GO VIRGINIA

VIRGINIA INITIATIVE FOR GROWTH & OPPORTUNITY IN EACH REGION

Joint Legislative Audit Review Commission

Audit Overview and Next Steps

Virginia General Assembly Building

VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Partners for Better Communities

I. JLARC Overview
II. What JLARC Examines
III. Key Findings
IV. Recommendations
V. Next Steps

I. Overview of JLARC

- ***The Joint Legislative Audit Review Commission*** *(JLARC) is a joining of the State Senate and House of Delegates*
- ***Purpose:*** *to conduct program evaluation, policy analysis and oversight of state agencies on behalf of the Virginia General Assembly*

I. Overview of JLARC

- ***Goals:***
  - *To help inform citizen legislators about agencies, programs and activities*
  - *To ensure that laws are carried out as the legislature intended*
  - *To make recommendations on ways state agencies may achieve greater efficiency and effectiveness in their operations*

I. Overview of JLARC

- ***What Triggers a JLARC Study:***
  - *There are concerns that something isn't quite working as intended*
  - ***A program reaches maturity and is due for a periodic audit***
    - ***This usually occurs around the fifth to sixth year of a new program, which is why GO Virginia was due for a formal study***

II. What JLARC Examines

- *JLARC Staff Directive: Review GO Virginia with an eye toward legislative intent:*
  - *Promote Regional Collaboration*
  - *Grow and Diversify Regional Economies*
- *Process: interview DHCD Staff, Regional Stakeholders, and State Board Members and also review relevant reporting outcomes data*

III. Key Findings

- *GO Virginia appears to be improving regional collaboration, and many projects have positive regional economic impact*
- *Unreliable outcomes data make it difficult to estimate economic impact of GO Virginia projects*
- *Some program eligibility requirements are unclear, are unnecessarily restrictive, or are better suited as project evaluation criteria*

III. Key Findings

- *Board level approval is not necessary for most grant applications*
- *Past grant applications lacked good quantitative expected outcomes*
- *GO Virginia's governance structure and administration are appropriate, and it is not duplicating other state programs*
- *Funding for GO Virginia could be reduced if the program does not make full use of its funds*

IV. Recommendations

- *Summary of Results: 16 Recommendations and 2 Policy Considerations*
- *Recommendations fall into 3 categories:*
  - *Creation of a clearer and more accurate outcomes reporting process*
  - *Make programmatic eligibility changes including better definitions of traded sector industry activities as well as the consideration of healthcare as a fundable project type*
  - *Create flexibility for Regions to access the Fund, including flexibilities in the Competitive Fund and lowering match requirements*

V. Next Steps

- *The State Board has delegated review of the JLARC report to the two newly formed Board committees:*
  - *Program Evaluation Committee chaired by Todd Stottlemyer*
  - *Governance and Policy Committee chaired by Emily O'Quinn*
- *These two committees will hold their inaugural meetings over the course of the next two month, virtually*
- *The General Assembly has traditionally taken steps through the legislative process to address JLARC recommendations*

V. Next Steps

- *Takeaways and Reasons to be Encouraged*
  - *All of the recommendations in the report are clearly actionable*
  - *Many of the recommendations were already underway prior to the report being written, including Competitive Fund changes and healthcare discussions happening with the Healthcare Investment Taskforce established at the September Board meeting*
  - *DHCD staff is working on developing a plan of action to implement the JLARC recommendations and we're excited about the efficiencies suggested*