



Virginia Department of Corrections

Financial Management & Procurement

Operating Procedure 201.1

Budget Preparation and Execution

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ACA/PREA Standards:

5-ACI-1B-04, 5-ACI-1B-05, 5-ACI-1B-06,
5-ACI-1B-08, 5-ACI-1B-11; 4-ACRS-7D-18,
4-ACRS-7D-19, 4-ACRS-7D-20, ACRS-7D-23;
4-APPFS-3D-21, APPFS-3D-22, 4-APPFS-3D-24;
2-CO-1B-01, 2-CO-1B-02, 2-CO-1B-03,
2-CO-1B-04; 1-CTA-1B-01, 1-CTA-1B-03,
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REVIEW

The Content Owner will review this operating procedure annually and re-write it no later than three years after the effective date.

COMPLIANCE

This operating procedure applies to all units operated by the Virginia Department of Corrections (DOC). Practices and procedures must comply with applicable State and Federal laws and regulations, American Correctional Association (ACA) standards, Prison Rape Elimination Act (PREA) standards, and DOC directives and operating procedures.

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DEFINITIONS

Agency - Any Organizational Unit of the Department of Corrections that has its own unique budgetary agency code e.g., Agency 701, 767, etc.

Appropriation Act - An act passed by the General Assembly to appropriate the revenues of the Commonwealth for operating, capital, and debt service expenses in accordance with the Virginia state government program structure.

Department of Planning and Budget (DPB) - A Virginia executive branch agency that works with the Governor's Office, the General Assembly, and other state agencies to develop and execute the Commonwealth's budget.

Organizational Unit - A DOC unit, such as a correctional facility, Regional Office, Probation and Parole Office, Virginia Correctional Enterprises, Academy for Staff Development, Infrastructure and Environmental Management Unit, Agribusiness Unit, and individual Headquarters units, e.g., Human Resource, Offender Management, Internal Audit.

Organizational Unit Head - The person occupying the highest position in a DOC organizational unit, such as a correctional facility, Regional Office, Probation and Parole Office, Virginia Correctional Enterprises, Academy for Staff Development, Infrastructure and Environmental Management Unit, Agribusiness Unit, and individual Headquarters units, e.g., Human Resource, Offender Management, Internal Audit.



PURPOSE

This operating procedure provides a general framework for the development and execution of operating budgets within the Department of Corrections (DOC).

PROCEDURE

I. Budget Development

- A. The Virginia Department of Planning and Budget (DPB) is responsible for issuing instructions to be used by all state agencies in the development of budget submissions. Timetables and instructions may vary with each request cycle.
- B. The DOC Budget Office is responsible for establishing and coordinating processes to develop operating budget requests and will issue timetables and instructions to all DOC Organizational Unit Heads as needed.
- C. The Director is responsible for identifying the needs of the DOC and submitting a budget request as allowed by Executive Branch leadership, which adequately supports the programs of the DOC. (4-APPFS-3D-24; 2-CO-1B-02)
 1. The DOC Budget Office is responsible for recommending budget request strategies to Executive Staff, and for tracking operating budget issues during the DOC, Executive, and Legislative phases.
 2. The DOC Budget Office meets with the Director, Chief Deputy Director, Senior Deputy Director, Chief of Staff, and Deputy Directors to decide which budget submission will be formally submitted to the Secretary of Public Safety and Homeland Security.
 3. The Director works with the Secretary of Public Safety and Homeland Security in planning the final DOC budget submission. (2-CO-1B-03)
 4. After approval by the Secretary of Public Safety and Homeland Security, budget submissions are forwarded to DPB through their Performance Budgeting System.
- D. In accordance with instructions from the DOC Budget Office as required, Organizational Unit Heads are responsible for establishing and coordinating processes for staff participation to develop budget requests within their own units. (5-ACI-1B-04; 1-CTA-1B-03, 1-CTA-1B-04) Organizational Unit Head requests should include funds for maintaining the unit's daily operations, financing capital projects, and supporting long-range objectives, program development, and additional staff requirements. (5-ACI-1B-05; 1-CTA-1B-01)
- E. Budget requests which involve new construction, expansion or renovation, and which result in physical plant improvements are Capital Projects and generally do not qualify as operating budget requests under the coordination of the DOC Budget Office. Such capital requests are developed in coordination with the DOC Infrastructure and Environmental Management Unit.

II. Budget Execution

- A. Based on the current *Appropriations Act*, the DOC Budget Office is responsible for the formulation and monitoring of annual operating budgets to ensure appropriation and anticipated revenues are sufficient to enable each DOC agency to meet its objectives, consistent with its mission and goals. (4-ACRS-7D-18; 4-APPFS-3D-21; 1-CTA-1B-01) The DOC Budget Office will issue timetables and instructions to all DOC Organizational Unit Heads as needed for budget formulation and monitoring.
- B. In addition to budget/expenditure reports generated monthly (5-ACI-1B-08; 4-ACRS-7D-20; 1-CTA-1B-06), the DOC Budget Office requires periodic expenditure projections which are generated department-wide and serve as the primary tool for monitoring expenditures, identifying potential problems, and recommending corrective action as needed. (5-ACI-1B-11; 4-ACRS-7D-23; 1-CTA-1B-01) Various other revenue and expenditure reports are available through the statewide CARDINAL financial system.



- C. The DOC Budget Office prepares and processes all necessary operating budget adjustment transactions. All budget adjustments are subject to approval by the DOC Chief Financial Officer or designee. (5-ACI-1B-06; 4-APPFS-3D-21; 2-CO-1B-04)
1. Transactions within the same fund and/or program require only DOC approval.
 2. Transactions which require realignment between funds and/or programs require approval by DPB.
- D. The DOC Chief Financial Officer is responsible for the coordination of year-end fiscal closeout and will issue guidelines and schedules to all DOC Organizational Unit Heads as needed.
- E. The Director, Chief Deputy Director, Senior Deputy Director, Chief of Staff, and Deputy Directors, monitor and review the expenditure of DOC funds. (2-CO-1B-01)
- F. DOC Organizational Unit Heads are responsible for establishing and coordinating processes to monitor budgets within their own organizations, and to assure effective communication with Regional Administrators, and with the DOC Budget Office. (4-ACRS-7D-19; 4-APPFS-3D-22)

REFERENCES

Current Appropriations Act

ATTACHMENTS

None

FORM CITATIONS

None

