

# Virginia Tobacco Region Revitalization Commission

FY 2018 - 2020  
Strategic Plan

May, 2018

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## **Mission**

The Tobacco Region Revitalization Commission is created as a body corporate and a political subdivision of the Commonwealth and as such shall have, and is vested with, all of the politic and corporate powers as are set forth in this chapter. The Commission is established for the purposes of determining the appropriate recipients of moneys in the Tobacco Indemnification and Community Revitalization Fund and causing distribution of such moneys for the purposes provided in this chapter, including using moneys in the Fund to ... revitalize tobacco-dependent communities.<sup>2</sup>

*Section 3.2-3101, Code of Virginia<sup>3</sup>*

## **Vision**

In today's environment – where markets are largely global and employment is increasingly knowledge-based – the Commission seeks to accelerate regional transformation, giving citizens expansive opportunities for education and employment, and providing communities the benefits of economic stability, diversification, and enhanced prosperity. In particular, the Commission seeks to meet the region's specific challenges related to a historic dependence on tobacco production, textile and furniture manufacturing, and coal production.<sup>4</sup>

As a result, the Commission also recognizes that investments should reflect and directly advance local, regional and state priorities as established by elected and appointed officials, representatives from institutions of higher education, and other community leaders. The Commission views economic development as a partnership, and will - as often as practicable - seek input from regional stakeholders to ensure its priorities align with those of the region. To maximize the positive impacts of its investments, the Commission acknowledges the critical importance of collaboration with a broad array of financial partners including public and private non-profit organizations, the educational and workforce development communities, local, state and federal governmental entities and the private sector.

A fundamental goal of the Commission is to support projects that advance the ability of the region to attract and retain businesses that support bringing in capital from outside of the Tobacco region. This goal is grounded in an objective and quantifiable economic base analysis. In general, directly productive industries, and the workforce training and development which supports them, do more to further this goal and should be favored over an increase in service industries primarily serving local markets.

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<sup>2</sup> The statute also contains a section referring to the Commission's mission to indemnify tobacco farmers through direct payments. That portion of the mission was deemed completed and is omitted here for clarity.

<sup>3</sup> The full section of the code can be accessed at: <http://law.lis.virginia.gov/vacode/title3.2/chapter31/section3.2-3101/>

<sup>4</sup> The most updated survey economic data (and links to regional and MSA data) are available from the Bureau of Labor Statistics, accessible at: <http://www.bls.gov/eag/eag.va.htm>

## **Strategic & Funding Priorities**

The Commission receives hundreds of grant applications every year and must determine how to allocate its limited annual budgets to best serve the needs of the Tobacco Region. The three primary mechanisms by which the Commission makes those determinations are: 1) our Key Funding Priorities, which describe the sorts of project categories that will receive preference over all others, even those that follow our General Funding Policies; 2) our Committee Structure, and Program Outcomes and Goals metrics; and 3) our General Funding Policies, which describe specific policies related to uses of funds and preferred overall project finance rules.

### ***Funding Priorities***

In pursuit of the types of investments in projects that best serve the needs of the Tobacco Region, the Commission has sought the input of various experts, local leaders, and the public through surveys, public meetings, individual meetings, and focus groups.

Below is a listing of Commission funding priorities. Each category, denoted by Roman numerals, is listed in order of priority. In each category, a non-exclusive list of examples of model programs and projects has been provided, and the Commission staff will prioritize grants that align closely with more highly ranked priority categories on this list as they make funding recommendations to various committees and the full commission.

#### *I. Education and Workforce Development*

1. Capital support for the creation of training programs for high demand occupations that lead to industry certified credentials, as defined in partnership with regional businesses and industries, including STEM-H opportunities.
2. TRRC tuition assistance at both 2-year and 4-year institutions.
3. Training for K-12 educators that increases their skills and knowledge regarding career training and opportunities within the Tobacco Region.
4. Work-based education such as internships, apprenticeships and on-the-job training programs.

#### *II. Infrastructure*

1. Broadband, including “last mile” funding, and telecommunications pilot projects.
2. Development of industrial and other business-ready sites.
3. Access to public utilities including water, natural gas, sewer and alternative energy resources for economic development purposes, where other state and local resources are not available.

### III. *Economic Development and Entrepreneurship*

1. Financial assistance in the forms of grants or forgivable loans tied to performance agreements focused on job creation and/or significant capital investment in the region.
2. Low-interest loans and revolving loan funds to provide access to capital for startup and expansion.
3. Agribusiness companies and support programs that diversify the region's agricultural outputs and increase agribusiness profitability.
4. Development of industrial clusters that leverage unique regional assets.

### IV. *Access to Quality and Specialty Healthcare*

1. Improved access to physical, behavioral and oral health care through mobile health services and tele-health capabilities when such activities provide significant new sources of capital to the region through federal payment programs.

### V. *Community Assets and Opportunities*

1. Cultural projects that will bring significant numbers of residents from outside the Tobacco Region to the Region.
2. Connecting communities to outdoor recreational opportunities and related businesses to support adventure tourism that will bring significant numbers of residents from outside the Tobacco Region to the Region.

## ***Committee Structure***

The Commission has ten standing committees. The chairperson of the Commission forms these committees, and their membership is determined at the chair's discretion. Additional, ad-hoc committees may be formed as needed. All committees meet at the call of their respective committee chairpersons.

Most committees evaluate grant and loan proposals from eligible applicants (generally counties, towns, cities, and nonprofit organizations and any subsidiary or collective organizations) and make recommendations to the Commission as to what projects should be funded, in what amounts, and whether said funding should be in the form of a loan or a grant. Some committees are operational in nature, and recommend policy or process changes to the Commission. The overall purpose and objectives of each programmatic committee is described below:

1. **Executive Committee** – The Executive Committee is the Commission's rulemaking and administrative committee. The chair and vice-chair of the Commission serve as the chair and vice-chair of this committee.

2. **Southside Economic Development Committee** – The Southside Economic Development Committee hears proposals from applicants for grants or loans to support economic development in Southern Virginia. Program funds are allocated to each county by a formula that takes into account tobacco production, job losses, economic development impact and warehouse designations. Town and nonprofits are also eligible applicants. Projects funded by the Southside Economic Development Committee may also be subject to a tax-sharing agreement between the Commission and the locality depending on the nature of the project.
3. **Southwest Economic Development Committee** – The Southwest Economic Development Committee hears proposals from applicants for grants or loans to support economic development in Southwest Virginia. Program funds are available to all southwest counties, cities, towns and nonprofits within the region, without regard to any specific tobacco-related local data, historic or current. Projects funded by the Southwest Economic Development Committee may also be subject to a tax-sharing agreement between the Commission and the locality depending on the nature of the project.
4. **Agribusiness Committee** – The Agribusiness Committee hears proposals from applicants for grants or loans to support agriculture and forestry enterprises from across the Tobacco Region. These proposals can be for specific projects, infrastructure to support agricultural enterprise, or for programmatic funding in support of the region’s agriculture industry. Projects funded by the Agribusiness Committee may also be subject to a tax-sharing agreement between the Commission and the locality depending on the nature of the project.
5. **Education Committee** – The Education Committee oversees the Commission’s scholarship program, and hears proposals from applicants for grants or loans for competitive education funding. The Scholarship program’s eligibility and award parameters change annually based on the committee’s budget and on information regarding changing costs of education. The committee’s competitive education program supports post-secondary education programs at educational institutions throughout the Tobacco Region.
6. **Special Projects Committee** – The Special Projects Committee accepts applications for projects with a variety of characteristics including, but not limited to: 1) megasite development; 2) healthcare funding; 3) major prospect-specific incentive funds; 4) regional infrastructure; and 5) any project with significant regional economic impact. If there is a project that would significantly positively affect the economy of the Tobacco Region and it does not fall into the purview of another committee, it will be heard by the Special Projects Committee. Projects funded by the Special Projects Committee may also be subject to a tax-sharing agreement between the Commission and the locality or localities depending on the nature of the project.

7. **Research and Development Committee** – The Research and Development Committee, focuses support on: 1) Evaluating and funding via grants and loans – projects that improve broadband connectivity in the Tobacco Region; 2) Previously funded organizations with requests for follow-on funding; and 3) Small grants in support of organizations that have received, or are seeking, federal Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) funding, provided any future commercialization occurs within the Tobacco Region.
8. **Strategic Planning Committee** – The Strategic Planning Committee creates and updates this document, and oversees outreach to the public, and partner and stakeholder groups during the strategic plan revision process.
9. **Tobacco Region Opportunity Fund (TROF) Committee** – The Tobacco Region Opportunity Fund Committee evaluates and approves or disapproves applications for opportunity fund grants and loans between \$1 and \$3 million dollars. Recommended funding levels for TROF projects is determined by a formula that takes into account the proposed capital investment on taxable assets, new employment creation, and the annualized weighted average salary of new employment. These figures are provided by a company and entered into the grant agreement signed by the company, their host locality, and the Commission. The formula takes the project parameters into account as well as local economic conditions in the host locality. TROF awards smaller than \$1 million may be approved by the Executive Director. Awards between \$1 million and \$3 million may also be approved by the Executive Director should the TROF committee prove unable to meet in a timely fashion. The full Commission must approve TROF awards larger than \$3 million.<sup>5</sup> Projects funded by TROF will also be subject to a tax-sharing agreement between the Commission and the locality as a requirement for receipt of TROF funding.
10. **Business Support Committee** – The Business Support Committee works with the Commission’s partner, Genedge<sup>6</sup>, the Commonwealth’s business consulting organization providing Virginia’s industrial and manufacturing sectors access to expert business solutions. In partnership with Genedge consultants, members of the business support committee lend their expertise and experience to Commission-funded enterprises in an effort to ensure their success.

### ***Program Outcomes and Goals***

Each programmatic committee of the Commission does its work in pursuit of specific “project outputs,” each of which supports one or more of the “targeted outcomes,” the long-term goals of the program. Below,

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<sup>5</sup> For additional information about TROF funding and eligibility, please see the *General Funding Policies* section of the Commission’s website.

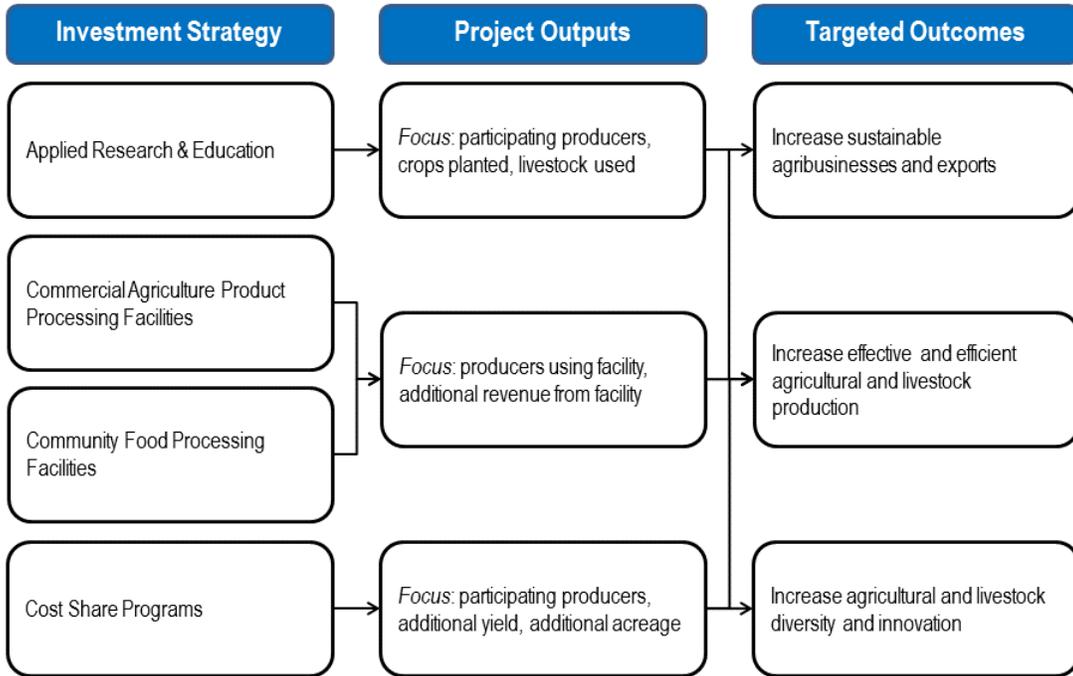
<sup>6</sup> More information regarding Genedge can be found at their website: <https://www.genedge.org>

each committee's work is broken out into one or more logic models that display the specific outputs supporting each programmatic goal.

It is the goal of Commission staff to evaluate projects, both before awards are given and in follow-up, on how well they meet the clear metrics laid out in project outputs when grants or loans are awarded. For more detail on specific metrics, please contact Commission staff.

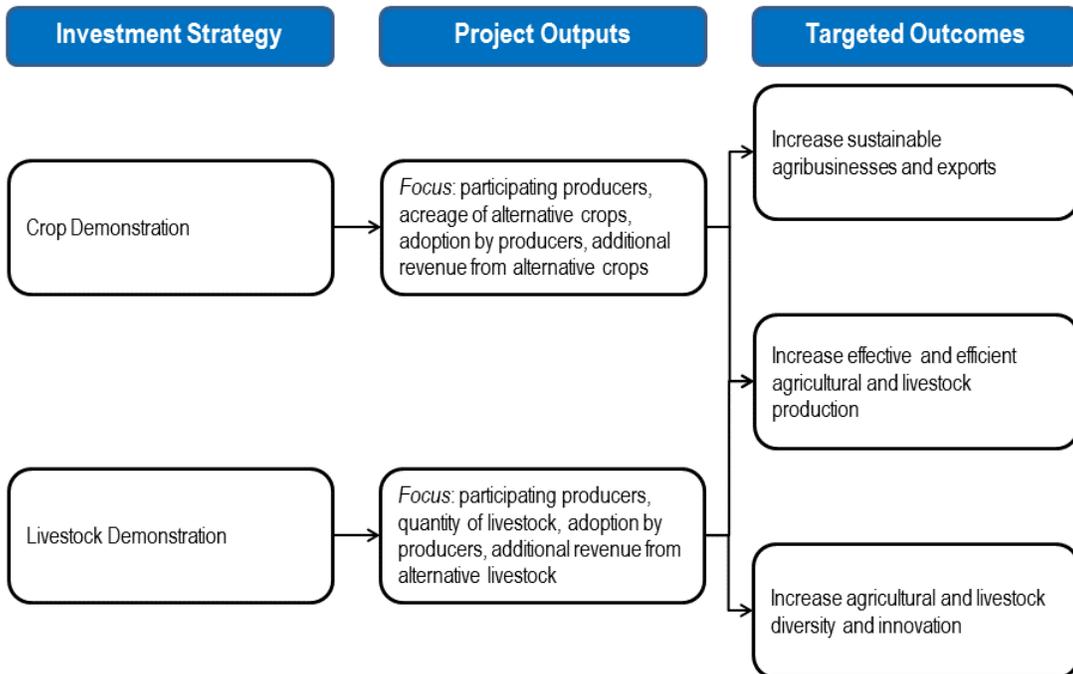
## Agribusiness

Investment Strategies, Project Outputs, and Targeted Outcomes



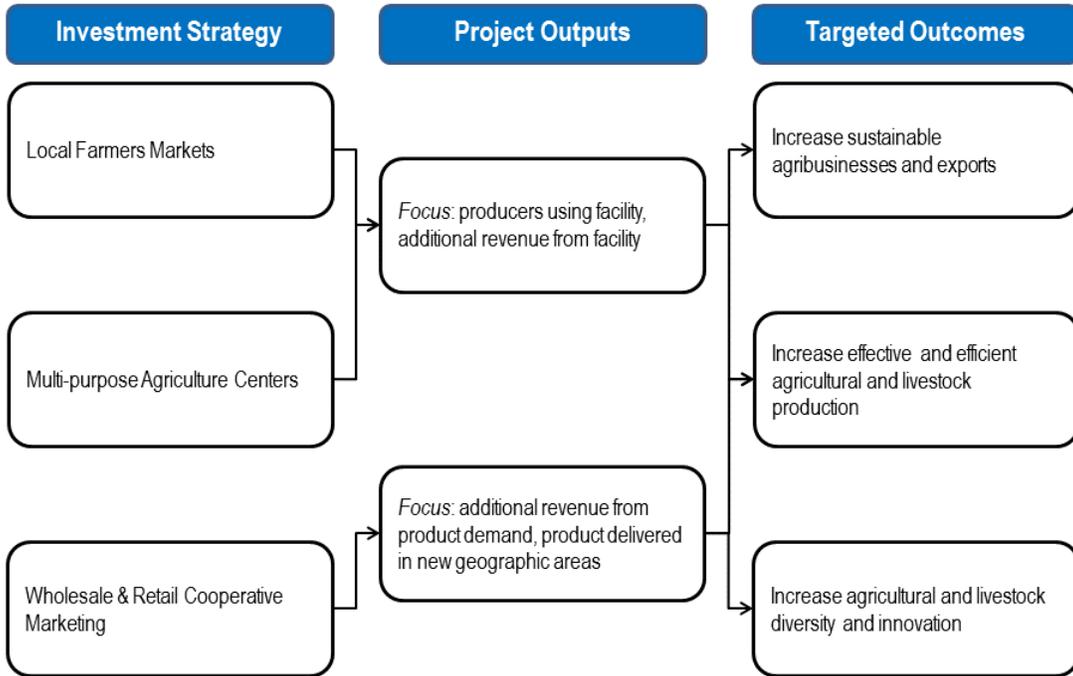
## Agribusiness (cont.)

Investment Strategies, Project Outputs, and Targeted Outcomes



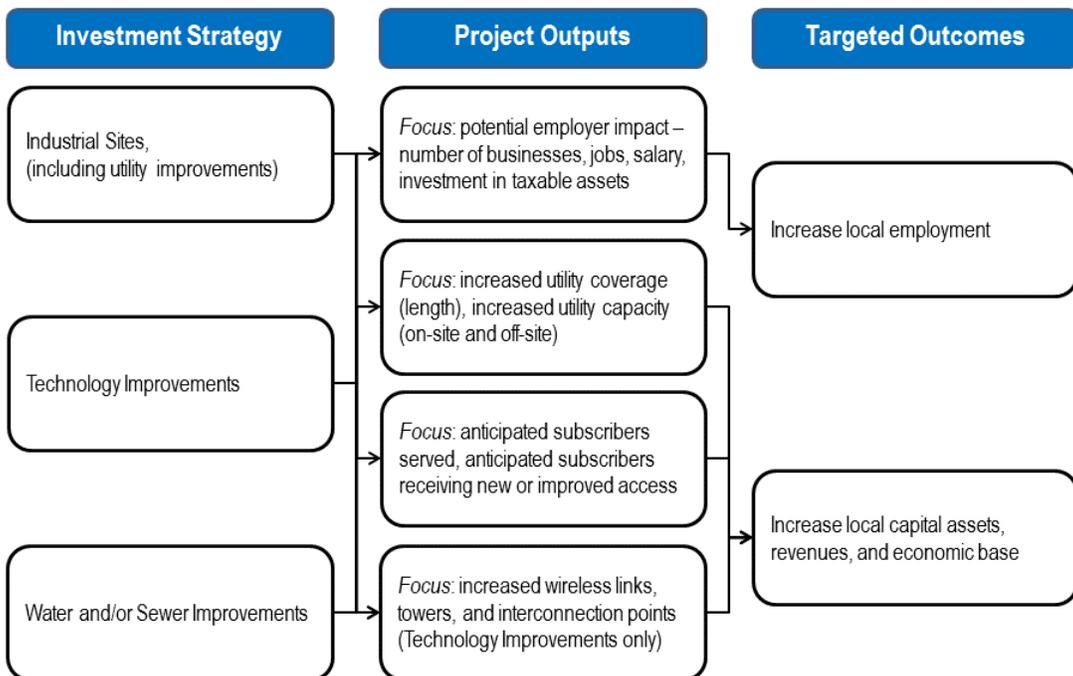
## Agribusiness (cont.)

Investment Strategies, Project Outputs, and Targeted Outcomes



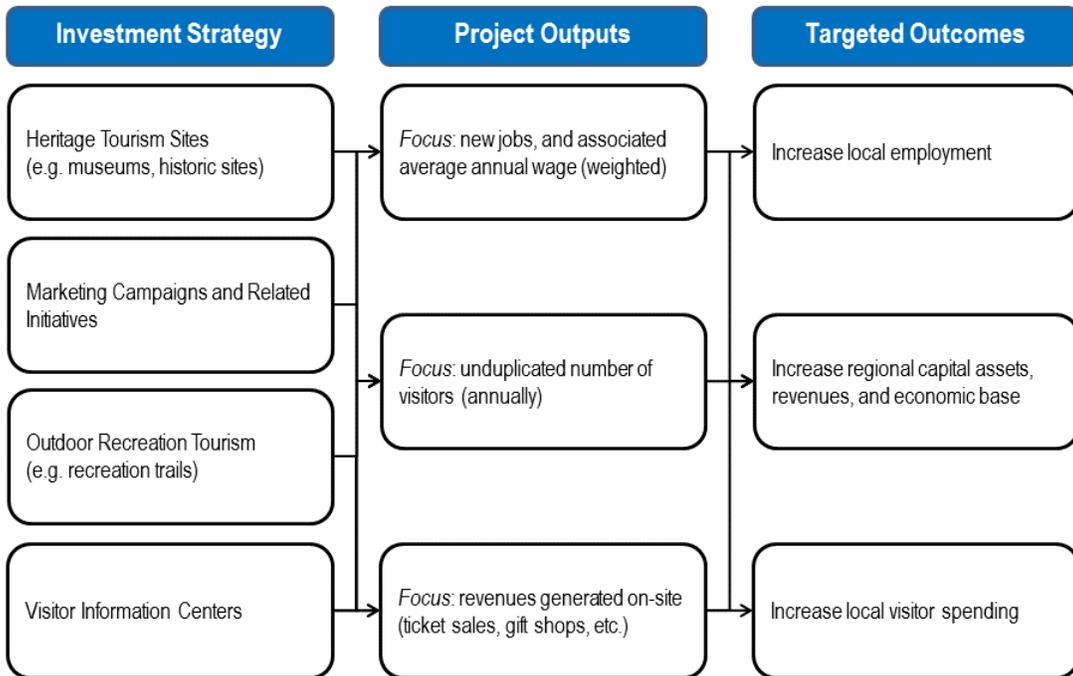
## Economic Development – Infrastructure Improvements

Investment Strategies, Project Outputs, and Targeted Outcomes



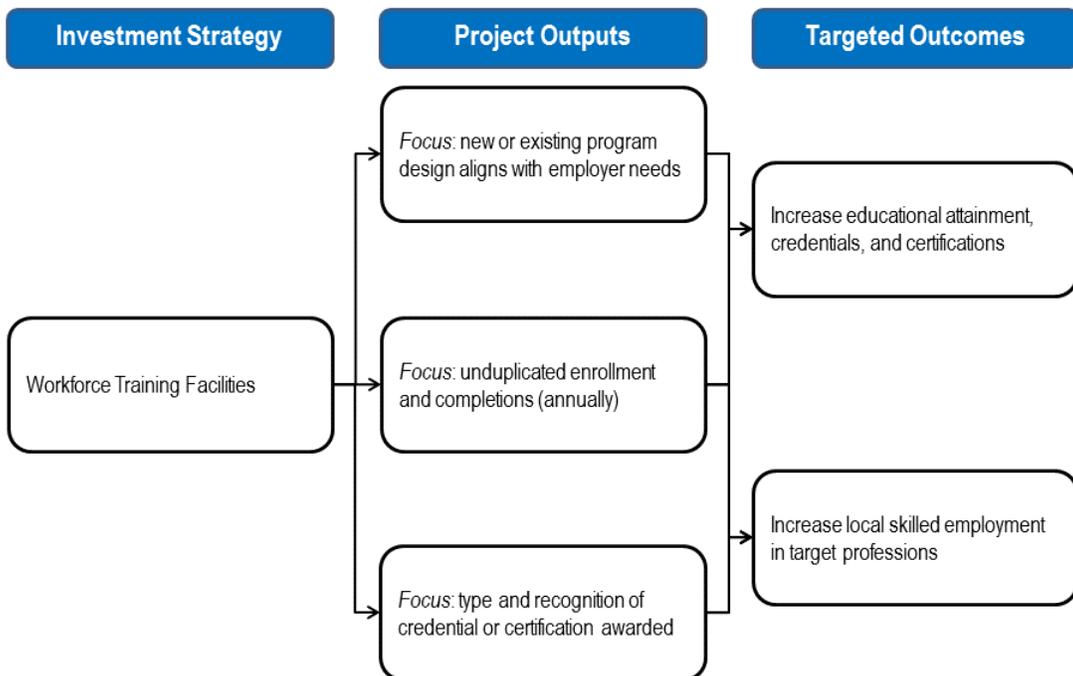
## Economic Development – Tourism

Investment Strategies, Project Outputs, and Targeted Outcomes



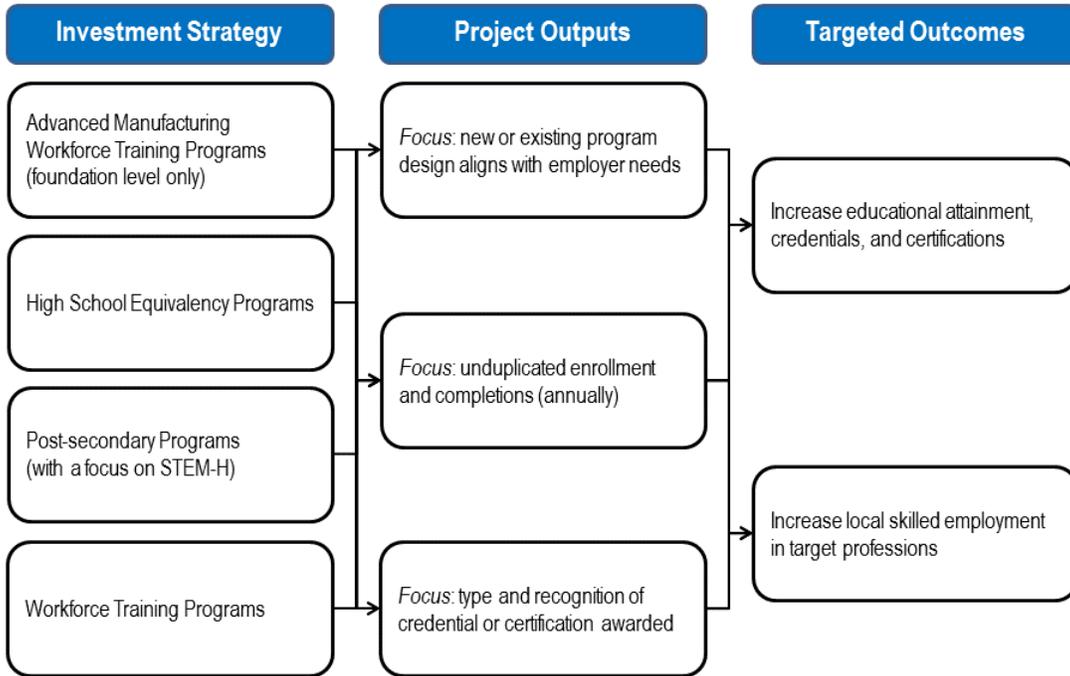
## Economic Development – Workforce Training Facilities

Investment Strategies, Project Outputs, and Targeted Outcomes



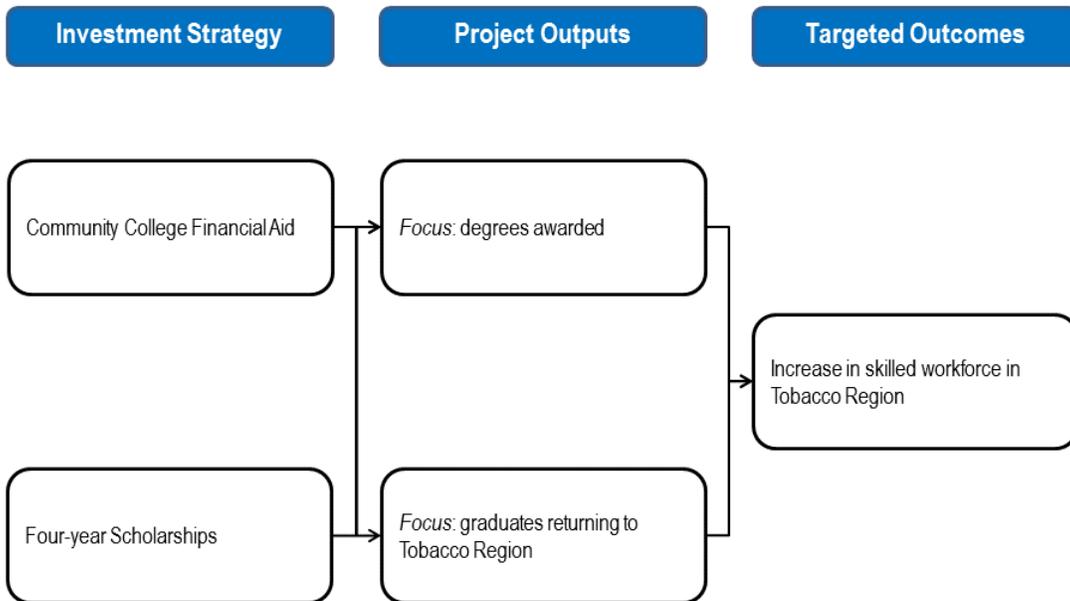
## Education – Competitive Education

Investment Strategies, Project Outputs, and Targeted Outcomes



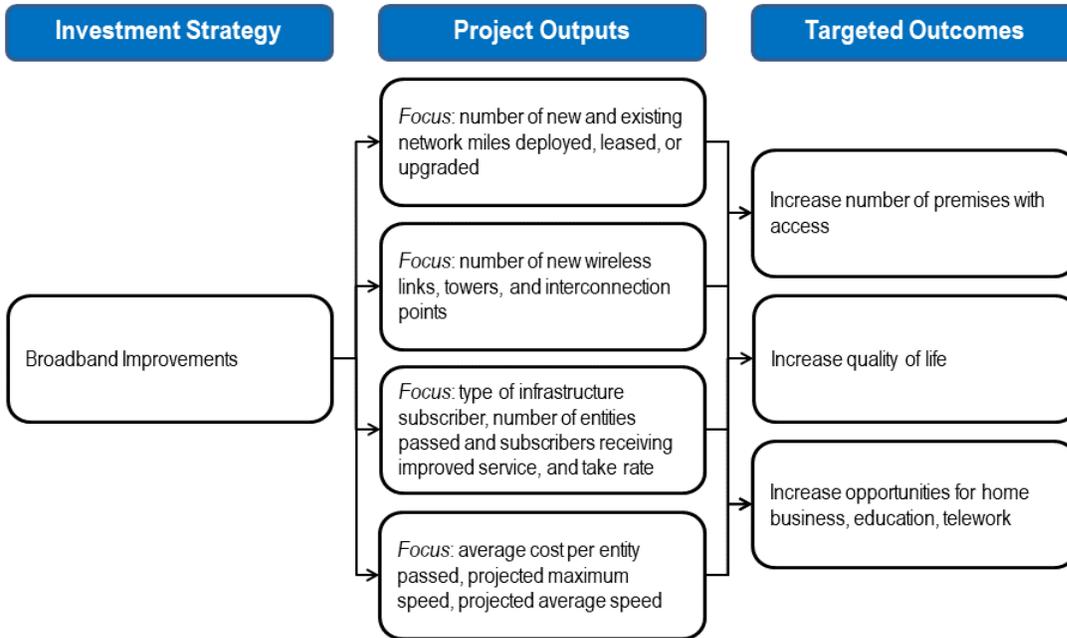
## Education– Student Financial Aid

Investment Strategies, Project Outputs, and Targeted Outcomes



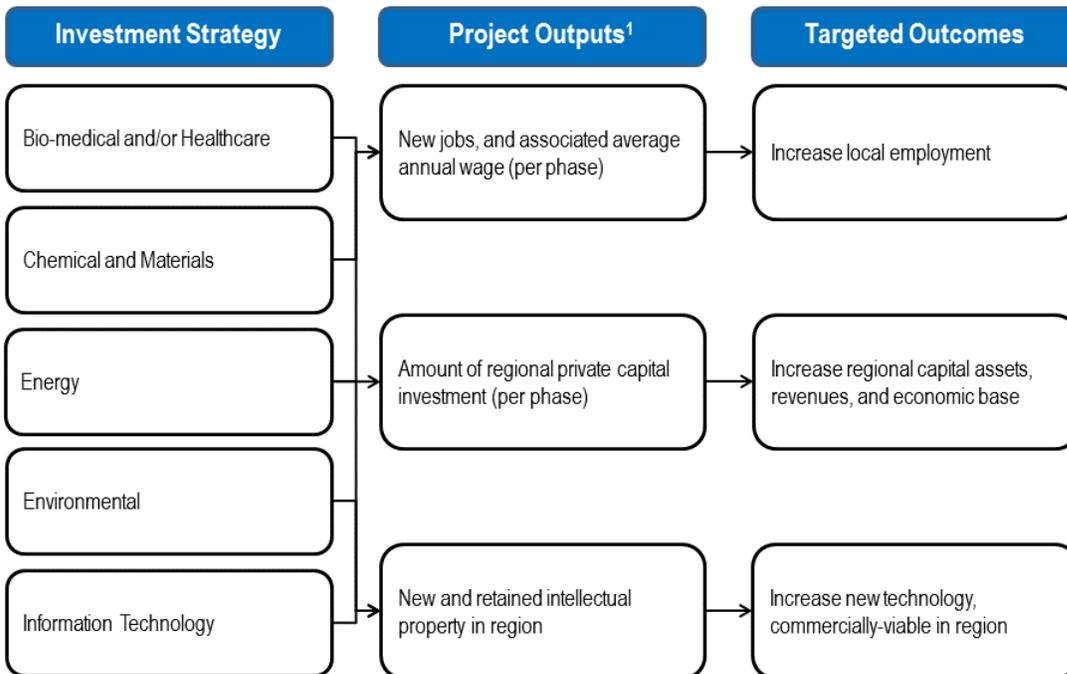
## Research & Development

Investment Strategies, Project Outputs, and Targeted Outcomes



## Research & Development

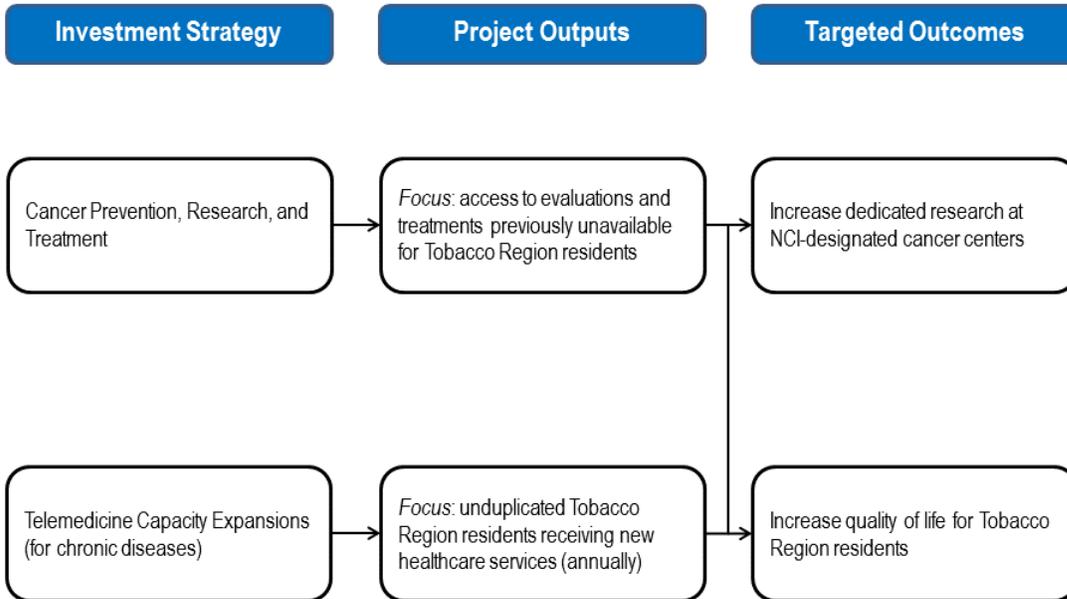
Investment Strategies, Project Outputs, and Targeted Outcomes



<sup>1</sup> Project Outputs are for both the Research Phase and Commercialization Phase.

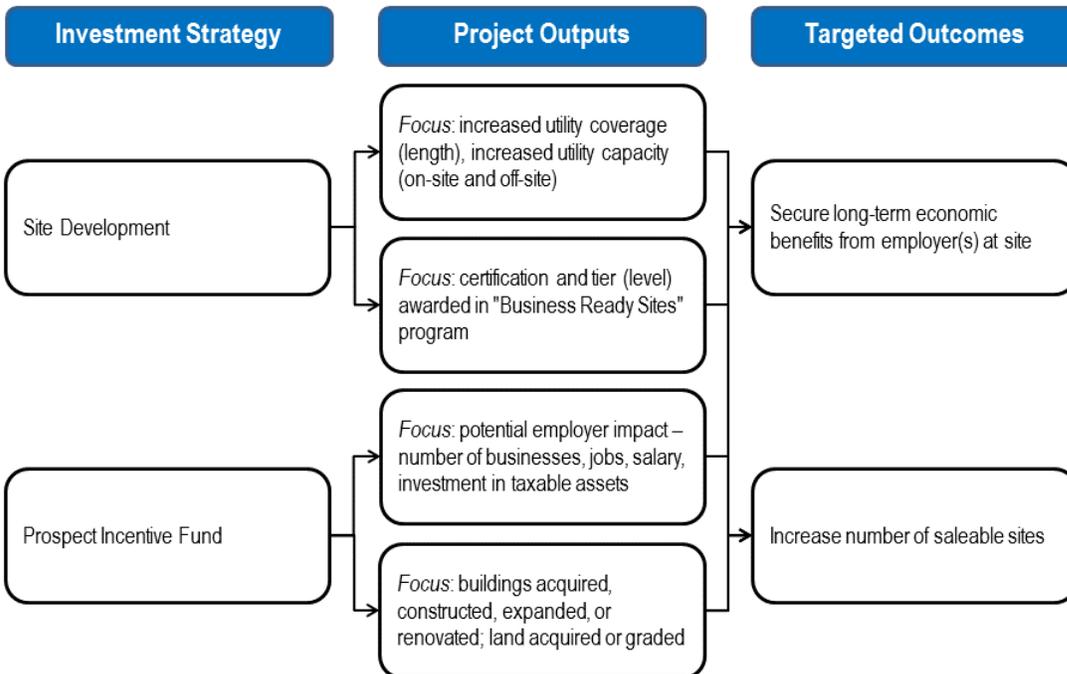
## Special Projects – Healthcare

Investment Strategies, Project Outputs, and Targeted Outcomes



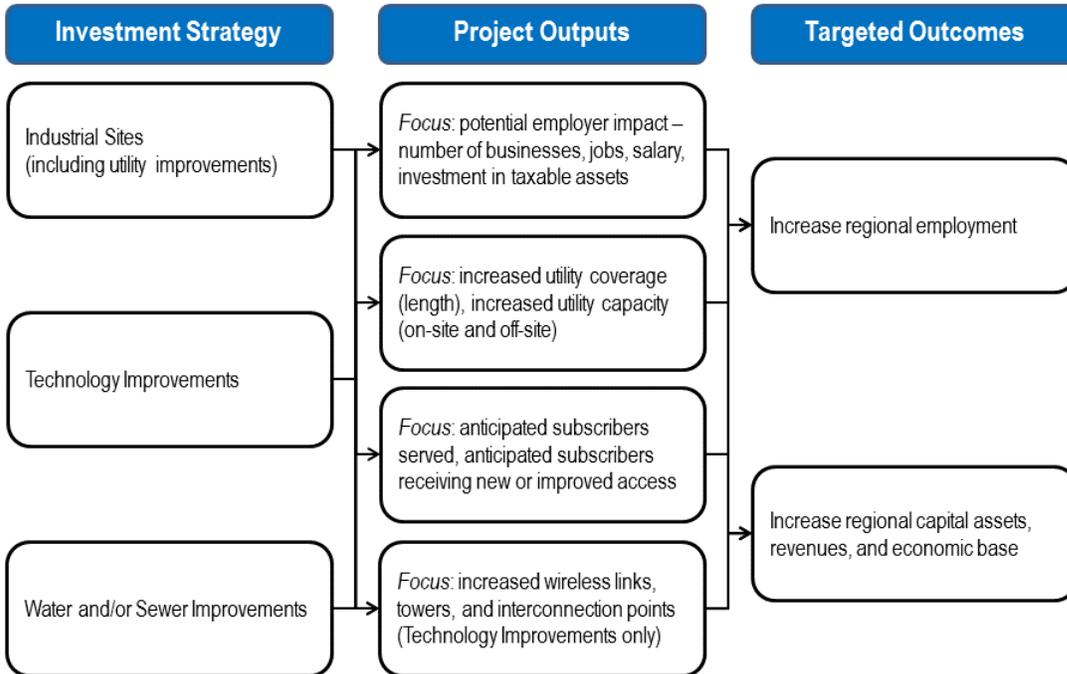
## Special Projects – Megasites

Investment Strategies, Project Outputs, and Targeted Outcomes



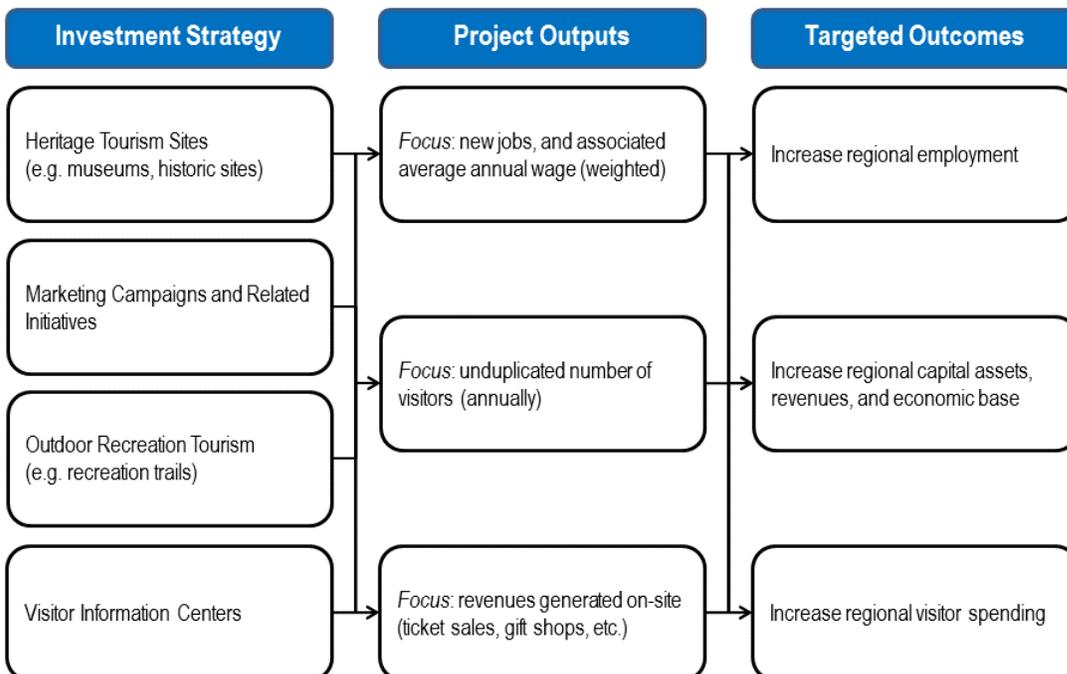
## Special Projects – Regional Infrastructure Improvements

Investment Strategies, Project Outputs, and Targeted Outcomes



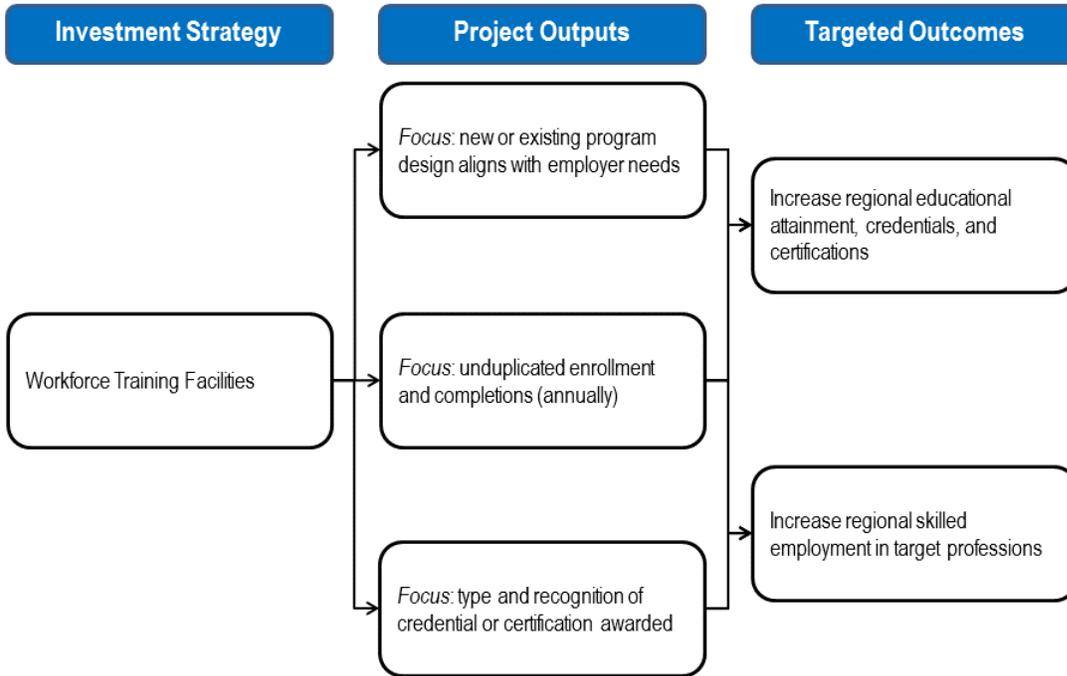
## Special Projects – Regional Tourism

Investment Strategies, Project Outputs, and Targeted Outcomes



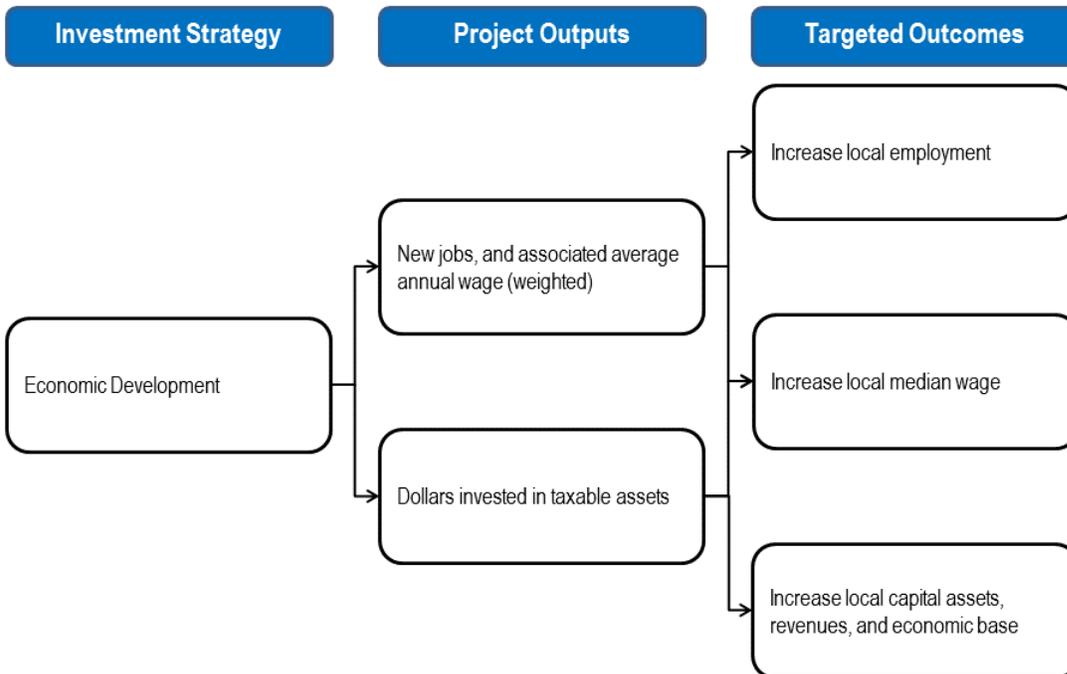
## Special Projects – Regional Workforce Training Facilities

Investment Strategies, Project Outputs, and Targeted Outcomes



## Tobacco Region Opportunity Fund (TROF)

Investment Strategies, Project Outputs, and Targeted Outcomes



## ***General Funding Policies***

This section is intended to provide applicants and grantees with guidance on the general funding policies used by the Virginia Tobacco Commission for consideration of new applications for funding and in administration of grant awards. It references several of the Commission's policies and grant management guidelines that can be found in documents on the Commission's website.<sup>7</sup> **Funding policies referenced herein may have changed since the adoption of the strategic plan. The Commission's website contains the most up-to-date policies in their entirety – the high-level nature of this document does not allow for an exhaustive list of policies in their entirety. If you have any questions, contact Commission staff.**

Priority is given to projects with the following characteristics:

- align with the Commission's Strategic Plan, and with the outputs and outcomes identified for the specific grant program (e.g. granting of nationally-recognized academic/workforce credentials in Education, creation of net new income for agricultural producers in Agribusiness etc.).
- are regional in their implementation and impacts (i.e. governance, direct financial participation or service area).
- include appropriate partner organizations that have direct involvement and capacity to successfully implement the project.
- meet or exceed required matching funds and thereby leverage significant other financing.
- demonstrate that all financing necessary to complete and sustain the project is committed and available.

## ***Eligible Applicants***

Applications for grant funds will only be accepted from public or incorporated non-profit private organizations located in and/or providing economic revitalization programs, services, or facilities in the tobacco region. Eligible applicants include the following:

- Government Entities - Government entities within the tobacco region or their duly constituted political subdivisions. This includes the governing body of any city, county or town ("locality"); governing body of a local or regional industrial or economic development authority; regional authority, and other governmental unit.
- Non-Profit Organizations - Incorporated non-profit organizations designated as tax-exempt by the federal Internal Revenue Service, such as 501(c)(3) entities.
- Educational Institutions - Public or private non-profit institutions of higher education, and other education or training institutions constituted and located in Virginia; or entities not constituted in Virginia but with significant, enduring investments and service delivery in the tobacco region.

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<sup>7</sup> The Commission maintains its website at: [www.revitalizeva.org](http://www.revitalizeva.org)

## Requirements for Applicants

Applicants must meet all of the below criteria:

- *Procedural* - Applications must be submitted in accordance with guidelines and deadlines established by the Commission. Proposals will be reviewed by designated program staff, presented to the Committee responsible for funding recommendations for that program, and to the full Commission for a final funding decision.
- **The commission may, at its discretion, request an out-of-cycle application and may take action on that application. Unsolicited applications, or applications received without opportunity for meaningful staff review, will not be heard by the Commission.**
- *Operational Sustainability* - Applicants should clearly describe the operational sustainability of the activity for which Commission financing is being requested-
- *Outcomes and Return on Investment (ROI)* - Applicants must describe and be prepared to measure the anticipated ROI (e.g. private sector capital investment, employment and wage outcomes, public revenue benefits) in relation to proposed Commission investments.
- *Use of Funds by For-Profit Entities* – Applications that will benefit a private entity must have a public purpose and be made by one of the eligible applicants identified in the previous section.
- *Required Matching Funds* – All Commission grants require matching funds. Language adopted in Code of Virginia in 2015 now requires dollar-for-dollar matching funds for all grants (i.e. at least 50% of the Total Project Costs to be provided from non-TRRC funds), unless otherwise approved by a two-thirds majority of Commissioners.<sup>8</sup> No more than 25% of the required matching funds can be provided from in-kind project contributions.

## General Non-Eligible Uses of Funds

The following list illustrates uses of Commission funds that generally do not align with Commission objectives and should be avoided in grant proposals and requests for grant disbursement.

- Commission funds should not be used outside the defined tobacco region (unless explicitly approved by the Commission).
- Commission funds should not be used to supplant other state or federal funds for which an applicant is eligible. This includes financing options for off-site utility improvements.
- Commission funds should not be used for regularly recurring local responsibilities (e.g. comprehensive plans, K-12 school funding).
- Commission funds should not be used to finance endowments.
- Commission funds should not be used for debt retirement.

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<sup>8</sup> The full statute and details can be found in the Virginia Code at § [3.2-3112](#) et seq

- Commission funds should not be used for on-going operation costs beyond a start-up period that has been explicitly approved by the Commission.
- Commission funds should be invested in projects that generate substantial direct and measurable new economic activity in a region. Commission funds should not be used for projects that indirectly affect economic revitalization (e.g. community centers, childcare centers, 4H centers, YMCA or recreational initiatives, airports, local arts and cultural activities, historic preservation, housing and retail development) unless it is demonstrated that the investment will produce significant economic impacts from outside the Commission service area.
- Commission funds should not be used for project administration, indirect project costs or for activities initiated prior to grant approval.
- Commission funds should not be used to acquire or make improvements to privately owned property or to acquire or improve equipment for/in private ownership unless there are defined and documented public purposes met, to include creation of new jobs and new taxable private capital investment, and such expenditures have been explicitly approved by the Commission.

## Operations

This section describes the internal operations of the Commission. Eight areas are covered: Program Design (page 20), Meeting Schedule (21), Budgeting & Financial Management (22), Loan Fund Operational Description (23), Data Strategy (23), and Organization Chart – Staff (page 25).

### ***Program Design***

Each program has specific *outputs* and *outcomes*. These are directly tied to the short-, medium-, and long-term goals of each program. The duration of these goals can vary between programs.

- Outputs are specific deliverables required from a project by an awarded applicant (or grantee) to satisfy the obligations of the grant agreement.
- Outcomes are the measures a program targets for effecting change.

A small but important distinction is that unlike outputs, outcomes cannot be targeted directly. Program-specific outputs vary because program-specific outcomes vary. Project success is judged on delivered outputs, while program success is judged on effected outcomes.<sup>9</sup>

**Every applicant to a program must clearly articulate and demonstrate how the specific project relates to the goals of the program, what outputs shall be delivered, and when such outputs are delivered, and the anticipated effect of these outputs on the outcomes targeted by the program.**

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<sup>9</sup> In practice, it is often difficult to judge a program's success on effected outcomes because of other exogenous effects on that same outcome (e.g. lowering the unemployment rate). Examining the realized outputs of a program over time is another way to judge program success. However, this approach provides no information on the outcomes the program was intentionally and specifically designed to effect.

Commission staff review and score submitted applications. The criteria used to score an application are pre-established and program-specific. The measures and weights used to score each application has remained consistent over the life of the Commission. This provides valuable context on the application score relative to the scores of the current applicant pool and historical scores across time.

Commission staff prepare a staff report containing background information and recommendations on each application in the current pool and distribute the report to the appropriate committee for review in advance of the next committee meeting. Although staff are neither members of the Commission nor members of any committee, they are available before, during, and after committee meetings to answer questions from applicants or members or the public.

If an applicant is awarded a grant, a grant agreement must be signed between the Commission, the awarded applicant, and the final recipient of the grant funds. Depending on the outputs of a project, the deliverables in the grant agreement may vary within, or between, programs. Grant agreements are legally enforceable contractual obligations between the signed parties. **Every grant agreement contains clauses that provide legal remedies, including in certain cases a clawback provision, which may be exercised in the event of any unapproved use or misuse of Commission funds, and/or in the case of the outputs specified in the signed grant agreement not being met by a specified point in time.** Once all parties sign the grant agreement, Commission staff obligate grant funds. The Commission serves as the grantor and the awarded applicant is the grantee.

The grantee responds to interim assessments (surveys) on progress made toward achieving the obligated outputs. Interim assessments are program-specific. The assessments are intended to provide the Commission with useful quantitative data on the progress of the project toward completion. The Commission or Commission staff may, at any time, request additional information from grantees.

A final assessment is done once a project is completed within the duration specified in the grant agreement. A project is considered complete when the obligated outputs are met or exceeded, or when the obligated outputs either have not or will not be met. In the event of the latter, a clawback may be initiated by the Commission. **Under no circumstances will a final disbursement of funds be made to any grantee before Commission staff have received, reviewed, and validated the final assessment from the grantee.**

A project is closed once all documentation is received by the Commission and all obligations are considered satisfied.

### ***Meeting Schedule***

The Commission meets regularly three times each year, with various committees having met in the weeks leading up to a full Commission meeting:

1. The Commission's winter meeting is held on the Tuesday prior to the beginning of the General Assembly session.
2. The Commission's spring meeting is held in May.

3. The Commission's fall meeting is held in September.

Any additional meetings may be called at the request of the chair, but the Commission has a goal of accomplishing all of its annual business in its three regular meetings.

### ***Budgeting & Financial Management***

The Commission was originally funded from a portion of the Commonwealth's payments under the Master Settlement Agreement (MSA) reached with major tobacco companies in 1998. In more recent years, the Commission has twice securitized these payments into lump sums, and there will not be a resumption of MSA payments until the current bondholders are fully compensated, an event that will not take place until the early 2030's, at the earliest. As a result of that fact, and the Commission's commitment to remaining a significant and active supporter of the Tobacco Region's economy, the Commission must ensure that its funding does not run out prior to the resumption of MSA payments.

In pursuit of that goal, **the Commission commits to sound and careful management of its annual budgets, with a firm goal of staying below a 4.5% corpus invasion in any year in which it makes its budget**, with the caveat that larger corpus invasions may be undertaken in the event that a major new initiative or a major economic development prospect necessitates significant additional funding. In all budgets, the Executive Committee shall recommend individual committee budget allocations to the full Commission for approval.

The Commission will make extensive use of its loan fund for as many eligible projects as possible, to ensure that, after Commission funds support an economic or workforce development project, the funds are returned to the Commission's coffers for redeployment into the Tobacco Region.

Additionally, the Commission will prioritize revenue return on its projects moving forward. **For taxpaying economic development projects, the Commission will negotiate agreements with partner localities that include a return of a percentage of local tax revenues generated by the project.** As an initial target, the Commission will seek to receive 15% of tax revenues generated by projects receiving TROF, Agribusiness, Special Projects, SSED, or SWED committee funds. Given the varying nature of projects and tax arrangements, not all projects will be subject to identical tax-sharing agreements, and project specifics will be negotiated between Commission staff and local partners.

The Commission will work with current and past grantees in the management of assets purchased with grant funds in accordance with the terms specified in the original agreements or any amended grant agreements. While the Commission does not take out a lien against every asset purchased with Commission funds, the Commission retains an ownership interest in those assets and must consent to any sale or alternate disposition. The Commission's interest is to ensure that funded assets are put to their highest and best use in fulfilling the original objectives for which the funds were invested. **Should a grant-funded asset no longer be capable of practically supporting the purpose for which it was purchased, any and all proceeds from the sale of that asset shall be returned to the Commission.**

Finally, the Commission will pursue innovative partnerships with the private sector to further leverage Commission assets, grants and loans to allow the Commission to be competitive in attracting high-quality projects without placing undue strain on the Commission's long-term fiscal viability.

### ***Loan Fund – Operational Description***

The Tobacco Commission was authorized, during the 2015 session of the General Assembly, to set up a revolving loan fund in partnership with the Virginia Resources Authority (VRA).<sup>10</sup>

This loan fund is the preferred funding option for any grant applications in support of projects that are likely to generate sufficient recurring revenue to service loans.

When grant or loan requests are made, they are routed to the relevant committee, and evaluated by Commission staff. Commission staff recommend to the committee that the applicant receive no award, receive a grant in some amount, or be reviewed for a loan up to some amount.

Should the relevant committee, and then the full Commission, choose to extend a loan, the applicant will be directed to the VRA for a creditworthiness evaluation. Upon completion of that evaluation, a loan will be extended from the revolving loan fund in an amount equal to the lesser of the applicants' creditworthiness or their loan offer from the commission.

Upon notice from the VRA that a loan will be extended, the amount of the loan will be deducted from the relevant committee budget and transferred to VRA.

In future years, when the revolving loan fund has adequate resources from repayments, its funds will be allocated for the use of various committees during the budget process.

### ***Data Strategy***

Data are an integral part of the Commission's work. The Commission shall view and treat data as an asset, and data are leveraged to create value for all stakeholders.

Through the collection of detailed grant and loan applications and ongoing grant and loan assessments, the Commission acquires tremendous amounts of data about projects, the region, and grantees within the region. By making use of modern data analytics, the Commission can ensure strong ROI on its activities while gaining and disseminating new insights into best practices and solutions to region-specific challenges. **As the Commission gains better insight into those investments that yield the most return for the region, it will revise grant and loan funding policies to reflect a preference for higher-return projects.**

The Commission shall create a clear, consistent, and objective set of criteria for what constitutes successful projects in any funding area, and apply these concepts throughout the life of each grant or loan: application,

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<sup>10</sup> The full statute and details can be found in the Virginia Code at § [3.2-3112](#) et seq

management, and closeout. **The Commission is committed to objective metrics that are consistently recorded throughout the life of any grant or loan.**

The Commission shall document comprehensive data management processes and policies. The Commission shall establish a recurring review of these policies for accuracy and workflow improvements.

### *Data Governance*

Good data governance simply means ensuring that we're collecting and storing our data properly, that we're verifying its accuracy, and that we're keeping the data in a form that allows us to properly analyze it. There are three primary parts of data governance and they correspond to the above concepts: data management, data quality and data knowledge. While these are distinct parts, they are closely related:

- *Data management* refers to the quantity and storage of data – getting and storing the data.
- *Data quality* refers to the accuracy and integrity of data – ensuring the data are correct.
- *Data knowledge* refers to the lineage and definitions of variables and data represented by those variables – keeping the data in a useable form for analysis.

### Data Management

Commission staff will regularly seek to identify and eliminate data from our collections that are redundant, obsolete or trivial. Commission staff will regularly update application and grant and loan reporting forms to ensure only useful, impactful and meaningful data are collected.

### Data Quality

**The Commission is committed to accurate recordkeeping.** Commission staff will identify historic discrepancies in data, and correct these discrepancies. As data are entered or revised in the system, these data will be spot-checked for quality control. Should a quality issue be identified, a more thorough check will be conducted. Commission staff will strive to identify and correct the root cause of any data quality issues.

### Data Knowledge

The Commission will establish very clear definitions and ensure that its data are kept in a form that lends itself to robust analysis. Once Commission staff has defined all relevant variables, and educated grantees as to those variables, the Commission staff will begin regular reviews of collected data in pursuit of new insights into the most effective use of Commission funds.



