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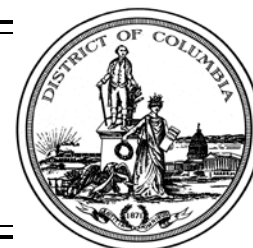
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**COMMITTEE ON GOVERNMENT OPERATIONS  
AND THE ENVIRONMENT**

MARY M. CHEH, CHAIR  
FISCAL YEAR 2012 COMMITTEE BUDGET REPORT

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**TO:** Members of the Council of the District of Columbia

**FROM:** Councilmember Mary M. Cheh  
Chairperson, Committee on Government Operations and the Environment

**DATE:** May 11, 2011

**SUBJECT:** Report and Recommendations of the Committee on Government Operations and the Environment on the Fiscal Year 2012 Budget for Agencies under its Purview

The Committee on Government Operations and the Environment (“Committee”), having conducted hearings and received testimony on the Mayor’s proposed operating and capital budgets for Fiscal Year (FY) 2012 for the agencies under its purview, reports its recommendations for review and consideration by the Committee of the Whole. The Committee also comments on several sections of the Fiscal Year 2012 Budget Support Act of 2011, as proposed by the Mayor.

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# I. SUMMARY

## A. FISCAL YEAR 2012 AGENCY OPERATING BUDGET SUMMARY TABLE (DOLLARS IN THOUSANDS)

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
<b>Executive Office of the Mayor</b>							
Local Funds	5,215	4,333	8,681	8,241	0	8,241	-5.1%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	4,301	4,093	0	4,093	-4.8%
Private Funds	19	0	0	0	0	0	N/A
Intra-District	47	5	0	436	0	436	N/A
<b>GROSS FUNDS</b>	<b>5,281</b>	<b>4,338</b>	<b>12,982</b>	<b>12,770</b>	<b>0</b>	<b>12,770</b>	<b>-1.6%</b>
<b>Office of the Inspector General</b>							
Local Funds	15,324	14,880	13,329	13,048	0	13,048	-2.1%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	1,783	1,752	2,318	2,346	0	2,346	1.2%
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>17,107</b>	<b>16,632</b>	<b>15,647</b>	<b>15,394</b>	<b>0</b>	<b>15,394</b>	<b>-1.6%</b>
<b>Office of the City Administrator</b>							
Local Funds	5,691	5,017	3,436	3,283	0	3,283	-4.5%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	21	15	0	0	0	0	N/A
Intra-District	48	52	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>5,760</b>	<b>5,084</b>	<b>3,436</b>	<b>3,283</b>	<b>0</b>	<b>3,283</b>	<b>-4.5%</b>
<b>Contract Appeals Board</b>							
Local Funds	933	1,032	774	789	7	796	2.8%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>933</b>	<b>1,032</b>	<b>774</b>	<b>789</b>	<b>7</b>	<b>796</b>	<b>2.8%</b>
<b>Office of Open Government</b>							
Local Funds	0	0	262	350	0	350	33.6%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>0</b>	<b>0</b>	<b>262</b>	<b>350</b>	<b>0</b>	<b>350</b>	<b>33.6%</b>

*(Dollars in Thousands)*

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
<b>Office of the Secretary</b>							
Local Funds	3,059	2,520	2,034	2,221	(15)	2,206	8.5%
Special Purpose	528	427	694	699	0	699	0.7%
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	8	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>3,587</b>	<b>2,955</b>	<b>2,728</b>	<b>2,920</b>	<b>(15)</b>	<b>2,905</b>	<b>6.5%</b>
<b>Department of Human Resources</b>							
Local Funds	8,733	5,136	7,865	7,346	(76)	7,270	-7.6%
Special Purpose	124	277	273	277	0	277	1.5%
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	7,858	7,858	2,325	2,325	0	2,325	0.0%
<b>GROSS FUNDS</b>	<b>16,715</b>	<b>13,271</b>	<b>10,463</b>	<b>9,948</b>	<b>(76)</b>	<b>9,872</b>	<b>-5.6%</b>
<b>Disability Compensation Fund</b>							
Local Funds	27,822	38,310	38,169	19,541	0	19,541	-48.8%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>27,822</b>	<b>38,310</b>	<b>38,169</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>
<b>Public Employee Relations Board</b>							
Local Funds	999	1,055	869	861	90	951	9.4%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>999</b>	<b>1,055</b>	<b>869</b>	<b>861</b>	<b>90</b>	<b>951</b>	<b>9.4%</b>
<b>Office of Employee Appeals</b>							
Local Funds	1,780	1,753	1,287	1,270	90	1,360	5.7%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>1,780</b>	<b>1,753</b>	<b>1,287</b>	<b>1,270</b>	<b>90</b>	<b>1,360</b>	<b>5.7%</b>
<b>Office of Campaign Finance</b>							
Local Funds	1,648	1,636	1,325	1,364	(51)	1,313	-0.9%
Special Purpose	0	0	90	0	94	94	4.4%
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>1,648</b>	<b>1,636</b>	<b>1,415</b>	<b>1,364</b>	<b>43</b>	<b>1,407</b>	<b>-0.6%</b>

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
<b>Board of Elections and Ethics</b>							
Local Funds	5,076	4,995	4,085	4,068	0	4,068	-0.4%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	1,417	3,479	150	150	0	150	0.0%
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>6,493</b>	<b>8,474</b>	<b>4,235</b>	<b>4,218</b>	<b>0</b>	<b>4,218</b>	<b>-0.4%</b>
<b>District of Columbia Retirement Board</b>							
Local Funds	0	0	0	0	0	0	N/A
Special Purpose	18,212	20,946	30,338	30,338	0	30,338	0.0%
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>18,212</b>	<b>20,946</b>	<b>30,338</b>	<b>30,338</b>	<b>0</b>	<b>30,338</b>	<b>0.0%</b>
<b>Office of Disability Rights</b>							
Local Funds	1,140	961	906	902	50	952	5.1%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	220	544	664	0	664	22.1%
Private Funds	2	0	0	0	0	0	N/A
Intra-District	29	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>1,171</b>	<b>1,181</b>	<b>1,450</b>	<b>1,566</b>	<b>50</b>	<b>1,616</b>	<b>11.4%</b>
<b>Department of the Environment</b>							
Local Funds	21,175	16,314	12,611	16,174	(17)	16,157	28.1%
Special Purpose	24,237	30,113	31,966	34,424	0	34,424	7.7%
Federal Funds	26,654	31,889	52,742	34,158	0	34,158	-35.2%
Private Funds	0	190	292	150	0	150	-48.6%
Intra-District	865	4,677	1,307	401	0	401	-69.3%
<b>GROSS FUNDS</b>	<b>72,931</b>	<b>83,183</b>	<b>98,918</b>	<b>85,307</b>	<b>(17)</b>	<b>85,290</b>	<b>-13.8%</b>
<b>Office of Contracting and Procurement</b>							
Local Funds	5,033	2,775	8,753	8,698	0	8,698	-0.6%
Special Purpose	348	523	1,250	0	0	0	-100.0%
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	20,405	22,030	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>25,786</b>	<b>25,328</b>	<b>10,003</b>	<b>8,698</b>	<b>0</b>	<b>8,698</b>	<b>-13.0%</b>
<b>District Retiree Health Contribution</b>							
Local Funds	81,100	90,700	98,700	109,800	0	109,800	N/A
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>81,100</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>

(Dollars in Thousands)

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
<b>Medical Liability Captive Insurance Agency</b>							
Local Funds	198	0	2,500	2,584	0	2,584	3.4%
Special Purpose	0	210	682	598	0	598	-12.3%
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>198</b>	<b>210</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>
<b>Office of Risk Management</b>							
Local Funds	1,662	1,016	771	2,845	0	2,845	269.00%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	885	814	827	0	0	0	-100.00%
<b>GROSS FUNDS</b>	<b>2,547</b>	<b>1,830</b>	<b>1,598</b>	<b>2,845</b>	<b>0</b>	<b>2,845</b>	<b>78.04%</b>
<b>Office of the Chief Technology Officer</b>							
Local Funds	53,872	46,089	30,128	34,505	(329)	34,176	13.4%
Special Purpose	2,103	3,465	3,315	9,040	0	9,040	172.7%
Federal Funds	0	561	438	2,788	0	2,788	536.5%
Private Funds	0	0	0	0	0	0	N/A
Intra-District	34,288	35,807	30,256	27,459	(2,690)	24,769	-18.1%
<b>GROSS FUNDS</b>	<b>90,263</b>	<b>85,922</b>	<b>64,137</b>	<b>73,792</b>	<b>(3,019)</b>	<b>70,773</b>	<b>10.3%</b>
<b>Settlements and Judgments</b>							
Local Funds	17,325	21,470	21,477	21,477	0	21,477	0.0%
Special Purpose	0	0	0	0	0	0	N/A
Federal Funds	0	0	0	0	0	0	N/A
Private Funds	0	0	0	0	0	0	N/A
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>17,325</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>
<b>NET COMMITTEE ACTION</b>							
Local Funds	257,785	259,992	257,962	259,367	(251)	259,116	0.4%
Special Purpose	45,552	55,961	68,608	75,376	137	75,513	10.1%
Federal Funds	29,854	37,901	60,493	44,199	0	44,199	-26.9%
Private Funds	42	213	292	150	0	150	-48.6%
Intra-District	64,425	71,243	34,715	30,621	(2,690)	27,931	-19.5%
<b>GROSS FUNDS</b>	<b>397,658</b>	<b>425,310</b>	<b>422,070</b>	<b>409,713</b>	<b>(2,804)</b>	<b>406,909</b>	<b>-3.6%</b>

(Dollars in Thousands)

## B. FISCAL YEAR 2012 AGENCY FULL-TIME EQUIVALENT TABLE

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY 12
<b>Executive Office of the Mayor</b>							
Local Funds	46.5	49.9	80.9	77.9	0.0	77.9	-3.7%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	4.1	4.1	0.0	4.1	0.0%
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.8	0.0	5.5	5.5	0.0	5.5	0.0%
<b>GROSS FUNDS</b>	<b>47.3</b>	<b>49.9</b>	<b>90.5</b>	<b>87.5</b>	<b>0.0</b>	<b>87.5</b>	<b>-3.3%</b>
<b>Office of the Inspector General</b>							
Local Funds	92.7	99.5	97.8	94.8	0.0	94.8	-3.1%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	14.8	14.5	17.2	17.2	0.0	17.2	0.0%
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>107.5</b>	<b>114.0</b>	<b>115.0</b>	<b>112.0</b>	<b>0.0</b>	<b>112.0</b>	<b>-2.6%</b>
<b>Office of the City Administrator</b>							
Local Funds	43.4	45.5	35.5	25.0	0.0	25.0	-29.6%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	1.5	0.0	0.0	0.0	-100.0%
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>43.4</b>	<b>45.5</b>	<b>37.0</b>	<b>25.0</b>	<b>0.0</b>	<b>25.0</b>	<b>-32.4%</b>
<b>Contract Appeals Board</b>							
Local Funds	5.7	5.5	6.0	6.0	0.0	6.0	0.0%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>5.7</b>	<b>5.5</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>	<b>6.0</b>	<b>0.0%</b>
<b>Office of Open Government</b>							
Local Funds	0.0	0.0	2.0	3.0	0.0	3.0	50.0%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>50.0%</b>

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
<b>Office of the Secretary</b>							
Local Funds	18.6	19.7	18.0	17.0	0.0	17.0	-5.6%
Special Purpose	3.4	3.6	4.0	4.0	0.0	4.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>22.0</b>	<b>23.3</b>	<b>22.0</b>	<b>21.0</b>	<b>0.0</b>	<b>21.0</b>	<b>-4.5%</b>
<b>Department of Human Resources</b>							
Local Funds	74.6	58.3	89.5	83.6	(1.0)	82.6	-7.7%
Special Purpose	3.7	3.6	2.8	3.8	0.0	3.8	35.7%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	49.5	60.7	15.1	15.0	0.0	15.0	-0.7%
<b>GROSS FUNDS</b>	<b>127.8</b>	<b>122.6</b>	<b>107.4</b>	<b>102.4</b>	<b>(1.0)</b>	<b>101.4</b>	<b>-5.6%</b>
<b>Disability Compensation Fund</b>							
Local Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
<b>Public Employee Relations Board</b>							
Local Funds	4.8	5.7	6.0	6.0	1.0	7.0	16.7%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>4.8</b>	<b>5.7</b>	<b>6.0</b>	<b>6.0</b>	<b>1.0</b>	<b>7.0</b>	<b>16.7%</b>
<b>Office of Employee Appeals</b>							
Local Funds	11.7	10.7	12.0	12.0	1.0	13.0	8.3%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>11.7</b>	<b>10.7</b>	<b>12.0</b>	<b>12.0</b>	<b>1.0</b>	<b>13.0</b>	<b>8.3%</b>
<b>Office of Campaign Finance</b>							
Local Funds	16.9	17.1	18.0	16.0	(1.0)	15.0	-16.7%
Special Purpose	0.0	0.0	0.0	0.0	1.0	1.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>16.9</b>	<b>17.1</b>	<b>18.0</b>	<b>16.0</b>	<b>0.0</b>	<b>16.0</b>	<b>-11.1%</b>



Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
<b>Board of Elections and Ethics</b>							
Local Funds	38.0	38.5	44.0	59.8	0.0	59.8	35.9%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	5.3	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>43.3</b>	<b>38.5</b>	<b>44.0</b>	<b>59.8</b>	<b>0.0</b>	<b>59.8</b>	<b>35.9%</b>
<b>District Retirement Board</b>							
Local Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	36.9	43.0	47.6	50.0	0.0	50.0	5.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>36.9</b>	<b>43.0</b>	<b>47.6</b>	<b>50.0</b>	<b>0.0</b>	<b>50.0</b>	<b>5.0%</b>
<b>Office of Disability Rights</b>							
Local Funds	8.0	7.7	8.0	8.0	0.0	8.0	0.0%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	3.0	3.0	0.0	3.0	0.0%
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>8.0</b>	<b>7.7</b>	<b>11.0</b>	<b>11.0</b>	<b>0.0</b>	<b>11.0</b>	<b>0.0%</b>
<b>Department of the Environment</b>							
Local Funds	55.3	80.2	67.8	93.1	0.0	93.1	37.3%
Special Purpose	44.6	82.5	86.0	71.0	0.0	71.0	-17.4%
Federal Funds	122.1	95.8	147.9	143.7	0.0	143.7	-2.8%
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	2.7	2.0	3.9	3.9	0.0	3.9	0.0%
<b>GROSS FUNDS</b>	<b>224.7</b>	<b>260.5</b>	<b>305.6</b>	<b>311.7</b>	<b>0.0</b>	<b>311.7</b>	<b>2.0%</b>
<b>Office of Contracting and Procurement</b>							
Local Funds	32.6	21.6	90.0	84.0	0.0	84.0	-6.7%
Special Purpose	3.5	3.8	11.0	0.0	0.0	0.0	-100.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	69.5	77.1	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>105.6</b>	<b>102.5</b>	<b>101.0</b>	<b>84.0</b>	<b>0.0</b>	<b>84.0</b>	<b>-16.8%</b>
<b>District Retiree Health Contribution</b>							
Local Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
<b>Medical Liability Captive Insurance Agency</b>							
Local Funds	0.1	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Office of Risk Mangament</b>							
Local Funds	21.1	10.7	7.6	22.0	0.0	22.0	189.5%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	3.3	11.0	9.4	0.0	0.0	0.0	-100.0%
<b>GROSS FUNDS</b>	<b>24.4</b>	<b>21.7</b>	<b>17.0</b>	<b>22.0</b>	<b>0.0</b>	<b>22.0</b>	<b>29.4%</b>
<b>Office of the Chief Technology Officer</b>							
Local Funds	241.9	236.1	191.9	212.7	(1.5)	211.2	10.1%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	61.0	62.5	138.3	102.1	(5.1)	97.0	-29.9%
<b>GROSS FUNDS</b>	<b>302.9</b>	<b>298.6</b>	<b>330.2</b>	<b>314.8</b>	<b>(6.6)</b>	<b>308.2</b>	<b>-6.7%</b>
<b>Settlements and Judgments</b>							
Local Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
<b>NET COMMITTEE ACTION</b>							
Local Funds	711.9	706.7	775.0	820.9	(1.5)	819.4	5.7%
Special Purpose	92.1	136.5	151.4	128.8	1.0	129.8	-14.3%
Federal Funds	142.2	110.3	173.7	168.0	0.0	168.0	-3.3%
Private Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Intra-District	186.8	213.3	172.2	126.5	(5.1)	121.4	-29.5%
<b>GROSS FUNDS</b>	<b>1,133.0</b>	<b>1,166.8</b>	<b>1,272.3</b>	<b>1,244.2</b>	<b>(5.6)</b>	<b>1,238.6</b>	<b>-2.6%</b>

**C. FISCAL YEAR 2012 AGENCY CAPITAL BUDGET SUMMARY  
TABLE (DOLLARS IN THOUSANDS)**

<b>Mayor's Proposed Fiscal Year 2012-2017 Capital Budget, By Agency</b>								
<b>Code</b>	<b>Project Name</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>6-Year</b>
KG	Department of the Environment	16,800	0	0	25,000	25,000	24,000	90,800
TO	Office of the Chief Technology Officer	5,898	6,104	3,427	4,450	10,240	13,000	43,119
<b>AGENCY TOTAL</b>		<b>22,698</b>	<b>6,104</b>	<b>3,427</b>	<b>29,450</b>	<b>35,240</b>	<b>37,000</b>	<b>133,919</b>

<b>Committee's Approved Fiscal Year 2012-2017 Capital Budget, By Agency</b>								
<b>Code</b>	<b>Project Name</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>6-Year</b>
KG	Department of the Environment	15,800	0	0	25,000	25,000	24,000	89,800
TO	Office of the Chief Technology Officer	5,898	6,104	3,427	4,450	10,240	13,000	43,119
<b>AGENCY TOTAL</b>		<b>21,698</b>	<b>6,104</b>	<b>3,427</b>	<b>29,450</b>	<b>35,240</b>	<b>37,000</b>	<b>132,919</b>

*(Dollars in Thousands)*

## **D. SUMMARY OF COMMITTEE BUDGET RECOMMENDATIONS**

### **CONTRACT APPEALS BOARD**

#### *Operating Budget Recommendations*

- Recognize transfer of \$7,000 in recurring spending from the Department of Human Resources.
- Increase CSG 41 (Contractual Services - Other) by \$7,000 to support document digitization.

### **OFFICE OF THE SECRETARY**

#### *Operating Budget Recommendations*

- Reduce CSG 40 (Other Services and Charges) by \$10,000 and CSG 41 (Contractual Services - Other) by \$5,000.
- Transfer \$15,000 in recurring spending to the Public Employee Relations Board.

### **DEPARTMENT OF HUMAN RESOURCES**

#### *Operating Budget Recommendations*

- Reduce CSG 11 (Regular Pay – Continuing Full Time) by \$62,499 to reflect a vacant position.
- Reduce CSG 14 (Fringe Benefits) by \$13,337 to reflect a vacant position.
- Transfer \$50,000 in recurring spending to the Office of Disability Rights.
- Transfer \$7,000 in recurring spending to the Contract Appeals Board.
- Transfer \$19,000 in recurring spending to the Public Employee Relations Board.

### **PUBLIC SECTOR WORKERS' COMPENSATION FUND**

#### *Operating Budget Recommendations*

- Add a clause to the Budget Request Act authorizing the rollover of FY 2011 funds from the Public Sector Workers' Compensation Fund into FY 2012 and make those funds available until expended.

### **MEDICAL LIABILITY CAPTIVE INSURANCE AGENCY**

#### *Operating Budget Recommendations*

- Add a clause to the Budget Request Act authorizing the rollover of FY 2011 funds from the Medical Liability Captive Insurance Fund into FY 2012 and make those funds available until expended.

## **PUBLIC EMPLOYEE RELATIONS BOARD**

### *Operating Budget Recommendations*

- Recognize transfer of \$39,000 in recurring spending from the Office of the Chief Technology Officer.
- Recognize transfer of \$17,000 in recurring spending from the District Department of the Environment.
- Recognize transfer of \$15,000 in recurring spending from the Office of the Secretary.
- Recognize transfer of \$19,000 in recurring spending from the Department of Human Resources.
- Increase CSG 11 (Regular Pay – Continuing Full Time) by \$80,000 and 1.0 FTE.
- Increase CSG 14 (Fringe Benefits) by \$10,000.

## **OFFICE OF EMPLOYEE APPEALS**

### *Operating Budget Recommendations*

- Recognize transfer of \$90,000 in recurring spending from the Office of the Chief Technology Officer.
- Increase CSG 11 (Regular Pay – Continuing Full Time) by \$80,000 and 1.0 FTE.
- Increase CSG 14 (Fringe Benefits) by \$10,000.

## **OFFICE OF CAMPAIGN FINANCE**

### *Operating Budget Recommendations*

- Reduce one-time local funds by \$43,000 (from General Fund) and recognize \$43,000 in special purpose funds.
- Reduce one-time local funds by \$51,000 and recognize \$51,000 in special purpose funds.
- Reduce CSG 11 (Regular Pay – Cont Full Time) in local funds by \$51,000.
- Increase CSG 12 (Regular Pay - Other) by \$73,000 with special purpose revenue funds generated from the Lobbying Registration Fee.
- Increase CSG 14 (Fringe Benefits) by \$21,000 with special purpose revenue funds generated from the Lobbying Registration Fee.

## **OFFICE OF DISABILITY RIGHTS**

### *Operating Budget Recommendations*

- Recognize transfer of \$50,000 in recurring spending from the Department of Human Resources.
- Increase CSG 41 (Contractual Services) by \$50,000 to support news reading services supporting blind and visually impaired District residents.

## **DISTRICT DEPARTMENT OF THE ENVIRONMENT**

### *Operating Budget Recommendations*

- Reduce CSG 40 (Other Services and Charges) by \$17,000 agency-wide.
- Transfer \$17,000 in recurring spending to the Public Employee Relations Board.

### *Capital Budget Recommendations*

- Reduce capital project CWC01 (Clean Water Construction Management) budget authority in FY 2012 by \$1,000,000.

## **OFFICE OF THE CHIEF TECHNOLOGY OFFICER**

### *Operating Budget Recommendations*

- Reduce CSG 11 (Regular Pay – Cont. Full Time) by \$211,000 and 2.0 FTEs agency-wide. The agency eliminated several positions because they served duplicative functions. As the agency examines the functions of new locally funded FTEs, previously funded by intra-district transfers or capital funds, additional redundancies should be identified.
- Reduce CSG 14 (Fringe Benefits) by \$39,000 agency-wide to correspond with the FTE reduction called for in CSG 11.
- Reduce CSG 41 (Contractual Services – Other) by \$79,000 agency-wide. Funds increased in this area by \$7,271,000 or 50.8 percent over FY 2011. Slight reductions to hourly rates of contractors or the hours required from contractors can achieve savings in this area.
- Reduce CSG 11 by an additional \$588,000 to reflect reductions from the Mayor's Errata corrections and reductions to an MOU with the DC Public Schools.
- Reduce CSG 12 (Regular Pay – Other) by \$131,000 to reflect reductions from the Mayor's Errata corrections.
- Reduce CSG 14 (Fringe Benefits) by an additional \$105,000 to reflect reductions from the Mayor's Errata corrections and reductions to an MOU with the DC Public Schools.
- Reduce CSG 40 (Other Services and Charges) by \$731,000 to reflect reductions to an MOU with the DC Public Schools.
- Reduce CSG 41 by an additional \$1,415,000 to reflect reductions from the Mayor's Errata corrections and reductions to an MOU with the DC Public Schools.
- Transfer \$90,000 in recurring spending to the Office of Employee Appeals.

- Transfer \$39,000 in recurring spending to the Public Employee Relations Board.
- Transfer \$200,000 in recurring spending to Program 4000 (Commercial Revitalization) in the Department of Small and Local Business Development in CSG 41 (Contractual Services – Other) to support programs to expand access to healthy foods in low-income neighborhoods.

## II. AGENCY FISCAL YEAR 2012 BUDGET RECOMMENDATIONS

### A. INTRODUCTION

The Committee on Government Operations and the Environment is responsible for oversight of the general operations and services of the District government, including the following: elections and campaign finance; personnel, including employee appeals and general administration of the government; grants management; technology issues; government procurement; and environmental protection.

The following agencies are within the purview of the Committee: the Contract Appeals Board, the District of Columbia Board of Elections and Ethics, the Office of Campaign Finance, the District of Columbia Retirement Board, the Department of Human Resources, the Office of Contracting and Procurement, the Office of the Chief Technology Officer, the Office of the City Administrator, the Office of Employee Appeals, the Office of the Inspector General, the Executive Office of the Mayor, the Office of Risk Management, the Office of Disability Rights, the Public Employee Relations Board, the Secretary of the District of Columbia, the Department of the Environment, and the Open Government Office. The Committee also oversees the Settlements and Judgments Fund, the Medical Liability Captive Insurance Agency, and the District Retiree Health Contribution Fund.

Committee Chair Mary M. Cheh began her tenure with the Committee in January 2009. She is joined by Councilmembers Michael Brown, David Catania, Harry Thomas, Jr., and Tommy Wells. The Committee has continued to monitor agency performance and expenditures in an effort to increase transparency and improve efficiency throughout government.

The Committee held budget oversight hearings to solicit public input on the proposed budgets for the agencies under its purview on the following dates:

<b>April 12, 2011</b>	District of Columbia Retirement Board Office of Employee Appeals Public Employee Relations Board Department of Human Resources
<b>April 13, 2011</b>	Office of Disability Rights Office of Campaign Finance Board of Elections and Ethics Office of Risk Management
<b>April 20, 2011</b>	Office of the Inspector General Contract Appeals Board Office of Contracting and Procurement Department of Real Estate Services
<b>April 21, 2011</b>	District Department of the Environment



<b>May 4, 2011</b>	Office of the Chief Technology Officer Office of the Secretary Executive Office of the Mayor Office of the City Administrator
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The Committee received important comments from members of the public during these budget oversight roundtables. Copies of witness testimony are included in this report as *Attachments A, B, C, D, and E*. A video recording of the hearings can be obtained through the Office of Cable Television or viewed online at [oct.dc.gov](http://oct.dc.gov). The Committee continues to welcome public input on the agencies and activities within its purview.

## B. EXECUTIVE OFFICE OF THE MAYOR

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	5,215	4,333	8,681	8,241	0	8,241	-5.1%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>5,215</b>	<b>4,333</b>	<b>8,681</b>	<b>8,241</b>	<b>0</b>	<b>8,241</b>	<b>-5.1%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	4,301	4,093	0	4,093	-4.8%
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>4,301</b>	<b>4,093</b>	<b>0</b>	<b>4,093</b>	<b>-4.8%</b>
Private Grant Funds	19	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>5,234</b>	<b>4,333</b>	<b>12,982</b>	<b>12,334</b>	<b>0</b>	<b>12,334</b>	<b>-5.0%</b>
Intra-District	47	5	0	436	0	436	N/A
<b>GROSS FUNDS</b>	<b>5,281</b>	<b>4,338</b>	<b>12,982</b>	<b>12,770</b>	<b>0</b>	<b>12,770</b>	<b>-1.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	46.5	49.9	80.9	77.9	0.0	77.9	-3.7%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>46.5</b>	<b>49.9</b>	<b>80.9</b>	<b>77.9</b>	<b>0.0</b>	<b>77.9</b>	<b>-3.7%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	4.1	4.1	0.0	4.1	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>4.1</b>	<b>4.1</b>	<b>0.0</b>	<b>4.1</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>46.5</b>	<b>49.9</b>	<b>85.0</b>	<b>82.0</b>	<b>0.0</b>	<b>82.0</b>	<b>-3.5%</b>
Intra-District	0.8	0.0	5.5	5.5	0.0	5.5	N/A
<b>GROSS FUNDS</b>	<b>47.3</b>	<b>49.9</b>	<b>90.5</b>	<b>87.5</b>	<b>0.0</b>	<b>87.5</b>	<b>-3.3%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	3,089	2,834	6,032	6,312	0	6,312	4.6%
12 Regular Pay - Other	455	254	704	584	0	584	-17.0%
13 Additional Gross Pay	90	19	0	0	0	0	N/A
14 Fringe Benefits	627	522	1,432	1,570	0	1,570	9.6%
15 Overtime Pay	1	0	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>4,262</b>	<b>3,629</b>	<b>8,168</b>	<b>8,466</b>	<b>0</b>	<b>8,466</b>	<b>3.6%</b>
20 Supplies & Materials	50	27	94	100	0	100	6.4%
30 Utilities	179	38	0	0	0	0	N/A
31 Communications	259	261	0	0	0	0	N/A
32 Rent	5	0	0	0	0	0	N/A
35 Occupancy Fixed Costs	26	0	0	0	0	0	N/A
40 Other Services & Charges	376	366	1,041	770	0	770	-26.0%
41 Contractual Services & Other	117	0	0	0	0	0	N/A
50 Subsidies & Transfers	0	0	3,649	3,399	0	3,399	-6.9%
70 Equipment	7	16	31	34	0	34	9.7%
<b>Nonpersonal Services (NPS)</b>	<b>1,019</b>	<b>708</b>	<b>4,815</b>	<b>4,303</b>	<b>0</b>	<b>4,303</b>	<b>-10.6%</b>
<b>GROSS FUNDS</b>	<b>5,281</b>	<b>4,337</b>	<b>12,983</b>	<b>12,769</b>	<b>0</b>	<b>12,769</b>	<b>-1.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
1000 Agency Management Program	784	182	141	0	141	-22.5%	
2000 Executive Office of the Mayor	3,553	3,574	2,969	0	2,969	-16.9%	
3000 Office of Policy and Legislative Affairs	0	840	819	0	819	-2.5%	
4000 Office of Boards and Commissions	0	242	308	0	308	27.3%	
5000 Office of Community Affairs	0	2,429	2,519	0	2,519	3.7%	
6000 Mayor's Office of Budget and Finance	0	1,267	1,219	0	1,219	-3.8%	
7000 Serve DC	0	4,449	4,794	0	4,794	7.8%	
<b>GROSS FUNDS</b>	<b>4,337</b>	<b>12,983</b>	<b>12,769</b>	<b>0</b>	<b>12,769</b>	<b>-1.6%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The mission of the Executive Office of the Mayor (EOM) is to serve the public by leading the District government and ensuring that residents are served with efficiency, accountability, and transparency.

The Office provides District agencies with vision and policy direction and provides agencies with the leadership, support, and oversight to implement specific policy goals and objectives. To discharge these duties, EOM is divided into the following core offices: Office of the Mayor, Scheduling and Advance Unit, Office of General Counsel, Office of Communications, Mayor's Correspondence Unit, Office of Boards

and Commissions, Office of Policy and Legislative Affairs, Mayor's Office of Budget and Finance, Office of Community Affairs, Office of Support Services, and Serve DC.

**b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

**Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 budget is \$8,241,000, a decrease of \$440,000, or 5.1 percent, over the FY 2011 approved budget of \$8,681,000. This funding supports 77.9 FTEs, a decrease of 3.0 FTEs from the FY 2011 approved level.

*Federal Grant Funds:* The Mayor's proposed FY 2012 federal grant budget is \$4,093,000, a decrease of \$208,000 from the FY 2011 approved budget of \$4,301,000. This funding supports 4.1 FTEs.

*Intra-District Funds:* The Mayor's proposed FY 2012 intra-district budget is \$436,000. This funding supports 5.5 FTEs. This funding is directly related to the reorganization of Serve DC, which now appears within the budget of EOM.

*Program Changes:* The Mayor's proposed FY 2012 budget includes several important structural changes within EOM. The Executive Office of the Mayor will now oversee the Mayor's budget office, known as the Office of Budget and Finance. Previously the office existed under the Office of the City Administrator. According to testimony received during the Committee's budget oversight hearings, this transition will allow the Mayor to play a more direct role in the budget formulation and implementation process. This office is funded with \$1,219,000 and 9.0 FTEs.

The Executive Office of the Mayor would also now oversee the Office of Partnerships and Grant Services (OPGS). An independent office in 2009 and 2010, OPGS was consolidated within the Office of the City Administrator in 2011. This office is funded with \$327,000 and 3.0 FTEs.

The Office of Community Affairs and ServeDC would also be transferred under the EOM umbrella under the Mayor's FY 2012 proposal. The Office of Community Affairs would maintain a budget of \$2,519,000 and 28.0 FTEs. ServeDC would maintain a budget of \$4,794,000 and 12.0 FTEs. The FY 2012 level proposals are each slightly higher than the levels approved in the revised FY 2011 budget; the FTE level for each office would remain constant.

**Committee Analysis and Comments**

The Committee supports the Mayor's proposed programmatic changes and funding levels for EOM. The Committee notes, however, that it has heard repeated concerns surrounding the office's role in the selection of nominees for District boards and commissions. This continues a problem seen in the prior administration. The Committee inquired during the office's March 2011 performance oversight hearing and again at the

office's May 2011 budget oversight hearing about progress made at filling vacant seats on local boards and commissions.

The Committee stresses the importance of filling each of the statutorily created boards and commissions, many of which perform critical government functions. The Committee will continue to monitor the number of nominations made. Further, the Committee recommends that the office provide regular updates to ensure the process remains on track. In addition, the Committee recommends that EOM undertake a project to identify those boards and commissions that can be reduced or eliminated, such that the efforts of the office can be better focused on the bodies performing the most vital functions.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Executive Office of the Mayor as proposed by the Mayor.

### **b. Fiscal Year 2012 Policy Recommendations**

1. The Executive Office of the Mayor shall provide regular updates to the Committee on the number of nominations made to fill District boards and commissions.

## C. OFFICE OF THE INSPECTOR GENERAL

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	15,324	14,880	13,329	13,048	0	13,048	-2.1%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>15,324</b>	<b>14,880</b>	<b>13,329</b>	<b>13,048</b>	<b>0</b>	<b>13,048</b>	<b>-2.1%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	1,783	1,752	2,318	2,346	0	2,346	1.2%
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>1,783</b>	<b>1,752</b>	<b>2,318</b>	<b>2,346</b>	<b>0</b>	<b>2,346</b>	<b>1.2%</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>17,107</b>	<b>16,632</b>	<b>15,647</b>	<b>15,394</b>	<b>0</b>	<b>15,394</b>	<b>-1.6%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>17,107</b>	<b>16,632</b>	<b>15,647</b>	<b>15,394</b>	<b>0</b>	<b>15,394</b>	<b>-1.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	92.7	99.5	97.8	94.8	0.0	94.8	-3.1%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>92.7</b>	<b>99.5</b>	<b>97.8</b>	<b>94.8</b>	<b>0.0</b>	<b>94.8</b>	<b>-3.1%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	14.8	14.5	17.2	17.2	0.0	17.2	0.0%
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>14.8</b>	<b>14.5</b>	<b>17.2</b>	<b>17.2</b>	<b>0.0</b>	<b>17.2</b>	<b>0.0%</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>107.5</b>	<b>114.0</b>	<b>115.0</b>	<b>112.0</b>	<b>0.0</b>	<b>112.0</b>	<b>-2.6%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>107.5</b>	<b>114.0</b>	<b>115.0</b>	<b>112.0</b>	<b>0.0</b>	<b>112.0</b>	<b>-2.6%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	9,559	8,769	9,902	9,524	0	9,524	-3.8%
12 Regular Pay - Other	81	169	0	0	0	0	N/A
14 Fringe Benefits	1,653	1,647	1,803	1,942	0	1,942	7.7%
<b>Personal Services (PS)</b>	<b>11,293</b>	<b>10,585</b>	<b>11,705</b>	<b>11,466</b>	<b>0</b>	<b>11,466</b>	<b>-2.0%</b>
20 Supplies & Materials	24	12	30	30	0	30	0.0%
30 Utilities	0	0	1	1	0	1	0.0%
31 Communications	66	76	13	13	0	13	0.0%
32 Rent	1,212	1,403	228	228	0	228	0.0%
34 Security	28	0	0	0	0	0	N/A
35 Occupancy Fixed Costs	0	9	1	1	0	1	0.0%
40 Other Services & Charges	4,403	3,881	3,420	3,406	0	3,406	-0.4%
41 Contractual Services & Other	0	599	0	0	0	0	N/A
50 Subsidies & Transfers	0	0	236	236	0	236	0.0%
70 Equipment	81	70	13	13	0	13	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>5,814</b>	<b>6,050</b>	<b>3,942</b>	<b>3,928</b>	<b>0</b>	<b>3,928</b>	<b>-0.4%</b>
<b>GROSS FUNDS</b>	<b>17,107</b>	<b>16,635</b>	<b>15,647</b>	<b>15,394</b>	<b>0</b>	<b>15,394</b>	<b>-1.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1000 Agency Management	3,257	2,034	2,028	0	2,028	-0.3%	
2000 Accountability, Control, and Compliance	8,592	8,052	7,533	0	7,533	-6.4%	
3000 Law Enforcement and Compliance	4,783	5,561	5,832	0	5,832	4.9%	
<b>GROSS FUNDS</b>	<b>16,632</b>	<b>15,647</b>	<b>15,393</b>	<b>0</b>	<b>15,393</b>	<b>-1.6%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Office of the Inspector General (OIG) conducts audits, inspections, and investigations of government programs and operations. The Office's mission is to promote economy, efficiency, and effectiveness, and to detect and deter fraud, waste, and mismanagement throughout the government.

The office operates through the following three programs: the *Accountability, Control, and Compliance* division provides audits and inspections of and for the District government that focus efforts on mitigating risks that pose the most serious challenges to District agencies and other stakeholders. Through this work, District government entities can better maintain fiscal integrity and operational readiness to reduce fraud, waste, and mismanagement; the *Law Enforcement and Compliance* division conducts investigations into allegations of waste, fraud, and abuse relating to the programs and operations of the District government; and the *Agency Management* provides for administrative support

and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

**b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

**Proposed Operating Budget Summary**

*Gross Funds Total:* The Mayor's proposed FY 2012 budget is \$15,393,352, a reduction of \$253,049, or 1.6 percent from the FY 2011 approved budget of \$15,646,401. This funding supports 112.0 FTEs, a reduction of 3.0 FTEs from the approved FY 2011 total.

*Local Funds:* The proposed local budget is \$13,048,000, a reduction of \$281,000, or 2.1 percent, from the FY 2011 approved local fund budget of \$13,329,000.

*Federal Grant Funds:* The Medicaid Fraud Control Unit (MFCU) would receive grant funds in the amount of \$2,346,000, giving OIG the ability to conduct a federally mandated program to investigate and recommend for prosecution the violation of all applicable District laws pertaining to fraud in the administration of the Medicaid program. MFCU receives a federal match for local dollars spent towards the investigation of Medicaid fraud; 75 percent is funded by grant dollars from the federal Department of Health and Human Services. The federal grant would increase \$28,000, or 1.2 percent, from the FY 2011 amount of \$2,318,000.

**Committee Analysis and Comments**

*Mandatory Audits:* At the Committee's request, OIG undertook a review of its statutorily mandated auditing requirements and provided recommendations on the efficacy of the reports it conducted. The office identified two financial audits whose cost to prepare is greater than the amount of funds being audited. The Committee agrees with the OIG's assessment that these audits need not be conducted annually. However, where applicable, the information should still be provided to the OIG.

The first of these audits is a required audit of the Anti-Fraud Fund. In the proposed Budget Support Act, the Anti-fraud Fund is eliminated. Therefore, there is no account upon which to perform an annual audit.

The second of these audits is a required of audit of the Professional Engineers' Fund. This is the only licensing board that requires an audit of the eleven licensing boards in the Office of Professional Licensing Administration. While the activities of the board may still require auditing, the decision on when to best exercise such audits should lie with the OIG thereby allowing that office to best allocate its limited resources.

*Comprehensive Annual Financial Report:* Last year the Committee, in recognition of the significant cost of conducting its annual financial report, recommended the OIG



explore ways to reduce costs associated with this contract. OIG has not provided an analysis on potential cost reductions.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of the Inspector General as proposed by the Mayor.

### **b. Fiscal Year 2012 Policy Recommendations**

1. The Committee recommends that the requirements for performing annual audits on the Anti-fraud Fund and the Professional Engineers Fund be repealed.

## D. OFFICE OF THE CITY ADMINISTRATOR

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	5,691	5,017	3,436	3,283	0	3,283	-4.5%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>5,691</b>	<b>5,017</b>	<b>3,436</b>	<b>3,283</b>	<b>0</b>	<b>3,283</b>	<b>-4.5%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	21	15	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>5,712</b>	<b>5,032</b>	<b>3,436</b>	<b>3,283</b>	<b>0</b>	<b>3,283</b>	<b>-4.5%</b>
Intra-District	48	52	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>5,760</b>	<b>5,084</b>	<b>3,436</b>	<b>3,283</b>	<b>0</b>	<b>3,283</b>	<b>-4.5%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	43.4	45.5	35.5	25.0	0.0	25.0	-29.6%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>43.4</b>	<b>45.5</b>	<b>35.5</b>	<b>25.0</b>	<b>0.0</b>	<b>25.0</b>	<b>-29.6%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	1.5	0.0	0.0	0.0	-100.0%
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>1.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-100.0%</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>43.4</b>	<b>45.5</b>	<b>37.0</b>	<b>25.0</b>	<b>0.0</b>	<b>25.0</b>	<b>-32.4%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>43.4</b>	<b>45.5</b>	<b>37.0</b>	<b>25.0</b>	<b>0.0</b>	<b>25.0</b>	<b>-32.4%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	3,804	3,517	2,450	2,664	0	2,664	8.7%
12 Regular Pay - Other	410	348	253	0	0	0	-100.0%
13 Additional Gross Pay	37	43	0	0	0	0	N/A
14 Fringe Benefits	771	677	574	506	0	506	-11.8%
15 Overtime Pay	0	0	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>5,022</b>	<b>4,585</b>	<b>3,277</b>	<b>3,170</b>	<b>0</b>	<b>3,170</b>	<b>-3.3%</b>
20 Supplies & Materials	20	27	22	23	0	23	4.5%
30 Utilities	64	65	0	0	0	0	N/A
31 Communications	126	146	0	0	0	0	N/A
32 Rent	3	0	0	0	0	0	N/A
33 Janitorial	2	21	0	0	0	0	N/A
34 Security	19	12	0	0	0	0	N/A
35 Occupancy Fixed Costs	36	26	0	0	0	0	N/A
40 Other Services & Charges	465	203	136	13	0	13	-90.4%
41 Contractual Services & Other	0	0	0	78	0	78	N/A
50 Subsidies & Transfers	3	0	0	0	0	0	N/A
<b>Nonpersonal Services (NPS)</b>	<b>738</b>	<b>500</b>	<b>158</b>	<b>114</b>	<b>0</b>	<b>114</b>	<b>-27.8%</b>
<b>GROSS FUNDS</b>	<b>5,760</b>	<b>5,085</b>	<b>3,435</b>	<b>3,284</b>	<b>0</b>	<b>3,284</b>	<b>-4.4%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
1000 Agency Management Program	91	349	700	0	700	100.6%	
2000 City Administrator	4,994	1,387	1,285	0	1,285	-7.4%	
3000 Labor Relations and Collective Bargaining	0	1,700	1,299	0	1,299	-23.6%	
<b>GROSS FUNDS</b>	<b>5,085</b>	<b>3,436</b>	<b>3,284</b>	<b>0</b>	<b>3,284</b>	<b>-4.4%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The mission of the Office of the City Administrator (OCA) is to facilitate the effective and efficient implementation of the Mayor's policies by providing leadership, support, and oversight of District agencies.

The Office of the City Administrator is composed of three major functions: (1) the *Performance Management and Analysis* division supports District agencies with performance, planning, and management; (2) the *Policy and Legal Resources* division provides legislative and regulatory review as well as legal and policy guidance; (3) the *Public Affairs/DCStat* division provides communications support and conducts performance accountability activities; and (4) the *Office of Labor Relations and Collective Bargaining* represents the District of Columbia as the principal management

advocate during labor negotiations and in administering the District's Labor Relations program.

**b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

**Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$3,283,000, a decrease of \$153,000, over the FY 2011 approved budget of \$3,436,000. This funding would support 25.0 FTEs, a decrease of 12.0 FTEs from the FY 2011 approved level.

The Mayor's proposed budget includes the transfer of multiple functions from OCA to the Executive Office of the Mayor. The Office of Budget and Finance and the Office of Partnerships and Grants Services have been transferred to EOM. This transfer accounts for a significant portion of the reduction to the FY 2012 budget of OCA.

**Committee Analysis and Comments**

The Committee supports the Mayor's proposed programmatic changes and funding levels for OCA. As of the office's May 4 budget oversight hearing, the budget numbers and office structure were still being altered.

The Committee acknowledges the necessary transition of a new administration within the Executive Office of the Mayor and the Office of the City Administrator. The Committee will continue to monitor the effect of these changes in the year ahead.

**2. COMMITTEE RECOMMENDATIONS**

**a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of the City Administrator as proposed by the Mayor.

## E. CONTRACT APPEALS BOARD

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	933	1,032	774	789	7	796	2.8%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>933</b>	<b>1,032</b>	<b>774</b>	<b>789</b>	<b>7</b>	<b>796</b>	<b>2.8%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>933</b>	<b>1,032</b>	<b>774</b>	<b>789</b>	<b>7</b>	<b>796</b>	<b>2.8%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>933</b>	<b>1,032</b>	<b>774</b>	<b>789</b>	<b>7</b>	<b>796</b>	<b>2.8%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	5.7	5.5	6.0	6.0	0.0	6.0	0.0%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>5.7</b>	<b>5.5</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>	<b>6.0</b>	<b>0.0%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>5.7</b>	<b>5.5</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>	<b>6.0</b>	<b>0.0%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>5.7</b>	<b>5.5</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>	<b>6.0</b>	<b>0.0%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	196	237	206	236	0	236	14.6%
12 Regular Pay - Other	351	389	435	420	0	420	-3.4%
14 Fringe Benefits	89	112	110	120	0	120	9.1%
<b>Personal Services (PS)</b>	<b>636</b>	<b>738</b>	<b>751</b>	<b>776</b>	<b>0</b>	<b>776</b>	<b>3.3%</b>
20 Supplies & Materials	5	1	3	3	0	3	0.0%
31 Communications	9	8	0	0	0	0	N/A
32 Rent	244	244	0	0	0	0	N/A
34 Security	5	0	0	0	0	0	N/A
35 Occupancy Fixed Costs	0	1	0	0	0	0	N/A
40 Other Services & Charges	27	7	3	2	0	2	-33.3%
41 Contractual Services & Other	0	27	14	6	7	13	-7.1%
50 Subsidies & Transfers	8	6	3	3	0	3	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>298</b>	<b>294</b>	<b>23</b>	<b>14</b>	<b>7</b>	<b>21</b>	<b>-8.7%</b>
<b>GROSS FUNDS</b>	<b>934</b>	<b>1,032</b>	<b>774</b>	<b>790</b>	<b>7</b>	<b>797</b>	<b>3.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)						
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
1000 Contract Appeals Board	447	173	179	7	186	7.5%
2000 Adjudication	585	601	611	0	611	1.7%
<b>GROSS FUNDS</b>	<b>1,032</b>	<b>774</b>	<b>790</b>	<b>7</b>	<b>797</b>	<b>3.0%</b>

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Contract Appeals Board (CAB) provides an impartial, expeditious, inexpensive, and knowledgeable forum for hearing and resolving contractual disputes and protests involving the District and its contracting communities.

The Procurement Practices Reform Act of 2010 vests the Board with exclusive jurisdiction to decide protests of District contract solicitations and awards, appeals by contractors of District contracting officer final decisions, claims by the District against contractors, appeals by contractors of suspensions and debarments, and contractor appeals of interest payment claims under the Quick Payment Act.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 budget is \$789,107, an increase of \$14,922, or 1.9 percent, over the FY 2011 approved budget of \$774,185. This funding supports 6.0 FTEs, an unchanged amount from the FY 2011.

### **Committee Analysis and Comments**

*Third Administrative Law Judge:* Under D.C. Code section 2-309.01, the Board is composed of a chair and 2 other members. The third Administrative Law Judge position was vacant from 2005 until the appointment of Marc Loud in 2010. In those fiscal years, the personal services portion of CAB's budget was re-programmed to cover other expenses. Past year's budget reports indicate that those funds were used to purchase office equipment, cover interdepartmental assessments by sister agencies such as the Department of Real Estate Services, or other uses as necessary. With 3 judges, the budget has tightened.

*Records Management:* CAB has been an agency exemplar in digital records management. Parties before CAB may, and are in fact encouraged to, file motions and produce documents in digital format. An important part of their digital records posture is to employ contractors to digitize legacy records. These digitized records provide parties easy access to history decisions. Over the course of a fiscal year, CAB spends about \$7,000 to digitize legacy and current records. The Committee believes that continuing to fund this initiative is an important step for the agency and for those parties litigation before the board.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Contract Appeals Board as proposed by the Mayor with the following changes:

1. Recognize the transfer of \$7,000 in recurring spending from the Department of Human Resources.
2. Increase CSG 41 (Contractual Services - Other) in Activity 1090 (Performance Management) by \$7,000 to support document digitization.

## F. OPEN GOVERNMENT OFFICE

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	0	0	262	350	0	350	33.6%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>0</b>	<b>0</b>	<b>262</b>	<b>350</b>	<b>0</b>	<b>350</b>	<b>33.6%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>0</b>	<b>0</b>	<b>262</b>	<b>350</b>	<b>0</b>	<b>350</b>	<b>33.6%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>0</b>	<b>0</b>	<b>262</b>	<b>350</b>	<b>0</b>	<b>350</b>	<b>33.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	0.0	0.0	2.0	3.0	0.0	3.0	50.0%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>50.0%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>50.0%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>50.0%</b>



Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	0	0	217	253	0	253	16.6%
14 Fringe Benefits	0	0	46	45	0	45	-2.2%
<b>Personal Services (PS)</b>	<b>0</b>	<b>0</b>	<b>263</b>	<b>298</b>	<b>0</b>	<b>298</b>	<b>13.3%</b>
20 Supplies & Materials	0	0	0	5	0	5	0.0%
40 Other Services & Charges	0	0	0	47	0	47	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52</b>	<b>0</b>	<b>52</b>	<b>0.0%</b>
<b>GROSS FUNDS</b>	<b>0</b>	<b>0</b>	<b>263</b>	<b>350</b>	<b>0</b>	<b>350</b>	<b>33.1%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)						
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
1100 Office of Open Government	0	262	350	0	350	33.6%
<b>GROSS FUNDS</b>	<b>0</b>	<b>262</b>	<b>350</b>	<b>0</b>	<b>350</b>	<b>33.6%</b>

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The mission of the District of Columbia Open Government Office (OGO) is to promote open governance in the District of Columbia. The agency's primary focus is compliance with the Open Meetings Act and the Freedom of Information Act. This is the first year that funding for the Open Government Office has been included in the Mayor's proposed budget.

### b. Mayor's Proposed Fiscal Year 2012 Operating Budget

#### Proposed Operating Budget Summary

The Mayor's proposed FY 2012 budget is \$350,000. This funding would support 3.0 FTEs.

#### Committee Analysis and Comments

The Committee supports the Mayor's effort to continue funding for the Open Government Office. As this is the first full year for the office, the Committee recognizes that changes to funding levels and budget distribution changes will likely be necessary in the years ahead.

As no Director had been nominated at the time of the Committee's FY 2012 budget oversight hearing, the Committee was unable to inquire about projected spending. The Committee stresses the need for the Mayor to identify a Director to begin to establish the office.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Open Government Office as proposed by the Mayor.

### **b. Fiscal Year 2012 Performance Measure Recommendations**

The Committee recommends that the Mayor add the following performance measures:

1. The number of advisory opinions issued.
2. The number of training events conducted.

## G. OFFICE OF THE SECRETARY

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	3,059	2,520	2,034	2,221	(15)	2,206	8.5%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	528	427	694	699	0	699	0.7%
<b>General Fund Total</b>	<b>3,587</b>	<b>2,947</b>	<b>2,728</b>	<b>2,920</b>	<b>(15)</b>	<b>2,905</b>	<b>6.5%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	8	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>3,587</b>	<b>2,955</b>	<b>2,728</b>	<b>2,920</b>	<b>(15)</b>	<b>2,905</b>	<b>6.5%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>3,587</b>	<b>2,955</b>	<b>2,728</b>	<b>2,920</b>	<b>(15)</b>	<b>2,905</b>	<b>6.5%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	18.6	19.7	18.0	17.0	0.0	17.0	-5.6%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	3.4	3.6	4.0	4.0	0.0	4.0	N/A
<b>General Fund Total</b>	<b>22.0</b>	<b>23.3</b>	<b>22.0</b>	<b>21.0</b>	<b>0.0</b>	<b>21.0</b>	<b>-4.5%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>22.0</b>	<b>23.3</b>	<b>22.0</b>	<b>21.0</b>	<b>0.0</b>	<b>21.0</b>	<b>-4.5%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>22.0</b>	<b>23.3</b>	<b>22.0</b>	<b>21.0</b>	<b>0.0</b>	<b>21.0</b>	<b>-4.5%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	1,688	1,522	1,515	1,640	0	1,640	8.3%
12 Regular Pay - Other	108	12	42	0	0	0	-100.0%
13 Additional Gross Pay	186	34	0	0	0	0	N/A
14 Fringe Benefits	310	262	279	322	0	322	15.4%
15 Overtime Pay	3	0	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>2,295</b>	<b>1,830</b>	<b>1,836</b>	<b>1,962</b>	<b>0</b>	<b>1,962</b>	<b>6.9%</b>
20 Supplies & Materials	66	6	11	40	0	40	263.6%
30 Utilities	92	133	0	0	0	0	N/A
31 Communications	28	35	0	0	0	0	N/A
32 Rent	5	0	0	0	0	0	N/A
33 Janitorial	45	54	0	0	0	0	N/A
34 Security	38	8	0	0	0	0	N/A
35 Occupancy Fixed Costs	88	109	0	0	0	0	N/A
40 Other Services & Charges	310	137	221	261	(10)	251	13.6%
41 Contractual Services & Other	609	0	449	444	(5)	439	-2.2%
50 Subsidies & Transfers	0	158	207	200	0	200	-3.4%
70 Equipment	14	0	4	13	0	13	225.0%
<b>Nonpersonal Services (NPS)</b>	<b>1,295</b>	<b>640</b>	<b>892</b>	<b>958</b>	<b>(15)</b>	<b>943</b>	<b>5.7%</b>
<b>GROSS FUNDS</b>	<b>3,590</b>	<b>2,470</b>	<b>2,728</b>	<b>2,920</b>	<b>(15)</b>	<b>2,905</b>	<b>6.5%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
1000 Agency Management Program	1,061	743	773	(15)	758	2.0%	
1002 International Relations and Protocol	116	111	113	0	113	1.8%	
1003 Ceremonial Services	153	109	222	0	222	103.7%	
1004 Office of Documents and Administrative Issuances	412	373	375	0	375	0.5%	
1005 Notary Commissions and	287	289	317	0	317	9.7%	
1006 Office of Public Records	714	852	919	0	919	7.9%	
1007 Executive Management	212	250	201	0	201	-19.6%	
<b>GROSS FUNDS</b>	<b>2,955</b>	<b>2,727</b>	<b>2,920</b>	<b>(15)</b>	<b>2,905</b>	<b>6.5%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Office of the Secretary (OS) provides protocol, authentication and public records management services to the Mayor and District government agencies. In addition to managing the District of Columbia's Archives, commissioning all District of Columbia Notaries Public, and publishing the District of Columbia Register and the District of Columbia Municipal Regulations (DCMR), OS is responsible for maintaining official records of mayoral actions, receiving legal process for actions against the Mayor, and preparing executive orders, proclamations, directives, and administrative issuances.

The office provides document management through the Office of Notary Commissions and Authentications, the Office of Documents and Administrative Issuances (which publishes the DC Register and the DCMR), and the Office of Public Records (which manages the DC Records Center and the District of Columbia Archives). The Ceremonial Services Unit is responsible for all Mayoral proclamations and ceremonial documents, and the Office of Protocol and International Affairs manages Sister City relationships and communication between the Executive Branch and foreign government representatives.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$2,920,000, an increase of \$193,000, or 7.1 percent, over the FY 2011 approved budget of \$2,728,000. This funding supports 21.0 FTEs, a decrease of 1.0 FTE from the FY 2011 approved level.

*Local Funds:* The Mayor's proposed FY 2012 local budget is \$2,221,000, an increase of \$188,000, or 9.2 percent, over the FY 2011 approved budget of \$2,034,000. This funding supports 17.0 FTEs, a decrease of 1.0 FTE from the FY 2011 approved level.

*Special Purpose Revenue Funds:* The Mayor's proposed FY 2012 special purpose revenue budget is \$699,000, an increase of \$5,000 from the FY 2011 approved budget of \$694,000. This funding supports 4.0 FTEs.

### **Committee Analysis and Comments**

The Committee notes that while most agencies have seen budget reductions in FY 2012, the Office of the Secretary will see an increase as part of its FY 2012 budget. In fact, the Office's budget has remained nearly constant since FY 2010. Despite the lack of meaningful cuts over the previous two years, the Committee believes that the agency's budget is appropriate for the services it provides.

During the Committee's March 2011 performance oversight hearing and May 2011 budget oversight hearing, the Chairperson posed a number of questions to the office regarding the office's public records management responsibilities. During each of the two hearings, the Secretary suggested that it should not have primary responsibility for public records management, despite the existence of the Office of Public Records within the Office of the Secretary. The Committee notes that significant financial savings could result from the development and implementation of a District-wide public records management plan. Indeed, the draft plan developed by the previous administration sought to achieve such a goal. The Committee will continue to monitor activities within the Office to ensure that sufficient emphasis is placed on this function.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of the Secretary as proposed by the Mayor with the following changes:

1. Reduce CSG 40 (Other Services and Charges) by \$10,000 and CSG 41 (Contractual Services - Other) by \$5,000.
2. Transfer \$15,000 in recurring spending to the Public Employee Relations Board.

### **b. Fiscal Year 2012 Policy Recommendations**

1. The Office of the Secretary shall develop a public records management plan that identifies needed changes to District law, potential savings from increased records management activities, agency responsibilities, and how the Office will work to ensure that the plan is properly implemented.

## H. DEPARTMENT OF HUMAN RESOURCES

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	8,733	5,136	7,865	7,346	(76)	7,270	-7.6%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	124	277	273	277	0	277	1.5%
<b>General Fund Total</b>	<b>8,857</b>	<b>5,413</b>	<b>8,138</b>	<b>7,623</b>	<b>(76)</b>	<b>7,547</b>	<b>-7.3%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>8,857</b>	<b>5,413</b>	<b>8,138</b>	<b>7,623</b>	<b>(76)</b>	<b>7,547</b>	<b>-7.3%</b>
<b>Intra-District</b>	<b>7,858</b>	<b>7,858</b>	<b>2,325</b>	<b>2,325</b>	<b>0</b>	<b>2,325</b>	<b>0.0%</b>
<b>GROSS FUNDS</b>	<b>16,715</b>	<b>13,271</b>	<b>10,463</b>	<b>9,948</b>	<b>(76)</b>	<b>9,872</b>	<b>-5.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	74.6	58.3	89.5	83.6	(1.0)	82.6	-7.7%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	3.7	3.6	2.8	3.8	0.0	3.8	35.7%
<b>General Fund Total</b>	<b>78.3</b>	<b>61.9</b>	<b>92.3</b>	<b>87.4</b>	<b>(1.0)</b>	<b>86.4</b>	<b>-6.4%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>78.3</b>	<b>61.9</b>	<b>92.3</b>	<b>87.4</b>	<b>(1.0)</b>	<b>86.4</b>	<b>-6.4%</b>
<b>Intra-District</b>	<b>49.5</b>	<b>60.7</b>	<b>15.1</b>	<b>15.0</b>	<b>0.0</b>	<b>15.0</b>	<b>-0.7%</b>
<b>GROSS FUNDS</b>	<b>127.8</b>	<b>122.6</b>	<b>107.4</b>	<b>102.4</b>	<b>(1.0)</b>	<b>101.4</b>	<b>-5.6%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY 12
11 Regular Pay	6,991	6,459	6,062	6,446	(62)	6,384	5.3%
12 Regular Pay - Other	1,204	1,514	987	518	0	518	-47.5%
13 Additional Gross Pay	48	47	0	0	0	0	N/A
14 Fringe Benefits	1,828	1,519	1,396	1,486	(13)	1,473	5.5%
15 Overtime Pay	21	67	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>10,092</b>	<b>9,606</b>	<b>8,445</b>	<b>8,450</b>	<b>(75)</b>	<b>8,375</b>	<b>-0.8%</b>
20 Supplies & Materials	210	69	39	39	0	39	0.0%
30 Utilities	584	284	0	0	0	0	N/A
31 Communications	114	91	0	0	0	0	N/A
32 Rent	4	0	0	0	0	0	N/A
33 Janitorial	127	126	0	0	0	0	N/A
34 Security	146	87	0	0	0	0	N/A
35 Occupancy Fixed Costs	346	148	0	0	0	0	N/A
40 Other Services & Charges	971	560	218	38	0	38	-82.6%
41 Contractual Services & Other	3,284	2,300	1,750	1,411	0	1,411	-19.4%
70 Equipment	836	0	11	11	0	11	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>6,622</b>	<b>3,665</b>	<b>2,018</b>	<b>1,499</b>	<b>0</b>	<b>1,499</b>	<b>-25.7%</b>
<b>GROSS FUNDS</b>	<b>16,714</b>	<b>13,271</b>	<b>10,463</b>	<b>9,949</b>	<b>(75)</b>	<b>9,874</b>	<b>-5.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY 12	
1000 Agency Management Program	2,212	2,132	2,075	0	2,075	-2.7%	
2000 Policy and Staffing Administration	679	1,636	1,671	(76)	1,595	-2.5%	
2100 Compliance and Legal Administration	1,790	1,008	1,037	0	1,037	2.9%	
2210 Benefits and Retirement Services	3,695	2,402	2,474	0	2,474	3.0%	
2600 Compensation and Classification	2,153	1,115	1,103	0	1,103	-1.1%	
3000 Workforce Development	2,743	2,171	1,588	0	1,588	-26.9%	
<b>GROSS FUNDS</b>	<b>13,272</b>	<b>10,464</b>	<b>9,948</b>	<b>(76)</b>	<b>9,872</b>	<b>-5.7%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The District of Columbia Department of Human Resources (DCHR) recruits and classifies employees, administers benefits and retirement services, and organizes training and development programs. The mission of DCHR is to provide comprehensive human resource management services to client agencies in order to strengthen individual and organizational performance and enable the government to attract, develop, and retain a highly qualified, diverse workforce.

DCHR is organized into seven components: the *Agency Management Administration* provides administrative support and technology services to DCHR; the *Policy and Staffing Administration* develops human resource policies throughout the



District government; the *Compliance and Legal Administration* conducts independent and objective evaluations of human resource services provided by District agencies; the *Benefits and Retirement Services Administration* manages the benefits offered to District employees and retirees; the *Compensation and Classification Administration* establishes job classifications, creates pay schedules, and administers performance management programs; and the *Workforce Development Administration* organizes professional development and training programs and manages the Emerging Leaders Program.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 budget is \$7,346,000, a decrease of \$519,000, or 6.6 percent, over the FY 2011 approved budget of \$7,865,000. This funding supports 83.6 FTEs, a decrease of 6.6 FTEs from the FY 2011 approved level.

*Special Purpose Revenue Funds:* The Mayor's proposed FY 2012 budget is \$277,000, which is an increase of \$4,000 from the FY 2011 approved budget. This funding supports 3.8 FTEs, an increase of 1.0 FTEs over FY 2011. The funding comes from reimbursements from the federal government for services provided to federal retirees.

*Intra-District Funds:* The Mayor's proposed FY 2012 budget is \$2,325,000, which is unchanged from the FY 2011 approved budget. This funding supports 15.0 FTEs, a decrease of 0.1 FTEs from the FY 2011 approved level.

### **Committee Analysis and Comments**

The substantial reduction to the proposed FY 2012 budget for DCHR is due to two changes. The first is a \$281,000 reduction to the District's employee training budget. The Committee is very concerned about the proposed elimination of an array of employee training programs. These classes are important to ensuring that District employees have the training that they need to perform their jobs and provide them with opportunities to expand their skill set and improve their career. Nevertheless, historically, the agency has been unsuccessful in tracking the efficacy of these programs. The Committee believes that the agency should develop a plan for training needs. This will enable a full reevaluation leading up to the FY 2013 budget formulation process. The second significant reduction is the elimination of 10 Capital City Fellows, which will leave 10 FTEs in this program. This program is highly regarded and has proven to be very successful. The Committee hopes that these positions can be restored in future years when more funding becomes available.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Department of Human Resources as proposed by the Mayor with the following changes:

1. Reduce CSG 11 (Regular Pay – Continuing Full Time) in Activity 2030 (Recruiting and Staffing) by \$62,499 to reflect a vacant position.
2. Reduce CSG 14 (Fringe Benefits) in Activity 2030 (Recruiting and Staffing) by \$13,337 to reflect a vacant position.
3. Transfer \$50,000 in recurring spending to the Office of Disability Rights.
4. Transfer \$7,000 in recurring spending to the Contract Appeals Board.
5. Transfer \$19,000 in recurring spending to the Public Employee Relations Board.

## I. PUBLIC SECTOR WORKERS' COMPENSATION FUND

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	27,822	38,310	38,169	19,541	0	19,541	-48.8%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>27,822</b>	<b>38,310</b>	<b>38,169</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>27,822</b>	<b>38,310</b>	<b>38,169</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>27,822</b>	<b>38,310</b>	<b>38,169</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
20 Supplies & Materials	1,431	1,539	1,607	759	0	759	-52.8%
40 Other Services & Charges	8,716	17,890	17,448	7,448	0	7,448	-57.3%
50 Subsidies & Transfers	17,624	18,856	19,090	11,334	0	11,334	-40.6%
70 Equipment	50	24	25	0	0	0	-100.0%
<b>Nonpersonal Services (NPS)</b>	<b>27,821</b>	<b>38,309</b>	<b>38,170</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>
<b>GROSS FUNDS</b>	<b>27,821</b>	<b>38,309</b>	<b>38,170</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
1000 Disability Compensation Fund	38,310	38,169	19,541	0	19,541	-48.8%	
<b>GROSS FUNDS</b>	<b>38,310</b>	<b>38,169</b>	<b>19,541</b>	<b>0</b>	<b>19,541</b>	<b>-48.8%</b>	

(Dollars in Thousands)

# **1. COMMITTEE ANALYSIS AND COMMENTS**

## **a. Agency Mission and Overview**

The Public Sector Workers' Compensation Program (PSWCP) receives workers' compensation claims from injured District government employees, adjusts and manages those claims through its third-party administrator, and provides compensation and services to claimants. Eligible claims are paid out of the Public Sector Workers' Compensation Fund (Fund). The program and the Fund are managed by the Office of Risk Management.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$19,540,000, a decrease of \$18,628,000, or 48.8 percent, over the FY 2011 approved budget of \$38,169,000. This funding supports 0 FTEs.

### **Committee Analysis and Comments**

The Mayor's proposed FY 2012 budget makes several significant changes to the appropriation to the Fund. The proposed budget would reduce by \$18,628,000 the annual allocation to the Public Sector Workers' Compensation Fund, a 49 percent reduction from the previous year.<sup>1</sup> This fund is the designated source to cover payments to claims made under the PSWCP. The Mayor projects that this reduction will result from improved management, an enhanced return to work program, and other policies designed to decrease the workers' compensation population.

The Committee believes that this reduction is not realistic and that significant spending pressures will result. Further, the Committee notes that the agency has been unable to provide a list of policies that would be instituted to achieve these goals.

The Committee also notes its concern that any attempt to reduce payments from the Public Sector Workers' Compensation Fund will result in increased pressure, on the part of the office and the third party administrator, to improperly deny claims. The Committee has previously expressed concerns about the improper denial of claims by the agency. Others have noted similar concerns. Historically, the Committee has heard from a number of employee claimants who have shared their own stories of having claims denied. Increasing pressure to reduce costs could further strain the decision to pay out a claim.

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<sup>1</sup> The Committee recognizes that approximately \$5,781,000 of the \$18,628,000 in reduced spending to the Disability Compensation Fund results from one-time insurance payments that will no longer be expended in future years.

The Committee does support the effort to reduce costs by investing in a revamped return to work program. The office has already begun working with District agencies to increase the number of employees who are put back to work after being out because of injury. Local funds have been increased by \$1,000,000 to enhance efforts within the PSWCP to return injured employees to work. Historically, ORM has provided minimal direction to agencies and employees in an effort to increase the number of claimants who return to work. This funding increase, which will provide for 3.0 FTEs and additional contract dollars, will substantially increase the office's ability to perform this function.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Public Sector Workers' Compensation Fund as proposed by the Mayor with the following changes:

1. Add a clause to the Budget Request Act language to authorize the rollover of FY 2011 funds from the Fund into FY 2012 and make those funds available until expended.

### **b. Fiscal Year 2012 Policy Recommendations**

1. The Office of Risk Management shall provide to the Committee quarterly updates on the rate of spending from the Public Sector Workers' Compensation Fund and success of the return to work initiative.

## J. PUBLIC EMPLOYEE RELATIONS BOARD

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY 12
Local Funds	999	1,055	869	861	90	951	9.4%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>999</b>	<b>1,055</b>	<b>869</b>	<b>861</b>	<b>90</b>	<b>951</b>	<b>9.4%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>999</b>	<b>1,055</b>	<b>869</b>	<b>861</b>	<b>90</b>	<b>951</b>	<b>9.4%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>999</b>	<b>1,055</b>	<b>869</b>	<b>861</b>	<b>90</b>	<b>951</b>	<b>9.4%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY 12
Local Funds	4.8	5.7	6.0	6.0	1.0	7.0	16.7%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>4.8</b>	<b>5.7</b>	<b>6.0</b>	<b>6.0</b>	<b>1.0</b>	<b>7.0</b>	<b>16.7%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>4.8</b>	<b>5.7</b>	<b>6.0</b>	<b>6.0</b>	<b>1.0</b>	<b>7.0</b>	<b>16.7%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>4.8</b>	<b>5.7</b>	<b>6.0</b>	<b>6.0</b>	<b>1.0</b>	<b>7.0</b>	<b>16.7%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	435	433	532	440	80	520	-2.3%
12 Regular Pay - Other	0	0	0	0	0	0	N/A
13 Additional Gross Pay	0	31	0	0	0	0	N/A
14 Fringe Benefits	88	92	110	101	10	111	0.9%
15 Overtime Pay	0	0	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>523</b>	<b>556</b>	<b>642</b>	<b>541</b>	<b>90</b>	<b>631</b>	<b>-1.7%</b>
20 Supplies & Materials	6	3	3	3	0	3	0.0%
31 Communications	2	3	2	2	0	2	0.0%
32 Rent	86	100	0	0	0	0	N/A
34 Security	3	0	0	0	0	0	N/A
40 Other Services & Charges	24	30	11	5	0	5	-54.5%
41 Contractual Services & Other	352	358	206	304	0	304	47.6%
70 Equipment	3	5	5	5	0	5	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>476</b>	<b>499</b>	<b>227</b>	<b>319</b>	<b>0</b>	<b>319</b>	<b>40.5%</b>
<b>GROSS FUNDS</b>	<b>999</b>	<b>1,055</b>	<b>869</b>	<b>860</b>	<b>90</b>	<b>950</b>	<b>9.3%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1000 Agency Management Program	302	275	4	0	4	-98.5%	
2000 Adjudication	752	594	857	90	947	59.4%	
<b>GROSS FUNDS</b>	<b>1,054</b>	<b>869</b>	<b>861</b>	<b>90</b>	<b>951</b>	<b>9.4%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Public Employee Relations Board (PERB) was created by the Comprehensive Merit Personnel Act as a quasi-judicial, independent agency empowered with exclusive jurisdiction to resolve labor-management disputes between agencies of the District government and labor organizations representing District employees.

### b. Mayor's Proposed Fiscal Year 2012 Operating Budget

#### Proposed Operating Budget Summary

The Mayor's proposed FY 2012 budget is \$861,000, a decrease of \$8,000, or 0.9 percent, over the FY 2011 approved budget of \$869,000. This funding supports 6.0 FTEs, which is unchanged from the FY 2011 approved level. This budget is made up entirely of local funds.

For FY 2012, the proposed budget for the Agency Management Program is \$4,000, a reduction of \$271,000 over the FY 2011 approved budget, with a decrease of 1.0 FTE. This change reflects a reallocation of resources to the Adjudication Program, which has a proposed budget in the amount of \$857,000, an increase of \$263,000.

### **Committee Analysis and Comments**

The Committee remains concerned about PERB's backlog of undecided cases. During the Committee's April 12 budget hearing, the office testified that it had about 380 cases pending, the oldest was filed in 2003. PERB's backlog became acute in 2009 when the agency was unable to decide cases because it lacked a quorum. At its current rate, it will take PERB many years to decide its cases.

This substantial delay is a problem for the District because it increases the District's liability. Many cases before the office involve large groups of employees. PERB can order many remedies, including back pay, penalties, and interest. The longer that it takes for the agency to decide a case, the greater the potential award. The Committee proposes increasing PERB's budget so that the agency can hire an additional attorney to help the Board decide cases by drafting decisions and reduce the agency's backlog.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Public Employee Relations Board as proposed by the Mayor with the following changes:

1. Recognize transfer of \$39,000 in recurring spending from the Office of the Chief Technology Officer.
2. Recognize transfer of \$17,000 in recurring spending from the District Department of the Environment.
3. Recognize transfer of \$15,000 in recurring spending from the Office of the Secretary.
4. Recognize transfer of \$19,000 in recurring spending from the Public Employee Relations Board.
5. Increase CSG 11 (Regular Pay – Continuing Full Time) in Activity 2001 (Legal Support) by \$80,000 and 1.0 FTE.
6. Increase CSG 14 (Fringe Benefits) in Activity 2001 (Legal Support) by \$10,000.



## K. OFFICE OF EMPLOYEE APPEALS

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	1,780	1,753	1,287	1,270	90	1,360	5.7%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>1,780</b>	<b>1,753</b>	<b>1,287</b>	<b>1,270</b>	<b>90</b>	<b>1,360</b>	<b>5.7%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>1,780</b>	<b>1,753</b>	<b>1,287</b>	<b>1,270</b>	<b>90</b>	<b>1,360</b>	<b>5.7%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>1,780</b>	<b>1,753</b>	<b>1,287</b>	<b>1,270</b>	<b>90</b>	<b>1,360</b>	<b>5.7%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	11.7	10.7	12.0	12.0	1.0	13.0	8.3%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>11.7</b>	<b>10.7</b>	<b>12.0</b>	<b>12.0</b>	<b>1.0</b>	<b>13.0</b>	<b>8.3%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>11.7</b>	<b>10.7</b>	<b>12.0</b>	<b>12.0</b>	<b>1.0</b>	<b>13.0</b>	<b>8.3%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>11.7</b>	<b>10.7</b>	<b>12.0</b>	<b>12.0</b>	<b>1.0</b>	<b>13.0</b>	<b>8.3%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	992	883	926	931	80	1,011	9.2%
12 Regular Pay - Other	122	19	79	92	0	92	16.5%
13 Additional Gross Pay	0	89	0	0	0	0	N/A
14 Fringe Benefits	175	168	148	167	10	177	19.6%
15 Overtime Pay	0	0	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>1,289</b>	<b>1,159</b>	<b>1,153</b>	<b>1,190</b>	<b>90</b>	<b>1,280</b>	<b>11.0%</b>
20 Supplies & Materials	2	5	15	10	0	10	-33.3%
31 Communications	6	6	0	0	0	0	N/A
32 Rent	390	468	0	0	0	0	N/A
34 Security	8	0	0	0	0	0	N/A
35 Occupancy Fixed Costs	0	3	0	0	0	0	N/A
40 Other Services & Charges	29	22	63	45	0	45	-28.6%
41 Contractual Services & Other	50	66	45	15	0	15	-66.7%
70 Equipment	5	24	10	10	0	10	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>490</b>	<b>594</b>	<b>133</b>	<b>80</b>	<b>0</b>	<b>80</b>	<b>-39.8%</b>
<b>GROSS FUNDS</b>	<b>1,779</b>	<b>1,753</b>	<b>1,286</b>	<b>1,270</b>	<b>90</b>	<b>1,360</b>	<b>5.8%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1000 Agency Management Program	603	881	817	0	817	-7.3%	
2000 Adjudication	1,150	406	453	90	543	33.7%	
<b>GROSS FUNDS</b>	<b>1,753</b>	<b>1,287</b>	<b>1,270</b>	<b>90</b>	<b>1,360</b>	<b>5.7%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Office of Employee Appeals (OEA) was established by the Comprehensive Merit Personnel Act. The mission of OEA is to render impartial, legally sufficient, and timely decisions on appeals filed by District government employees against their employer. OEA hears cases involving adverse action for cause that results in removal, reduction in force, reduction in pay grade, placement on enforced leave for 10 days or more, or suspension for 10 days or more.

OEA oversees a three-step appeal process. First, employees and the government are encouraged to mediate their disputes. If mediation fails, the case proceeds to adjudication before an administrative law judge (ALJ). After adjudication, a party may file a petition for review by the OEA Board, which conducts impartial reviews of the decisions of the ALJs.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$1,270,000, a decrease of \$18,000, or 1.4 percent, over the FY 2011 approved budget of \$1,287,000. This funding supports 12.0 FTEs, which is unchanged from the FY 2011 approved level. This budget is made up entirely of local funds.

For FY 2012, the proposed budget for the Agency Management Program is \$817,000, a reduction of \$65,000 over the FY 2011 approved budget, with a decrease of 1.0 FTE. This change reflects the transfer of one staff member to the Adjudication Program, which has a proposed budget in the amount of \$453,000, an increase of \$47,000 and 1.0 FTEs.

### **Committee Analysis and Comments**

The Committee remains concerned about OEA's backlog of undecided cases. During the Committee's April 12 budget hearing, the agency testified that it had approximately 560 cases pending. OEA's backlog became acute in 2009 when the District separated hundreds of employees through a Reduction-in-Force. For FY 2011, the agency's goal is to decide 180 cases. At this rate, it will take OEA more than 3 years to eliminate the current.

This substantial delay is a problem for the District because it increases the District's liability. Many cases before the agency involve terminations. In these cases, OEA can order that the employee be reinstated with back pay. The longer that it takes for the agency to decide a case, the greater the potential award of back pay and interest. The Committee proposes increasing OEA's budget so that the agency can hire an additional Administrative Law Judge to resolve cases and reduce the agency's backlog.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of Employee Appeals as proposed by the Mayor with the following changes:

1. Recognize transfer of \$90,000 in recurring spending from the Office of the Chief Technology Officer.
2. Increase CSG 11 (Regular Pay – Continuing Full Time) in Activity 2001 (Adjudication Process) by \$80,000 and 1.0 FTE.
3. Increase CSG 14 (Fringe Benefits) in Activity 2001 (Adjudication Process) by \$10,000.

## L. OFFICE OF CAMPAIGN FINANCE

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	1,648	1,636	1,325	1,364	(51)	1,313	-0.9%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	90	0	94	94	4.4%
<b>General Fund Total</b>	<b>1,648</b>	<b>1,636</b>	<b>1,415</b>	<b>1,364</b>	<b>43</b>	<b>1,407</b>	<b>-0.6%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>1,648</b>	<b>1,636</b>	<b>1,415</b>	<b>1,364</b>	<b>43</b>	<b>1,407</b>	<b>N/A</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>1,648</b>	<b>1,636</b>	<b>1,415</b>	<b>1,364</b>	<b>43</b>	<b>1,407</b>	<b>-0.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	16.9	17.1	18.0	16.0	(1.0)	15.0	-16.7%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	1.0	1.0	50.0%
<b>General Fund Total</b>	<b>16.9</b>	<b>17.1</b>	<b>18.0</b>	<b>16.0</b>	<b>0.0</b>	<b>16.0</b>	<b>-11.1%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>16.9</b>	<b>17.1</b>	<b>18.0</b>	<b>16.0</b>	<b>0.0</b>	<b>16.0</b>	<b>-11.1%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>16.9</b>	<b>17.1</b>	<b>18.0</b>	<b>16.0</b>	<b>0.0</b>	<b>16.0</b>	<b>-11.1%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	1,125	1,116	1,142	1,106	(51)	1,055	-7.6%
12 Regular Pay - Other	0	26	0	0	73	73	N/A
13 Additional Gross Pay	31	12	0	0	0	0	N/A
14 Fringe Benefits	200	218	220	247	21	268	21.8%
15 Overtime Pay	4	0	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>1,360</b>	<b>1,372</b>	<b>1,362</b>	<b>1,353</b>	<b>43</b>	<b>1,396</b>	<b>2.5%</b>
20 Supplies & Materials	16	9	12	6	0	6	-50.0%
30 Utilities	43	42	0	0	0	0	N/A
31 Communications	12	7	0	0	0	0	N/A
32 Rent	1	0	0	0	0	0	N/A
33 Janitorial	22	42	0	0	0	0	N/A
34 Security	39	17	0	0	0	0	N/A
35 Occupancy Fixed Costs	41	68	0	0	0	0	N/A
40 Other Services & Charges	75	36	41	5	0	5	-87.8%
41 Contractual Services & Other	31	43	0	0	0	0	N/A
70 Equipment	9	0	0	0	0	0	N/A
<b>Nonpersonal Services (NPS)</b>	<b>289</b>	<b>264</b>	<b>53</b>	<b>11</b>	<b>0</b>	<b>11</b>	<b>-79.2%</b>
<b>GROSS FUNDS</b>	<b>1,649</b>	<b>1,636</b>	<b>1,415</b>	<b>1,364</b>	<b>0</b>	<b>1,407</b>	<b>-0.6%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)						
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
1000 Agency Management Program	407	403	413	0	413	2.5%
2000 Oversight Support Services	1,229	1,012	951	43	994	-1.8%
<b>GROSS FUNDS</b>	<b>1,636</b>	<b>1,415</b>	<b>1,364</b>	<b>43</b>	<b>1,407</b>	<b>-0.6%</b>

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Office of Campaign Finance (OCF) is responsible for administering and enforcing the District's laws concerning campaign finance, lobbying, conflicts of interest, ethics, and the operation of statehood-fund and citizen-service programs. To ensure compliance, OCF audits reports and filings, develops statistical reports and summaries of financial reports, conducts investigations of alleged violations of the Campaign Finance Act, and renders interpretive opinions.

OCF is organized into two programs, Agency Management and Oversight Support Services. Agency Management provides general administrative responsibilities and support, and Oversight Support Services provides reviews, audits, investigations, and hearings on financial reports filed by candidates, political committees, constituent service funds, public officials, lobbyists, and statehood funds. This program operates through three activities: the *Office of the General Counsel* is the primary division responsible for

enforcement of the Campaign Finance Act, through the conduct of investigations and hearings, and is the division responsible for drafting interpretative opinions and regulations; the *Reports Analysis and Audit Division* conducts desk, random, and full-field audits of financial and conflict-of-interest reports, and is the primary activity involved in seeking compliance with the filing requirements of the Campaign Finance Act; and the *Public Information and Records Management Division* provides information to the public and is responsible for ensuring that reports are received and processed by OCF.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 local funds budget is \$1,364,000, a reduction of \$51,000, or 3.6 percent, from the FY 2011 approved budget of \$1,414,000. This includes a \$51,000 increase to local funds to support an Attorney Advisor FTE which in FY 2011 is partially supported by special purpose revenue funds. This proposed FY 2012 funding supports 16.0 FTEs, a reduction of 2.0 FTEs from the FY 2011 level.

### **Committee Analysis and Comments**

*Personal Services:* The proposed FY 2012 local funds budget for OCF of \$1,353,000 is only reduced by \$8,000 over the FY 2011 approved budget of \$1,362,000; however, the Mayor's proposal would eliminate 2.0 FTEs, including a paralegal and a hearing examiner. Although in FY 2011 the part-time hearing examiner was responsible for handling financial disclosure statements reporting and investigative activities, OCF planned in FY 2012 to task an Attorney Advisor with these duties and lobbyist registration oversight and pay for the FTE out of OCF's special purpose fund revenue from lobbyist registration fees, as established through Title I, Subtitle BB, of the Fiscal Year 2010 Budget Support Act of 2009 and codified as D.C. Code § 1-1105.02(c).

The Mayor proposed sweeping this revenue into the General Fund in FY 2012. There are legal issues associated with sweeping these funds, which could be viewed as taxing protected activity under the First Amendment of the U.S. Constitution. The regulatory fee collected by the special purpose revenue fund from lobbyist registration supports OCF's effort to regulate lobbyists' activities. By allowing the funds collected in the special purpose fund to revert to the General Fund, the lobbyist registration fee is effectively turned into a tax which could have the effect of discouraging protected First Amendment activity amongst the regulated group without the benefit of defraying costs associated with regulating that group's activity. The Committee recommends restoring these funds to OCF so that the office may use these funds to continue to support review of lobbying activity and financial disclosure statements.

*Non-Personal Services:* The local funding in FY 2012 for non-personal services is proposed to decrease by \$51,000, or 3.6 percent, over the FY 2011 approved budget of \$1,415,000. These reductions occur in CSG 20 (Supplies and Materials) and CSG 40

(Other Services and Charges). OCF has expressed serious concerns about its ability to procure necessary items and to fund contracts for printer and copier maintenance and repair, court reporting services, and maintenance and upgrade of the electronic filing system. CSG 20 has a proposed FY 2012 budget of \$6,000, which OCF does not believe is sufficient to cover the basic supply needs of the agency. Additionally, CSG 40 has a proposed FY 2012 budget of only \$5,000, a reduction of \$36,000 over FY 2011. OCF stated that annual maintenance and upgrade of the electronic filing system is expected to cost between \$22,000 and \$48,000 alone. The decreased funding level may also make it financially impossible to procure court reporting services, which places additional time and work burdens on OCF employees who are later asked to transcribe hearings.

Finally, OCF is not budgeted any funds for CSG 70 (Equipment) in the proposed FY 2012 budget. OCF noted to the Committee that its copier is malfunctioning, several computers are out of warranty, and that the agency has only an old cassette recorder to record hearings.

**c. Mayor's Proposed FY 2012 Special Purpose Fund Transfer**

**Proposed Special Purpose Fund Transfers**

As part of the Fiscal Year 2012 Budget Support Act of 2011 (Section 9112, Title IX), the Mayor has proposed that certified revenue from the special purpose fund created to collect lobbyist registration fees as well as administer and oversee the registration activity be transferred into the unrestricted fund balance of the General Fund.

**Committee Analysis and Comments**

The Mayor's proposal would divert \$94,000 in FY 2012 from OCF's Lobbyist Registration Fee special purpose fund (0600) and shift these funds to the General Fund, where the revenue would be recognized as local. This amount represents \$43,000 in annual revenue to the Fund and approximately \$51,000 in carryover funds unspent in previous years. In FY 2011, OCF is using funds from this special purpose source to support the salary and fringe benefits of an Attorney Advisor. In the FY 2012 budget, \$51,000 in local funds, previously special purpose funds, was added to OCF's Personal Services budget to continue to support the Attorney Advisor.

The Committee does not support the transfer of these funds to the General Fund because there are Constitutional issues with using funds generated by lobbyist registration fees as part of the General Fund, as noted above. The return of special purpose revenue to this non-lapsing fund will allow OCF to continue to support its review of lobbyist reporting and financial disclosure statements without any potential Constitutional issues arising.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of Campaign Finance as proposed by the Mayor with the following changes:

1. Reduce one-time local funds by \$43,000 (from General Fund) and recognize \$43,000 in special purpose funds (Lobbying Registration Fees Fund). These funds represent the funds collected by Lobbying Registration Fees Fund (0600) in FY 2011. Reduce one-time local funds by \$51,000 and recognize \$51,000 as special purpose funds (Lobbying Registration Fees Fund). These funds represent the remaining balance of the Lobbying Registration Fees Fund collected in FY 2010 (0600).
  - a. Reduce CSG 11 (Regular Pay) in Activity 2030 (Office of the General Counsel) by \$51,000 in local funds. Local funds were added to the activity in compensation for the loss of special purpose revenue funds, which were proposed to be swept into the General Fund as part of the Mayor's proposal. As noted above, this presents legal issues, and therefore the Fund needs to remain within OCF. As such, the Committee recommends a reduction in local funds.
  - b. Increase CSG 12 (Regular Pay-Other) in Activity 2030 (Office of the General Counsel) by \$73,000 and CSG 14 (Fringe Benefits) in Activity 2030 (Office of the General Counsel) by \$21,000 with special purpose revenue funds generated from the Lobbying Registration Fee special purpose fund 0600.

### **b. Fiscal Year 2012 Policy Recommendations**

1. The Office of Campaign Finance should increase the number of financial reports that are filed electronically, particularly in the Lobbyist and Financial Disclosure statements, with a goal of 100 percent electronic filing by Fiscal Year 2013. This would reduce the need for OCF employees to manually enter information into data fields, saving time and reducing potential errors.

### **c. Fiscal Year 2012 Performance Measure Recommendations**

For Fiscal Year 2012, OCF shall measure the following additional performance objectives:

1. Number of periodic random audits of lobbyist communications reports.



Rationale: Periodic random audits help ensure that any potential problems with filed reports are more likely to come to the surface. Increasing the number of audits improves confidence in the integrity of the District's campaign finance laws.

## M. BOARD OF ELECTIONS AND ETHICS

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	5,076	4,995	4,085	4,068	0	4,068	-0.4%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>5,076</b>	<b>4,995</b>	<b>4,085</b>	<b>4,068</b>	<b>0</b>	<b>4,068</b>	<b>-0.4%</b>
Federal Payments	1,279	3,479	0	0	0	0	N/A
Federal Grant Funds	138	0	150	150	0	150	0.0%
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>1,417</b>	<b>3,479</b>	<b>150</b>	<b>150</b>	<b>0</b>	<b>150</b>	<b>0.0%</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>6,493</b>	<b>8,474</b>	<b>4,235</b>	<b>4,218</b>	<b>0</b>	<b>4,218</b>	<b>-0.4%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>6,493</b>	<b>8,474</b>	<b>4,235</b>	<b>4,218</b>	<b>0</b>	<b>4,218</b>	<b>-0.4%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	38.0	38.5	44.0	59.8	0.0	59.8	35.9%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>38.0</b>	<b>38.5</b>	<b>44.0</b>	<b>59.8</b>	<b>0.0</b>	<b>59.8</b>	<b>35.9%</b>
Federal Payments	5.3	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>5.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>43.3</b>	<b>38.5</b>	<b>44.0</b>	<b>59.8</b>	<b>0.0</b>	<b>59.8</b>	<b>35.9%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>43.3</b>	<b>38.5</b>	<b>44.0</b>	<b>59.8</b>	<b>0.0</b>	<b>59.8</b>	<b>35.9%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	1,911	2,030	2,025	2,264	0	2,264	11.8%
12 Regular Pay - Other	705	478	320	446	0	446	39.4%
13 Additional Gross Pay	46	148	0	0	0	0	N/A
14 Fringe Benefits	456	493	460	588	0	588	27.8%
15 Overtime Pay	104	160	60	0	0	0	-100.0%
<b>Personal Services (PS)</b>	<b>3,222</b>	<b>3,309</b>	<b>2,865</b>	<b>3,298</b>	<b>0</b>	<b>3,298</b>	<b>15.1%</b>
20 Supplies & Materials	69	134	65	50	0	50	-23.1%
30 Utilities	107	136	0	0	0	0	N/A
31 Communications	99	72	0	0	0	0	N/A
32 Rent	302	430	0	0	0	0	N/A
33 Janitorial	53	55	0	0	0	0	N/A
34 Security	26	27	0	0	0	0	N/A
35 Occupancy Fixed Costs	76	58	0	0	0	0	N/A
40 Other Services & Charges	2,053	2,044	1,022	626	0	626	-38.7%
41 Contractual Services & Other	173	184	90	75	0	75	-16.7%
50 Subsidies & Transfers	106	0	150	150	0	150	0.0%
70 Equipment	206	2,022	42	20	0	20	-52.4%
<b>Nonpersonal Services (NPS)</b>	<b>3,270</b>	<b>5,162</b>	<b>1,369</b>	<b>921</b>	<b>0</b>	<b>921</b>	<b>-32.7%</b>
<b>GROSS FUNDS</b>	<b>6,492</b>	<b>8,471</b>	<b>4,234</b>	<b>4,219</b>	<b>0</b>	<b>4,219</b>	<b>-0.4%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)						
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
1000 Agency Management Program	5,297	1,595	1,865	0	1,865	16.9%
3000 Board of Supervisors	33	45	5	0	5	-88.9%
4000 Election Operations	3,143	2,595	2,348	0	2,348	-9.5%
<b>GROSS FUNDS</b>	<b>8,473</b>	<b>4,235</b>	<b>4,218</b>	<b>0</b>	<b>4,218</b>	<b>-0.4%</b>

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The District of Columbia Board of Elections and Ethics (BOEE) is responsible for administering the District's elections. In addition to the activities related to the actual conduct of the election, BOEE maintains the District's voter registration list, identifies polling places, trains poll workers, operates a website, maintains the District's voting equipment, and maps election district boundaries.

BOEE's operations are divided into three major programs: the *Agency Management Program*, the *Board of Supervisors*, and the *Election Operations Program*. The Agency Management Program provides general administrative support for BOEE including legal counsel, personnel, information technology, and procurement. The Board of Supervisors manages all activities relating to BOEE, and holds monthly meetings. The Election Operations Program is responsible for the conduct of elections, and has four

activities: *Voter Registration* provides voter registration and voter roll maintenance, including conducting the absentee voter program, determining the status of special ballots and petition signatures, recount operations, and biennial voter canvass; *Voter Services* provides assistance to voters, candidates seeking to qualify for the ballot, administers initiatives, referenda, recall measures, and certifies elections results; *Election Administration* ensures that District election laws and regulations are followed; and *Election Operations* provides planning and logistical support, including resource planning and financial management, to ensure that the District carries out open and transparent elections.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 local funds budget is \$4,068,000, a decrease of \$17,000, or 0.4 percent from the FY 2011 level of \$4,085,000. This funding supports 59.8 FTEs, an increase of 15.8 FTEs from the FY 2011 level.

*Federal Funds:* The proposed FY 2012 federal budget includes \$150,000 from two federal grants. This funding represents both a new grant and a carryover balance from the State Grant for Election Assistance for Individuals with Disabilities.

### **Committee Analysis and Comments**

*Personal Services:* In the proposed FY 2012 budget, BOEE requested a personal services budget of \$3,297,000. This would represent an increase of 15 percent from FY 2011, and a reduction of 0.3 percent from the FY 2010 actual budget. These increased personnel costs reflect a shift of 18.5 FTEs from being partially funded by Help America Vote Act (HAVA) funds in FY 2011 (\$173,000) to being totally funded by local funds in FY 2012. HAVA funds will no longer be available in FY 2012, so it was critical to reorganize these employees under local funding.

The increased costs also reflect additional funding (\$127,000) for step increases and fringe benefits. However, the increase does not provide for any overtime funding, which is of great concern to BOEE. Many BOEE staff members and election workers are paid hourly, and during times of election preparation, longer hours are required. In FY 2011, BOEE had \$60,000 in overtime. To date in FY 2011, BOEE has expended in overtime \$122,000 and expects to expend \$182,000 by the end of the fiscal year. The overage is directly related to the preparation for and conduct of the November 2010 General Election and the April 2011 Special Election. BOEE estimates that it will need approximately \$100,000 in overtime funding to support activities relating to the 2012 Presidential Primary and regular partisan primary to be held in April 2012, as well as preparations for the 2012 General Election, which will partially be funded by FY 2012 dollars although the election will occur in FY 2013.

*Non-Personal Services:* The proposed FY 2012 budget reduces each non-personal service CSG, except for the federal funds in CSG 50, by a total of \$448,000, or 32.7 percent over FY 2011. This non-personal services reduction is roughly equivalent to the increase in personal services funding discussed above. BOEE estimates that the reduction of \$15,000 in CSG 20 (Supplies and Materials) to a proposed funding level of \$50,000 is manageable for the agency, although notes that it ordinarily needs approximately \$80,000 for election supplies alone, and this supply line also covers additional supplies for the agency.

More importantly, BOEE is concerned about the reduction of \$396,000 in CSG 40 (Other Services and Charges). This is a 38.7 percent reduction in funding over the \$1,022,000 in approved funding in FY 2011. This CSG provides funding for the printing of ballots and other publications, poll worker payments, court reporting services, postage, voting machine and other technical support, polling place fees, contracts, and transportation services. BOEE stated to the Committee that by taking these reductions, the Board would not be able to conduct the legally mandated 2012 election activities, including continued implementation of the requirements of the Omnibus Election Reform Act, such as early voting. BOEE estimates that early voting, depending on the number of centers used, requires additional funding of \$150,000-\$210,000.

BOEE also notes that as the District is currently in the process of redistricting, it will likely need approximately \$250,000 for the printing and mailing of new voter registration cards to notify voters of any changes to their precinct, Ward, and Single Member District of their Advisory Neighborhood Commission (ANC). No funds are currently in the proposed budget to cover these costs.

Non-personal services proposed funding is also reduced by \$15,000 in CSG 41 (Contractual Services-Other) in FY 2012. These funds cover Memorandums of Understandings (MOUs) and intra-district transfers to other District agencies, such as the Metropolitan Police Department for use of police officers in the transport of elections materials from precincts to the BOEE offices on election nights. BOEE notes that while it is not required by law to provide police escorts of ballots and electronic media, it has been customary in the District to do so. The Committee finds that given the funding pressures for FY 2012, this expense is not necessary.

Finally, proposed funding is reduced by \$22,000 in CSG 70 (Equipment) in FY 2012 from \$42,000 in FY 2011. BOEE notes that it can use some carryover HAVA funds to pay for equipment in FY 2012.

*Federal Payments:* It should be noted that for non-personal services, and to a lesser extent for personal services, BOEE has had federal payments from HAVA funds in the last several budget years. BOEE had \$6,882,000 in federal payments in FY 2011; however, unlike in FY 2010, where \$3,478,000 in federal payments were provided in the Mayor's budget book charts, only local funds and federal grants funds supporting the State Grant for Election Assistance for Individuals with Disabilities have been shown in the agency's proposed operating budget for FY 2011. As a result, in FY 2011, BOEE had

a total budget of local, federal payment, and federal grant funds of \$11,707,000. In the proposed FY 2012 budget, there are no federal payments, and thus the total agency budget of local and federal grant funds is \$4,217,000, a reduction of 61% over FY 2011. The proposed amount of \$4,218,000 is commensurate with the local and federal grants funds in the approved FY 2011 budget of \$4,235,000, but this amount of funding is not sufficient to allow BOEE to perform all the tasks that it is legally mandated to perform. BOEE did not cover all its FY 2011 expenses solely with local and federal grants funds, and will similarly not be able to do so in FY 2012.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Board of Elections and Ethics as proposed by the Mayor.

### **b. Fiscal Year 2012 Policy Recommendations**

1. The Committee directs the Board of Elections and Ethics to prepare a report by December 31, 2011, to support its contention that the agency, and the District, would benefit financially by having independent contracting authority. BOEE has argued that as a quasi-independent agency, with contracting needs that are often compressed into a few months once or twice a year, it could benefit from being able to more swiftly enter into contracts and could save the District money by doing so. The report should provide evidence of the costs incurred by adhering to the existing District procurement policy and examples of how BOEE could have limited those expenditures by contracting independently.
2. The Committee directs the Board of Elections and Ethics to prepare a report by December 31, 2011, to evaluate the cost savings and feasibility of consolidating individual precincts into 32 vote centers (plus BOEE offices at 441 4th Street N.W.) strategically placed throughout the District, with at least 4 centers per Ward open for one week of early voting, for implementation during the 2014 election cycle. These centers should be located in ADA-accessible District-owned facilities, located near Metro stops, other public transportation, or parking facilities where feasible.

### **c. Fiscal Year 2012 Performance Measure Recommendations**

For Fiscal Year 2012, the Mayor shall measure the following additional performance objectives:

1. Number of inactive, ineligible, or deceased voter registrations scrubbed from the voter registration database as compared with the total number of valid, active registrations.

Rationale: BOEE and the Committee receive complaints from constituents about inactive or deceased registrants remaining on the voter registration rolls. BOEE should provide to the public the number of removed names as a percentage of total valid voter registrations in each fiscal year.

## N. DISTRICT OF COLUMBIA RETIREMENT BOARD

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	0	0	0	0	0	0	N/A
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	18,212	20,946	30,338	30,338	0	30,338	0.0%
<b>General Fund Total</b>	<b>18,212</b>	<b>20,946</b>	<b>30,338</b>	<b>30,338</b>	<b>0</b>	<b>30,338</b>	<b>0.0%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>18,212</b>	<b>20,946</b>	<b>30,338</b>	<b>30,338</b>	<b>0</b>	<b>30,338</b>	<b>0.0%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>18,212</b>	<b>20,946</b>	<b>30,338</b>	<b>30,338</b>	<b>0</b>	<b>30,338</b>	<b>0.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	36.9	43.0	47.6	50.0	0.0	50.0	5.0%
<b>General Fund Total</b>	<b>36.9</b>	<b>43.0</b>	<b>47.6</b>	<b>50.0</b>	<b>0.0</b>	<b>50.0</b>	<b>5.0%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>36.9</b>	<b>43.0</b>	<b>47.6</b>	<b>50.0</b>	<b>0.0</b>	<b>50.0</b>	<b>5.0%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>36.9</b>	<b>43.0</b>	<b>47.6</b>	<b>50.0</b>	<b>0.0</b>	<b>50.0</b>	<b>5.0%</b>



Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY 11 Approved to FY12
11 Regular Pay	2,748	2,912	3,938	3,822	0	3,822	-2.9%
12 Regular Pay - Other	140	335	140	120	0	120	-14.3%
13 Additional Gross Pay	132	60	206	0	0	0	N/A
14 Fringe Benefits	551	786	997	965	0	965	-3.2%
15 Overtime Pay	0	16	33	65	0	65	97.0%
<b>Personal Services (PS)</b>	<b>3,571</b>	<b>4,109</b>	<b>5,314</b>	<b>4,972</b>	<b>0</b>	<b>4,972</b>	<b>-6.4%</b>
20 Supplies & Materials	120	120	160	232	0	232	45.0%
31 Communications	17	13	21	14	0	14	-33.3%
32 Rent	1,379	1,419	1,552	1,652	0	1,652	6.4%
34 Security	5	0	6	6	0	6	0.0%
40 Other Services & Charges	12,903	15,107	21,610	22,149	0	22,149	2.5%
41 Contractual Services & Other	154	114	1,249	957	0	957	-23.4%
70 Equipment	63	65	426	356	0	356	-16.4%
<b>Nonpersonal Services (NPS)</b>	<b>14,641</b>	<b>16,838</b>	<b>25,024</b>	<b>25,366</b>	<b>0</b>	<b>25,366</b>	<b>1.4%</b>
<b>GROSS FUNDS</b>	<b>18,212</b>	<b>20,947</b>	<b>30,338</b>	<b>30,338</b>	<b>0</b>	<b>30,338</b>	<b>0.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY 11 Approved to FY12	
1000 DCRB Investments	79,598	0	0	0	0	N/A	
2100 DCRB Benefits Administration	1,758	0	0	0	0	N/A	
3000 DCRB Agency Management	4,697	20,947	30,338	0	30,338	44.8%	
<b>GROSS FUNDS</b>	<b>86,053</b>	<b>20,947</b>	<b>30,338</b>	<b>0</b>	<b>30,338</b>	<b>44.8%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The mission of the District of Columbia Retirement Board (DCRB) is to manage the assets of the Police Officers and Firefighters' Retirement Fund and the Teachers' Retirement Fund on an actuarially sound basis and to administer the retirement programs and post-employment benefits for retirees and their survivors.

### b. Mayor's Proposed Fiscal Year 2012 Operating Budget

#### Proposed Operating Budget Summary

The Mayor's proposed FY 2012 budget is \$30,338,000, which is unchanged from the FY 2011 approved budget. This funding supports 50.0 FTEs, an increase of 2.4 FTEs over FY 2011. The funding comes from the Police Officer's and Fire Fighter's Retirement Fund and the Teachers' Retirement Fund. The budget is made up entirely of special purpose revenue funds.

## **Committee Analysis and Comments**

DCRB has contracted with firms to provide investment-advising services. Under these contracts, the investment advisors receive a portion of the earnings they generate. Thus, if these investments yield higher returns, then the fee paid by DCRB is higher. To allow for the potential of very high fees, due to very high returns, the agency's proposed budget is much higher than what DCRB historically spends. Additionally, the figures for actual FY 2010 spending in the Mayor's FY 2012 budget are erroneous and have been corrected in the Committee's budget tables.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the District of Columbia Retirement Board as proposed by the Mayor.

## O. OFFICE OF DISABILITY RIGHTS

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	1,140	961	906	902	50	952	5.1%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>1,140</b>	<b>961</b>	<b>906</b>	<b>902</b>	<b>50</b>	<b>952</b>	<b>5.1%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	220	544	664	0	664	22.1%
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>220</b>	<b>544</b>	<b>664</b>	<b>0</b>	<b>664</b>	<b>22.1%</b>
Private Donations	2	0	0	0	0	0	N/A
<b>Private Funds Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>Gross Funds, Less Intra-District</b>	<b>1,142</b>	<b>1,181</b>	<b>1,450</b>	<b>1,566</b>	<b>50</b>	<b>1,616</b>	<b>11.4%</b>
Intra-District Funds	29	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>1,171</b>	<b>1,181</b>	<b>1,450</b>	<b>1,566</b>	<b>50</b>	<b>1,616</b>	<b>11.4%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	8.0	7.7	8.0	8.0	0.0	8.0	0.0%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>8.0</b>	<b>7.7</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>8.0</b>	<b>0.0%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	3.0	3.0	0.0	3.0	0.0%
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>0.0%</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>8.0</b>	<b>7.7</b>	<b>11.0</b>	<b>11.0</b>	<b>0.0</b>	<b>11.0</b>	<b>0.0%</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>8.0</b>	<b>7.7</b>	<b>11.0</b>	<b>11.0</b>	<b>0.0</b>	<b>11.0</b>	<b>0.0%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	513	734	824	879	0	879	6.7%
12 Regular Pay - Other	173	44	3	0	0	0	-100.0%
13 Additional Gross Pay	2	0	0	0	0	0	N/A
14 Fringe Benefits	122	161	152	157	0	157	3.3%
<b>Personal Services (PS)</b>	<b>810</b>	<b>939</b>	<b>979</b>	<b>1,036</b>	<b>0</b>	<b>1,036</b>	<b>5.8%</b>
20 Supplies & Materials	18	12	12	12	0	12	0.0%
30 Utilities	5	5	0	0	0	0	N/A
31 Communications	4	6	0	0	0	0	N/A
33 Janitorial	6	0	0	0	0	0	N/A
34 Security	5	4	0	0	0	0	N/A
35 Occupancy Fixed Costs	5	11	0	0	0	0	N/A
40 Other Services & Charges	233	181	245	150	0	150	-38.8%
41 Contractual Services & Other	44	11	198	350	50	400	102.0%
70 Equipment	41	11	18	19	0	19	5.6%
<b>Nonpersonal Services (NPS)</b>	<b>361</b>	<b>241</b>	<b>473</b>	<b>531</b>	<b>50</b>	<b>581</b>	<b>22.8%</b>
<b>GROSS FUNDS</b>	<b>1,171</b>	<b>1,180</b>	<b>1,452</b>	<b>1,567</b>	<b>50</b>	<b>1,617</b>	<b>11.4%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)						
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
1000 Agency Management Program	297	280	303	0	303	8.2%
2000 Disability Rights	885	1,170	1,263	50	1,313	12.2%
<b>GROSS FUNDS</b>	<b>1,182</b>	<b>1,450</b>	<b>1,566</b>	<b>50</b>	<b>1,616</b>	<b>11.4%</b>

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Office of Disability Rights (ODR) is responsible for oversight of the District's obligations under the Americans with Disabilities Act (ADA) as well as other federal and local disability rights laws. ODR provides technical assistance, training, informal dispute resolution, policy guidance, and expertise on disability rights issues to District agencies and the disability community. ODR coordinates the ADA compliance efforts of all District agencies and works with agency ADA coordinators to ensure that the District is responsive to the needs of the disability community and employees with disabilities.

The objectives for the Office of Disability Rights are (1) to make the District a model city of accessibility for people with disabilities; (2) to improve the responsiveness of government systems and employees to the needs of people with disabilities; (3) to increase employment of people with disabilities in D.C. government; and (4) to expand opportunities for people with disabilities to live in integrated community settings.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 local budget is \$902,000, a decrease of \$4,000, or 0.4 percent, from the FY 2011 approved budget of \$906,000. This funding supports 8.0 FTEs, the same number of FTEs supported by the FY 2011 approved budget.

The Mayor's proposal includes a transfer of \$3,980 to OCTO for an IT assessment. There is an increase of \$43,000 in personal services for fringe benefits which is offset by a reduction of \$41,000 in Sign Language Interpretation services. This reduction will not affect sign language services generally; the costs for interpretation are borne by individual agencies rather than ODR, but ODR will coordinate administrative functions and provide oversight of the centralized Sign Language Interpretation program to District agencies.

*Federal Grant Funds:* The Mayor's proposed FY 2012 federal budget is \$664,000, an increase of \$120,000, or 22 percent, from the FY 2011 approved budget of \$544,000. These grant funds support activities of the State Development Disabilities Council (DDC) and its 3.0 FTEs. The DDC serves the development disabilities community by communicating with policy makers to advocate for improvements initiatives, such as inclusive recreational opportunities and activities, and school transitional services plans. The grant funds will also support sending advocates to national conferences to discuss issues such as inclusive, supportive housing.

### **Committee Analysis and Comments**

*Staffing:* The Committee notes that since its establishment in 2007, ODR has seen both a reduction and an increase in staff and resources. Given the importance of the office's mission, the Committee fears that losing any additional staff would have a negative impact on service. ODR stated to the Committee that it was undergoing no structural changes in FY 2012, and that it fully expected to meet all its statutory mandates with the funding and personnel provided in the budget. However, ODR noted that individual staff members have had to take on responsibilities outside their knowledge and issue areas to the extent that they are not functionally performing the same job as when hired.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of Disability Rights as proposed by the Mayor with the following changes:

1. Recognize transfer of \$50,000 in recurring spending from the Department of Human Resources.
2. Increase CSG 41 (Contractual Services) in Activity 2020 (Evaluation and Compliance) by \$50,000 to support news reading services supporting blind and visually impaired District residents.

**b. Fiscal Year 2012 Policy Recommendations**

1. The District remains out of compliance with the 1999 Supreme Court decision Olmstead v. L.C., having not yet approved a community reintegration plan for persons currently residing in residential treatment facilities that can be, and desire to be, treated in community-based environments. A draft plan (*One Community for All*) was issued in April 2010 but has not been approved, let alone implemented. ODR stated to the Committee that it believed a finalized plan would be issued within 3 months of the agency's April 2011 budget hearing. The Committee directs ODR to work with the Department of Mental Health, the Department of Disability Services, the Office on Aging, the Department of Youth Rehabilitation Services, the Department of Human Services, the Department of Health Care Finance, and the District of Columbia Public Schools to assist them as necessary in meeting their reduction targets as proposed in the Olmstead draft plan. The Committee further directs ODR to work with the Child and Family Services Agency as necessary to ensure that foster children in institutional settings who have been identified as capable of transitioning safely to the community receive a placement in the community. Similarly, the Committee directs ODR to work with the Department of Corrections as necessary to ensure that certain ex-offenders who have served their sentences but remain institutionalized are also placed in appropriate community-based treatment and support settings.

**c. Fiscal Year 2012 Performance Measure Recommendations**

For FY 2012, the Mayor shall measure the following additional performance objective:

1. The number of section 508 compliance plans to improve web accessibility implemented.

Rationale: This measure will allow the Office to follow up with agencies that have already undergone Section 508 and content management training and submitted Section 508 compliance plans to ensure that agencies are appropriately enhancing the accessibility of their information.

## P. DISTRICT DEPARTMENT OF THE ENVIRONMENT

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	21,175	16,314	12,611	16,174	(17)	16,157	28.1%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	24,237	30,113	31,966	34,424	0	34,424	7.7%
<b>General Fund Total</b>	<b>45,412</b>	<b>46,427</b>	<b>44,577</b>	<b>50,598</b>	<b>(17)</b>	<b>50,581</b>	<b>13.5%</b>
Federal Payments	278	241	0	0	0	0	N/A
Federal Grant Funds	26,376	31,648	52,742	34,158	0	34,158	-35.2%
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>26,654</b>	<b>31,889</b>	<b>52,742</b>	<b>34,158</b>	<b>0</b>	<b>34,158</b>	<b>-35.2%</b>
Private Grant Funds	0	190	292	150	0	150	-48.6%
<b>Gross Funds, Less Intra-District</b>	<b>72,066</b>	<b>78,506</b>	<b>97,611</b>	<b>84,906</b>	<b>(17)</b>	<b>84,889</b>	<b>-13.0%</b>
Intra-District	865	4,677	1,307	401	0	401	-69.3%
<b>GROSS FUNDS</b>	<b>72,931</b>	<b>83,183</b>	<b>98,918</b>	<b>85,307</b>	<b>(17)</b>	<b>85,290</b>	<b>-13.8%</b>

*(Dollars in Thousands)*

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	55.3	80.2	67.8	93.1	0.0	93.1	37.3%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	44.6	82.5	86.1	71.0	0.0	71.0	-17.5%
<b>General Fund Total</b>	<b>99.9</b>	<b>162.7</b>	<b>153.9</b>	<b>164.1</b>	<b>0.0</b>	<b>164.1</b>	<b>6.6%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	122.1	95.8	147.9	143.7	0.0	143.7	-2.8%
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>122.1</b>	<b>95.8</b>	<b>147.9</b>	<b>143.7</b>	<b>0.0</b>	<b>143.7</b>	<b>-2.8%</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>222.0</b>	<b>258.5</b>	<b>301.8</b>	<b>307.8</b>	<b>0.0</b>	<b>307.8</b>	<b>2.0%</b>
Intra-District	2.7	2.0	3.9	3.9	0.0	3.9	0.0%
<b>GROSS FUNDS</b>	<b>224.7</b>	<b>260.5</b>	<b>305.7</b>	<b>311.7</b>	<b>0.0</b>	<b>311.7</b>	<b>2.0%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	5,722	5,992	3,589	4,946	0	4,946	37.8%
12 Regular Pay - Other	12,065	10,605	17,257	16,667	0	16,667	-3.4%
13 Additional Gross Pay	190	163	17	17	0	17	0.0%
14 Fringe Benefits	2,855	3,048	4,202	4,895	0	4,895	16.5%
15 Overtime Pay	26	2	20	99	0	99	395.0%
<b>Personal Services (PS)</b>	<b>20,858</b>	<b>19,810</b>	<b>25,085</b>	<b>26,624</b>	<b>0</b>	<b>26,624</b>	<b>6.1%</b>
20 Supplies & Materials	619	505	896	540	0	540	-39.7%
30 Utilities	97	48	48	48	0	48	0.0%
31 Communications	165	182	62	62	0	62	0.0%
32 Rent	1,625	623	200	200	0	200	0.0%
33 Janitorial	18	(2)	32	32	0	32	0.0%
34 Security	45	0	32	32	0	32	0.0%
35 Occupancy Fixed Costs	29	100	0	0	0	0	N/A
40 Other Services & Charges	3,216	3,720	7,363	7,226	(17)	7,209	-2.1%
41 Contractual Services & Other	2,509	5,164	26,893	21,121	0	21,121	-21.5%
50 Subsidies & Transfers	43,056	52,326	37,423	28,525	0	28,525	-23.8%
70 Equipment	696	707	886	895	0	895	1.0%
<b>Nonpersonal Services (NPS)</b>	<b>52,075</b>	<b>63,373</b>	<b>73,835</b>	<b>58,681</b>	<b>(17)</b>	<b>58,664</b>	<b>-20.5%</b>
<b>GROSS FUNDS</b>	<b>72,933</b>	<b>83,183</b>	<b>98,920</b>	<b>85,305</b>	<b>(17)</b>	<b>85,288</b>	<b>-13.8%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1000 Agency Management	3,435	5,104	5,409	0	5,409	6.0%	
100F Agency Financial Operations	553	1,468	1,470	0	1,470	0.1%	
2000 Natural Resources	14,904	23,628	21,504	0	21,504	-9.0%	
3000 Environmental Services	9,024	9,974	12,204	0	12,204	22.4%	
4000 Policy and Sustainability	16,702	480	688	0	688	43.3%	
5000 Community Relations	2,314	2,038	1,866	0	1,866	-8.4%	
6000 Energy	36,252	54,086	41,104	0	41,104	-24.0%	
7000 Enforcement and Environmental Just.	0	537	534	0	534	-0.6%	
8000 Green Economy	0	1,603	527	0	527	-67.1%	
<b>GROSS FUNDS</b>	<b>83,184</b>	<b>98,918</b>	<b>85,306</b>	<b>0</b>	<b>85,306</b>	<b>-13.8%</b>	



Mayor's Proposed Fiscal Year 2012-2017 Capital Budget, By Project								
Code	Project Name	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6-Year
CWC01	Clean Water Construction Management	11,000	0	0	0	0	0	11,000
HMRHM	Hazardous Materials Remediation	0	0	0	25,000	25,000	24,000	74,000
SWM05	Stormwater Retrofit Implementation	5,800	0	0	0	0	0	5,800
<b>AGENCY TOTAL</b>		<b>16,800</b>	<b>0</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>24,000</b>	<b>90,800</b>

(Dollars in Thousands)

Committee's Approved Fiscal Year 2012-2017 Capital Budget, By Project								
Code	Project Name	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6-Year Total
CWC01	Clean Water Construction Management	10,000	0	0	0	0	0	10,000
HMRHM	Hazardous Materials Remediation	0	0	0	25,000	25,000	24,000	74,000
SWM05	Stormwater Retrofit Implementation	5,800	0	0	0	0	0	5,800
<b>AGENCY TOTAL</b>		<b>15,800</b>	<b>0</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>24,000</b>	<b>89,800</b>

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The District Department of the Environment (DDOE) was created in 2006 from the Department of Health's Environmental Health Administration, the DC Energy Office, policy functions of the Tree Management Administration, and policy functions of the Office of Recycling. DDOE is the lead agency for the development and execution of environmental and energy regulation in the District. This role involves compliance with both District and federal law.

The mission of DDOE is to protect and enhance human health and the environment through preservation, conservation, restoration, education, enforcement, and energy efficient practices to improve the quality of life in the District and build a world-class green city.

### b. Mayor's Proposed Fiscal Year 2012 Operating Budget

#### Proposed Operating Budget Summary

*Gross Funds:* The Mayor's proposed FY 2012 budget is \$85,307,000, a decrease of \$13,612,000, or 13.8 percent, from the FY 2012 approved budget of \$98,919,000. This funding supports 311.7 FTEs, an increase of 6.0 FTEs from the FY 2011 approved level of 305.7.

*Local Funds:* The Mayor's proposed FY 2012 budget is \$16,174,000, an increase of \$3,563,000, or 28.3 percent, from the FY 2011 approved budget of \$12,611,000. This funding supports 93.1 FTEs, an increase of 25.3 FTEs from the FY 2011 approved level of 67.8 FTEs.

*Special Purpose Revenue Funds:* The Mayor's proposed FY 2012 budget is \$34,424,000, an increase of \$2,457,000, or 7.7 percent, from the FY 2011 approved budget of \$31,966,000. This funding supports 71.0 FTEs, a decrease of 15.1 FTEs from the FY 2011 approved level of 86.1 FTEs.

*Federal Resources:* The Mayor's proposed FY 2012 budget is \$34,158,000, a decrease of \$18,584,000, or 35.2 percent, from the FY 2011 approved budget of \$52,742,000. This funding would support 143.7 FTEs, a decrease of 4.2 FTEs from the FY 2011 approved level of 147.9 FTEs.

*Private Grant Funds:* The Mayor's proposed FY 2012 budget is \$150,000, a decrease of \$142,000, or 48.7 percent, from the FY 2011 approved budget of \$292,000. This funding does not support any FTEs.

*Intra-District Funds:* The Mayor's proposed FY 2012 budget is \$401,000, a decrease of \$906,000, or 69.3 percent, from the FY 2011 approved budget of \$1,307,000. This funding supports 3.9 FTEs, which is the same as the FY 2011 approved level of 3.9 FTEs.

### **Committee Analysis and Comments**

*Federal Funds:* Expiration of American Recovery and Reinvestment Act funds account for approximately \$15,926,352 of the decrease in the agency's budget. The State Energy Program grant, Energy Efficiency and Conservation Block grant, and Weatherization grant will lose a combined \$15,391,738 in FY 2012.

Reductions to the aforementioned federal grants primarily affect DDOE's Energy program, whose operating budget in FY 2012 is \$12,982,000 less than it was in FY 2011. In prior years, the grants helped to fund programs aimed at retrofitting properties in the District with energy efficiency measures. For example, the grants funded several retrofit pieces at 441 4<sup>th</sup> Street, the District's largest government-owned office building. Although the loss of funding may preclude the District from immediately financing more retrofits for its buildings, the programs were not expected to be permanent.

Additionally, losses to the Energy Program are expected to be at least partially offset by the Sustainable Energy Utility (SEU). The SEU, which was launched in FY 2011, is charged with reducing energy use in the District. The SEU has discretion in determining the programs it will implement to reach this goal, but early program offerings include energy efficiency installations and home retrofits. The purpose and likely result of these programs should offset at least a portion of the reductions.

*Special Purpose Funds:* The Mayor's budget proposal undesignates the fund balances in several DDOE special purpose funds and sweeps them into the General Fund at the end of FY 2011. In many cases, revenues streams that would have previously been deposited into the funds will now be deposited into the General Fund. Generally, the Mayor's budget proposal allocates additional local funds to the agency to compensate for

the loss of the special purpose funds, and the agency does not project operating difficulties in FY 2012. The agency has expressed concern, however, that this change to its special purpose funds could limit flexibility in implementing its programs in future years.

**c. Mayor's Proposed Fiscal Year 2012-2017 Capital Budget**

**Proposed Capital Budget Summary**

The Mayor's proposed budget includes \$89,800,000 in capital dollars for FY 2012 – FY 2017. In FY 2012, the agency would receive allocations in the following sums: (1) \$10,000,000 for construction of wastewater treatment facilities and associated infrastructure, and (2) \$5,800,000 for DDOE to oversee the implementation of storm water management projects. The \$10,000,000 allocation for wastewater treatment facilities would receive \$1,000,000 less than is indicated in the Mayor's budget proposal. This is because a \$1,000,000 MOU with DC Water originally expected to be executed in FY 2012 will be executed in FY 2011. Also planned for FY 2012 – FY 2017, but not budgeted for new capital funding in FY 2012, is hazardous materials remediation.

**Committee Analysis and Comments**

The Committee supports the FY 2012 capital budget for DDOE as proposed by the Mayor. The storm water funds are vital to the agency in its efforts to ensure compliance with the District's obligations under its MS4 permit from the U.S. Environmental Protection Agency. Additional capacity in the District's wastewater treatment is also critical to ensure that fewer pollutants find their way into District waterways.

**2. COMMITTEE RECOMMENDATIONS**

**a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee approves the FY 2012 operating budget for the Department of the Environment as proposed by the Mayor with the following changes:

1. Reduce CSG 40 (Other Services and Charges) by \$17,000 agency-wide. This category has increased by more than \$300,000 in local funds over FY 2012. As this category includes expenses such as office support, travel, and related expenses, a reexamination of these expenses should allow the agency to find some savings.
2. Transfer \$17,000 in recurring spending to the Public Employee Relations Board.

**b. Fiscal Year 2012-2017 Capital Budget Recommendations**

The Committee approves the FY 2012-2017 capital budget for the Department of the Environment as proposed by the Mayor with the following changes to projects not receiving allotments or subject to proposed spending in FY 2012:

1. Project CWC01 (Clean Water Construction Management) is proposed to receive \$11,000,000 in FY 2012, which includes \$10,000,000 in federal dollars and \$1,000,000 as part of an MOU with DC Water. The MOU will now be executed in FY 2011 rather than in FY 2012. The Committee recommends eliminating \$1,000,000 of capital budget authority for FY 2012 for project CWC01 because the authority will now be given to the agency in FY 2011.

**c. Fiscal Year 2012 Policy Recommendations**

1. The Committee directs the Department of the Environment to develop a plan for a comprehensive enforcement strategy for the agency by December 31, 2011. Inquiries into the agency's enforcement practices revealed a concerted but inconsistent approach to enforcement. Inspectors do not seem to have clearly defined performance goals, and results vary widely among inspectors even within the same enforcement area. Also, the lack of lead regulations has prevented the agency from collecting fines for violations of District lead laws. The plan should address any described deficiencies or inconsistencies in existing enforcement strategies.

## Q. OFFICE OF CONTRACTING AND PROCUREMENT

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	5,033	2,775	8,753	8,698	0	8,698	-0.6%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	348	523	1,250	0	0	0	-100.0%
<b>General Fund Total</b>	<b>5,381</b>	<b>3,298</b>	<b>10,003</b>	<b>8,698</b>	<b>0</b>	<b>8,698</b>	<b>-13.0%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>5,381</b>	<b>3,298</b>	<b>10,003</b>	<b>8,698</b>	<b>0</b>	<b>8,698</b>	<b>-13.0%</b>
Intra-District	20,405	22,030	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>25,786</b>	<b>25,328</b>	<b>10,003</b>	<b>8,698</b>	<b>0</b>	<b>8,698</b>	<b>-13.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	32.6	21.6	90.0	84.0	0.0	84.0	-6.7%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	3.5	3.8	11.0	0.0	0.0	0.0	-100.0%
<b>General Fund Total</b>	<b>36.1</b>	<b>25.4</b>	<b>101.0</b>	<b>84.0</b>	<b>0.0</b>	<b>84.0</b>	<b>-16.8%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>36.1</b>	<b>25.4</b>	<b>101.0</b>	<b>84.0</b>	<b>0.0</b>	<b>84.0</b>	<b>-16.8%</b>
Intra-District	69.5	77.1	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>105.6</b>	<b>102.5</b>	<b>101.0</b>	<b>84.0</b>	<b>0.0</b>	<b>84.0</b>	<b>-16.8%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	7,706	6,133	6,883	6,354	0	6,354	-7.7%
12 Regular Pay - Other	811	990	890	469	0	469	-47.3%
13 Additional Gross Pay	607	295	0	0	0	0	N/A
14 Fringe Benefits	1,525	1,289	1,465	1,386	0	1,386	-5.4%
15 Overtime Pay	37	28	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>10,686</b>	<b>8,735</b>	<b>9,238</b>	<b>8,209</b>	<b>0</b>	<b>8,209</b>	<b>-11.1%</b>
20 Supplies & Materials	41	45	79	65	0	65	-17.7%
30 Utilities	216	244	0	0	0	0	N/A
31 Communications	140	148	0	0	0	0	N/A
32 Rent	9	0	0	0	0	0	N/A
33 Janitorial	104	101	0	0	0	0	N/A
34 Security	163	90	0	0	0	0	N/A
35 Occupancy Fixed Costs	267	150	0	0	0	0	N/A
40 Other Services & Charges	13,757	15,500	548	194	0	194	-64.6%
41 Contractual Services & Other	215	215	80	100	0	100	25.0%
70 Equipment	188	101	59	130	0	130	120.3%
<b>Nonpersonal Services (NPS)</b>	<b>15,100</b>	<b>16,594</b>	<b>766</b>	<b>489</b>	<b>0</b>	<b>489</b>	<b>-36.2%</b>
<b>GROSS FUNDS</b>	<b>25,786</b>	<b>25,329</b>	<b>10,004</b>	<b>8,698</b>	<b>0</b>	<b>8,698</b>	<b>-13.1%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1000 Agency Management Program	17,599	793	705	0	705	-11.1%	
2000 Procurement	7,415	5,439	4,631	0	4,631	-14.9%	
3000 Procurement Integrity and Compliance	100	751	793	0	793	5.6%	
4000 Administration and Support	214	1,876	1,378	0	1,378	-26.5%	
5000 Performance Management	0	1,144	1,191	0	1,191	4.1%	
<b>GROSS FUNDS</b>	<b>25,328</b>	<b>10,003</b>	<b>8,698</b>	<b>0</b>	<b>8,698</b>	<b>-13.0%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The mission of OCP is to partner with District agencies to purchase quality goods and services in a timely manner and at a reasonable cost while ensuring a fair and impartial process.

The Office of Contracting and Procurement (OCP), under the direction of the Chief Procurement Officer, provides contracting and acquisition services for selected agencies and offices in the District. The agency operates through the following five programs: *Procurement*, which provides acquisition services to District agencies to ensure sufficient supplies and services are available to support their missions; *Procurement Integrity and Compliance*, which provides full disclosure of procurement information to the public to educate, inform, and ensure transparency of the procurement

process; *Administration and Support*, which provides surplus property management, reuse and disposal services to District agencies, and eligible non-profit organizations so that they can dispose of excess property; *Performance Management*, which provides consultative and technical support to agencies, vendors, and the Office of Contracting and Procurement while preserving financial and environmental resources; and *Agency Management*, which provides operational support and the required tools to achieve operations and programmatic results.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 budget is \$8,697,582, a decrease of \$1,306,000, or 13.1 percent, over the FY 2011 approved budget of \$10,003,106. This funding supports 84.0 FTEs, a decrease of 17.0 FTEs from the FY 2011 approved level.

*Special Purpose Revenue Funds:* The Mayor has eliminated the agency's two special purpose revenue funds. The combined O-Type revenue funds supported \$2,830,000 and 7.0 FTE's in FY 2011. The O-Type funds came from two accounts.

Under the Procurement Practice Reform Amendment Act, OCP is authorized to dispose of, through sale, personal property and retain the proceeds to staff and fund such a program. Revenue generated from the sale of surplus property accrued to the Surplus Personal Property Sale Fund (Fund Detail 4010). At the close of FY 2010 it had a balance of \$228,566. OCP projects a balance for FY 2011 at \$694,183.

The Supply Schedule and Purchase Card Program (Fund Detail 6102) allows OCP to maintain a fund to pay the costs associated with operating and maintaining the DC Supply Schedule (DCSS), the Purchase Card Program (PCard), and any cooperative purchasing agreements or any other revenue, rebates, or fees generated by programs administered by OCP. Revenue was generated from the DCSS from a 1.0 percent fee on all invoices paid by the District of Columbia under qualifying contracts. This fee was recovered from Vendors who were awarded sales, purchase orders, delivery orders, and task orders under the DCSS. Revenue was generated from the PCard based on a remission from the purchase card issuer. The District averaged a 1.56 percent remission rate. At the close of FY 2010, this account carried forward a balance of \$85,943. At the close of FY 2011 this account is projected to have a balance of \$153,482.

As previously stated, OCP will not have dedicated access to these funds but is expected to continue to generate and expand this revenue source in FY 2012.

### **Committee Analysis and Comments**

*Office of Procurement Integrity and Compliance:* The Committee reiterates the sentiments expressed in hearings and in correspondence to the Chief Procurement Officer that internal audit and compliance functions are essential to minimize waste, fraud, and

abuse. OPIC has consistently identified opportunities to create innovative business operations within its existing resources and improve compliance in OCP and other agencies. Most notable among their recent achievements are the development of Comprehensive Audit Programs for Competitive Small Purchases, Invitation for Bids, Requests for Proposals, Sole Source and Emergency Procurements.

*Procurement Practices Reform Amendment Act (PPRA):* Last year the Council passed the PPRA. This comprehensive reform statute requires, among other provisions, significant changes to the way OCP advertises procurement opportunities and a revision to the DCMR. The Committee looks forward to the Agency's compliance.

*Special Purpose Revenue Funds:* As special purpose revenue funds are no longer available to OCP, the Mayor must make sure that future budgets continue to dedicate the appropriate resources to maintain the three programs that were affected by the loss of a dedicated revenue source. These programs were not only self-sustaining, but they provided a net gain to the District and must be adequately supported. The purpose behind operating these programs, particularly the Surplus Property Division, as an enterprise fund was to allow the program manager to experiment with new methods of revenue generation and justify the program's existence through successful operations. The absence of a dedicated funding source does not relieve OCP of the responsibility to operate and expand the disposal of surplus property.

*Staffing and Training:* Increased efficiency and the proper use of limited staff and resources are always priorities of this Committee. The Committee reiterates its previously expressed desire to see OCP right-sized in staff and have the workforce maximize its potential.

*Term Contracts:* Since 2009, OCP has suggested that it could produce savings in other areas through implementation of term contracts. OCP has yet to adhere to a timeline for term contract roll-out and thus has not been able to illustrate the benefits of a term contract transition. The Committee's FY 2010 and FY 2011 budget reports directed that a study be conducted to examine what effect term contracts would have on the District and its specific effects on the small business community. To date, no such report has been submitted to the Committee. The Committee again requests that OCP examine the costs and benefits associated with a transition to term contracts.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for OCP as proposed by the Mayor.



**b. Fiscal Year 2012 Policy Recommendations**

1. The Committee recommends the maintenance or expansion of the agency's internal audit and compliance functions.

## R. DISTRICT RETIREE HEALTH CONTRIBUTIONS FUND

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	81,100	90,700	98,700	109,800	0	109,800	11.2%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	0	0	0	0	0	N/A
<b>General Fund Total</b>	<b>81,100</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>81,100</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>81,100</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
50 Subsidies & Transfers	81,100	90,700	98,700	109,800	0	109,800	11.2%
<b>Nonpersonal Services (NPS)</b>	<b>81,100</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>
<b>GROSS FUNDS</b>	<b>81,100</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1100 District Retiree Health Contribution	90,700	98,700	109,800	0	109,800	11.2%	
<b>GROSS FUNDS</b>	<b>90,700</b>	<b>98,700</b>	<b>109,800</b>	<b>0</b>	<b>109,800</b>	<b>11.2%</b>	

(Dollars in Thousands)

## **1. COMMITTEE ANALYSIS AND COMMENTS**

### **a. Agency Mission and Overview**

Persons who have retired from District service and who were first hired after September 30, 1987<sup>2</sup> may enroll in the health and life insurance program administered by the District. These retirees pay a portion of their health and life insurance premiums. The remainder is paid by the District. The District Retiree Health Contributions Fund contains the District's contribution for retiree health insurance premiums. The amount of the District's annual contribution is determined by an independent actuary, consistent with the requirements of the Governmental Accounting Standards Board.

### **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

#### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$109,800, an increase of \$11,100, or 11.2 percent, over the FY 2011 approved budget of \$98,700. The budget is made up entirely of local funds.

#### **Committee Analysis and Comments**

This fund is the District's contribution for retiree health and life insurance benefits. The proposed increase for FY 2012 raises the District's contribution to meet the actuarial required contribution.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the District Retiree Health Contributions Fund as proposed by the Mayor.

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<sup>2</sup> The federal government is responsible for paying the health and life insurance costs for District government retirees who were first hired before October 1, 1987.

## S. MEDICAL LIABILITY CAPTIVE INSURANCE AGENCY

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	198	0	2,500	2,584	0	2,584	3.4%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	0	210	682	598	0	598	-12.3%
<b>General Fund Total</b>	<b>198</b>	<b>210</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	0	0	0	0	0	N/A
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>198</b>	<b>210</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>
Intra-District	0	0	0	0	0	0	N/A
<b>GROSS FUNDS</b>	<b>198</b>	<b>210</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	0.1	0.0	0.0	0.0	0.0	0.0	N/A
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Intra-District	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>GROSS FUNDS</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	62	37	0	0	0	0	N/A
12 Regular Pay - Other	66	60	0	0	0	0	N/A
13 Additional Gross Pay	0	1	0	0	0	0	N/A
14 Fringe Benefits	30	16	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>158</b>	<b>114</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
20 Supplies & Materials	0	0	0	10	0	10	0.0%
40 Other Services & Charges	40	95	3,182	3,172	0	3,172	-0.3%
<b>Nonpersonal Services (NPS)</b>	<b>40</b>	<b>95</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>
<b>GROSS FUNDS</b>	<b>198</b>	<b>209</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
2000 Medical Liability Captive Operations	210	3,182	3,182	0	3,182	0.0%	
<b>GROSS FUNDS</b>	<b>210</b>	<b>3,182</b>	<b>3,182</b>	<b>0</b>	<b>3,182</b>	<b>0.0%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The Medical Liability Captive Insurance Agency (MLCIA) provides medical malpractice coverage to designated non-profit community health centers and advice to District agencies on risk and insurance policies and practices. MLCIA manages the Medical Liability Captive Insurance Fund (Fund). The Office of Risk Management oversees the administration of MLCIA and the Fund.

### b. Mayor's Proposed Fiscal Year 2012 Operating Budget

#### Proposed Operating Budget Summary

The Mayor's proposed FY 2012 budget is \$3,182,000, the same level as the FY 2011 approved budget. This funding supports 0.0 FTEs. The proposed budget includes \$2,584,000 in local dollars and \$598,000 in special purpose dollars.

#### Committee Analysis and Comments

The Committee supports the Mayor's decision to continue funding for MLCIA. The agency continues to provide an important service to a number of local health clinics that would likely be unable to operate without the District's support.

Though the proposed budget includes \$598,000 in special purpose funds, the Committee does not believe that it is likely that \$598,000 will be collected by the agency and therefore, that \$598,000 will be available to spend. This fund generates revenue from premium payments made by the local health clinics. As the agency has historically provided a significant subsidy to each clinic, it has not collected most annual premium assessments. The FY 2011 budget included \$682,000 in special purpose revenue funds, but only \$64,000 has been collected to date. As the economic condition of the clinics improves, the Committee expects that more revenue will be generated in this fund. Until that time, however, MLCIA should prepare to operate with less funding.

The Mayor's budget also makes several changes to manner in which agency activities are funded. During FY 2011, staff within the Office of Risk Management (ORM) working on MLCIA activities were paid out of the Fund. The proposed FY 2012 budget would shift these FTEs into the budget of ORM. As proposed, the Fund would only cover the costs of the captive manager (a contract position) and payments for claims against the Fund.

The Committee believes that this new funding scheme will make it harder to identify the success of the MLCIA program. In recent years, the MLCIA has spent more than it was able to generate in premium dollars. The Committee believes it is important to see precisely what is being spent on these activities so that the District can evaluate how and whether to continue funding the program.

The Mayor's proposed budget would also eliminate prior funds held in reserve to account for future claims against the captive. Sections 1002 and 1004 of the Fiscal Year 2012 Budget Support Act would undesignate \$3,177,607, in reserve from FY 2010, and \$2,340,449, in reserve from FY 2009, respectively, and shift the funds to the unrestricted balance of the general fund. The Committee finds these transfers to be unwise. The Committee has worked over the previous 3 years to ensure that MLCIA maintained sufficient reserves to guard against any claims against the Fund and also to generate sufficient revenue to sustain the existence of the Fund. The removal of these funds threatens both of these objectives.

Additional reserve funding, incorporated in the MLCIA's FY 2011 budget have not been eliminated. In order to protect the captive and the District against future claims, the Committee recommends retaining these funds within the MLCIA budget.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Medical Liability Captive Insurance Agency with the following changes:

1. Add a clause to the Budget Request Act language to authorize the rollover of FY 2011 funds from the captive into FY 2012 and make those funds available until expended.

## T. OFFICE OF RISK MANAGEMENT

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	1,662	1,016	771	2,845	0	2,845	269.0%
Dedicated Taxes	0	0	0	0	0	0	0.0%
Special Purpose	0	0	0	0	0	0	0.0%
<b>General Fund Total</b>	<b>1,662</b>	<b>1,016</b>	<b>771</b>	<b>2,845</b>	<b>0</b>	<b>2,845</b>	<b>269.0%</b>
Federal Payments	0	0	0	0	0	0	0.0%
Federal Grant Funds	0	0	0	0	0	0	0.0%
Federal Medicaid	0	0	0	0	0	0	0.0%
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
Private Grant Funds	0	0	0	0	0	0	0.0%
<b>Gross Funds, Less Intra-District</b>	<b>1,662</b>	<b>1,016</b>	<b>771</b>	<b>2,845</b>	<b>0</b>	<b>2,845</b>	<b>269.0%</b>
Intra-District	885	814	827	0	0	0	0.0%
<b>GROSS FUNDS</b>	<b>2,547</b>	<b>1,830</b>	<b>1,598</b>	<b>2,845</b>	<b>0</b>	<b>2,845</b>	<b>78.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	21.1	10.7	7.6	22.0	0.0	22.0	189.5%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>General Fund Total</b>	<b>21.1</b>	<b>10.7</b>	<b>7.6</b>	<b>22.0</b>	<b>0.0</b>	<b>22.0</b>	<b>189.5%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Gross Funds, Less Intra-District</b>	<b>21.1</b>	<b>10.7</b>	<b>7.6</b>	<b>22.0</b>	<b>0.0</b>	<b>22.0</b>	<b>189.5%</b>
Intra-District	3.3	11.0	9.4	0.0	0.0	0.0	0.0%
<b>GROSS FUNDS</b>	<b>24.4</b>	<b>21.7</b>	<b>17.0</b>	<b>22.0</b>	<b>0.0</b>	<b>22.0</b>	<b>29.4%</b>



Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
11 Regular Pay	685	954	858	1,364	0	1,364	59.0%
12 Regular Pay - Other	1,051	414	461	408	0	408	-11.5%
13 Additional Gross Pay	74	10	0	0	0	0	N/A
14 Fringe Benefits	315	266	235	345	0	345	46.8%
15 Overtime Pay	2	2	0	0	0	0	N/A
<b>Personal Services (PS)</b>	<b>2,127</b>	<b>1,646</b>	<b>1,554</b>	<b>2,117</b>	<b>0</b>	<b>2,117</b>	<b>36.2%</b>
20 Supplies & Materials	6	9	7	17	0	17	142.9%
30 Utilities	47	46	0	0	0	0	N/A
31 Communications	35	27	0	0	0	0	N/A
32 Rent	0	0	0	0	0	0	N/A
33 Janitorial	24	24	0	0	0	0	N/A
34 Security	21	12	0	0	0	0	N/A
35 Occupancy Fixed Costs	40	30	0	0	0	0	N/A
40 Other Services & Charges	245	36	36	710	0	710	1872.2%
<b>Nonpersonal Services (NPS)</b>	<b>418</b>	<b>184</b>	<b>43</b>	<b>727</b>	<b>0</b>	<b>727</b>	<b>1590.7%</b>
<b>GROSS FUNDS</b>	<b>2,545</b>	<b>1,830</b>	<b>1,597</b>	<b>2,844</b>	<b>0</b>	<b>2,844</b>	<b>78.1%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
1000 Agency Management Program	527	382	527	0	527	38.0%	
2000 Risk Identification and Analysis	299	251	253	0	253	0.8%	
3000 Risk Control Division	1,114	118	122	0	122	3.4%	
4000 Risk Financing Division	890	847	942	0	942	11.2%	
6000 Return to Work Program	0	0	1,000	0	1,000	N/A	
<b>GROSS FUNDS</b>	<b>2,830</b>	<b>1,598</b>	<b>2,844</b>	<b>0</b>	<b>2,844</b>	<b>78.0%</b>	

(Dollars in Thousands)

## 1. COMMITTEE ANALYSIS AND COMMENTS

### a. Agency Mission and Overview

The mission of the Office of Risk Management (ORM) is to reduce the probability, occurrence, and cost of risk to the District of Columbia government through the provision of risk identification and insurance analysis and support to District agencies, and by efficiently and fairly administering the District's public workers' compensation and tort liability programs.

The *Risk Identification, Analysis, and Control Program* conducts risk management assessments of District agencies' facilities and operations by identifying gaps in risk management practices and conducting building inspections, making related recommendations and overseeing their implementation, providing risk management training to District employees, and overseeing the formulation of agency emergency response plans.

The *Public Sector Workers' Compensation Program* (PSWCP) receives workers' compensation claims from injured District government employees, adjusts and manages those claims through its third-party administrator, and provides compensation and services to claimants, including medical and return-to-work services. PSWCP manages the Public Sector Workers' Compensation Fund (Fund).

The *Tort Liability Program* receives and investigates claims against the District government with the goal of negotiating and preparing claims for fair and timely settlement.

The *Insurance Program* oversees the District's Medical Liability Captive Insurance Agency (MLCIA), which provides medical malpractice insurance to non-profit community health clinics, and also provides advice to District agencies on risk and insurance policies and practices. MLCIA manages the Medical Liability Captive Insurance Fund.

ORM also oversees the Settlements and Judgments Fund, which provides fiscal resources to settle claims and lawsuits and pay judgments in most types of civil cases filed against the District.

## **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$2,845,000, an increase of \$1,247,000, or 78 percent, over the FY 2011 approved budget of \$1,598,000. This funding supports 22.0 FTEs, a decrease of 5.0 FTEs from the FY 2011 approved level.

*Settlements and Judgments Fund:* The Mayor's proposed FY 2012 budget is \$21,477,000, the same level as the FY 2011 approved budget. This funding supports 0.0 FTEs.

*Public Sector Workers' Compensation Fund:* The Mayor's proposed FY 2012 budget is \$19,540,000, an increase of \$18,628,000, or 48.8 percent, over the FY 2011 approved budget of \$38,169,000. This funding supports 0 FTEs.

*Medical Liability Captive Insurance Fund:* The Mayor's proposed FY 2012 budget is \$3,181,000, the same level as the FY 2011 approved budget. This funding supports 0 FTEs.

### **Committee Analysis and Comments**

The Mayor's FY 2012 proposal makes several significant changes to ORM's budget, the most significant of which is the reduction to the Public Sector Workers' Compensation Fund.

The proposed budget would reduce by \$18,628,000 the annual allocation to the Public Sector Workers' Compensation Fund, a 49 percent reduction from the previous year.<sup>3</sup> This fund is the designated source to cover payments to claims made under the District's Public Sector Works Compensation Program (PSWCP). The Mayor projects that this reduction will result from improved management, an enhanced return to work program, and other policies designed to decrease the workers' compensation population. The Committee believes that this reduction is not realistic and that significant spending pressures will result. The Committee does support the effort to reduce costs by investing in a revamped return to work program. More information on these changes is described in the Public Sector Workers' Compensation Fund chapter.

The Committee also has concerns about the shift in funding sources for certain agency programs. Several functions are being shifted from intra-district sources to local funding sources. Staff providing service to the Medical Liability Captive Agency, previously through intra-district funds through under the MLCIA budget, and staff providing services to the PSWCP, previously through intra-district funds under the Public Sector Workers' Compensation Fund budget, will now be funded entirely through local dollars. The Committee believes that funding these functions through intra-District transfers is more appropriate as it enables the public to see the precise costs of conducting these activities by looking at spending from each fund.

Finally, the Committee notes its support for the Mayor's proposed increase of \$130,000 to support subrogation efforts. Additional staff within the Agency Management Program will seek to increase collections through subrogation claims. The Committee supports this effort to shift financial responsibility to liable parties and simultaneously increase revenue collection for the District.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Office of Risk Management as proposed by the Mayor.

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<sup>3</sup> The Committee recognizes that approximately \$5,781,000 of the \$18,628,000 in reducing spending to the Disability Compensation Fund results from an allocation of funds to cover costs of insurance liability; these costs were one-time costs and are not longer necessary in FY 2012.

## U. OFFICE OF THE CHIEF TECHNOLOGY OFFICER

Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	53,872	46,089	30,128	34,505	(329)	34,176	13.4%
Dedicated Taxes	0	0	0	0	0	0	N/A
Special Purpose	2,103	3,465	3,315	9,040	0	9,040	172.7%
<b>General Fund Total</b>	<b>55,975</b>	<b>49,554</b>	<b>33,443</b>	<b>43,545</b>	<b>(329)</b>	<b>43,216</b>	<b>29.2%</b>
Federal Payments	0	0	0	0	0	0	N/A
Federal Grant Funds	0	561	438	2,788	0	2,788	536.5%
Federal Medicaid	0	0	0	0	0	0	N/A
<b>Federal Funds Total</b>	<b>0</b>	<b>561</b>	<b>438</b>	<b>2,788</b>	<b>0</b>	<b>2,788</b>	<b>536.5%</b>
Private Grant Funds	0	0	0	0	0	0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>55,975</b>	<b>50,115</b>	<b>33,881</b>	<b>46,333</b>	<b>(329)</b>	<b>46,004</b>	<b>35.8%</b>
<b>Intra-District</b>	<b>34,288</b>	<b>35,807</b>	<b>30,256</b>	<b>27,459</b>	<b>(2,690)</b>	<b>24,769</b>	<b>-18.1%</b>
<b>GROSS FUNDS</b>	<b>90,263</b>	<b>85,922</b>	<b>64,137</b>	<b>73,792</b>	<b>(3,019)</b>	<b>70,773</b>	<b>10.3%</b>

(Dollars in Thousands)

Fiscal Year 2012 Full-Time Equivalents, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
Local Funds	241.9	236.1	191.9	212.7	(1.5)	211.2	10.1%
Dedicated Taxes	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Special Purpose	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>General Fund Total</b>	<b>241.9</b>	<b>236.1</b>	<b>191.9</b>	<b>212.7</b>	<b>(1.5)</b>	<b>211.2</b>	<b>10.1%</b>
Federal Payments	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Federal Funds Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
Private Grant Funds	0.0	0.0	0.0	0.0	0.0	0.0	N/A
<b>Gross Funds, Less Intra-District</b>	<b>241.9</b>	<b>236.1</b>	<b>191.9</b>	<b>212.7</b>	<b>(1.5)</b>	<b>211.2</b>	<b>10.1%</b>
<b>Intra-District</b>	<b>61.0</b>	<b>62.5</b>	<b>138.3</b>	<b>102.1</b>	<b>(5.1)</b>	<b>97.0</b>	<b>-29.9%</b>
<b>GROSS FUNDS</b>	<b>302.9</b>	<b>298.6</b>	<b>330.2</b>	<b>314.8</b>	<b>(6.6)</b>	<b>308.2</b>	<b>-6.7%</b>

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12
11 Regular Pay	27,000	26,309	27,752	25,737	(799)	24,938	-10.1%
12 Regular Pay - Other	2,132	1,726	523	2,996	(131)	2,865	447.8%
13 Additional Gross Pay	615	1,124	0	0	0	0	N/A
14 Fringe Benefits	5,123	5,418	4,864	5,485	(39)	5,446	12.0%
15 Overtime Pay	162	138	146	0	0	0	-100.0%
<b>Personal Services (PS)</b>	<b>35,032</b>	<b>34,715</b>	<b>33,285</b>	<b>34,218</b>	<b>(969)</b>	<b>33,249</b>	<b>-0.1%</b>
20 Supplies & Materials	118	116	64	213	0	213	232.8%
30 Utilities	929	1,353	0	0	0	0	N/A
31 Communications	3,236	2,622	1,100	1,205	0	1,205	9.5%
32 Rent	2,892	5,357	101	488	0	488	383.2%
33 Janitorial	171	143	0	0	0	0	N/A
34 Security	475	1,342	0	0	0	0	N/A
35 Occupancy Fixed Costs	346	315	0	0	0	0	N/A
40 Other Services & Charges	4,648	12,701	13,839	11,608	(731)	10,877	-21.4%
41 Contractual Services & Other	39,905	26,058	14,318	21,588	(1,319)	20,269	41.6%
50 Subsidies & Transfers	17	0	0	1,644	0	1,644	N/A
60 Land & Building	0	0	0	0	0	0	N/A
70 Equipment	2,496	1,199	1,430	2,828	0	2,828	97.8%
80 Debt Service	0	0	0	0	0	0	N/A
<b>Nonpersonal Services (NPS)</b>	<b>55,233</b>	<b>51,206</b>	<b>30,852</b>	<b>39,574</b>	<b>(2,050)</b>	<b>37,524</b>	<b>21.6%</b>
<b>GROSS FUNDS</b>	<b>90,265</b>	<b>85,921</b>	<b>64,137</b>	<b>73,792</b>	<b>(3,019)</b>	<b>70,773</b>	<b>10.3%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12	
1000 Agency Management Program	11,737	1,908	2,081	(142)	1,939	1.6%	
100F Agency Financial Operations	1,099	1,195	1,233	(80)	1,153	-3.5%	
2000 Applications Solutions	55,844	14,712	16,181	(487)	15,694	6.7%	
3000 Program Management Office	2,943	3,839	4,377	(281)	4,096	6.7%	
4000 Shared Infrastructure Services	14,298	30,450	38,209	(733)	37,476	23.1%	
5000 Information Security	0	2,405	2,998	(224)	2,774	15.4%	
6000 Technology Support Services	0	9,628	8,714	(1,072)	7,642	-20.6%	
<b>GROSS FUNDS</b>	<b>85,921</b>	<b>64,137</b>	<b>73,793</b>	<b>(3,019)</b>	<b>70,774</b>	<b>10.3%</b>	

Mayor's Proposed Fiscal Year 2012-2017 Capital Budget, By Project								
Code	Project Name	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6-Year Total
EQ101	Master Lease Credentialing and Wireless	1,000	500	0	0	0	2,000	3,500
N1603	Citywide Network Infrastructure Upgrade	1,600	2,104	881	1,000	1,800	3,848	11,233
N1604	DC GIS Equipment Lease	500	500	528	550	800	1,550	4,428
N1705	Data Warehousing	0	0	0	500	0	0	500
N2201	Server Consolidation	0	0	0	250	4,000	155	4,405
N2501	Data Center Relocation	500	500	0	0	0	0	1,000
N3101	Data Transparency and Accountability	500	500	581	350	1,540	2,006	5,477
N3699	Pool for SMP Projects	1,000	1,000	0	1,000	2,100	2,000	7,100
N3701	Human Resources System	500	500	947	475	0	679	3,101
ZA143	DC GIS Capital Investment	298	500	490	325	0	762	2,375
<b>AGENCY TOTAL</b>		<b>5,898</b>	<b>6,104</b>	<b>3,427</b>	<b>4,450</b>	<b>10,240</b>	<b>13,000</b>	<b>43,119</b>

<b>Committee's Approved Fiscal Year 2012-2017 Capital Budget, By Project</b>								
<b>Code</b>	<b>Project Name</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>6-Year Total</b>
EQ101	Master Lease Credentialing and Wireless	1,000	500	0	0	0	2,000	3,500
N1603	Citywide Network Infrastructure Upgrade	1,600	2,104	881	1,000	1,800	3,848	11,233
N1604	DC GIS Equipment Lease	500	500	528	550	800	1,550	4,428
N1705	Data Warehousing	0	0	0	500	0	0	500
N2201	Server Consolidation	0	0	0	250	4,000	155	4,405
N2501	Data Center Relocation	500	500	0	0	0	0	1,000
N3101	Data Transparency and Accountability	500	500	581	350	1,540	2,006	5,477
N3699	Pool for SMP Projects	1,000	1,000	0	1,000	2,100	2,000	7,100
N3701	Human Resources System	500	500	947	475	0	679	3,101
ZA143	DC GIS Capital Investment	298	500	490	325	0	762	2,375
<b>AGENCY TOTAL</b>		<b>5,898</b>	<b>6,104</b>	<b>3,427</b>	<b>4,450</b>	<b>10,240</b>	<b>13,000</b>	<b>43,119</b>

## **1. COMMITTEE ANALYSIS AND COMMENTS**

### **a. Agency Mission and Overview**

The Office of the Chief Technology Officer (OCTO) is the central information technology (IT) and telecommunications agency in the District government. OCTO develops, implements, and maintains the District's IT and telecommunications infrastructure; develops and implements major citywide applications; establishes and oversees IT enterprise architecture and website standards for the District; and advises District agencies on technology solutions to improve services to businesses, residents, and visitors in all areas of District government. The agency's mission is to leverage the power of technology to improve service delivery, drive innovation, and bridge the digital divide to build a world-class city.

### **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

#### **Proposed Operating Budget Summary**

*Local Funds:* The Mayor's proposed FY 2012 budget is \$34,505,000, an increase of \$4,377,000, or 14.5 percent, from the FY 2011 approved budget of \$30,128,000. This funding supports 212.7 FTEs, an increase of 20.8 FTEs from FY 2011 approved level of 191.9 FTEs.

*Special Purpose Revenue Funds:* The Mayor's proposed FY 2012 budget is \$9,040,000, an increase of \$5,725,000 from the FY 2011 approved budget of \$3,315,000. As in the approved budget for FY 2011, these funds do not support any FTEs.

*Intra-District Funds:* The Mayor's proposed FY 2012 budget is \$27,459,000, a decrease of \$2,796,000, or 9.2 percent, from the FY 2011 approved budget of \$30,256,000. This funding supports 102.1 FTEs, a decrease of 36.2 over the FY 2011 approved level of 138.2 FTEs.

*Federal Grant Funds:* The Mayor's proposed FY 2012 budget is \$2,788,000, an increase of \$2,350,000, or 536.7 percent, from the FY 2011 approved level. This funding supports 0.0 FTEs.

### **Committee Analysis and Comments**

*Shifts to Local Funds:* On its face, the Mayor's budget proposal increases OCTO's local funds by \$4,377,000 or 14.5 percent. That increase, however, includes two significant changes. First, the Mayor's budget proposal shifts \$3,170,000 in personal services costs from the agency's capital budget to its local budget. Maturation of capital projects from the development stage to the production stage necessitated the change. Nevertheless, operating the new projects and programs will require the agency to accomplish more with its local dollars.

Second, the Mayor's budget proposal shifts \$4,845,754 from intra-district funds to local funds. The local funds will provide services to applicable agencies through the following programs: Applications Maintenance and Quality Assurance, IT ServUs, Server Operations.

Absent the added funds for services under the IT assessment or for operation of developed capital projects, the agency's local budget is \$26,490,000, which is a \$3,638,000, or a 12.1 percent, decrease from the FY 2011 approved budget. That decrease represents diminished capacity for the agency under its local budget.

*Special Purpose Revenue Funds:* The Mayor's proposed FY 2012 budget proposal includes an increase of \$5,725,000, or 172.7 percent, in special purpose revenue funds. DC-Net's expanded service offerings to the federal government will result in increase in revenues. The added revenues will be used to cover the operating expenses of a larger client base and be reinvested into DC Net's network.

## **c. Mayor's Proposed Fiscal Year 2012-2017 Capital Budget**

### **Proposed Capital Budget Summary**

The Mayor's proposed budget includes \$43,119,000 in capital dollars for FY 2012-2017. In FY 2012, the agency would receive allocations in the following sums: (1) \$1,000,000 for wireless design and infrastructure; (2) \$1,600,000 for upgrades to legacy systems on the District's wide-area network; (3) \$500,000 for DC Geographic Information System (GIS) master lease; (4) \$500,000 for Data Center Relocation expenses; (5) \$500,000 for development on the Citywide Data Warehouse; (6) \$1,000,000 for high-priority IT projects identified by District leadership team; (7) \$500,000 for upgrades to the District's human resources system; and (8) \$298,000 for updated photographs and maps for the DC GIS system. Also planned for FY 2012-2017, but not budgeted for new capital funding in FY 2012, are data warehousing and server consolidation.

## **Committee Analysis, Comments, and Recommendations**

The Committee notes that the agency's proposed capital budget allocations for FY 2012 are significantly lower than in FY 2011—\$5,898,000 for FY 2012 versus \$19,558,000 in FY 2011.

The agency's capital funds will allow necessary upgrades to be made to the District's wide-area network, ensuring that network capabilities and bandwidth keep pace with the demands of new technologies and potential growth. Other capital projects will create the wireless infrastructure needed to operate the DC One Card program, capture up-to-date mapping information for DC GIS, facilitate the completion of OCTO's data center relocation, allow improvements to the District's human resources management system, and sustain further growth of the District's Citywide Data Warehouse. Also, the SMP Pool has a full slate of projects lined up for FY 2012, and the agency expects to expend all funds.

The Committee recommends approval of the agency's capital budget request in the amount of \$5,898,000 in capital funding for FY 2012 and \$43,119,000 for the entire FY 2012-2017 capital plan. The Committee acknowledges that the projects proposed by the agency will likely provide benefits to the District and its residents. It should be noted, however, that the Committee intends to monitor capital projects as the year progresses.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee approves the FY 2012 operating budget for the Office of the Chief Technology Officer as proposed by the Mayor with the following changes:

1. Reduce CSG 11 (Regular Pay – Cont. Full Time) by \$211,000 and 2.3 FTEs agency-wide. The agency eliminated several positions because they served duplicative functions. As the agency examines the functions of new locally funded FTEs, previously funded by intra-district transfers or capital funds, additional redundancies should be identified.
2. Reduce CSG 14 (Fringe Benefits) by \$39,000 agency-wide to correspond with the FTE reduction called for in CSG 11.
3. Reduce CSG 41 (Contractual Services – Other) by \$79,000 agency-wide. Funds increased in this area by \$7,271,000 or 50.8 percent over FY 2011. Slight reductions to hourly rates of contractors or the hours required from contractors can achieve savings in this area.
4. Increase CSG 11 (Regular Pay – Cont. Full Time) by \$252,000 in local funds due to the Mayor's Errata corrections.



5. Reduce CSG 11 (Regular Pay – Cont. Full Time) by \$508,000 in intra-district funds due to the Mayor’s Errata corrections and \$100,000 in intra-district funds due to reductions to an MOU with the DC Public Schools.
6. Reduce CSG 12 (Regular Pay – Other) by \$105,000 in local funds due to the Mayor’s Errata corrections.
7. Increase CSG 14 (Fringe Benefits) by \$28,000 in local funds due to the Mayor’s Errata corrections.
8. Reduce CSG 14 (Fringe Benefits) by \$87,000 in intra-district funds due to the Mayor’s Errata corrections and \$24,000 in intra-district funds due to reductions to an MOU with the DC Public Schools.
9. Reduce CSG 40 (Other Services and Charges) by \$731,000 in intra-district funds due to reductions to an MOU with the DC Public Schools.
10. Reduce CSG 41 by \$175,000 in local funds funds due to the Mayor’s Errata corrections and \$1,240,000 in intra-district funds due to reductions to an MOU with the DC Public Schools.
11. Transfer \$90,000 in recurring spending to the Office of Employee Appeals.
12. Transfer \$39,000 in recurring spending to the Public Employee Relations Board.
13. Transfer \$200,000 in recurring spending to Program 4000 (Commercial Revitalization) in the Department of Small and Local Business Development in CSG 41 (Contractual Services – Other) to support programs to expand access to healthy foods in low-income neighborhoods.

**b. Fiscal Year 2012-2017 Capital Budget Recommendations**

The Committee approves the FY 2012-2017 capital budget for the Office of the Chief Technology Officer as proposed by the Mayor.

**c. Fiscal Year 2012 Policy Recommendations**

1. The Committee recommends that the Office of the Chief Technology Officer evaluate what changes might be possible to the Information Technology Staff Augmentation contract to encourage the use of more District residents in contractor positions.
2. The Committee directs that the Office of the Chief Technology Officer develop a plan and cost analysis for centralized IT purchasing in the District government. Given that centralized IT purchasing could save the

District approximately 13-14% in FY 2012, a plan and mechanism to demonstrate savings to agencies should be developed so that the program costs and potential savings can be considered as part of the FY 2013 budget.

## V. SETTLEMENTS AND JUDGMENTS FUND

Fiscal Year 2012 Operating Budget, By Revenue Type							
Fund Type	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
Local Funds	17,325	21,470	21,477	21,477	0	21,477	0.0%
Dedicated Taxes	0	0	0	0	0	0	0.0%
Special Purpose	0	0	0	0	0	0	0.0%
<b>General Fund Total</b>	<b>17,325</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>
Federal Payments	0	0	0	0	0	0	0.0%
Federal Grant Funds	0	0	0	0	0	0	0.0%
Federal Medicaid	0	0	0	0	0	0	0.0%
<b>Federal Funds Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
Private Grant Funds	0	0	0	0	0	0	0.0%
<b>Gross Funds, Less Intra-District</b>	<b>17,325</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>
Intra-District	0	0	0	0	0	0	0.0%
<b>GROSS FUNDS</b>	<b>17,325</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Comptroller Source Group (Gross Funds)							
Comptroller Source Group	FY 2009 Actual	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee
40 Other Services & Charges	17,325	21,470	21,477	21,477	0	21,477	0.0%
<b>Nonpersonal Services (NPS)</b>	<b>17,325</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>
<b>GROSS FUNDS</b>	<b>17,325</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>

(Dollars in Thousands)

Fiscal Year 2012 Operating Budget, By Program (Gross Funds)							
Agency Program	FY 2010 Actual	FY 2011 Approved	FY 2012 Mayor	Committee Variance	FY 2012 Committee	Percent Growth FY11 Approved to FY12 Committee	
1000 Settlements and Judgments	21,470	21,477	21,477	0	21,477	0.0%	
<b>GROSS FUNDS</b>	<b>21,470</b>	<b>21,477</b>	<b>21,477</b>	<b>0</b>	<b>21,477</b>	<b>0.0%</b>	

(Dollars in Thousands)

## **1. COMMITTEE ANALYSIS AND COMMENTS**

### **a. Agency Mission and Overview**

The Settlements and Judgments Fund (Fund) provides fiscal resources to settle claims and lawsuits and pay judgments in most types of civil cases filed against the District. The Fund is managed by the Office of Risk Management (ORM).

### **b. Mayor's Proposed Fiscal Year 2012 Operating Budget**

#### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2012 budget is \$21,477,000, the same level as the FY 2011 approved budget. This funding supports 0.0 FTEs. The proposed budget is composed entirely of local funds. All staff managing the fund are funded through ORM.

#### **Committee Analysis and Comments**

The Committee supports the Mayor's proposed budget for the Settlements and Judgments Fund. The Committee notes, however, that the Office of Risk Management has been unable provide an explanation about how the budget for the Fund is developed. The Committee expects that in the year ahead ORM will be more diligent in developing a justification for the funding level of the Fund.

## **2. COMMITTEE RECOMMENDATIONS**

### **a. Fiscal Year 2012 Operating Budget Recommendations**

The Committee recommends approval of the FY 2012 operating budget for the Settlements and Judgments Fund as proposed by the Mayor.

### III. FISCAL YEAR 2012 BUDGET REQUEST ACT APPROPRIATION LANGUAGE RECOMMENDATIONS

On Friday, April 1, 2011, Chairman Brown introduced, on behalf of the Mayor, the Fiscal Year 2011 Budget Request Act of 2010 (Bill 19-202). The Committee recommends the following adjustments.

#### Governmental Direction and Support

(4) Office of the Mayor. – \$12,334,000 (including \$8,241,000 from local funds and \$4,093,000 from Federal grant funds); provided, that not to exceed \$10,600 shall be available for the Mayor from this appropriation for official reception and representation expenses;

(5) Office of the Secretary. –~~\$2,920,000~~–\$2,905,000 (including ~~\$2,221,000~~ \$2,206,000 from local funds and \$699,000 from other funds); provided, that, beginning in fiscal year 2010, such amounts on deposit and any such future deposits into the Emancipation Day Fund, established by section 4 of the District of Columbia Emancipation Parade and Fund Act of 2004, effective March 17, 2005 (D.C. Law 15-240; D.C. Official Code § 1-183), shall be available upon deposit and shall remain available until expended, consistent with the purposes set forth in that section;

(6) City Administrator. –\$3,283,000 from local funds; provided, that not to exceed \$10,600 shall be available for the City Administrator from this appropriation for official reception and representation expenses;

(7) Office of Risk Management. – \$2,845,000 from local funds;

(8) Department of Human Resources. – ~~\$7,623,000~~ \$7,547,000 (including ~~\$7,346,000~~ \$7,270,000 from local funds and \$277,000 from other funds);

(9) Office of Disability Rights. –~~\$1,566,000~~ \$1,616,000 (including ~~\$902,000~~ \$952,000 from local funds and \$664,000 from Federal grant funds);

(10) Medical Liability Captive Insurance Agency. –\$3,182,000 (including \$2,584,000 from local funds and \$598,000 from other funds), and all unexpended FY 2011 local and special purpose revenue funds as of September 30, 2011, to remain available until expended;

(12) Office of Contracting and Procurement. –\$8,698,000 from local funds;

(13) Office of Chief Technology Officer. –~~\$46,333,000~~ \$46,004 (including ~~\$34,505,000~~ \$34,176,000 from local funds, \$2,788,000 from Federal grant funds; and \$9,040,000 from other funds);

(15) Contract Appeals Board. – ~~\$789,000~~ \$796,000 from local funds;

(16) Board of Elections and Ethics. – \$4,218,000 (including \$4,068,000 from local funds, and \$150,000 from federal funds);

(17) Office of Campaign Finance. –~~\$1,364,000~~ \$1,407,000 (including ~~\$1,364,000~~ \$1,313,000 from local funds and ~~\$0~~ \$94,000 from other funds);

(18) Public Employee Relations Board. –~~\$861,000~~ \$951,000 from local funds;

(19) Office of Employee Appeals. –~~\$1,270,000~~ \$1,360,000 from local funds;

(22) District of Columbia ~~Office of Open Access~~ Open Government Office. – \$350,000 from local funds;

(23) Office of the Inspector General. – \$15,394,000 (including \$13,048,000 from local funds and \$2,346,000 from Federal grant funds);

### **Public Works**

(4) Department of the Environment. – ~~\$84,906,000~~ \$84,889,000 (including ~~\$16,174,000~~ \$16,157,000 from local funds, \$34,158,000 from Federal grant funds, \$34,424,000 from other funds, and \$150,000 from private funds);

### **Human Support Services**

(8) Disability Compensation Fund. — \$19,541,000 from local funds, and all unexpended FY 2011 funds as of September 30, 2011, to remain available until expended;

### **Financing and Other**

(7) Settlements and Judgments - for making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government, \$21,477,000 from local funds; provided, that this appropriation shall not be construed as modifying or affecting the provisions of section 103 of this Act;

(13) District Retiree Health Contribution — for a District Retiree Health Contribution, \$109,800,000 from local funds;

### **District of Columbia Retirement Board**

For the District of Columbia Retirement Board, established pursuant to section 121 of the District of Columbia Retirement Reform Act of 1979, approved November 17, 1979 (93 Stat 866; D.C. Official Code § 1-711), \$30,338,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and

administrative expenses of the District of Columbia Retirement Board; provided, that the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds; provided further, that the District of Columbia Retirement Board shall provide to the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

## **IV. FISCAL YEAR 2012 BUDGET SUPPORT ACT RECOMMENDATIONS**

On Friday, April 1, 2011, Chairman Brown introduced, on behalf of the Mayor, Bill 19-203, the Fiscal Year 2012 Budget Support Act of 2011. The bill contains a number of subtitles for which the Committee on Government Operations and the Environment has provided comments in addition to new subtitles that the Committee recommends.

### **A. RECOMMENDATIONS ON BUDGET SUPPORT ACT SUBTITLES PROPOSED BY THE MAYOR**

The Committee provides comments on the following subtitles of the Fiscal Year 2012 Budget Support Act of 2011:

1. Title I, Subtitle A. Bonus and Special Pay.
2. Title I, Subtitle B. Broadband Access.

#### **1. TITLE I, SUBTITLE A. BONUS AND SPECIAL PAY.**

##### **a. Purpose, Effect, and Impact on Existing Law**

In the Budget Support Acts for Fiscal Year 2010 and 2011, the Council limited expenditures from the category of bonus and special award pay. This provision would maintain this limitation in FY 2012. Specifically, it would prohibit the District from awarding performance-related bonuses, special act pay, and service awards, except in a limited set of circumstances.

##### **b. Committee Reasoning**

The Committee believes that it is prudent to maintain the bonus and special pay prohibition because of the District's current economic and budgetary challenges. At a time when employee salaries are frozen and hundreds of employees have been released through reductions, it seems appropriate to prohibit certain employees from receiving bonuses.

##### **c. Section-by-Section Analysis**

Sec. 101. Short title.

Sec. 102. This section would prevent the payment of performance-related bonuses, special act pay and service awards. However, payments may still be made from



these categories for (1) retirement awards; (2) hiring bonuses for difficult-to-fill positions; (3) additional income allowances for difficult-to-fill positions; (4) agency awards or bonuses funded by private grants or donations; (5) safe driving awards; (6) suggestion/invention awards; or (7) any other award/bonus required by an existing contract or collective bargaining agreement that was entered into prior to the effective date of this act.

**d. Legislative Recommendations for Committee of the Whole**

Long Title: To limit payment from the categories of bonus and special pay.

*SUBTITLE A. Bonus and Special Pay Limitations.*

Sec. 101. Short title.

This subtitle may be cited as the "Bonus and Special Pay Limitation Act of 2011".

Sec. 102. Bonus and special pay limitations.

(a) For fiscal year 2012, no funds shall be used to support the categories of special awards pay or bonus pay; provided, that funds may be used to pay:

- (1) Retirement awards;
- (2) Hiring bonuses for difficult-to-fill positions;
- (3) Additional income allowances for difficult-to-fill positions;
- (4) Agency awards or bonuses funded by private grants or donations;
- (5) Safe driving awards;
- (6) Suggestion/invention awards; or
- (7) Any other award/bonus required by an existing contract or collective bargaining agreement that was entered into prior to October 1, 2010.

(b) No special awards pay or bonus pay shall be paid to a subordinate agency head or an assistant or deputy agency head unless required by an existing contract that was entered into prior to October 1, 2010.

(c) Notwithstanding any other provision of law, no restrictions on the use of funds to support the categories of special awards pay (comptroller subcategory 0137) or bonus pay (comptroller subcategory 0138) shall apply in fiscal year 2012 to employees of the District of Columbia Public Schools who are based at a local school or who provide direct services to individual students.

**2. TITLE I, SUBTITLE B. BROADBAND ACCESS.**

**a. Purpose, Effect, and Impact on Existing Law**

The proposed section would authorize the Office of the Chief Technology Officer to obtain and expend federal grants for digital inclusion efforts. The section would also enable the agency to award sub-grants to nonprofit entities established in the District for the express purpose of supporting digital inclusion activities.

**b. Committee Reasoning**

The Office of the Chief Technology Officer has been successful in obtaining grants to fund activities aimed at closing the digital divide. The proposed change would provide the agency with added flexibility to partner with District nonprofits in instances where the nonprofit is better situated to provide services. The Committee supports the amendment.

**c. Section-by-Section Analysis**

Sec. 111. Short title.

Sec. 112. Authorizes the Office of the Chief Technology Officer to obtain and expend federal grant funds for digital inclusion efforts and to award sub-grants to non-profit entities in the District for the purpose of supporting digital inclusion efforts.

**d. Legislative Recommendations for Committee of the Whole**

Long Title: To amend the Fiscal Year 1999 Budget Support Act of 1998 to allow the Office of the Chief Technology Officer to obtain and expend broadband stimulus grant monies.

*SUBTITLE A. Broadband Access.*

Sec. 111. Short title.

This subtitle may be cited as the "Digital Inclusion Grant-making Amendments Act of 2011".

Sec. 112. Section 1814 of the "Fiscal Year 1999 Budget Support Act of 1998," effective March 26, 1999 (D.C. Law 12-175; D.C. Official Code § 1-1403) is amended by striking the word "and" at the end of paragraph (10); striking the period at the end of paragraph (11) and inserting a semicolon in its place; adding the word "and" at the end of subparagraph (11); and adding the following new paragraph (12):

"(12) In furtherance of paragraph 10 of this section, obtaining and expending federal grant funds for digital inclusion efforts and awarding sub-grants to non-profit entities established in the District for the purpose of supporting digital inclusion efforts by such entities, including, but not limited to: providing computer literacy training, providing free or low-cost computers, developing new online content, conducting public outreach concerning the use, availability, and benefits of computers and the Internet, and similar efforts to enhance the accessibility, usability, affordability, and perceived value of computers and the Internet among underserved populations of the District."

## **B. RECOMMENDATIONS FOR NEW BUDGET SUPPORT ACT SUBTITLES**

The Committee on Government Operations and the Environment recommends the following new subtitles to be added to the Fiscal Year 2012 Budget Support Act of 2011:

1. Office of Employee Appeals Mandatory Mediation.
2. Healthy Schools Funding Technical Amendment.
3. Other Post-Employment Benefits Technical Amendment.
4. Bag Fee Compliance.
5. OCF Lobbying Fund Amendment.
6. OIG Auditing Reform Amendment.

### **1. OEA MANDATORY MEDIATION.**

#### **a. Purpose, Effect, and Impact on Existing Law**

The proposed legislation would amend the Comprehensive Merit Personnel Act of 1978 to require that certain adverse actions for cause be subject to mandatory mediation when appealed to the Office of Employee Appeals.

#### **b. Committee Reasoning**

The Office of Employee Appeals (OEA) currently has a backlog of 560 pending cases. With OEA's present, limited resources, the agency is able to decide about 180 cases per year. At this rate, it would take OEA more than 3 years to decide all of these cases notwithstanding additional future cases. Because one of the remedies that OEA can impose is reinstatement with back pay, the longer it takes OEA to decide a case, the greater the District's financial liability. Mandating mediation will reduce the agency's backlog by decreasing the time that it takes to resolve cases, thereby reducing the District's liability and future costs.

#### **c. Section-by-Section Analysis**

Sec. [XX]. Short title.

Sec. [XX]. This section amends the Comprehensive Merit Personnel Act of 1978 to require mediation between the parties in certain adverse action cases.

**d. Legislative Recommendations for Committee of the Whole**

Long Title: To amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to require that certain adverse actions for cause be subject to mandatory mediation when appealed to the Office of Employee Appeals.

*SUBTITLE [XX]. Office of Employee Appeals Mandatory Mediation.*

Sec. [XX]. Short title.

This subtitle may be cited as the “Office of Employee Appeals Mandatory Mediation Amendment Act of 2011”.

Sec. [XX]. Section 605(a) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-606.06(a)) is amended to read as follows:

“(a) The Office is required to develop a mediation program. All adverse actions involving a removal, a reduction in grade, a suspension of 10 days or more, or placement on enforced leave lasting 10 days or more, and any other appeals deemed appropriate by the Hearing Examiner, are required to be mediated with the Office.”.

**2. HEALTHY SCHOOLS FUNDING TECHNICAL AMENDMENT.**

**a. Purpose, Effect, and Impact on Existing Law**

The proposed legislation would amend the Healthy Schools Act of 2010 to clarify that the source of funding for the programs established by the Act is the Healthy Schools Fund instead of the General Fund.

**b. Committee Reasoning**

Last year, the Council unanimously passed the Healthy Schools Act of 2010 to substantially improve the health, wellness, and nutrition of the children in the District. The Healthy Schools Act created a Healthy Schools Fund to finance the programs created by the Act. In the FY 2011 Budget Support Act of 2010, the Council funded the Healthy Schools Act by applying the District’s sales tax to soft drinks. However, due to a drafting error, the Council was unable to direct this new revenue through the Healthy Schools Fund; instead, these funds were funneled through the General Fund. This amendment simply fixes this error and redirects funds from the soda sales tax through the Healthy Schools Fund. This subtitle does not increase the funding for the Healthy Schools Act above the Mayor’s proposed FY 2012 budget.

**c. Section-by-Section Analysis**

Sec. [XX]. Short title.

Sec. [XX]. This section amends Healthy Schools Act of 2010 to redirect the funding for the Healthy Schools Act through the Healthy Schools Fund instead of the General Fund.

**d. Legislative Recommendations for Committee of the Whole**

Long Title: To amend the Healthy Schools Act of 2010 to clarify the source of funding for the programs established by the Act.

*SUBTITLE [XX]. Healthy Schools Funding Technical Amendment.*

Sec. [XX]. Short title.

This subtitle may be cited as the “Healthy Schools Funding Technical Amendment Act of 2010”.

Sec. [XX]. Section 102 of the Healthy Schools Act of 2010, approved July 27, 2010 (D.C. Law 18-209; D.C. Official Code § 38-821.02) is amended by adding new subsections (f) and (g) to read as follows:

“(f) The following funds shall be deposited annually into the Healthy Schools Fund, beginning on October 1, 2011: \$4,266,000 from the revenues derived from the collection of the tax imposed upon all vendors by § 47-2002 of the D.C. Official Code, as amended.

“(g) All excess monies remaining in the Fund at the end of a fiscal year shall be administered by the Office of the State Superintendent of Education for the purposes set forth in subsection 102(c)(6) and subsection (c)(7) of this section.”.

**3. OTHER POST-EMPLOYMENT BENEFITS TECHNICAL AMENDMENT.**

**a. Purpose, Effect, and Impact on Existing Law**

The proposed legislation would amend the District of Columbia Government Comprehensive Merit Personnel Act to clarify the amount of the District’s contribution for health benefit premiums for police officers and firefighters injured or killed in the line of duty and their covered family members.

**b. Committee Reasoning**

In the Fiscal Year 2011 Budget Support Act, the Council reduced the percentage of health benefit premiums that the District pays for employees and retirees from 75% to

72%. Due to other legislation that amended the health benefits provided to former police officers and firefighters injured or killed in the line of duty and their covered family members, different sections of the D.C. Code were in conflict as to whether this contribution reduction applied. This amendment clarifies that the District will pay 72% of the health benefit premium for police officers and firefighters injured or killed in the line of duty and their covered family members.

**c. Section-by-Section Analysis**

Sec. [XX]. Short title.

Sec. [XX]. This section amends the District of Columbia Government Comprehensive Merit Personnel Act to clarify that the District will pay 72% of the health benefit premium for former police officers and firefighters injured or killed in the line of duty and their covered family members.

**d. Legislative Recommendations for Committee of the Whole**

Long Title: To amend the Renewable Energy Portfolio Standard Act of 2004 to permit the use of the Renewable Energy Development Fund for rebates and other financial incentives.

*SUBTITLE [XX]. Other Post-Employment Benefits Technical Amendment.*

Sec. [XX]. Short title.

This subtitle may be cited as the “Police and Firefighter Post-Retirement Health Benefits Clarification Amendment Act of 2011”.

Sec. [XX].

(a) Section 2109 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-621.09) is amended as follows:

(1) Subsection (h)(3) is amended to read follows:

“(3) For annuitants who are injured or killed in the line of duty, the District's contribution shall be an amount equal to 72% of the cost of the selected health benefit plan and the annuitant shall contribute 28% of the cost of the selected health benefit plan. For a covered family member of an annuitant, the District contribution shall be an amount equal to 72% of the cost of the selected health benefit plan and the family member shall contribute 28% of the cost of the selected health benefit plan. This paragraph shall apply as of October 1, 2009.”

(2) Subsection (l) is amended to read as follows:

“(l) For an individual covered by subsection (k) of this section, the District's contribution to the cost of the selected health benefits plan of the individual shall be an amount equal to 72% of the cost of the selected health benefit plan and the individual shall contribute 28% of the cost of the selected health benefit plan. For a covered family member of the individual, the District contribution to the cost of the

selected health benefits plan of the family member shall be an amount equal to 72% of the cost of the selected health benefit plan and the family member shall contribute 28% of the cost of the selected health benefit plan.”

(b) This section shall apply as of October 1, 2011.

#### **4. BAG FEE COMPLIANCE.**

##### **a. Purpose, Effect, and Impact on Existing Law**

The proposed legislation would amend the Anacostia River Cleanup and Protection Act to clarify that the Act entitles the District Department of the Environment to request and receive limited information from the Office of Tax and Revenue to aid enforcement and to eliminate the resetting of penalties at the end of a calendar year.

##### **b. Committee Reasoning**

The District Department of the Environment is responsible for enforcing the Anacostia River Cleanup and Protection Act. Due to shrinking budgets and wide-reaching enforcement responsibilities, DDOE has only one FTE currently assigned to inspections for violations of the act. In order to ensure that the inspector is as effective as possible, DDOE should have access to data related to payments made as a result of this act. This information will allow the agency to make strategic decisions about businesses likely to be skirting the act’s requirements. A better informed strategy will result in a more efficient use of government resources and a higher return on enforcement activities.

Perennial violators also should pay the same continuing fine rather than receiving a new warning and reduced penalties at the start of each calendar year. Eliminating the resetting of penalties should stabilize the incentive to comply with the law at the throughout the calendar year.

##### **c. Section-by-Section Analysis**

Sec. [XX]. Short title.

Sec. [XX]. This section amends the Anacostia River Cleanup and Protection Act of 2009 to clarify that the Act entitles the District Department of the Environment to request and receive the names, addresses, and amount of fees collected pursuant to this act and to eliminate the resetting of penalties at the end of a calendar year.

##### **d. Legislative Recommendations for Committee of the Whole**

Long Title: To amend the Anacostia River Cleanup and Protection Act of 2009 to expressly authorize to request and receive the names, addresses, and amount of fees collected pursuant to the act and to eliminate the resetting of penalties at the end of a calendar year.

*SUBTITLE [X]. Bag Fee Compliance.*

Sec. [XX]. Short title.

This subtitle may be cited as the “Bag Fee Compliance Amendment Act of 2011”.

Sec. [XX].

(a) Section 4 of the Anacostia River Cleanup and Protection Act of 2009 (D.C. Law 18-55, D.C. Official Code § 8-102.03), is amended by adding a new subsection (e) to read as follows:

“(e) Notwithstanding any other provision of Title 47, the Office of Tax and Revenue shall furnish to the District Department of the Environment upon request the names, addresses, and amount of fees collected pursuant to subsection (a) of this section, of retail establishments subject to the provisions of this Chapter.”.

(b) Section 5 of the Anacostia River Cleanup and Protection Act of 2009 (D.C. Law 18-55, D.C. Official Code § 8-102.04), is amended by striking the phrase “in a calendar year” at the end of the subparagraph (A) and striking the phrase “in the same calendar year” at the end of subparagraphs (B) and (C).

## **5. OCF LOBBYING FEE AMENDMENT.**

### **a. Purpose, Effect, and Impact on Existing Law**

The proposed section would effectively sweep into the General Fund the lobbyist registration fees collected by the Office of Campaign Finance from lobbyists registering in the District. In FY 2011, these fees were deposited in the existing special purpose revenue fund for overseeing and administering the lobbyist registration activity.

### **b. Committee Reasoning**

There are Constitutional implications of using lobbyist registration fees as general revenue, wherein the District would effectively be taxing lobbyists, impinging on lobbyists’ First Amendment rights. As such, this section should be eliminated and the funds should be used in accordance with the regulatory purposes of the special purpose revenue fund, which is to regulate lobbyist activity and compliance with registration requirements.

The General Counsel to the Council of the District of Columbia provided an analysis of the proposed sweeping of the funds within the Office of Campaign Finance’s special purpose revenue fund into the General Fund and determined that as lobbying is protected under the First Amendment, when a government imposes a tax that “singles out and burdens freedoms protected by the First Amendment, the tax is unconstitutional unless the State asserts a counterbalancing interest of compelling importance that it



cannot achieve without differential taxation.”<sup>4</sup> As the District has provided no counterbalancing interest for the use of these funds, it is likely that “the lobbyist registration fee would have the effect of discouraging protected First Amendment activity without the benefit of defraying costs associated with regulating that activity” such that it is likely the “Mayor’s proposal does not pass constitutional muster.”<sup>5</sup> The Committee does not support the amendment.

**c. Section-by-Section Analysis**

Sec. 901. Short title.

Sec. 9112. Provides that the funds deposited in fund 0600 within the Office of Campaign Finance shall be deposited in the General Fund of the District of Columbia. Any unexpended funds in the fund on the effective date of this subtitle shall be transferred to the unrestricted fund balance of the General Fund of the District of Columbia.

**d. Legislative Recommendations for Committee of the Whole**

Strike section 9112 (Special Purpose Revenue) of the Fiscal Year 2012 Budget Support Act of 2011.

**6. OIG AUDITING REFORM AMENDMENT ACT OF 2011**

**a. Purpose, Effect, and Impact on Existing Law**

The proposed section would remove the requirement that the Office of the Inspector General conduct an annual audit of two special purpose funds by amending the District of Columbia False Claims Act and the Professional Engineer’s Registration Act.

**b. Committee Reasoning**

The Office of the Inspector General (OIG) is responsible for conducting audits, inspections, and investigations of District government programs and operations. Because the District government is an entity responsible for the management and distribution of billions of taxpayer dollars, the OIG must be able to flexibly in its ability to adapt its workload to meet the most significant audit and investigation needs. The Antifraud Fund has a historically low activity level and a statutory cap that will not allow the balance of the account to exceed \$2,000,000. The Professional Engineers’ Fund has a historically low balance. The character of these accounts do not justify the time and expense of an audit in every fiscal year.

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<sup>4</sup> *Vermont Society of Association Executives v. Milne*, 779 A.2d 20, 26 (Vt. 2001).

<sup>5</sup> See *Accord Moffett v. Killian*, 360 F. Supp. 228 (D. Conn. 1973)

This Act would allow the OIG to conduct audits as the Inspector General deems necessary. The modifications related to the Board of Professional Engineers retain the requirement that the board submit annual financial reporting to the Mayor, but newly requires that copies be sent to the OIG and the Council.

**c. Section-by-Section Analysis**

Sec. [XX]. Short Title

Sec. [XX]. This section repeals the portion of the District of Columbia False Claims Act that requires the Office of the Attorney General to conduct an annual audit of the Antifraud Fund.

Sec. [XX]. This section amends the Professional Engineers' Registration Act so the OIG may conduct audits at the Inspector General's determination. The section also expands the Board's reporting requirement so it must submit copies of the report that it already annual submits to the Mayor to the OIG and the Council of the District of Columbia.

**d. Legislative Recommendations for Committee of the Whole**

Long Title: To repeal the auditing requirement in the District of Columbia False Claims Act for the Office of the Inspector General; to modify the annual auditing requirement in the Board of Professional Engineers' Registration Act for the Office of the Inspector General; to expand the annual reporting requirement of the Board of Professional Engineers' to increase efficiency at the Office of the Inspector General.

*SUBTITLE [XX]. OIG Auditing Reform Amendment.*

Sec. [XX]. Short Title.

This subtitle may be cited as the "OIG Auditing Reform Amendment Act of 2011".

Sec. [XX]. False Claims Act Amendment.

Subsection 820(c) of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986, (D.C. Law 6-85; D.C. Code § 2-308.20(c)) is repealed.

Sec. [XX]. Professional Engineers' Registration Act Amendment.

(a) Section 13(l) of the Professional Engineers' Registration Act (64 Stat. 854, ch 953, § 1; D.C. Official Code § 47-2886.13(d)) be amended by striking the following "It shall be the duty of the Office of the Inspector General of the District of Columbia to audit annually the accounts of the Board and make a report thereof to the Mayor. For the purpose of performance of such duty the Office of the Inspector General shall have free access to the books of account, records, and papers of the Board." and inserting in its place "For the purpose of any contemplated investigation or audit by the Inspector

General, the Office of the Inspector General of the District of Columbia shall have free access to the books of account, records, and papers of the Board.”

(b) Section 16 of the Professional Engineers’ Registration Act (64 Stat. 854, ch 953, § 1; D.C. Official Code § 47-2886.16 is amended by striking the following “The Board shall submit an annual report to the Mayor” and inserting in its place the following phrase “The Board shall submit an annual report to the Mayor, the Inspector General, and the Office of the Secretary of the Council of the District of Columbia”.

## V. COMMITTEE ACTION AND VOTE

On Wednesday, May 11, 2011, in Room 500 of the John A. Wilson Building, the Committee met to consider and vote on the Mayor's FY 2012 Budget Report for the agencies under its jurisdiction. Chairperson Mary M. Cheh determined the presence of a quorum consisting of herself and Councilmembers Michael Brown, David Catania, Harry Thomas, Jr., and Tommy Wells.

Chairperson Cheh provided a brief overview of the report and changes to the Mayor's proposed budget as recommended by the Committee before opening the floor for discussion.

Councilmember Thomas moved an amendment to eliminate from the Committee's report and recommendations a proposed Budget Support Act section to freeze step increases in FY 2012. The amendment was co-introduced by Councilmembers Thomas, Brown, and Wells. Councilmember Thomas noted that the provision may not be constitutional as it would infringe upon collective bargaining agreements of District unions. Councilmember Wells also spoke in support of the amendment. Councilmember Catania spoke against the amendment, noting that the provision was infinitely defensible. Councilmember Brown spoke in support of the amendment, associating himself of his co-introducers. Finally, Councilmember Cheh spoke against the amendment, noting that the underlying provision met the reasonable necessity standard and that it was narrowly tailored to address the city's budget challenges objectives. When Chairperson Cheh moved for a vote, the Committee voted 3-2 in favor of the amendment. As such, provision has been removed from the Committee's budget report.

Chairperson Mary M. Cheh then moved the Committee's Fiscal Year 2012 Budget recommendations for approval, with leave for staff to make technical and conforming changes to reflect the Committee's actions. The Members voted 5-0 in support of the proposed recommendations, with the members voting as follows:

Members in favor:	Cheh, Brown, Catania, Thomas, Wells
Members opposed:	-
Members voting present:	-
Members absent:	-

Chairperson Cheh adjourned the meeting.

## VI. ATTACHMENTS

- A. April 12, 2011 Fiscal Year 2012 Budget Oversight Hearing Witness List and Testimony.
- B. April 13, 2011 Fiscal Year 2012 Budget Oversight Hearing Witness List and Testimony.
- C. April 20, 2011 Fiscal Year 2012 Budget Oversight Hearing Witness List and Testimony.
- D. April 21, 2011 Fiscal Year 2012 Budget Oversight Hearing Witness List and Testimony.
- E. May 4, 2011 Fiscal Year 2012 Budget Oversight Hearing Witness List and Testimony.