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# VIRGINIA STATE BUDGET

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2014 Special Session I

## Budget Bill - HB5010 (Chapter 3)

Bill Order » Legislative Department » Item 30

Joint Legislative Audit and Review Commission

Item 30	First Year - FY2015	Second Year - FY2016
<b>Legislative Evaluation and Review (78300)</b>	<b>\$3,600,359</b>	<b>\$3,600,645</b>
Performance Audits and Evaluation (78303)	\$3,600,359	\$3,600,645
Fund Sources:		
General	\$3,484,651	\$3,484,928
Trust and Agency	\$115,708	\$115,717

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Authority: Title 30, Chapters 7 and 8, Code of Virginia.

A. Out of this appropriation shall be paid the annual salary of the Director, Joint Legislative Audit and Review Commission (JLARC), \$152,337 from July 1, 2014 to June 24, 2015 and \$152,337 from June 25, 2015 to June 30, 2016.

B. JLARC, upon request of the Department of Planning and Budget and approval of the Chairman, shall review and provide comments to the department on its use of performance measures in the state budget process. JLARC staff shall review the methodology and proposed uses of such performance measures and provide periodic status reports to the Commission.

C. Expenses associated with the oversight responsibility of the Virginia Retirement System by JLARC and the House Appropriations and Senate Finance Committees shall be reimbursed by the Virginia Retirement System upon documentation by the Director, JLARC of the expenses incurred.

D. Out of this appropriation, funds are provided to continue the technical support staff of JLARC, in order to assist with legislative fiscal impact analysis when an impact statement is referred from the Chairman of a standing committee of the House or Senate, and to conduct oversight of the expenditure forecasting process. Pursuant to existing statutory authority, all agencies of the Commonwealth shall provide access to information necessary to accomplish these duties.

E.1. The General Assembly hereby designates the Joint Legislative Audit and Review Commission (JLARC) to review and evaluate the Virginia Information Technologies Agency (VITA) on a continuing basis and to make such special studies and reports as may be requested by the General Assembly, the House Appropriations Committee, or the Senate Finance Committee.

2. The areas of review and evaluation to be conducted by the Commission shall include, but are not limited to, the following: (i) VITA's infrastructure outsourcing contracts and any amendments thereto; (ii) adequacy of VITA's planning and oversight responsibilities, including VITA's oversight of information technology projects and the security of governmental information; (iii) cost-effectiveness and adequacy of VITA's procurement services and its oversight of the procurement activities of State agencies.

3. For the purpose of carrying out its duties and notwithstanding any contrary provision of law, JLARC shall have the legal authority to access the information, records, facilities, and employees of VITA.

4. Records provided to VITA by a private entity pertaining to VITA's comprehensive infrastructure agreement or any successor contract, or any contractual amendments thereto for the operation of the Commonwealth's information technology infrastructure shall be exempt from the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), to the extent that such records contain (i) trade secrets of the private entity as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) or (ii) financial records of the private entity, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise. In order for the records specified in clauses (i) and (ii) to be excluded from the Virginia Freedom of Information Act, the private entity shall make a written request to VITA:

- a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;
- b. Identifying with specificity the data or other materials for which protection is sought; and
- c. Stating the reasons why protection is necessary.

VITA shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or financial records of the private entity. VITA shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision. Once a written determination is made by VITA, the records afforded protection under this subdivision shall continue to be protected from disclosure when in the possession of VITA or JLARC.

Except as specifically provided in this item, nothing in this item shall be construed to authorize the withholding of (a) procurement records as required by § 56-575.17; (b) information concerning the terms and conditions of any interim or comprehensive agreement, service contract, lease, partnership, or any agreement of any kind entered into by VITA and the private entity; (c) information concerning the terms and conditions of any financing arrangement that involves the use of any public funds; or (d) information concerning the performance of the private entity under the comprehensive infrastructure agreement, or any successor contract, or any contractual amendments thereto for the operation of the Commonwealth's information technology infrastructure.

5. The Chairman of JLARC may appoint a permanent subcommittee to provide guidance and direction for VITA review and evaluation activities, subject to the full Commission's supervision and such guidelines as the Commission itself may provide.

6. All agencies of the Commonwealth shall cooperate as requested by JLARC in the performance of its duties under this authority.

F. 1. JLARC is hereby directed to study options for the restructuring of lowest performing schools or districts. The study shall consider (i) options used in other states and cities and the outcomes of efforts such as mergers, takeovers, charter schools, and other turnaround efforts, including an assessment of Virginia's efforts to date; (ii) other current successful approaches for high poverty urban schools within Virginia and whether they could be replicated in other areas; (iii) an estimate of the resources and expertise that would be required at the state level to effectively implement and oversee any such models; (iv) appropriate criteria for intervention decisions; and (v) analysis of the primary reasons for low school or district performance.

2. JLARC shall complete its study and submit a final report by June 30, 2014.

3. The Department of Education and local school divisions shall cooperate as requested by JLARC. All agencies of the Commonwealth shall provide assistance for this study, upon request.

G. 1. As a component of the review for efficiency and effectiveness of public education spending in Virginia, pursuant to Senate Joint Resolution 328 from the 2013 Session of the General Assembly, JLARC shall examine and include virtual instruction. The review of virtual instruction and spending may include, but not be limited to, (i) virtual options used in Virginia and other states and the rate of growth of the virtual school populations; (ii) the cost of virtual K-12 schooling for part-time and full-time enrollments, particularly in relation to the cost of conventional 'brick-and-mortar' education; and, (iii) the effectiveness of virtual schooling in terms of student academic achievement outcomes on assessment tests and course completion or graduation rates.

2. The Department of Education and local school divisions shall cooperate as requested by JLARC. All agencies of the Commonwealth shall provide assistance for this study, upon request.

H. 1. As part of its review of the Commonwealth's implementation of the Workforce Investment Act mandated by House Joint Resolution 688, 2013 Session of the General Assembly, JLARC is hereby directed to evaluate the success of the workforce training and education systems in ensuring that Virginians possess the necessary skills and credentials to meet the workforce needs of Virginia's employers. The study shall consider what steps could be taken to produce a more coordinated and effective workforce development system. As part of this effort, JLARC shall review the funding streams, priorities and allocations of these funds and whether the existing governance and accountability structures facilitate such a system.

2. JLARC shall complete its study and submit a final report by December 15, 2014.

3. All agencies of the Commonwealth shall provide assistance for this study upon request.

I. To assist JLARC in conducting its study of the Line of Duty Act pursuant to House Joint Resolution 103 of the 2014 General Assembly, the Virginia State Police and local law enforcement agencies shall, upon request, provide JLARC with any information they possess as a result of carrying out the provisions of the Line of Duty Act (§ 9.1-400 et seq.), including any evidence and documents obtained or reports of investigation or other documents prepared.