



Administration and Personnel Committee (A&P) Meeting

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Thursday, 2/11/2021

10:00 AM - 12:00 PM ET

I. Public Comment

II. Approve Minutes

• **October 13, 2020**

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III. RBA – Reappointment of IAC Members

RBA - Reappoint IAC Members and Chair - Page 6

Bio for Lawrence Kochard - Page 8

Bio for Thomas Gayner - Page 9

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IV. Budget Update

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Minutes

An electronic meeting of the Administration and Personnel Committee of the VRS Board of Trustees was held on October 13, 2020 in accordance with § 2.2-3700 et seq. of the *Code of Virginia* and in accordance with guidance provided in Chapter 1289 of the 2020 Acts of Assembly, with the following members participating:

O'Kelly E. McWilliams, III, Chair
Joseph W. Montgomery, Vice Chair
Wallace G. Harris, Ph.D.
Troilen G. Seward, Ed.S.

Board members present:

Hon. J. Brandon Bell, II
Michael P. Disharoon
William A. Garrett

VRS Staff:

Trish Bishop, Ron Schmitz, Jennifer Schreck, Farley Beaton, Jeanne Chenault, Michael Cooper, Harriet Covey, Juanita Cribbs, Valerie Disanto, Barry Faison, Josh Fox, Robert Irving, LaShaunda King, Angela Payne, Cat Pelletier, Matt Priestas, Paula Reid, Jillian Sherman, Grace Wheaton and Cindy Wilkinson.

Guests participating were:

Latosha Johnson, Department of Planning and Budget, and Kimberly Sarte, Joint Legislative Audit and Review Commission.

The meeting convened at 1:05 p.m.

Opening Remarks

Mr. McWilliams called the meeting to order and welcomed everyone to the October 13, 2020 meeting of the Administration and Personnel Committee.

Mr. McWilliams noted that given the current circumstances related to COVID-19, the Committee is unable to meet in person and, therefore, is using electronic means to hold the meeting. The meeting is being held in accordance with § 2.2-3700 of the *Code of Virginia* and guidance provided in the Appropriation Act as it relates to conducting business during the pandemic.

Next, Mr. McWilliams took attendance with the following roll call:

Mr. Bell: Here
Mr. Disharoon: Here
Mr. Garrett: Here
Mr. Harris: Here
Mr. Montgomery: Here

Ms. Seward: Here

Mr. McWilliams: Here

Public Comment

In accordance with Item 4-0.01 of Chapter 1289 of the 2020 Acts of Assembly, the Committee opened the floor for public comment. Mr. McWilliams noted that no members of the public registered to comment at the electronic meeting.

Approve Minutes

Upon a motion by Ms. Seward, with a second by Mr. Harris, the Committee approved the minutes of its September 16, 2020 meeting upon the following roll call vote:

Mr. Bell: Aye

Mr. Disharoon: Aye

Mr. Garrett: Aye

Mr. Harris: Aye

Mr. Montgomery: Aye

Ms. Seward: Aye

Mr. McWilliams: Aye

Approve Amendments to the Administrative Pay Plan, Executive Pay Plan, Investment Operations and Administration Pay Plan and the Investment Professionals' Pay Plan

Mr. McWilliams noted that at the last meeting the Committee requested that staff consider changes to the various pay plans that would expressly clarify that, at the Board's discretion, incentive compensation could be delayed, reduced, adjusted or cancelled during a period of extreme fiscal stress. The Committee also requested that staff provide guidance on determining when such an action is appropriate.

Ms. Reid presented the proposed changes to the Administrative Pay Plan, Executive Pay Plan, Investment Operations and Administration Pay Plan and the Investment Professionals' Pay Plan. The proposed language expressly clarifies that the VRS Board of Trustees reserves the right to cancel, reduce or delay the amount of incentives payable under each plan when extreme budgetary pressures, economic, market or other conditions are such that the Board deems the action necessary under the circumstances.

Following some discussion, the Committee recommended approval of the following action to the full Board of Trustees:

RBA: Approve Amendments to the Administrative Pay Plan, Executive Pay Plan, Investment Operations and Administration Pay Plan and the Investment Professionals' Pay Plan.

Request for Board Action: *The Virginia Retirement System Board of Trustees approves amendments to the Administrative Pay Plan, Executive Pay Plan, Investment Operations and Administration Pay Plan and the Investment Professionals' Pay Plan, effective October 15, 2020.*

Upon a motion by Mr. Montgomery, with a second by Mr. Harris, the Committee recommended approval of the action to the full Board of Trustees upon the following roll call vote:

Mr. Bell: Aye
Mr. Disharoon: Aye
Mr. Garrett: Aye
Mr. Harris: Aye
Mr. Montgomery: Aye
Ms. Seward: Aye
Mr. McWilliams: Aye

Informational Items

Mr. McWilliams noted that the Audit and Compliance Committee met on September 29, 2020. The Committee reviewed and evaluated the performance of the Audit Director and recommended approval of the following Board actions:

RBA: Approve Audit Director's Performance Bonus

Request for Board Action: *The VRS Board of Trustees approves a 7% performance bonus for the Audit Director.*

RBA: Approve Salary Adjustment for Audit Director

Request for Board Action: *The VRS Board of Trustees approves a 3% (\$4,906.82) salary adjustment for the Audit Director.*

Mr. McWilliams advised that these recommendations are provided as informational items and will be considered by the full Board of Trustees at its meeting on October 15, 2020.

Information Technology Security Update

Mr. Beaton updated the Committee on recent security changes at VRS. Mr. Beaton reviewed enhancements to the VRS Technology Security Program, including a new Director of Technology Security Operations role, new mass alerting platform, reengineered Business Continuity of Operations Plan, myVRS authentication and security analytics enhancements, as well as other upgrades. Mr. Beaton concluded his presentation with an overview of the timeline for additional enhancements scheduled throughout the rest of the fiscal year.

Mr. McWilliams thanked Mr. Beaton for his presentation.

Budget Variance Report

Ms. Pelletier presented the FY 2021 budget to actual projections. Ms. Pelletier outlined some key expenditures to date, as well as remaining projected expenses.

Mr. McWilliams thanked Ms. Pelletier for her report.

Adjournment

Lastly, Mr. McWilliams noted that the Benefits and Actuarial Committee will meet October 14, 2020 and the Board of Trustees will meet October 15, 2020.

Upon a motion by Mr. Montgomery, with a second by Ms. Seward, the Committee agreed to adjourn the meeting upon the following roll call vote:

Mr. Bell: Aye
Mr. Disharoon: Aye
Mr. Garrett: Aye
Mr. Harris: Aye
Mr. Montgomery: Aye
Ms. Seward: Aye
Mr. McWilliams: Aye

There being no further business, the meeting concluded at 2:06 p.m.

Chair

Secretary

Reappointment of IAC Members and IAC Chairperson.

Requested Action

The Board reappoints to the Investment Advisory Committee: Lawrence E. Kochard, for a two-year term ending February 16, 2023; Thomas S. Gayner for a two-year term ending February 19, 2023; Michael Beasley for a two-year term ending June 20, 2023; and Rod Smyth for a two-year term ending June 20, 2023. The Board also reappoints Lawrence E. Kochard as Chairperson of the Investment Advisory Committee for a two-year term ending on May 31, 2023.

Rationale for Requested Action

Lawrence E. Kochard, Thomas S. Gayner, Michael Beasley and Rod Smyth currently serve on the Investment Advisory Committee (IAC) and are willing to be reappointed for another two-year term. Mr. Kochard is Chief Investment Officer at Makena Capital Management, Mr. Gayner is Co-Chief Executive Officer of Markel Corporation, Mr. Beasley is Retired Chairman Emeritus of Strategic Investment Solutions, Inc., and Rod Smyth is a founding partner and Chairman of the Board at Riverfront Investment Group.

Under the Investment Advisory Committee (IAC) Charter:

The VRS Board chairperson shall appoint the chairperson of the IAC, subject to a two-thirds vote by the Board. No member of the Board may serve as IAC chairperson. The IAC chairperson is appointed for a two-year term and may be reappointed for additional two-year terms.

The IAC chairperson is charged with:

1. Facilitating the operation of the IAC meetings.
2. Reviewing proposed agendas for IAC meetings.
3. Presiding over meetings of the IAC.
4. Reporting to the Board on the matters considered by the IAC, and the recommendations of the IAC.
5. Performing such additional duties as are required to facilitate the IAC's fulfillment of its responsibilities.

The Chairperson of the Board has appointed Mr. Kochard to chair the IAC, and this RBA brings that appointment to the Board for its consideration.

Authority for Requested Action

Code of Virginia § 51.1-124.26 requires the Board to appoint an Investment Advisory Committee to provide the Board with sophisticated, objective, and prudent investment advice, which will further assist the Board in fulfilling its fiduciary duty as trustee of the funds of the Retirement System.

The above action is approved.

O'Kelly E. McWilliams, Chairman
VRS Board of Trustees

Date

Larry Kochard
Chief Investment Officer
Makena Capital Management

Larry Kochard is the Chief Investment Officer at Makena Capital Management and a member of Makena's Executive Committee. He leads Makena's Investment Committee and is also a Management Committee member.

Larry was previously the Chief Executive Officer and Chief Investment Officer of the University of Virginia Investment Management Company (UVIMCO) for eight years. As CEO, Larry provided leadership for all aspects of UVIMCO's operations and served as UVIMCO's primary representative to the university, related foundations, and the public. As CIO, Larry was responsible for the investment management of UVIMCO's Long Term Pool, overseeing the asset allocation, portfolio management, risk management and manager selection activities of the investment staff.

Prior to joining UVIMCO, Larry served as CIO at Georgetown University. From 2001 to 2004, he was Managing Director of Equity and Hedge Fund Investments for the Virginia Retirement System. From 1997 to 2004, he taught in the McIntire School of Commerce at the University of Virginia, first as an adjunct and later as a full-time assistant professor. He spent the early part of his career in debt capital markets at Goldman Sachs and corporate finance at Fannie Mae and DuPont.

Larry received his B.A. in Economics from the College of William & Mary, an M.B.A. degree in Finance and Accounting from the University of Rochester, and an M.A. and Ph.D. in Economics from the University of Virginia. He is a CFA Charterholder. He is on the board of directors of Janus Henderson Group, Inc. and Virginia Environmental Endowment, and serves as Chairman of the Investment Advisory Committee of the Virginia Retirement System. Larry was the 2015 winner of the Rodney H. Adams Award for Endowment Management from the National Association of College and University Business Officers (NACUBO), which recognizes outstanding contributions to university endowment and investment management. Larry is a longtime moderator of the premier endowment and foundation industry conference, NMS, and is the author of several industry publications, including *Foundation and Endowment Investing: Philosophies and Strategies of Top Investors and Institutions*. More recently, Larry wrote the foreword of and was profiled in *Inside the World's Top Institutional Offices: Conversations With 80 Institutional Investors*.

Getting to know Tom Gayner



Thomas "Tom" Gayner is Co-Chief Executive Officer of Markel Corporation (NYSE: MKL), a diverse financial holding company including insurance, reinsurance, and investment operations around the world. Headquartered in Richmond, Virginia, and founded in 1930, Markel has consistently been a top performing company with a market capitalization of more than \$16 billion and annual revenues of \$6 billion. In 2016, Markel was first included on the Fortune 500 annual rankings.

Tom joined Markel in 1990 and oversees all investing activities. He is also responsible for Markel Ventures, a wholly owned subsidiary which acquires controlling interests in manufacturing, technology, and service companies.

Prior to Markel, Tom served as Vice President of Davenport & Company LLC of Virginia and as a Certified Public Accountant with PricewaterhouseCoopers LLP.

Tom serves as the Chairman of the Board of the Davis Series Mutual Funds and on the boards of the Colfax Corporation, Graham Holdings, Cable ONE, and Markel. He is a trustee of the Community Foundation for a greater Richmond and a member of the Investment Advisory Committee of the Virginia Retirement System.

Tom is a graduate of the University of Virginia and The Lawrenceville School.

MICHAEL RAWSON BEASLEY

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DOB: April 21, 1948

Email: mbeasley068@gmail.com

Current Employment:

Retired

Member, Virginia Retirement System Investment Advisory Committee, Richmond, VA

CAREER HIGHLIGHTS

MERRILL LYNCH, 1973-1986, Vice President, Davenport, Ia., Jacksonville, Fla., Atlanta, Ga.

Established the corporate financial services office of Merrill Lynch Capital Markets Group in Jacksonville, Florida. Responsible for the delivery of all non-underwriting products and services to private corporations and local municipalities.

Managed the Corporate Financial Services Group for the U.S. Southern Region after Merrill's Atlanta Office absorbed its Jacksonville Office. A strong interest in pension fund investing ultimately led to working as lead investment advisor to several county, city and corporate pension plans. When Merrill Lynch sold its pension services to SEI Corp. in October 1985, decided to remain involved with pension fund investing and resigned in March 1986.

CALLAN ASSOCIATES, 1986-1993, Executive Vice President, Atlanta, Ga., New York City, NY, San Francisco, Ca.

Established and staffed Callan's regional consulting office in Atlanta in April 1986. Built client base from ground up (zero to 71 clients in five years) and achieved profitability in less than two years. Chaired Manager Search Evaluation Committee that oversaw manager selection process for more than 400 institutional clients. Assumed additional responsibility of managing the New York City office in 1988 while consulting to large institutional clients.

In December 1991, was appointed head of consulting for the entire Callan organization, responsible for managing regional consulting offices in San Francisco, New York, Atlanta, and Chicago. Also responsible for oversight of operations of consulting support units: Systems, Programming, Database Report Services, and Technology Department. Maintained lead consultant role for three state pension funds and one corporate fund. Leadership responsibility for 120 of firm's 150 employees. Represented the consulting services of the firm to clients, prospective clients, the press, and the media.

STRATEGIC INVESTMENT SOLUTIONS, INC. (SIS), 1994-2013, Chairman/CEO, San Francisco

Designed a business model for a startup pension consulting business that would distinguish itself from a large field of competitors in three ways: (1) a pure consulting focus that was free from conflicts-of-interest, (2) 100% employee-owned, and (3) serve as named fiduciary to its clients. Business model came to fruition as Strategic Investment Solutions, co-founded with a former colleague, incorporated in California, and registered with the SEC in January 1994. Operations commenced in July 1994 with staff of eight. Set minimum client assets-under-management to \$500 million to attract larger and more strategically oriented clients and attain profitability sooner.

Co-founders reserved 49.8% of authorized SIS shares for distribution to employees. Firm ownership grew over time to 19 employee-owners. Personnel turnover low by consulting industry standards as a result of ownership, and helped foster client loyalty and long-term relationships. SIS grew to 30 employees advising 32 clients (state and county plans, corporate trusts, endowments, foreign clients and high net worth families) with aggregate assets in excess of \$500 billion.

Spoke frequently at conferences, and wrote on issues affecting the pension industry and investing in general. Extensive board membership experience, including Chairmanship of SIS Board for 18 years. Advised SEC Investment Division on conflicts-of-interest issues affecting the U.S. consulting industry. Made presentations at private conferences and other types of forums, including state legislatures as expert witness.
Retired 2013.

PARTIAL LIST OF CONSULTING CLIENTS (AS LEAD CONSULTANT)

Arkansas Public Employees Retirement System
Cox Enterprises
DeKalb County (GA) Employees Retirement Plan
Illinois State Retirement System
Louisiana State Employees Retirement System
Ohio Public Employees Retirement System
Oregon Investment Council
PacifiCorp
Southern Company
Tennessee Consolidated Retirement System
US Army Non-Appropriated Fund
Williams Companies
Sweden Pension Plan AP 6
Central Bank of Chile/Ministry of Finance

United States Army, 1968-1973, Captain, Ft. Knox, Ft. Polk, Ft. Bragg, Republic of Vietnam, Ft. Riley

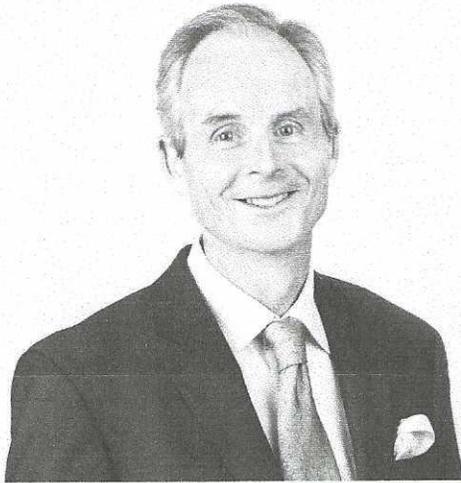
Positions: Range Officer, Committee Group Chief, AIT Company Commander, Senior Advisor Vietnamese Infantry Battalion, Special Forces Compound Commander, Battalion Intelligence Officer, Captain Advanced Marksmanship Un

EDUCATION

Graduate, New Mexico Military Institute, 1968

PERSONAL AWARDS AND ACHIEVEMENTS

Three-time New Mexico State Small Bore State Champion
Combat Infantry Badge
Vietnamese Cross of Gallantry with Valor
Bronze Star Medal
Air Medal
Army Commendation Medal
Helped parent two lovely women



Rod Smyth

Director of Investments

Rod is one of RiverFront's four Founding Partners. Rod has been an important contributor to our investment decision making process since our strategies were incepted and serves as the Chairman of our Board. He has also become a mentor to our investment team members, bringing his experience and wisdom to their decision-making processes. Rod has nearly 40 years of investment experience both as a portfolio manager and investment strategist. Rod began working with many members of the RiverFront team in 1995, when he moved to Richmond to work for Wachovia Securities after working in the investment industry overseas. At Wachovia Securities, and its predecessor firms, Rod served as the firm's Chief Investment Strategist for eight years and as a portfolio manager for its Global Asset Allocation portfolios.

Rod is a regular guest on the financial news channels (CNBC, Fox Business and Bloomberg) and is frequently quoted in the financial press.

Rod earned an MA in Economics from Dundee University in Scotland.

Whether as an investment strategist or on stage, Rod is a performer. He comes by it naturally, as his mother was a trained singer and his father an amateur conductor. His talents range from singing in a choir to performing in front of television cameras as a strategist. Rod's youngest son, an accomplished actor, recently said that he also wanted to study business so he could be a "financial actor" like his dad.

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COMMUNITY INVOLVEMENT

"I love the mission at RiverFront to support one local charity with a major gift each year, where associates can get involved in person. I am proud that, as a small firm, we are a major donor in the city of Richmond. When we started the firm, we promised ourselves that if we were successful, we would be generous; I believe we are fulfilling that promise."



Virginia Retirement System (VRS) FY 2021 Budget to Actual Projections

	Current Budget A	Expenses through 12/31/20 B	Projected Remaining Expenses C	Projected Total Expenses ¹ D = B + C	Projected Variance Favorable/ (Unfavorable) E = A - D	% Remaining E / A
Administration						
Personnel						
Salaries, Wages & Benefits	23,171,000	11,088,000	10,375,000	21,463,000	1,708,000	7.4%
Incentive Compensation	818,000	687,000	25,000	712,000	106,000	13.0%
Contractual Services						
Communication Services	950,000	469,000	410,000	879,000	71,000	7.5%
Employee Development Services ²	295,000	96,000	134,000	230,000	65,000	22.0%
Management & Informational Services ^{3,4}	2,550,000	913,000	1,235,000	2,148,000	402,000	15.8%
Medical Review Services	1,000,000	249,000	702,000	951,000	49,000	4.9%
Support Services ⁵	582,000	221,000	243,000	464,000	118,000	20.3%
Technical Services ^{6,7}	291,000	236,000	55,000	291,000	-	0.0%
Equipment & Supplies	98,000	37,000	41,000	78,000	20,000	20.4%
Facility	2,059,000	1,187,000	865,000	2,052,000	7,000	0.3%
Insurance, Claims & Bonds	86,000	5,000	80,000	85,000	1,000	1.2%
Service Charges	164,000	34,000	130,000	164,000	-	0.0%
Administration Total	32,064,000	15,222,000	14,295,000	29,517,000	2,547,000	7.9%
Information Technology						
Personnel						
Salaries, Wages & Benefits	12,964,000	5,542,000	6,627,000	11,192,000	1,772,000	13.7%
Incentive Compensation	345,000	324,000	21,000	345,000	-	0.0%
Contractual Services						
Communication Services	813,000	355,000	425,000	780,000	33,000	4.1%
Employee Development Services ²	53,000	13,000	38,000	51,000	2,000	3.8%
Management & Informational Services ³	9,000	5,000	4,000	9,000	-	0.0%
Support Services ⁵	5,000	-	5,000	5,000	-	0.0%
Technical Services	11,756,000	4,768,000	6,988,000	11,756,000	-	0.0%
Equipment & Supplies	7,480,000	870,000	6,605,000	7,475,000	5,000	0.1%
Facility	414,000	175,000	235,000	410,000	4,000	1.0%
Insurance, Claims & Bonds	95,000	-	95,000	95,000	-	0.0%
Information Technology Total	33,934,000	12,052,000	20,666,000	32,118,000	1,816,000	5.4%



Virginia Retirement System (VRS) FY 2021 Budget to Actual Projections

	Current Budget A	Expenses through 12/31/20 B	Projected Remaining Expenses C	Projected Total Expenses ¹ D = B + C	Projected Variance Favorable/ (Unfavorable) E = A - D	% Remaining E / A
Investment Management						
Personnel						
Salaries, Wages & Benefits	18,903,000	9,052,000	8,280,000	17,332,000	1,571,000	8.3%
Incentive Compensation	7,425,000	3,482,000	110,000	3,592,000	3,833,000	51.6%
Contractual Services						
Communication Services	59,000	22,000	35,000	57,000	2,000	3.4%
Employee Development Services ²	801,000	177,000	269,000	446,000	355,000	44.3%
Management & Informational Services ³	2,005,000	939,000	895,000	1,834,000	171,000	8.5%
Technical Services ⁶	9,591,000	2,321,000	6,975,000	9,296,000	295,000	3.1%
Equipment & Supplies	224,000	83,000	115,000	198,000	26,000	11.6%
Facility	659,000	325,000	326,000	651,000	8,000	1.2%
Insurance, Claims & Bonds	27,000	-	27,000	27,000	-	0.0%
Investment Management Total	39,694,000	16,401,000	17,032,000	33,433,000	6,261,000	15.8%
VRS Subtotal	105,692,000	43,675,000	51,393,000	95,068,000	10,624,000	10.1%
Appropriation Pending - Central Accounts ⁸	146,000	-	-	-	146,000	
VRS Total	105,838,000	43,675,000	51,393,000	95,068,000	10,770,000	10.2%

¹ Projected Total Expenses are best estimates as of the creation of this report and are subject to change.

² Employee Development Services includes organization memberships, subscriptions, employee trainings and related travel, and tuition reimbursement. Although in-person training and related travel spending were naturally reduced beginning in March 2020 due to the COVID-19 pandemic, online training has been encouraged.

³ Management and Informational Services includes fiscal services, management services, legal services, media services, food services and business travel.

⁴ Includes \$300K budgeted for the Retirement Commission, which currently has no planned expenditures.

⁵ Support Services includes clerical and manual labor services.

⁶ Technical Services includes hardware/software maintenance, technology contractors and data feeds.

⁷ Represents the Modernization project, which received a budget transfer of \$291K to complete implementation of myVRS functionality. The project was extended into FY 2021 due to the reallocation of resources in FY 2020 to implement the provisions of legislation enacted by the 2020 General Assembly.

⁸ \$146K is the estimated net impact of actions authorized by Chapter 1289 of the 2020 Acts of Assembly; appropriation is pending transfer to VRS by the Department of Planning and Budget (DPB). Per standard practice, the transfer is expected to occur in the second half of the fiscal year. VRS will coordinate with DPB to determine the final amount of the transfer.

FY 2021 Budget Remaining Detail

€	Category	Description	Amount
Administration			
	Salaries, Wages & Benefits	Vacancies / hiring freeze	1,708,000
	Salaries, Wages & Benefits Total		1,708,000
Incentive Compensation			
	Incentive Compensation	Incentive Compensation	106,000
	Incentive Compensation Total		106,000
Communication Services			
	Communication Services	Printing & Postage: 1099 & benefits statements (Benefit Disbursements CC)	39,000
		Printing & Postage: PR brochures & manuals - we budget to include flexibility in case addtl plans need updates	25,000
		Printing & Postage: Other	7,000
	Communication Services Total		71,000
Employee Development Services			
	Employee Development Services	Trainings & related travel (est. per historical plus svgs for travel)	65,000
	Employee Development Services Total		65,000
Mgmt & Info Svcs			
	Mgmt & Info Svcs	Retirement Commission	300,000
		Disability retirement - legal svcs: fluctuates based on caseload (social security advocacy svcs)	33,000
		Office of AG - billing consistent with FY20 (budget based on FY18-19 rates)	16,000
		Business-related travel (Board meetings, ER workshops/site visits)	15,000
		Fiscal Svcs re: CavMac - likely some savings for legislation/other requests; budgeted flexibility. TBD	14,000
		LODA (appropriation must match 400,108)	12,000
		Reduced meeting costs - virtual due to covid. Will modify as assumptions change on in-person mtgs for purposes of projections (curr assuming 50% of FY)	12,000
	Mgmt & Info Svcs Total		402,000
Medical Review Svcs			
	Medical Review Svcs	LODA (appropriation must match 400,108)	42,000
		Disability retirement - fluctuates based on volume	7,000
	Medical Review Svcs Total		49,000
Support Services			
	Support Services	Exela mail service/printer contract (based on FY20 and YTD trends; budget consistent w/FY18/19 actuals)	60,000
		VSDP DHRM vacancy / unsure whether we will continue to pay for this position. Study pending.	55,000
		Misc. manual labor services	3,000
	Support Services Total		118,000
Equipment & supplies			
	Equipment & supplies	Unlikely to purchase audience response system	8,000
		Code books less than budget	5,000
		Board retreat refund received (negative actuals)	2,000
		Skillsoft license renewal less than anticipated	2,000
		Office supplies	2,000

Category	Description	Amount
	Cintas refills of first aid supplies on hold while office is largely unoccupied (2.8K budget; 3.8K actual in FY19)	1,000
Equipment & supplies Total		20,000
Facility	Includes budget for contingency items throughout the year	7,000
Facility Total		7,000
Insurance, Claims & Bounties	Reimb. of overdraft/wire fees due to VRS clerical errors (est per historical)	1,000
Insurance, Claims & Bounties Total		1,000
Administration Total		2,547,000
Information Technology		
Salaries, Wages & Benefits	Vacancies / hiring freeze	1,772,000
Salaries, Wages & Benefits Total		1,772,000
Communication Services	Telecomm - Verizon long distance for DR site (based on PO under budget)	12,000
	VITA based on trend	15,000
	Wireless stipends not fully utilized (some due to vacancies)	6,000
Communication Services Total		33,000
Employee Development Services	Subscriptions	2,000
Employee Development Services Total		2,000
Equipment & supplies	Misc. supplies	5,000
Equipment & supplies Total		5,000
Facility	Library of VA storage & destruction	4,000
Facility Total		4,000
Information Technology Total		1,816,000
Investment Management		
Salaries, Wages & Benefits	Vacancies / hiring freeze	1,571,000
Salaries, Wages & Benefits Total		1,571,000
Incentive Compensation	Incentive Compensation	3,833,000
Incentive Compensation Total		3,833,000
Communication Services	Not all stipend budget being utilized	2,000
Communication Services Total		2,000
Employee Development Services	COVID-19 planned spending reduction: training and related travel	280,000
	Tuition reimbursement program (based on historical)	25,000
	COVID-19 planned spending reduction: org memberships for new, vacant positions	25,000
	COVID-19 planned spending reduction: publication subscriptions for new, vacant positions	25,000
Employee Development Services Total		355,000

Category	Description	Amount
Mgmt & Info Svcs	COVID-19 planned spending reduction: business travel for new positions	135,000
	Fiscal services, planned spending reduction in discretionary on-demand contingency	26,000
	Contingency for translation services; on-demand service as-needed	8,000
	Food services related to meetings, etc.	2,000
Mgmt & Info Svcs Total		171,000
Technical Services	Reduced contingency for data feeds; some costs fluctuate based on volume/usage	295,000
Technical Services Total		295,000
Equipment & supplies	COVID-19 planned spending reduction: office furniture and equipment contingencies (Includes 10K related to new positions)	26,000
Equipment & supplies Total		26,000
Facility	Flexibility for building rental and related items	8,000
Facility Total		8,000
Investment Management Total		6,261,000
Grand Total		10,624,000
		146,000
		10,770,000