

Employees' Compensation Fund

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Telephone: 202-727-8600

Table BG0-1

Description	FY 2018	FY 2019	FY 2020	FY 2021	% Change
	Actual	Actual	Approved	Approved	from FY 2020
OPERATING BUDGET	\$24,578,981	\$18,041,746	\$25,551,842	\$22,146,569	-13.3
FTEs	47.0	52.0	52.0	49.0	-5.8
CAPITAL BUDGET	\$0	\$0	\$0	\$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

The mission of the Employees' Compensation Fund is to provide fiscal resources to administer the Public Sector Workers' Compensation program for District of Columbia government employees and to pay the required claims costs of eligible claimants, pursuant to applicable District laws.

Summary of Services

The agency's FY 2021 approved budget is presented in the following tables:

FY 2021 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table BG0-2 contains the approved FY 2021 budget by revenue type compared to the FY 2020 approved budget. It also provides FY 2018 and FY 2019 actual data.

Table BG0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands							Full-Time Equivalents					
	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change		Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change		
					from FY 2020	% Change*					from FY 2020	% Change	
GENERAL FUND													
Local Funds	24,579	18,042	25,552	22,147	-3,405	-13.3	47.0	52.0	52.0	49.0	-3.0	-5.8	
TOTAL FOR GENERAL FUND	24,579	18,042	25,552	22,147	-3,405	-13.3	47.0	52.0	52.0	49.0	-3.0	-5.8	
GROSS FUNDS	24,579	18,042	25,552	22,147	-3,405	-13.3	47.0	52.0	52.0	49.0	-3.0	-5.8	

*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 2021 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2021 Approved Operating Budget, by Comptroller Source Group

Table BG0-3 contains the approved FY 2021 budget at the Comptroller Source Group (object class) level compared to the FY 2020 approved budget. It also provides FY 2018 and FY 2019 actual expenditures.

Table BG0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Percentage Change*
11 - Regular Pay - Continuing Full Time	285	1,585	1,639	2,171	532	32.4
12 - Regular Pay - Other	15,701	14,047	15,738	13,231	-2,507	-15.9
13 - Additional Gross Pay	0	36	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	2,198	2,350	3,202	2,280	-921	-28.8
15 - Overtime Pay	0	0	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	18,184	18,019	20,579	17,682	-2,897	-14.1
20 - Supplies and Materials	1,026	1,079	1,510	1,024	-486	-32.2
40 - Other Services and Charges	5,516	-1,100	3,463	3,440	-22	-0.6
50 - Subsidies and Transfers	-148	0	0	0	0	N/A
70 - Equipment and Equipment Rental	0	46	0	0	0	N/A
SUBTOTAL NONPERSONAL SERVICES (NPS)	6,395	23	4,973	4,465	-508	-10.2
GROSS FUNDS	24,579	18,042	25,552	22,147	-3,405	-13.3

*Percent change is based on whole dollars.

FY 2021 Approved Operating Budget and FTEs, by Division/Program and Activity

Table BG0-4 contains the approved FY 2021 budget by division/program and activity compared to the FY 2020 approved budget. It also provides FY 2018 and FY 2019 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table BG0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020
(0010) DISABILITY COMPENSATION FUND										
(1000) Disability Compensation Fund	24,579	18,042	25,552	22,147	-3,405	47.0	52.0	52.0	49.0	-3.0
SUBTOTAL (0010) DISABILITY COMPENSATION FUND	24,579	18,042	25,552	22,147	-3,405	47.0	52.0	52.0	49.0	-3.0
TOTAL APPROVED OPERATING BUDGET	24,579	18,042	25,552	22,147	-3,405	47.0	52.0	52.0	49.0	-3.0

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

Note: For more detailed information regarding the approved funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2021 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Program Description

The Employees' Compensation Fund operates through the following program:

Disability Compensation Fund – is established by the District of Columbia Merit Personnel Act (D.C. Law 2-139, as amended). Payments are made to District employees, with eligible and verified claims, as compensation for lost wages, medical services related to workplace injuries, and return-to-work services such as vocational rehabilitation. In FY 2004, the administration of the Fund was transferred to the D.C. Office of Risk Management.

Program Structure Change

The Employees' Compensation Fund has no program structure changes in the FY 2021 approved budget.

FY 2020 Approved Budget to FY 2021 Approved Budget, by Revenue Type

Table BG0-5 itemizes the changes by revenue type between the FY 2020 approved budget and the FY 2021 approved budget. For a more comprehensive explanation of changes, please see the FY 2021 Approved Budget Changes section, which follows the table.

Table BG0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2020 Approved Budget and FTE		25,552	52.0
No Change		0	0.0
LOCAL FUNDS: FY 2021 Recurring Budget		25,552	52.0
Increase: To align resources with operational spending goals	Disability Compensation Fund	643	0.0
Decrease: To align personal services and Fringe Benefits with projected costs	Disability Compensation Fund	-514	0.0
Reduce: To recognize projected reduction in the number of claims	Disability Compensation Fund	-2,472	0.0
Transfer-Out/Reduce: To support Public Sector Workers Compensation and Indemnity benefits	Disability Compensation Fund	-665	0.0
LOCAL FUNDS: FY 2021 Mayor's Proposed Budget		22,543	52.0
Reduce: To recognize savings from a reduction in FTE(s)	Disability Compensation Fund	-396	-3.0
LOCAL FUNDS: FY 2021 District's Approved Budget		22,147	49.0
GROSS FOR BG0 - EMPLOYEES' COMPENSATION FUND		22,147	49.0

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

FY 2021 Approved Budget Changes

The Employees' Compensation Fund's (ECF) approved FY 2021 gross budget is \$22,146,569, which represents a 13.3 percent decrease from its FY 2020 approved gross budget of \$25,551,842. The budget is comprised entirely of Local funds.

Recurring Budget

No Change: The Employees' Compensation Fund's budget reflects no change from the FY 2020 approved budget to the FY 2021 recurring budget.

Mayor's Proposed Budget

Increase: The Employees' Compensation Fund's proposed Local funds budget reflects an increase of \$642,514, which will be used to support professional services and operational costs.

Decrease: In Local funds, the agency proposes a net decrease of \$514,087 in personal services costs, which is primarily due to Fringe Benefits adjustments.

Reduce: The Employees' Compensation Fund's proposal includes a net reduction of \$2,472,420 in the Disability Compensation program. This adjustment is comprised of: \$2,418,315 to recognize the reduction of claims based on FY 2019 actual expenditures and anticipated savings in personal and nonpersonal services, and \$54,105 to reflect projected savings in certain nonpersonal services costs.

Transfer-Out/Reduce: The Employees' Compensation Fund's proposed budget includes a transfer-out/reduction of \$665,000, of which \$250,000 reflects a transfer to the Office of Administrative Hearings to support the Public Sector Workers Compensation adjudication budget; \$400,000 reflects lower payments for medical benefits; and \$15,000 reflects nonpersonal services due to cost savings adjustments.

District's Approved Budget

Reduce: ECF's Local funds budget includes a reduction of \$396,280 to reflect the elimination of 3.0 vacant FTEs. This adjustment aligns the personal services budget with the agency's operational goals.