

ITEM 31.	Item Details(\$)		Appropriations(\$)	
	First Year FY2013	Second Year FY2014	First Year FY2013	Second Year FY2014

Joint Legislative Audit and Review Commission (110)

31.	Legislative Evaluation and Review (78300).....			\$3,405,648	\$3,405,698
	Performance Audits and Evaluation (78303).....	\$3,405,648	\$3,405,698		
	Fund Sources: General.....	\$3,289,975	\$3,290,025		
	Trust and Agency	\$115,673	\$115,673		

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

A. Out of this appropriation shall be paid the annual salary of the Director, Joint Legislative Audit and Review Commission (JLARC), \$153,015 from July 1, 2012 to June 24, 2013 and \$153,015 from June 25, 2013 to June 30, 2014.

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

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

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

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

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

3. For the purpose of carrying out its duties and notwithstanding any contrary provision of law, JLARC

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shall have the legal authority to access the information, records, facilities, and employees of VITA.

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

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

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

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

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

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

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under this authority.

F.1 JLARC is hereby directed to study the impact of restructuring the local Business, Professional, and Occupational License ("BPOL") Tax such that the basis of the tax is changed from gross receipts to net income. All local tax officials are hereby directed to provide any assistance required by JLARC in the course of the study. If requested by JLARC, all local tax officials are authorized to require businesses subject to the BPOL tax in their locality to calculate and report back to the locality their net income for the timeframe requested, notwithstanding the requirements of § 58.1-3700 et seq. of the Code of Virginia.

2. JLARC shall complete its study and submit a final report by November 1, 2013.

3. The Department of Taxation shall cooperate as requested by JLARC in the performance of its duties under this authority. All agencies of the Commonwealth shall provide assistance for this study, upon request.

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

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

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