

COMMONWEALTH of VIRGINIA

SARA REDDING WILSON DIRECTOR

Department of Human Resource Management James Monroe Building, 1 2™ Floor

101 N. 14™ STREET

AMES MONROE BUILDING, 12™ FLOOR

RICHMOND, VIRGINIA 23219

(804) 225-2131

(TTY) 711

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The Honorable Timothy M. Kaine Governor of Virginia

The Honorable Vincent F. Callahan, Jr. Chairman, House Appropriations Committee

The Honorable John H. Chichester Chairman, Senate Finance Committee

Item 461.N. of Chapter 3, Special Session I, 2006 Virginia Acts of Assembly, requires this Department to report annually on the results of a gain sharing program that allows for the sharing of cost savings from improved productivity and performance with agencies and employees.

As prescribed in Item 461.N, this Department and the Department of Planning and Budget are gathering information necessary to establish program guidelines. We plan to contact others to solicit input as a part of the development process for a gain sharing program. We welcome any recommendations of individuals for inclusion in this process.

Accordingly, because this is a recent requirement, and the program is still under development, no savings have been identified for this year's report.

Respectfully Submitted,

Sara Redding Wilson

Cc: The Honorable Viola O. Baskerville Secretary of Administration