

REPORT OF THE
OFFICE OF THE SECRETARY OF ADMINISTRATION AND FINANCE
ON
THE NEED FOR ANNUAL AND BIENNIAL REPORTS BY STATE AGENCIES
TO
THE GOVERNOR
AND
THE GENERAL ASSEMBLY OF VIRGINIA



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COMMONWEALTH of VIRGINIA

Office of the Governor

Richmond 23219

Wayne F. Anderson
Secretary of Administration and Finance

To the Governor and General Assembly:

I am pleased to transmit herewith the report required by Senate Joint Resolution No. 27 sponsored by Senator Madison Marye in the 1982 session. The timely request for this study, concerning the need for annual or biennial reports by state agencies, will result in important changes in legislative and administrative reporting requirements.

Respectfully,

A handwritten signature in cursive script that reads 'Wayne F. Anderson'.

Wayne F. Anderson
Secretary of Administration
and Finance

REPORT ON THE NEED FOR ANNUAL OR BIENNIAL
REPORTS BY STATE AGENCIES
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INTRODUCTION

In its 1982 Session, the General Assembly, by Senate Bill 213, amended Section 2.1-2 of the Code of Virginia to direct that all state agencies' annual reports be submitted biennially after July 1, 1982. The amendment also gave the Governor the discretion to require an agency to furnish an annual report. In addition, the General Assembly, by Senate Joint Resolution No. 27, requested the Secretary of Administration and Finance to evaluate and report on the need for annual or biennial reports by state agencies. The text of this resolution reads as follows:

SENATE JOINT RESOLUTION NO. 27

Requesting the Secretary of Administration and Finance, with the assistance of agency heads and others, to review the need for annual or biennial reports by agencies of the Commonwealth.

WHEREAS, numerous provisions of the Code of Virginia require annual or biennial reports by various agencies; and

WHEREAS, such reports are costly in terms of agency staff time, printing charges, and distribution expenses; and

WHEREAS, the proliferation of such reports requires substantial review time by decision-makers at all levels; and

WHEREAS, a recent study by the Joint Legislative Audit and Review Commission found that statutory mandates for producing annual reports are inconsistently and sometimes incorrectly interpreted and that a substantive review of the need for each agency report could reduce the cost and proliferation of such reports; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Secretary of Administration and Finance, with the assistance of other secretaries, agency heads, and the State Information Committee, evaluate the need for annual and biennial reports by all agencies of the Commonwealth and recommend by name to the General Assembly and the Governor those agencies that should report annually, biennially, or not at all. The Secretary shall recommend appropriate comprehensive legislation specifying all reporting requirements and conforming existing provisions of the Code of Virginia regarding agency reporting requirements. The Secretary shall also recommend standard limitations to the content, format, length, and expense of such reports; and, be it

RESOLVED FURTHER, That the Secretary of Administration and Finance shall report findings and recommendations to the General Assembly and the Governor by November 1, 1982.

In order to meet the requirements of SJR 27, the Secretary of Administration and Finance, assisted by the State Information Committee, first surveyed all state agencies on their current annual and biennial

reporting practices. The Deputy Secretary of Administration and Finance and members of the State Information Committee also met with the Comptroller to discuss special financial reporting requirements and needs, and with officials of the Division of Purchases and Supply to discuss publication, printing and distribution processes and standards. Committee members obtained a computer print-out of all Code sections with annual or biennial reporting requirements for executive agencies.

As a result of the investigation, the magnitude and complexity of agencies' annual and biennial reporting became apparent. For example, a computer sort on the basis of the words "annual report" resulted in approximately 200 pages of computer print-out for the Code of Virginia. Additional verification required reference to 68 different Code cites for just three agencies. The scope of these requirements is a result of a combination of factors, including the great diversity in Code requirements and in the manner in which agencies interpret them, the difficulty of defining what constitutes an annual or biennial report and who should receive it, and the recent impact of the state's computer information systems on traditional reporting mechanisms.

In order to conduct a comprehensive analysis of this subject, it has been broken down into two parts. The first part focussed on documenting the extent of agencies' annual and biennial reporting, and on identifying problems associated with such reporting. This report presents the major findings from that analysis and makes preliminary recommendations for changes in the statutes (see Appendix A) and in administrative reporting requirements and procedures. The second part, which will be completed for the 1984 General Assembly, will contain detailed final recommendations, with the necessary legislative proposals and administrative procedures, in the areas of need for, frequency of, distribution of, and, where appropriate, content of, specific types of reports and publications.

The Secretary's study has been limited to agencies in the executive department. However, the recommendations could be modified and applied by agencies in the other branches of government. In addition, the first part of the study covers only those reporting requirements which have been established in the Code and does not document the reporting activities required by other authority, such as legislative joint resolution, executive order or gubernatorial prerogative, federal legislation, or federal regulation.

FINDINGS

General

Traditionally, annual reports provide an account and description of the activities of a public or private entity for the preceding fiscal year. Such reports may be comprehensive or may focus on the most significant undertakings of the past year. In almost all cases, however, they contain the detailed, annual financial statements of the organization.

Annual/biennial reporting in state government does not fall cleanly into this category. Because no definition of "annual report" or "biennial report" is given in the Code, any state publication produced on an annual or biennial basis can be considered an annual or biennial report. In addition, there has been confusion in the past as to whether the Code required an annual report from each agency. Prior to its amendment in 1982, Section 2.1-2, which stated to whom agency annual reports should go, was interpreted by many agencies as requiring annual reports (see Appendix B). As a result, many agencies which do not have a specific Code reporting requirement have been preparing such reports.

The confusion and inconsistency which have resulted from this lack of definitions and guidelines were demonstrated in the survey and research results (see Appendix A). The major types of Code reporting requirements and the kinds of reports they require, are briefly discussed below.

- o Many Code requirements are general, pro forma prescriptions, referring only to the agency's "activities" or "operations." Consequently, most agencies determine the content of their individual annual reports and submit a diversity of material.
- o Some statutes do require that specific types of information be reported annually, the most frequently requested being financial and statistical information and the status of programs.
- o There are at least 12 requirements in the Code for "internal" reports (i.e., reports from one state agency to another, which are not required to be submitted to either the Governor or the General Assembly). Many of these reports are "rolled up" into the annual report of the receiving agency which is required to be submitted to the Governor or General Assembly.
- o Eight reporting requirements are directed to multi-state bodies of which Virginia is a member. These requirements should not be changed, as the annual reports of these bodies are a major benefit of the state's participation in them.
- o In several instances, the Code requirement fulfills a reporting requirement of a federal regulation. This is not, in itself, sufficient reason for a Code requirement and is not applied consistently, since many agencies meet federal reporting requirements without Code authority.
- o There are at least 14 agencies with multiple annual reporting requirements, generally for the different program areas or responsibilities of the agency. Some agencies combine these into one report; others publish them separately.
- o The requirements are not clearly and consistently stated. They are given in various forms, such as "furnish an annual report," "report annually," "prepare annually," and "submit

annually." Agencies primarily interpret these as requiring written annual reports.

Determining the status of agencies' reporting is further complicated by the 1982 amendment to Section 2.1-2 which states that all annual reports required in the Code be submitted biennially as of July 1, 1982. The application of this to existing requirements needs to be clarified.

In light of these general findings, need, frequency, distribution, content, and cost are examined below.

Need

There are two basic needs which justify agency reports: the need for public disclosure of information to insure open communication and accountability of government activities; and the need for producing certain information as a means of carrying out an agency's program objectives and its legislatively-mandated mission.

The first need is reflected in most of the general Code reporting requirements. The intent of these appears to be to insure that agencies do what the statutes require them to do and that they provide a regular accounting of their finances. The continued need for these individual requirements is questionable, however. The centralized computer information systems which the state has established over the last decade, as well as the program planning and budgeting systems, have put into place an ongoing means of monitoring agencies' operations and finances. In light of the capacity of these systems, many annual/biennial reports are probably unnecessary and duplicative of existing, or easily available, central reports.

The second basic need for information is reflected in many of the specific Code reporting requirements. The research, development, production, and reporting of information is a fundamental activity of many state agencies as a means of meeting particular program objectives. Many of these specific Code requirements may not be necessary, however. As a general rule, agencies should have the discretion to assess the need for reports and publications in terms of their effectiveness in carrying out the agency's program objectives, which may change over the years. However, guidelines for agencies to use in conducting needs assessments of their reports would give consistency to this process as well as assure that it is done periodically.

In terms of the basic needs for information, Code requirements should be limited to require periodic reporting of essential information only. This will primarily be financial information, statistical information, proceedings/results of quasi-judicial or regulatory activities, and information on critical issues before the state. Based on the two basic informational needs discussed above, these criteria have been applied in order to develop the preliminary recommendations for specific Code reporting requirements shown in Appendix A. Although final validation of these recommendations is needed, examples of the types of reports which meet each criterion are: reports from agencies which primarily administer programs which are financial in nature -

Department of Treasury, Virginia Supplemental Retirement System; reports from agencies which are responsible as a primary mission for the disbursement of financial aid to localities - Department of Alcoholic Beverage Control; reports from agencies which are quasi-judicial or regulatory in nature - Department of Labor and Industry; reports from agencies which provide statistical data in such areas as public health, public education, employment, and labor and industry when such data should be provided for continuity, research or archival records - Department of Health, Department of Education, Virginia Employment Commission; reports on critical issues before the state - toxic waste disposal, outer continental shelf drilling; and reports from multi-state bodies.

Frequency

With the amendment of Section 2.1-2 by the 1982 General Assembly, all agencies required to furnish annual reports must now submit them biennially, except when the Governor requires them annually. In most instances, essential information needs can be met with biennial reports. Further evaluation of specific agency reports will be undertaken in order to determine which should be provided annually.

Revision is also needed in the submission dates required for annual/biennial reports. Presently, the Code requirements, if given at all, vary considerably (e.g., August of each year, prior to convening of the General Assembly, by December 1 of each year). These dates will be revised for uniformity as well as for appropriateness in terms of the type of information required (e.g., certain data have a calendar year basis, other have a fiscal year).

Distribution

Two aspects of distribution are important in assessing agencies' reporting requirements: who the reports are distributed to and how the distribution is made.

The size of an agency's distribution list for a report is not only a significant cost factor of report production, but is also one of the major means of documenting the need for a report. As a part of the needs assessment of particular reports, agencies should validate the need for the information by those receiving the report and consider less expensive alternatives for providing the information. Agencies are already required to update their mailing lists annually (see Appendix B, Section 2.1-467D., Code of Virginia).

How reports are distributed is also a significant cost factor. Again, agencies should assess ways of reducing their mailing and delivery costs and examine cheaper alternatives. The Division of Purchases and Supply, Department of General Services, is a resource for agencies to use in evaluating the mechanics of their report distribution.

In addition to the agency's in-house list, Section 2.1-467 sets out recipients of agencies' annual/biennial reports (see Appendix B).

This section was amended in 1982 in order to reduce the required distribution of reports. This section should be assessed to determine any further changes which can improve distribution and to determine if agencies are complying with the requirement in paragraph D. that they update their mailing lists annually. Changes will probably be necessary in paragraph B. as the definitions of the various types of reports are developed.

Content

1. Subject Matter

As noted above, in the absence of any definition of annual or biennial report, virtually any state publication produced on an annual or biennial basis can be so designated. The lack of uniformity in these reports is further compounded by Code requirements which specify that certain information be published annually or biennially.

The first step in alleviating this confusion is to define the contents of annual/biennial reports. The basic purpose of an agency's annual/biennial report is to provide an accounting of the expenditure of public funds and, where appropriate, to convey factual information about important agency programs. Thus, the content of such reports should be confined to the following components:

- o A brief description of the legislatively-mandated mission of the agency;
- o A complete set of financial statements, including balance sheet, analysis of change in fund balance, and operating statement (revenues and expenditure), and any other statements necessary to give a full and accurate accounting of the agency's financial activities;
- o Any necessary narrative explanation or analysis of the financial statement; and
- o A description of major program activities or issues before the agency.

With a clear definition of annual/biennial report in place, it then becomes possible to designate logically which agencies should produce such reports on their fiscal and operational activities.

Obviously, this traditional definition of annual/biennial report does not cover all essential information which should be published annually or biennially by state agencies (e.g., statistical data, proceedings/results of quasi-judicial or regulatory activities, information on critical issues before the state). The content and requirements for these types of information should be assessed separately to determine appropriate reporting frequency.

2. Design Specifications

The expense of layout, graphics, and printing specifications is the most obvious cost associated with a published report. Most agency annual/biennial reports are conservative in their design. However, the format used in all agency annual and biennial reports should conform to the guidelines in the Agency Procurement Manual issued by the Department of General Services, Division of Purchases and Supply. It provides sound guidelines regarding paper sizes and weight and use of color inks (see Appendix C).

Specifically, the manual states that agencies should design publications around a standard size of paper, wherever possible, in order to avoid trimming into an odd configuration, which increases costs. For example, bond paper comes in sheets of 17" by 22", which can be cut without waste to page sizes of 8½" by 11" or 5½ by 8½". Offset paper comes in sheets of 25" by 38", which with a minimum of trimming produces 32 front and back pages 6" by 9" in size. The Agency Procurement Manual also states that, except for promotional brochures and booklets, all printing should be done in one color of ink, with any request for an exception to be accompanied by a letter of justification from the agency head. This restriction should apply to all annual/biennial reports.

In addition, the number of pages contained in an annual or biennial report should be the absolute minimum number necessary to convey the required type of information. Obviously, the length of such reports will vary among agencies and often will depend upon the significance of events which occurred during the reporting period.

Compliance with these standards for content, design and length is a direct way of reducing the costs incurred with the production of annual/biennial reports. Agencies should be required to comply with these standards in preparing their annual/biennial reports, as well as with any other measures for improving consistency and cost-savings which may be developed.

Cost

The costs of designing, printing and distributing an annual/biennial report are generally easy to document. The 62 agencies responding to the survey and giving costs reported a total of \$130,029.99 for annual and biennial report production and distribution in one biennium. Cost per agency ranged from a low of \$10 to a high of \$23,458.12. It is more difficult to determine the costs to the state involved in the research, preparation, review, and production of reports prior to printing. However, the cost of the salaries of the managers and staff who prepare and review the report are likely to be higher than the actual printing costs. The first way to reduce these costs is to verify the need for the report through a needs assessment. As discussed above, guidelines will be developed for agencies to use in conducting needs assessments of their annual/biennial reports.

Different ways of reporting could also significantly reduce costs for necessary reports. Some of these options are described below.

One option for reducing the cost of preparing biennial reports is to make extensive use of the data and information provided for each agency in the biennial Executive Budget Document. The advantages of this approach are that:

- o It would reduce individual agencies' production costs, since agencies could reproduce excerpts from an existing publication;
- o It would impose consistent standards on the content of biennial reports; and
- o It would increase the usefulness of the Budget Document throughout the biennium.

Another option is to require some agencies, whose published reports will be done biennially, to prepare yearly financial statements for use by the General Assembly, the Governor, and others within state government. These statements would not entail the expense associated with preparation of formal publications, and are a normal part of good management practices.

An additional area of study is the application of the state's present computer capabilities on traditional reporting mechanisms. This has potential, not only for the financial and operating annual/biennial reports, but also for the statistical reports. For example, some of these reports may not need to be published, or could be published in abbreviated form, if the information is available to the primary users on computer tapes or discs.

A fourth option to be considered is the feasibility of agencies charging requestors for certain reports. Policies are now being developed on user fees and charges which will assist agencies in doing this when appropriate.

These and other means of reducing the costs of agencies' reports would also improve the efficiency of such reporting.

RECOMMENDATIONS

The Secretary presents the following recommendations.

1. Require, by administrative directive, that agencies without specific Code requirements discontinue producing annual and biennial reports. Where state or federal legislation or regulation, other than the Code, requires such reports, direct agencies to limit distribution to the minimum number of necessary recipients.
2. Develop criteria and procedures for agencies to use in 1) evaluating the need for a report; 2) determining the least costly

form in which a necessary report can be provided; and 3) determining who should receive a report. Actions to accomplish this will include:

- o Establish, through administrative directive, definitions of annual and biennial report, including content;
 - o Evaluate certain specific agency reports on the basis of need for essential information in order to determine the appropriate frequency of publication;
 - o Investigate ways to consolidate or simplify the content of agency reports into central agency reports (e.g., Executive Budget Document, Annual Report of the State Comptroller, Annual Report of the Treasurer of Virginia, standard computer-generated reports);
 - o Investigate ways of consolidating, purging, and simplifying agency distribution lists (as a part of the effort, evaluate and recommend necessary changes to Section 2.1-467 as needed);
 - o Develop ways of reducing printing and design costs and require agencies to adhere to uniform standards for annual/biennial reports.
3. Verify the preliminary recommendations for reports produced under specific Code requirements, as contained in Appendix A.
4. Develop legislative proposals for the 1984 General Assembly which:
- o eliminate from the Code all unnecessary reporting requirements for the executive department;
 - o phrase necessary requirements in a consistent manner;
 - o give appropriate and consistent submission dates;
 - o consolidate and simplify multiple requirements where necessary.

In addition, the Secretary will oversee examination of the following areas:

1. Application of study findings to agency publications generally and to non-Code reporting requirements;
2. Application of user fees as a means of documenting need and recovering costs of publications;
3. Use of uniform publication dates for certain types of periodic state publications; and
4. Need for periodic purges of overruns of obsolete publications in storage.

APPENDIX A: STATUTORY REPORTING REQUIREMENTS
FOR EXECUTIVE BRANCH AGENCIES

This appendix was prepared from the results of the State Information Committee's survey of state agencies (Annual/Biennial Report Questionnaire), conducted in July 1982; from a computer search of the Code of Virginia keyed on "annual report"; and from follow-up telephone calls and research of the Code. It was not possible to verify in all cases 1) whether particular requirements were being met by agencies and 2) whether agencies' with no Code requirement were preparing annual/biennial reports. This was due to inadequate responses on questionnaires and limitations in the computer print-out.

The Appendix sets out in numerical order the Code reporting requirements for executive branch agencies, by Secretarial area. It identifies the agency or party responsible for submitting the report and also lists, at the end of each section, those executive agencies with no Code reporting requirement. When source materials allowed, those agencies were identified which have no Code reporting requirement but do submit reports.

Collegial bodies with reporting requirements in the Code are included. Those which may be reporting under other authority will be included after the completion in 1983 of the Secretary of the Commonwealth's study of collegial bodies.

A report designated an internal report is one which is required to be submitted only to another state agency or official and is not submitted to the Governor or General Assembly. Reports to Boards from agencies which are in turn required to be submitted to the Governor or General Assembly are not internal reports under this definition; however, agency reports which are summarized in another agency's report prior to submission to the Governor or General Assembly are considered internal reports. (The significance of this designation is that, in the second part of the study, priority will be given to developing recommendations for those reports which must go the Governor or General Assembly.)

SUMMARY OF APPENDIX A: STATUTORY REPORTING
REQUIREMENTS FOR EXECUTIVE BRANCH AGENCIES

	<u>No. of Code Requirements</u>	<u>No. of Agencies with Requirements*</u>	<u>No. of Agencies with no Requirements</u>
Administration and Finance	16	13	6
Commerce and Resources	42	31	13
Education	18	12	8
Human Resources	26	16	7
Public Safety	10	5	3
Transportation	<u>7</u>	<u>3</u>	<u>4</u>
Total	119	80	41

Number of requirements for internal reports - 20

Number of requirements for multi-state bodies - 8

Number of agencies with multiple requirements - 14

*Requirements for parties other than executive agencies are excluded from this calculation.

ADMINISTRATION AND FINANCE

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§2.1-68	Secretary of the Commonwealth	Annual report on appointments to collegial bodies (contained in "Blue Book").	No change
§2.1-68.1	Secretary of the Commonwealth	Annual report on Governor's appointments to interstate boards and commissions (contained in "Blue Book").	No change
§2.1-71	Secretary of the Commonwealth	Compilation of information on political subdivisions (contained in "Blue Book").	No change
§2.1-114.5:6E	Office of Employee Relations Counselors	Annual report containing statistical data on the use of the grievance procedure.	Amend to biennial
§2.1-114.8	Department of Personnel and Training	Biennial report on the operation and status of activities under the Virginia Personnel Act.	No change
§2.1-116.14	Equal Employment Opportunity Committee	Committee required to audit E.E.O status at least once a year and recommend improvements to the Governor.	Amend to "as needed"
§2.1-191	Department of Treasury	Annual report of the Treasurer of Virginia.	No change
§2.1-207	Department of Accounts	Annual report of the State Comptroller.	No change
§2.1-234.13	Virginia Public Building Authority	Annual report with financial statements and description of activities. (Note: Constitutionality of this authority now being examined by the Attorney General.)	No change
§2.1-335.1	Local Government Advisory Council	Annual report to Governor on the Council's activities.	Amend to biennial

Code of Virginia

<u>Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§2.1-391, et. seq.	Department of Planning and Budget	Publishes information biennially required under the planning and budgeting system and prepares population data. Does not publish an annual or biennial report on the agency's activities.	No change
§2.1-488.2	Art and Architectural Review Council (assigned to Depart- ment of General Services)	Required to submit an annual report to Governor and General Assembly on its proceedings.	Eliminate
§2.1-569	Virginia Liaison Office	Submits annual report on the office's activities.	Eliminate
§15.1-1323	Authorities for the Development of Former Federal Areas	Annual report to Governor re- quired by these authorities. (Research indicated that no authority has ever been estab- lished under these provisions.)	Delete entire section
§51-111.22	Virginia Supplemental Retirement System	Annual report on receipts and disbursements and the current investments of the retirement system.	No change
§58-33(7)	Department of Taxation	Annual report of the Tax Com- missioner on the activities and recommendations of the Depart- ment.	No change

Agencies with no statutory annual or biennial reporting requirements:

Compensation Board (statutory reporting requirement was
repealed in 1981)
Department of Computer Sciences (Note: DCS does provide a
detailed report on its finances under §4-9.00 of the 1982
Appropriation Act.)
Department of General Services
Department of Management Analysis and Systems Development
Department of Telecommunications
State Board of Elections

COMMERCE AND RESOURCES

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§2.1-64.38	Office of Minority Business Enterprises	Reports annually to the Governor on its activities and recommendations.	Eliminate
§3.1-18	Department of Agriculture and Consumer Services	Required to report annually to the Board which submits the report to the Governor. (Since 1977, this has not been printed as a separate publication but appears as the December issue of DACS's monthly bulletin.)	Eliminate
§3.1-18.7	Council on the Environment	This statute - Preservation of Prime Agricultural Land - requires the Council to submit an annual report on the activities and future plans of six agencies whose activities affect such land.	Amend to "as needed"
§3.1-22.4	Virginia Agricultural Foundation	Files annual report with Commissioner of DACS (internal report).	Eliminate
§3.1-27.35	Agricultural Development Authority	Required to submit annual financial statements on activities.	Amend to biennial
§3.1-62(f)	Produce Markets Authorities	Required to submit annual financial statements to Commissioner, DACS (internal report).	Eliminate
§3.1-81.1	Licenses under Fertilizer Inspection Fee Act	Quarterly/semi-annual reports submitted to Commissioner, DACS (internal report).	No change
§3.1-126.5	Registrants under Virginia Agricultural Liming Materials Act	Submit annual statements to the Commissioner, DACS (internal report).	Eliminate
§3.1-309	Virginia Dark-Fired Tobacco Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-320	Virginia Bright Flue-Cured Tobacco Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial

Code of Virginia

Authority for Report	Agency	Description of Report	Preliminary Recommendations
§3.1-635(f)	Virginia State Apple Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-650	Virginia Peanut Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-678	Virginia Sweet Potato Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-684.13	Virginia Soybean Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-684.32	Virginia Irish Potato Commission	Files annual report with Commissioner, DACS (internal report). (Note: inactive at present.)	Amend to biennial
§3.1-763.7(d)	Virginia Pork Industry Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-789.013	Virginia Poultry Products Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-796.11:2	Virginia Egg Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§3.1-796.22'f)	Virginia Beef Cattle Commission	Files annual report with Commissioner, DACS (internal report). (Note: inactive at present.)	Amend to biennial
§3.1-1043	Virginia Corn Commission	Files annual report with Commissioner, DACS (internal report).	Amend to biennial
§9-26	Virginia Athletic Commission (assigned to Department of Commerce)	Required to make annual report to the Governor on its proceedings.	Amend to biennial
§9-94	Virginia War Memorial Commission	Required to submit a biennial report on its activities.	No change

Code of Virginia

Authority for Report	Agency	Description of Report	Preliminary Recommendations
§9-106.8	Virginia Independence Bicentennial Commission	Required to submit annual report (Note: the VIBC was merged with the Jamestown-Yorktown Foundation in 1982 Appropriation Act. Legislation to delete its enabling statutes will be introduced in 1983.)	Eliminate
§9-152.4	Cave Commission (assigned to Department of Conservation and Economic Development)	Report annually on the status of Virginia's caves and the activities of the Commission.	Amend to biennial
§10-21.9	Commission on Outdoor Recreation	Submits biennial report on the activities and recommendations of the Commission.	No change
§10-164	Virginia Outdoors Foundation	Submits annual financial statements and brief, narrative description of activities.	Amend to biennial
§16-186	Council on the Environment	Submits its recommendations, updated annually, on policies for environmental protection and reports on effects of existing policies.	Amend to biennial
§10-230	Virginia Fuel Conversion Authority	Submits annual report to Governor and General Assembly on its activities.	Amend to biennial
§15.1-144	Planning District Commissions	Submit annual reports to member local governments (internal reports).	No change
§28.1-17	Marine Resources Commission	Reports biennially on activities, including financial status and condition of industries under the Commission.	No change
§29-19	Commission of Game and Inland Fisheries	Submits annual financial statements, revenues and disbursements, etc.	No change
§29-92.7	Local Governments	Report annually to the Commissioner, CGIF, who submits the reports to certain General Assembly committees.	Retain annual reports but amend submission to General Assembly to biennially

Code of Virginia Authority for Report	Agency	Description of Report	Preliminary Recommendations
§36-55.51	Virginia Housing Development Authority	Submits annual financial statements and schedule of bonds.	No change
§40.1-4	Department of Labor and Industry	Submits annual statistical compilations of data from each of DLI's divisions.	No change
§40.1-6(6)	Department of Labor and Industry	Annual report required which is now met in above report (no additional report prepared).	Eliminate
§54-1.25.B.3, §54-1.33	Department of Commerce	Requires annual report from the Board of the Department; requires annual report on finances of each Board under the Department (one combined report is now submitted).	Amend to biennial
§59.1-273	Department of Housing and Community Development	Requires annual report on activities under the Urban Enterprises Zone Act. (This is a new activity in FY 82 and no annual report has been filed.)	Eliminate
§62.1-44.40	State Water Control Board	Requires annual ground water report.	Eliminate
§62.1-44.88	State Water Control Board	Requires annual report on water resources.	Eliminate
§62.1-65	Potomac River Basin Commission	Report from multi-state body.	No change
§62.1-69.10	Chesapeake Bay Commission	Report from multi-state body.	No change

Agencies with no statutory annual or biennial reporting requirement:

Commission on Local Government
 Department of Conservation and Economic Development
 Division of Industrial Development
 Gunston Hall
 Jamestown-Yorktown Foundation
 Milk Commission
 Pesticide Advisory Committee
 Plant Pollination Advisory Committee
 State Air Pollution Control Board
 State Seed Potato Commission
 Virginia Historic Landmarks Commission
 Virginia Marine Products Commission
 Virginia Soil and Water Conservation Commission

EDUCATION

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
Article III, §5, Constitution of Virginia	Board of Education	Required to report annually on the status of public education in Virginia and on local compliance with the Standards of Quality.	No change
§2.1-239.1	Southern Growth Policies Board	Report from a multi-state body.	No change
§22.1-336	Education Commission of the States	Report from a multi-state body.	No change
§23-1	Boards of Visitors of Institutions of Higher Education	Requires annual report from each state institution of higher education on its activities to the State Council of Higher Education of Virginia (internal reports).	Eliminate*
§23-9.6:1	State Council of Higher Education	Requires biennial report to Governor and General Assembly, consisting of a two-year plan outlining future needs and requirements at institutions of higher education.	No change
§23-22	Boards of Visitors of Institutions of Higher Education	Requires report containing financial analysis to be submitted to the Governor - at such times as he requires - on the capital projects at each institution. (Note: the statute does not require an annual report to the Governor but these are now submitted annually.)	No change*

* The numerous reporting requirements for Boards of institutions of higher education should be consolidated into one provision which requires them to provide to SCHEV their annual financial statements and such other information as SCHEV deems necessary.

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§23-30.36	Virginia College Building Authority	Requires annual report to the Governor. The Authority, which is made up of the Treasurer, the Comptroller and other state officials, uses the reports generated by the trustee bank to fulfill this requirement. The reports, consisting of institutions' operating and financial statements, are generated as needed prior to issuance of bonds. No annual report as such is prepared by the VCBA.	Amend to "as needed"
§23-38.10:5	Institutions of Higher Education	Requires each institution to file an annual statement with SCHEV on the number and value loans made (internal reports).	Eliminate*
§23-102	Virginia Military Institute	Requires Treasurer, VMI, to make detailed, annual report of his accounts to State Board of Education to be submitted by the Board to the General Assembly. (Note: currently this report is not being made.)	Eliminate
§23-111	Virginia Military Institute	Requires Board to inspect annual public arms and other property at the arsenal and to report findings to Governor, who will submit them to the General Assembly. (Note: currently, this requirement is not being complied with specifically.)	Eliminate
§23-135.7:9	Virginia Water Resources Research Center	Requires annual report on Center's activities during previous fiscal year, as well as revenue and expenditure data (also meets a federal requirement for annual report).	Eliminate

* The numerous reporting requirements for Boards of institutions of higher educations should be consolidated into one provision which requires them to provide to SCHEV their annual financial statements and such other information as SCHEV deems necessary.

Code of Virginia

Authority for Report	Agency	Description of Report	Preliminary Recommendations
§23-135.7:13	Advisory Committee to Virginia Water Resources Research Center	Requires annual report to Governor and General Assembly on the status of water resources, problems, and issues; the need for research and extension activities; and the need for funding.	Amend to biennial
§23-227	Virginia Community College System	Requires annual report on the operations of the system.	Amend to biennial
§23-253	Science Museum	Requires Museum to report annually to the State Board of Education, with the information summarized in the report of the Superintendent of Education (internal report).	Eliminate
§23-256	Virginia Schools for the Deaf and Blind	Requires annual statistical reports to be submitted to the State Board of Education, such information to be summarized in the annual report of the Superintendent (internal report).	No change
§23-264	Post-Secondary Education Commission (SCHEV)	SCHEV, which is the designated Commission for Virginia, is required to submit an annual report, in compliance with federal regulations, to the federal government and the Governor, describing its activities in administering federal funds and programs.	Eliminate
§28.1-199	Virginia Institute of Marine Science (operates under the College of William and Mary)	Requires the Institute to report annually on its findings and recommendations to the Governor and General Assembly.	Eliminate*
§42.1-16	Virginia State Library	Required to report annually on its activities, operations, and needs.	Amend to biennial

* This should be subsumed into the one reporting requirement for all Boards.

Agencies with no statutory requirements for annual or biennial reports:

Department of Education (publishes annual report on the Department's activities)
Commission for the Arts (publishes annual report and will publish first biennial report in 1980-82)
State Certified Seed Commission (assigned to VPI&SU Extension Division)
State Education Assistance Authority
Virginia Education Loan Authority (prepares annual report to meet federal requirements and investor needs but this is not submitted to the Governor or General Assembly)
Virginia Museum of Fine Arts
Virginia Public School Authority
Virginia Truck and Ornamentals Research Station.

Note: Institutions of Higher Education:

Of the 14 four-year institutions, 3 prepare annual reports which go to the General Assembly. Of the remaining 9, several prepare annual reports which do not go to either the Governor or General Assembly. All institutions submit annual financial statements, as required by the State Comptrollers' Directive No. 4-82, and meet the other specific reporting requirements (e.g., §§23-2, 23-22, 23-38.10:5) but the statutes do not require an annual/biennial report from the Boards or President to the Governor or the General Assembly.

HUMAN RESOURCES

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§2.1-373	Department for the Aging	Required to report biennially to the Governor and General Assembly on its activities. (Note: the agency is requesting the 1983 General Assembly to delete this requirement.)	Eliminate
§2.1-559	Agencies Using Volunteers	Requires agencies using volunteers to submit yearly statements on their use per §2.1-2 (Does not specify to whom reports go and nor does §2.1-2; no reports have ever been submitted, as far as the Division of Volunteerism knows).	Eliminate
§2.1-586	Department of Rehabilitative Services	Requires Department to report annually to the Governor on all gifts and donations (this is drawn from agency's audit and is available upon request.) (Note: the Department also prepares a general annual report for which there is no statutory requirement and which is submitted to the Governor.)	Amend to biennial
§9-119	Commission on the Status of Women	Reports biennially to the Governor and General Assembly on its recommendations and findings.	No change
§9-143	Virginia Developmentally Disabled Planning Council	Requires the Council to submit, at least annually, its state plan to the Governor for approval prior to its being forwarded to the Secretary of Health, Education, and Welfare (sic).	Eliminate
§9-152	Migrant and Seasonal Farm Workers Commission (assigned to the Virginia Employment Commission)	Requires the Commission to report annually to the Governor and General Assembly on its work. (The Virginia Employment Commission reports in a 1-page memo on the Commission's activities and fiscal data.)	Amend to biennial

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Authority for Report	Agency	Description of Report	Preliminary Recommendations
§9-165	Virginia Health Services Cost Review Commission	Required to report annually to the Governor and General Assembly on its fiscal and general operations.	Amend to biennial
§21-179 §21-259	Sanitation District Commissions	Both annual reports are required to show expenditures and revenues and operating activities of the Commissions. One is submitted to the Governor and local governments; the other is also submitted to the State Health Commissioner.	Consolidate into one biennial requirement
§32.1-14	Department of Health	Annual reports on vital statistics and on the activities of the Department's bureaus/divisions (previously published as one report; now two reports).	Retain vital statistics; eliminate other
§32.1-238.1	Mid-Atlantic Interstate Low-Level Radioactive Waste Management Compact	Report from multi-state body.	No change
§32.1-238.6	Southeast Interstate Low-Level Radioactive Waste Management Compact.	Report from multi-state body.	No change
§32.1-245	Department of Health	Requires annual report on the status of control of toxic substances in Virginia.	No change
§37.1-27	Department of Mental Health and Mental Retardation	Requires annual report on statistical information on Department's operations for the Governor and General Assembly.	No change
§37.1-218	Department of Mental Health and Mental Retardation	Requires annual report describing the resources within the state for prevention and treatment of alcoholism for use in determining services needed.	Eliminate
§54-955.1	Commission of Health Regulatory Boards	Requires annual report from Commission on activities of Department to Governor and General Assembly.	Amend to biennial

Code of Virginia

Authority for Report	Agency	Description of Report	Preliminary Recommendations
§54-367.11(L) §54-379 §54-524.20	Board of Nurses Board of Optometry Board of Pharmacy (all three Boards operate under the Department of Health Regulatory Boards)	Requires individual annual reports from each board to the Governor on its fiscal and operating activities.	Eliminate
§60.1-34	Virginia Employment Commission	Requires annual report to Governor on operations and administration of agency. Provides comparable, statistical record of agency activities. (VEC has already changed to publishing it on a biennial basis.)	Amend to biennial
§63.1-13	Department of Social Services	Requires annual report to the Governor showing money paid out, number of persons receiving assistance, etc. (Already changed to biennial basis.)	Amend to biennial
§63.1-56	Department of Social Services	Requires annual report on the operation of foster care services by local boards. (Currently, this is published as a part of the report required by §63.1-13.)	Eliminate
§63.1-82	Virginia Department for the Visually Handicapped	Required to submit an annual report to the Governor on money paid out and number of clients assisted.	Amend to biennial
§63.1-85.4(e)	Virginia Council for the Deaf	Requires Council to report annually to the Governor on its programs, their progress and results. (Currently published as one issue of their quarterly newsletter.)	Amend to biennial
§63.1-248.7	Department of Social Services (Child Protective Services Unit)	Required to submit annual compilation of data from local governments on child abuse. (Agency now summarizes these data in the report established under §63.1-13.)	Eliminate

Code of Virginia

<u>Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§63.1-295	Pilot Program for Delivering Human Services	Requires Governor to review annually pilot programs for human services in counties and cities and report findings to General Assembly. (Program has been relatively inactive - only 2 since 1977 - and is monitored by DSS.)	Eliminate

Agencies with no annual or biennial statutory reporting requirements:

Division for Children (has published one report on the
four-year operation of the agency)

State Advocacy Office for the Developmentally Disabled
(prepares annual report to meet federal reporting
requirement)

Virginia Board of Dentistry

Virginia Board of Funeral Directors and Embalmers

Virginia Board of Veterinary Medicine

Virginia State Board of Medicine

Virginia Division of Volunteerism (prepares an annual
report)

Note: The Woodrow Wilson Rehabilitation Center falls under
Department of Rehabilitative Services which includes
information on the Center in its annual report.

PUBLIC SAFETY

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§4-13	Virginia Department of Alcoholic Beverage Control	Required to file annual report with Governor and General Assembly with detailed financial statements.	No change
§4-21(b)	Alcoholic Beverage Control Commission	Required to submit its annual audit to the General Assembly.	No change
§9-155	Department of Fire Programs	Required to report annually to the Governor and General Assembly on its activities.	Eliminate
§9-168H	Department of Criminal Justice Services	Requires Board to report annually to the Governor and General Assembly.	Amend to biennial
§9-186B	Department of Criminal Justice Services	Required to report annually to the Governor and General Assembly on results of audits of local criminal justice agencies.	Amend to biennial
§52-29	Department of State Police	Required to prepare annual Uniform Crime Reports (statistical data on state crime). Also prepares an annual report on its major activities and accomplishments for which there is no statutory requirement.	No change
§53.1-14	Department of Corrections	Required to submit annual report on its activities and expenditures.	Amend to biennial
§53.1-31	Department of Corrections	Required to report annually on leases, mining activities, etc., on Department-owned land (currently included as a part of report required under §53.1-14).	Eliminate
§53.1-139	Department of Corrections - Virginia Parole Board	Required to submit an annual report on the activities of the Board.	Amend to biennial
§53.1-214	Department of Corrections	Required to report to Governor regarding the restoration of good conduct allowance.	Eliminate

Agencies with no annual or biennial statutory reporting requirements:

Commonwealth's Attorneys' Services and Training Council
Division of Capitol Police
Rehabilitative School Authority (prepares annual report
for Board)

TRANSPORTATION

<u>Code of Virginia Authority for Report</u>	<u>Agency</u>	<u>Description of Report</u>	<u>Preliminary Recommendations</u>
§2.1-336	Southern States Energy Board	Report from multi-state body.	No change
§18.2-171.1(d)	Department of Transportation Safety	Reports annually to Governor and General Assembly on actions taken for the alcohol safety action program, operated in conjunction with local governments and MH&NR.	Eliminate
§33.1-309	Commissions for Toll-Financed Highways, Tunnels and Bridges	Required to submit annual reports to the Governor and General Assembly on their financial and operating statements.	No change
§33.1-396B.3	Department of Transportation Safety	Required to report annually to the Governor and General Assembly on the status, progress and prospects of highway safety.	Eliminate
§44-23	Department of Military Affairs	Requires Adjutant General to report annually to the Governor and General Assembly.	Eliminate
§46.1-308.2	Virginia Equipment Safety Commission and Vehicle Equipment Safety Compact	Reports from multi-state bodies.	No change
§52-4.2	Division of Motor Vehicles	Required to submit annual accident reports to State Police (internal report). (No reporting requirement but does prepare biennial compilations of statistical data.)	No change

Agencies with no statutory requirement for annual or biennial reports:

- Department of Aviation (prepares biennial report on agency activities)
- Department of Highways and Transportation (prepares annual report on agency activities)
- Office of Emergency Services (prepares annual report to meet federal requirements)
- Virginia Port Authority (prepares annual report on financial activities)

APPENDIX B

General Code of Virginia Sections Relating to Annual/Biennial Reports.

§2.1-2. Furnishing biennial reports; governor authorized to require annual reports. - Notwithstanding any other provision of law, the heads of departments, divisions, institutions and agencies of the Commonwealth which, prior to July 1, 1982, have been required to furnish annual reports on or before October 20 of each year, shall hereinafter furnish their reports biennially. Such biennial reports shall be furnished to the officer to whom they are required to be made on or before October 20 of each even-numbered year. The Governor, in his discretion, may require an agency to furnish an annual report. (Code 1950, §2-2; 1966, c. 677; 1982, c. 369.)

§2.1-467. Distribution of annual or biennial reports. - A. Unless otherwise provided by law, the Division of Purchases and Supply shall cause to be distributed by the reporting department, agency or institution, the printed volumes of annual or biennial reports as follows:

1. One or more copies to the Governor, as he may direct;
2. One copy to the President of the Senate;
- 3, 4. [Repealed.]
5. Twenty copies together with such additional copies as may be necessary for exchange purposes to the State Library;
6. One copy to the Clerk of the Senate for the use of the Senate and one copy to the Clerk of the House of Delegates for the use of the House.
7. Such number of copies to the Law Library of the University of Virginia as may be designated by the Law Librarian, pursuant to §2.1-540 of the Code of Virginia; and
8. One copy to the Division of Purchases and Supply, Department of General Services.

B. The Division of Purchases and Supply shall distribute to all legislators and agency heads a list of state agencies for the purpose of selecting those agencies whose reports they wish to receive. The Division shall also make provision on the list for individuals to specify the types of agency reports they wish to receive, including annual or biennial, recurring, major or all reports. Agencies shall be informed by the Division as to those individuals who wish to receive their reports and should limit the distribution of their reports accordingly.

C. Any member of the General Assembly or agency head may at any time file with the Division of Purchases and Supply a request that he not be sent reports from agencies named by him and that his name be deleted from the mailing lists of such agencies. The Division shall notify all agencies involved.

D. State agencies shall update their mailing lists annually and shall limit the quantities printed to the reasonably foreseeable demand. (Code 1950, §2.1-265; 1966, c. 677; 1972, c. 494; 1977, c. 672; 1982, c. 240.)

APPENDIX C

Excerpts from Agency Procurement Manual, prepared by the Department of General Services, Division of Purchases and Supply.

5. PRINTING

5.1 Authority

Section 2.1-458 of the Code provides that the Division is responsible for the procurement of all public printing, except as the Division may otherwise provide. This section does not preclude in-house printing, but a State agency may not purchase printing from another State agency without approval from the Division. In addition, Section 2.1-465 of the Code authorizes the Division to establish criteria and procedures to obtain economical operation of all State printing facilities.

5.2 Requisition

All printing needs which cannot be met in-house, are not on contract or exceed \$200 must be submitted to the Division on the Printing Purchase Requisition, DPS Form 2P, App. I, Ex. 3. The form is used to transmit information needed by the Division in preparing the specifications for a job. The requisition should state clearly and distinctly the description of the work, the quantity, and the time delivery is desired.

5.3 Procurement Policy

Upon receipt of a Printing Purchase Requisition, the Division must select the source. Some jobs are assigned to the printing shop of the Department of Corrections (Corprint). The balance are procured from private vendors. Assignment to Corprint is determined by the complexity of the job and delivery requirements. For jobs between \$200 and \$1,000, the Division uses unsealed competitive bids. For all printing jobs over \$1,000, the Division uses sealed competitive bids.

The Division establishes contracts for printing. Where such a contract is available to an agency, it must procure the printing by issuing an Agency Purchase Order in the same manner as purchasing on other contracts.

5.4 Lead Time

Section 2.1-460 of the Code requires the Division to use competitive bids wherever practicable for the procurement of printing. Approximately three weeks are required to prepare specifications, solicit bids, and make awards. To this must be added the production time required by the successful vendor, and any time required for the agency to review the proof copy. A good rule of thumb would be to allow at least six weeks between the date

the requisition is submitted and the date of desired delivery for any large jobs.

5.5 Emergency Procurement

It is inevitable that an agency will occasionally require delivery of printing in less time than described in the preceding paragraph. Agencies are not authorized under any circumstances to purchase printing in excess of \$200 directly from vendors. The Division will do all that it can to accommodate an agency with a bona fide need, including dispensing with competitive bidding under appropriate circumstances. The Division will not extend this assistance if this provision is abused by submitting an inordinate number of "emergency" requisitions. Any request for printing to be procured as an emergency must be endorsed by the agency head, and be accompanied by an explanation of the nature of the emergency, including any reason the requisition was not submitted in a timely manner.

5.6 Suggested Vendors

Agencies are encouraged to request that Invitations to Bid be sent to designated vendors. These should be listed in the requisition or in an attached sheet. The vendors named will normally be sent an Invitation to Bid, but are granted no other preference. The Division cannot honor a request that a particular vendor not receive a job if the vendor is in good standing.

Additional standards and specifications are included in subsequent sections of the Manual, listed below.

- 5.7 Ink
- 5.8 Paper
- 5.9 Paper Sizes
- 5.10 Graphic Design, Artwork, and Composition
- 5.11 Forms Design, Vendor Assistance
- 5.12 OVERRUNS
- 5.13 Business Cards

