
Office of Finance and Resource Management

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Description	FY 2013 Actual	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$27,924,523	\$33,590,841	\$35,347,530	5.2
FTEs	39.2	42.0	44.0	4.8

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 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table AS0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table AS0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund						
Local Funds	16,536	19,154	19,665	21,203	1,539	7.8
Special Purpose Revenue Funds	0	0	0	506	506	N/A
Total for General Fund	16,536	19,154	19,665	21,709	2,044	10.4
Intra-District Funds						
Intra-District Funds	17,707	8,771	13,926	13,639	-288	-2.1
Total for Intra-District Funds	17,707	8,771	13,926	13,639	-288	-2.1
Gross Funds	34,243	27,925	33,591	35,348	1,757	5.2

*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 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Full-Time Equivalent, by Revenue Type

Table AS0-2 contains the proposed FY 2015 FTE level compared to the FY 2014 approved FTE level by revenue type. It also provides FY 2012 and FY 2013 actual data.

Table AS0-2

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change
General Fund						
Local Funds	35.1	34.5	37.0	38.0	1.0	2.7
Total for General Fund	35.1	34.5	37.0	38.0	1.0	2.7
Intra-District Funds						
Intra-District Funds	4.5	4.7	5.0	6.0	1.0	20.0
Total for Intra-District Funds	4.5	4.7	5.0	6.0	1.0	20.0
Total Proposed FTEs	39.6	39.2	42.0	44.0	2.0	4.8

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table AS0-3 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table AS0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
11 - Regular Pay - Continuing Full Time	3,389	3,512	3,781	4,140	359	9.5
12 - Regular Pay - Other	24	51	29	27	-3	-8.8
13 - Additional Gross Pay	12	1	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	737	732	956	1,075	118	12.4
15 - Overtime Pay	11	4	4	4	0	0.0
Subtotal Personal Services (PS)	4,172	4,299	4,771	5,246	474	9.9
20 - Supplies and Materials	15	31	30	30	0	0.0
31 - Telephone, Telegraph, Telegram, Etc.	29,796	23,283	28,653	29,934	1,281	4.5
40 - Other Services and Charges	201	191	122	123	1	0.7
41 - Contractual Services - Other	0	73	0	0	0	N/A
70 - Equipment and Equipment Rental	59	48	15	15	0	0.0
Subtotal Nonpersonal Services (NPS)	30,070	23,625	28,820	30,102	1,282	4.4
Gross Funds	34,243	27,925	33,591	35,348	1,757	5.2

*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 3 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; 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.

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 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table AS0-4 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget. It also provides the FY 2013 actual data.

Table AS0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Agency Management								
(1010) Personnel	0	0	303	303	0.0	0.0	3.1	3.1
(1020) Contracting and Procurement	2	0	97	97	0.0	0.0	0.9	0.9
(1030) Property Management	14,879	15,340	0	-15,340	0.0	0.0	0.0	0.0
(1040) Information Management	0	8	8	0	0.0	0.0	0.0	0.0
(1050) Financial Management	247	63	72	9	0.0	0.0	0.0	0.0
(1070) Fleet Management	2	1	2	1	0.0	0.0	0.0	0.0
(1080) Communications	628	612	6	-607	5.2	5.6	0.0	-5.6
(1085) Customer Service	0	0	137	137	0.0	0.0	2.0	2.0
(1090) Performance Management	0	0	623	623	0.0	0.0	3.0	3.0
Subtotal (1000) Agency Management	15,758	16,025	1,248	-14,777	5.2	5.6	9.0	3.4
(2000) Financial Management								
(2100) Accounting	1,639	1,592	1,924	332	13.2	13.6	18.0	4.4
(2200) Budget Formulation and Planning	1,590	2,097	1,806	-291	15.3	17.8	14.0	-3.8
(2300) Grants	98	91	0	-91	0.9	1.0	0.0	-1.0
(2500) Fixed Costs	8,197	13,313	29,929	16,616	0.0	0.0	0.0	0.0
Subtotal (2000) Financial Management	11,523	17,093	33,659	16,566	29.4	32.4	32.0	-0.4
(3000) Resource Management								
(3100) Resource Management	643	474	441	-33	4.6	4.0	3.0	-1.0
Subtotal (3000) Resource Management	643	474	441	-33	4.6	4.0	3.0	-1.0
Total Proposed Operating Budget	27,925	33,591	35,348	1,757	39.2	42.0	44.0	2.0

(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 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Office of Finance and Resource Management's (OFRM) proposed FY 2015 gross budget is \$35,347,530, which represents a 5.2 percent increase over its FY 2014 approved gross budget of \$33,590,841. The budget is comprised of \$21,203,360 in Local funds, \$505,527 in Special Purpose Revenue funds, and \$13,638,643 in Intra-District funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2014 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2015 CSFL adjustments to the FY 2014 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

OFRM's FY 2015 CSFL budget is \$19,931,213, which represents a \$266,609, or 1.4 percent, increase over the FY 2014 approved Local funds budget of \$19,664,604.

CSFL Assumptions

The FY 2015 CSFL calculated for OFRM included adjustment entries that are not described in detail on table 5. These adjustments were made for increases of \$262,598 in personal services to account for Fringe Benefit costs based on trend and comparative analyses and the impact of cost-of-living adjustments implemented in FY 2013, and \$4,011 in nonpersonal services based on the Consumer Price Index factor of 2.4 percent.

Agency Budget Submission

Increase: OFRM's proposed FY 2015 budget proposal for Local funds includes an increase of \$79,174 and 1.0 FTE in personal services primarily due to salary steps, Fringe Benefits, and other personal services adjustments. The agency will absorb the costs associated with the new Accounting Technician position. The proposed Intra-District funds budget includes a personal services increase of \$67,774 in the Financial Management program, mainly to support projected salary steps and Fringe Benefit adjustments.

Decrease: The agency's proposed Local funds budget reflects a net reduction of \$79,174 in multiple programs to align the Telecommunications budget with the agency's operational goals. This reduction is comprised of \$15,331,245 in the Agency Management program, partially offset by an increase of \$15,252,071 in the Financial Management program.

OFRM's proposed Intra-District fund budget was decreased by \$420,288 to account for four agencies whose Telecommunication service costs were previously paid for with Intra-District funds but whose costs are included in OFRM's Local budget in FY 2015.

Technical Adjustment: In FY 2015, the Local funds budget for OFRM reflects an increase of \$1,615,050 in the Financial Management program to reflect higher projections for telephone costs, which are driven by expansion of the communication infrastructure and client usage.

In the Special Purpose Revenue funds budget, an increase of \$505,527 is proposed to account for Telecommunication Fixed Costs from the Health Benefit Exchange Authority agency. Finally, in the Intra-District funds budget, an increase of \$65,000 and 1.0 FTE in the Financial Management program supports a Memorandum of Understanding (MOU) agreement between OFRM and the Department of General Services (DGS) to provide financial services.

Mayor's Proposed Budget

Reduce: In Local funds, OFRM's budget proposal decreased by \$342,903 in the Financial Management program to reflect a MOU agreement between OFRM and DGS to provide financial services.

District's Proposed Budget

No Change: The Office of Finance and Resource Management's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table AS0-5 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table AS0-5
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2014 Approved Budget and FTE		19,665	37.0
Other CSFL Adjustments	Multiple Programs	267	0.0
LOCAL FUNDS: FY 2015 Current Services Funding Level Budget (CSFL)		19,931	37.0
Increase: To support additional FTEs	Multiple Programs	79	1.0
Decrease: To align resources with operational goals	Multiple Programs	-79	0.0
Technical Adjustment: To align Telecommunication Fixed Cost with proposed estimates	Financial Management	1,615	0.0
LOCAL FUNDS: FY 2015 Agency Budget Submission		21,546	38.0
Reduce: To facilitate an executed MOU between OFRM (Seller) and DGS (Buyer) to provide financial services	Financial Management	-343	0.0
LOCAL FUNDS: FY 2015 Mayor's Proposed Budget		21,203	38.0
No Change		0	0.0
LOCAL FUNDS: FY 2015 District's Proposed Budget		21,203	38.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Approved Budget and FTE		0	0.0
Technical Adjustment: To align Telecommunication Fixed Cost with proposed estimates	Multiple Programs	506	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Agency Budget Submission		506	0.0
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Mayor's Proposed Budget		506	0.0
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 District's Proposed Budget		506	0.0
INTRA-DISTRICT FUNDS: FY 2014 Approved Budget and FTE		13,926	5.0
Increase: To adjust personal services	Financial Management	68	0.0
Decrease: To align Telecommunication Fixed Cost with proposed estimates	Financial Management	-420	0.0
Technical Adjustment: To facilitate an executed MOU between OFRM (Seller) and DGS (Buyer) to provide financial services	Financial Management	65	1.0
INTRA-DISTRICT FUNDS: FY 2015 Agency Budget Submission		13,639	6.0
No Change		0	0.0
INTRA-DISTRICT FUNDS: FY 2015 Mayor's Proposed Budget		13,639	6.0
No Change		0	0.0
INTRA-DISTRICT FUNDS: FY 2015 District's Proposed Budget		13,639	6.0
Gross for AS0 - Office of Finance and Resource Management		35,348	44.0

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