COMMONWEALTH of VIRGINIA

Hal E. Greer
Director

Joint Legislative Audit and Review Commission
201 North 9th Street, General Assembly Building, Suite 1100
Richmond, VA 23219

(804) 786-1258

JLARC Meeting – Minutes
May 12, 2014

Attending

JLARC Members:
Senator John C. Watkins, Chairman; Delegate M. Kirkland Cox, Delegate Johnny Joannou, Delegate Chris Jones, Delegate R. Steven Landes, Delegate James P. Massie III, Senator Thomas K. Norment, Delegate John M. O'Bannon, Delegate Lionell Spruill, Sr., Senator Walter Stosch, Ms. Martha Mavredes, Ex Officio.

JLARC Staff:
Hal Greer, Director; Nathalie Molliet-Ribet, Senior Associate Director; Justin Brown, Associate Director; Kimberly Sarte, Assistant Director; Lauren Axselle, Erik Beecroft, Jamie Bitz, Susan Bond, Drew Dickinson, Chris Duncombe, Kathy DuVall, Bridget Farmer, Katie Francis, Nicole Gaffen, Mark Gribbin, Nia Harrison, Borna Kazerooni, Liana Kleeman, Paula Lambert, Jeff Lunardi, Joe McMahon, Ellen Miller, Greg Rest, David Reynolds, Anna Seymour, Beth Singer, Tracey Smith, Christine Wolfe, Sandra Wright.

Others:
Staci Henshaw, George Strudgeon (APA); Kim McKay (Council on Virginia's Future); Mary Jo Fields (Virginia Municipal League); John Heard (VACoRP Insurance); Doug Gray (Virginia Association of Health Plans); Ellen Davenport (Virginia Community College System); Rob Lockridge (University of Virginia); Anne Marie Morgan (Virginia Public Radio); Mike Woods (Troutman Sanders); Paul Van Lenten (House Appropriations Commitee); Jason Powell, Sarah Herzog (Senate Finance Committee).

The meeting was called to order at 10:00 a.m. by Delegate O'Bannon, Chairman. The first order of business was the election of a new Chairman and Vice-Chairman. Delegate O'Bannon made a motion to nominate Senator Watkins as the new Chairman. There being no other nominations, the motion was seconded and Senator Watkins was elected Chairman unanimously by the Commission. Delegate O'Bannon then requested nominations for Vice-Chairman. Delegate Cox nominated Delegate Orrock, which was seconded by Senator Watkins. There being no other nominations, Delegate Orrock was elected Vice-Chairman unanimously by the Commission. Delegate O'Bannon then turned the meeting over to Senator Watkins.

Senator Watkins recognized Hal Greer, JLARC staff Director, who presented Delegate O'Bannon with a JLARC Watchdog Award in recognition of his term as

JLARC's Chairman. Senator Watkins and Mr. Greer then welcomed Delegate Landes as a new member of the Commission. Mr. Greer then introduced two new JLARC staff members to the Commission (Jeff Lunardi and Susan Bond). Mr. Greer then directed the Commission's attention to the VRS and Va529 Legislator Guides they received in their packets and stated that JLARC is required to publish these informational guides as a part of the agency's oversight responsibilities. Mr. Greer then provided a brief overview of the meeting agenda and presented the 2014 Director's Report and JLARC's FY 2015 Strategic Plan to the Commission. Following Mr. Greer's presentation, Senator Watkins requested a motion to approve JLARC's FY 2015 Strategic Plan. Delegate O'Bannon made a motion, which was seconded by Delegate Jones and approved unanimously by the Commission.

Following the motion to approve JLARC's Strategic Plan, Mr. Greer introduced Nathalie Molliet-Ribet, Senior Associate Director, who began the presentation of the *2014 JLARC Workplan* by providing an overview of the projects under her supervision, which include: *(1) Size and Impact of Federal Spending in Virginia, (2) Review of Virginia's Workforce Development Programs, and (3) Review of Virginia's Line of Duty Act.* Ms. Molliet-Ribet then turned the presentation over to the project leaders (Erik Beecroft, Tracey Smith, and Jeff Lunardi), each of whom presented a brief overview to the Commission of the study mandate, background, study issues, and research activities for each project.

Following these presentations, Justin Brown, Associate Director, provided an overview of the projects under his supervision: *(1) Low Performing Schools in Urban High Poverty Localities, (2) State Incentives for Local Government Consolidation, (3) Support Function Costs and Staffing at Virginia's Public Higher Education Institutions, (4) Reducing the Cost of Public Higher Education in Virginia, and (5) State Spending on K-12 Standards of Quality (SOQ).* Mr. Brown then turned the presentation over to Jamie Bitz who provided the Commission with a brief overview of the low performing schools study. Following several questions from the Commission, Mr. Brown provided the Commission with a brief overview of the local government consolidation study then introduced Ellen Miller who presented the study mandate, background, study issues, and research activities for the higher education support function costs study. Subsequently, Mr. Brown provided a brief overview of the remaining two projects currently under his supervision.

Mr. Brown then introduced Kimberly Sarte, Assistant Director for JLARC's ongoing oversight and fiscal analysis, who provided the Commission with an overview of her responsibilities: *(1) Virginia Retirement System Oversight, (2) Virginia College Savings Plan Oversight, (3) VITA Oversight, (4) Internal Service Fund Oversight, and (5) Fiscal Analysis Services.* Following Ms. Sarte's presentation, she introduced Mark Gribbin who presented an overview of the study mandate, background, study issues, and research activities for the *Virginia's Information Technology Governance Structure* project.

At this time, Mr. Greer presented the Commission with an overview of the Commission meeting calendar for 2014, one study to be completed in 2015, and a summary of the studies authorized by the Commission in 2012. Mr. Greer also directed

the Commission's attention to a memo they received regarding the capacity of JLARC staff to conduct new studies and a copy of the study resolution adopted by the Commission in December 2012. Delegate Landes reminded the Commission that Delegate Albo requested HJR 40 during the 2014 General Assembly session directing JLARC to review Medicaid-funded transportation services, which may be of interest to other Commission members as they consider additional studies. In addition, Senator Watkins stated that JLARC staff will brief the final low performing schools report at the June 9th Commission meeting and may conduct some additional research following the briefing to address questions from the Commission members.

Following the workplan presentation, Senator Watkins asked if there were any additional questions of the Commission and requested a motion to approve the *2014 JLARC Workplan*. Delegate Cox made a motion to approve the workplan, which was seconded by Delegate Jones and approved unanimously by the Commission.

Senator Watkins then recognized Ms. Martha Mavredes who gave a presentation of the Auditor of Public Accounts *Annual Workplan* along with Staci Henshaw, Deputy Auditor for the APA. Following the presentation, Senator Stosch recommended that the approval of the APA workplan be delayed until the Commission has a quorum. (There were only six members present at this time.) Accordingly, Senator Watkins stated that the Commission will postpone the approval of the *APA Annual Workplan* and salary scales until the June 9th meeting.

Lastly, Mr. Greer announced that the next Commission meeting is scheduled for Monday, June 9, which will include staff presentations of two reports: (1) *Low Performing Schools in Urban High Poverty Localities* and (2) *Size and Impact of Federal Spending in Virginia.*

There being no further business, the Commission rose at 12:40 p.m.

Approved by: Hal E. Greer
Hal E. Greer, Director

Date: 5/16/14

Prepared by: Paula C. Lambert
Paula C. Lambert
Manager, Fiscal and Administrative Services
& Senior Legislative Analyst