
Office of Finance and Resource Management

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Description	FY 2010 Actual	FY 2011 Approved	FY 2012 Proposed	% Change from FY 2011
Operating Budget	\$254,494,915	\$32,828,815	\$31,056,301	-5.4
FTEs	50.9	48.0	42.0	-12.5

The mission of the Office of Finance and Resource Management (OFRM) is to provide financial and resource management services to various District of Columbia government agencies. OFRM will promote the effective management of the District's resources by continuously seeking improvements in operational efficiency on behalf of the government and the residents of the District.

The agency's FY 2012 proposed budget is presented in the following tables:

FY 2012 Proposed Gross Funds Operating Budget, by Revenue Type

Table AS0-1 contains the proposed FY 2012 agency budget compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table AS0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
General Fund						
Local Funds	4,444	4,297	18,357	19,068	711	3.9
Special Purpose Revenue Funds	0	0	271	226	-45	-16.5
Total for General Fund	4,444	4,297	18,628	19,294	666	3.6
Intra-District Funds						
Intra-District Funds	252,198	250,197	14,201	11,762	-2,439	-17.2
Total for Intra-District Funds	252,198	250,197	14,201	11,762	-2,439	-17.2
Gross Funds	256,642	254,495	32,829	31,056	-1,773	-5.4

*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 FY 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Full-Time Equivalents, by Revenue Type

Table AS0-2 contains the proposed FY 2012 FTE level compared to the FY 2011 approved FTE level by revenue type. It also provides FY 2009 and FY 2010 actual data.

Table AS0-2

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change
General Fund						
Local Funds	39.2	46.5	40.2	37.6	-2.6	-6.5
Total for General Fund	39.2	46.5	40.2	37.6	-2.6	-6.5
Intra-District Funds						
Intra-District Funds	4.7	4.3	7.8	4.4	-3.4	-43.9
Total for Intra-District Funds	4.7	4.3	7.8	4.4	-3.4	-43.9
Total Proposed FTEs	44.0	50.9	48.0	42.0	-6.0	-12.5

FY 2012 Proposed Operating Budget, by Comptroller Source Group

Table AS0-3 contains the proposed FY 2012 budget at the Comptroller Source Group (object class) level compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table AS0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
11 - Regular Pay - Cont Full Time	3,724	3,764	3,847	3,615	-232	-6.0
12 - Regular Pay - Other	67	28	24	0	-24	-100.0
13 - Additional Gross Pay	59	11	0	0	0	N/A
14 - Fringe Benefits - Curr Personnel	667	789	784	801	17	2.2
15 - Overtime Pay	3	8	0	0	0	N/A
Subtotal Personal Services (PS)	4,520	4,600	4,655	4,416	-239	-5.1
20 - Supplies and Materials	49	25	18	6	-12	-64.3
30 - Energy, Comm. and Bldg Rentals	96,534	97,709	0	0	0	N/A
31 - Telephone, Telegraph, Telegram, Etc.	29,148	26,974	28,062	26,632	-1,430	-5.1
32 - Rentals - Land and Structures	126,119	124,940	0	0	0	N/A
33 - Janitorial Services	16	30	0	0	0	N/A
34 - Security Services	27	21	0	0	0	N/A
35 - Occupancy Fixed Costs	62	37	0	0	0	N/A
40 - Other Services and Charges	125	138	88	1	-87	-98.6
41 - Contractual Services - Other	36	0	0	0	0	N/A
70 - Equipment and Equipment Rental	7	20	6	0	-6	-100.0
Subtotal Nonpersonal Services (NPS)	252,122	249,895	28,174	26,640	-1,534	-5.4
Gross Funds	256,642	254,495	32,829	31,056	-1,773	-5.4

*Percent change is based on whole dollars.

Program Description

The Office of Finance and Resource Management operates through the following 3 programs:

Financial Management - provides financial management services to enable agencies to accomplish programmatic goals and ensure financial health and positive recognition of the agency and the District of Columbia government.

This program contains the following 5 activities:

- **Accounting** – provides accounts payable and accounts receivable services to cluster agencies; processes all vendor invoice payments ensuring that the provisions of the District’s Quick Payment Act are adhered to; reconciles all agency-controlled cash accounts; processes all check payments and cash receipts within 24 hours; processes accounting journal entries for cluster agencies and records all financial events in the accounting system within the required timeframes; manages and directs the monthly, interim, and annual closings; and completes cash drawdowns for agencies with federal grant programs;
- **Budget Formulation and Planning** – provides and develops the annual budgets in conjunction with the cluster agencies; provides budget execution, financial analysis, forecasting, and reporting functions on behalf of the agencies in the cluster; and approves and tracks all agency obligations and commitments;
- **Grants** – provides budget modifications and reprogrammings; monitors grant expiration dates in order to limit the occurrence of lapsed grants; and completes required grant budget and expenditure reports;
- **Capital** – provides financial management services to capital programs for agencies within the cluster; assists with budget formulation and spending plan development; monitors and approves obligations and commitments; monitors project expenditures; and prepares funding certifications upon request; and
- **Fixed Costs** – provides timely and accurate fixed costs payments to District vendors and ensures that expenditures are accurately billed to the applicable cluster agency.

Resource Management - performs due diligence analysis to identify financial waste and abuse and accounts for the use of all dollars expended from budgets of client agencies that are related to fixed costs.

This program contains the following activity:

- **Resource Management/Fixed Costs/ information technology** – provides an independent set of controls and reviews for the fixed cost products and services invoiced to the District of Columbia government; monitors and maintains the fixed cost management system; assists with the procurement of technical assets and services; performs technical review of agency requests; and certifies telecom inventory.

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.

Program Structure Change

The Office of Finance and Resource Management has no program structure changes in the FY 2012 Proposed Budget.

FY 2012 Proposed Operating Budget and FTEs, by Program and Activity

Table AS0-4 contains the proposed FY 2012 budget by program and activity compared to the FY 2011 approved budget. It also provides the FY 2010 actual data.

Table AS0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011
(1000) Agency Management Program								
(1015) Training and Employee Development	24	0	0	0	0.0	0.0	0.0	0.0
(1030) Property Management	192	14,432	15,154	722	0.0	0.0	0.0	0.0
(1050) Financial Management	148	105	6	-99	0.0	0.0	0.0	0.0
(1070) Fleet Management	3	6	1	-5	0.0	0.0	0.0	0.0
(1080) Communications	613	584	560	-25	7.3	6.6	5.6	-1.0
Subtotal (1000) Agency Management Program	979	15,129	15,721	593	7.3	6.6	5.6	-1.0
(2000) Financial Management								
(2100) Accounting	1,392	1,415	1,246	-170	14.0	16.2	12.6	-3.6
(2200) Budget Formulation and Planning	1,761	1,659	1,902	243	19.1	15.8	16.8	1.0
(2300) Grants	86	82	53	-28	1.0	1.0	1.0	0.0
(2400) Capital	210	344	68	-276	2.6	3.4	1.0	-2.4
(2500) Fixed Cost	249,531	13,630	11,478	-2,151	0.0	0.0	0.0	0.0
Subtotal (2000) Financial Management	252,980	17,130	14,747	-2,383	36.7	36.4	31.4	-5.0
(3000) Resource Management								
(3100) Resource Management	536	570	588	18	6.9	5.0	5.0	0.0
Subtotal (3000) Resource Management	536	570	588	18	6.9	5.0	5.0	0.0
Total Proposed Operating Budget	254,495	32,829	31,056	-1,773	50.9	48.0	42.0	-6.0

(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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Budget Changes

Intra-Agency Adjustments: The Office of Finance and Resource Management (OFRM) made adjustments for telecommunication costs, salary and fringe benefits, and nonpersonal services including equipment, resulting in a net increase of \$745,857 in Local funds, and a decrease of 2.6 FTEs. To address the current burn rate and future forecasted spending in the Financial Management program, the agency has decreased funds by \$44,568 and \$2,106,807 in Special Purpose Revenue and Intra-District funds, respectively.

The agency has budgeted \$26,632,219 in District-wide telecommunications costs, including landline, wireless and data services for many District agencies. The \$26,632,219 includes \$15,154,080 in Local funds, \$11,252,101 in Intra-District funds collected from other agencies, and \$226,038 in Special Purpose Revenue funds. To simplify and improve cost accounting for telecommunications costs, Local funds for telecommunications for most agencies has been budgeted directly in OFRM. In prior years, about 70 agencies budgeted for telecom costs individually and then transferred funds to OFRM during the fiscal year. Agencies that pay for telecommunications services using Special Purpose Revenue or Federal funds will continue to budget for these costs within the agency budget and transfer funds to OFRM in FY 2012.

Transfers In/Out: The adjustments made in Local funds include \$34,932 to accommodate the Office of the Chief Technology Officer assessment. In addition, \$332,065 and 3.4 capital FTEs were transferred to the Department of General Services (DGS).

FY 2011 Approved Budget to FY 2012 Proposed Budget, by Revenue Type

Table AS0-5 itemizes the changes by revenue type between the FY 2011 approved budget and the FY 2012 proposed budget.

Table AS0-5

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2011 Approved Budget and FTE		18,357	40.2
Cost Increase: Net increase for telecommunication costs, adjustments for salary and fringe, nonpersonal services adjustments and reduction of one-time costs in equipment	Multiple Programs	746	-2.6
FY 2012 Initial Adjusted Budget		19,103	37.6
Transfer Out: Transfer information technology assessment to OCTO	Agency Management Program	-35	0.0
LOCAL FUNDS: FY 2012 Proposed Budget and FTE		19,068	37.6
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Approved Budget and FTE		271	0.0
Cost Decrease: Based on current burn rate and future forecasted spending	Agency Management Program	-45	0.0
FY 2012 Initial Adjusted Budget		226	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Proposed Budget and FTE		226	0.0
INTRA-DISTRICT FUNDS: FY 2011 Approved Budget and FTE		14,201	7.8
Transfer Out: Capital FTEs transferred to DGS	Financial Management	-332	-3.4
Cost Decrease: Based on current burn rate and future forecasted spending	Agency Management Program	-2,107	0.0
FY 2012 Initial Adjusted Budget		11,762	4.4
INTRA-DISTRICT FUNDS: FY 2012 Proposed Budget and FTE		11,762	4.4
Gross for AS0 - Office of Finance and Resource Management		31,056	42.0

