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# Office of the Chief Financial Officer

[www.cfo.dc.gov](http://www.cfo.dc.gov)

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Description	FY 2009 Actual	FY 2010 Approved	FY 2011 Proposed	% Change from FY 2010
Operating Budget	\$141,817,356	\$150,281,799	\$129,671,421	-13.7
FTEs	879.0	928.8	905.0	-2.6

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The mission of the Office of the Chief Financial Officer (OCFO) is to provide financial management services to the government and the people of the District of Columbia to sustain long-term fiscal and economic viability.

## Summary of Services

The Office of the Chief Financial Officer provides enhanced fiscal and financial stability, accountability, and integrity for the Government of the District of Columbia. The OCFO ensures that District spending remains within approved budgets and/or available revenues for the fiscal year so that no spending deficits occur; maintains adequate cash balances, minimizes receivables balances, and remains within a maximum ratio of total debt service to general fund expenditures of 12 percent, as a component of managing the District's debt and finances in a manner that provides optimal opportunities to maximize bond ratings and

minimize the cost of borrowed capital; improves tax compliance by increasing collections from the accounts receivable balance and the non-filer population, as measured by percentage change in delinquent collections; develops and supports financial management systems that provide accurate and timely information; and produces the District's Comprehensive Annual Financial Report (CAFR) on time with an unqualified clean opinion.

The agency's FY 2011 proposed budget is presented in the following tables:

## FY 2011 Proposed Gross Funds Operating Budget, by Revenue Type

Table AT0-1 contains the proposed FY 2011 agency budget compared to the FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

**Table AT0-1**

(dollars in thousands)

<b>Appropriated Fund</b>	<b>Actual FY 2008</b>	<b>Actual FY 2009</b>	<b>Approved FY 2010</b>	<b>Proposed FY 2011</b>	<b>Change from FY 2010</b>	<b>Percent Change*</b>
<b>General Fund</b>						
Local Funds	113,406	119,559	105,866	87,847	-18,019	-17.0
Special Purpose Revenue Funds	17,461	14,736	37,483	34,040	-3,443	-9.2
<b>Total for General Fund</b>	<b>130,868</b>	<b>134,295</b>	<b>143,349</b>	<b>121,887</b>	<b>-21,461</b>	<b>-15.0</b>
<b>Federal Resources</b>						
Federal Grant Funds	857	938	0	0	0	N/A
<b>Total for Federal Resources</b>	<b>857</b>	<b>938</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>Private Funds</b>						
Private Donations	0	20	0	0	0	N/A
<b>Total for Private Funds</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>Intra-District Funds</b>						
Intra-District Funds	9,331	6,565	6,933	7,784	851	12.3
<b>Total for Intra-District Funds</b>	<b>9,331</b>	<b>6,565</b>	<b>6,933</b>	<b>7,784</b>	<b>851</b>	<b>12.3</b>
<b>Gross Funds</b>	<b>141,055</b>	<b>141,817</b>	<b>150,282</b>	<b>129,671</b>	<b>-20,610</b>	<b>-13.7</b>

\*Percent Change is based on whole dollars.

**Note:** If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to Schedule 80 Agency Summary by Revenue Source in the Operating Appendices located on the Office of the Chief Financial Officer's website.

## **FY 2011 Proposed Full-Time Equivalents, by Revenue Type**

Table AT0-2 contains the proposed FY 2011 FTE level compared to the FY 2010 approved FTE level by revenue type. It also provides FY 2008 and FY 2009 actual data.

**Table AT0-2**

<b>Appropriated Fund</b>	<b>Actual FY 2008</b>	<b>Actual FY 2009</b>	<b>Approved FY 2010</b>	<b>Proposed FY 2011</b>	<b>Change from FY 2010</b>	<b>Percent Change</b>
<b>General Fund</b>						
Local Funds	825.0	770.2	750.5	721.5	-29.0	-3.9
Special Purpose Revenue Funds	76.4	74.4	135.8	140.0	4.2	3.1
<b>Total for General Fund</b>	<b>901.4</b>	<b>844.5</b>	<b>886.3</b>	<b>861.5</b>	<b>-24.8</b>	<b>-2.8</b>
<b>Intra-District Funds</b>						
Intra-District Funds	41.6	34.4	42.5	43.5	1.0	2.4
<b>Total for Intra-District Funds</b>	<b>41.6</b>	<b>34.4</b>	<b>42.5</b>	<b>43.5</b>	<b>1.0</b>	<b>2.4</b>
<b>Total Proposed FTEs</b>	<b>943.0</b>	<b>879.0</b>	<b>928.8</b>	<b>905.0</b>	<b>-23.8</b>	<b>-2.6</b>

## FY 2011 Proposed Operating Budget, by Comptroller Source Group

Table AT0-3 contains the proposed FY 2011 budget at the Comptroller Source Group (object class) level compared to the FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

**Table AT0-3**  
(dollars in thousands)

Comptroller Source Group	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
11 - Regular Pay - Cont Full Time	67,760	69,929	69,625	67,540	-2,085	-3.0
12 - Regular Pay - Other	1,825	1,089	1,484	504	-981	-66.1
13 - Additional Gross Pay	3,869	3,031	175	0	-175	-100.0
14 - Fringe Benefits - Current Personnel	12,636	13,341	12,658	13,322	664	5.2
15 - Overtime Pay	545	384	221	102	-119	-54.0
99 - Unknown Payroll Postings	0	308	0	0	0	N/A
<b>Subtotal Personal Services (PS)</b>	<b>86,635</b>	<b>88,082</b>	<b>84,163</b>	<b>81,467</b>	<b>-2,696</b>	<b>-3.2</b>
20 - Supplies and Materials	706	571	823	717	-107	-13.0
30 - Energy, Comm. and Building Rentals	401	510	289	0	-289	-100.0
31 - Telephone, Telegraph, Telegram, Etc.	975	887	986	0	-986	-100.0
32 - Rentals - Land and Structures	11,222	11,800	13,271	0	-13,271	-100.0
33 - Janitorial Services	108	110	180	0	-180	-100.0
34 - Security Services	1,895	1,214	631	0	-631	-100.0
35 - Occupancy Fixed Costs	316	208	280	0	-280	-100.0
40 - Other Services and Charges	8,718	8,363	7,899	8,672	773	9.8
41 - Contractual Services - Other	33,671	26,816	40,382	38,094	-2,288	-5.7
70 - Equipment and Equipment Rental	1,419	3,257	1,378	721	-657	-47.7
91 - Expense Not Budgeted Others	-5,011	0	0	0	0	N/A
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>54,420</b>	<b>53,736</b>	<b>66,119</b>	<b>48,204</b>	<b>-17,915</b>	<b>-27.1</b>
<b>Gross Funds</b>	<b>141,055</b>	<b>141,817</b>	<b>150,282</b>	<b>129,671</b>	<b>-20,610</b>	<b>-13.7</b>

\*Percent Change is based on whole dollars.

## Program Description

The Office of the Chief Financial Officer operates through the following 9 programs:

**Financial Operations and Systems** - provides for the District's accounting operations, including critical functions such as District-wide general ledger accounting, financial reporting, and pay and retirement services. The program is responsible for producing the CAFR, which represents the District's financial position at the end of each fiscal year. The program is also responsible for developing accounting policies and procedures, policies that support the System of Accounting and Reporting (SOAR), the District's formal "book of record," as well as policies and procedures for other areas of financial management throughout the OCFO.

This program contains the following 7 activities:

- **Operations and Administration** - provides leadership, general program management, personnel, procurement, automated accounting system access security, fixed asset accountability and other logistical support services to OFOS staff, so that they can provide general accounting services, specialized accounting systems management, payroll, financial reporting, accounting policies and procedures, and benefits administration for employees, agencies, and District leaders for their use in decision making. Additionally, this activity provides citizens with financial information so that they can keep abreast of the District's financial position;
- **Accounting Operations** – provides District-wide General Ledger accounting in order to maintain the official "automated book of record" on which the current financial position of the District can be ascertained by local District elected and appointed leaders, Congress, District agencies (directors, financial managers, and employees), public and private financial communities, and the general public. This ensures timely and accurate information on the District's financial position and facilities by decision makers of all parties;
- **Financial Policy and Procedures** – provides recorded references for standard government accounting practices (policies and theories) and guides for operation (procedures and process

flows) for the District's daily accounting functions and the supporting automated system of record, to ensure that accounting and financial managers and their staff have the information required to do their job;

- **Accounting Systems Management/Functional Integration** – provides related training, expertise and assistance on the automated accounting system, coupled with generally accepted accounting principles, for the central OCFO cluster employees and agency financial staff so that they can improve the performance of daily recording the accounting transactions and reporting of financial position within their agencies/activities;
- **Financial Control and Reporting** – provides statements of financial position for the Mayor, Council of the District of Columbia, Congress, District managers, rating agencies and the general public so that informed decisions can be made based on timely and accurate financial information;
- **Federal Annuitant Benefits Administration** – provides annuity payments and related benefits for former and retired Federal law enforcement officers, including accurate and timely annuity checks and retirement statements; and
- **Payroll Disbursements and Wage Reporting** – provides a record of compensation and related payments for District employees so that they receive an accurate and timely paycheck

**Budget Development and Execution (BDE)** – provides for the preparation, monitoring, analyzing, and executing of the District government's budget, including operating, capital, and enterprise funds, in a manner that facilitates fiscal integrity and maximizes services to taxpayers. The BDE program also provides advice to policy makers on the District government's budget and has primary responsibility for expenditure forecasts.

This program contains the following 4 activities:

- **Executive Direction and Support** - provides general program management, leadership, technical assistance, and support services to the Office of Budget and Planning (OBP) staff and other District government personnel so that they can provide financial planning, budgetary, perfor-

mance, and cost analysis for decision makers to allow them to make effective decisions and achieve strategic goals. It also provides citizens with information so that they are informed on financial issues;

- **Financial Planning and Analysis** - provides monitoring and analysis of the District's budget and expenditures including spending pressures; provides staffing for the District's Anti-Deficiency Board; and provides guidance, development and coordination for the District's Financial Review Process, budget modification process, intra-District process, and other reporting functions;
- **Operating Budget Formulation and Development** – provides for the formulation and execution of the District's annual Operating Budget, as well as other financial and budgetary services to the Mayor and Council on a timely and accurate basis in order to make informed decisions regarding allocating District operating resources amongst policy priorities; and
- **Capital Budget Formulation and Development** – provides detailed review of the available financing and aligns it with the District's annual capital funds budget authority, as well as other financial and budgetary services to the Mayor and Council on a timely and accurate basis in order to make informed decisions regarding allocating District capital resources amongst policy priorities.

**Research and Analysis** - provides revenue estimation and revenue policy analysis and analysis supporting economic development. The program area is divided into two offices, both of which report directly to the CFO: the Office of Revenue Analysis (ORA) and Economic Development Finance (EDF). ORA services include the preparation of (i) an analysis of revenue sources and development quarterly revenue estimates that set the hard budget constraint for the District of Columbia budget; (ii) fiscal impact statements, which provide estimates of direct costs to the four-year financial plan; (iii) periodic reports on the Economic and Revenue Trends and the monthly Economic Indicators for the District of Columbia; (iv) the Revenue chapter that is incorporated into each annual Budget and Financial Plan that is prepared by the District of Columbia; and (v) special studies including metropolitan and nationwide household tax burden comparisons, a bi-annual Tax

Expenditure Study detail on statutory provisions of District taxes, a running historical update of major changes in DC revenue laws, an Annual Revenue Data Book, the monthly Cash Report of District tax collections and, in FY 2009, a system for the overall tracking of the American Recovery and Reinvestment Act of 2009 (ARRA).

EDF is responsible for analyzing the financial feasibility of economic development projects in the District and for advising the CFO and Mayor on proposed economic development debt issuances. EDF coordinates with ORA to provide fiscal impact analysis on proposed tax-supported financings, land transfers, and economic development projects; and in cooperation with ORA and OFT, provides analysis of bond financing provisions in ARRA.

This program contains the following 5 activities:

- **Executive Direction and Support** - provides general program management, leadership, technical assistance, and support services to staff, so that they can provide research and analytical services on revenue and economic data and analysis of fiscal and administrative impacts to decision-makers;
- **Revenue Estimation** - provides economic and revenue data and analysis and District tax structure data and analysis to the Mayor, Council, and Congress, so that they have timely and quality information for policy formulation and decision-making;
- **Economic Development** - provides analysis of fiscal, economic, financial, and/or administrative impacts of real estate projects to the Chief Financial Officer, the Mayor, the Deputy Mayor for Planning and Economic Development, and the Council so that they can appropriately assess economic development initiatives and ensure maximum economic benefit to the city;
- **Legislative and Fiscal Analysis** - provides legislative fiscal impact analysis for the Mayor, the Council, and Congress, so that they have timely and quality information for policy formulation and decision-making; and
- **Economic Affairs** - develops and presents documents detailing the economic and revenue affairs of the District of Columbia to other components of the OCFO, the Mayor, the Council, and Congress so that they have timely and quality

information for policy formulation and decision-making.

**Tax Administration** - provides fair, efficient, and effective administration of the District's business, income, excise, and real property tax laws. The tax administration program is divided into the following core activities: external customer service, deed recordation, real property tax assessment, tax audits and investigations, revenue accounting, and receipts and collections.

This program contains the following 7 activities:

- **Executive Direction and Support** - provides general program management, leadership and support services to the Tax Administration program so that it can coordinate comprehensive tax services to District taxpayers and ensure that the District is collecting the appropriate amount of tax revenue;
- **External Customer Service, Information, and Education** – provides customer service composed of the walk-in and telephone customer service centers, which assist approximately 300,000 taxpayers annually, and works to resolve the most complex tax cases. This activity also consists of the development and distribution of public tax forms, support of various electronic tax filing and payment options, including electronic self-service and account management functions, initiating and responding to mail correspondence with taxpayers, and tax registration and certification;
- **Recorder of Deeds** – provides support for the transfer and titling of real property in the District of Columbia, and responds to requests for title documents from individuals and the real estate/real estate title industry;
- **Real Property Tax Administration** – provides for the assessment and billing of real property taxes and first level assessment appeals;
- **Tax Audits and Investigations** - provides tax compliance by identifying potential non-filers and performing other tax compliance checks to ensure that the District is collecting the correct amount of tax due from all taxpayers. This activity also identifies and investigates cases of tax fraud;
- **Revenue Accounting** - provides for the proper accounting and reporting on revenue collections, and supports issuance of tax refunds; and

- **Receipts and Delinquent Collections** – provides for the processing of more than a million tax returns annually, and the recording and prompt deposit of billions in tax payments. This includes a total collection of delinquent tax payments.

**Information Technology (IT)** - provides for the development and maintenance of state-of-the-art financial information systems for the District of Columbia's payroll, pensions, accounting, tax, and Executive Information systems. The principal objectives of the program are to maintain accurate systems, modify systems in response to the changing needs of the District, and maintain compliance with federal, state and local regulations.

**Office of Finance and Treasury (OFT)** - provides management for the financial assets and liabilities of the Government of the District of Columbia. This includes investing, receiving, safe-keeping, disbursing, recording, and acquiring District financial resources. The program is divided into the following core activities: debt management, (transaction) operations and banking management, and asset management.

This program contains the following 6 activities:

- **Executive Direction and Support** - provides leadership, strategic direction, and administrative support services to department managers and employees so that they can achieve organizational and individual performance results;
- **Debt and Grants Management** - provides for the issuance of bonds, notes, and other financing vehicles for the District so that it can finance capital infrastructure projects and seasonal cash needs; and manages the cash and accounting aspects of District agencies' Federal grant draw-downs;
- **Cash Management and Investment** - provides for the management of the cash resources of the District so that the District can meet its cash obligations and maximize return on investments;
- **Asset Management** - provides for the management of the District's pension plans, college savings plan, and unclaimed property;
- **Disbursement Management** - provides check printing and disbursement services for District agencies so that they can fulfill their financial obligations; and

- **Cash Receipts and Accounting** - provides revenue collection services, including cashiering at various city sites, and recordation and accounting of such receipts for District agencies.

**Office of Integrity and Oversight (OIO)** - ensures that accountability, integrity, and efficiency are maintained in the District of Columbia's financial management and tax administration systems. Through its audit and investigative activities, OIO provides the Chief Financial Officer with an independent review and appraisal of OCFO operations and assures the maintenance of the highest standards of integrity and security of OCFO employees.

This program contains the following 3 activities:

- **Audit Services** - provides audit and review services to assist the District's financial managers in the promotion of integrity, efficiency, and effectiveness in District programs; manages the review and response to external audit reports; and coordinates District single audits and management letter comments for District agencies so that they can improve operations;
- **Security Integrity Oversight** - provides security and integrity oversight for the OCFO by administering the emergency response program for the OCFO and conducting integrity probes and integrity awareness presentations aimed at detecting and preventing fraud and other misconduct in OCFO programs; and
- **Investigations** - maintains public confidence in the integrity of the OCFO by investigating alleged misconduct by OCFO employees, as well as by conducting background investigations to determine suitability for employment. This investigative service provides reports to OCFO management so that they can take administrative action as appropriate.

**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.

**Agency Financial Operations** - provides comprehensive and efficient financial management services to, and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This program is standard for all agencies using performance-based budgeting.

### **Program Structure Change**

The Office of the Chief Financial Officer had no program structure changes in the FY 2011 Proposed Budget.



## FY 2011 Proposed Operating Budget and FTEs, by Program and Activity

Table AT0-4 contains the proposed FY 2011 budget by program and activity compared to the FY 2010 approved budget. It also provides FY 2009 actual data.

**Table AT0-4**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010
<b>(1000) Agency Management Program</b>								
(1010) Personnel	1,578	1,546	1,456	-89	14.1	15.0	14.0	-1.0
(1015) Training and Employee Development	623	538	527	-11	4.8	4.0	4.0	0.0
(1020) Contracting and Procurement	1,164	1,112	1,155	43	9.8	11.0	12.0	1.0
(1030) Property Management	782	1,559	802	-757	9.3	9.0	10.0	1.0
(1060) Legal Services	2,121	1,972	1,937	-35	15.0	14.0	14.0	0.0
(1080) Communications	382	356	266	-90	2.8	3.0	2.0	-1.0
(1090) Performance Management	2,058	1,417	1,386	-31	8.6	8.0	9.0	1.0
<b>Subtotal (1000) Agency Management Program</b>	<b>8,707</b>	<b>8,500</b>	<b>7,530</b>	<b>-971</b>	<b>64.4</b>	<b>64.0</b>	<b>65.0</b>	<b>1.0</b>
<b>(100F) Agency Financial Operations</b>								
(110F) Budget Operations	643	672	643	-29	4.7	5.0	5.0	0.0
(120F) Accounting Operations	396	374	344	-30	4.7	5.0	4.0	-1.0
<b>Subtotal (100F) Agency Financial Operations</b>	<b>1,040</b>	<b>1,046</b>	<b>987</b>	<b>-59</b>	<b>9.4</b>	<b>10.0</b>	<b>9.0</b>	<b>-1.0</b>
<b>(2000) Financial Operations and Systems</b>								
(2100) Operations and Administration	256	2,420	972	-1,448	5.7	7.0	8.0	1.0
(2200) Accounting Operations	3,862	1,985	2,004	20	17.9	19.0	21.0	2.0
(2300) Financial Policies and Procedures	910	902	505	-397	6.7	8.0	4.0	-4.0
(2400) ASM/Functional Support	3,251	2,115	80	-2,035	22.0	17.0	0.0	-17.0
(2500) Financial Control and Reporting	507	983	2,598	1,615	3.7	7.0	24.0	17.0
(2600) Benefits Administration	1,050	883	750	-133	9.2	10.0	8.0	-2.0
(2700) Payroll Disbursements and Wage Reporting	3,792	3,897	4,312	415	31.6	31.0	33.0	2.0
(2800) Accounting Systems Administration	677	0	0	0	5.9	0.0	0.0	0.0
<b>Subtotal (2000) Financial Operations and Systems</b>	<b>14,306</b>	<b>13,185</b>	<b>11,221</b>	<b>-1,964</b>	<b>102.7</b>	<b>99.0</b>	<b>98.0</b>	<b>-1.0</b>
<b>(3000) Budget Development and Execution</b>								
(3100) Executive Direction and Support	1,328	1,690	1,708	18	8.5	12.0	12.0	0.0
(3200) Financial and Policy Analysis	575	0	0	0	3.8	0.0	0.0	0.0
(3300) Budget Formulation and Development	2,934	0	0	0	24.1	0.0	0.0	0.0
(3400) Financial Planning and Analysis	275	771	538	-233	1.8	5.0	4.0	-1.0
(3500) Information and Systems Management	866	0	0	0	6.4	0.0	0.0	0.0
(3600) Strategic Budgeting	103	0	0	0	0.6	0.0	0.0	0.0
(3700) Operating Budget Formulation and Develop	34	2,574	2,405	-168	1.3	23.0	23.0	0.0
(3800) Capital Budget Formulation and Development	194	777	765	-12	0.0	6.0	6.0	0.0
<b>Subtotal (3000) Budget Development and Execution</b>	<b>6,309</b>	<b>5,812</b>	<b>5,416</b>	<b>-396</b>	<b>46.6</b>	<b>46.0</b>	<b>45.0</b>	<b>-1.0</b>

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**Table AT0-4 (Continued)**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010
<b>(4000) Research and Analysis</b>								
(4100) Executive Direction and Support	890	901	653	-248	2.9	3.0	3.0	0.0
(4300) Revenue Estimation	947	1,040	927	-113	10.6	9.0	9.0	0.0
(4500) Economic Development	782	750	703	-47	5.6	5.0	5.0	0.0
(4700) Legislative and Fiscal Analysis	584	634	683	49	4.6	5.0	6.0	1.0
(4800) Economic Affairs	510	568	594	27	3.5	4.0	4.0	0.0
<b>Subtotal (4000) Research and Analysis</b>	<b>3,713</b>	<b>3,893</b>	<b>3,560</b>	<b>-333</b>	<b>27.2</b>	<b>26.0</b>	<b>27.0</b>	<b>1.0</b>
<b>(5000) Tax Administration</b>								
(5100) Executive Direction and Support	24,549	11,175	3,493	-7,682	30.0	22.0	21.0	-1.0
(5200) External Customer Service Information	7,618	6,976	6,777	-199	75.7	78.0	79.0	1.0
(5300) Recorder of Deeds	2,555	4,448	3,040	-1,408	24.4	26.0	26.0	0.0
(5400) Real Property Tax Administration	7,543	8,160	7,689	-471	74.1	83.0	78.0	-5.0
(5500) Tax Audits and Investigations	8,788	9,059	8,212	-846	88.5	97.8	90.0	-7.8
(5600) Revenue Accounting	4,443	1,807	1,873	66	36.6	19.0	19.0	0.0
(5700) Receipts and Delinquent Collections	14,889	26,446	26,420	-27	156.7	171.0	169.0	-2.0
<b>Subtotal (5000) Tax Administration</b>	<b>70,386</b>	<b>68,071</b>	<b>57,504</b>	<b>-10,567</b>	<b>486.1</b>	<b>496.8</b>	<b>482.0</b>	<b>-14.8</b>
<b>(6000) Information Technology</b>								
(6100) Information Technology Support	16,435	23,937	21,626	-2,311	48.6	86.0	82.0	-4.0
<b>Subtotal (6000) Information Technology</b>	<b>16,435</b>	<b>23,937</b>	<b>21,626</b>	<b>-2,311</b>	<b>48.6</b>	<b>86.0</b>	<b>82.0</b>	<b>-4.0</b>
<b>(7000) Finance and Treasury</b>								
(7100) Executive Direction and Support	2,047	2,122	1,071	-1,051	6.4	7.0	6.0	-1.0
(7200) Debt Management	748	940	794	-145	3.8	5.0	5.0	0.0
(7300) Cash Management and Investments	4,053	7,152	4,993	-2,159	6.9	8.0	8.0	0.0
(7400) Disbursements	3,591	3,526	3,493	-32	11.1	11.0	11.0	0.0
(7500) Cash Receipts and Accounting	3,035	2,962	2,879	-83	32.6	36.0	34.0	-2.0
(7600) Asset Management for Special Programs	2,209	4,255	4,128	-127	10.0	11.0	11.0	0.0
<b>Subtotal (7000) Finance and Treasury</b>	<b>15,683</b>	<b>20,956</b>	<b>17,358</b>	<b>-3,598</b>	<b>70.7</b>	<b>78.0</b>	<b>75.0</b>	<b>-3.0</b>
<b>(8000) Integrity and Oversight</b>								
(8100) Audit Services	3,786	3,450	3,029	-421	12.8	13.0	12.0	-1.0
(8200) Security Integrity Oversight	458	600	600	0	2.9	3.0	3.0	0.0
(8300) Investigations	996	831	840	9	7.5	7.0	7.0	0.0
<b>Subtotal (8000) Integrity and Oversight</b>	<b>5,240</b>	<b>4,881</b>	<b>4,470</b>	<b>-411</b>	<b>23.2</b>	<b>23.0</b>	<b>22.0</b>	<b>-1.0</b>
<b>(9960) Year End Close</b>								
(9960) Year End Close	-1.0	0	0	0	0.0	0.0	0.0	0.0
<b>Subtotal (9960) Year End Close</b>	<b>-1.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Proposed Operating Budget</b>	<b>141,817</b>	<b>150,282</b>	<b>129,671</b>	<b>-20,610</b>	<b>879.0</b>	<b>928.8</b>	<b>905.0</b>	<b>-23.8</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**Note:** For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2011 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## **FY 2011 Proposed Budget Changes**

**Intra-Agency Adjustments:** In FY 2011, the Office of the Chief Financial Officer (OCFO) will increase Local funding by \$1,077,420 to fund increases in fringe benefits costs. The following adjustments will be made in Special Purpose Revenue funds: a net increase of \$265,259 due to fee changes related to payroll services and tax penalties, which includes the increase of 1.2 FTEs; and a net increase of \$249,790 to fund payroll services for independent District agencies, which includes an increase of 3.0 FTEs. The following adjustments will be made in intra-District funds: an increase of \$85,097 to cover increases in health benefit fees and audit services, and an additional 1.0 FTE.

**Transfers In/Out:** The Office of the Chief Financial Officer will transfer out \$13,014,066 in facility and telecom fixed costs to the new fixed costs agency and the Office of Finance and Resource Management in FY 2011.

**Cost Savings:** The Office of the Chief Financial Officer will decrease Local funding by \$4,156,704 due to the elimination of 30.0 FTEs and by \$1,799,170 due to reductions in supplies, equipment, and contractual costs across several programs. In addition, the OCFO will save \$1,435,000 in Special Purpose Revenue funds due to the finalization of a scanning contract in Tax Administration program; \$39,316 due to reductions for tobacco revenue collection, fees for dishonored check processing, and administration of the District's retirement contribution plan; \$145,822 by reducing funding for property contingency contracts; and \$2,181,000 by reducing contractual services costs for bank fee collections and payroll fees.

**Policy Initiatives:** Pursuant to the "Vacant Property Disincentivization Act of 2010", the FY 2011 OCFO Local funds budget will increase by \$85,768 and 1.0 FTE and \$90,000 to support certain administrative costs within the Office of Tax Administration to implement the Act.

## FY 2010 Approved Budget to FY 2011 Proposed Budget, by Revenue Type

Table AT0-5 itemizes the changes by revenue type between the FY 2010 approved budget and the FY 2011 proposed budget.

**Table AT0-5**

(dollars in thousands)

	PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2010 Approved Budget and FTE</b>		<b>105,866</b>	<b>750.5</b>
Enhance: Implementation of the Vacant Property Disincentivization Act of 2010	Tax Administration	86	1.0
Reduce: Personal Services for 30.0 FTEs	Multiple Programs	-4,157	-30.0
Shift: Align Nonpersonal Services to absorb reductions	Multiple Programs	-1,799	0.0
Cost Increase: Adjust fringe benefits based on historical growth rate	Multiple Programs	1,077	0.0
Transfer Out: Transfer facility and telecom fixed costs to new fixed cost agency and OFRM	Agency Management Program	-13,014	0.0
Reduce: Hold salary steps constant	Multiple Programs	-302	0.0
Enhance: Operational cost of the Vacant Property Disincentivization Act of 2010	Tax Administration	90	0.0
<b>LOCAL FUNDS: FY 2011 Proposed Budget and FTE</b>		<b>87,847</b>	<b>721.5</b>
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2010 Approved Budget and FTE</b>		<b>37,483</b>	<b>135.8</b>
Cost Decrease: Scanning contract completion	Tax Administration	-1,435	0.0
Cost Increase: Special services payroll fee increase	Financial Operations and Systems	79	0.0
Cost Decrease: Decrease in fees for dishonored checks	Multiple Programs	-3	0.0
Reduce: Decrease in match for tobacco revenue collection	Tax Administration	-31	0.0
Cost Decrease: Fee for administering contribution plan	Finance and Treasury	-5	0.0
Cost Increase: Tax penalty fee increase	Tax Administration	184	1.0
Cost Increase: Fee increase to DC Lottery for OCFO management	Agency Management Program	39	0.0
Cost Increase: OPEB trust management increase	Finance and Treasury	2	0.0
Cost Decrease: Property contingency contracts	Finance and Treasury	-146	0.0
Correct: Payroll services to independent DC agencies	Financial Operations and Systems	210	3.0
Cost Decrease: Contract associated with bank fee collection	Finance and Treasury	-2,181	0.0
Reduce: Hold salary steps constant	Multiple Programs	-157	0.0
Correct: Correct-adjustment to align position	Tax Administration	0	0.2
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Proposed Budget and FTE</b>		<b>34,040</b>	<b>140.0</b>
<b>INTRA-DISTRICT FUNDS: FY 2010 Approved Budget and FTE</b>		<b>6,933</b>	<b>42.5</b>
Cost Increase: Health benefits fee and single audit contract increases	Multiple Programs	826	0.0
Reduce: Hold salary steps constant	Multiple Programs	-13	0.0
Correct: Align personal services position	Tax Administration	39	1.0
<b>INTRA-DISTRICT FUNDS: FY 2011 Proposed Budget and FTE</b>		<b>7,784</b>	<b>43.5</b>
<b>Gross for AT0 - Office of the Chief Financial Officer</b>		<b>129,671</b>	<b>905.0</b>