

THOMAS JEFFERSON INSTITUTE FOR PUBLIC POLICY

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Chairman's Update *Accomplishments of the Thomas Jefferson Institute*

I want to bring you up-to-date on our work here at the Thomas Jefferson Institute since our Special Breakfast Reception with the Governor in Richmond last fall. Over 125 business leaders joined Governor McDonnell and most of his Cabinet at the Jefferson Hotel for this very special event followed by a briefing on the work of the Government Reform Commission.

Since that reception with the Governor, I have continued to work on government reform. About 60% of the initial set of recommendations that the Governor's Reform Commission presented to the Governor in December were ideas that the Jefferson Institute has promoted over the years. I am proud of being the Governor's Special Advisor to the Government Reform Commission. It is a huge compliment to the work this foundation has been doing over the years.

One of the best management practices that the Jefferson Institute has advocated for a long time is a regular program to audit state agencies. The first to do this was the Virginia Department of Transportation and over \$1 billion dollars was found simply sitting unused! And that audit determined how best management practices can insure that more is accomplished with the limited state transportation resources. Now, performance audits are needed at all the state agencies and those will take place.

This year, several key reform proposals passed the General Assembly. These include the establishment of a State Inspector General. This office will not only investigate possible fraud and corruption, but also review management and operational practices of state agencies to find inefficiencies. And from now on the financial impact of state mandates on our counties and cities must be determined and published. And now various state agencies can combine many reports into one. Finally, state Requests for Proposals (RFPs) must be posted on the Department of Government Services' website so that potential bidders can easily see what the state is looking for from private contractors. All of these ideas have been promoted by the Jefferson Institute over the past several years and we are proud to see them become reality. But more must and will be done and we will continue to help lead that effort.

The Jefferson Institute has been the leading advocate for an education scholarship tax credit that would provide educationally at-risk, low-income students a scholarship so they can choose a better school that will provide a better education. The proposal would allow corporations to contribute to scholarship funds and get a state tax credit for such

donations. The financial analysis demonstrates that this would not cost the state net dollars since the money saved by students not attending public schools would more than offset the “lost revenue” from the tax credit.

We first outlined this proposal in 2005, it has been introduced each year since, and this year the Governor made it one of his two major K-12 reform proposals. Our Vice President, Chris Braunlich is a former eight-year member of the Fairfax County School Board and a nationally recognized expert in the field of public education. Chris provided the intellectual background to Delegates Jimmie Massie (R-Henrico) and Algie Howell (D-Norfolk), the Governor’s staff and others on this important idea. The bill passed the House of Delegates with bipartisan support, but was defeated in the Senate Finance Committee on a straight party-line vote – but both the Governor and we are committed to bringing it back again next year..

In November, we held our annual luncheon for more than 60 local School Board Members and Superintendents in Williamsburg during their annual conference. This year’s luncheon focused on the “online learning” efforts promoted by our Governor and supported by our Institute. Since the luncheon several school divisions have moved toward incorporating online learning that educates students at a much lower cost.

December found the Environmental Protection Agency accepting Virginia’s plan to clean up the Chesapeake Bay. That plan included agricultural best practices that have been actively promoted by the Jefferson Institute – most particularly the use of no-til farming. Virginia has been expanding the use of this voluntary technique since the Jefferson Institute’s conference on this issue and now it is key part of the Bay clean up. We are proud of this accomplishment.

And in December we held two major conferences in Richmond. One was a special “Transportation Discussion” where 32 key stakeholders – business leaders, legislative leaders, association officers and transportation experts with years of experience here in Virginia – spent four hours with the top three officials at VDOT talking through “how to get the job done” in today’s world. It was so successful that we have been asked by Transportation Secretary Sean Connaughton to set up one or more follow up meetings and we are working on that now. Ideas and suggestions brought up in this first conference are being pursued by VDOT and we expect additional ideas to move forward at future conferences.

And we held our annual “Innovations in Government Conference” in Richmond with 83 government agency leaders and local government officials attending. We discussed the government reform efforts taking place and asked for input and suggestions. This was the first opportunity many of those attending had to receive a briefing on the reform efforts being worked on by the Governor’s Commission. Many of these reforms will only succeed if these leaders pitch in and make them succeed. They were impressed and had a lot of good ideas. This annual conference was, once again, most successful.

Also in December, we printed a speech by Attorney General Ken Cuccinelli outlining his philosophy and approach to the two major legal cases he is currently pursuing in federal court – on the health care issue and EPA over-regulation. We felt that it is important for folks to understand his legal philosophy so that they better understand what he is doing and why. His speech outlines this very well. Over 3500 people have downloaded this speech from our website.

Scott Leake, our Director of Government and Public Relations, covered the work of the General Assembly while it was in session and hit the “social media air waves” daily through his *Grapevine* on the Thomas Jefferson Institute Facebook page and included video interviews with key legislators on issues facing that elected body.

Our two volume tenth annual analysis of the Fairfax County budget was completed in December. Volume One clearly shows that the elected officials in our state's largest jurisdiction dug the financial hole that exists today because they spent so much money since FY 2000. It outlines 20 steps that can be taken by the government and the School Board to bring their spending and management of the budget into a more business-like manner. Volume Two is a set of charts and budget pages from the county's official documents supporting our analysis. Elected officials from around the state are now considering similar reports for their jurisdictions.

And in February we released a short paper reprinting three papers by the Mercatus Center at George Mason University that focus on government transparency. These papers outline why transparency is important and how a state government can move forward in this area. This has been sent to all local government officials this month. These reports are part of our on-going effort to promote transparency in state and local government. Many of our transparency ideas have been adopted by the Government Reform Commission and by local governments.

Since the Governor's reception, a number of guest columns have been run in newspapers around the state covering a broad range of topics. These columns reach tens of thousands of Virginians on a regular basis and discuss important issues facing our state.

Today we are working on a number of issues in the areas of government reform, improving K-12 education, health care, energy development, economic growth and environmental stewardship based on market oriented principals.

And our bi-weekly electronic public policy journal, *Bacon's Rebellion*, continues to be published and is transmitted to 17,000 people interested in knowing about some of the issues faced by our state. We hope to expand that number this year. You can sign up to receive this unique publication here: www.baconsrebellion.com

No other independent group in Virginia is doing the kind of work in so many key areas as is the Thomas Jefferson Institute for Public Policy. And no other independent group has had the impact on public policy as has the Jefferson Institute.

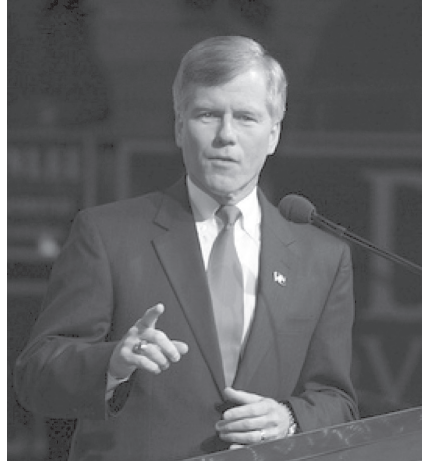
We are proud of what we have accomplished and for the support we have earned from many key leaders here in our Commonwealth. The Breakfast Reception with our Governor and many members of his Cabinet clearly demonstrated that support. You can find our work on the Jefferson Institute's website: www.thomasjeffersoninst.org

We receive no government funding and rely solely on the financial support of the private sector to accomplish all that we do. As a 501 (c) (3) public foundation we receive support from individuals, corporations, associations and foundations. Your support is key to our continued success.



Governor Bob McDonnell

Richmond, Virginia



Dear Friend:

I want to thank you for your continued efforts to make Virginia a better place to live and work.

I have worked closely with the Jefferson Institute and its Founder and President Mike Thompson for many years. The Thomas Jefferson Institute is viewed as a leading factory of ideas to reform state government, improve public education, and strengthen environmental stewardship.

Please join me in support of my friends at the Thomas Jefferson Institute for Public Policy.

The Jefferson Institute's studies, conferences and newspaper columns provide a great blueprint for how to reform our state government and I appreciate their efforts in contributing to our review of state government functions.

The Institute helps educate our political and business leaders about innovative ideas and solutions to the problems that are faced by Virginians and I look forward to working with their team as it continues to promote good government reform here in the Commonwealth.

I need the Thomas Jefferson Institute to continue to provide the kind of influence and creativity it has for so many years.

Sincerely,

A handwritten signature in black ink that reads "Bob". The signature is written in a cursive, slightly stylized font.

Governor Bob McDonnell