

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: SB332

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Hanger

3. Committee: General Laws and Technology

4. Title: **Virginia School for the Deaf and the Blind; VITA exemption.**

5. Summary: Exempts the Virginia School for the Deaf and the Blind from provisions related to the Virginia Information Technologies Agency.

6. Fiscal Impact Estimates are preliminary:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2011	\$286,000	1	General
2012	(\$324,000)	1	General
2013	(\$324,000)	1	General
2014	(\$324,000)	1	General
2015	(\$324,000)	1	General
2016	(\$324,000)	1	General

7. Budget Amendment Necessary: Yes, Item 136, SB 30, to provide start-up costs and to account for associated savings and position addition.

8. Fiscal Implications: Savings in operations and maintenance are realized with in house technology service in the long term. Technology equipment and installation fees result in one-time cost in the first year. While savings are indicated, the agency would be charged for necessary statewide services (such as email) that can only be provided by the Virginia Information Technologies Agency (VITA). Services and associated costs can be determined by VITA, but are not included in fiscal impact estimates.

One technology support position is required to provide in house support, as well.

Methodology:

One-time start up costs (FY 2011):

Replacement of computers and printers = \$200,000

Replacement of servers = \$75,000

Replacement of switches, fibers, and routers = \$315,000

Installation fees = \$20,000

Total = \$610,000 one-time start up costs

Current annual general fund technology costs (VITA services) = \$535,000 (approximate)

Projected annual technology costs (in-house)

Microsoft software license = \$35,000

Anti-virus license = \$35,000

Equipment replacement = \$75,000

Personnel = \$66,000 (\$50,000 salary, \$16,000 benefits)

Annual technology cost = \$211,000

Current technology costs (\$535,000) – projected in house costs (\$211,000) =
\$324,000 general fund annual savings

9. Specific Agency or Political Subdivisions Affected: Virginia School for the Deaf and the Blind, Virginia Information Technologies Agency

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/20/2010 dpb