



COMMONWEALTH of VIRGINIA

*Joint Legislative Audit and Review Commission
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November 4, 2009

MEMORANDUM

TO: Members, Joint Legislative Audit and Review Commission

FROM: Philip A. Leone, Director 

SUBJECT: Proposed Study Topics

At the October 13 meeting of the topic selection subcommittee, ten study topics were presented for your consideration and input. A summary of these study topics is attached with some brief background information and potential study issues. As requested by Senator Stosch, a study of regional service delivery was added to the list of potential studies. Also added to the list is the review of the Tobacco Indemnification and Community Revitalization Commission, which was included in the original list of potential projects presented to the Commission in September.

These potential study topics will be discussed further at 9:30 a.m. in the 11th floor conference room prior to the November 9 JLARC meeting. At the meeting, we ask that you provide us direction on developing the study resolution and the priority for completion of these studies. Included in the packet attached to this memo is a priority ranking sheet which you can use to rank the order in which you would like the studies to be completed by the staff. We will use the priority rankings to prepare the study resolution which will be presented to the Commission for adoption at the December 2009 meeting.

Attachments

PAL/awb

Priority for Potential JLARC Studies
(Circle Priority for Each Study)
1= highest, 3=lowest

<u>Study</u>	<u>Priority</u>		
Economic Potential of Virginia's Seafood Industry	1	2	3
Budget Impacts on Institutional and Community Corrections	1	2	3
Opportunities for Regional Cooperation in Government Services	1	2	3
Organization of Virginia's System of Courts	1	2	3
Food Safety and Security in Virginia	1	2	3
Cost Efficiency at State Colleges and Universities	1	2	3
Tobacco Indemnification and Community Revitalization Commission	1	2	3
Department of State Police	1	2	3
Department of Motor Vehicles	1	2	3
Department of Alcoholic Beverage Control	1	2	3
Organization and Administration of State Museums	1	2	3

Potential JLARC Studies

November 4, 2009

Economic Potential of Virginia's Seafood Industry

This study would examine the effectiveness of State efforts to promote and sustain Virginia's seafood industry. Coordination of State agencies and the appropriateness of the various programs would also be assessed.

Functional area: Commerce and Resources

Prior JLARC studies: Potential of the Seafood Industry (January 1983)

Background:

- Virginia economic impact of \$500 million in 2008
- Fourth largest producer of marine products in U.S.
- 11,000 full- and part-time jobs

Study issues:

- Impact of the current economy on the seafood industry
- Importation of foreign seafood
- Use of immigrant workers (federal H-2B temporary worker program)
- Redefining the boundaries of public oyster grounds
- Creation of aquaculture zones
- Promotion of aquaculture hatcheries
- Promotion of Virginia seafood and marine products

Budget Impacts on Institutional and Community Corrections

This study would examine the impacts of recent budget appropriations on State correctional facilities, local and regional jails, and community supervision and treatment programs. Possible overcrowding of State facilities and local jails, and the ability to adequately supervise those facilities and programs would be assessed.

Functional area: Administration of Justice

Prior JLARC studies: Pilot Budget Review (December 2008)

Background:

- \$1 billion DOC annual budget
- 12,939 authorized positions
- 32,000 inmates in DOC facilities
- 60,000 persons under community supervision

Study issues:

- Impact on institutional supervision and overcrowding
- Impact on local and regional jails
- Impact on parole supervision
- Impact on institutional treatment programs
- Impact on community treatment programs

Opportunities for Regional Cooperation in Government Services

This study would examine cost-saving opportunities through the regionalization of local government services. The State shares the cost with localities for many government services, and cost savings may exist if localities collaborate to form regional services. Such regional services could be encouraged through the use of financial incentives.

Functional area: All

Prior JLARC studies:

Review of Regional Criminal Justice Training Academies (1999)

Oversight of Health and Safety Conditions in Local Jails (1995)

Background:

- 10 regional criminal justice training academies
- 21 regional jails
- 40 community services boards
- 23 planning district commissions
- 10 regional career and technical centers
- 20 regional special education programs
- 30 regional alternative education programs
- 10 localities share some are all school division facilities, programs, or personnel

Study issues:

- Options for increasing use of regional facilities and programs
- Potential new areas for regionalization
- Impact on State and local budgets
- Impacts on local services

Organization of Virginia's System of Courts

This study would examine the funding, organization, and responsibilities of the State court system, including the administration and supervision of the system by the Supreme Court, staffing, information technology, and other resources for the district and circuit courts, organization and administration of the district and circuit court clerks, and the interaction of the courts with other State and local agencies, such as the Compensation Board, sheriffs, and Commonwealth's attorney.

Functional area: Administration of Justice

Prior JLARC studies: Review of the Magistrate System (1996)

Background:

- 120 circuit courts
- 201 district courts (general, juvenile and domestic relations, combined)
- Total cost of \$596 million annually, funded by State and localities

Study issues:

- System organization and administration by the Supreme Court
- Staffing and other resources for circuit and district courts
- Funding, organization, and responsibilities of circuit court clerks
- Procedures for collection of court fees
- Implementation of reforms in the magistrate system
- Status of automating court processes and procedures
- Adequacy of court security

Food Safety and Security in Virginia

This study would examine the agencies, programs, and processes in place to ensure food is safe to eat and is protected from terrorist acts. The study would also assess coordination between the Department of Agriculture and Consumer Services and Department of Health, as well as coordination between State and federal agencies.

Functional areas: Commerce and Resources, Individual and Family Services

Prior JLARC studies: None

Background:

- Regulated by Department of Agriculture and Consumer Services (producer, retail) and Department of Health (restaurants, shellfish)
- Regulation and enforcement cost \$44.3 million in 2008
- More than 40,000 regulated establishments (food processing, food retailers, restaurants, etc.)

Study issues:

- Timeliness and thoroughness of inspection and reporting programs
- Enforcement activities
- Use of best practices
- Coordination with federal agencies

Cost Efficiency at State Colleges and Universities

This study would examine opportunities for cost savings within Virginia's system of higher education. Academic programs, faculty workloads, use of online courses and distance learning, consolidation of administrative functions, and outsourcing of non-academic services would all be assessed.

Functional area: Education

Recent JLARC studies:

- Two-Year Review of Initial Higher Education Management Agreements (2008)
- Tenure and Post-tenure Review Policies at Virginia's Public Colleges and Universities (2004)
- Special Report: Higher Education (2002)

Background (2008):

- 17 institutions
- 2,154 degree and award programs
- 64,132 degrees and awards
- 383,462 students
- \$7.4 billion FY 2009 total appropriations (\$1.7 billion general fund)

Study issues:

- Duplication of degree programs
- Productivity of degree programs
- Average class sizes
- Faculty workloads
- Online courses and distance learning
- Remedial courses
- Utilization of classrooms and laboratories
- Consolidation of administrative functions
- Outsourcing non-academic services

Tobacco Indemnification and Community Revitalization Commission

This study would examine the mission, performance, operations, and administration of the Tobacco Commission, with a focus on the grant application and approval processes as well as records and reporting requirements to ensure the accountability of grant recipients. The study would also assess the performance and effectiveness of the projects funded by the commission.

Functional area: Political Subdivision (Commerce and Resources, Education)

Prior JLARC studies: None

Background:

- More than \$519 million in grants for education, technology, innovation, and economic development since 2000
- More than \$234 million in indemnification to tobacco farmers and quota owners since 2000
- \$2.3 million administrative budget for FY 2010

Study issues:

- Policies and procedures for evaluating and awarding grants
- Policies and procedures to monitor use of grant funds and to evaluate performance
- Impact and effectiveness of grant projects
- Policies and procedures for indemnification

Department of State Police

This study would examine the operations and administration of the Department of State Police. Opportunities for cost savings and improved effectiveness would be assessed.

Functional area: Administration of Justice

Prior JLARC studies: None

Background (2008):

- 7 regional divisions
- Criminal investigations, field operations, support services
- 2,805 authorized positions
- \$295.7 million total appropriations (\$218.5 million GF)

Study issues:

- Field office alignment
- Coordination with local police departments, sheriffs, and federal law enforcement agencies
- Staffing levels
- Equipment, facilities, training programs
- Effectiveness of:
 - Statewide communications system (STARS)
 - Firearms background check program (VCHECK)
 - Virginia Criminal Intelligence Center

Department of Motor Vehicles

This study would examine the operations and administration of the Department of Motor Vehicles. Opportunities for cost savings and improved effectiveness would be assessed.

Functional area: Transportation

Prior JLARC studies: State Oversight of Commercial Driver-Training Schools in Virginia
(Sep 1998)

Background (2008):

- Collected \$2.2 billion in transportation revenues
- Operating budget of \$214 million
- 74 customer service centers, 13 weigh stations
- 1,842 full-time employees
- 12 million driver and vehicle transactions annually
- 17 million trucks weighed

Study issues:

- DMV operations:
 - Staffing, facilities, equipment, processes
 - Field operations
 - Administration and finance
- REAL ID implementation and driver's license processing
- Driver's education certification and regulation
- Commercial services (insurance, dealers, motor carriers, towing, salvage, vehicle weight enforcement)
- Highway safety programs

Department of Alcoholic Beverage Control

This study would examine the operations and administration of the Department of Alcoholic Beverage Control. Opportunities for cost savings and improved effectiveness would be assessed.

Functional area: Enterprises

Prior JLARC studies: None

Background (2008):

- \$641.2 million gross annual sales
- \$307.5 million total State revenues
- \$8.5 million in profits/taxes to localities
- 1,048 authorized positions
- 332 stores
- 16,181 licenses to Virginia establishments

Study issues:

- Retail organization and operations
 - Staffing, equipment, facilities
 - Use of technology for operations
 - Locations and leasing
- Law enforcement and licensing organization and operations
- Organization and administration of the agency

Department of Rail and Public Transportation

This study would examine the operations and administration of the Department of Rail and Public Transportation, as well as the impact of current funding on projects and programs. Opportunities for cost savings and improved effectiveness would be assessed.

Functional area: Transportation

Prior JLARC studies: None

Background (2008):

- Finances rail, public transit, and commuter assistance projects and programs
- \$460 million annual budget (2010)
- \$5 million annual agency operating budget
- 53 authorized positions
- Funded from Transportation Trust Fund, bonds, federal funds, and other sources

Study issues:

- Use of public transit in Virginia
- Adequacy of long-range planning
- Impact of current funding on projects and programs
- Use of federal stimulus funding
- Agency organization and administration

Organization and Administration of State Museums

This study would examine the organization and administration of State museums. Opportunities for cost savings and improved services would be assessed.

Functional area: Education

Prior JLARC studies: None

Background (2008):

- 5 State museums:
 - Virginia Museum of Fine Arts
 - Science Museum of Virginia
 - Virginia Museum of Natural History
 - Frontier Culture Museum of Virginia
 - Gunston Hall
- 376.5 authorized positions
- \$36.6 million FY 2009 total expenditures (\$19 million GF)

Study issues:

- Consolidation of administrative functions
- Consolidation with unaffiliated facilities
- Staffing levels relative to programs and use by the public
- Utilization of education programs
- Collaborative fundraising efforts
- Collaborative volunteer efforts
- Visitor fees and hours of operation