While legislative approval was given to a limited scope effort, the program continued to expand with federal funds, and now constitutes a major component of Virginia's social service structure.

The State Department of Health operates a nutrition program, the Women, Infants, and Children (or "WIC") program, which receives 100% federal funding. Administered by the U. S. Department of Agriculture, WIC provides supplemental foodstuffs (milk, eggs, cheese, juices) to pregnant and breast-feeding women, infants and children.

WIC began in Virginia in 1975 as a local program in Alexandria. The program was administered by the locality with the assistance of the State Department of Health.

Shortly after Alexandria began its program, the USDA moved to limit WIC funds nationwide. A national interest group, the Food Research and Action Center sued for the release of funds and won. As a result, the USDA made \$10.3 million available to Virginia.

Spending the additional money through the few participating localities became a problem. Rather than lose the federal monies, the Governor decided to implement WIC as a Statewide program in July 1977.

Subsequently, the Governor requested the 1978 General Assembly to appropriate funds in FY 1979 for a group of demonstration projects, in which WIC was included. The WIC component of the appropriation was \$1.5 million.

Actually, the WIC program had already been implemented Statewide in 139 localities without legislative approval and had expenditures much greater than the \$1.5 million appropriation. In fact, expenditures were \$5.6 million in FY 1978 and \$13.1 in FY 1979.

Increase in Program Effort. Another case demonstrates that federal funds received and expended outside the legislative appropriation process can be used to increase program effort beyond that approved by the legislature.

The Virginia Department of Transportation Safety (VDTS) was appropriated \$2.5 million in federal monies for each year of the 1978-1980 biennium. In fact, almost \$4 million per year will be available, enabling VDTS to fund programs at levels above those set by legislative appropriation.

For example, with these additional funds, VDTS provided \$250,000 to the State Police in FY 1979 for selective enforcement of the 55 MPH speed limit. These funds were in addition to legislative appropriations for speed limit enforcement. The State Police expect to receive another \$500,000 over appropriations for the program during FY 1980.

Neither of these examples is intended to suggest that the programs cited are not worthwhile nor that the legislature would not have authorized them at the actual level of expenditure. They do, however, illustrate that program initiation or expansion by agencies using federal funds can conflict with the legislature's constitutional responsibility to appropriate State revenues. Better information about the use of federal funds is necessary to support the level of legislative oversight desired by the General Assembly as reflected in HJR 237.

Information Weaknesses

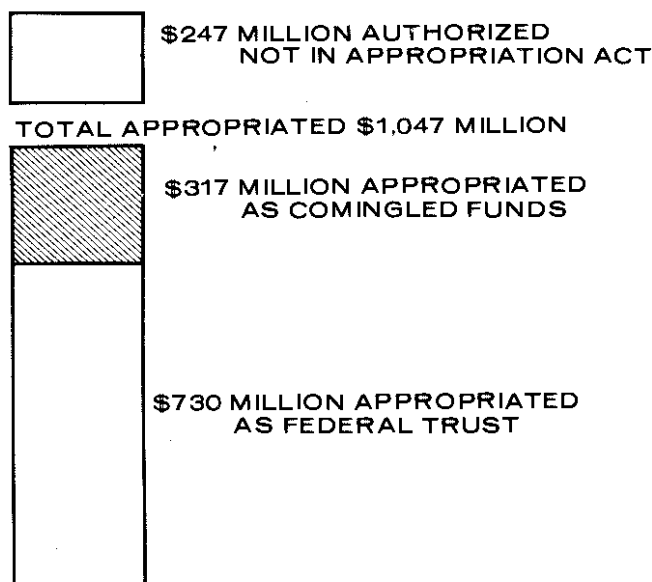
Information requirements established by the General Assembly for the 1978-1980 biennium have only recently been met. Several problems remain with the present procedures for reporting on the flow of federal funds during the legislative interim. These weaknesses need to be corrected in order to strengthen the control process.

Quarterly Reporting. The Appropriations Act requires the executive to advise the House Appropriations and Senate Finance Committees of each approval given to an agency to expend revenues not included in the Appropriations Act. The executive provides the committees with copies of approvals, but the large number of actions is unwieldy for legislative review. In anticipation of this fact, the Act also requires the Governor to "report quarterly, summarizing approvals, the reasons therefore and implications." However, these reports were not provided in FY 1979 as directed in the Act. The first such report was provided for the quarter ending September 30, 1979.

Fund Classification. Previous sections noted that about one-quarter of the federal funds authorized for expenditure by agencies are not included in the Appropriations Act. In addition, substantial amounts of federal funds are not clearly identified in the budget bill and, subsequently, in the Act. For example, \$317 million in federal funds appropriated for FY 1979 were comingled with other fund categories in the Act. Federal funds constituted 18 percent of funds shown as Higher Education Operating Funds, and 33 percent of funds shown as Highway Maintenance and Construction Funds. In total, only \$730 million of the over \$1.05 billion in estimated federal revenues contained in the Appropriations Act for FY 1979 were actually shown as such (Figure 12).

Figure 12

FEDERAL FUNDS AUTHORIZED FOR EXPENDITURE
Fiscal Year 1979



Source: JLARC Staff Illustration.

Accounting Practices. The information available through the Commonwealth Accounting and Reporting System (CARS) is the best available in Virginia on federal receipts. In fact, Virginia's accounting system puts the State in a better position to track the flow of federal funds than many other states without centralized, automated records of receipts. However, in many instances, State agencies do not provide the Department of Accounts with detailed information on their receipt and use of federal funds. As a consequence, the task of monitoring these funds is made more difficult. In particular, the problem is the omission of specific federal program identification codes.

In CARS, federal program identification codes can be used to record the source of funds when they are deposited into the State Treasury. In the case of federal funds, the Catalog of Federal Domestic Assistance (CFDA) program number is used. Agencies have been encouraged to use the CFDA program number, but DOA does not require its use. Instead, some agencies use a general code "10000" for federal funds. As a result, large amounts of federal funds must be lumped into a general reporting category which is of little use in monitoring receipts. For example, the University of Virginia, which received over \$30 million in federal funds, has used the 10000 code exclusively. Thus, it is impossible to identify the University's specific funding sources using central State records. Other State-supported universities have used CFDA program numbers to accurately identify federal fund receipts.

The magnitude of this problem is indicated by the fact that over \$84 million of the federal funds received and deposited into the treasury in FY 1979 were identified by a general 10000 code. Forty-three percent of the agencies with federal funds used this code last fiscal year.

Federal Award Notification

Federal government performance in notifying states of approved grant awards has been poor. Officials of OMB estimate that only half of all grant notifications are processed correctly under the current system. Because of the State's requirement that all funds be deposited into the State Treasury, Virginia does not have as much of a problem in this regard as do some other states. Still, inadequate federal notification practices contribute to problems in agency estimates of federal revenues.

The federal government has recognized many of these problems. The Office of Management and Budget (OMB) is currently conducting the Federal Award Information Test (FAIT) which is an attempt to provide more accurate and timely information to the states on approved grants. Virginia is one of several pilot states participating in the FAIT. Possible benefits from an improved federal funding notification system could be more accurate State revenue estimates, detailed information on local receipt of federal funds, and the development of an alternate source of information on federal fund awards.

RECOMMENDATIONS TO STRENGTHEN CONTROL

Several steps can be taken to strengthen existing procedures and controls. Clarifying the intent of the legislature regarding interim authority to receive and spend federal funds is the most important step which can be taken, at this time, to improve the control of federal funds flowing into Virginia.

Recommendation 1. The General Assembly may wish to consider including language in the Appropriations Act for the 1980-1982 biennium which clarifies the desire of the legislature to be kept fully informed of the flow and use of federal funds in the Commonwealth. Specifically, the General Assembly may wish to:

- (a) require inclusion in agency budget estimates for 1982-1984 of all federal revenues which can be reasonably anticipated, whether or not a written agreement is in force; and
- (b) require agencies to make a written reconciliation of all differences between federal funds that were originally appropriated, and funds actually received.

Particular emphasis could be placed on identifying programs which are initiated or expanded, or which undergo an increase in the level of effort, as a result of federal funds received under the Governor's authorization during the legislative interim.

Reconciliations should be provided on a timely basis to the House Appropriations and Senate Finance Committees.

Recommendation 2. The Department of Planning and Budget should clarify its policies governing the notification of intent process to ensure that all agency heads are aware of notification requirements.

Recommendation 3. The Governor's 1982-84 budget bill should identify all federal revenues anticipated by agencies. Comingling of funds, where necessary to conform to Department of Accounts fund structure, should be explained with appropriate footnotes and supporting detail.

Recommendation 4. For the 1980-1982 biennium the General Assembly may wish to reenact as a separate section those portions of Section 4-3.05 of the 1978-80 Appropriations Act which require the Governor to submit quarterly reports of approvals given to agencies to expend federal grants and other nongeneral funds in excess of legislative appropriations. Such action would clearly distinguish between the approval authority and the reporting responsibility of the Governor.

Recommendation 5. The Department of Accounts should require all agencies to use CFDA program codes when reporting deposits to the State Treasury. These codes would provide important information for improved executive control and legislative review.

Recommendation 6. The State should continue its participation in the Federal Assistance Information Test and examine ways to link this information system to central State accounting records for legislative reporting purposes.

APPENDIX I

HOUSE JOINT RESOLUTION NO. 237

Directing the Joint Legislative Audit and Review Commission to conduct a study of federal funds coming into the Commonwealth.

Agreed to by the House of Delegates, February 16, 1979

Agreed to by the Senate, February 22, 1979

WHEREAS, the increasing growth of the federal government and its programs has resulted in rapidly escalating amounts of money to be granted for various programs at the State and local level; and

WHEREAS, these funds are made available for a proliferating multitude of programs in the Commonwealth, the actual size, distribution and impact of which are unknown to the Commonwealth; and

WHEREAS, these funds may be used to augment or conflict with programs funded by the General Assembly of Virginia through its appropriations process; and

WHEREAS, the federal government's influence in the Commonwealth has increased at an alarming rate, partially through the distribution and control of these federal funds; and

WHEREAS, the experiences of other states have shown that federal aid can result in a total level of expenditure for specific programs that is in excess of that authorized by the legislature, thereby creating a distortion or preemption of the legislative prerogative; and

WHEREAS, the federal government is considering the possibility of shifting to the states the costs of various federally mandated programs; and

WHEREAS, the General Assembly may better perform its appropriations function if more complete information regarding the extent and impact of federal funding is available; and

WHEREAS, the Commonwealth has a duty to be fully aware of the amounts, extent, and effect of the federal funds that flow into and pass through the Commonwealth; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission is directed to undertake a study of the total funds coming into or passing through Virginia from federal government sources. The Commission shall make an interim report to the Governor and the General Assembly by December one, nineteen hundred seventy-nine and shall make a final report by December one, nineteen hundred eighty.

The study shall include, but not be limited to: (1) the dollar amounts of federal funds received by the Commonwealth and her localities; (2) the distribution of such funds among the various types of programs; (3) the dependence of the Commonwealth and her localities on the federal funds for the various types of programs; (4) an analysis of the funds that Virginia would lose for failing to comply with the requirements of the federal programs which condition the grant; (5) the growth of federal funds and the resulting growth of federal influence on State and local policies and programs over the last ten years; and (6) the substantive and procedural rights and duties available to, and incumbent upon, the Commonwealth in the event of federal action to withdraw federal funds or shift federal program costs to the agencies and institutions of State and local governments; and (7) the methods and procedures by which such federal funds are sought, utilized, monitored and controlled.

APPENDIX II

STATE AGENCY RECEIPTS OF FEDERAL FUNDS Fiscal Years 1978 and 1979

HJR 237 included a directive to determine the amount of federal funds received in the Commonwealth. This appendix was developed to provide legislators with information on the receipt of federal funds by State agencies in fiscal years 1978 and 1979. It identifies the agencies that received federal funds, the federal programs through which they received it, and the amounts received.

The data were taken from the year-end Federal Revenue Status Reports generated in the Commonwealth's Accounting and Reporting System (CARS) by the Department of Accounts. The report includes only those funds received and deposited into the State Treasury. There are slight differences with the amounts shown in Chapter II of this report because negative amounts carried on CARS were excluded from the chapter analysis.

This appendix has two components. An agency index (page A-3) lists State agencies alphabetically. Agencies receiving federal funds for deposit into the Treasury during this two fiscal year period will have a page number in the appendix. If no page number is shown, the agency had no federal funds deposited into the Treasury to its credit.

The second component provides the detailed information on the receipts of federal funds by State agencies. The figure on the next page describes the manner in which the detail is shown. Receipts by secretarial area are shown as a summary to the appendix.

State agency or institution that received funds in one or both fiscal years 1978 and 1979.

State secretarial area under which executive agencies are organized. Non-executive agencies are classified as "miscellaneous."

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	\$495,272,746	\$542,868,815
VIRGINIA DEVELOPMENTAL DISABILITY PLANNING COUNCIL		
(13.630) Developmental Disabilities-Basic Support and Advocacy Grants	\$ 540,015	\$ 127,725
(13.631) Developmental Disabilities-Special Projects	<u>21,207</u>	<u>463,857</u>
Total	\$ 561,222	\$ 591,582

Total amount received by the agency in each year. Negative totals may result from accounting transactions or reversions to the federal government.

Amount received through each program in each year. Negative amounts may represent accounting transactions or reversions to the federal government.

Secretarial total amount, the sum total of all agency receipts in the secretarial area.

Federal program through which funds were received by the agency. The number is the Catalog of Federal Domestic Assistance (CFDA) number - the first two digits identify the federal agency that granted the funds and the last three digits identify that agency's specific program. The description is the CFDA program name. The entry "10.000 Undistributed" is given when the State agency recipient did not provide the CFDA number to the State's central accounting system.

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D. S. Lancaster Community College	A26	Kilgore Fort House Historical Monuments	*
Darville Community College	A24		
Dark-Fired Tobacco Commission	*	-L-	
DeJarnette Center for Human Development	A34	Longwood College	A17
Department of Accounts	*	Lord Fairfax Community College	A29
Department of Alcoholic Beverage Control	*	Lieutenant Governor's Executive Office	*
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*No federal funds were deposited into the treasury in FY 1978 or FY 1979.

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Rehabilitative School Authority	A37	Virginia Grant and Loan Commission	*
Revenue Resources and Economic Commission	*	Virginia Health Services Cost Review Commission	*
Richard Bland College	A21	Virginia Highlands Community College	A28
		Virginia Historic Landmarks Commission	A11
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Science Museum of Roanoke Valley	*	Virginia Independence Bicentennial Commission	*
Science Museum of Virginia	A12	Virginia Institute for Scientific Research	*
Secretary of Administration and Finance	*	Virginia Institute of Marine Science	A8
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Secretary of Education	*	Virginia Military Institute	*
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Southampton Youthful Offender Center	*	Virginia Pork Industry Commission	*
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Southside Mental Health and Retardation	A34	Virginia Soil and Water Conservation Commission	A9
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Southside Virginia Training Center	A23	Virginia State Apple Commission	*
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State Corporation Commission	A39	Virginia Truck and Ornamentals Research Station	*
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State Education Assistance Authority, The	A22	Virginia World War II Memorial Commission	*
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State Office of Emergency and Energy Services	A38	Woodrow Wilson Rehabilitation Center	A31
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*No federal funds were deposited into the treasury in FY 1978 or FY 1979.

STATE AGENCY RECEIPTS
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--ADMINISTRATION AND FINANCE	\$ 62,248,128	\$ 48,722,962
DEPARTMENT OF PERSONNEL AND TRAINING		
(27.012) Intergovernmental Personnel Grants	\$ 400,000	\$ 470,000
Total	\$ 400,000	\$ 470,000
DEPARTMENT OF THE TREASURY		
(10.655) Assistance to State For Tree Planting and Reforestation	\$ 116,426	\$ 150,381
(10.660) General Forestry Assistance	-	559
(12.106) Flood Control Projects	14,360	16,499
(80.007) Federal Revenue Sharing (7)	11,162,462	-
(80.008) Federal Revenue Sharing (8)	11,499,621	-
(80.009) Federal Revenue Sharing (9)	23,253,352	23,253,354
(80.010) Federal Revenue Sharing (10)	-	23,714,258
(80.101) Anti-Recession Fiscal Assistance (1)	2,027,671	1,090,473
(80.102) Anti-Recession Fiscal Assistance (2)	1,432,562	-
(80.103) Anti-Recession Fiscal Assistance (3)	992,688	-
Total	\$ 50,499,142	\$ 48,225,524
DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS		
(13.642) Social Services For Low Income And Public Assistance Recipients	\$ -	\$ 10,174
(13.644) Public Assistance Training Grants	-	13,514
(14.203) Comprehensive Planning Assistance	818,295	-
(17.232) Comprehensive Employment and Training Programs	123,428	-
(23.001) Appalachian Regional Development	509,145	-
(23.013) Appalachian Child Development	41,919	-
(28.001) Coastal Plains Regional Economic Development	120,000	-
(47.036) Intergovernmental Program	25,000	-
(49.002) Community Action	9,190,000	-
(49.005) Community Food and Nutrition	387,926	-
(49.013) State Economic Opportunity Offices	103,780	-
(72.001) The Foster Grandparent Program	6,250	-
(72.011) State Volunteer Services Coordi- nator Program	-	3,750
Total	\$ 11,325,743	\$ 27,438
ADVISORY COMMISSION ON THE EXECUTIVE MANSION		
(10.000) Undistributed	\$ 23,243	\$ -
Total	\$ 23,243	\$ -

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--COMMERCE AND RESOURCES	\$ 20,536,910	\$ 28,437,431
OFFICE ON HOUSING		
(10.000) Undistributed	\$ 545,473	\$ -
(23.006) Appalachian State Housing Technical Assistance Grants	36,304	-
Total	\$ 581,777	\$ -
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT		
(10.000) Undistributed	\$ -	\$ 1,122,153
(14.203) Comprehensive Planning Assistance	-	826,691
(17.232) Comprehensive Employment and Training Programs	-	926,496
(23.001) Appalachian Regional Development	-	3,500
(23.006) Appalachian State Housing Technical Assistance Grants	-	6,460
(23.011) Appalachian State Research, Technical Assistance, and Demonstration Projects	-	36,495
(28.001) Coastal Plains Regional Economic Development	-	100,000
(49.002) Community Action	-	500,000
(49.005) Community Food and Nutrition	-	21,000
(49.013) State Economic Opportunity Offices	-	31,800
Total	\$ -	\$ 3,574,595
DEPARTMENT OF LABOR AND INDUSTRY		
(10.000) Undistributed	\$ 3,686	\$ -
(15.350) Coal Mine Health and Safety Grants	539,261	489,869
(17.002) Labor Force Statistics	57,485	80,853
(17.232) Comprehensive Employment & Training Programs	7,700	7,700
(17.500) Occupational Safety & Health	652,645	633,375
Total	\$ 1,260,777	\$ 1,211,797
SECRETARY OF COMMERCE AND RESOURCES		
(10.000) Undistributed	\$ -	\$ 576,423
Total	\$ -	\$ 576,423
STATE OFFICE OF MINORITY BUSINESS		
(10.000) Undistributed	\$ -	\$ 248,370
Total	\$ -	\$ 248,370

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--COMMERCE AND RESOURCES	(Continued)	
VIRGINIA INSTITUTE OF MARINE SCIENCE		
(10.000) Undistributed	\$ 2,973,868	\$ 133,383
(10.661) Youth Conservation Corps-Grants to States	21,621	11,018
(11.401) Nautical Charts and Related Data	-	3,539
(11.405) Anadromous and Great Lakes Fisheries Conservation	110,160	105,612
(11.407) Commercial Fisheries Research and Development	26,918	115,921
(11.411) Fishery Cooperative Services	-	3,714
(11.417) Sea Grant Support	472,988	541,862
(12.106) Flood Control Projects	-	9,312
(12.110) Planning Assistance to States	143,581	40,810
(13.226) Health Services Research & Development-Grants & Contracts	14,494	-
(14.001) Flood Insurance	30,893	52,616
(15.604) Fishery Research-Information	43,705	7,105
(15.800) Geologic & Mineral Resource Surveys & Mapping	1,838	-
(20.205) Highway Research, Planning, and Construction	12,541	53,281
(27.012) Intergovernmental Personnel Grants	18,883	49,274
(28.001) Coastal Plains Regional Economic Development	6,000	3,500
(28.002) Coastal Plains Technical and Planning Assistance	61,273	13,174
(28.003) Coastal Plains Supplements to Federal Grant-In-Aid	23,750	-
(43.002) Technology Transfer	16,715	19,329
(47.009) Scientific Personnel Improvement	-	2,000
(47.041) Applied Science and Research Applications	105,086	102,538
(66.500) Environmental Protection-Consolidated Research Grants	26,070	763,532
(66.505) Water Pollution Control-Research, Development, and Demonstration Grants	277,871	131,947
Total	\$ 4,388,255	\$ 2,163,467
BOARD OF AGRICULTURE AND CONSUMER SERVICES		
(10.000) Undistributed	\$ 309,924	\$ 115,369
(10.025) Plant and Animal Disease and Pest Control	18,596	24,760
(10.027) Meat and Poultry Inspection	741,109	702,187

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--COMMERCE AND RESOURCES	(Continued)	
BOARD OF AGRICULTURE AND CONSUMER SERVICES	(Continued)	
(10.155) Marketing Agreements and Orders	\$ 2,500	\$ -
(10.156) Federal-State Marketing Improvement Program	-	40,016
(13.400) Adult Education-Grants to States	-	33,569
(13.754) Public Assistance-Social Services	-	17,436
(28.002) Coastal Plains Technical & Planning Assistance	41,184	49,546
(66.600) Environmental Protection Consolidated Grants-Program Support	\$ -	\$ -25,412
Total	\$ 1,113,313	\$ 957,471
VIRGINIA SOIL AND WATER CONSERVATION COMMISSION		
(10.000) Undistributed	\$ -	\$ 11,985
Total	\$ -	\$ 11,985
BRIGHT FLUE-CURED TOBACCO COMMISSION		
(10.000) Undistributed	\$ 13,840	\$ -
Total	\$ 13,840	\$ -
POULTRY PRODUCTS COMMISSION		
(10.000) Undistributed	\$ 4,000	\$ -
Total	\$ 4,000	\$ -
MARINE RESOURCES COMMISSION		
(10.000) Undistributed	\$ -	\$ 25,000
(11.407) Commercial Fisheries Research and Development	155,297	187,223
(28.001) Coastal Plains Regional Economic Development	-	90,000
(28.002) Coastal Plains Technical and Planning Assistance	25,000	10,000
Total	\$ 180,297	\$ 312,223
COMMISSION OF GAME AND INLAND FISHERIES		
(15.605) Fish Restoration	\$ 476,883	\$ 212,237
(15.606) Migratory Bird Banding and Data Analysis	9,669	-
(15.611) Wildlife Restoration	771,920	477,317
(15.612) Endangered Species Conservation	18,109	21,572
(20.004) Boating Safety-Financial Assistance	96,554	72,648
Total	\$ 1,373,135	\$ 783,774

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--COMMERCE AND RESOURCES	(Continued)	
DIVISION OF FORESTRY		
(10.063) Agriculture Conservation Program	\$ 52,840	\$ 66,000
(10.064) Forestry Incentives Program	172,595	36,640
(10.651) Forestry Cooperative Research	-	16,000
(10.655) Assistance to States for Tree Planting & Reforestation	56,000	60,000
(10.656) Cooperative Forest Fire Control	792,300	950,600
(10.657) Cooperation in Forest Management & Processing	325,000	352,680
(10.658) Cooperative Forest Insect and Disease Management	47,320	61,575
(10.659) Cooperative Production and Distribu- tion of Forest Tree Planting Stock	-	24,067
(10.660) General Forestry Assistance	400	30,600
(10.662) Rural Community Fire Protection	-	107,200
(10.901) Resource Conservation and Develop- ment	19,065	21,000
(10.904) Watershed Protection and Flood Prevention	93,118	97,464
(39.007) Sale of Federal Surplus Personal Property	458	-
Total	\$ 1,559,096	\$ 1,823,826
DIVISION OF MINERAL RESOURCES		
(10.000) Undistributed	\$ -	\$ 40,000
Total	\$ -	\$ 40,000
STATE WATER CONTROL BOARD		
(10.000) Undistributed	\$ 15,882	\$ 24,573
(15.804) Water Resources Investigations	1,300	-
(28.001) Coastal Plains Regional Economic Development	-	50,166
(28.002) Coastal Plains Technical and Plan- ning Assistance	52,166	-
(65.001) Water Resources Planning	6,400	61,491
(66.417) Water Pollution Control-Direct Training	13,523	5,355
(66.419) Water Pollution Control-State and Interstate Program Grants	1,430,012	1,500,888
(66.426) Water Pollution Control-State and Areawide Water Quality Management Planning Agency	100,000	214,795

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--COMMERCE AND RESOURCES	(Continued)	
STATE WATER CONTROL BOARD	(Continued)	
(66.429) Water Pollution Control-Technical Training Grants	\$ -	\$ 5
(66.434) Safe Drinking Water State and Local	-	81,400
(66.500) Environmental Protection-Consolidated Research Grants	-	155,178
(66.505) Water Pollution Control-Research, Development, and Demonstration Grants	50,000	499,620
Total	\$ 1,669,283	\$ 2,593,471
DIVISION OF PARKS		
(10.661) Youth Conservation Corps-Grants to States	267,454	24,978
Total	\$ 267,454	\$ 24,978
VIRGINIA STATE TRAVEL SERVICE		
(10.000) Undistributed	\$ -	\$ 10,000
(11.951) Matching Funds	-	15,000
Total	\$ -	\$ 25,000
DIVISION OF MINED LAND RECLAMATION		
(10.000) Undistributed	\$ -	\$ 1,000,000
(62.003) Tennessee Valley Region-Water Resources Development	484,641	575,244
Total	\$ 484,641	\$ 1,575,244
STATE AIR POLLUTION CONTROL BOARD		
(66.001) Air Pollution Control Program Grants	\$ 1,015,000	\$ 1,145,000
Total	\$ 1,015,000	\$ 1,145,000
VIRGINIA HISTORIC LANDMARKS COMMISSION		
(10.000) Undistributed	\$ 50,443	\$ -
(15.904) Historic Preservation	254,224	760,094
(45.105) Promotion of the Humanities-General Research Program	48,177	135,289
Total	\$ 352,844	\$ 895,383
COMMISSION OF OUTDOOR RECREATION		
(10.000) Undistributed	\$ 633,912	\$ 927,877
(10.661) Youth Conservation Corps-Grants to States	235,000	245,000

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--COMMERCE AND RESOURCES	(Continued)	
COMMISSION OF OUTDOOR RECREATION	(Continued)	
(15.400) Outdoor Recreation-Acquisition, Development and Planning	\$ 3,897,279	\$ 3,834,220
Total	\$ 4,766,191	\$ 5,007,097
GOVERNOR'S EMPLOYMENT AND TRAINING COUNCIL		
(17.232) Comprehensive Employment and Training Programs	\$ 1,357,834	\$ 5,148,822
(17.234) Employment and Training-Indians and Native Americans	149,173	318,505
Total	\$ 1,507,007	\$ 5,467,327
SECRETARIAL AREA--EDUCATION	\$215,641,567	\$232,588,308
THE SCIENCE MUSEUM OF VIRGINIA		
(45.125) Promotion of the Humanities- Museums and Historical Organi- zations Program	\$ -	\$ 10,000
(45.133) Promotion of the Humanities- Science, Technology and Human Values	-	6,269
Total	\$ -	\$ 16,269
VIRGINIA COMMISSION OF THE ARTS AND HUMANITIES		
(13.532) Emergency School Aid Act-Special Programs	\$ 100,000	\$ 100,000
(45.002) Promotion of the Arts-Dance	18,567	14,003
(45.003) Promotion of the Arts-Education	60,000	60,000
(45.007) Promotion of the Arts-Federal-State Partnership	246,000	287,900
(45.008) Promotion of the Arts-Theatre	-	8,815
Total	\$ 424,567	\$ 470,718
STATE BOARD OF EDUCATION		
(10.000) Undistributed	\$ -	\$ 1,562,463
(10.553) School Breakfast Program	2,166,512	2,594,114
(10.554) Equipment Assistance for School Food Service Programs	309,782	448,160
(10.555) National School Lunch Program	41,517,770	41,464,431
(10.556) Special Milk Program for Children	2,573,154	2,203,071

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
STATE BOARD OF EDUCATION	(Continued)	
(13.400) Adult Education-Grants to States	\$ 1,746,186	\$ 2,109,928
(13.403) Bilingual Education	4,012	2,499
(13.405) Civil Rights Technical Assistance and Training	113,000	95,416
(13.416) Teacher Centers	-	5,000
(13.427) Program for Education of Handi- capped Children in State Operated or Supported Schools	2,120,645	1,855,353
(13.428) Educationally Deprived Children- Local Educational Agencies	44,840,101	51,820,959
(13.429) Educationally Deprived Children- Migrants	783,914	759,780
(13.430) Educationally Deprived Children- State Administration	411,000	441,223
(13.431) Educationally Deprived Children in State Administered Institutions Serving Neglected or Delinquent Children	1,076,397	1,146,933
(13.445) Handicapped Innovative Programs- Deaf-Blind Centers	280,399	185,787
(13.449) Handicapped PreSchool and School Programs	3,878,507	6,968,234
(13.451) Handicapped Personnel Preparation	47,231	239,345
(13.485) Strengthening State Departments of Education-Grants for Special Programs	37,536	-
(13.493) Vocational Education-Basic Grants to States	9,941,257	9,426,541
(13.494) Vocational Education-Consumer and Homemaking	920,507	962,105
(13.495) Vocational Education-Program Improvement and Supportive Service	1,324,460	2,330,912
(13.498) Vocational Education-Program Improvement Projects	20,900	-
(13.499) Vocational Education-Special Needs	300,378	505,980
(13.501) Vocational Education-Work Study	27,615	-
(13.502) Vocational Education-Innovation	99,978	5,469
(13.504) Vocational Education-Personnel Development System Program	126,400	-
(13.519) Supplemental Education Center Services Guidance Counseling and Testing	44,190	36,968

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
STATE BOARD OF EDUCATION	(Continued)	
(13.520) Special Program for Children, Specific Learning Disabilities	\$ 97,951	\$ 137,716
(13.533) Right to Read-Elimination of Illiteracy	32,394	80,000
(13.554) Career Education	31,155	-
(13.561) Education for the Use of the Metric System of Measurement	8,385	-
(13.563) Community Education	68,835	20,000
(13.566) Elementary and Secondary School Education in the Arts	6,000	-
(13.570) Libraries and Learning Resources	3,667,119	3,540,396
(13.571) Improvement in Local Educational Practice	4,421,100	4,730,524
(13.769) Special Assistance to Refugees, Cambodia & Vietnam	758,853	-
(13.950) Educational Research and Development	12,000	-5,391
(23.012) Appalachian Vocational and Other Education Facilities and Operations	2,279,201	1,657,483
(28.001) Coastal Plains Regional Development	303,916	542,899
(28.003) Coastal Plains Supplements to Federal Grants-in-Aid	-	200,000
(64.111) Veterans Educational Assistance	112,515	133,653
Total	<u>\$126,511,255</u>	<u>\$138,207,951</u>
VIRGINIA STATE LIBRARY		
(13.408) Construction of Public Libraries	\$ 54,290	\$ 72,740
(13.464) Library Services and Construction Act	1,371,475	914,389
(13.465) Library Services-Interlibrary Cooperation	50,000	85,611
Total	<u>\$ 1,475,765</u>	<u>\$ 1,072,740</u>
COLLEGE OF WILLIAM AND MARY		
(10.000) Undistributed	\$ 1,020,685	\$ 347,901
(13.418) Supplemental Educational Opportunity Grants	-	10,118
(13.451) Handicapped Personnel Preparation	-	36,329
(13.463) Higher Education Work-Study	-	76,078
(13.539) Basic Educational Opportunity Grant	-	263,266
(13.561) Education for the Use of the Metric System of Measurement	-	12,831

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
COLLEGE OF WILLIAM AND MARY	(Continued)	
(13.569) Indian Education-Fellowships for Indian Students	\$ -	\$ 4,480
(13.864) Population Research	-	2,968
(24.024) Research and Development in Nuclear, Solar, Geothermal Advanced Energy	-	20,209
(45.111) Promotion of the Humanities-Higher Education Projects	-	2,941
(47.048) Science Education Research and Development and Resources Development	-	8,737
(47.049) Mathematical and Physical Sciences and Engineering	-	186,796
(47.051) Biological, Behavioral, and Social Sciences	-	26,534
(59.005) Management Assistance to Small Businesses	-	1,250
(66.501) Air Pollution Control Research Grants	-	4,499
(66.505) Water Pollution Control-Research, Development and Demonstration Grants	-	40,828
Total	\$ 1,020,685	\$ 1,045,765
VIRGINIA COMMONWEALTH UNIVERSITY, MCV HOSPITAL DIVISION		
(10.000) Undistributed	\$ 195,811	\$ -
Total	\$ 195,811	\$ -
UNIVERSITY OF VIRGINIA		
(10.000) Undistributed	\$ 30,235,585	\$ 30,251,161
Total	\$ 30,235,585	\$ 30,251,161
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY		
(10.000) Undistributed	\$ 512,687	\$ 221,725
(13.305) Allied Health Professions-Special Project Grants	-	44,140
(13.406) College Library Resources	-	3,962
(13.451) Handicapped Personnel Preparation	-	54,190
(13.463) Higher Education Work-Study	-	146,326
(13.500) Vocational Education-State Advisory Councils	81,807	101,345

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OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	(Continued)	
(13.503) Vocational Education-Graduate Leadership Development Program	\$ -	\$ 83,528
(13.518) Higher Education Instructional Equipment	-	10,664
(13.555) Public Service Education-Institu- tional Grants and Fellowships	-	32,126
(13.564) Consumers' Education	-	51,064
(13.567) Domestic Mining and Mineral Fuel Conservation Fellowship Program	-	117,742
(13.578) Vocational Education-Teacher Certification Fellowship Program	-	24,996
(24.020) Traineeships-Graduate Studies	4,000	7,492
(47.009) Scientific Personnel Improvement	-	6,231
(47.048) Science Education Research and Development and Resources Improvement	-	60,554
(60.001) Smithsonian Institution Programs in Basic Research in Collaboration with Smithsonian Institution Staff	-	-104
(62.003) Tennessee Valley Region-Water Resources Development	-	325
(64.021) Grants Affiliated Medical School Assistance Health Manpower Training	17,570	24,132
(66.428) Water Pollution Control-Special Training Grants	-	11,617
Total	\$ 616,064	\$ 1,002,055
UNIVERSITY OF VIRGINIA HOSPITAL DIVISION		
(10.000) Undistributed	\$ 2,812,143	\$ 730,240
Total	\$ 2,812,143	\$ 730,240
VIRGINIA STATE COLLEGE		
(10.000) Undistributed	\$ 4,793,546	\$ 6,247,043
Total	\$ 4,793,546	\$ 6,247,043
NORFOLK STATE UNIVERSITY		
(10.000) Undistributed	\$ 58,291	\$ 111,164
(13.244) Mental Health Clinical or Service Related Training Grants	94,543	89,000
(13.363) Nursing Scholarships	-	4,000
(13.369) Nursing School Construction Assistance Direct Grants	1,321	-

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FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
NORFOLK STATE UNIVERSITY	(Continued)	
(13.375) Minority Biomedical Support	\$ 139,481	\$ 151,000
(13.386) Nursing Capitation Grants	23,000	12,000
(13.406) College Library Resources	-	1,500
(13.418) Supplemental Educational Opportunity Grants	52,455	25,128
(13.451) Handicapped Personnel Preparation	46,690	106,000
(13.454) Higher Education-Strengthening Developing Institutions	547,446	344,033
(13.463) Higher Education Work-Study	393,867	476,955
(13.471) National Direct Student Loans	-	7,241
(13.482) Special Services for Disadvantaged Students	80,000	116,000
(13.488) Talent Search	55,000	74,000
(13.489) Teacher Corps-Operations and Training	136,507	146,500
(13.492) Upward Bound	115,326	118,000
(13.539) Basic Educational Opportunity Grant Program	3,016,877	3,242,132
(13.540) Higher Education-Veterans' Cost of Instruction Program	27,758	28,766
(13.628) Child Abuse and Neglect Prevention and Treatment	-	22,750
(13.636) Special Programs for the Aging- Title IV Part B-Research and Development	25,000	-
(13.637) Special Programs for the Aging- Title IV Part A-Training	-	35,000
(16.504) Law Enforcement Education Program- Student Financial Aid	8,510	-
(47.048) Science Education Research and Development and Resources Improvement	-	140,759
(66.501) Air Pollution Control Research Grants	2,218	-
Total	\$ 4,824,290	\$ 5,251,928
LONGWOOD COLLEGE		
(10.000) Undistributed	\$ 143,837	\$ 168,780
Total	\$ 143,837	\$ 168,780
MARY WASHINGTON COLLEGE		
(10.000) Undistributed	\$ 31,278	\$ 3,906
Total	\$ 31,278	\$ 3,906

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OF FEDERAL FUNDS BY SOURCE:
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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
JAMES MADISON UNIVERSITY		
(10.000) Undistributed	\$ 158,769	\$ 178,543
(12.105) Protection of Essential Highways, Highway Bridge Approaches, and Public Works	-	9,960
(13.418) Supplemental Educational Opportunity Grants	21,827	22,559
(13.451) Handicapped Personnel Preparation	-	68,129
(13.463) Higher Education Work-Study	99,216	192,054
(13.471) National Direct Student Loans	47,529	158,507
(13.518) Higher Education Instructional Equipment	-	16,701
(13.530) Emergency School Aid Act- Educational Television	-	-10,000
(13.533) Right to Read-Elimination of Illiteracy	-	52,467
(13.539) Basic Educational Opportunity Grant Program	427,683	520,888
(13.540) Higher Education-Veterans Cost of Instruction Program	-	5,424
(17.232) Comprehensive Employment and Training Programs	-	8,886
(47.048) Science Education Research and Development and Resources Improvement	25,667	-
Total	\$ <u>780,691</u>	\$ <u>1,224,118</u>
RADFORD COLLEGE		
(10.000) Undistributed	\$ 403,936	\$ 327,599
Total	\$ <u>403,936</u>	\$ <u>327,599</u>
VIRGINIA SCHOOL AT HAMPTON		
(17.232) Comprehensive Employment and Training Programs	\$ 2,350	\$ -
Total	\$ <u>2,350</u>	\$ <u>-</u>
OLD DOMINION UNIVERSITY		
(10.000) Undistributed	\$ 193,812	\$ 192,433
(13.518) Higher Education Instructional Equipment	-	27,000
Total	\$ <u>193,812</u>	\$ <u>219,433</u>

STATE AGENCY RECEIPT
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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
VPI RESEARCH DIVISION		
(10.000) Undistributed	\$ 10,621,047	\$ 10,115,549
(10.001) Agricultural Research-Basic and Applied Research	13,200	88,054
(10.025) Plant and Animal Disease and Pest Control	-	29,060
(10.200) Grants for Scientific Research	-	87,894
(10.651) Forestry Cooperative Research	2,072	171,161
(10.652) Forestry Research	-	11,896
(10.875) Agricultural Research-Basic and Applied Research	-	28,944
(10.876) Grants for Agricultural Research, Special Research Grants	-	61,373
(10.884) Grants for Agricultural Research, Competitive Research Grants	-	72,738
(11.417) Sea Grant Support	21,825	41,473
(13.242) Mental Health Research Grants	-	13,721
(13.305) Allied Health Professions-Special Project Grants	-	21,813
(13.337) Biomedical Research Support	-	50,992
(13.393) Cancer Cause and Prevention Research	94,691	-
(13.395) Cancer Treatment Research	-	51,018
(13.396) Cancer Biology Research	-	98,992
(13.463) Higher Education Work-Study	-	31,210
(13.498) Vocational Education-Program Improvement Projects	-	39,093
(13.627) Rehabilitation Research and Demonstrations	-	105,868
(13.838) Lung Diseases Research	-	198
(13.839) Blood Diseases and Resources Research	-	41,352
(13.841) Periodontal Diseases Research	-	52,156
(13.849) Kidney Diseases, Urology and Hematology Research	-	20,655
(13.856) Microbiology and Infectious Diseases Research	-	156,151
(13.859) Pharmacology-Toxicology Research	-	55,388
(13.860) Biomedical Engineering Research	-	140,927
(13.862) Genetics Research	-	104,905
(13.863) Cellular and Molecular Basis of Disease Research	-	33,864
(13.864) Population Research	-	20,092

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
VPI RESEARCH DIVISION	(Continued)	
(13.866) Aging Research	\$ -	\$ 51,846
(13.869) Cataract Research	-	45,092
(15.951) Water Resources Research and Technology-Assistance to State Institutes	82,500	110,000
(15.952) Water Research and Technology- Matching Funds to State Institutes	57,300	55,402
(24.020) Traineeships Graduate Students Engineering Studies Energy Conversions	-	10,815
(24.034) Research and Development in Fossil Energy	103,331	110,569
(45.001) Promotion of the Arts-Architecture, Planning and Design	-	1,054
(45.126) Promotion of the Humanities- Research Materials	-	9,390
(47.041) Applied Science and Research Applications	-	271,462
(47.048) Science Education Research and Development and Resources Improvement	-	31,921
(47.049) Mathematical and Physical Sciences and Engineering	-	959,338
(47.050) Astronomical, Atmospheric, Earth and Ocean Sciences	-	353,685
(47.051) Biological, Behavioral and Social Sciences	-	335,373
(62.001) National Fertilizer Development	-	9,457
(66.500) Environmental Protection- Consolidated Research Grants	-	9,284
(66.502) Pesticides Control Research Grants	-	12,760
(66.505) Water Pollution Control-Research, Development, and Demonstration Grants	21,353	16,695
Total	\$ 11,017,319	\$ 14,140,680
VPI EXTENSION DIVISION		
(10.000) Undistributed	\$ 6,007,096	\$ 6,519,164
(10.025) Plant and Animal Disease and Pest Control	-	6,000
(10.500) Cooperative Extension Service	807,955	33,981
(11.417) Sea Grant Support	-	30,140

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OF FEDERAL FUNDS BY SOURCE:
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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
VPI EXTENSION DIVISION	(Continued)	
(13.211) Crippled Children's Services	\$ 2,859	\$ 5,750
(13.451) Handicapped Personnel Preparation	90,524	85,183
(13.463) Higher Education Work-Study	-	21,533
(13.488) Talent Search	36,846	48,808
(13.492) Upward Bound	107,576	128,190
(13.504) Vocational Education Personnel Development Systems Program	1,166	-
(13.510) Higher Education-Cooperative Education	34,528	41,679
(13.522) Environmental Education	15,493	12,565
(13.563) Community Education	-	23,624
(13.564) Consumers' Education	18,676	47,012
(13.600) Child Development-Head Start	66,192	39,484
(45.012) Promotion of the Arts-Museums	-	6,055
(45.104) Promotion of the Humanities-Media Grants	-	4,604
(47.041) Research Applied to National Needs	5,291	7,165
(47.051) Biological, Behavioral and Social Sciences	-	15,200
Total	\$ 7,194,202	\$ 7,076,137
VCU ACADEMIC DIVISION		
(10.000) Undistributed	\$ 13,655,040	\$ 16,419,386
(11.002) Census Data User Services	1,792	-
Total	\$ 13,656,832	\$ 16,419,386
VIRGINIA MUSEUM OF FINE ARTS		
(10.000) Undistributed	\$ -	\$ 6,000
(17.232) Comprehensive Employment and Training Programs	75,616	58,023
(45.012) Promotion of the Arts-Museums	42,280	37,833
(45.125) Promotion of the Humanities- Museums and Historical Organiza- tions Program	41,941	16,915
Total	\$ 159,837	\$ 118,771
RICHARD BLAND COLLEGE		
(10.000) Undistributed	\$ 24,251	\$ 14,971
Total	\$ 24,251	\$ 14,971

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
CHRISTOPHER NEWPORT COLLEGE		
(10.000) Undistributed	\$ 74,990	\$ 54,308
(13.540) Higher Education-Veterans' Cost of Instruction Program	-	24,208
Total	\$ 74,990	\$ 78,516
STATE COUNCIL OF HIGHER EDUCATION		
(10.000) Undistributed	\$ -	\$ 51,500
(13.383) Health Professions-Special Projects	49,022	-
(13.455) Higher Education Academic Facilities-State Administration	15,323	4,879
(13.548) Grants to States for State Student Incentives	1,241,412	1,312,989
(13.550) State Postsecondary Education Commissions Program-Intrastate Planning	83,521	47,593
Total	\$ 1,389,278	\$ 1,416,961
CLINCH VALLEY COLLEGE		
(10.000) Undistributed	\$ 350,472	\$ 367,191
Total	\$ 350,472	\$ 367,191
GEORGE MASON UNIVERSITY		
(10.000) Undistributed	\$ 344,991	\$ 514,071
(45.124) Promotion of the Humanities Research Collections	24,957	-
Total	\$ 369,948	\$ 514,071
SCHOOL OF GENERAL STUDIES-UVA		
(10.000) Undistributed	\$ 277,196	\$ 148,281
Total	\$ 277,196	\$ 148,281
VIRGINIA ASSOCIATED RESEARCH CAMPUS		
(10.000) Undistributed	\$ 421,270	\$ 392,221
Total	\$ 421,270	\$ 392,221
STATE EDUCATION ASSISTANCE AUTHORITY		
(10.000) Undistributed	\$ 66,264	\$ 413,640
Total	\$ 66,264	\$ 413,640

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
NEW RIVER COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 1,000	\$ 4,855
(13.463) Higher Education Work-Study	180,000	180,500
(13.482) Special Services for Disadvantaged Students	63,348	88,829
(13.510) Higher Education-Cooperative Education	37,000	27,462
(13.518) Higher Education Instructional Equipment	-	12,868
(13.540) Higher Education-Veterans' Cost of Instruction Program	17,909	18,221
Total	\$ <u>299,257</u>	\$ <u>332,735</u>
SOUTHSIDE VIRGINIA COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 7,710	\$ 7,785
(13.463) Higher Education Work-Study	17,489	21,348
(13.540) Higher Education-Veterans' Cost of Instruction Program	8,537	7,775
Total	\$ <u>33,736</u>	\$ <u>36,908</u>
PAUL D. CAMP COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 3,855	\$ -
(13.454) Higher Education Strengthening Developing Institutions	125,000	85,000
(13.463) Higher Education Work-Study	31,706	35,000
(13.482) Special Services for Disadvantaged Students	42,727	52,679
(13.518) Higher Education Instructional Equipment	7,746	2,860
(13.540) Higher Education-Veterans' Cost of Instruction Program	5,113	6,798
(45.110) Promotion of Humanities-Education Pilot, Program, & Development	966	3,053
Total	\$ <u>217,113</u>	\$ <u>185,390</u>
RAPPAHANNOCK COMMUNITY COLLEGE		
(11.300) Economic Development-Grants and Loans for Public Works and Development Facilities	\$ 232,725	\$ -
(13.386) Nursing Capitation Grants	3,686	-
(13.406) College Library Resources	7,708	5,966
(13.463) Higher Education Work-Study	20,434	29,678

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
RAPPAHANNOCK COMMUNITY COLLEGE	(Continued)	
(13.482) Special Services for Disadvantaged Students	\$ 63,239	\$ 72,261
(45.011) Promotion of the Arts-Special Projects	-	4,000
Total	\$ 327,792	\$ 111,905
DANVILLE COMMUNITY COLLEGE		
(11.300) Economic Development-Grants and Loans for Public Works and Development Facilities	\$ 42,292	\$ 76,366
(13.406) College Library Resources	3,855	3,906
(13.463) Higher Education Work-Study	35,407	34,299
Total	\$ 81,554	\$ 114,571
NORTHERN VIRGINIA COMMUNITY COLLEGE		
(13.263) Occupational Safety & Health-Training Grants	\$ 13,344	\$ -
(13.386) Nursing Capitation Grants	40,000	37,235
(13.406) College Library Resources	13,801	18,967
(13.463) Higher Education Work-Study	249,766	298,200
(13.510) Higher Education-Cooperative Education	79,939	73,451
(13.540) Higher Education-Veterans' Cost of Instruction Program	86,256	104,328
(47.048) Science Education Research and Development and Resources Improvement	-	76,990
Total	\$ 483,106	\$ 609,171
PIEDMONT COMMUNITY COLLEGE		
(13.305) Allied Health Professions-Special Project Grants	\$ 37,169	\$ 40,212
(13.386) Nursing Capitation Grants	10,321	10,720
(13.406) College Library Resources	3,855	3,906
(13.454) Higher Education-Strengthening Developing Institutions	-	48,900
(13.463) Higher Education Work-Study	85,088	80,441
(13.510) Higher Education Cooperative Education	-	35,000
Total	\$ 136,433	\$ 219,179

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
J.S. REYNOLDS COMMUNITY COLLEGE		
(13.251) Alcohol Community Service Programs	\$ 19,418	\$ 15,463
(13.305) Allied Health Professions-Special Project Grants	65,669	50,003
(13.386) Nursing Capitation Grants	43,544	25,727
(13.406) College Library Resources	11,565	11,718
(13.454) Higher Education-Strengthening Developing Institutions	228,639	272,286
(13.463) Higher Education Work-Study	207,000	174,000
(13.482) Special Services for Disadvantaged Students	77,903	103,377
(13.510) Higher Education-Cooperative Education	73,000	33,500
(13.518) Higher Education-Instructional Equipment	24,116	12,868
(13.540) Higher Education-Veterans' Cost of Instruction Program	38,626	31,223
(13.629) Rehabilitation Training	1,988	-
(45.123) Promotion of the Humanities-Consultant Grant Program	-	1,282
Total	\$ 791,468	\$ 731,447
EASTERN SHORE COMMUNITY COLLEGE		
(11.300) Economic Development-Grants and Loans for Public Works & Development Facilities	\$ 721,551	\$ -
(13.463) Higher Education Work-Study	7,500	3,500
(43.001) Aerospace Education Services Project	9,952	12,886
Total	\$ 739,003	\$ 16,386
PATRICK HENRY COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 3,855	\$ 3,906
(13.463) Higher Education Work-Study	12,500	5,500
(13.510) Higher Education-Cooperative Education	27,000	27,000
(13.540) Higher Education-Veterans' Cost of Instruction Program	5,082	3,636
Total	\$ 48,437	\$ 40,042
VIRGINIA WESTERN COMMUNITY COLLEGE		
(13.386) Nursing Capitation Grants	\$ 16,959	\$ 10,866
(13.406) College Library Resources	3,841	3,000

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
VIRGINIA WESTERN COMMUNITY COLLEGE	(Continued)	
(13.413) Educational Broadcasting Facilities	\$ 31,359	\$ 58,659
(13.463) Higher Education Work-Study	48,339	77,636
(13.482) Special Services for Disadvantaged Students	58,564	86,040
(13.510) Higher Education-Cooperative Education	33,962	17,000
(13.518) Higher Education Instructional Equipment	13,595	8,300
(13.540) Higher Education-Veterans' Cost of Instruction Program	20,234	18,648
(13.554) Career Education	-	92,265
(13.600) Child Development-Head Start	-	7,020
(47.048) Science Education Research and Development and Resources Improvement	7,707	-
Total	\$ 234,560	\$ 379,434
D.S. LANCASTER COMMUNITY COLLEGE		
(13.386) Nursing Capitation Grants	\$ 9,000	\$ 11,000
(13.406) College Library Resources	3,855	3,906
(13.463) Higher Education Work-Study	46,000	48,000
(13.482) Special Services for Disadvantaged Students	28,000	36,000
(13.492) Upward Bound	60,500	55,000
(13.510) Higher Education-Cooperative Education	-	16,000
(13.540) Higher Education-Veterans' Cost of Instruction Program	6,712	4,500
(17.232) Comprehensive Employment and Training Programs	35,600	163,235
(45.123) Promotion of the Humanities-Consultant Grant Program	1,495	3,454
Total	\$ 191,162	\$ 341,095
WYTHEVILLE COMMUNITY COLLEGE		
(13.386) Nursing Capitation Grants	\$ 16,675	\$ 22,853
(13.406) College Library Resources	3,855	3,902
(13.454) Higher Education-Strengthening Developing Institutions	175,000	157,000
(13.463) Higher Education Work-Study	263,798	279,508
(13.482) Special Services for Disadvantaged Students	75,663	87,636

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
WYTHEVILLE COMMUNITY COLLEGE	(Continued)	
(13.488) Talent Search	\$ 45,899	\$ 50,978
(13.540) Higher Education-Veterans' Cost of Instruction Program	7,832	7,312
(13.768) Training Grants in the Field of Child Welfare	16,416	-
(45.111) Promotion of the Humanities- Higher Education Projects	1,000	-
(47.048) Science Education Research and Development and Resources Improvement	-	5,000
Total	\$ 606,138	\$ 614,189
JOHN TYLER COMMUNITY COLLEGE		
(13.386) Nursing Capitation Grants	\$ 8,600	\$ 6,968
(13.406) College Library Resources	3,855	3,906
(13.463) Higher Education Work-Study	17,000	17,000
(13.540) Higher Education-Veterans' Cost of Instruction Program	23,951	26,822
(17.232) Comprehensive Employment & Training Programs	485	-
(45.110) Promotion of Humanities-Education Pilot, Program, & Development	85,427	-
Total	\$ 139,318	\$ 54,696
BLUE RIDGE COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 3,855	\$ 3,906
(13.463) Higher Education Work-Study	19,100	14,047
Total	\$ 22,955	\$ 17,953
CENTRAL VIRGINIA COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 3,855	\$ 3,906
(13.463) Higher Education Work-Study	78,000	65,000
(13.540) Higher Education-Veterans' Cost of Instruction Program	12,687	7,984
(17.232) Comprehensive Employment and Training Program	-	6,395
(45.005) Promotions of the Arts-Music	-	750
(45.123) Promotion of the Humanities- Consultant Grant Program	4,144	-
Total	\$ 98,686	\$ 84,035

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SECRETARIAL AREA--EDUCATION	FY 1978 (Continued)	FY 1979
THOMAS NELSON COMMUNITY COLLEGE		
(13.251) Alcohol Community Service Programs	\$ 26,351	\$ 22,864
(13.386) Nursing Capitation Grants	13,269	12,149
(13.406) College Library Resources	3,855	3,906
(13.463) Higher Education Work-Study	37,000	60,849
(13.518) Higher Education Instructional Equipment	-	9,532
(13.540) Higher Education-Veterans' Cost of Instruction Program	54,916	59,777
(17.232) Comprehensive Employment and Training Programs	-	32,507
Total	\$ 135,391	\$ 201,584
SOUTHWEST VIRGINIA COMMUNITY COLLEGE		
(13.386) Nursing Capitation Grants	\$ 5,242	\$ -
(13.406) College Library Resources	3,855	3,906
(13.463) Higher Education Work-Study	125,000	118,652
(13.482) Special Services for Disadvantaged Students	71,273	78,476
(13.510) Higher Education-Cooperative Education	-	18,620
(13.540) Higher Education-Veterans' Cost of Instruction Program	8,405	8,024
(23.004) Appalachian Health Programs	162,943	-
Total	\$ 376,718	\$ 227,678
TIDEWATER COMMUNITY COLLEGE		
(13.251) Alcohol Community Service Programs	\$ 44,150	\$ 8,341
(13.386) Nursing Capitation Grants	14,380	15,502
(13.406) College Library Resources	11,565	11,718
(13.463) Higher Education Work-Study	120,083	159,161
(13.510) Higher Education-Cooperative Education	52,895	58,009
(13.540) Higher Education-Veterans' Cost of Instruction Program	94,937	100,315
(17.232) Comprehensive Employment and Training Programs	370,209	174,969
Total	\$ 708,219	\$ 528,015
VIRGINIA HIGHLANDS COMMUNITY COLLEGE		
(13.369) Nursing School Construction Assistance Direct Grants	\$ 162,527	\$ 102,959
(13.386) Nursing Capitation Grants	5,242	9,469

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	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--EDUCATION	(Continued)	
VIRGINIA HIGHLANDS COMMUNITY COLLEGE	(Continued)	
(13.406) College Library Resources	\$ 3,855	\$ 3,906
(13.463) Higher Education Work-Study	176,963	169,807
(13.540) Higher Education-Veterans' Cost of Instruction Program	7,221	5,986
Total	\$ 355,808	\$ 292,127
GERMANNA COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 3,855	\$ 3,906
(13.463) Higher Education Work-Study	13,000	18,188
Total	\$ 16,855	\$ 22,094
LORD FAIRFAX COMMUNITY COLLEGE		
(13.406) College Library Resources	\$ 3,855	\$ 3,906
(13.463) Higher Education Work-Study	10,000	23,000
(47.048) Science Education Research and Development and Resources Improvement	20,482	-
Total	\$ 34,337	\$ 26,906
MOUNTAIN EMPIRE COMMUNITY COLLEGE		
(13.386) Nursing Capitation Grants	\$ 5,242	\$ -
(13.406) College Library Resources	3,855	3,906
(13.463) Higher Education Work-Study	47,000	45,000
(13.510) Higher Education-Cooperative Education	34,250	5,577
(13.540) Higher Education-Veterans' Cost of Instruction Program	4,500	5,753
(45.111) Promotion of the Humanities- Higher Education Projects	1,200	-
Total	\$ 96,047	\$ 60,236
SECRETARIAL AREA--HUMAN RESOURCES	\$495,272,746	\$542,868,815
VIRGINIA DEVELOPMENTAL DISABILITY PLANNING COUNCIL		
(13.630) Developmental Disabilities-Basic Support and Advocacy Grants	\$ 540,015	\$ 127,725
(13.631) Developmental Disabilities- Special Projects	21,207	463,857
Total	\$ 561,222	\$ 591,582

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
VIRGINIA COMMISSION FOR CHILDREN AND YOUTH		
(13.600) Administration for Children Youth and Families-Head Start	\$ 49,670	\$ -
(17.232) Comprehensive Employment and Training Programs	5,556	-
Total	\$ 55,226	\$ -
OFFICE ON AGING		
(10.550) Food Distribution	\$ 203,424	\$ 434,206
(13.633) Special Programs for the Aging- Grants for States and Community Programs on Aging	3,315,575	3,478,686
(13.634) Special Programs for the Aging- Discretionary Projects and Programs	30,500	30,611
(13.635) Special Programs for the Aging- Nutrition Services	5,537,032	5,759,178
(13.636) Special Programs for the Aging- Research and Development	-	52,700
(13.637) Special Programs for the Aging- Training	139,831	-
(13.639) Special Programs for the Aging- Multipurpose Senior Centers	281,156	788,830
(13.754) Public Assistance-Social Services	1,164	-
(17.235) Senior Community Service Employ- ment Program	579,768	1,076,685
Total	\$ 10,088,450	\$ 11,620,896
VIRGINIA EMPLOYMENT COMMISSION		
(10.000) Undistributed	\$ 86,020	\$ -
(10.551) Food Stamps	262,627	248,431
(17.207) Employment Service	10,613,200	10,880,252
(17.211) Job Corps	294,343	446,783
(17.225) Unemployment Insurance	9,340,196	9,764,711
(17.226) Work Incentives Program	3,075,930	3,613,061
(17.232) Comprehensive Employment and Training Programs	67,423,017	69,933,656
(17.234) Employment and Training-Indians and Native Americans	168,135	-
(17.238) Special Unemployment Assistance Program-Benefit Payments	3,373,374	1,117,000
(17.239) Youth Community Conservation and Improvements Projects	445,315	306
(17.240) Youth Employment and Training	9,550,791	8,760,000

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
VIRGINIA EMPLOYMENT COMMISSION	(Continued)	
(17.400) Trade Adjustment Assistance-Workers	\$ 1,011,260	\$ 2,898,686
(49.015) Summer Youth Recreation	-	86,020
Total	<u>\$105,644,208</u>	<u>\$107,748,906</u>
SECRETARY OF HUMAN RESOURCES		
(10.000) Undistributed	\$ -	\$ 17,780
Total	<u>\$ -</u>	<u>\$ 17,780</u>
DIVISION FOR CHILDREN		
(13.600) Administration For Children, Youth, and Families-Head Start	\$ -	\$ 20,330
Total	<u>\$ -</u>	<u>\$ 20,330</u>
WOODROW WILSON REHABILITATION CENTER		
(17.232) Comprehensive Employment and Training Programs	\$ 71,064	\$ -
Total	<u>\$ 71,064</u>	<u>\$ -</u>
DEPARTMENT OF REHABILITATIVE SERVICES		
(10.000) Undistributed	\$ 4,185	\$ -
(13.624) Rehabilitation Services and Facilities-Basic Support	22,293,420	21,169,789
(13.625) Rehabilitation Services for Social Security Disability Beneficiaries	6,250,000	5,987,925
(13.626) Rehabilitation Services and Facilities-Special Projects	43,588	165,627
(13.627) Rehabilitation Research and Demonstration	388,993	174,850
(13.629) Rehabilitation Training	258,999	200,000
(13.631) Developmental Disabilities- Special Projects	-	16,000
(17.232) Comprehensive Employment and Training Programs	15,000	-
Total	<u>\$ 29,254,185</u>	<u>\$ 27,714,191</u>
VIRGINIA REHABILITATION CENTER FOR THE BLIND		
(13.624) Rehabilitation Services and Facilities-Basic Support	\$ 525,000	\$ 469,490
(13.629) Rehabilitation Training	-	8,000
(13.754) Public Assistance-Social Services	60,000	130,000

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
VIRGINIA REHABILITATION CENTER FOR THE BLIND	(Continued)	
(13.802) Social Security-Disability Insurance	\$ 46,000	\$ 61,000
(13.807) Supplemental Security Income	10,000	35,000
Total	\$ 641,000	\$ 703,490
STATE BOARD OF HEALTH		
(10.000) Undistributed	\$ -	\$ 30,983
(10.557) Special Supplemental Food Program for Women, Infants, and Children	4,032,526	9,297,474
(13.210) Comprehensive Public Health Services-Formula Grants	2,392,487	1,754,771
(13.211) Crippled Children's Services	2,210,243	3,349,121
(13.217) Family Planning Projects	2,132,545	2,818,063
(13.224) Community Health Centers	4,653,019	2,248,772
(13.227) Health Statistics Training and Technical Assistance	200,000	227,321
(13.232) Maternal and Child Health Services	5,059,585	3,278,099
(13.246) Migrant Health Grants	138,732	110,000
(13.266) Childhood Lead-Based Paint Poisoning	149,645	-
(13.268) Disease Control-Project Grants	797,750	465,300
(13.273) Alcohol Research Programs	22,126	-2,892
(13.284) Emergency Medical Services	462,049	206,494
(13.293) State Health Planning and Development Agencies	365,335	502,546
(13.294) Health Planning-Health Systems Agencies	198,200	266,121
(13.399) Cancer Control	222,701	61,015
(13.714) Medical Assistance Program	156,267,546	182,545,191
(13.766) Health Financing Research, Demonstrations and Experiments	192,295	-3,549
(13.807) Supplemental Security Income	-	348,810
(13.888) Home Health Services and Training Grant Program	-	61,436
(13.889) Expanded Function Dental Auxiliary Training Program	-	20,000
(17.500) Occupational Safety and Health	260,000	507,522
(23.004) Appalachian Health Programs	181,190	177,395
(23.013) Appalachian Child Development	181,478	55,000
(66.027) Solid Waste Disposal Planning Grants	29,080	-

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
STATE BOARD OF HEALTH	(Continued)	
(66.028) Solid Waste Disposal Demonstration Grants	\$ 32,006	\$ 303,474
(66.432) State Public Water System Supervision Program Grants	470,975	917,617
(77.001) Radiation Control-Training Assistance and Advisory Counseling	12,595	20,159
Total	<u>\$180,664,108</u>	<u>\$209,566,243</u>
VIRGINIA COMMISSION FOR THE VISUALLY HANDICAPPED		
(13.624) Rehabilitation Services and Facilities-Basic Support	\$ 1,874,683	\$ 2,079,500
(13.626) Rehabilitation Services and Facilities-Special Projects	25,000	28,000
(13.629) Rehabilitation Training	11,500	18,000
(13.633) Special Programs for the Aging-Grants for States and Community Programs on Aging	317	-
(13.634) Special Programs for the Aging-Discretionary Projects and Programs	-	16,691
(13.644) Public Assistance Training Grants-Title XX	-	2,000
(13.754) Public Assistance-Social Services	1,040,000	1,806,325
(13.772) Public Assistance Training Grants-Title XX	130,000	-
(13.802) Social Security-Disability Insurance	155,000	120,000
(13.807) Supplemental Security Income	114,441	91,000
(17.232) Comprehensive Employment and Training Programs	28,826	36,952
Total	<u>\$ 3,379,767</u>	<u>\$ 4,198,468</u>
CENTRAL STATE HOSPITAL		
(13.631) Developmental Disabilities-Special Projects	\$ -	\$ -16,503
Total	<u>\$ -</u>	<u>\$ -16,503</u>
EASTERN STATE HOSPITAL		
(10.000) Undistributed	\$ 3,357	\$ 4,253
(13.523) School Health Nutrition Services for Children Low-Income Families	16,663	25,469
Total	<u>\$ 20,020</u>	<u>\$ 29,722</u>

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
SOUTHWESTERN STATE HOSPITAL		
(13.238) Mental Health-Hospital Staff		
Development Grants	\$ 71,411	\$ -
Total	\$ 71,411	\$ -
LYNCHBURG TRAINING SCHOOL AND HOSPITAL		
(10.000) Undistributed	\$ 6,660	\$ -
(10.553) School Breakfast Program	135,407	32,392
(10.555) National School Lunch Program	244,431	66,448
(10.556) Special Milk Program for Children	3,988	3,306
(13.631) Developmental Disabilities-		
Special Projects	28,284	-
Total	\$ 418,770	\$ 102,146
DEJARNETTE CENTER FOR HUMAN DEVELOPMENT		
(10.553) School Breakfast Program	\$ -	\$ 12,642
Total	\$ -	\$ 12,642
STATE MENTAL HEALTH AND MENTAL RETARDATION BOARD		
(13.210) Comprehensive Public Health Services-		
Formula Grants	\$ 295,756	\$ 361,809
(13.235) Drug Abuse Community Service		
Programs	1,240,991	1,300,743
(13.257) Alcohol Formula Grants	936,116	1,295,552
(13.269) Drug Abuse Prevention Formula		
Grants	552,500	734,500
(13.280) Drug Abuse Clinical or Service		
Related Training Programs	19,370	43,891
(13.754) Public Assistance-Social Services	-	7,851
Total	\$ 3,044,733	\$ 3,744,346
SOUTHEASTERN VIRGINIA TRAINING CENTER		
(10.000) Undistributed	\$ -	\$ 4,502
(10.553) School Breakfast Program	9,135	4,206
(10.555) National School Lunch Program	18,103	32,541
(10.556) Special Milk Program for Children	383	347
(13.631) Developmental Disabilities-		
Special Projects	47,420	52,724
(17.232) Comprehensive Employment and		
Training Programs	91,712	8,331
Total	\$ 166,753	\$ 102,651

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
NORTHERN VIRGINIA TRAINING CENTER		
(10.554) Equipment Assistance for School Food Service Programs	\$ 58,239	\$ 48,574
(13.475) Library Research and Demonstration	-	17,020
Total	\$ 58,239	\$ 65,594
SOUTHSIDE VIRGINIA TRAINING CENTER		
(13.631) Developmental Disabilities-Special Projects	\$ 48,967	\$ -7,922
Total	\$ 48,967	\$ -7,922
VIRGINIA TREATMENT CENTER FOR CHILDREN		
(10.555) National School Lunch Program	\$ -	\$ 8,470
(13.244) Mental Health Clinical or Service Related Training Grants	26,807	-
Total	\$ 26,807	\$ 8,470
SOUTHWESTERN VIRGINIA TRAINING CENTER		
(10.553) School Breakfast Program	\$ -	\$ 13,024
(10.555) National School Lunch Program	-	25,536
Total	\$ -	\$ 38,560
HIRAM W. DAVIS MEDICAL CENTER		
(10.000) Undistributed	\$ -	\$ 927
Total	\$ -	\$ 927
DEPARTMENT OF WELFARE		
(10.551) Food Stamps	\$ 4,456,006	\$ 4,404,161
(13.608) Administration for Children Youth and Families-Child Welfare Research and Demonstration	106,796	130,082
(13.628) Child Abuse and Neglect Prevention and Treatment	114,045	62,864
(13.642) Social Services for Low Income and Public Assistance Recipients	-	64,647,815
(13.644) Public Assistance Training Grants-Title XX	-	1,258,564
(13.645) Child Welfare Services-State Grants	-	1,289,716
(13.646) Work Incentive Program	-	1,776,472
(13.679) Child Support Enforcement	-	2,954,197
(13.707) Child Welfare Services	1,291,964	-
(13.714) Medical Assistance Program	-	3,143,689
(13.724) Public Assistance-State and Local Training	280,237	-

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--HUMAN RESOURCES	(Continued)	
DEPARTMENT OF WELFARE	(Continued)	
(13.748) Work Incentive Program-Child Care-Employment Related Support	\$ 1,347,791	\$ -
(13.754) Public Assistance-Social Services	60,138,504	-
(13.761) Public Assistance-Maintenance Assistance (State Aid)	92,545,575	-
(13.762) Refugee Assistance-Cuban Refugees	10,339	-
(13.769) Special Assistance to Refugees- Cambodia and Vietnam	150,653	-
(13.772) Public Assistance Training Grants- Title XX	575,344	-
(13.808) Assistance Payments-Maintenance Assistance (State Aid)	-	92,752,876
(13.810) Assistance Payments-State and Local Training	-	848,228
(13.813) Refugee Assistance-Cuban Refugees	-	7,473
(13.814) Refugee Assistance-Indochinese Refugees	-	3,165,716
(72.003) Volunteers in Service to America	40,562	-
Total	<u>\$161,057,816</u>	<u>\$176,441,853</u>
VIRGINIA DEVELOPMENTAL DISABILITIES PROTECTION AND ADVOCACY OFFICE		
(10.000) Undistributed	\$ -	\$ 164,443
Total	<u>\$ -</u>	<u>\$ 164,443</u>
SECRETARIAL AREA--PUBLIC SAFETY	\$ 14,913,751	\$ 15,387,277
DIVISION OF JUSTICE AND CRIME PREVENTION		
(16.500) Law Enforcement Assistance- Comprehensive Planning Grants	\$ 959,411	\$ 950,086
(16.501) Law Enforcement Assistance- Discretionary Grants	4,033	1,143,000
(16.502) Law Enforcement Assistance- Improving and Strengthening Law Enforcement and Criminal Justice	13,188,510	8,504,388
(16.515) Criminal Justice Systems Development	-	169,500
(16.516) Juvenile Justice and Delinquency Prevention-Allocation to States	-	1,658,500
Total	<u>\$ 14,151,954</u>	<u>\$ 12,425,474</u>

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--PUBLIC SAFETY	(Continued)	
DEPARTMENT OF STATE POLICE		
(20.600) State and Community Highway Safety	\$ 14,177	\$ 14,703
Total	<u>\$ 14,177</u>	<u>\$ 14,703</u>
DEPARTMENT OF CORRECTIONS		
(10.550) Food Distribution	\$ 4,505	\$ -
(10.556) Special Milk Program for Children	26,690	354,729
(13.226) Health Services Research and Development-Grants and Contracts	3,000	-
(13.642) Social Services for Low Income and Public Assistance Recipients	-	143,502
(13.644) Public Assistance Training Grants- Title XX	-	57,188
(16.513) Law Enforcement Assistance- Training	11,081	62,881
(16.515) Criminal Justice Systems Development	17,401	-
Total	<u>\$ 62,677</u>	<u>\$ 618,300</u>
STAUNTON CORRECTIONAL CENTER		
(13.631) Developmental Disabilities- Special Projects	\$ 18,685	\$ -
Total	<u>\$ 18,685</u>	<u>\$ -</u>
APPALACHIAN LEARNING CENTER		
(17.232) Comprehensive Employment and Training Programs	\$ -	\$ 10,860
Total	<u>\$ -</u>	<u>\$ 10,860</u>
MECKLENBURG CORRECTIONAL CENTER		
(10.000) Undistributed	\$ 666,258	\$ 2,218,886
Total	<u>\$ 666,258</u>	<u>\$ 2,218,886</u>
REHABILITATIVE SCHOOL AUTHORITY		
(17.232) Comprehensive Employment and Training Programs	\$ -	\$ 92,677
(17.233) Employment and Training Research and Development Projects	-	1,377
Total	<u>\$ -</u>	<u>\$ 94,054</u>
VIRGINIA STATE FIRE SERVICES COMMISSION		
(10.000) Undistributed	\$ -	\$ 5,000
Total	<u>\$ -</u>	<u>\$ 5,000</u>

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--TRANSPORTATION	\$261,501,976	\$290,826,117
DEPARTMENT OF MILITARY AFFAIRS		
(10.000) Undistributed	\$ 1,148,658	\$ 1,058,477
Total	\$ 1,148,658	\$ 1,058,477
GOVERNOR'S COUNCIL ON TRANSPORTATION		
(20.205) Highway Research, Planning, and Construction	\$ -	\$ 8,870
(20.500) Urban Mass Transportation Capital Improvement Grants	68,065	-
Total	\$ 68,065	\$ 8,870
STATE OFFICE OF EMERGENCY AND ENERGY SERVICES		
(10.000) Undistributed	\$ 10,849,668	\$ 975,053
(12.302) Civil Defense-Community Preparedness	63,111	96,597
(12.310) Civil Defense-Radiological Systems Maintenance & Training of Radiological Personnel	\$ 32,263	\$ 49,171
(12.314) Civil Defense-Staff College	113	-
(12.315) Civil Defense-Personnel and Administrative Expense	627,556	289,259
Total	\$ 11,572,711	\$ 1,410,080
DEPARTMENT OF TRANSPORTATION SAFETY		
(20.600) State and Community Highway Safety	\$ 3,097,867	\$ 2,746,828
Total	\$ 3,097,867	\$ 2,746,828
DIVISION OF ENERGY, STATE OFFICE OF EMERGENCY SERVICES		
(10.000) Undistributed	\$ 610,377	\$ -
Total	\$ 610,377	\$ -
STATE HIGHWAY COMMISSION		
(20.205) Highway Research, Planning, and Construction	\$242,972,735	\$285,601,862
(20.305) Local Rail Service Continuation Payments	1,684,110	-
(20.500) Urban Mass Transportation Capital Improvement Fund	347,453	-
Total	\$245,004,298	\$285,601,862

STATE AGENCY RECEIPT
OF FEDERAL FUNDS BY SOURCE:
FISCAL YEARS 1978 AND 1979

	<u>FY 1978</u>	<u>FY 1979</u>
SECRETARIAL AREA--MISCELLANEOUS	\$ 5,696,372	\$ 8,783,508
DIVISION OF LEGISLATIVE SERVICES		
(47.052) Science and Technology Policy		
Research and Analysis	\$ 25,000	\$ -
Total	\$ 25,000	\$ -
VIRGINIA STATE BAR		
(16.507) Law Enforcement Research and		
Development-Project Grants	\$ 5,001	\$ 147
Total	\$ 5,001	\$ 147
ATTORNEY GENERAL		
(10.000) Undistributed	\$ 88,284	\$ 97,754
(11.002) Census Data User Services	602	-
Total	\$ 88,886	\$ 97,754
STATE CORPORATION COMMISSION		
(20.102) Airport Development Aid Program	\$ 5,305,734	\$ 8,386,632
(20.103) Airport Planning Grant Program	238,751	262,352
(20.700) Gas Pipeline Safety	33,000	36,623
Total	\$ 5,577,485	\$ 8,685,607

SUMMARY OF FEDERAL FUNDS RECEIVED
IN THE COMMONWEALTH OF VIRGINIA
FISCAL YEARS 1978 AND 1979

<u>Secretarial Area</u>	<u>FY 1978</u>	<u>FY 1979</u>
Administration and Finance	\$ 62,248,128	\$ 48,722,962
Commerce and Resources	20,536,910	28,437,431
Education	215,641,567	232,588,308
Human Resources	495,272,746	542,868,815
Public Safety	14,913,751	15,387,277
Transportation	261,501,976	290,826,117
Subtotal	\$1,070,115,078	\$1,158,830,910
Miscellaneous	\$ 5,696,372	\$ 8,783,508
Total	\$1,075,811,450	\$1,167,614,418

APPENDIX III

AGENCY ESTIMATES OF FEDERAL FUNDS

This appendix presents individual agency estimates for FY 1979 and compares them with the actual receipts for fiscal years 1978 and 1979. Included are all agencies that received funds in either or both of the two fiscal years and all those that estimated federal funds for FY 1979.

The estimates were extracted from the information supplied to the Department of Planning and Budget by the agencies. Agencies submit estimates of nongeneral revenues to be received during a biennium on a DPB Form 2 during the biennial budget preparation cycle.

Receipts were taken from the Department of Accounts' Federal Revenue Status Reports for the two fiscal years. These amounts include net year-end balance of those funds that were received and deposited into the State Treasury.

The last column in the table is a measure of estimation accuracy. For example, Blue Ridge Community College estimated receipt of \$64,840 and received \$17,953. Seventy-two percent of the original estimate was not received ("overestimated"). In contrast, Christopher Newport College estimated receipt of \$51,000 and received \$78,516. In this case the college received 54 percent more than its original estimate ("underestimated").

APPENDIX III

AGENCY ESTIMATES OF FEDERAL FUNDS

<u>Agency</u>	<u>FY 1978 Receipt</u>	<u>FY 1979 Estimate</u>	<u>FY 1979 Receipt</u>	<u>Percent Overestimated or Underestimated (-)</u>
Advisory Commission on the Executive Mansion	23,243	-	-	-
Appalachian Learning Center	-	-	10,850	*
Attorney General	88,886	-	97,754	*
Blue Ridge Community College	22,955	64,840	13,953	72
Board of Agriculture and Consumer Service	1,113,313	784,725	957,471	-22
Board of Conservation and Economic Development ¹	2,311,191	2,390,120	3,489,048	-46
Bright Flue Cured Tobacco Commission	13,840	-	-	-
Central State Hospital	-	-	-16,503	*
Central Virginia Community College	98,686	108,395	84,035	22
Christopher Newport College	74,990	51,000	70,516	-54
Clinch Valley College	350,472	376,205	367,131	2
College of William and Mary	1,020,685	1,101,100	1,545,755	5
Commission of Game and Inland Fisheries	1,373,135	2,180,030	733,774	64
Commission of Outdoor Recreation	4,766,191	8,200,000	5,007,097	39
O. S. Lancaster Community College	191,162	106,115	341,095	-221
Danville Community College	81,554	34,000	114,571	-237
OeJannette Center for Human Development	-	-	12,642	*
Department of Corrections	62,677	-	618,300	*
Department of Housing and Community Development	-	-	3,574,595	*
Department of Inter- governmental Affairs	11,325,743	132,035	27,438	79
Department of Labor and Industry	1,260,777	1,265,075	1,211,797	4

*No estimate submitted.

¹ Receipts of five subunits of the Board of Conservation and Economic Development were aggregated for comparison with the single estimate submitted by the Board. The agencies included are: Division of Forestry, Division of Mined Land Reclamation, Division of Mineral Resources, Division of Parks, and Virginia State Travel Service.

APPENDIX III AGENCY ESTIMATES OF FEDERAL FUNDS (CONT.)*

Agency	FY 1978 Receipt	FY 1979 Estimate	FY 1979 Receipt	Percent Overestimated or Underestimated (-)
Department of Military Affairs	1,148,658	1,265,715	1,058,477	16
Department of Personnel and Training	400,000	420,000	420,000	-12
Department of Rehabilitative Services	29,254,185	29,525,740	27,714,191	6
Department of State Police	14,177	12,000	14,203	-23
Department of Transportation Safety	3,097,867	2,500,000	2,746,825	-10
Department of the Treasury	50,499,142	-	48,225,524	*
Department of Welfare	161,057,816	178,977,290	176,441,853	1
Division for Children	-	-	20,330	*
Division of Consolidated Laboratory Services	-	3,000	-	100
Division of Energy	610,377	890,055	-	100
Division of Justice and Crime Prevention	14,161,954	15,293,555	12,425,474	19
Division of Legislative Services	25,000	-	-	-
East Shore Community College	739,003	68,630	16,386	73
Eastern State Hospital	20,020	-	29,722	*
George Mason University	369,948	308,000	514,071	-67
Germanna Community College	16,855	28,000	22,094	21
Governor's Council on Transportation	68,065	-	8,870	*
Governor's Employment and Training Council	1,507,007	-	5,467,327	*
Hiram W. Davis Medical Center	-	-	927	*
J. S. Reynolds Community College	791,468	467,600	731,447	-56
James Madison University	780,691	649,540	1,224,118	-88
John Tyler Community College	139,318	234,465	54,696	77
Longwood College	143,837	55,000	168,780	-207
Lord Fairfax Community College	34,337	70,000	26,906	62
Lynchburg Training School and Hospital	418,770	-	102,146	*
Marine Resources Commission	180,297	130,000	312,223	-140
Mary Washington College	31,278	-	3,906	*
Mecklenburg Correctional Center	666,258	-	2,218,886	*
Mountain Empire Community College	96,047	127,210	60,236	53

*No estimate submitted.

APPENDIX III AGENCY ESTIMATES OF FEDERAL FUNDS (CONT.)

<u>Agency</u>	<u>FY 1978 Receipt</u>	<u>FY 1979 Estimate</u>	<u>FY 1979 Receipt</u>	<u>Percent Overestimated or Underestimated (-)</u>
New River Community College	299,257	436,000	332,735	24
Norfolk State University	4,824,290	6,948,015	5,251,928	24
Northern Virginia Community College	483,106	324,000	609,171	-88
Northern Virginia Training Center	58,239	-	65,594	*
Office on Aging	10,088,450	10,678,775	11,620,896	-9
Office on Housing	581,777	-	-	-
Old Dominion University	193,812	282,335	219,433	22
Patrick Henry Community College	48,437	170,450	40,042	77
Paul D. Camp Community College	217,113	160,400	185,390	-16
Piedmont Virginia Community College	136,433	140,000	219,179	-57
Poultry Products Commission	4,000	-	-	-
Radford College	403,936	-	327,599	*
Rappahannock Community College	327,792	486,000	111,905	77
Rehabilitative School Authority	-	-	94,054	*
Richard Bland College	24,251	11,320	14,971	-32
The Science Museum of Virginia	-	-	16,269	*
Secretary of Commerce and Resources	-	94,995	576,423	-507
Secretary of Human Resources	-	159,271	17,780	89
Southeastern Virginia Training Center	166,753	-	102,651	*
Southside Virginia Community College	33,736	103,500	36,908	64
Southside Virginia Training Center	48,967	-	-7,922	*
Southwest Virginia Community College	376,718	303,635	227,678	25
Southwestern State Hospital	71,411	-	-	-
Southwestern Virginia Training Center	-	-	38,560	*
State Air Pollution Control Board	1,015,000	975,000	1,145,000	-17
State Board of Education	126,511,255	132,670,140	138,207,951	-4
State Board of Health	180,664,108	194,147,610	209,566,243	-8

*No estimate submitted.

APPENDIX III

AGENCY ESTIMATES OF FEDERAL FUNDS (CONT.)

Agency	FY 1978 Receipt	FY 1979 Estimate	FY 1979 Receipt	Percent Overestimated or Underestimated (-)
State Corporation Commission	5,577,485	8,300,000	8,685,607	-5
State Council of Higher Education in Virginia	1,389,278	-	1,416,961	*
The State Education Assistance Authority	66,264	-	413,640	*
The State Education Loan Authority	-	90,000	-	100
State Highway Commission	245,004,298	222,400,000	285,601,862	-28
State Mental Health and Retardation Board	3,044,733	3,430,650	3,744,346	-9
State Office of Emergency and Energy Services	11,572,711	707,775	1,410,080	-99
State Office of Minority Business	-	215,583	248,370	-15
State Water Control Board	1,669,283	1,138,166	2,593,471	-128
Staunton Correctional Center	18,685	-	-	-
Thomas Nelson Community College	135,391	202,800	201,584	1
Tidewater Community College	708,219	796,900	528,015	34
University of Virginia- Academic Division	30,235,585	28,765,115	30,251,161	-5
University of Virginia- Hospital Division	2,812,143	-	730,240	*
University of Virginia- School of General Studies	277,196	258,870	145,281	43
Virginia Associated Research Campus	421,270	922,500	392,221	57
Virginia Commission for Children and Youth	55,226	-	-	-
Virginia Commission for the Visually Handicapped	3,379,767	4,633,255	4,198,468	9
Virginia Commission of the Arts and Humanities	424,567	294,250	470,718	-60
Virginia Commonwealth University - Academic Division	13,656,832	16,894,735	16,419,386	3
Virginia Commonwealth University - Hospital Division	195,811	-	-	-
Virginia Council for the Deaf	-	115,550	-	100

*No estimate submitted.

APPENDIX III

AGENCY ESTIMATES OF FEDERAL FUNDS (CONT.)

Agency	FY 1978 Receipt	FY 1979 Estimate	FY 1979 Receipt	Percent Overestimated or Underestimated (-)
Virginia Developmental Disability Planning Council	561,222	752,550	591,582	21
Virginia Developmental Disabilities Protection and Advocacy Office	-	-	164,443	*
Virginia Employment Commission	105,644,208	113,961,395	107,748,906	5
Virginia Highlands Community College	355,808	303,310	292,127	4
Virginia Historic Landmarks Commission	352,844	290,000	895,383	-209
Virginia Institute of Marine Science	4,388,255	7,073,470	2,163,467	69
Virginia Museum of Fine Arts	159,837	-	118,771	*
Virginia Polytechnic Institute - Extension Division	7,194,202	6,330,590	7,076,137	-12
Virginia Polytechnic Institute - Research Division	11,017,319	12,234,200	14,140,680	-16
Virginia Polytechnic Institute and State University	616,064	563,470	1,002,055	-78
Virginia Rehabilitation Center for the Blind	641,000	622,705	703,490	-13
Virginia School at Hampton	2,350	-	-	-
Virginia Soil and Water Conservation Commission	-	-	11,985	*
Virginia State Bar	5,001	-	147	*
Virginia State College	4,793,546	4,798,915	6,247,043	-30
Virginia State Fire Services Commission	-	-	5,000	*
Virginia State Library	1,475,765	1,327,840	1,072,740	19
Virginia Treatment Center for Children	26,807	-	8,470	*
Virginia Western Community College	234,560	100,000	379,434	-279
Woodrow Wilson Rehabilitation Center	71,064	-	-	-
Wytheville Community College	606,138	316,720	614,189	-94
Total	\$1,075,811,450	\$1,033,752,200	\$1,167,614,418	-13

*No estimate submitted.

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