

# Office of Finance and Resource Management

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Table AS0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$28,667,755	\$36,512,223	\$36,524,190	0.0
FTEs	46.0	46.0	44.0	-4.3

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 2017 proposed budget is presented in the following tables:

## FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table AS0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table AS0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change		Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change	
				from FY 2016	Percentage Change*				from FY 2016	Percentage Change
<b>GENERAL FUND</b>										
LOCAL FUNDS	18,999	21,572	23,380	1,807	8.4	38.9	39.0	38.8	-0.2	-0.6
SPECIAL PURPOSE REVENUE FUNDS	191	301	407	106	35.3	0.0	0.0	0.0	0.0	N/A
<b>TOTAL FOR GENERAL FUND</b>	<b>19,190</b>	<b>21,873</b>	<b>23,787</b>	<b>1,914</b>	<b>8.7</b>	<b>38.9</b>	<b>39.0</b>	<b>38.8</b>	<b>-0.2</b>	<b>-0.6</b>

**Table AS0-2**

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual	Approved	Proposed	Change		Actual	Approved	Proposed	Change	
	FY 2015	FY 2016	FY 2017	FY 2016	Percentage Change*	FY 2015	FY 2016	FY 2017	FY 2016	Percentage Change
<b>INTRA-DISTRICT FUNDS</b>										
INTRA-DISTRICT FUNDS	9,477	14,639	12,737	-1,902	-13.0	7.1	7.0	5.2	-1.8	-25.4
<b>TOTAL FOR INTRA-DISTRICT FUNDS</b>	<b>9,477</b>	<b>14,639</b>	<b>12,737</b>	<b>-1,902</b>	<b>-13.0</b>	<b>7.1</b>	<b>7.0</b>	<b>5.2</b>	<b>-1.8</b>	<b>-25.4</b>
<b>GROSS FUNDS</b>	<b>28,668</b>	<b>36,512</b>	<b>36,524</b>	<b>12</b>	<b>0.0</b>	<b>46.0</b>	<b>46.0</b>	<b>44.0</b>	<b>-2.0</b>	<b>-4.3</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 **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table AS0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

**Table AS0-3**

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	3,679	3,996	4,592	4,635	43	0.9
12 - REGULAR PAY - OTHER	65	75	74	95	21	28.9
13 - ADDITIONAL GROSS PAY	9	0	0	0	0	N/A
14 - FRINGE BENEFITS - CURRENT PERSONNEL	712	872	1,040	1,083	43	4.1
15 - OVERTIME PAY	6	7	4	4	0	0.0
<b>SUBTOTAL PERSONAL SERVICES (PS)</b>	<b>4,472</b>	<b>4,949</b>	<b>5,710</b>	<b>5,817</b>	<b>107</b>	<b>1.9</b>
20 - SUPPLIES AND MATERIALS	31	37	30	20	-10	-33.3
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	23,056	23,382	30,552	30,618	65	0.2
40 - OTHER SERVICES AND CHARGES	97	155	205	59	-145	-71.0
41 - CONTRACTUAL SERVICES - OTHER	116	120	0	0	0	N/A
70 - EQUIPMENT AND EQUIPMENT RENTAL	98	25	15	10	-5	-33.3
<b>SUBTOTAL NONPERSONAL SERVICES (NPS)</b>	<b>23,398</b>	<b>23,719</b>	<b>30,802</b>	<b>30,707</b>	<b>-95</b>	<b>-0.3</b>
<b>GROSS FUNDS</b>	<b>27,870</b>	<b>28,668</b>	<b>36,512</b>	<b>36,524</b>	<b>12</b>	<b>0.0</b>

\*Percent change is based on whole dollars.

## FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table AS0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

**Table AS0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
<b>(1000) AGENCY MANAGEMENT</b>								
(1010) PERSONNEL	228	190	281	91	3.2	1.7	2.4	0.7
(1020) CONTRACTING AND PROCUREMENT	83	86	92	6	0.9	0.6	0.6	0.0
(1040) INFORMATION MANAGEMENT	8	8	0	-8	0.0	0.0	0.0	0.0
(1050) FINANCIAL MANAGEMENT	52	40	35	-5	0.0	0.0	0.0	0.0
(1070) FLEET MANAGEMENT	2	3	3	1	0.0	0.0	0.0	0.0
(1080) COMMUNICATIONS	3	90	4	-86	0.0	0.7	0.0	-0.7
(1085) CUSTOMER SERVICE	125	129	198	70	2.0	2.0	2.0	0.0
(1090) PERFORMANCE MANAGEMENT	601	650	681	31	3.1	3.0	3.0	0.0
<b>SUBTOTAL (1000) AGENCY MANAGEMENT</b>	<b>1,102</b>	<b>1,197</b>	<b>1,295</b>	<b>98</b>	<b>9.2</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>
<b>(2000) FINANCIAL MANAGEMENT</b>								
(2100) ACCOUNTING	1,971	2,003	2,155	153	19.4	18.0	19.0	1.0
(2200) BUDGET FORMULATION AND PLANNING	1,860	2,136	1,955	-181	14.3	16.0	13.0	-3.0
(2500) FIXED COSTS	23,382	29,647	29,713	65	0.0	0.0	0.0	0.0
<b>SUBTOTAL (2000) FINANCIAL MANAGEMENT</b>	<b>27,214</b>	<b>33,787</b>	<b>33,824</b>	<b>37</b>	<b>33.7</b>	<b>34.0</b>	<b>32.0</b>	<b>-2.0</b>
<b>(3000) RESOURCE MANAGEMENT</b>								
(3100) RESOURCE MANAGEMENT	352	1,529	1,406	-123	3.1	4.0	4.0	0.0
<b>SUBTOTAL (3000) RESOURCE MANAGEMENT</b>	<b>352</b>	<b>1,529</b>	<b>1,406</b>	<b>-123</b>	<b>3.1</b>	<b>4.0</b>	<b>4.0</b>	<b>0.0</b>
<b>TOTAL PROPOSED OPERATING BUDGET</b>	<b>28,668</b>	<b>36,512</b>	<b>36,524</b>	<b>12</b>	<b>46.0</b>	<b>46.0</b>	<b>44.0</b>	<b>-2.0</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 2017 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 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 2017 proposed budget.

## FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table AS0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

**Table AS0-5**

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2016 Approved Budget and FTE</b>		<b>21,572</b>	<b>39.0</b>
Other CSFL Adjustments	Multiple Programs	1,807	0.0
<b>LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget</b>		<b>23,380</b>	<b>39.0</b>
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	161	-0.2
Decrease: To offset projected adjustments in personal services costs	Multiple Programs	-161	0.0
<b>LOCAL FUNDS: FY 2017 Agency Budget Submission</b>		<b>23,380</b>	<b>38.8</b>
No Change		0	0.0
<b>LOCAL FUNDS: FY 2017 Mayor’s Proposed Budget</b>		<b>23,380</b>	<b>38.8</b>
No Change		0	0.0
<b>LOCAL FUNDS: FY 2017 District’s Proposed Budget</b>		<b>23,380</b>	<b>38.8</b>
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2016 Approved Budget and FTE</b>		<b>301</b>	<b>0.0</b>
Increase: To align Fixed Costs with proposed estimates	Financial Management	106	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Agency Budget Submission</b>		<b>407</b>	<b>0.0</b>
No Change		0	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Mayor’s Proposed Budget</b>		<b>407</b>	<b>0.0</b>
No Change		0	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2017 District’s Proposed Budget</b>		<b>407</b>	<b>0.0</b>

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**Table AS0-5**

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>INTRA-DISTRICT FUNDS: FY 2016 Approved Budget and FTE</b>		<b>14,639</b>	<b>7.0</b>
Decrease: To align personal services and Fringe Benefits with projected costs	Financial Management	-205	-1.8
Decrease: To align Fixed Costs with proposed estimates	Financial Management	-1,697	0.0
<b>INTRA-DISTRICT FUNDS: FY 2017 Agency Budget Submission</b>		<b>12,737</b>	<b>5.2</b>
No Change		0	0.0
<b>INTRA-DISTRICT FUNDS: FY 2017 Mayor's Proposed Budget</b>		<b>12,737</b>	<b>5.2</b>
No Change		0	0.0
<b>INTRA-DISTRICT FUNDS: FY 2017 District's Proposed Budget</b>		<b>12,737</b>	<b>5.2</b>
<b>GROSS FOR AS0 - OFFICE OF FINANCE AND RESOURCE MANAGEMENT</b>		<b>36,524</b>	<b>44.0</b>

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

**FY 2016 Proposed Budget Changes**

The Office of Finance and Resource Management's (OFRM) proposed FY 2017 gross budget is \$36,524,190, which represents a less than 0.1 percent increase over its FY 2016 approved gross budget of \$36,512,223. The budget is comprised of \$23,379,659 in Local funds, \$407,440 in Special Purpose Revenue funds, and \$12,737,091 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 2016 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 2017 CSFL adjustments to the FY 2016 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 2017 CSFL budget is \$23,379,659, which represents a \$1,807,398, or 8.4 percent, increase over the FY 2016 approved Local funds budget of \$21,572,261.

**CSFL Assumptions**

The FY 2017 CSFL calculated for OFRM included adjustment entries that are not described in detail on table 5. These adjustments were made for an increase of \$150,599 in personal services to account for Fringe Benefit costs based on trend and comparative analyses, the impact of cost-of-living adjustments, and approved compensation agreements. CSFL funding for OFRM also includes an increase of \$1,656,799 for the Fixed Cost Inflation Factor to account for Fixed Costs estimates for Telecommunications and Fleet services.

**Agency Budget Submission**

**Increase:** The proposed budget for Local funds includes a net increase of \$160,965 and reduction of 0.2 Full-Time Equivalent (FTE) to support projected salary step increases, Fringe Benefit costs, and other personal services and position adjustments across multiple programs.

In Special Purpose Revenue funds, the proposed budget for OFRM includes an increase of \$106,299 in the Financial Management program based on the Office of the Chief Technology Officer's projection of Telecommunications costs for the Health Benefit Exchange Authority.

**Decrease:** To maximize efficiency and allocate resources accordingly, OFRM's proposed budget for Local funds includes a net decrease of \$160,965 across multiple programs. This change aligns the budget with programmatic needs and includes projected savings of \$145,965 in Professional Services, \$10,000 in Supplies, and \$5,000 in Equipment purchases. These savings were used to cover personal services cost increases.

OFRM's proposed Intra-District funds budget decreased by \$204,744 in personal services to account for the elimination of 1.8 FTEs in the Financial Management program primarily because of a reduction of funding for Memorandum of Understanding agreements with District agencies. Additionally, a reduction of \$1,696,986 in the Financial Management program is due to projected savings in Telecommunications Fixed Cost estimates that are centrally managed by the agency.

### **Mayor's Proposed Budget**

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

### **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.