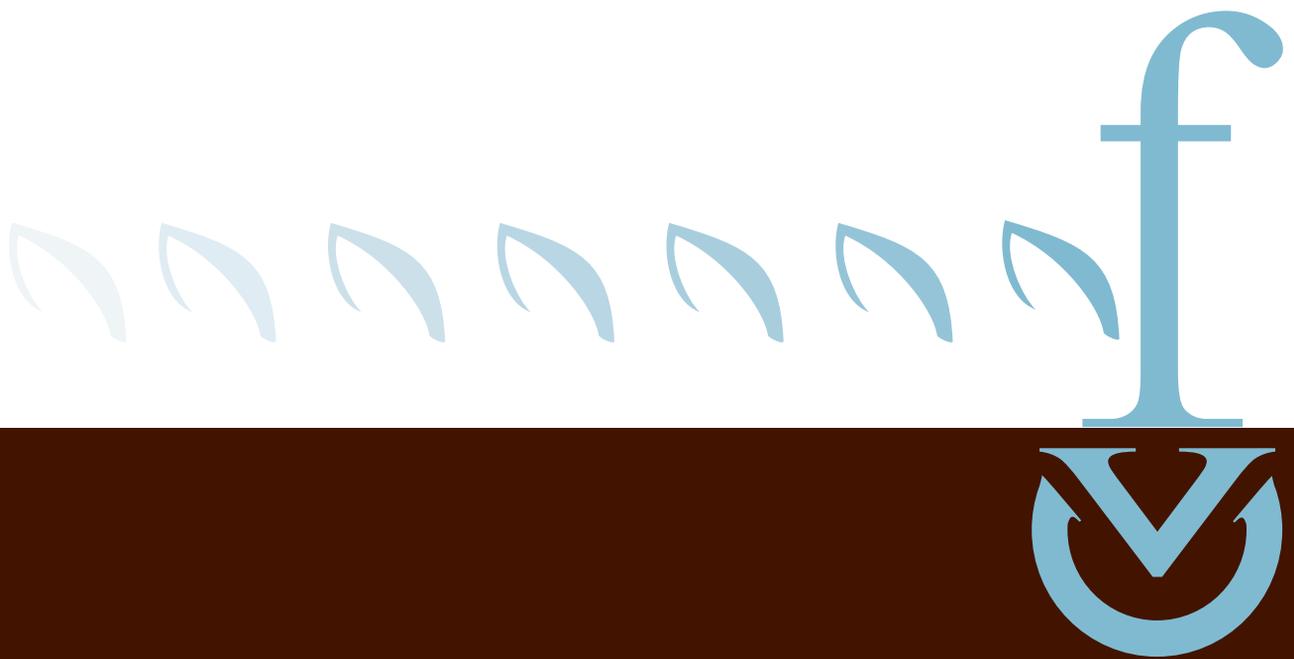


COUNCIL ON VIRGINIA'S FUTURE



2012 Highlights

Council on Virginia's Future

Current Membership

The Honorable Robert F. McDonnell, Chair
Governor, Commonwealth of Virginia

The Honorable William T. Bolling
Lieutenant Governor, Commonwealth of Virginia

Mr. John O. "Dubby" Wynne, Vice Chair
President & CEO (retired)
Landmark Communications

General Assembly Members

Senate of Virginia

The Honorable Emmett W. Hanger, Jr.
The Honorable Thomas K. Norment, Jr.
The Honorable Richard L. Saslaw
The Honorable Walter A. Stosch

Virginia House of Delegates

The Honorable M. Kirkland "Kirk" Cox
The Honorable William J. Howell
The Honorable Lacey E. Putney
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Mr. Edward W. Gillespie
Principal & Founder, Ed Gillespie Strategies

Mr. C. Burke King
President, Virginia Anthem Blue Cross & Blue Shield

The Honorable William H. Leighty
Managing Principal, DecideSmart

Jane N. Kusiak, Executive Director

*Staff support provided by the Virginia Department of Planning and Budget and
the Weldon Cooper Center for Public Service, University of Virginia*

■ Introduction ■

The Council on Virginia's Future, which is chaired by the Governor and includes state, business, and community leaders, was established in 2004 to advise Virginia's leaders on the development and implementation of a long-range approach for measuring and improving the quality of life and the effectiveness of state government in Virginia.

Virginia Performs, a signature initiative of the Council, is the Commonwealth's performance leadership and accountability system (VaPerforms.virginia.gov). Virginia Performs has won national recognition and served as a model for other states and nations; it has also been cited as an important factor in Virginia maintaining its status as a "Best Managed State."

This document highlights recent accomplishments, describes recent enhancements to Virginia Performs, and provides an overview of the Council's recent work on high-priority issues.

■ Recent Accomplishments ■

Recent accomplishments of the Council on Virginia's Future are summarized below.

- Keeping Virginia Performs fresh and relevant remains a top priority. Regular updates and enhancements are made in collaboration with economists at the University of Virginia's Weldon Cooper Center for Public Service.
- The Commonwealth's new Performance Budgeting System represents a major step forward in the ongoing transformation of performance budgeting in Virginia and more fully merges performance and budgetary data. While the core of the budgeting system went live in 2010, agencies used the strategic planning module completed in 2012 to update their strategic plans and performance information.
- The Council, together with the Department of Planning and Budget and other partners, developed a new Executive Progress Report (a component of agency strategic planning). Agency heads and other thought leaders sought a more concise and accessible document that could clearly communicate what an agency does, its performance in key areas, and the most important opportunities and issues facing the agency.
- Recently developed Enterprise Strategic Priorities span agency and Secretariat organizational boundaries and help guide agencies as they craft their strategic plans.
- The Virginia Performs Workforce System Report Card was developed in collaboration with the Governor's Office, the Virginia Workforce Council, and other workforce groups to improve the assessment of workforce quality and Virginia's workforce development system. This initiative is the first product in a longer-term effort to accelerate progress on key outcomes by developing more focused, issue-specific scorecards on Virginia Performs.
- The Council recently began a partnership with the Virginia Chamber of Commerce on the Chamber's Blueprint Virginia initiative to develop a long-term, statewide economic development strategy.
- Special reports, analyses, and other products were developed to improve our understanding of important issues. Outreach activities were conducted with a range of state and regional organizations, and Virginia Performs served as a model in discussions with the U.S. Government Accountability Office, the Government of South Australia, and the Carnegie Trust (UK), among others.

■ Evolution of Virginia Performs ■

Virginia Performs aligns agency-level performance with high-level, statewide goals and serves as a catalyst for better strategic thinking and performance-based decision-making.

The architecture of Virginia Performs consists of three primary levels (Figure 1). At the societal level, citizen-focused measures are linked to Council-established long-term goals and are used to assess Virginia’s overall quality of life and progress toward those goals. They provide a snapshot of how Virginia is doing with respect to issues of particular importance (e.g., personal income, educational attainment).

At the enterprise level, performance data helps us understand whether we are achieving high-priority performance targets. At the agency level, service area and productivity measures provide budget transparency and monitor whether state government programs and services are producing desired results. Figure 1 also outlines some of the Council’s current areas of focus.

Figure 1

Charting a Course for Excellence



Current Areas of Focus

- Focusing on the drivers of state and regional economic growth
- Partnering with the Virginia Chamber of Commerce on its Blueprint Virginia initiative to strengthen statewide economic outcomes
- Creating selected issue-specific scorecards, such as the Virginia Workforce System Report Card, to help accelerate progress on high-priority issues
- Solidifying the enterprise level and refining measures and targets for high-priority areas
- Expanding reporting capabilities to enhance ongoing assessment of progress
- Continuing integration of enterprise priorities into agency planning
- Expanding use of the full capabilities of the Performance Budgeting System
- Completing integration of the new Executive Progress Reports into agency strategic planning processes
- Continuing training and technical assistance to improve performance information

Figure 2

07-2012

SCORECARD AT A GLANCE



Economy

Goal: Be a national leader in the preservation and enhancement of our economy.

Business Climate	↑
Business Startups	→
Employment Growth	→
Personal Income	↑
Poverty	↓
Unemployment	↑
Workforce Quality	↑

Education

Goal: Elevate the levels of educational preparedness and attainment of our citizens.

School Readiness	↑
3rd Grade Reading	→
4th Grade Reading/Math	→
High School Graduation	↑
High School Dropout	→
College Graduation	↑
Educational Attainment	↑
Lifelong Learning	→

Health and Family

Goal: Inspire and support Virginians toward healthy lives and strong and resilient families.

Adoption	→
Cancer	↑
Cardiovascular Disease	↑
Child Abuse and Neglect	↑
Foster Care	↑
Health Insurance	↓
Immunization	→
Infant Mortality	↑
Life Expectancy	↓
Obesity	↓
Smoking	→
Suicide	→
Teen Pregnancy	↑

Each topic covers:

Why Is This Important?

How Is Virginia Doing?

- Over Time
- By Region
- Compared to Other States

What Influences the Indicator?

What Is the State's Role?

Public Safety

Goal: Protect the public's safety and security, ensure a fair and effective system of justice, and provide a prepared response to emergencies and disasters of all kinds.

Crime	↑
Emergency Preparedness	↑
Juvenile Intakes	↑
Recidivism	↑
Traffic Fatalities	↑

Natural Resources

Goal: Protect, conserve and wisely develop our natural, cultural and historic resources.

Air Quality	↑
Energy	↑
Historic Resources	→
Land Preservation	↑
Solid Waste and Recycling	↑
Water Quality	↑

Transportation

Goal: Ensure Virginia has a transportation system that is safe, enables the easy movement of people and goods, enhances the economy, and improves our quality of life.

Infrastructure Condition	→
Land Use	→
Traffic Congestion	↓

Government & Citizens

Goal: Be recognized as the best-managed state in the nation.

Bond Rating	↑
Civic Engagement	→
Consumer Protection	↓
Government Operations	↑
Internet Access	↑
Taxation	→
Voter Registration & Turnout	→

Performance Trend

Improving	↑
Maintaining	→
Worsening	↓



All 49 indicators in Virginia Performs are measured over time and, where possible, by region and in comparison with other states; they are also tracked in the Scorecard at a Glance (Figure 2). Regular updates and enhancements to indicator content and performance data are made throughout the year.



The Virginia Report 2012

The Virginia Report, an annual Council publication that is based on and complements Virginia Performs, includes a summary assessment of recent progress made by state agencies toward the targets set for their key objectives. The inside back cover of this booklet presents a snapshot of these measures and shows how they align with the societal indicators in Virginia Performs.

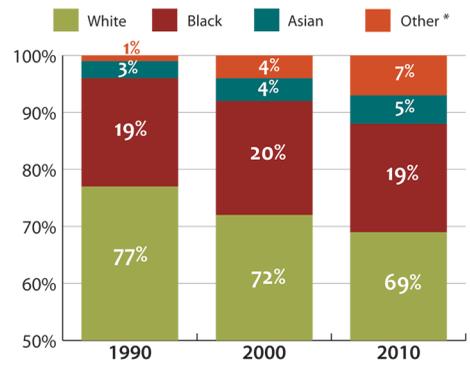
The Virginia Report also provides a complementary view of Virginia, especially in its feature chapters on Virginia's characteristics and regional profiles.

Some of the important trends noted in *The Virginia Report 2012* are:

- Virginia is becoming more diverse, with the growth in minority populations making up an increasing share of population growth (Figure 3).
- Virginia remains a relatively “young” state, with only 12.5 percent of its population aged 65 years or older, the 9th lowest share in country. However, the share of this age cohort is expected to grow by more than 50 percent – to 19 percent of the total population – by 2030 (Figure 4).
- Population growth in Virginia remains concentrated in the Northern region, which accounted for more than 50 percent of population growth in the entire state between 2000 and 2010.
- Virginia's economy is growing and changing. Its composition, like the nation's as a whole, continues to evolve, driven in part by the recent recession and in part by longer-term trends away from goods-producing to service-providing sectors.
- Virginians are relatively well educated, ranking 7th or better among all states for the percentage of its adult population with at least a bachelor's degree.

Figure 3

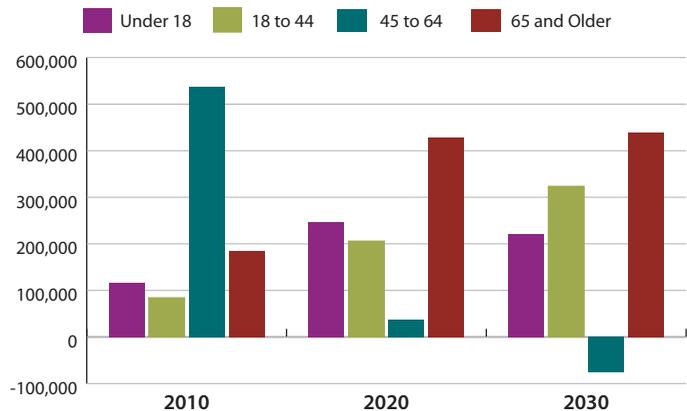
VIRGINIA'S POPULATION BY RACE, 1990 | 2000 | 2010



* Other includes individuals of two or more races.

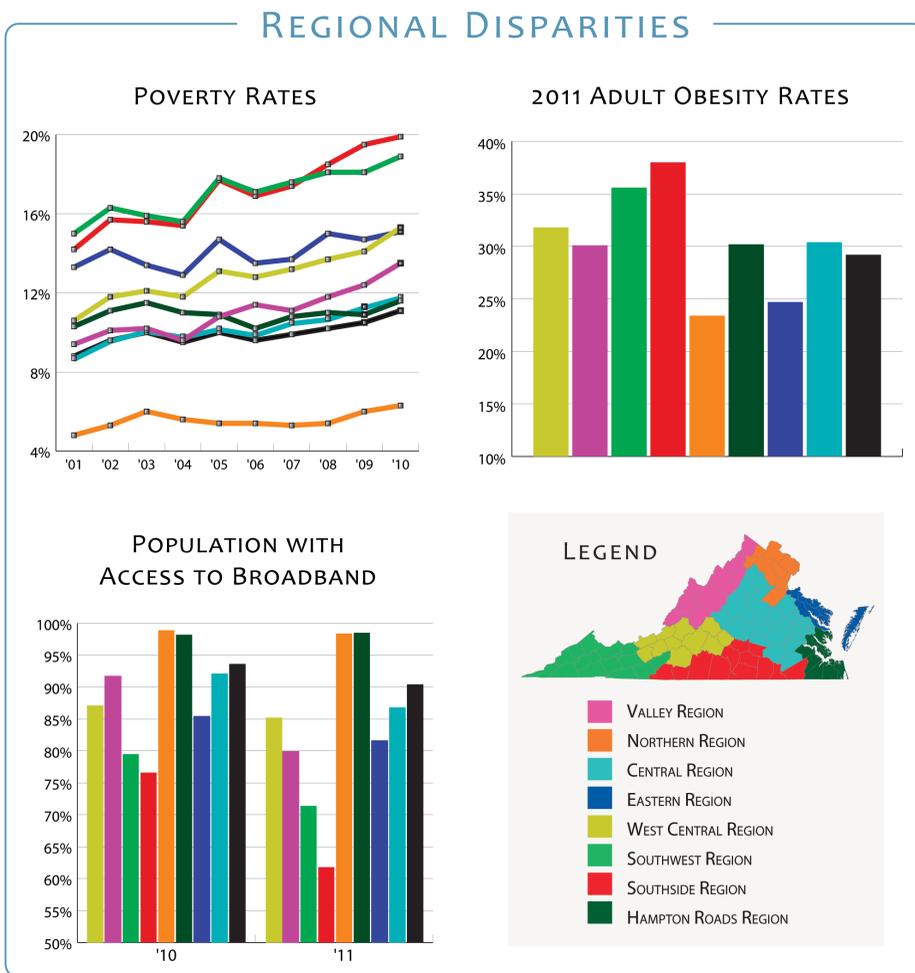
Figure 4

CHANGES IN VIRGINIA'S POPULATION BY MAJOR AGE GROUP (ACTUAL AND PROJECTED)



The Virginia Report 2012 also contains a chapter, A Regional Perspective, that highlights the sometimes stark differences among regions, particularly in economic, education, and health and family outcomes. This content was developed in response to the Council’s work with Governor McDonnell’s Commission on Government Reform and Restructuring to review regional issues related to intergovernmental service delivery and funding and the challenges of driving growth across Virginia’s diverse economic regions. Figure 5 shows regional graphs for three key indicators – poverty, obesity, and internet access – that help illustrate the importance of regional issues in developing strategies and policies at the state level.

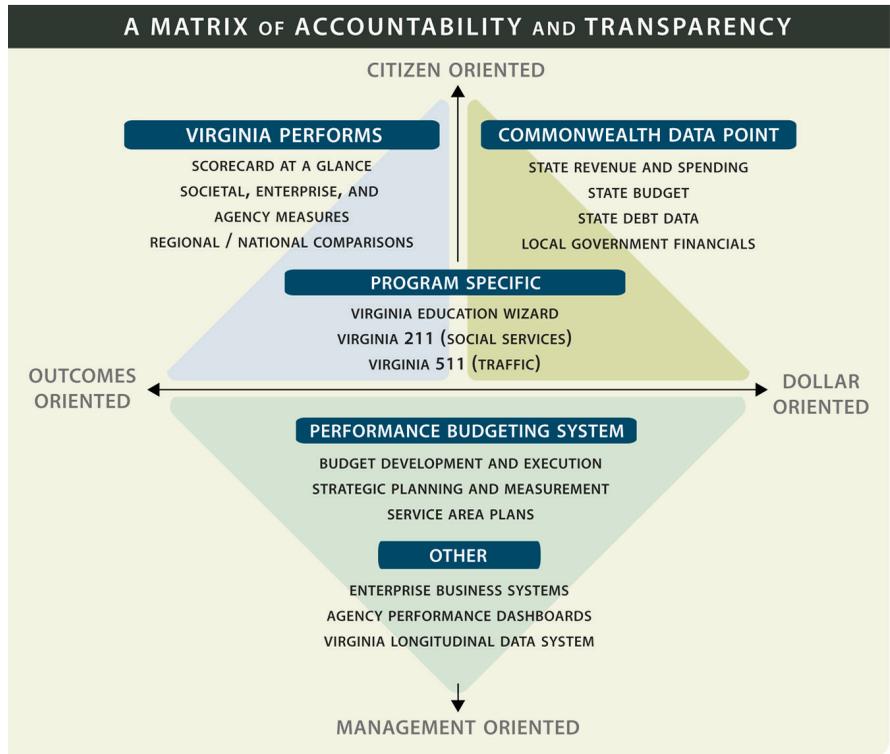
Figure 5



Virginia Performs in Context

The continuing development of Virginia Performs is occurring within the context of broader efforts in state government to improve transparency, accountability, and performance. As outlined in Figure 6, Virginia Performs is one of a number of systems, including Commonwealth DataPoint and the new Performance Budgeting System, that play major roles in transparency, accountability, and performance improvement for the Commonwealth. The new Virginia Longitudinal Data System is another example of a robust system for assessing the performance of Virginia’s education and workforce systems.

Figure 6



In addition, many agencies are improving their internal and citizen-facing performance reporting capabilities. New web services, like the Education Wizard application, help consumers learn about and compare options and prices for higher education. Finally, more regions and localities are enhancing their focus on outcome-driven change and making performance information more accessible to the general public. The Council will play an important role in synthesizing this increasingly rich array of performance information into meaningful vehicles for assessment.

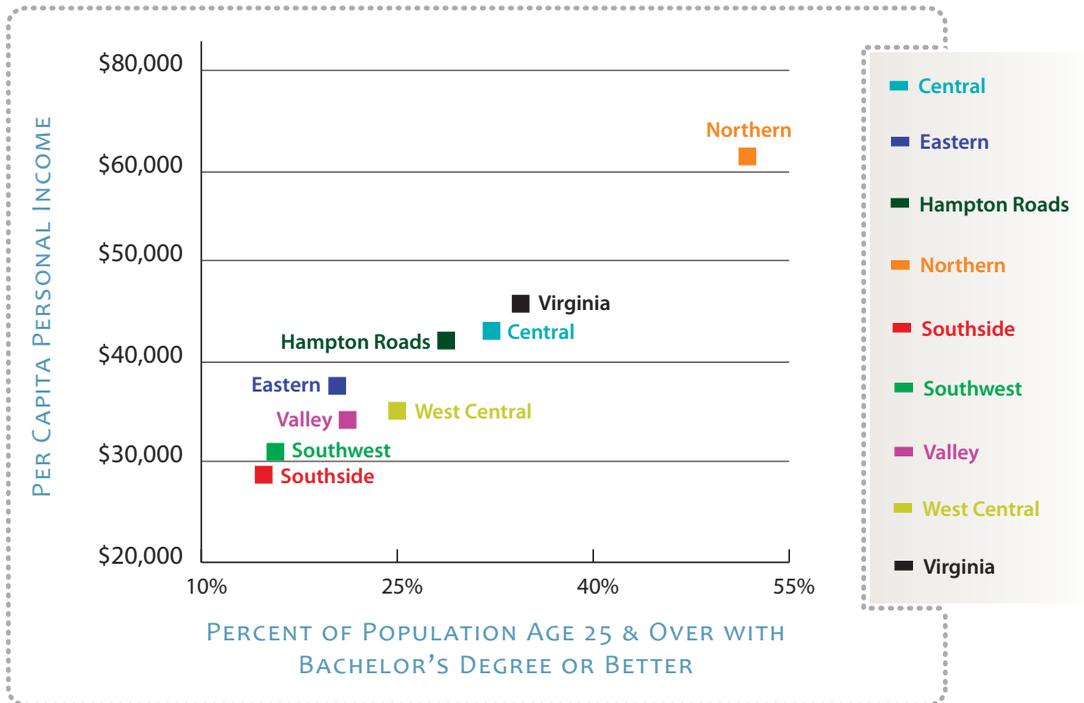
■ A Focus on High-Priority Issues ■

Educational Attainment and Economic Competitiveness

The Council’s areas of focus have evolved over time. For instance, its extensive review of educational attainment in the Commonwealth helped establish the target of 100,000 new college degrees by 2025 and served as a foundation for Governor McDonnell’s Commission on Higher Education Innovation, Reform, and Investment. The impetus for this work came from industry leaders, who have

Figure 7

EDUCATIONAL ATTAINMENT AND PERSONAL INCOME, BY VIRGINIA REGION, 2011



long understood the nexus between educational attainment and workforce quality – key factors in a competitive economy. Figure 7 shows a Virginia-specific example of the close relationship between educational attainment and personal income.

The foundations of economic competitiveness – the keys to long-term prosperity – are complex and multi-layered and include broad issues ranging from workforce quality to transportation infrastructure to the overall quality of life in a region. These foundations can vary fairly significantly by geographical area, and understanding the complex interrelationships among, within, and across regions can be difficult.

Since the Council believes strongly that public-private partnerships are essential in tackling such large, complicated issues, it is particularly enthusiastic about a new partnership with the Virginia Chamber of Commerce – joining in the Chamber's Blueprint Virginia initiative to develop a long-term plan to enhance competitiveness and economic growth across the Commonwealth.

Another new Council project focuses specifically on workforce quality, a critical ingredient for a competitive economy that has proven difficult to assess in meaningful ways.

Virginia's Workforce System Report Card

Established measures of overall workforce quality have been limited mostly to lagging, high-level indicators such as labor productivity and educational attainment. Although important, these measures are not that informative about actual workforce capabilities or the effectiveness of workforce development programs.

In 2012, the Council worked with the Governor's Office, the Virginia Workforce Council, and other partners to craft the Virginia Performs Workforce System Report Card (Figure 8). Although it still tracks educational markers of workforce quality, efforts have been made to also include career-oriented skills and outcomes, as well as a significant focus on advanced manufacturing.

The new report card will improve the assessment of progress being made across the state's extensive and complex workforce development system.

Figure 8



Are We Getting Results on Our Highest Priorities?

The Virginia Report 2012 includes tables that align state agency key performance measures with societal indicators and show progress against set targets. The table below presents a snapshot of these agency key measures to illustrate the content in the full report.

Additional information is available in the Agency Planning and Performance section of Virginia Performs (VaPerforms.virginia.gov).

Societal Indicator		Related Agency Key Measure	Target / Last Reported	
Personal Income	↑ ●	Value of food, agricultural, and forest products sold with support from VDACS (billions)	\$2.8 / \$3.0	↑
Employment Growth	→ ●	Companies assisted by the Workforce Services Jobs Investment Program (DBA)	500 / 576	↑
School Readiness	↑ ●	At-risk children served in the Virginia Preschool Initiative (DOE)	15K / 16K	→
High School Graduation	↑ ●	High school students exiting with a diploma (cohort rate) (DOE)	80% / 88%	↑
Infant Mortality	↑ ●	Infant mortality rate (per 1,000 live births) (VDH)	6.0 / 6.7	↑
Obesity	↓ ●	Percentage of adults that are obese (VDH)	25% / 26%	↓
Traffic Fatalities	↑ ●	Traffic fatalities (VDOT)	846 / 740	↑
Crime	↑ ●	Average response times to emergency calls (minutes) (DSP)	16.7 / 16.4	↑
Air Quality	↑ ●	Forestry conservation projects implemented on private land (DOF)	2,600 / 3,414	↑
Water Quality	↑ ●	Phosphorous nutrients discharged in the Chesapeake watershed (millions of lbs.) (DEQ)	1.8M / 1.2M	↑
Traffic Congestion	↓ ●	On-time and on-budget construction and maintenance projects (VDOT)	77% / 77%	↑
Infrastructure Condition	→ ●	Truckload equivalents of freight diverted from roads to rail (DRPT)	216K / 367K	↑

Colored dots indicate the level of state influence on each measure:

- significant
- limited

These are abbreviated versions of the key measure text available on Virginia Performs.

Arrows indicate whether an outcome is improving (↑), maintaining (→), or worsening (↓); for instance, a decline in the infant mortality rate would be categorized as improving (↑).

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