

**Joint Legislative  
Audit and Review Commission**

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**1985 REPORT  
TO THE  
GENERAL ASSEMBLY  
OF VIRGINIA**

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# Members of the Joint Legislative Audit and Review Commission

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## **Director**

Ray D. Pethtel

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**The Honorable Members  
of the Virginia General Assembly  
State Capitol  
Richmond, Virginia**

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September 15, 1985



My Dear Colleagues:

As Chairman of the Joint Legislative Audit and Review Commission, it is my pleasure to transmit to you JLARC's 1985 Report to the General Assembly. The report overviews the work of the Commission and its staff during the past two years, and previews the emerging issues that will require legislative attention in the near future.

The past biennium has presented formidable challenges both to JLARC and to the legislature as a whole. We have had to wrestle with issues that are both controversial and consequential: the equitable allocation of highway funding, the structure of the executive branch, programs for Virginia's mentally ill and mentally retarded, and prison security, staffing, and capacity.

Legislative actions that address issues of this magnitude truly affect all areas and citizens of the Commonwealth. The recent high level of public interest and concern with our work is not surprising when we consider the stakes involved:

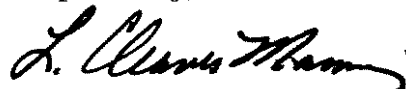
- well over a billion dollars in highway funds, impacting every city and county in Virginia;
- the basic security of our correctional system, a potentially expensive commodity in terms of both dollars and public safety.

These are but two current examples of the "big ticket" items that make legislative evaluation and oversight essential.

In addition to its primary function as JLARC's biennial report, this document serves another purpose. Included herein are materials related to the Conference on Legislative Oversight, to be held October 13-15. Mandated by the Legislative Program Review and Evaluation Act, the Conference will provide a forum for assessing the role of legislative oversight agencies, and for helping to improve the linkages between the legislature's oversight and lawmaking functions.

For the Commission, the past bienium has been a busy time of full agendas, complex issues, and intense discussions with our colleagues in the House and Senate. For me personally, chairing the Commission has been a challenge and an honor. As I bring to a close my years of legislative service, I look upon my participation in JLARC with pride, and in that spirit I submit this record for your consideration.

Respectfully,



L. Cleaves Manning

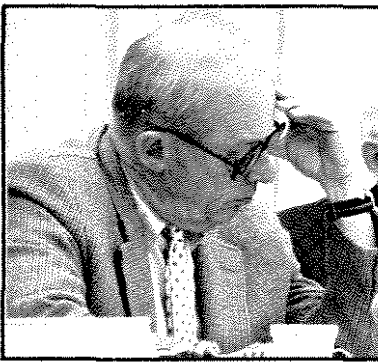


## Table of Contents

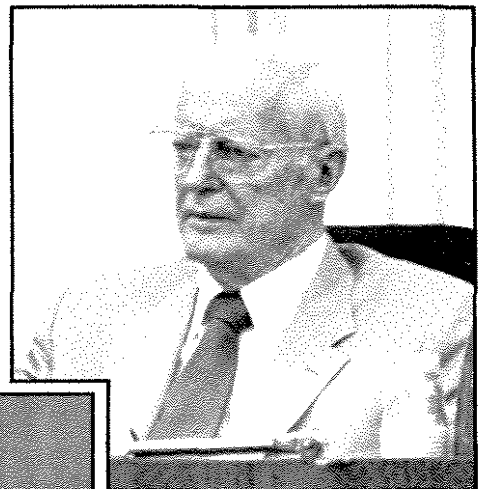
	Page
JLARC's Purpose and Role . . . . .	3
The Organization of the Executive Branch . . . . .	7
Sunset Studies . . . . .	9
Local Fiscal Stress . . . . .	11
Corrections Issues . . . . .	13
Virginia's Mentally Ill and Mentally Retarded: A Continuing Concern . . . . .	17
Achieving Highway Funding Equity . . . . .	19
Special Reports . . . . .	24
Work in Progress . . . . .	29
Evaluating the Evaluation Act . . . . .	33
JLARC Studies: An Annotated Bibliography . . . . .	43
Subcommittees Which Have Served with JLARC . . . . .	49
JLARC Staff . . . . .	50



*Delegate Bagley*



*Senator Andrews*



*Senator Willey, Vice Chairman*



*Delegate Callahan*



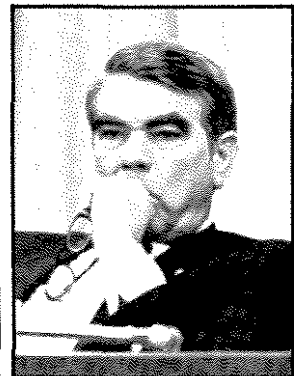
*Delegate Manning, Chairman*



*Delegate Ball*



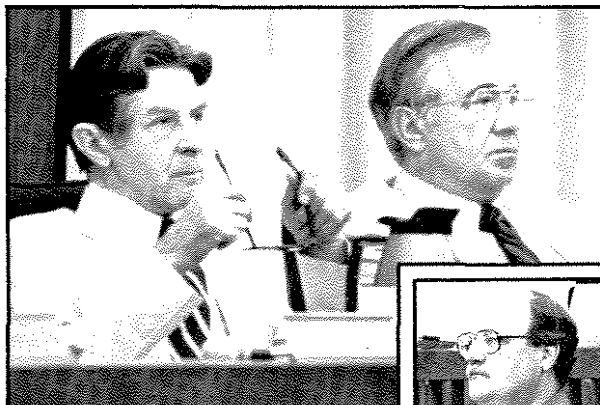
*Delegate Morrison*



*Delegate Putney*



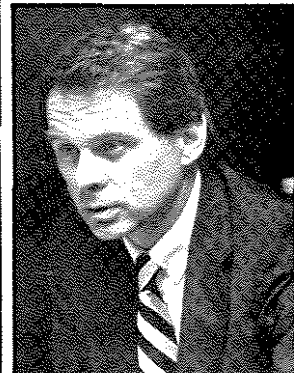
*Mr. Kucharski*



*Senator Buchanan and Senator Babalas*



*Mr. Pethtel*



*Delegate Quillen*

Photos by David W. Porter and John Long

# **JLARC's Purpose and Role**

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The Joint Legislative Audit and Review Commission is an oversight agency for the Virginia General Assembly. It was established in 1973 to review and evaluate the operations and performance of State agencies, programs, and functions.

The Commission is composed of seven members of the House of Delegates appointed by the Speaker, four members of the Senate appointed by the Privileges and Elections Committee, and the Auditor of Public Accounts, ex officio. The chairman is elected by a majority of Commission members. A director is appointed by the Commission and confirmed by the General Assembly for a six-year term of office.

## **The Statutory Mandate**

The duties of the Commission and the nature of its studies are specified in Section 30-58.1 of the *Code of Virginia*. Reports of findings and recommendations are to be submitted to the agencies concerned, the Governor, and the General Assembly. These reports are to address:

- Ways in which agencies may operate more economically and efficiently.
- Ways in which agencies can provide better services to the State and to the people.
- Areas in which functions of State agencies are duplicative, overlap, fail to accomplish legislative objectives, or for any other reason should be redefined or redistributed.

The Commission has also been assigned authority to make supplemental studies and reports relating to its evaluations. Once each biennium, the Commission conducts a systematic follow-up of its work. From time to time, usually coinciding with the biennial report, agencies are requested to

file "status of action" reports on their efforts to address the Commission's findings and recommendations. Special follow-up studies are required in cases where the Commission has cited waste, extravagance, fraud, or misuse of public funds.

Under authority of Section 2.1-155 of the *Code*, the Commission also serves as the point of legislative focus for financial audit reports. The specialized accounting and audit resources of the Office of the Auditor of Public Accounts are available to the Commission. The ability of the Legislature to assess agency performance is enhanced by this combination of program and fiscal reviews.

Section 2.1-196.1 of the *Code* gives JLARC authority to establish new working capital funds and to discontinue those no longer needed. JLARC can also authorize the transfer of excessive retained earnings from working capital funds to the State general fund. To carry out these responsibilities the Commission reviews, on a continuing basis, working capital funds for graphics, systems development, telecommunications, central warehouse, computer services, central garage, buildings and grounds special projects, and surplus property.

## **The Legislative Program Review and Evaluation Act**

In 1978, JLARC embarked on a unique approach to oversight under the auspices of the Legislative Program Review and Evaluation Act. The Act provides for periodic review and evaluation of selected topics from among all seven program functions of State government: (1) Individual and Family Services, (2) Education, (3) Transportation, (4) Resource and Economic Development, (5) Administration of Justice, (6) Enterprises, and (7) General Government.

The Evaluation Act has three major thrusts: it involves legislators from standing committees of the House and Senate in the process of selecting and scheduling topics for JLARC studies; it coordinates these studies with the standing committees which have jurisdiction over the subjects under review; and it encourages the utilization of oversight information through public hearings after the completed reports have been transmitted to the General Assembly.

The Evaluation Act also includes a provision requiring an assessment of the Act's own merit. The assessment is to be part of a Conference on Legislative Oversight, to be held in October 1985 (see "Evaluating the Evaluation Act," page 33).

## **Fulfilling the Mandate: The Audit and Review Process**

To carry out its oversight responsibilities, JLARC issues several types of legislative reports. Performance reports evaluate the accomplishment of legislative intent and assess whether program expenditures are consistent with appropriations. Operational reports assess agency success in making efficient and

effective use of space, personnel, or equipment. Special reports are made on State operations and functions at the direction of the Commission or at the request of the General Assembly. Many of these special reports require elaborate statistical applications to assess policy and program effectiveness.

To date, JLARC has issued 73 reports, each of which is annotated in this publication. In addition, numerous letter reports have been prepared on specific topics of interest to the Commission. Seven projects are in progress.

A JLARC study begins when the legislature identifies a topic for review. The Commission authorizes project initiation and the project is assigned to a staff team. A work plan is then prepared which documents the research approach to be used.

After the team completes its research, it prepares a report which is reviewed internally and subjected to quality assurance standards. Subsequently, an exposure draft is distributed to appropriate agencies for review and comment. The exposure draft, which contains any comments an agency wishes to make, is reported to the Commission.

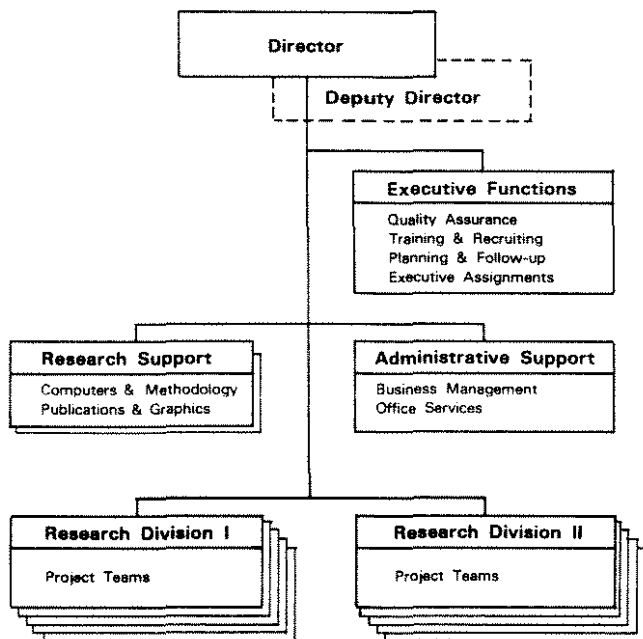
The Commission or one of its

## **How JLARC Functions**

JLARC has a team-based structure. Audit and evaluation topics are assigned to *ad hoc* teams, and senior staff analysts are appointed to be team leaders. Teams plan, implement, and prepare reports on each assignment.

Teams are grouped into divisions for management coordination and project-level quality assurance. There are two divisions, each headed by a chief analyst. Teams are assisted in technical areas by two support sections, which are staffed by individuals who have achieved a high level of expertise in the skills required to carry out rigorous audit and evaluation work and communicate to the legislature.

Organizational interests that cut across evaluation projects are treated as executive functions and are coordinated by the deputy director. General policy direction, coordination between organizational entities, and organizational leadership are the responsibilities of the director.



subcommittees reviews the report, indicates any additional legislative concerns, and authorizes publication of the study as a legislative document. The printed report is distributed to all members of the General Assembly, the Governor, and other interested parties.

## **The Staff**

The JLARC staff director is responsible for preparing the budget, hiring personnel, managing research, and long-range planning.

The staff is organized into two research divisions, each headed by a division chief,

and three support sections. Project teams, typically ranging from two to four people, are assigned to the divisions for administrative and research supervision. Team leaders have responsibility for managing projects and directing teams on a day-to-day basis. The teams are supported by specialists in research methods, computer applications, and publication services.

The varied education, training, and professional experience of the research staff are important to the Commission. Among the fields represented by undergraduate and graduate education are

## **Objectives of Legislative Oversight**

### **An Informed Legislature**

Oversight studies help inform citizen legislators about agencies, programs, and activities. A primary objective for JLARC is to gather, evaluate, and report information and make recommendations that can be used in legislative decision-making. Reports provide information that may be useful to legislators during deliberation on legislation, during committee hearings, and in responding to constituent questions or requests for assistance.

Oversight reports are also valuable as a long-term memory of program information, and may be useful to legislators and agency administrators as reference materials.

### **Compliance with Legislative Intent**

Writing and enacting legislation is the law-making function of the General Assembly. This establishes legislative intent. The oversight function helps ensure that laws are being carried out as the legislature intended. In some cases, intent may not have been clearly understood by program administrators; in other cases, statements of intent may have been ignored. In those instances where legislative intent is not explicit in statute, an oversight study can assess and report to the General Assembly on how an agency has decided to implement its mission.

### **Improved Efficiency and Effectiveness**

JLARC is required by statute to make recommendations on ways State agencies may achieve greater efficiency and effectiveness in their operations. Achieving efficiency means finding ways to accomplish the same tasks at lesser cost; achieving effectiveness means finding ways to better accomplish program and agency objectives.

Significant changes have been made in program efficiency and effectiveness in response to oversight reports and recommendations. The fact that a regular program of legislative oversight exists also stimulates agency self-evaluation, which may bring about improved operations.

### **Program and Agency Savings**

Program cost savings are frequently the product of legislative oversight studies, and are usually the most visible of all possible outcomes. Savings directly related to JLARC studies total over \$166 million to date. Harder to pinpoint, but just as important, are the opportunities for savings which may result from the implementation of recommended efficiencies or adoption of program alternatives.

The amount of potential savings depends on the extent to which changes are made. In some instances, changes may result in more spending to achieve greater effectiveness.



## A Balance Sheet on Legislative Oversight

*The 1983 Report to the General Assembly documented over \$160.4 million in savings and new revenues resulting from JLARC recommendations since the Commission's inception. Additional savings to the State reported by agencies during the past biennium are shown below:*

\$582,900 from continued improvements in fuel efficiency of State-owned vehicles (FY 1983-84 as compared to FY 1981-82)

\$4,279,772 from set-off debt collections for FY 1983-84 and FY 1984-85

\$87,945 annualized savings from staffing efficiencies at the Division for Children

\$53,000 reimbursed to the General Fund for development costs of the Virginia Tech Library System

\$585,110 annualized savings from elimination of a regional corrections office

\$735,094 from improved road tax auditing and collection by the State Corporation Commission

\$67,510 annualized savings from the closing of CENTREX operations in Williamsburg and Staunton

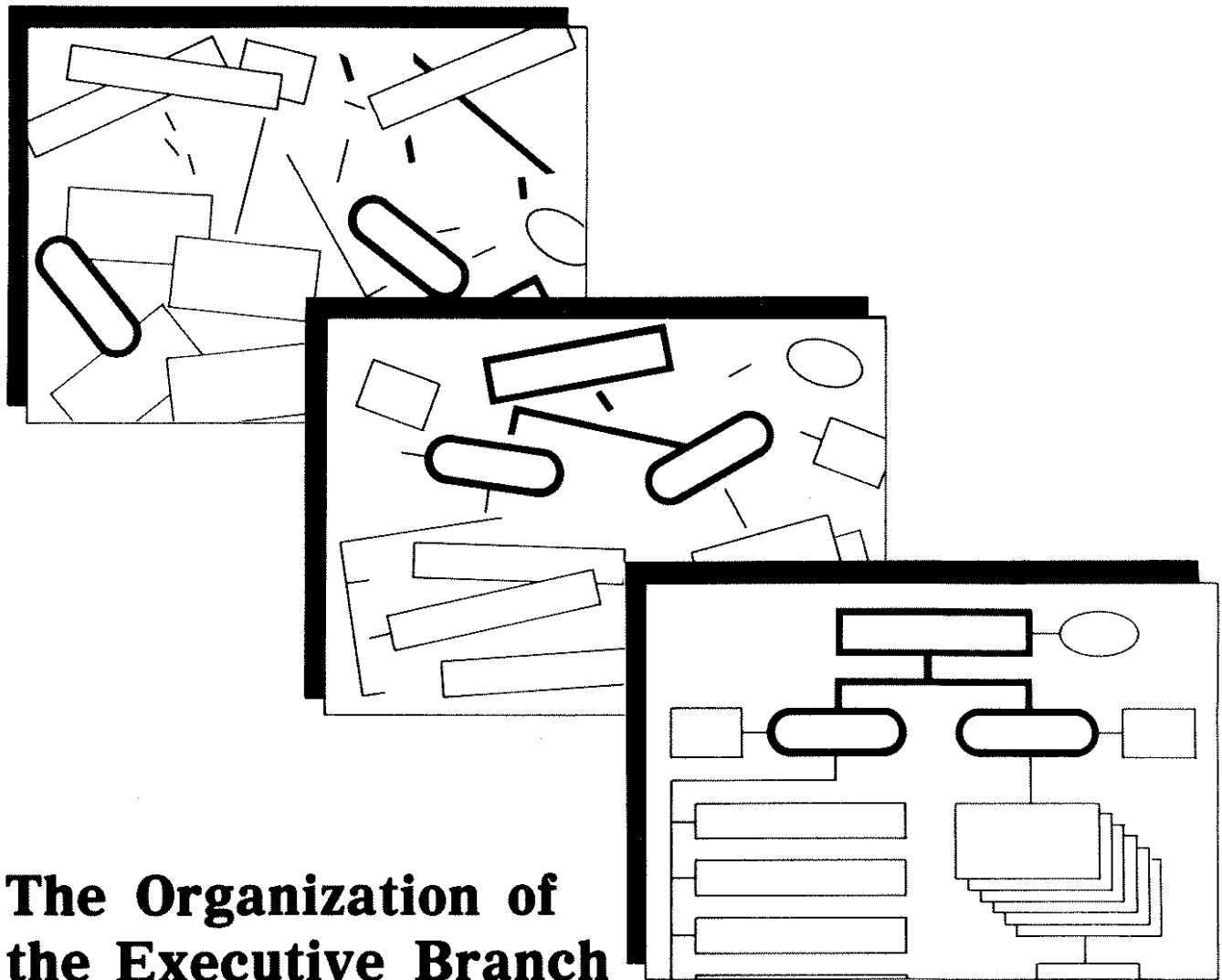
TOTAL FOR 1983-85:	\$6,391,331
	<u>+160,493,421</u>
TOTAL SAVINGS TO DATE:	\$166,493,421
Total JLARC expenditures through 1984:	\$8,028,940

business administration, economics, education, English, policy analysis, philosophy, planning, political science, psychology, public administration, law, and urban systems. Most members of the research staff have graduate degrees.

Staff titles reflect formal education, training, and experience at JLARC. The titles are assistant, associate, senior associate, senior, principal, and chief analyst. Promotions are based on merit. Salaries are competitive with those of similar types of executive and legislative employment, and each staff member participates in State-supported benefit programs.

Professional development is encouraged through membership in relevant associations. Training is carried out through on-campus credit instruction in fields related to the work of the Commission, and through in-service training programs. The staff training goal is 120 hours annually for each analyst. Emphasis is placed on enhancing communication, team management, and technical skills.

JLARC is housed on the 10th and 11th floors of the General Assembly Building, adjacent to the State Capitol. The close proximity of the other legislative staffs and support services encourages communication and contributes to JLARC's research efforts.



## The Organization of the Executive Branch

JLARC's two-year study of the structure of Virginia's State government was probably the most extensive organizational analysis ever undertaken by a legislative oversight agency. The research staff was charged with nothing less than evaluating the organizational structure of the entire executive branch.

This meant assessing more than 1200 different agency activities, as well as reviewing the superstructure for executive direction -- consisting of the Governor, the Governor's secretaries, boards, and agency directors. There were nearly 400 discrete organizational components to be considered, as well as numerous cross-cutting concerns.

The assessment utilized a variety of methods to assess executive branch structure, including (1) a comprehensive

computer analysis of agency activities to identify duplication, fragmentation, and inappropriate alignment, (2) two written surveys of board members, (3) extensive document reviews, and (4) structured interviews with the Governor's secretaries and agency staff.

The assessment generated three separate but interrelated reports, each examining a major theme: (1) the role and structure of the secretarial system, (2) the role of boards and commissions, and (3) the **overall organizational structure of the executive branch**. A final summary document provided an overview and synthesis.

Although a major finding was that Virginia's executive branch is logically organized in a manner consistent with the

State's management needs, the reports called for a number of significant actions to address areas of imbalance and inefficiency.

A total of 56 recommendations were made, comprising major action agendas for the 1984 and 1985 General Assembly sessions. At least 23 pieces of legislation related to the studies were introduced and passed, and to date 44 of the structural recommendations have been acted upon either by the General Assembly or the Governor.

Some of the major recommendations that were implemented provided for:

- establishing the position of Chief of Staff in the Governor's Office and providing for confirmation by the General Assembly,
- clarifying the responsibilities of the Governor's secretaries,
- reconfiguring the secretariats for Administration, Finance, Transportation, and Public Safety,
- establishing criteria for *ad hoc* task forces created by the Governor,
- classifying boards as either advisory, policy, or supervisory,
- clarifying the supervisory, budgetary, and personnel appointment authority of boards and agency directors,

- defining board positions reserved for "citizen" or public members,
- standardizing the nomenclature and conforming boundaries for executive entities,
- merging many related agencies and activities,
- reducing the overall number of State agencies.

"To finish a study of this scale and to act on it in two calendar years is a credit to the legislature, the Governor, and our respective staffs," commented JLARC chairman L. Cleaves Manning.

In addition to the comprehensiveness of this study and its level of implementation, another notable aspect was the level of cooperation achieved between the legislative and executive branches. JLARC and the Governor conducted independent assessments of governmental structure, and the two staffs cooperated fully at important points of the process.

The JLARC schedule, for example, was advanced to accommodate the Governor's request for participation in his Conference on Critical Reevaluation of State Government in September 1983. This interaction was beneficial to both parties in gauging reactions and fine-tuning proposals. In addition to sharing information, the two staffs also cooperated in clarifying recommendations and drafting legislation.

# Sunset Studies

The "sunset" approach to legislative oversight subjects programs, agencies, functions, or laws to termination on a scheduled basis unless the legislature initiates action to continue them. The requirement for scheduled termination thus forces the legislature to act. This concept rose to prominence in the late 1970s, when it was either adopted or seriously considered by every state legislature and the U.S. Congress.

After long and careful consideration of the sunset philosophy, the Virginia General Assembly implemented a somewhat different approach in 1978, the Legislative Program Review and Evaluation Act. However, sunset clauses had already been included in the acts which created two small State agencies, the Division for Children, and the Division of Volunteerism.

JLARC was directed by the 1983 session of the General Assembly to evaluate the two agencies and recommend whether they should continue to operate after June 1984. In making these evaluations, the JLARC staff consulted with public, private, State, and local organizations which had been served by or had worked with the two agencies.

## The Virginia Division for Children

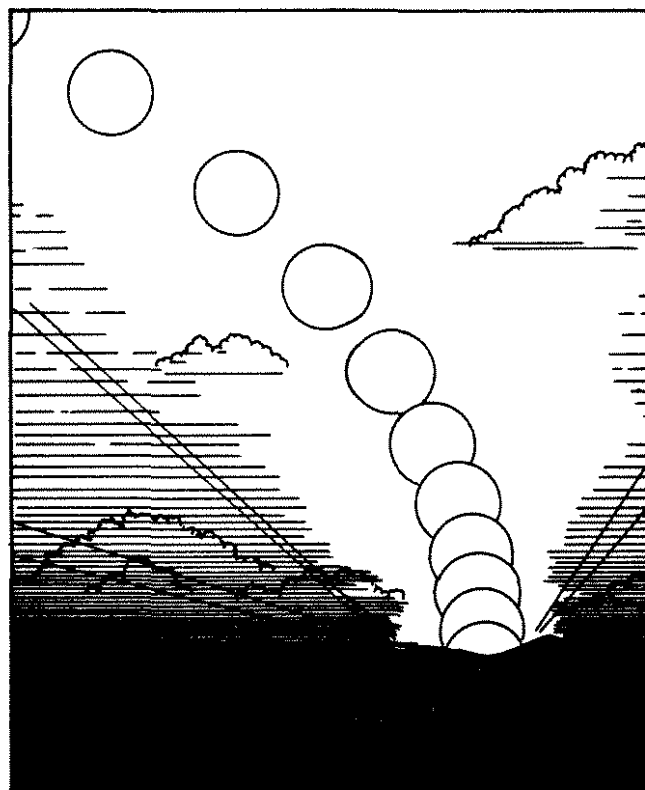
Created as an autonomous children's agency in 1978, the Division for Children grew out of recommendations made to two legislative commissions. It was established with the dual purpose of providing for the planning and coordination of all State services to children and promoting the best interests of all children and youths.

JLARC's review determined that there was a continuing need in Virginia for this kind of organization, and that the Division had successfully carried out its mandates relating to information dissemination, technical assistance, and advocacy. However, in its past performance the Division had not placed appropriate

emphasis on its primary purpose -- planning and coordination of children's services.

A legislative subcommittee established to work with the Commission on this study endorsed the following recommendations outlined in the report:

- that the Division be continued;
- that the Division continue to have an independent identity as an agency, but that its administrative support services be assigned to another State agency;
- that the number of authorized positions assigned to the Division be reduced by at least four through administrative and legislative changes outlined in the report;
- that the Division's mandate be revised to focus on coordination of children's



services and to relieve the agency of its current responsibilities for evaluating children's programs and maintaining a central placement registry for facilities.

The major recommended changes have been accomplished in the two years since the release of JLARC's report. The agency now receives administrative support services from the Department of Social Services and the Department for the Aging. The sunset clause was removed from the agency's mandate by the General Assembly, making the Division for Children a permanent entity in State government.

The number of authorized positions was reduced by four in July 1984. As proposed by JLARC, the agency was reorganized to eliminate a middle layer of supervision.

Most importantly, the agency appears to have made coordination its first priority. The Division has established a Council for Children to address interagency coordination issues. This council consists of administrators of all major children's programs and services in State agencies. The first major issue to be addressed by the council will be runaways, an area where services are fragmented, inadequate, or nonexistent in most localities.

The Division has also convened the Virginia Day Care Council, which brings together representatives of most day care services in Virginia. The Council has played a role in revising child day care standards, promoting legislation, and projecting day care problems into the public consciousness.

Other coordinative programs undertaken by the Division include a State School Age Parent's Committee, a task force on missing children, and the Children's Legislative Information Committee. The Division is also working to coordinate services provided through the Early and Periodic Screening Diagnosis and Treatment Program. The Division is now represented in more than 15 interagency groups that deal with children's issues.

### **The Virginia Division of Volunteerism**

The Division of Volunteerism was established in 1979 to "encourage and

enhance volunteerism in the Commonwealth." The Division provides information, training, and recognition to support the efforts of an estimated 1.3 million volunteers in the Commonwealth.

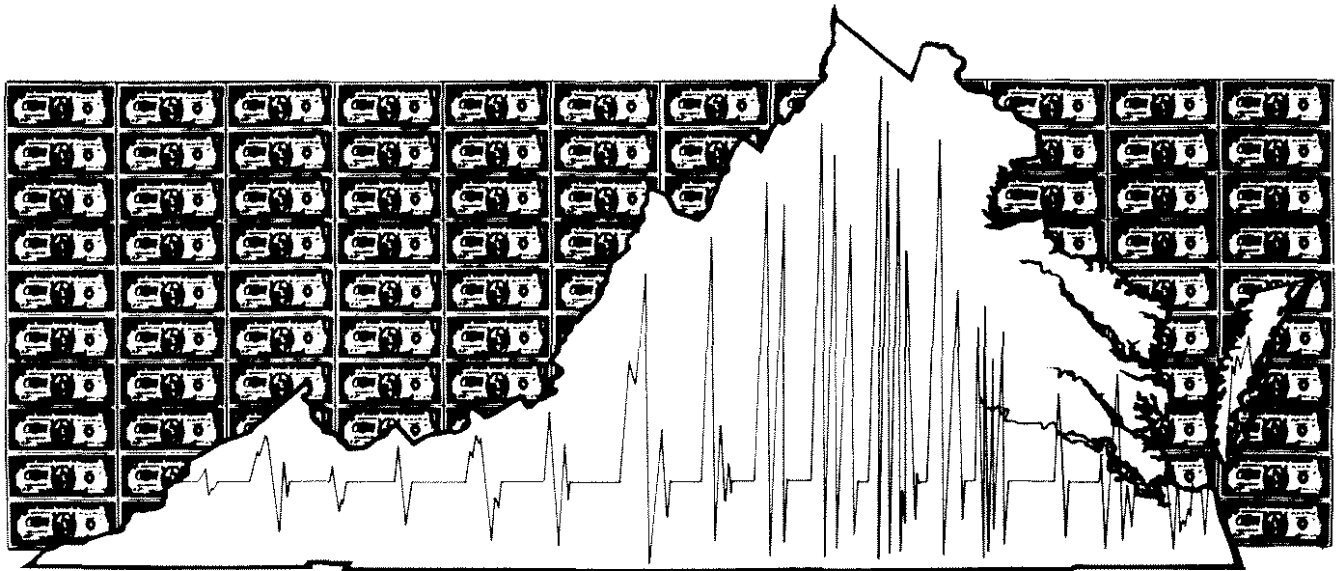
JLARC's review indicated that the quality of the Division's past performance, high demand for its services, and increasing emphasis on volunteerism in the State justified its continuing existence. Although the Division's achievements in the voluntary sector had been commendable, changes were suggested with regard to two issues: the Division's status as a separate State agency, and the potential for duplication with the **Center for Volunteer Development at Virginia Tech.**

The report recommended that the agency's service delivery capability be increased and its routine administrative demands be reduced through affiliation with a larger support agency. Overlap with the Virginia Tech volunteerism center could be reduced by a more specific memorandum of understanding between the two entities. Finally, the Division was urged to take steps to improve its effectiveness by upgrading existing staff positions for service delivery purposes and placing more emphasis on its training role.

The 1984 General Assembly repealed the sunset clause, thereby continuing the agency. Although the Division remains in the Human Resources secretariat, fiscal and accounting responsibilities have been assumed by the Department for the Aging, and personnel responsibilities by the Department of Social Services.

The Division and the Center for Volunteer Development at Virginia Tech have recently negotiated a new memorandum of understanding which delineates far more specifically the respective activities of the two agencies. Careful observance of the limits of the memorandum by both parties should result in a minimum of service duplication and overlap.

Staff capabilities have been upgraded through personnel changes, and the quality and quantity of training and consulting resources have been broadened through the training of a network of peer consultants within the Department of Social Services.



## Local Fiscal Stress

The General Assembly's abiding interest in State-local relations is evidenced by more than 30 legislative studies during the last 15 years. JLARC's study, *State Mandates of Local Governments and Local Financial Resources*, was the most recent expression of this interest.

House Joint Resolution 105 of the 1982 session and HJR 12 of the 1983 session directed JLARC to identify to the extent feasible all local government mandates and related financial resources contained in each functional area of State government. State mandates may be defined as constitutional, statutory, or administrative actions which place requirements on Virginia's 325 local governments.

To ensure coordination between JLARC and standing committees of the legislature, the study resolution designated a 12-member subcommittee to participate in project activities. Members were appointed from the House Committee on Counties, Cities, and Towns; the House Finance Committee; the Senate Committee on Local Government; and the Senate Finance Committee.

Regional meetings were held to solicit input from local officials and other interested persons. The expressions of local concern at these meetings helped define the principal issues which guided the study:

- To what extent do State mandates impose a burden on local governments?
- Is the amount and type of State assistance to localities adequate?
- Do local governments have sufficient financial resources to fund the public services they must provide?

To address these issues, research activities were designed to develop as broad an information base as possible. Four special research efforts were undertaken:

- a survey of State agencies, to identify mandates which apply to local governments,
- visits to selected case-study localities, to explore how mandates affect local governments and to gather information about financial problems facing localities,
- a survey of local officials, to systematically assess local opinions about State mandates, State aid to localities, and local financial conditions, and
- an assessment of local fiscal conditions, to determine the degree to which localities are stressed by stagnant revenue capacities, high tax efforts, and other factors.

The analysis showed that State mandates on local governments are extensive, and affect most areas of local government. Nevertheless, mandates were generally not seen as unreasonable by local administrators, and there was no consensus among local officials about which specific mandates were most burdensome.

The study revealed significant local concern that State mandates are not funded at adequate levels. Although State financial assistance has remained a stable portion of local budgets overall, State aid has not kept pace with its historical commitments in some program areas.

To arrive at a comparative assessment of fiscal stress across the State, the JLARC staff developed a stress index which combined revenue capacity, tax effort, and level of poverty. To place these findings in a more useful perspective, localities were "clustered" -- grouped into homogeneous categories based on demographic characteristics. Small cities in rural areas, for example, were examined as a group, as were large cities, urbanizing counties, etc.

The analysis concluded that the levels of stress affecting local governments were not uniform. Some localities showed few signs of financial difficulty, while others were stressed more seriously.

On almost any dimension of comparison, however, cities were more stressed than counties. For many years, cities have provided services only recently offered by urbanizing counties. Most city populations also have the relatively high levels of poverty found in many rural counties.

As a result of these factors, cities showed much higher tax efforts than counties, and their local tax efforts grew more significantly during the five years examined in the study (FY 1977-81). Cities also took more budgetary actions to control or reduce spending.

Rural counties were also stressed, principally by high levels of poverty among local residents, and by revenue capacities which were low and stagnant by statewide standards. Urbanizing counties, while having generally sound financial conditions, were pressured by high growth and the need to build or expand schools, sewer and water

systems, and other capital facilities.

Given the different types of stress affecting localities, JLARC staff concluded it was unlikely that any single policy action could equally benefit all local governments. The study did offer several policy options for consideration, including increased funding of State-mandated programs such as education.

JLARC's report was of considerable interest to both legislators and local officials, and was the subject of considerable discussion and legislative activity during both the 1984 and 1985 sessions of the General Assembly. Two additional reports were prepared as follow-ups to the original study: an update on local stress and a study of Virginia's towns.

The local stress follow-up expanded and updated the fiscal stress index, assessed the effects of subsequent State aid appropriations, and provided further consideration of policy options. Two positive indicators of local fiscal condition were evident from the update: State aid to localities had increased, and local tax efforts had moderated.

The towns report was prepared in response to requests from the localities for further study of the particular problems of towns in Virginia. Two issues of special interest were town-county relations and "dual taxation." The study provided a useful portrait of Virginia's 189 towns.

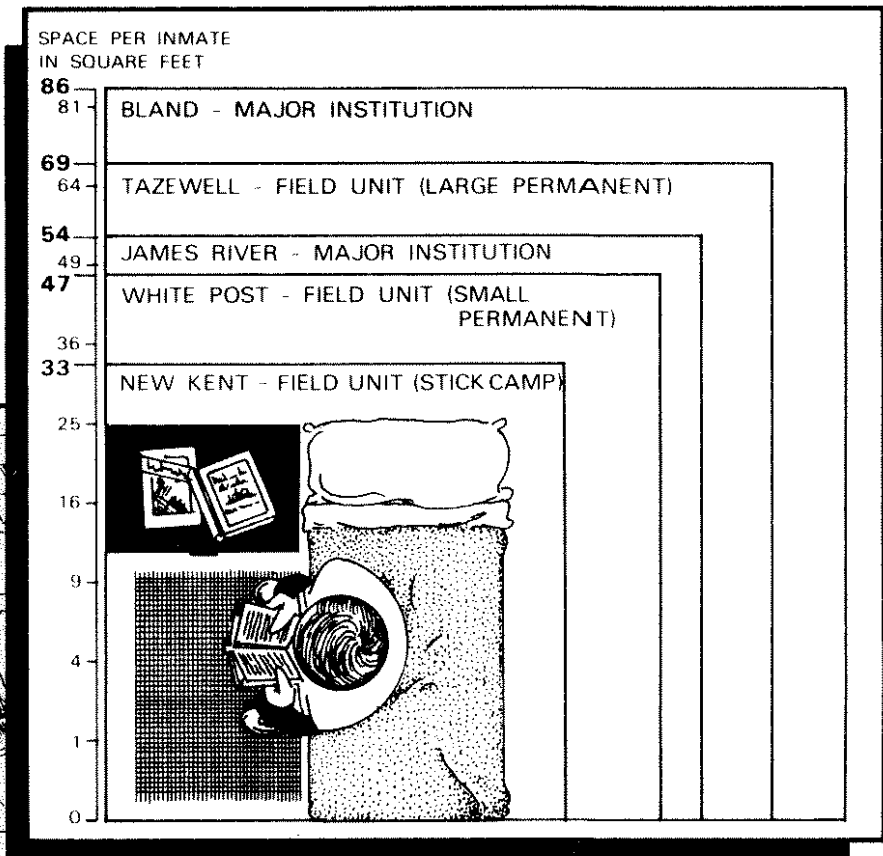
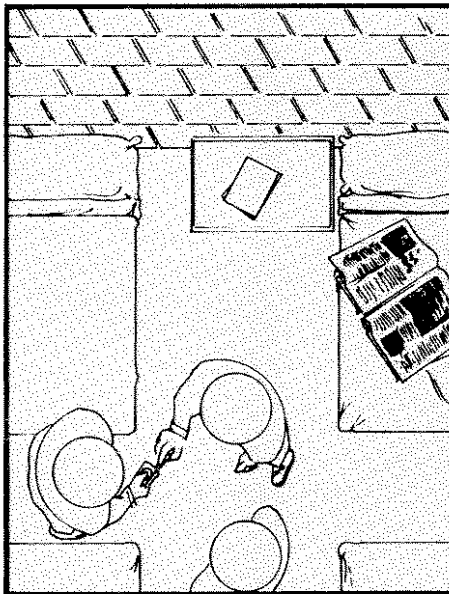
The study found that although the perception of dual taxation was of concern to towns, town-county combined tax rates were not higher than the tax rates of comparable small cities. Further, most towns did not demonstrate severe symptoms of fiscal stress. The study noted, however, that threats to town fiscal stability are posed by the potential demise of federal revenue sharing and other inter-governmental aid.

The two follow-up studies were completed with funding assistance from the National Conference of State Legislatures (NCSL). Grant-related activities included an 11-state seminar in Richmond and a technical presentation at NCSL's national conference in Seattle.

# Corrections Issues

## Comparison of Inmate Bed Space In Dormitories

SOURCE: JLARC CAPACITY SURVEY



Graphic from the JLARC report, *Virginia's Correctional System: Population Forecasting and Capacity*

Virginia's correctional system experienced rapid growth and modernization in the 1970s. Increases in the number of inmates requiring secure confinement were accommodated through an aggressive prison construction program, which resulted in the opening of nine new facilities between 1976 and 1983.

The principal mission of the Department of Corrections (DOC) has always been to ensure that criminal offenders are removed from society and housed in a secure confinement. Over the years, however, this basic mission has been

expanded to include prison work programs and community-based activities.

Overall, DOC's modernization has had positive results. Numerous problems noted in the 1970s have been addressed, escape rates have been decreased, and the department has made progress in professionalizing its staff and establishing effective security policies and guidelines.

However, the General Assembly has expressed concern about the overall efficiency of the department. This concern was indicated by a reduction of the agency's 1982-84 non-security appropriation by six



percent, and by a requirement in the 1983 Appropriations Act that JLARC review the agency's staffing.

During the course of the Commission's review, the escape of six death-row inmates from Mecklenburg Correctional Center, as well as several other serious incidents, amplified both legislative and public concern. In 1984, the legislature amended the study mandate to expand the study into other areas: security procedures, prison design, diversion programs, projected prison and local jail populations, prison capacity, and the department's capital outlay planning process.

JLARC's review of DOC's programs will result in at least seven reports, four of which have been completed to date. Nearly 200 recommendations have already been made, addressing many aspects of DOC's management and operations. Completed reports are summarized here, and studies under way are described in the "Work in Progress" section.

### **Central and Regional Office Staffing**

The first report in the JLARC series on DOC assessed the need for the department's regional level of management and the appropriateness of administrative staffing levels in the central as well as the regional offices.

DOC had several specific objectives for establishing its regional offices. Staff could reduce time spent in transit and make more informed decisions about problems and conditions if they were located closer to agency facilities and programs. A regional structure should also improve uniformity and compliance with departmental policies and procedures. JLARC found that the regional level of management had in fact helped the department achieve some of these objectives and recommended it be continued.

The workload of regional staff, however, was found to be significantly out of balance. By distributing workload more equitably among the regions, significant efficiencies could be achieved without curtailing services. JLARC presented several options for this change, one of which was adopted by the department in July 1985. DOC abolished the regional office

located in Lynchburg and redistributed its workload among the remaining four regional offices.

The report also indentified additional staffing efficiencies, many of which were implemented by the 1984 General Assembly. The staff reductions are estimated to save the Commonwealth over half a million dollars annually.

### **Population Forecasting and Capacity**

Accurate figures on the capacity of the State correctional system and a reliable forecast of inmate population are essential to sound planning. Capital outlay planning, prison design, and future staffing requirements are all based upon estimates of the population that will need to be incarcerated and the space necessary to house them.

By the spring of 1986, the State will have fulfilled all current plans for system expansion by opening Augusta Correctional Center. Based on previous analyses by DOC -- which indicated that inmate population would reach as high as 15,000 by 1990 -- even this new facility would not be sufficient for housing State inmates.

The General Assembly, concerned with the impact of DOC's population and capacity projections on capital outlay and staffing, directed JLARC to review the department's forecasting methodologies.

The JLARC staff first conducted a technical analysis of DOC's population forecasting methods, correcting technical errors and recommending refinements. Subsequent to this analysis, DOC and JLARC staff worked cooperatively to implement the recommendations and develop a technically adequate forecast methodology.

JLARC also examined prison capacity, and found that DOC's operational capacity had generally been determined by departmental judgements rather than empirical evidence. The judgements did not reflect the maximum capacity which might be achievable during periods of heavy demand.

The lack of a consistently applied method had resulted in significant variations in the amount of space provided to individual inmates in similar housing units.

Further, capacity projections did not reflect the actual levels at which many facilities had been operating. For example, at two facilities the actual average daily population levels for June 1984 were over 690, compared to operational capacities of 500 as assessed by the department.

JLARC developed an alternative measure of capacity, called "reserve capacity," to reflect how far capacity could be reasonably increased -- largely through doublebunking -- to accommodate typical short-term population increases or forecast errors.

JLARC combined the revised population forecasts with the new capacity figures to yield several possible corrections scenarios for 1990. While these scenarios did indicate a bed space shortage by 1990, the shortfall varied according to the scenario, and was smaller than DOC's original projections.

The report offered several alternatives to meet the shortage, ranging from new construction to sentencing guidelines. These alternatives should provide the legislature with pertinent information for making future decisions in this complex area.

## Community Diversion

The Community Diversion Incentive (CDI) program of the Department of Corrections was created in 1980 to provide the judicial system with an additional sentencing alternative. This State-supervised, locally-administered program diverts nonviolent offenders from incarceration into programs operated by communities.

All divertees are required to perform unpaid community service work to make restitution for their crimes. Many are ordered to make financial restitution, and most are also encouraged to find and maintain employment.

JLARC's review of CDI found the program to be meeting or working toward its statutory objectives by:

- diverting offenders from incarceration rather than probation in the majority of cases,
- providing increased opportunities for offenders to make restitution,

- increasing local flexibility and involvement in crime response,
- allowing local agencies to structure programs with a rehabilitative orientation,
- saving the State money.

Preliminary data also suggested that few successfully terminated State felons have committed repeat offenses after graduation from the program.

Three problems, however, affected the program's achievement of statutory objectives. First, even though CDI was created as an alternative to incarceration, judges sometimes referred offenders to CDI for evaluation prior to sentencing. The existence of the sentence prior to referral should serve as a check that the judge intended to incarcerate the individual.

Second, DOC had not comprehensively assessed the CDI population to determine if certain types of offenders were unsuited to diversion. Unsuccessful terminations represented a greater burden to the correctional system than did incarcerated offenders, because they represented a double expense: after CDI funds were expended on the attempted diversion, jail or prison costs were incurred to incarcerate the individual.

Finally, DOC had not tracked repeat offenses of CDI graduates to assess the program's rehabilitative nature.

JLARC recommended that greater emphasis be placed on CDI's management information system, and on program evaluation and monitoring. Other recommendations called for the strengthening of eligibility criteria, development of a master plan, clarification of the interaction between CDI and Probation and Parole, better enforcement of the requirements for intensive client supervision, and creation of a temporary commission to address fragmentation of current and future community corrections efforts.

Policy issues outlined in the report for legislative consideration included restructuring CDI to improve efficiency and address future goals, and expanding CDI into a statewide program offering services to eligible offenders from every local jurisdiction.

## Security Staffing and Procedures

JLARC's report on security staffing and procedures assessed the appropriateness of the level of security staffing at each of Virginia's 15 major prisons, as well as important aspects of their security procedures. In researching these issues, staff visited all the adult prisons, interviewed top personnel, observed security posts, audited procedures, and assessed manpower needs.

In addition to the specific findings and recommendations, the report provided, under one cover, a comprehensive compendium of descriptive information about DOC's primary facilities.

The review found that, in general, the prisons were appropriately staffed. However, the report also showed that DOC lacked guidelines for determining its security staffing needs, resulting in extensive staffing variations among the prisons.

The department used a two-part process to determine staffing needs. The first part, called a "post audit," determined the need for security posts and the hours they had to be staffed. Although wardens and superintendents were found to be familiar with this procedure, no policies, guidelines, or training was offered by the department. It was not surprising, then, that post audits across the 15 prisons revealed extensive variations in how needs were determined.

The second part of the process applied a staffing formula, known as the Sharp formula, to compute the number of staff required to fill each post. JLARC replicated the Sharp formula using actual

employment data from FY 1984 and adding several elements not accounted for by the original formula. The replication produced a yearly figure of 1771 available hours per full-time employee, as opposed to the department's figure of 1736. Systemwide, these revisions to the formula showed a need for at least 54 fewer security positions.

Other staffing-related findings included inadequate accounting for overtime and the inappropriate use of security staff for nonsecurity duties. Based on these findings and a review of all requested and existing positions, JLARC recommended changes that would reduce net (nonsecurity and security) staffing at the major institutions by 25 positions.

In addition to staffing, JLARC's review also focused on security procedures. Although the overall thrust of DOC policy was to permit wardens and superintendents ample flexibility in administering their institutions, JLARC found gaps and inconsistencies in existing policies that resulted in important security actions being carried out with only minimal departmental guidance.

For example, each warden was permitted to decide how much inmate movement should be allowed within the prison, how to staff perimeter towers, and how to communicate changes in operating procedures to staff. Without specific systemwide policy covering key security practices, their implementation varied to a degree that could jeopardize public safety.

The report made 34 recommendations for improving systemwide operations and staffing efficiency, and an additional 57 recommendations for improving specific practices in the individual prisons.

# Virginia's Mentally Ill and Mentally Retarded: A Continuing Concern

The services provided to the State's mentally retarded and mentally ill were of considerable interest to the General Assembly during the past biennium, and were the subject of two JLARC studies.

SJR 13 of the 1983 General Assembly directed JLARC, in coordination with an eight-member subcommittee, to examine eight issues "concerned with the operation, funding and quality of the educational programs" for children and youth in facilities operated by the Department of Mental Health and Mental retardation (DMHMR):

- the quality of instruction and materials,
- the uniformity of the offered services,
- the suitability of the educational environment,
- the eligibility of students for mainstreaming,
- the appropriateness of the administrative authority,

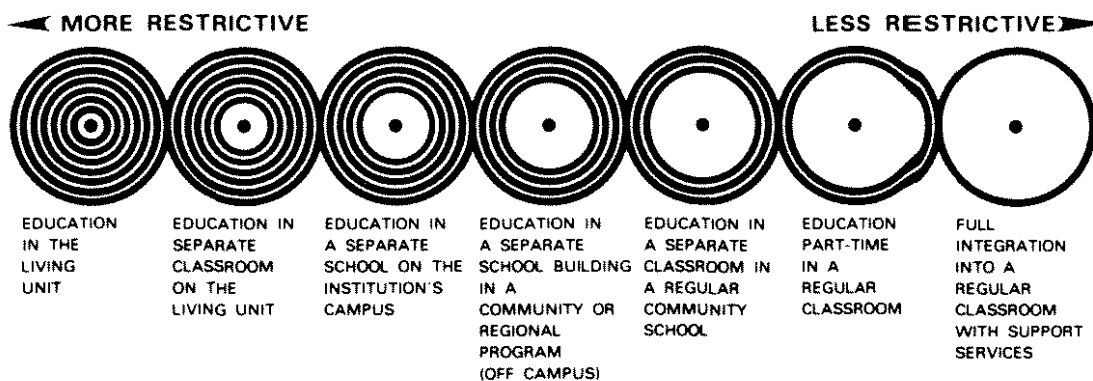
- the cost-effectiveness of the programs,
- whether all children are receiving education as required by law.

JLARC staff conducted two parallel research efforts, resulting in separate but related reports: *Special Education in Virginia's Mental Retardation Training Centers*, and *Special Education in Virginia's Mental Health Facilities*.

The mental retardation study concluded that over the past ten years training programs in the institutions had significantly improved. The efforts of the General Assembly, DMHMR, and training center staff had resulted in a solid service delivery system for children and youths. Some modifications in procedures and programming, however, could bring about additional improvements in quality.

Specifically, DMHMR needed to become more aggressive in its supervisory and technical assistance responsibilities. On the institutional level, there were some concerns with the process of developing and implementing programs. The report also

## Least Restrictive Environment



JLARC staff graphic, from the report *Special Education in Virginia's Training Centers for the Mentally Retarded*.

urged that additional steps be taken to ensure compliance with federal regulations concerning education in the least restrictive environment.

The mental health study found that education for the emotionally disturbed had also improved in recent years, but that significant problems still diminished overall program quality. A total of 63 recommendations were made, calling for changes which would:

- enhance administrative support from both DMHMR and the Department of Education (DOE), including the improvement of communication channels between the two agencies and the cooperative development of curriculum guidelines,
- equalize resources and funding across the institutions,
- address the special needs of older students for instruction in independent living and vocational education,
- consolidate programs for autistic and dually-diagnosed students,
- increase the utilization of the Virginia Treatment Center.

Mental health and mental retardation was a major issue during the 1985 legislative session. A total of 14 bills and joint resolutions were passed affecting DMHMR alone, five of which were direct results of the JLARC studies.

A major legislative initiative was House Bill 1334, which clarifies the administrative and supervisory roles of DMHMR and DOE for the education of school-age residents. This legislation further mandates that DOE will:

- develop guidelines for evaluating the performance of education directors and supervisors employed by DMHMR,
- develop and implement, with DMHMR, programs to ensure that the educational and treatment needs of dually-

diagnosed children in State institutions are met, and

- provide technical assistance in curriculum development, vocational education, and the selection of materials for DMHMR education programs,

while DMHMR will:

- coordinate actions with DOE to ensure consistency between treatment and educational priorities, and
- ensure that comparable resources, especially vocational education, are available in all institutions to meet students' needs.

SB 650 promotes the concept of least restrictive environment, and should initially have the effect of moving approximately 29 students from mental retardation facilities into schools throughout the State. HB 1351 calls for the development of curricula and guidelines for school-age residents of mental health and mental retardation facilities by the Department of Education. HB 1605 provides incentives for the development of innovative teaching methods. A budget amendment provides funding for these improvements.

The Department of Education reports that an on-site review of educational programs in each mental health facility is now under way. A special task force has been appointed to give particular attention to the vocational needs of resident students.

Facility staff and personnel from DOE and DMHMR are in the process of developing curriculum guidelines, which are expected to be completed by the end of the year. DOE has also filled the vacant position of Supervisor of Institutional and Related Programs, making it possible for the department to reinstate regular monthly meetings with educational directors in mental health facilities.

A task force has been appointed to study the education of autistic students, and will complete its report in December.

# Achieving Highway Funding Equity

In 1977, the General Assembly undertook a major review and revision of the way in which highway maintenance and construction funds were allocated in Virginia. This was the first major revision since 1962, and recognized the rapidly changing transportation environment. The outcome was a greatly simplified and more rational method for allocating highway funds. In adopting a system based on rational formulas, the General Assembly largely "depoliticized" annual highway funding decisions, and implicitly established the policy that distribution of funds was to be on the basis of objective criteria.

By 1982, the need for additional revenues for the the Highway Maintenance and Construction Fund resurfaced many of the questions regarding the equitable distribution of the funds. Of particular concern was the possible failure of the existing formulas to account for the growing highway construction needs of the urban and suburban localities in the State.

To meet the need for additional revenue, the 1982 General Assembly passed HB 532, which provided for increased highway user fees and a new oil franchise tax. In order to address questions about the fairness of the distribution of the revenue, the JLARC staff was directed to review the reasonableness, appropriateness, and equity of the provisions for allocating highway construction funds. The 1983 General Assembly extended the scope of the study to include highway maintenance and public transportation funding.

The staff analysis was technical in nature, and was designed to be objective in its evaluation of the existing laws. The three basic premises of the JLARC study were :

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*This article, which previously appeared in Virginia Town and City, was prepared by Glen S. Tittermary, a JLARC staff division chief and project director for the highway allocation studies.*

- (1) The distribution of the funds to localities should be on the basis of technically based formulas.
- (2) The equity of the formulas should be based on measurable need for funds.
- (3) Counties and cities should be treated equally for both construction and maintenance funding.

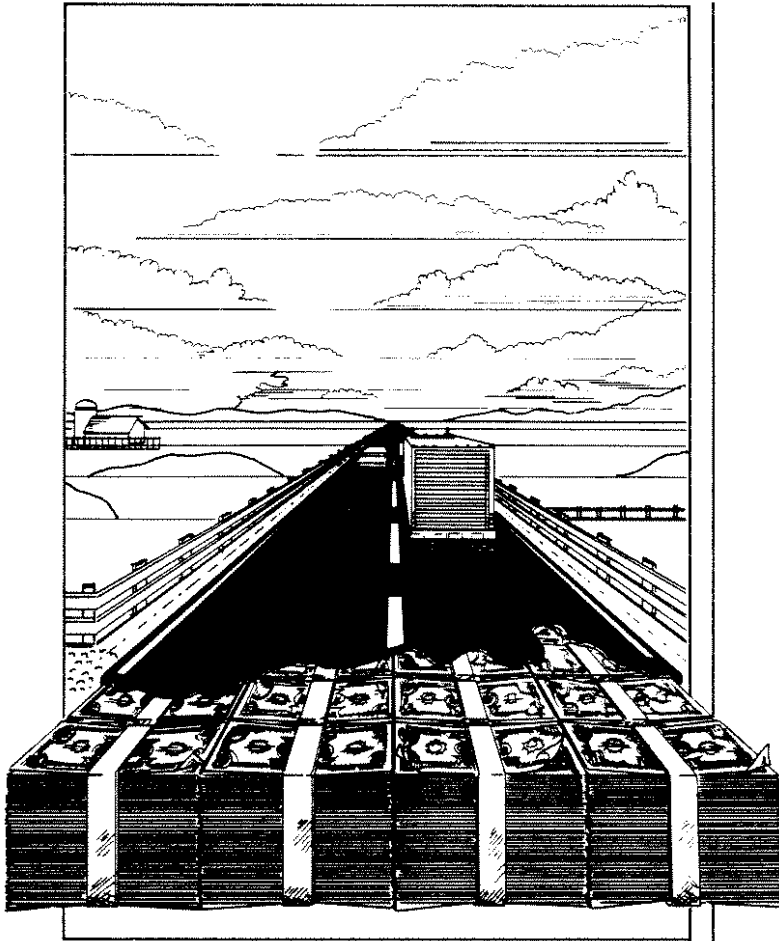
Within this framework, the JLARC staff tried to ensure that any proposed changes to the methods for allocating funds would satisfy the General Assembly's policy that funds be distributed fairly.

To begin its work, the staff prepared a detailed, objective plan for reviewing each of the allocation provisions. Because the issues were complex, and the results of the study would have an impact on local governments, the study plan was presented to local governments in eight workshops held across the State in the summer of 1982 and the spring of 1983.

The Department of Highways and Transportation (DHT) also reviewed the plans and suggested several important revisions. In addition, an advisory network of more than 100 representatives from local governments, planning districts, State agencies, and citizen groups was established to solicit a wide range of comment, and to promote a wide distribution of the staff findings.

An interim report, issued in December 1982, recommended significant revisions to the construction allocation formulas. In June 1984, the final report added recommendations for the revision of allocations for highway maintenance, urban street payments, public transportation, and funding for Arlington and Henrico counties.

The key finding of the review was that the allocation provisions adopted in 1977 had become outdated. While the basic framework was sound, the specific formulas



and proportions used to allot the funds were no longer appropriate. In all, 30 specific recommendations were proposed to address each of the inequities. Among the most important were:

- revision of the allocations for highway system construction from 50 percent for the primary system and 25 percent each for the secondary and urban systems to one-third each for the primary, secondary, and urban systems,
- revision of the formulas for the primary and secondary systems to include factors which were independent of each other,
- adoption of a formula based on population for urban system construction,
- adjustment of county maintenance allocations to reflect actual levels of maintenance service,

- establishment of two functional street classifications -- Arterial and Collector/Local -- to reflect the use of streets when making urban street payments to cities and towns,
- establishment of urban street payment rates per moving-lane-mile that better reflect the real costs of maintenance on urban roads,
- simplification of the provisions for allocating funds to Arlington and Henrico counties,
- establishment of a public transportation fund, with allocations to transit operators based on technical formulas,
- reassessment of the provisions for allocating funds on a regular, periodic basis.

These and other recommendations from the JLARC staff report formed the framework for legislative consideration of highway funding equity.

## Senate Joint Resolution 20

With the completion of the JLARC staff study, it soon became clear that the complexity of the issues would make quick action by the General Assembly difficult. Many members felt that careful review of the proposed changes by the legislature would ensure that the technical recommendations could be developed into an appropriate legislative package. Toward this end, JLARC members introduced SJR 20 in the 1984 Session.

SJR 20 established a joint subcommittee of nine members from the House of Delegates and six members from the Senate. The task of the subcommittee was to review the JLARC staff recommendations and the 19 pieces of proposed legislation included in SJR 20. The subcommittee held nine meetings, four of which were public hearings in Newport News, Blacksburg, Fairfax, and Richmond.

As a first step in its work, the subcommittee directed the staffs of JLARC

and the Department of Highways and Transportation to review all of the proposed changes and report on those recommendations on which they could agree. After extensive review and some modification, JLARC and the department reached agreement on all but a few of the proposals. Based on this work, the testimony at the public hearings, and the suggestions of its members, the SJR 20 joint subcommittee adopted a compromise package of legislation.

The compromise was largely a reflection of the agreements reached by JLARC staff and DHT. For those recommendations on which the two staffs could not agree, the subcommittee adopted compromise positions. Because of time constraints, the subcommittee was unable to deal at all with the revisions to the public transportation allocations. The compromise package was introduced in the 1985 session of the General Assembly as House Bill 1269.

### **House Bill 1269**

Thus, after three years of study, review, and debate, the General Assembly had a single, comprehensive proposal for the revision of highway allocations. Not surprisingly, the bill had both strong support and strong opposition. While action on HB 1269 was often portrayed by the news media as a fight between the "city boys" and the "country boys," in fact the legislation was a balanced representation of need in both rural and urban localities across Virginia.

The new law does provide for increased funding for most urban localities through increased urban assistance payments and more construction funds for the urban system. But it also provides for increased unpaved road funds, a greater proportion of funds for the secondary system, and increased primary system funding for the most rural construction district in the State. HB 1269 as signed by the Governor included the following provisions:

- Highway maintenance is defined to include both ordinary and replacement maintenance. This ensures that the high priority established for maintenance by the General Assembly includes all types of highway repair.

- Urban street payments are made to cities and towns for streets in two new functional classes -- Arterial and Collector/Local. The classes are based on the current federal functional classification system. In addition, the rates paid per moving lane mile are increased to reflect more closely the actual cost of maintaining urban roadways. The rates are to be updated annually to account for the increasing costs of labor, materials, and equipment. The funds can be used only for highway maintenance, and will be audited annually by the Department of Highways and Transportation.

- The funding mechanism for counties not in the State secondary system is greatly simplified. The new law provides for payment rates per lane mile for all maintenance and administrative activities. The rates have been set at a level comparable to the costs of State maintenance for counties in the secondary system, and are to be adjusted annually to account for increasing costs. In addition, the revised process provides for a construction allocation based on the formula adopted for the State secondary system.

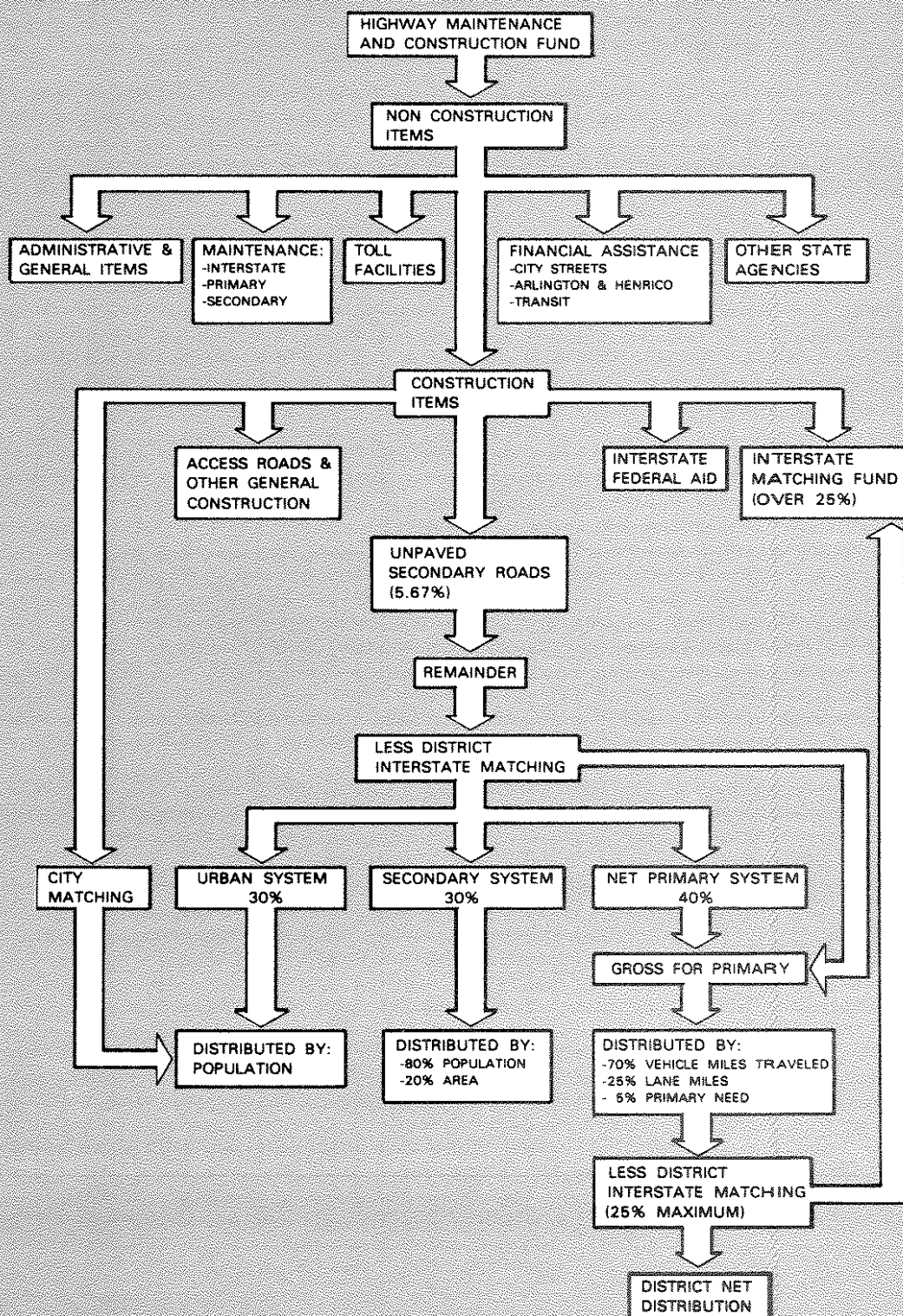
- The system allocations for construction are set at 40 percent for the primary system, 30 percent for the urban system, and 30 percent for the secondary system.

- A new interstate matching fund is established. These funds are used to match federal interstate construction funds when the required match exceeds 25 percent of the primary system allocation to the district.

- The formula for allocating primary system funds to the nine highway construction districts is revised to include vehicle miles of travel weighted 70 percent, lane mileage weighted 25 percent, and primary system need weighted 5 percent. The new law also provides for the matching funds for interstate construction up to 25 percent of the total district allocation.



# Revised Distribution of Highway Maintenance and Construction Funds as Enacted under HB 1269



Source: JLARC staff graphic.

- For the first time, the law includes a formula for allocating urban construction funds. The new formula is based on the population in the cities and towns eligible for the funding. Cities and towns must still provide a five percent match for urban construction projects.
- The new formula used to allocate all secondary system construction funds includes population weighted 80 percent and area weighted 20 percent. An earlier "hold harmless" provision is repealed. The revised law also permits counties to transfer unpaved road allocations to the secondary system for use on projects in that system.
- The level of funding for unpaved roads is increased from 3.75 percent of available construction funds to 5.67 percent. The current method for allocating the funds on the basis of 50 vehicles per day is kept as is.

Enactment of HB 1269 established more firmly the intent of the General Assembly that funds be allocated on an objective, rational basis. For the first time, the allocations are based on formulas derived

from statistical modeling techniques. These techniques ensure that the distributions made by the formulas have a clear relationship to the need for highway funding. It is also significant that the General Assembly recognized the need to fund highway maintenance in the cities at a level comparable to that for the counties. This will help to protect the Commonwealth's substantial investment in urban roadways.

## Ensuring Future Equity

One of the key findings of the JLARC studies was that highway needs are not static. The new allocation provisions adopted by the 1985 General Assembly cannot be expected to equitably distribute funds indefinitely. For this reason, JLARC staff recommended that a systematic review of highway needs be made periodically. The General Assembly adopted this recommendation as HB 1445, which now requires a review of highway system needs once every five years. These assessments should ensure that the provisions for allocating funds can be kept up to date with Virginia's changing transportation environment.

# Special Reports

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JLARC has statutory responsibility to make special studies of the operations and functions of State agencies as requested by the General Assembly. A series of special studies, resulting in four reports, was requested in March of 1984 by Speaker of the House A. L. Philpott, and approved by the Commission in April.

## ADP Contracting at the State Corporation Commission

The Commission authorized a review of automated data processing contracting at the SCC as a follow-up to JLARC's 1980 report, *Management and Use of Consultants by State Agencies*. The study focused on two key concerns: (a) Had the SCC complied with State statutes, policies and procedures in contracting ADP services? and (b) Had SCC personnel and the Commission's ADP contractors complied with the "Ethics in Public Contracting" provisions of the Public Procurement Act?

The staff reviewed relevant statutes, policies, and procedures; analyzed the SCC's contract files and project expenditures since 1976; and interviewed key personnel from the SCC and the Department of Management Analysis and Systems Development (MASD). Three consultants were also interviewed.

The major findings of the study were:

- The practices used by the SCC in consultant procurement were not consistent with provisions of the Procurement Act and had great potential for abuse.
- The SCC did not usually award ADP contracts on a competitive basis, and there had not been an effort to establish a competitive environment following the enactment of the Procurement Act.

- Consistent with JLARC's 1980 findings, the ADP contract administration procedures at the SCC were sound and effectively carried out. However, procedures governing the procurement of ADP services needed revision.
- JLARC staff found no evidence to suggest there had been any violations of the code of ethics contained in the Procurement Act, but some of SCC's contractual relationships were unusual for a public agency, contrary to prudent management practices, and vulnerable to allegations of favoritism.
- The ADP systems procured by the SCC were in place, and appeared to be operating well. Because the systems were developed in a non-competitive environment, however, it was not possible to determine if they were developed and installed at the most economic price.

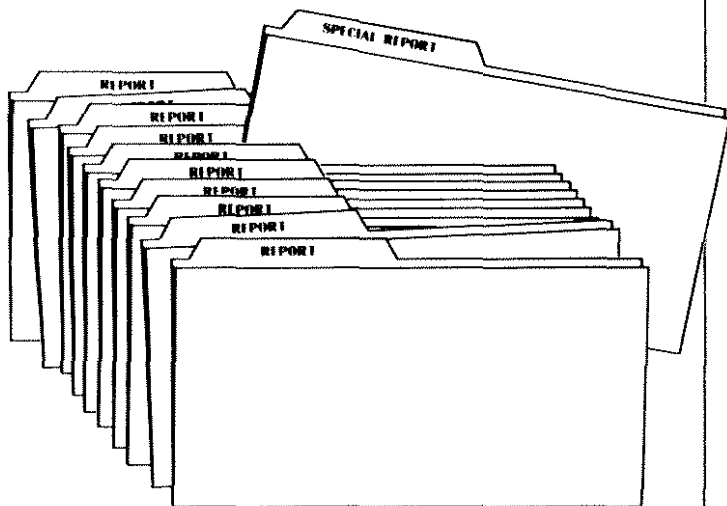
The report recommended that the SCC take immediate steps to ensure its procurement activities were in compliance with the Procurement Act, develop sufficient in-house ADP management expertise, develop policies covering the employment of former employees as consultants, and reduce its reliance on outside consultants.

In December 1984, the SCC adopted policies for the hiring of former employees. These include written contracts specifying the method, schedule, and total amount of payment; a work schedule; progress reports; and disclosure of other business interests.

The SCC has appointed an Executive Director and is in the process of recruiting a person with sufficient technical expertise to manage future systems development. As of June 30, no outside consultants were on contract to manage ADP contractors.

## The Virginia State Library's Contract With the Computer Company

A contract between the Virginia State Library and The Computer Company (TCC) calls for TCC to convert card catalogs of local libraries to machine-readable form. In response to complaints and misunderstandings about this contract, the



Commission authorized an inquiry to examine three issues: (a) Did the VSL follow State procedures in awarding the contract? (b) Were there provisions in the contract protecting VSL's proprietary interests in computer software? and (c) Were public libraries satisfied with the services provided?

The JLARC staff held interviews with State Library and TCC personnel, examined letters and documentation supplied by several local libraries, and conducted a survey of 19 public libraries which received funds under the contract. Key findings of the study were:

- State procurement procedures for computer services were followed by the State Library in awarding the contract
- The contract clearly specified the State Library's ownership rights in certain computer software.
- Public libraries believed that the quality of TCC services and products had improved since the project was initiated in 1980. However, most of the libraries which received grants in 1980

and 1981 reported initial dissatisfaction. This was the period of time when the project was in its developmental stages and all the participants were novices in catalog conversion.

- Public libraries had certain service expectations which were not always met. As time passed, TCC was better able to deliver on its earlier promises of services, and the public libraries gained more experience with catalog conversion. Many public libraries believed that TCC's catalog conversion system had great promise and opted to continue their business relationship with the company.
- Better project management and communication by the State Library at the outset of the project could have averted some of the problems. The contract should have been revised in subsequent years to better reflect contractual and performance responsibilities. Greater attention needed to be given by the State Library to monitoring performance and to improving communication with public libraries on matters related to the project.

The report made several recommendations aimed at resolving outstanding and future problems, clarifying the responsibilities of both parties, and improving the monitoring of performance.

The State Library reports that all outstanding problems have been corrected. Further, each participating library is now being asked to enter into a statement of understanding with the vendor and the State Library when beginning a project under the contract. This statement sets out what each party is expected to do and to produce.

The State Library has engaged a consulting firm to study the present status of library networking and automation among libraries in the State. The resulting study will recommend plans and guidelines for any further development.

Periodic meetings are held to discuss any problems the libraries are having with catalog conversion. An automation con-

sultant has been hired to develop user's manuals and advise librarians. In addition, the General Assembly has created a State Network Users Advisory Council to advise the State Librarian and the Library Board on all matters of library networking.

Monitoring has been improved through monthly reports from TCC and through contract revisions. Another area of change is a requirement in the 1984-85 contract that TCC enter all records into the data bases. This takes much of the operation out of the local libraries. The result, according to the State Librarian, is that "work appears to be going much more rapidly and with fewer problems -- certainly with fewer misunderstandings."

## **The Virginia Tech Library System**

The Speaker of the House requested that JLARC conduct a study of the development of an automated circulation system for the Virginia Tech library and the assignment of this system to the Virginia Tech Foundation for marketing and distribution. The Speaker was concerned that the appropriate steps might not have been taken to secure the proprietary interest of the State and the taxpayers in the computer program. He was also concerned that the Virginia Tech Foundation might have been charging libraries in the Commonwealth an unfair price for the computer software.

Consistent with this study request, JLARC staff examined the following questions: (1) Who owns the proprietary rights in the Virginia Tech Library System (VTLS)? (2) Who is entitled to royalties and to what extent? (3) Does the University have the authority to transfer intellectual property rights to the Virginia Tech Foundation? and (4) Is the Virginia Tech Foundation charging public libraries a fair price for installing VTLS?

The staff reviewed relevant federal and State laws, policies, and procedures; interviewed key personnel from Virginia Tech; consulted with intellectual property law specialists at the College of William and Mary and the University of Virginia; and requested the Auditor of Public Accounts to review certain financial issues related to

the development of the Virginia Tech Library System.

The major findings and recommendations of the study were:

- Development and sales of VTLS had resulted in substantial revenues that could be used by the Virginia Tech Foundation for the benefit of the University. The VTLS had received national and international attention. This could be attributed to the initiative and ingenuity of the developer, and to the entrepreneurial policies and attitudes of the University which fostered the creation of intellectual properties by its staff.
- Although the computer software was not patentable, Virginia Tech chose to include the development of VTLS under its patent policy. Computer software is covered, however, under the Federal copyright law. Thus, the University should have used its copyright policy in determining the developer's share of the royalties.
- The development of VTLS was an assigned duty of the developer through 1978. Under the University's 1973 copyright policy, Virginia Tech owned intellectual properties developed as assigned duties by staff members and was not obligated to distribute royalties. Therefore, that portion of VTLS developed through 1978 should be assigned a market value. Revenues accruing from that portion should be credited to the Foundation and not shared with the developer.
- Because the original VTLS was developed with general funds and as a part of the assigned duties of the developer, the Foundation should reimburse the general fund \$53,000 for the developmental expenses associated with the original software system.
- University decisions regarding the assignment of proprietary rights to the Virginia Tech Foundation were consistent with State laws and

longstanding intellectual property policies of the University.

- The revised VTLS pricing options for public libraries in Virginia appeared fair and reasonable.

Since the report's issuance, the university has taken the following steps:

- Virginia Tech has reimbursed the Commonwealth of Virginia in the amount of \$53,000, the estimated development cost of VTLS.
- Revenues accruing from the replicated portion of VTLS have been retained by the Virginia Tech Foundation. A value of \$2,500 has been assigned to the replicated portion.
- The university administration is currently reviewing and revising its patent and copyright policies with a view toward establishing a single intellectual properties policy.

In addition to the case-specific recommendations stemming from the report, a major conclusion was that the Commonwealth needed to exercise greater oversight of intellectual properties developed with general funds on State time.

## **Patent and Copyright Issues in Virginia State Government**

The genesis of this study was the concern that appropriate policies might not be in place to secure the proprietary interest of the State and the taxpayers in the creation and management of intellectual properties. Since taxpayer funding supports a substantial amount of creative work at universities as well as in State agencies, the public should derive reasonable benefit from those intellectual properties.

The central questions addressed in this study were: (1) What is the scope of intellectual property development at the State's colleges and universities? (2) To what extent have State universities and colleges formulated patent and copyright policies, and are they compatible? (3) Are

there any State policies for guiding the creation and commercial marketing of intellectual properties by State employees? and (4) Should there be a legislative policy on patents and copyrights?

The JLARC staff sent letters to all colleges and universities in Virginia requesting copies of their patent and copyright policies and a listing of any intellectual properties owned by the university or an affiliated foundation. Policies for a number of state universities outside of Virginia were also reviewed.

JLARC interviewed research personnel at the University of Virginia, Virginia Polytechnic Institute and State University, and Virginia Commonwealth University. Interviews were also held with staff of the State Council of Higher Education, State Corporation Commission, Department of Information Technology, and Department of Highways and Transportation.

Major findings of the study were:

- The primary mission of publicly supported universities has not been the production of patentable ideas or inventions. Taken as a whole, however, the State's universities appeared to have done well in creating intellectual properties which earned revenues for their benefit. As of July 1984, universities or their affiliated foundations had administered over 150 patents or copyrights, generating \$2.6 million in total revenues.
- Most universities did not have intellectual property policies and, of those that did, the policies varied significantly in terms of substance and format. With the increasing emphasis being placed on research, the enactment of new federal copyright laws, and the advent of the Center for Innovative Technology (CIT), colleges and universities needed to formulate such policies.
- The General Assembly might wish to enact a law strengthening legislative oversight of intellectual property development at universities. This could be accomplished by establishing a

provision that all patent and copyright policies conform to general principles, by providing the State Council of Higher Education a role in monitoring the creation and administration of intellectual properties at the State's universities, or some combination of the two.

- There seemed to be a growing need for policies to regulate the creation of intellectual properties by State agency employees, especially in the area of computer software development. The General Assembly might also wish to forge a marketing linkage between State agencies and the newly created CIT.
- Some ideas and inventions which have saved the State money have been discovered by classified employees. However, there has been no program for rewarding these individuals for their cost-cutting proposals, although one has been authorized for many years. The General Assembly might wish to encourage the Governor to develop and implement such a program.

Several legislative and executive actions have been taken in response to the special report. House Bill 1493, enacted by the 1985 General Assembly, establishes a policy for State employees developing patentable and copyrightable materials at work. It also authorizes CIT to assist State agencies in evaluating and marketing intellectual properties.

An Intellectual Property Task force was assembled to further articulate a policy and procedures for executive agencies. The task force was headed by the Deputy Secretary for Administration, and was composed of representatives from JLARC, the Center for Innovative Technology, the State Corporation Commission, the Department of Information Technology, the State Council of Higher Education, the University of Virginia Patent Foundation, and the Attorney General's office. An Executive Policy Memorandum will be issued in the fall of 1985.

House Joint Resolution 310 was also passed by the General Assembly requesting the Governor to develop a meritorious service awards program for State employees. An employees suggestion program was begun in April 1985.



# Work in Progress

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## Deinstitutionalization

Deinstitutionalization, the process by which primary treatment for the mentally disabled is transferred from State mental health hospitals to community service providers, has been a major topic of legislative concern for nearly 20 years. The General Assembly established community service boards in 1968. In 1972, the Hirst Commission found deplorable conditions in State institutions and recommended census reductions and increases in spending for community mental health services. In 1979, the Bagley Commission found serious deficiencies in the system and made sweeping recommendations in the areas of funding, client management, and community services.

A special study of deinstitutionalization was prepared by JLARC in cooperation with the Bagley Commission. The study concluded that a coordinated system of care had not been developed. Responsibilities for deinstitutionalization were fragmented among numerous State and local agencies. JLARC recommended clarification of DMHMR's role, the provision of a basic core of services, standardization of planning forms for client discharge, improved monitoring of community service boards, and enhanced interagency cooperation.

SJR 42 of the 1984 session directed JLARC to provide technical assistance to still another legislative task force, the Commission on Deinstitutionalization. The JLARC staff undertook an intensive data-gathering effort, "tracking" clients from hospitals to community service boards, examining the many kinds of client records, and conducting interviews and administering surveys at DMHMR, the community service boards, homes for adults, and the Department of Social Services.

The project staff reported to the SJR 42 Commission on its preliminary findings in August 1985. After a work session of the

two groups, JLARC was requested to estimate, in collaboration with DMHMR, the costs of implementing the study recommendations. These estimates will be presented in September and a final report made before the 1986 session.

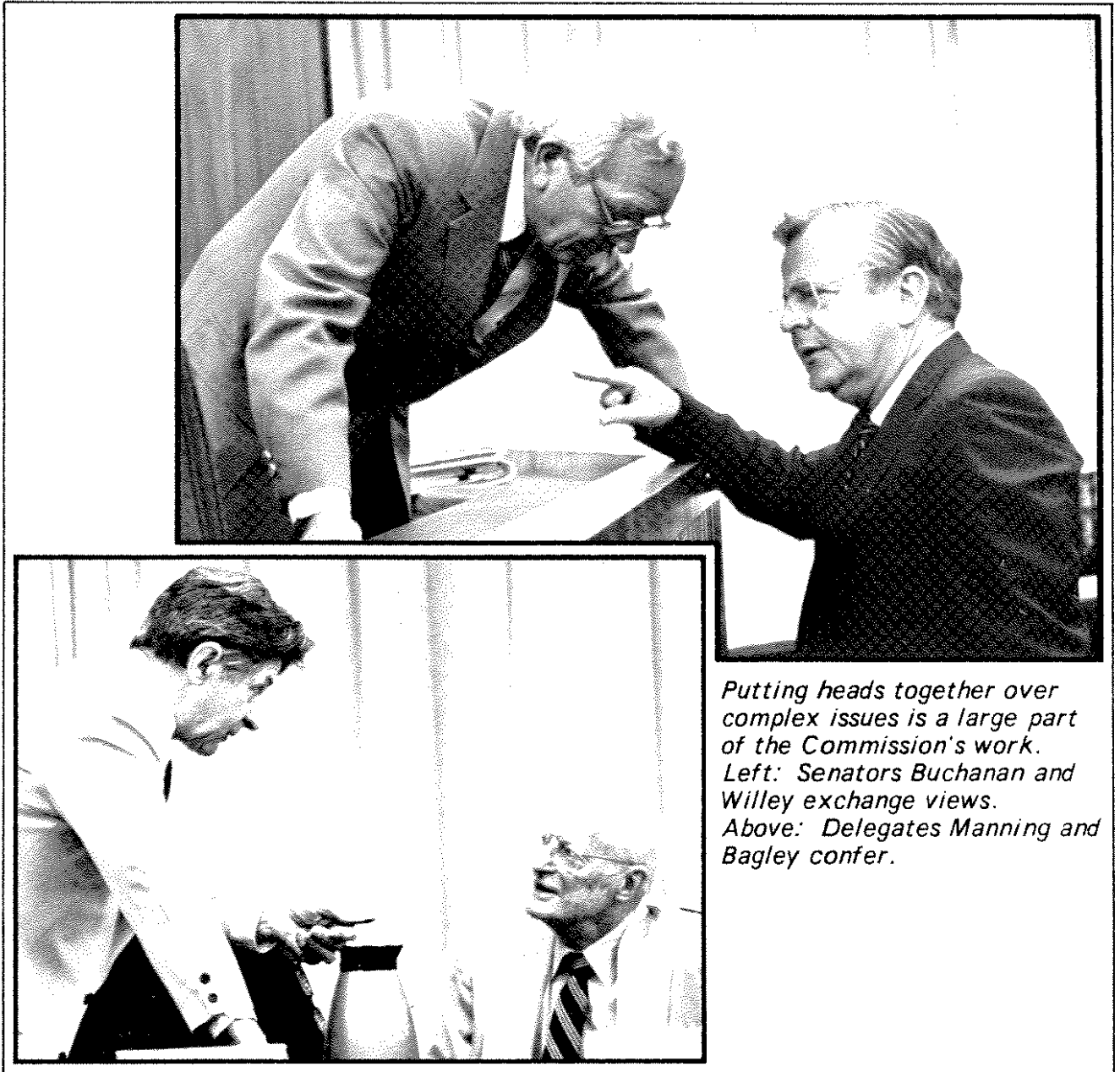
The JLARC staff found that while significant progress has been made toward an integrated service delivery system, corrective actions are still necessary. The study recommendations will take the form of phased actions by the General Assembly, DMHMR, the Community Service Boards, and other State entities to achieve the following policy goals:

- expanding the availability of community programs,
- developing alternatives to State hospitalization and thereby reducing client recidivism,
- reducing hospital census and long-term costs,
- improving housing and residential services,
- improving planning and data collection,
- establishing fiscal accountability,
- establishing service accountability.

## Virginia Housing Development Authority

Senate Joint Resolution 7 of the 1984 session requested the Commission to review the programs and operations of VHDA with special attention to (1) activities of the authority supported by mortgage revenue bonds; (2) the extent to which the authority's programs have benefited persons and families of low and moderate income; (3) the definition of low and moderate income as used by VHDA; (4) the operations,





management, and administration of the authority; and (5) any additional matters deemed appropriate by the staff.

This study has been under way since the spring of 1984 and is now nearing completion. An interim progress report outlining the authority's programs and briefly describing the methods used by the team was completed and distributed in February 1985.

The final report will include comprehensive evaluations of the authority's multi-family and single family programs based on assessments of eligibility

criteria, selection processes, and management functions. The project team is also preparing a client profile of those served by VHDA.

### **Costs of Achieving Standards of Educational Quality**

The focus of this project is the cost of funding the State-mandated Standards of Quality. Key topics include: (1) the validity of cost data, (2) the division of costs into instructional and support costs, (3) the

relationship of costs to the required standards, and (4) the adequacy of current State funding in meeting costs associated with the State-mandated standards.

## **Corrections**

The JLARC staff is continuing its series of reports on corrections issues as directed by the Appropriations Act. Three studies are currently in progress, and their completion will bring the total in this area to seven.

Non-Security Staffing. Among the key issues in this area are the following: (1) Do DOC institutions have an adequate amount of non-security staff? (2) Is there excessive variation in non-security staffing levels between institutions? (3) Are non-security staff used appropriately? (4) To what extent can inmates be used to perform such non-security functions as maintenance and food preparation?

The Department of Correctional Education. DOCE (formerly the Rehabilitative School Authority) is an independent agency established to provide educational services to incarcerated youth and adults in Virginia correctional institutions. The study is focusing on whether the agency's level of staff is appropriate, both in the institutions and in the central office. It is also examining facility utilization and the distribution of programs and staff among the various adult and youth institutions.

The existence of an autonomous agency to deliver correctional education services may be unique to Virginia. The study is assessing whether a separate agency for delivering educational services to inmates is the most effective and efficient structure.

Local Jail Capacity and Forecasting. This study is focusing on the capacity of correctional facilities to house existing and projected local jail populations. Crowding in local jails and the capacity of State institutions to absorb State felons are being examined. The use of the State's funding formula as a method of managing the distribution of local jail populations are also being explored.

## **Independent Agencies of State Government**

The 1985 Appropriations Act directed JLARC to initiate a study of the operations of independent agencies, specifically the State Corporation Commission and the Department of Worker's Compensation (Industrial Commission). The studies are to address matters relating to the management, organization, staffing, programs, and fees of the agencies, as well as other matters as directed by the Commission.

The State Corporation Commission. The SCC is an independent agency of State government with legislative, judicial, and executive authority. It has not been the subject of any major legislative evaluations. This study will be the first of JLARC's studies of independent agencies.

The study mandate directs JLARC to "plan and initiate a comprehensive performance audit and review of operations." The first phase of this study involved an organization, operations, and management review. The project will be completed in mid-1986.

The Department of Worker's Compensation (Industrial Commission). The Industrial Commission of Virginia is responsible for deciding claims for compensation under the Worker's Compensation Act. It is also responsible for compensating victims of violent crime. This area is scheduled for review in 1986.

## **Highway Allocations**

JLARC has continued its follow-up of the highway allocations study as necessary. A key item currently in progress is an analysis of the urban vehicle-miles-of-travel data collected by the Department of Highways and Transportation. JLARC staff are assessing the relationship between the new data and existing data used to allocate urban construction funds to the cities and towns.

Staff are also reviewing implementation of HB 1269, monitoring highway fund revenues, and providing assistance to members on matters dealing with the JLARC studies and HB 1269.

JLARC that the health pilot review encompass these ongoing studies, but not be limited to them.

The health studies took about 18 months to complete, culminating in August 1979 with the completion of a study of the Medical Facilities Certificate-of-Need Law. Studies were coordinated with a joint subcommittee composed of appointees from



the Senate Committee on Education and Health and from the House Committee on Health, Welfare, and Institutions.

The reports ultimately encompassed under the health pilot review included *An Overview of Medical Assistance Programs* and evaluations of *Long Term Care*, *Inpatient Care*, *Outpatient Care*, *Certificate of Need*, and *Homes for Adults*.

The study committee met in October 1980 to review the procedures and accomplishments of the pilot program and to suggest any necessary changes. Legislative and executive officials involved in study activities were invited to share their experiences. Dr. Alan Rosenthal, Director of the Eagleton Institute of Politics at Rutgers University, participated in the assessment as an expert observer of the field of state legislative oversight.

Based on the committee findings, several recommendations were made to the Joint Legislative Audit and Review Commission regarding procedures.

## **A Critique of Procedures**

The committee concluded that Evaluation Act procedures, as they applied to the health pilot studies, were basically sound. Several refinements were suggested, primarily in four areas: (1) agency involvement in topic selection and

development, (2) agency opportunity to review report drafts, (3) report tone, and (4) follow-up.

**Topic Selection.** Agency officials requested more involvement in the topic selection process, and they believed that subcommittee meetings regarding topic selection should be accessible to agency representatives. One participant stated that better involvement would give the agencies an "understanding of where the legislature was coming from." He felt it was important for agency heads to know why certain topics were selected, and others were not.

The committee suggested that the Commission and staff explore options for involving agencies in topic selection and development processes. These might include inviting the agency head to observe subcommittee deliberations or to submit a list of proposed topics.

**Review of Exposure Draft.** JLARC's "exposure drafts" had always been reviewed by agencies affected by the evaluations as an external quality control measure. Written comments were requested from agency heads. Agency officials stated, however, that they were not always given sufficient time to review and comment on the exposure draft.

The committee suggested that agencies be given at least 20 working days to review exposure drafts and prepare their written responses.

**Report Tone.** Two agency administrators commented on report tone -- especially relating to how critical comments could be balanced. One administrator stated that reports understandably appeared negative because they highlighted agency and program deficiencies. In other words, reports focused on the things that needed to be improved. Nevertheless, those agencies urged more balance be added to reports by identifying to a greater degree the things an agency had done right.

The committee agreed that program evaluation is essentially a critical process. It needs to focus on agency performance that falls short of program objectives or sound management practices. Yet if a

## "An Interesting Evolution In Attitude"

*In 1979, JLARC completed a study of the Virginia Tech Extension Division. In June 1985, the Division filed its third "status of action" report on the JLARC recommendations. The following quotation from that report is by Dr. M. R. Geasler, Director of the Virginia Cooperative Extension Service.*

"Senior staff who were employed by the Extension Division in 1979 and who are currently on the agency staff report an interesting evolution in attitude. The JLARC report which was viewed negatively by them at the time it was presented, is now seen as one of the most positive external studies which could have been conducted for the agency. The analytical value of that JLARC external study has contributed to the agency reduction in force, resulting in a more streamlined agency today and we believe a more efficient organization. Moreover, it was one sound basis for our current emphasis on excellence being made in all of the agency programs.

Through our agency's organizational relationship to the Extension Service, United States Department of Agriculture, and the regular interaction with the Cooperative Extension Services of other states, the JLARC study has been cited as a model for a thorough, analytical study."

report is unnecessarily negative, it can irritate and offend the agency, and make acceptance of recommendations more difficult.

The committee suggested that greater effort be given to achieving balance in report tone. The reports might acknowledge positive agency contributions, note cooperative actions taken to improve program management and administration, and generally give more credit where due for positive performance.

**Follow-Up.** Under the auspices of the Evaluation Act, House and Senate standing committees with jurisdiction over the health pilot study series had been invited to participate in the study process. Each committee chairman had been asked to appoint a subcommittee to work with JLARC and its staff. Subcommittee members had participated actively in selecting topics, making recommendations, and holding public hearings on completed studies.

Several of the committee members believed that a subcommittee's

responsibility should not necessarily end when a report was issued or when a public hearing was held. There might also be some kind of continuing oversight involvement. One member urged caution in this regard. He sensed there could be a significant problem if the concept of JLARC's continuing, sustained involvement in implementation of study findings was taken too far. The committee agreed, however, that follow-up was important.

It was noted that in 1980 legislation had been enacted authorizing JLARC to develop more formal follow-up procedures. This legislation applied to all reports completed under the Act. Three types of follow-up studies were authorized: (1) agency status-of-action reports, (2) supplementary reports, and (3) biennial reports to the General Assembly.

The study committee suggested that, when appropriate, subcommittees that had worked on studies might be invited by the JLARC chairman to become involved in monitoring executive responses given to the studies in those follow-up reports. By involving subcommittees in follow-up activities, the specific legislators who were primary users of oversight information could have more direct, continuing access to it.

The committee also suggested that JLARC take advantage of the in-depth knowledge gained through evaluation studies, and on the occasion of its follow-up reports, bring to the attention of the General Assembly any significant policy matters that might be on the horizon. The committee noted a particular need for caution in this regard and urged that in the event such reports were made, they be clearly distinguished from regular JLARC evaluation reports.

## Identifying Accomplishments

The committee concluded that the Evaluation Act had provided the General Assembly with a systematic means of evaluating the functions of State government and coordinating that evaluation work with the oversight responsibilities of the standing committees.

Actions taken in response to the health pilot studies indicated there had been significant accomplishments. Positive

changes had occurred in legislative policy, program management, and agency administration.

Dr. Rosenthal noted two other, less tangible outcomes of evaluation in Virginia. His comments were based on a study he had conducted in Virginia of JLARC report utilization. The first point was that the Evaluation Act had functioned as a reinforcement or reassurance mechanism for the legislature and its standing committees:

"The Act can reassure the legislature that something is being operated properly.

Sometimes because of the size of a program or the nature of conflict taking place in State government, the legislature requires some sort of scrutiny to see whether things are OK -- and it's not bad to find out that something is working well."

A second point was on the quality of information that was produced. Educating the legislature and agencies about programs is not a manifest purpose of the Evaluation Act, but it seemed to be an important by-product of the Commission's study activities. Rosenthal commented:

"It's amazing how valuable this health series seems to be to legislators and their staffs, agency personnel, and interest groups. I've heard a number of people say they are using these documents because they give a good description of the program. It's a fairly decent learning document."

Delegate Richard M. Bagley, JLARC's Chairman, concurred with Dr. Rosenthal's assessment and acknowledged that the health pilot studies did indeed result in significant accomplishments. And, he added:

"I think it is perfectly remarkable, given the sometimes adversarial relationship between the executive and legislative branches of government, that

things have been done hand-in-hand so to speak, based on JLARC reports. I think that the administration is to be commended for that and I would be remiss if I didn't make that statement.

I believe the results of this (past) session have shown that the Act is working pretty well at this time...."

The study committee agreed with the general assessment and concluded that the Evaluation Act was working effectively. No statutory revisions were recommended.

## **Learning from the Past and Looking to the Future**

Five years have passed since the health pilot study and the first assessment of the Evaluation Act. During that time, as documented in the last two biennial reports, JLARC has significantly broadened the range of its studies, further testing the metal of the Act and its various provisions. Additional review is now warranted, which is the purpose of the oversight conference.

Enactment 4 of Chapter 388 of the 1978 Acts of Assembly calls for a second assessment opportunity -- a Conference on Legislative Oversight. Like the health pilot, the Conference has been planned to assess and evaluate the accomplishments of the Act. But unlike the first review, it will use a broader comparative perspective -- focusing on legislative oversight in Virginia and learning from experiences in other states as well.

The conference membership consists of the members of the Commission, the chairs of each House and Senate standing committee, and other members of the General Assembly appointed by the Speaker of the House of Delegates or by the Senate Committee on Privileges and Elections. Proceedings are to be prepared and made available to each member of the General Assembly and to the public.

Several observations on specific provisions of Act are discussed below to assist conferees and legislators in reassessing the Act.

**Scheduling.** §30-66 directs the Commission and the General Assembly to prepare periodic evaluation schedules. Paragraph A states that the functional areas of State government shall be scheduled for legislative review and evaluation on a seven-year cycle, beginning in the 1979-80 fiscal year. Paragraph B adds that beginning with the 1979 legislative session, and from time to time as may be required, the Senate and House of Delegates shall by joint resolution establish a schedule for the review of the functional areas of State government.

For the most part, this provision of the Act has been carried out. However, neither the Commission nor the General Assembly deemed it necessary to schedule the functional areas on a full, seven-year cycle. In 1979, a majority of the Commission believed that it was not in the legislature's best interest to establish a long-range schedule which provided agencies advance notice that oversight was scheduled. Consistent with that belief, the content and specificity of the scheduling resolutions have varied over the past four years.

SJR 133 adopted by the 1979 General Assembly scheduled two functional areas for review:

- 1979-80 Individual and Family Services
- 1980-81 Resources and Economic Development

SJR 50 was passed in 1980 and scheduled for review:

- Transportation
- Resources and Economic Development
- General Government

SJR 35 was agreed to by the 1982 General Assembly. It scheduled the remaining functional areas for review (but divided the Education function into two parts):

- Education (Elementary & Secondary)
- Administration of Justice
- Education (Higher)
- Enterprises

Only the first scheduling resolution contained specific dates. Dates were dropped from the subsequent resolutions to provide the Commission greater scheduling flexibility, especially in light of the General Assembly's continuing interest in transportation issues and programs, and the seven-year cycle has now been extended to approximately eight years.

Two subsequent lessons have been learned. First, while the long-range schedule may signal the functional area for review, the topic selection process does not become specific until after the resolution has been passed. Thus, earlier concerns about the advanced notice have been rendered moot. Second, the longer schedule





adopted in the two latter resolutions have helped staff plan and sequence work under the Evaluation Act, and balance that work with other oversight mandates given by the General Assembly. There seems to be little reason, therefore, not to adopt a regular schedule for the functional areas in a single scheduling resolution.

In summary, the scheduling provision seems to be the keystone of the Evaluation Act. In the event the General Assembly does not request specific studies from the Commission, the scheduling provision provides JLARC with sufficient legislative guidance to plan and carry out an evaluative oversight program. However, the General Assembly may wish to consider adding a standard schedule to the Evaluation Act's scheduling resolution. The legislature still would retain the flexibility to alter the schedule for a single year or for all years, depending on circumstances.

A table following this article shows all the studies completed under the Evaluation Act listed according to functional areas.

Coordination with Standing Committees. An important objective of the sunset study task force was to increase the participation of standing committees in the evaluation process. §30-67 was drafted to carry out the thrust of this recommendation.

This provision calls for the Commission to coordinate its work with the standing committees. The Commission is to introduce a joint resolution which identifies to the extent feasible the agencies, programs or activities selected for review and evaluation from the functional area. Then, to ensure proper coordination with appropriate committees, the resolution is supposed to identify each House and Senate standing committee to be invited to participate in developing study topics.

For various reasons, this provision has not been carried out in a consistent manner. SJR 133 identified specific committees which were to participate with the Commission. As shown latter, the process worked exactly as intended.

In discussing the subsequent resolution, the legislature took a different posture. SJR 50 established a select committee to work with JLARC in the preparation of the Transportation reports, and also identified

specific areas of study within the transportation function. Thus, for this function, the full legislature (not just the standing committees) determined the topics to be studied and the committees to be represented on the coordinating committee.

SJR 50 also directed the Commission to review programs concerned with the regulation of occupations and professions. JLARC was directed to work with the two General Laws committees. Senator Stanley C. Walker was appointed chairman of the joint subcommittee which operated during the period. However, §30-77 of the Code provides a mandate for JLARC to make periodic performance reviews of specific regulatory agencies as listed in the Code. Thus, once again, the scheduling and coordinating provision of the Evaluation Act was superceded by another legislative mandate.

SJR 35, the most recent scheduling resolution, includes a provision which applies to all five functional areas scheduled in the resolution. It states, "Prior to the initiation of such studies, the Commission shall coordinate its review efforts with Senate and House of Delegates committees with general jurisdiction in the area of study, and such committee chairmen shall appoint a subcommittee to work with the Joint Legislative Audit and Review Commission in the appropriate area."

Nevertheless, because of the diverse nature of the programmatic activities comprising the General Government area and the nature of some of the studies, standing committees did not have to be requested to play a coordinative role. Many of the issues which were addressed in the General Government area were statutory responsibilities of JLARC (working capital funds) or of significant interest to the two budget committees which were already well represented on the Commission (consolidation of State office space in Roanoke and Northern Virginia). Furthermore, HJR 105 of the 1982 session, which requested a study of the mandates placed on local governments established a 12-member subcommittee to work with the Commission. Although this effort was identified as an Evaluation Act study in the area of General Government, the legislature chose to establish linkages within the

General Assembly committees as part of the resolution -- a common practice with study resolutions.

The two studies of agencies which had "sunset" provisions as part of their enabling legislation and which were incorporated under the Evaluation Act also had specific mandates and specific coordinating mechanisms as part of the study resolutions.

In the functional area referred to as "Administration of Justice," the legislature used still another variation to specify evaluation topics. In this case, the specific subjects to be studied were listed in the Appropriations Act. And, in the functional area of "Education," one topic was specified by appropriations act language and a second topic was approved by the Commission as an extension of its authority under its enabling legislation.

Thus, while §30-67 offers the General Assembly one mechanism to use when establishing specific topics for review, a variety of other mechanisms are also used for topic selection purposes. Given that several alternatives are used, the General Assembly may wish to modify this specific provision to recognize existing practice and make the language permissive rather than mandatory.

Evaluation Criteria and Self-Studies. §30-68 sets out certain criteria to be used in evaluating agencies, programs, and activities. This provision also authorizes the Commission to require self-studies of agencies. Self-studies were requested from both the Division for Children and the Division of Volunteerism and proved to be a valuable exercise for the agencies. Although use of the self-study provision has not been extensive, it is a handy tool for economizing the evaluation and oversight process.

Access to Information. §30-69 provides the Commission access to agency records. Access to information has been an important and frustrating issue of concern during several JLARC studies, most recently in the areas of mental health and community diversion.

The invocation of this statute has on several occasions been necessary and particularly helpful.

Public Hearings. Although the Legislative Program Review and Evaluation Act did not have a mandatory termination provision as did typical "sunset" laws, a process for utilization of oversight results was developed. The formal guarantee of utilization by the legislature was the provision that committees would hold hearings on the subject reports and establish a dialogue on program performance in an open forum. Sections 30-70 and 30-71, the public hearing provisions of the Act, were adopted for that purpose.

To a great extent, the hearing provisions have achieved their purpose -- but not in the way originally conceived.



Public hearings have been held on practically every product of the Evaluation Act. For example, public hearings were held on separate reports of the health pilot series. The JLARC staff presented the reports in a specially convened hearing and interested agencies and citizens commented on the subject areas, report findings, and staff recommendations. A single hearing was held on the reports that constituted the Individual and Family Services series. Dealing with several reports at once reduced the time demands on legislators and kept hearing costs to a minimum.

The committees that received the reports on the Division for Children and the Division of Volunteerism each held a separate hearing which focused specifically on staff recommendations contained in the report and on agency termination. A legislative package grew out of each hearing which advanced recommendations contained in the report.

The hearing provision was implemented somewhat differently for the reports encompassed within the Transportation series. In that case, the reports were made



available just prior to the legislative session. Two major pieces of motor fuel tax legislation, Senate Bill 99 and House Bill 532, had been introduced which related to the reports dealing with highway needs, highway financing, and cost responsibility. The substance of those reports was conveyed to House and Senate budget and finance committees concurrent with hearings on the tax bills. A subcommittee of the House Finance Committee also held a hearing on the report dealing with the administration of the Department of Highways and Transportation. Since the substance of the reports had been heard extensively by the members of the legislature (and legislation had been passed dealing with each report) further hearings would have been duplicative and, therefore, were unnecessary.

In a similar way, hearings were held on the corrections reports during the legislative session because the reports were issued just prior to the session and legislation relevant to the reports was under consideration.

Thus, timing in the release of the reports has been an important influence on the nature of the hearing process. Those reports that are issued before the legislature convenes are frequently heard as

a routine part of the legislative process. Reports that are released during the interim may require special hearings.

In reassessing the Evaluation Act, the General Assembly may wish to modify the hearing provision to recognize the various hearing alternatives that are available.

Safeguard Provisions. §30-72 and §30-73 contain certain safeguard provisions that were included in the Evaluation Act to make it more palatable to the sunset study task force. For example, "The operation of this chapter shall not restrict the power of the General Assembly to study or act on any matter at any time" and "The operation of this chapter shall not imply or require the termination of any State agency or program."

§30-73 states that the Evaluation Act "shall terminate on July one, nineteen hundred eighty-seven, unless reestablished by prior act of the General Assembly."

It appears that these two statutory provisions have achieved the purposes of ensuring legislative consideration of the reports issued under the Evaluation Act and reassessing the Act itself. Consequently, these provisions can now be deleted from the Act when it is introduced for reenactment.

## **Legislative Program Review and Evaluation Act: Study Synopsis**

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### Health Pilot Study

In 1977, JLARC undertook a series of comprehensive studies on medical assistance programs in Virginia. Subsequently, these studies were incorporated under the pilot review provisions of the Evaluation Act. The study effort was coordinated with the Health Pilot Subcommittee composed of appointees from the Senate Committee on Education and Health and the House Committee on Health, Welfare and Institutions. Five reports were issued:

*Medical Assistance Programs in Virginia: An Overview*  
*Outpatient Care in Virginia*  
*Long Term Care in Virginia*  
*Inpatient Care in Virginia*  
*Certificate of Need in Virginia*

### Individual and Family Services

Senate Joint Resolution 133 enacted during the 1979 legislative session, directed JLARC to evaluate during FY 1979-80 programs and agencies in the Standards of Living subfunction of the Individual and Family Services budget function. Review efforts were coordinated with the House Committee on Health, Welfare and Institutions, and the Senate Committee on Social Services and Rehabilitation. The JLARC review concentrated on programs and activities in the Department of Welfare. Studies completed were:

*Homes for Adults in Virginia*  
*The General Relief Program in Virginia*  
*Title XX in Virginia*  
*Organization and Administration of Social Services in Virginia*  
*(includes an evaluation of Day Care in Virginia)*

### Transportation

During the 1980 legislative session, the General Assembly passed SJR 50 which called for a comprehensive review and evaluation of various aspects of highway and transportation programs. The early phases of the review were coordinated with a special subcommittee consisting of appointees from the House Roads and Internal Navigation Committee, Senate Transportation Committee, House Finance Committee, and Senate Finance Committee. The following reports have been published:

*Methodology for a Vehicle Cost Responsibility Study: An Interim Report*  
*Vehicle Cost Responsibility in Virginia*  
*Highway Construction, Maintenance, and Transit Needs in Virginia*  
*Highway Financing in Virginia*  
*Organization and Administration of the Department of Highways and Transportation: An Interim Report*  
*Organization and Administration of the Department of Highways and Transportation*  
*Highway and Transportation Programs in Virginia: A Summary Report*

Other reports in the Transportation Series, not mandated by SJR 50:

*Staffing and Manpower Planning in the Department of Highways and Transportation*  
*Interim Report: Equity of Current Provisions for Allocating Highway Construction Funds in Virginia*  
*Equity of Current Provisions for Allocating Highway and Transportation Funds in Virginia*

### Resources and Economic Development

SJR 50 instructed JLARC to review the budget function of Resources and Economic Development, specifically focusing on programs, activities, and agencies concerned with the regulation

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of professions and occupations. The Commission coordinated its review effort with a subcommittee composed of members from the House Committee on General Laws and the Senate Committee on General Laws. Two studies were prepared:

*Occupational and Professional Regulatory Boards in Virginia*  
*The Occupational and Professional Regulatory System in Virginia*

#### General Government

Senate Joint Resolution 35, enacted by the 1982 General Assembly, directed JLARC to review the functional area of General Government. HJR 105 (1982), HJR 10 (1983), and SJR 36 (1983) also specified studies in this functional area and were incorporated under the Evaluation Act.

*Working Capital Funds in Virginia*  
*Consolidation of Office Space in the Roanoke Area*  
*Consolidation of Office Space in Northern Virginia*  
*Interim Report: Local Mandates and Financial Resources*  
*State Mandates on Local Governments and Local Financial Resources*  
*Local Fiscal Stress and State Aid*  
*Towns in Virginia*  
*Interim Report: Organization of the Executive Branch*  
*An Assessment of Structural Targets in the Executive Branch of Virginia*  
*An Assessment of the Secretarial System in the Commonwealth of Virginia*  
*An Assessment of the Roles of Boards and Commissions in the Commonwealth of Virginia*  
*Organization of the Executive Branch in Virginia: A Summary Report*  
*The Virginia Division for Children*  
*The Virginia Division of Volunteerism*

#### Administration of Justice

SJR 35 directed the Commission to look at programs and activities in the functional area of Administration of Justice. Specific topics were mandated by language in the Appropriations Act. In addition to the studies listed below, reviews are under way of nonsecurity staffing, local jail capacity and forecasting, and the Department of Correctional Education.

*Interim Report: Central and Regional Staffing in the Department of Corrections*  
*The Community Diversion Incentive Program of the Virginia Department of Corrections*  
*Virginia's Correctional System: Population Forecasting and Capacity*  
*Security Staffing and Procedures in Virginia's Prisons*

#### Education (Elementary and Secondary)

SJR 35 scheduled the area of elementary and secondary education for future review. A review of the Educational Standards of Quality is under way.

#### Education (Higher) and Enterprises

No studies have been initiated in these two functional areas.

**Note:** Related studies not carried out under the Evaluation Act have been completed in some functional areas. All JLARC studies are listed in the Annotated Bibliography.

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# JLARC REPORTS

## An Annotated Bibliography

### **Program Evaluation: The Virginia Community College System**

March 1975 (authorized by Section 30-58.1, Code of Virginia) 151 pp.

Evaluated the State's Community College system, and identified administrative and educational issues requiring attention by VCCS, the Council on Higher Education, and the Legislature.

### **Program Evaluation: Virginia Drug Abuse Control Programs**

October 1975 (authorized by Section 30-58.1, Code of Virginia) 201 pp.

Evaluated education, law enforcement, adjudication, treatment, and other control functions of the State's drug abuse programs.

### **Operational Review: Working Capital Funds In Virginia**

February 1976 (authorized by Section 2.1-196.1, Code of Virginia) 70 pp.

Assessed the use and management of working capital funds by State agencies and institutions.

### **Special Report: Certain Financial And General Management Concerns, Virginia Institute of Marine Science**

July 1976 (authorized by Section 30-58.1, Code of Virginia) 15 pp.

A review of VIMS, prompted by financial and management problems discovered during another Commission study regarding marine resources.

### **Program Evaluation: Water Resource Management In Virginia**

September 1976 (authorized by Section 30-58.1, Code of Virginia) 178 pp.

Evaluated State laws and management programs designed to provide protection against flooding, ensure adequate water supplies, and control pollution of Virginia's water resources.

### **Program Evaluation: Vocational Rehabilitation**

November 1976 (authorized by Section 30-58.1, Code of Virginia) 130 pp.

Evaluated the vocational rehabilitation programs managed by the Department of Vocational Rehabilitation and the Commission for the Visually Handicapped.

### **Operational Review: Management of State-Owned Land In Virginia**

April 1977 (authorized by Section 30-58.1, Code of Virginia) 64 pp.

Assessed the processes for management and disposition of land owned by State agencies and institutions.

### **Sunset, Zero-Base Budgeting, Evaluation**

September 1977 (authorized by House Joint Resolution 178) 84 pp.

Transcribed text of a two-day conference sponsored by JLARC on the concepts of Sunset, Zero-Base Budgeting, and Legislative Program Evaluation.

### **Program Evaluation: Marine Resource Management Programs In Virginia**

June 1977 (authorized by Section 30-58.1, Code of Virginia), 80 pp.

Evaluated State programs for managing marine resources and the administrative efficiency of agencies in implementing these programs.

### **Special Report: Use of State-Owned Aircraft**

October 1977 (authorized by Section 30-58.1, Code of Virginia), 23 pp.

Assessed the cost, utilization, and management of State-owned aircraft. Recommended a needs assessment and the implementation of appropriate policies and guidelines.

### **Zero-Base Budgeting?**

December 1977 (authorized by House Joint Resolution 178) 52 pp.

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## An Annotated Bibliography

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Text of prepared remarks and taped testimony from a budget forum held in August 1977 on Zero-Base Budgeting and its potential relevance for use in Virginia.

### **The Sunset Phenomenon**

December 1977 (authorized by House Joint Resolution 178), 89 pp.

Third and final report of the HJR 178 study. Contains legislation recommended to the General Assembly.

### **Long Term Care In Virginia**

March 1978 (authorized by Section 30-58.1, Code of Virginia) 110 pp.

Assessed the cost and quality of nursing home care, and medicaid funding. First in a series of reports on medical assistance programs in Virginia.

### **Medical Assistance Programs In Virginia: An Overview**

June 1978 (authorized by the 1978 Legislative Program Review and Evaluation Act) 95 pp.

A descriptive report which focused on the individual programs that make up the medical assistance system in Virginia. Second in a series of reports on medical assistance programs.

### **Virginia Supplemental Retirement System Management Review**

October 1978 (authorized by Section 30-60, Code of Virginia) 96 pp.

Provided a management review of the VSRS to complement a financial audit of the system conducted by the State Auditor of Public Accounts.

### **Operational Review: The Capital Outlay Process In Virginia**

October 1978 (authorized by Section 30-58.1, Code of Virginia) 94 pp.

Reviewed the planning, budgeting and implementing procedures of the capital outlay process in the State. Focused on authorized construction, and also reported on unauthorized construction activity.

### **Special Study: Camp Pendleton**

November 1978 (House Document No. 3 of the 1979 Session, authorized by House Joint Resolution 14 of the 1978 Session), 58 pp.

Examined the utilization of Camp Pendleton, the needs of the Virginia National Guard for training facilities, and the needs of adjacent communities for public-purpose land.

### **Inpatient Care In Virginia**

January 1979 (authorized by Section 30-58.1, Code of Virginia) 118 pp.

Reviewed State programs that provide hospital care to the indigent. Third in a series of reports on medical assistance programs.

### **Outpatient Care In Virginia**

March 1979 (authorized by Section 30-58.1, Code of Virginia) 73 pp.

Reviewed outpatient health care programs provided to the

poor by local health departments. Fourth in a series of reports on medical assistance programs.

### **Management And Use of State-Owned Motor Vehicles**

July 1979 (authorized by Section 30-58.1, Code of Virginia) 68 pp.

Evaluated the utilization of State-owned passenger vehicles and appropriateness of management procedures.

### **Certificate-Of-Need In Virginia**

August 1979 (authorized by Section 32-211.17, Code of Virginia) 105 pp.

Examined the operation of the Medical Care Facilities, Certificate of Public Need Law to determine if it has served the public interest.

### **Report to the General Assembly**

August 1979 (authorized by Section 30-58.2, Code of Virginia) 32 pp.

Provided general information about the Commission and summarized studies conducted from 1974 through 1979.

### **Virginia Polytechnic Institute And State University Extension Division**

September 1979 (authorized by Section 30-58.1, Code of Virginia) 118 pp.

Reviewed the operation and administration of the VPI&SU Extension Division, focusing on program expansion, duplication of effort, and organization and staffing.

### **Deinstitutionalization And Community Services-Special Report**

September 1979 (authorized by Section 30-58.1, Code of Virginia) 84 pp.

Assessed release procedures at State institutions for the mentally ill and mentally retarded and the linking of discharged clients with appropriate services. One part of a comprehensive review of the State's Mental health care programs

### **Special Study: Federal Funds-Interim Report**

December 1979 (House Document No. 16 of the 1980 Session, authorized by House Joint Resolution 237 of the 1979 Session) 42 pp.

Provided background information on the intergovernmental aid system. Reviewed the growth and distribution of federal funds in Virginia.

### **Homes for Adults In Virginia**

December 1979 (authorized by Senate Joint Resolution 133 of the 1979 Session) 73 pp.

Evaluated the State's homes for the aged, infirm and disabled. Examined the licensure and inspection process of the State Department of Welfare and the administration of the auxiliary grant program.

### **Management and Use of Consultants by State Agencies: Operational Review**

May 1980 (authorized by Section 30-58.1 Code of Virginia) 73 pp.

Assessed the need for and the use of consultants by State agencies. Made recommendations to increase competitive bidding and improve documentation and accountability.

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## An Annotated Bibliography

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### **The General Relief Program In Virginia**

*September 1980 (authorized by Senate Joint Resolution 133 of the 1979 Session) 66 pp.*

Examined the accuracy of the eligibility determination process and assessed key aspects of case management in the Virginia General Relief Program.

### **Federal Funds In Virginia: Special Report**

*October 1980 (House Document No. 6 of the 1981 Session, authorized by House Joint Resolution 237 of the 1979 Session) 122 pp.*

Focused on federal influence over State and local programs and evaluated the procedures by which federal funds are sought, utilized, monitored, and controlled.

### **Federal Funds In Virginia**

*January 1981 (authorized by House Joint Resolution 237 of the 1979 Session) 20 pp.*

Summary study that assessed the impact of federal funds on State agencies and local governments. Provided information on the implementation of recommendations from earlier reports on this subject.

### **Methodology For A Vehicle Cost Responsibility Study: Interim Report**

*January 1981 (Senate Document No. 12 of the 1981 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 65 pp.*

Discussed the methodology to be used in carrying out JLARC's vehicle cost responsibility study. The design was based on Virginia's highway programs, construction and maintenance standards, and revenue sources.

### **Organization And Administration Of The Department Of Highways And Transportation: Interim Report**

*January 1981 (Senate Document No. 14 of the 1981 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 85 pp.*

Examined staffing, equipment management, contract administration, and construction planning as well as fund allocation procedures.

### **Title XX In Virginia**

*January 1981 (authorized by Senate Joint Resolution 133 of the 1979 Session) 103 pp.*

Reviewed the use and administration of Title XX funds in Virginia, including the types of clients and services provided, the adequacy of financial controls for the funds, the impact of funding limitations on local welfare agencies, and the adequacy of social service policy.

### **Organization And Administration Of Social Services In Virginia**

*April 1981 (authorized by Senate Joint Resolution 133 of the 1979 Session) 126 pp.*

Assessed the effectiveness of the Department of Welfare in providing support and oversight of welfare programs. Evaluated child care centers and family day care homes to determine the adequacy of the licensing process.

### **1981 Report To The General Assembly**

*July 1981 (2nd Biennial Report, authorized by Section 30-58.2, Code of Virginia), 38 pp.*

Summarized studies conducted by the Commission since its inception up to and including 1981. Focused on agency responses to oversight findings and recommendations.

### **Highway and Transportation Programs In Virginia: A Summary Report**

*November 1981 (Senate Document No. 6 of the 1982 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 57 pp.*

Summarized the studies conducted under SJR 50, which focused on the administration of the DHT, highway and transit need, revenues and methods of financing, and the fair apportionment of costs among different vehicle classes. Highlighted the principal findings and recommendations of each study.

### **Organization And Administration Of The Department Of Highways And Transportation**

*November 1981 (Senate Document No. 7 of the 1982 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 132 pp.*

Evaluated the efficiency and effectiveness of DHT's management and administrative processes, the adequacy of the department's organizational structure, and selected operational issues.

### **Highway Construction, Maintenance, And Transit Needs In Virginia**

*November 1981 (Senate Document No. 8 of the 1982 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 78 pp.*

Assessed highway construction needs, including construction of new highways, maintenance of existing roads, and public transportation. Provided funding options for consideration by the Legislature.

### **Vehicle Cost Responsibility In Virginia**

*November 1981 (Senate Document No. 13 of the 1982 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 85 pp.*

Presented findings and conclusions of an analysis of highway tax equity. An empirical investigation of the relationship between costs for construction and maintenance and revenues generated by various vehicle classes.

### **Highway Financing In Virginia**

*November 1981 (Senate Document No. 14 of the 1982 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 103 pp.*

Analyzed methods of financing highway needs in Virginia by an examination of the State's highway financing structure and tax structure. Presented estimates of future revenues to be generated by taxes and offered financing alternatives.

### **Publications And Public Relations Of State Agencies In Virginia**

*January 1982 (Senate Document No. 23 of the 1982 Session, authorized by Senate Joint Resolution 166 of the 1981 Session) 115 pp.*

Assessed the value of the publications of State agencies, and other public relations efforts. Recommended changes in reporting requirements to achieve savings.

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## An Annotated Bibliography

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### **Occupational and Professional Regulatory Boards in Virginia.**

January 1982 (Senate Document No. 29 of the 1982 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 163 pp.

Examined occupational and professional regulatory boards in Virginia. Provided baseline data on each board and areas of special legislative interest.

### **The CETA Program Administered by Virginia's Balance-Of-State Prime Sponsor.**

May 1982 (House Document No. 3 of the 1983 Session, authorized by House Joint Resolution 268 of the 1981 Session) 128 pp.

Assessed the effectiveness of CETA programs through a review of adult training contracts and client follow-up.

### **Working Capital Funds in Virginia.**

June 1982 (House Document No. 4 of the 1983 Session, authorized by Section 2.1-196.1, Code of Virginia) 89 pp.

Reviewed Virginia's working capital funds and evaluated selected areas of management of each of the five funds in existence at that time: Computer Services, Systems Development, Telecommunications, Central Warehouse, and Graphic Communications.

### **The Occupational and Professional Regulatory System in Virginia**

December 1982 (Senate Document No. 3 of the 1983 Session, authorized by Senate Joint Resolution 50 of the 1980 Session) 136 pp.

Addressed the performance of Virginia's system for occupational regulation, including 29 regulatory boards, the Board and Department of Commerce, and the Commission and Department of Health Regulatory Boards. Reviewed administrative rulemaking, enforcement of laws and regulations, and selected aspects of agency management.

### **Interim Report: Equity of Current Provisions For Allocating Highway Construction Funds In Virginia.**

December 1982 (House Document No. 17 of the 1983 Session, authorized by the 1982 Appropriations Act) 183 pp.

Assessed the reasonableness, appropriateness, and equity of statutory provisions for allocating highway construction funds among the various highway systems and localities. (See final report of June 1984, which considerably enlarged this study).

### **Consolidation of Office Space in the Roanoke Area.**

December 1982 (Senate Document No. 8 of the 1983 Session, authorized by Senate Joint Resolution 29 of the 1982 Session) 66 pp.

Examined the feasibility, desirability, and cost effectiveness of consolidating State agency offices located in the Roanoke area. Special attention devoted to a leasing proposal from the City of Roanoke.

### **Staffing and Manpower Planning in the Department of Highways and Transportation.**

January 1983 (House Document No. 18 of the 1983 Session, authorized by Items 649.2 and 649.3 of the Appropriations Act of the 1982 Session) 120 pp.

Reviewed the Department of Highways and Transportation's manpower plan, the planning process, and the resulting staffing actions. Identified staffing economies possible through increased productivity and administrative improvements.

### **Consolidation of Office Space in Northern Virginia.**

January 1983 (Senate Document No. 15 of the 1983 Session, authorized by Senate Joint Resolution 29 of the 1982 Session) 64 pp.

Examined the feasibility, desirability, and cost effectiveness of consolidating State agency offices located in Northern Virginia.

### **Interim Report: Local Mandates and Financial Resources.**

January 1983 (House Document No. 40 of the 1983 Session, authorized by House Joint Resolution 105 of the 1982 Session) 38 pp.

Provided background information and summarized progress toward the final report (see December 1983).

### **Interim Report: Organization of the Executive Branch.**

January 1983 (House Document No. 37 of the 1983 Session, authorized by House Joint Resolution 33 of the 1982 Session) 15 pp.

Provided background information on the executive branch, and summarized research activities for the series of four final reports (see January 1984).

### **The Economic Potential and Management of Virginia's Seafood Industry.**

January 1983 (House Document No. 2 of the 1982 Session, authorized by House Joint Resolution 59 of the 1982 Session) 213 pp.

Analyzed the regulation of the commercial fishing and seafood industries in Virginia, assessed their economic potential, and suggested policy alternatives.

### **Follow-Up Report on the Virginia Department of Highways and Transportation.**

January 1983 (House Document No. 34 of the 1983 Session, authorized by House Bill 532 of the 1982 Session) 26 pp.

Evaluated the progress of the Department in implementing recommendations made during the 1982 Session to ensure the efficient use of funds for highway construction and maintenance.

### **1983 Report to the General Assembly.**

September 1983 (3rd Biennial Report, authorized by Section 30-58.2, Code of Virginia), 38 pp.

Summarized studies conducted by the Commission through 1983. Provided a 10-year overview of JLARC's work, organized according to the recurring themes, and spotlighted the importance of sound methodology.

## An Annotated Bibliography

### **The Virginia Division for Children**

December 1983 (House Document No. 14 of the 1984 Session, authorized by House Joint Resolution 10 of the 1983 Session) 98 pp.

A "sunset" study reviewing the operations of the Division and focusing on its administration, effectiveness, and possible duplication with other agencies.

### **The Virginia Division of Volunteerism**

December 1983 (Senate Document No. 6 of the 1984 Session, authorized by Senate Joint Resolution 36 of the 1983 Session) 60 pp.

A "sunset" study reviewing the operations of the Division and focusing on its administration, effectiveness, and possible duplication with other agencies.

### **State Mandates on Local Governments and Local Financial Resources.**

December 1983 (House Document No. 15 of the 1984 Session, authorized by House Joint Resolution 105 of the 1982 Session and House Joint Resolution 12 of the 1983 Session) 218 pp.

Reviewed the responsibilities of State and local governments for providing public services, the State's procedures for aiding local governments, the sources of revenue that were or could be allocated to the various types of local governments and their adequacy, and the differences in the responsibilities of counties, cities, and towns.

### **An Assessment of Structural Targets in the Executive Branch of Virginia.**

January 1984 (House Document No. 20 of the 1984 Session, authorized by House Joint Resolution 33 of the 1982 Session and House Joint Resolution 6 of the 1983 Session) 134 pp.

Examined the organization of the Executive Branch for the purpose of determining the most efficient and effective structure. Included specific recommendations regarding duplication, fragmentation, and inconsistent alignment. (First in a series of four interrelated reports).

### **An Assessment of the Secretarial System in the Commonwealth of Virginia.**

January 1984 (House Document No. 21 of the 1984 Session, authorized by House Joint Resolution 33 of the 1982 Session and House Joint Resolution 6 of the 1983 Session) 76 pp.

Assessed the extent to which (1) the responsibilities and activities of the Governor's secretaries are consistent with the purposes of the system and (2) the structure is useful in effectively managing the State's resources and administrative processes. (Second in a series).

### **An Assessment of the Role of Boards and Commissions in the Executive Branch of Virginia.**

January 1984 (House Document No. 22 of the 1984 Session, authorized by House Joint Resolution 33 of

the 1982 Session and House Joint Resolution 6 of the 1983 Session) 90 pp.

Assessed whether the boards' involvements in agency operations are consistent with statute and the management needs of the Commonwealth. Also addressed the relationships of boards, agency directors, and the Governor's secretaries, and the unique contributions of board members. (Third in a series)

### **Organization of the Executive Branch in Virginia: A Summary Report.**

January 1984 (House Document 44 of the 1984 Session, authorized by House Joint Resolution 33 of the 1982 Session and House Joint Resolution 33 of the 1982 Session) 36 pp.

A synthesis of the preceding three reports. Highlights each principal finding and associated recommendation, and includes a statement of the actions taken on each. (Final report in a series.)

### **1983 Follow-Up Report on the Virginia Department of Highways and Transportation.**

January 1984 (letter report, authorized by House Bill 532 of the 1982 Session) 25 pp.

Documents the department's progress in implementing previous Commission recommendations, especially in the areas of manpower planning and maintenance operations.

### **Interim Report: Central and Regional Staffing in the Department of Corrections.**

May 1984 (House Document No. 41, authorized by Item 545.1 of the 1983 Appropriations Act and amended by the 1984 session) 275 pp.

Examines the utilization and need within the department for existing and anticipated central office and regional staff. This is the first in a series of related reports examining security and non-security manpower, inmate population forecasting, and diversion programs.

### **Equity of Current Provisions for Allocating Highway and Transportation Funds in Virginia.**

June 1984 (House Document No. 11 of the 1984 Session, authorized by the 1982 Appropriations Act and expanded by the 1983 Session) 217 pp.

Updates the January 1983 interim analysis of construction allocations, and reviews county maintenance spending, urban street payments, public transportation assistance, and funding for Arlington and Henrico counties.

### **Special Education in Virginia's Training Centers for the Mentally Retarded.**

November 1984 (Senate Document No. 3 of the 1985 Session, authorized by Senate Joint Resolution 13 of the 1983 Session) 130 pp.

Examines eight issues concerned with the operation, funding, and quality of the educational programs for children and youths in mental retardation facilities operated by the Department of Mental Health and Mental Retardation. (First of two reports).



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## An Annotated Bibliography

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**Special Education in Virginia's Mental Health Facilities.**

November 1984 (Senate Document No. 4 of the 1985 Session, authorized by Senate Joint Resolution 13 of the 1983 Session) 148 pp.

Examines eight issues concerned with the operation, funding, and quality of educational programs for children and youths in mental health facilities operated by the Department of Mental Health and Mental Retardation. (Second of two reports).

**Special Report: ADP Contracting at the State Corporation Commission.**

November 1984 (House Document No. 4, requested by the Speaker of the House and authorized by the Commission) 40 pp.

Examines the SCC's compliance with the Commonwealth's Public Procurement Act and related issues in contracting for automated data systems.

**Special Report: The Virginia State Library's Contract with The Computer Company.**

November 1984 (House Document No. 5, requested by the Speaker of the House and authorized by the Commission) 34 pp.

Examines whether the State Library followed State procedures in awarding the contract to TCC, and whether public libraries are satisfied with the services provided.

**Special Report: The Virginia Tech Library System.**

November 1984 (House Document No. 6 requested by the Speaker of the House and authorized by the Commission) 34 pp.

Examines the ownership of proprietary rights in the software of a computerized library system, the sharing of royalties with a university employee, and the transfer of the system to the Virginia Tech Foundation for marketing and distribution.

**Special Report: Patent and Copyright Issues in Virginia State Government.**

March 1985 (House Document No. 31, requested by the Speaker of the House and authorized by the Commission) 54 pp.

Examines intellectual property issues related to State agencies and institutions of higher education.

**The Community Diversion Incentive Program of the Virginia Department of Corrections.**

April 1985 (House Document 35, authorized by the 1984 Appropriations Act) 174 pp.

Reviews the effectiveness of the various programs designed to divert offenders from State prisons and local jails.

**Virginia's Correctional System: Population Forecasting and Capacity.**

April 1985 (House Document 36, authorized by the 1984 Appropriations Act) 134 pp.

Evaluates the methodologies used for forecasting Virginia's inmate population and estimating the correctional system's capacity to house this population.

**Towns in Virginia**

July 1985 (House Document No. 2, authorized by House Joint Resolution 105 of the 1982 Session and HJR 12 of the 1983 Session) 120 pp.

An outgrowth of JLARC's earlier report on State mandates and local fiscal stress, focusing on issues of particular concern to towns.

**Security Staffing and Procedures in Virginia's Prisons.**

July 1985 (House Document No. 3, authorized by the 1983 Appropriations Act and amended by the 1984 Session) 300 pp.

Examines staffing practices and security procedures both at the system level and in each of Virginia's 15 major correctional facilities.

# Subcommittees Which Have Served with JLARC

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## **Occupational and Professional Regulation Subcommittee (1980-1981)**

Delegate Ralph L. Axselle, Jr.  
Delegate Alan A. Diamonstein  
Delegate Calvin W. Fowler  
Senator Ray L. Garland  
Senator Madison E. Marye  
Delegate C. Jefferson Stafford  
Senator Stanley C. Walker

## **Transportation Subcommittee (1980-1981)**

Senator Peter K. Babalas  
Delegate Earl E. Bell  
Senator Daniel W. Bird, Jr.  
Delegate Vincent F. Callahan, Jr.  
Delegate Archibald A. Campbell  
Delegate Orby L. Cantrell  
Delegate C. Richard Cranwell  
Delegate V. Earl Dickinson  
Senator Clive L. DuVal, 2d.  
Senator J. Harry Michael, Jr.  
Delegate Theodore V. Morrison, Jr.  
Senator Richard L. Saslaw  
Delegate Norman Sisisky  
Senator William A. Truban  
Senator L. Douglas Wilder  
Senator Edward E. Willey

## **Health Pilot Assessment Subcommittee (1980-1981)**

Senator Peter K. Babalas  
Delegate Richard M. Bagley  
Delegate Robert B. Ball, Sr.  
Delegate Herbert H. Bateman  
Delegate Robert S. Bloxom  
Senator Adelard L. Brault  
Mr. Andrew Fogarty  
Delegate J. Samuel Glasscock  
Secretary Jean L. Harris  
Delegate George H. Heilig, Jr.  
Delegate Elsie B. Heinz  
Senator Richard J. Holland  
Commissioner James B. Kenley  
Commissioner William L. Lukhard  
Delegate Mary A. Marshall  
Senator Williard J. Moody

## **Social Services Subcommittee (1979-1981)**

Senator John H. Chichester  
Senator Joseph V. Gartlan, Jr.  
Senator Johnny S. Joannou  
Delegate Norman Sisisky  
Delegate W. Ward Teel  
Senator Stanley C. Walker

## **Health Pilot Subcommittee (1978-1979)**

Senator John C. Buchanan  
Senator Elmon T. Gary  
Delegate Mary A. Marshall  
Delegate Owen B. Pickett  
Senator Elliot S. Schewel  
Delegate W. Ward Teel

## **Camp Pendleton Task Force (1978)**

Delegate C. Richard Cranwell  
Senator Joseph T. Fitzpatrick  
Mr. Clarence D. Fleming, Jr.  
Senator William B. Hopkins  
Mr. E. Ralph James, Jr.  
Delegate George W. Jones  
Delegate Benjamin J. Lambert, III  
Delegate C. Hardaway Marks  
Delegate Owen B. Pickett  
The Honorable Fred G. Pollard  
Mr. George W. Stroube  
Senator Russell I. Townsend, Jr.

## **Sunset Task Force (1977)**

Delegate Earl E. Bell  
Senator Adelard L. Brault  
Mr. Arthur R. Cecelski  
Delegate J. Samuel Glasscock  
Delegate Raymond R. Guest, Jr.  
Delegate Charles W. Gunn, Jr.  
Mr. Julian J. Mason  
Delegate A. L. Philpott  
Secretary Maurice B. Rowe  
Senator Elliot S. Schewel  
Mr. A. Howe Todd  
Senator Stanley C. Walker

## **Local Mandates Subcommittee (1982-1985)**

Senator Hunter B. Andrews  
Senator Peter K. Babalas  
Senator Herbert H. Bateman  
Delegate Archibald A. Campbell  
Senator Dudley J. Emick, Jr.  
Delegate Arthur R. Giesen, Jr.  
Delegate Franklin P. Hall  
Senator Richard J. Holland  
Delegate Mary A. Marshall  
Senator Wiley F. Mitchell, Jr.  
Delegate Lewis W. Parker, Jr.  
Delegate Vivian E. Watts

## **Division of Volunteerism Subcommittee (1983-84)**

Delegate Willard R. Finney  
Senator Stanley C. Walker  
Delegate William T. Wilson

## **Division for Children Subcommittee (1983-84)**

Delegate Franklin M. Slayton  
Delegate Warren G. Stambaugh  
Senator Charles L. Waddell

## **Subcommittee on Mental Health and Mental Retardation (1983-84)**

Delegate Richard M. Bagley  
Delegate David G. Brickley  
Senator John H. Chichester  
Delegate J. Paul Councill, Jr.  
Delegate Alan A. Diamonstein  
Senator Clive L. DuVal, 2d.  
Delegate Dorothy S. McDiarmid  
Senator Thomas J. Michie, Jr.  
Senator Stanley C. Walker  
Senator Edward E. Willey

## **Commission on Deinstitutionalization (1985)**

Senator Dudley J. Emick, Jr.  
Senator Joseph V. Gartlan Jr.  
Senator Elmon T. Gray  
Delegate Mary A. Marshall  
Delegate Owen B. Pickett  
Delegate Franklin M. Slayton  
Delegate C. Jefferson Stafford  
Delegate Warren G. Stambaugh

## **Joint Subcommittee on Highway Allocations (1985)**

Delegate L. Cleaves Manning  
Senator Charles L. Waddell  
Delegate Robert B. Ball, Sr.  
Senator Peter K. Babalas  
Delegate V. Earl Dickinson  
Delegate J. Robert Dobyns  
Senator Clive L. DuVal, 2d.  
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Delegate N. Leslie Saunders, Jr.  
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Senator L. Douglas Wilder  
Senator Edward E. Willey

# JLARC Staff

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## RESEARCH STAFF

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● David W. Porter, Graphics

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● Indicates staff with primary  
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