

**Report on the Response of the Department of Planning Budget to the
Impact of the Aging of Virginia's Population**

Date Submitted: November 15, 2007

Executive Summary

Major Issues:

The Department of Planning and Budget's programs and services do not directly impact Virginia's aging population. However, during the next two years, seven DPB employees are either eligible or will be eligible for retirement. DPB realizes how important it is to maintain appropriate staffing levels to meet statutory responsibilities that continue to increase over time and respond to priority assignments from the Governor. This includes:

- Succession planning (agency workforce),
- Span of managerial control,
- Employee retention, and
- Adequate staffing for added responsibilities (i.e., long-term planning, performance budgeting, program evaluations, regulatory analysis, bill review, etc.).

Recommendations:

With DPB facing significant retirements, management must assess all staffing levels and assignments to determine where existing resources can best benefit the agency. DPB is in the process of training existing staff to assume the responsibilities of known retirements. Also, DPB will look closely at its organizational structure to determine appropriate personnel actions, such as recruitment and/or assignments

Funding may be needed to support changes coming out of the management assessment. Extra training will have to be offered to augment new staff's knowledge of various programs and processes. Also, funding to support associated retirement costs (annual, compensatory, and sick leave payouts) could become necessary should a retirement spike occur.

Agency Description

Mission

The Department of Planning and Budget (DPB) advises the Governor on how to wisely use public resources for the benefit of all Virginians by analyzing, developing, and carrying out various fiscal, programmatic, and regulatory policies.

Role

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

Responsibilities

The Code of Virginia specifically assigns the following responsibilities to DPB:

- Development and direction of an integrated policy analysis, planning, and budgeting process within state government.
- Review and approval of all sub-state district systems boundaries established or proposed for establishment by state agencies.
- Formulation of an executive budget as required in this chapter.
- Conducting policy analysis and program evaluation for the Governor.
- Continuous review of the activities of state government focusing on budget requirements in the context of the goals and objectives determined by the Governor and the General Assembly and monitoring the progress of agencies in achieving goals and objectives.
- Operation of a system of budgetary execution to ensure that agency activities are conducted within fund limitations provided in the Appropriation Act and in accordance with gubernatorial and legislative intent.
- Development and operation of a system of standardized reports of program and financial performance for management.
- Coordination of statistical data by reviewing, analyzing, monitoring, and evaluating statistical data developed and used by state agencies and by collecting statistical data from outside sources, such as research institutes and the federal government.
- Assessment of the impact of federal funds on state government by reviewing, analyzing, monitoring, and evaluating the federal budget, as well as solicitations, applications, and awards for federal financial aid programs on behalf of state agencies.

- Review and verify the accuracy of agency estimates of receipts from donations, gifts, or other non-general fund revenue.
- (Effective until July 1, 2008) Development and implementation of a performance management system involving strategic planning, performance measurement, evaluation, and performance budgeting within state government. The Department ensures that information generated from these processes is useful for managing and improving the efficiency and effectiveness of state government operations, and is available to citizens and public officials.
- (Effective July 1, 2008) Development and implementation of a performance management system involving strategic planning, performance measurement, evaluation, and performance budgeting within state government.
- Development and management of an Internet-based information technology system to ensure that citizens have access to performance information.
- Development and management of an Internet-based information technology system to ensure that citizens have access to meeting minutes and information pertaining to the development of regulatory policies.
- Development and management of a school efficiency review program.

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

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

Executive Order 36 (2006), Development and Review of Regulations Proposed by State Agencies, was signed by Governor Kaine in 2006. It establishes a specific review role for DPB on the submission of all Notices of Intended Regulatory Action, fast-track and emergency regulation packages, and final regulation packages to determine if they comply with the requirements of the Executive Order and applicable statutes. The review also determines if contemplated regulatory actions comport to the policy of the Commonwealth.

1. The number of persons who received services from the Department of Planning and Budget in the past fiscal year who fell into the following age ranges:

The Department of Planning and Budget's primary customers are the Governor, Governor's secretaries and policy staff, General Assembly member, and state agencies. DPB's programs and services do not directly impact Virginia's aging population.

- a) **Ages 65 – 74: Not applicable**
- b) **Ages 75 – 84: Not applicable**
- c) **Ages 85 and Older: Not applicable**

2. Identify the Department of Planning and Budget (DPB) services that are utilized by senior citizens 65 and older in significant numbers. Does DPB have the capacity at present to service all interested seniors or whether the agency has the capacity to serve all interested seniors or whether the demand for certain services exceeds DPB's capacity. If so, does the agency maintain waiting lists for services?

DPB does not provide services for senior citizens 65 and older.

3. Identify current DPB programs, specifically designed to serve seniors 65 years and older, that fall into any of the following six categories:

The Department of Planning and Budget's programs and services do not directly impact Virginia's aging population.

- a) **Health Care/Wellness: Not applicable**
- b) **Education: Not applicable**
- c) **Public Safety: Not applicable**
- d) **Recreation: Not applicable**
- e) **Financial Security (including Housing): Not applicable**
- f) **Transportation: Not applicable**

4. **Identify the extent to which your agency provides “consumer-oriented” publications and websites online that are designed to be “senior-friendly.” If the information you currently provide is not readily accessible to seniors, identify any steps your agency is taking to improve accessibility.**

DPB provides “consumer-oriented” publications and a website online that are “senior-friendly.” We follow all VITA standards regarding website accessibility.

Describe the effect that the aging of DPB’s own workforce will have on its ability to deliver services. Consider the number of retirements expected in the next two years, the effect these retirements might have (e.g., loss of leadership or institutional knowledge in certain programs), how losses might be replaced (e.g., promotions or transfers, recruitment, use of wage staff, including retirees, reengineering, outsourcing), and the cost or savings from the replacements (e.g., staff development cost, salary savings). This item might be addressed by summarizing relevant portions of the agency’s workforce plan.

DPB realizes how important it is to maintain appropriate staffing levels to meet statutory responsibilities that continue to increase over time and respond to priority assignments from the Governor. This includes:

- Succession planning (agency workforce),
- Span of managerial control,
- Employee retention, and
- Adequate staffing for added responsibilities (i.e., long-term planning, performance budgeting, program evaluations, regulatory analysis, bill review, etc.).

During the next two years, seven DPB employees are either eligible or will be eligible for retirement. DPB is in the process of training existing staff to assume the responsibilities of those employees. Also, DPB will look closely at its organizational structure to determine appropriate personnel actions, such as recruitment and/or assignments.

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

- 5. Describe any other services or programs that the agency has implemented or plans to implement in the future to address the impact of the aging of Virginia's population.**

The Department of Planning and Budget has not implemented or plan to implement any other services or programs to address the impact of the aging of Virginian's population.

H:\ER\Aging Report07.Doc Kathy Fischer

Impact of an Aging Population on State Agencies

Department of Planning and Budget

Prepared by:

Paul D. Bender, Associate Director of Information and Administrative Services

Pursuant to legislation enacted by the Virginia General Assembly of Virginia, the Department of Planning and Budget submits this report of its progress in addressing the impact of the aging of Virginia's population.

Agency Head Signature

Richard D. Brown, Director

Agency Head Name and Title (*please print*)
