

PUBLIC OVERSIGHT HEARING

ON

**FISCAL YEAR 2009 BUDGET REQUEST OF THE
OFFICE OF THE
CHIEF FINANCIAL OFFICER (OCFO)**

**Before the
Committee on Finance and Revenue
Council of the District of Columbia
The Honorable Jack Evans, Chairman**

**April 9, 2008, 10:00p.m.
Chamber, John A. Wilson**



**Testimony of
Anthony F. Pompa
Deputy Chief Financial Officer
Office of Financial Operations and Systems**

**Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman Evans and committee members. My name is Anthony Pompa. I am the Deputy Chief Financial Officer for the Office of Financial Operations and Systems (OFOS), and I am pleased to present the following testimony about the FY 2009 budget request for OFOS and related matters.

FY 2009 Budget Request

For FY 2009, OFOS is requesting a total budget of 125 FTEs and \$14.5 million. The overall fiscal year 2009 budget has an increase of \$910 thousand due to an increase in fixed cost, step increases, union and nonunion pay raises. This level of funding supports OFOS and the Office of Pay and Retirement Services (OPRS).

FY 2008 Accomplishments

As I stated in testimony at the February 27, 2008 oversight hearing, we continue to make improvements in overall operations in Fiscal Year 2008. The interim monthly closings will continue, as we will improve the interim closing each time it is conducted.

We will continue to provide general System of Accounting and Reporting (SOAR) training for employees, as well as targeted training to assist agencies with their

specific accounting requirements. Specialized training is being conducted, and other training tailored to meet agencies' requirements is planned.

OFOS Programs

OFOS continues to shoulder the responsibility for functional SOAR training, as well as the SOAR help desk operations and security for all financial systems applications. The structure enhances OFOS' ability to readily identify new training requirements based on feedback from the Accounting Systems Managers (ASM) at the agency level. They also address and resolve PeopleSoft Payroll (Time and Labor entry) issues; Procurement Automated Support System (PASS) related processing and help desk concerns. The responsibility for PeopleSoft Payroll is a function which was turned over from the city-wide Administrative Services Modernization Program (ASMP) implementation. Additionally, this division has the sole responsibility, city-wide, for coordinating, at the Agency level, all security request for access to any financial system based on specific pre-established roles and the appropriate supervisor and agency authorizations.

The Financial Control & Reporting Division (FCRD) staff is responsible for the intensive examination of reports, analysis of data, preparation of reclassification

and other correcting entries, and interactions with agency and other entity staff and the external auditing team.

The FCRD prepares the District's Comprehensive Annual Financial Report (CAFR), while most other jurisdictions use external assistance. Additionally, the FCRD is responsible for compilation and issuance of the Popular Annual Financial Report (PAFR), which complements the CAFR and is geared to stakeholders who desire an overall financial view of the city without having to review the more complex CAFR. This division published the District's first PAFR in FY 2004 and continues to publish this report.

The Office of Pay and Retirement Services (OPRS) will continue to provide excellent service to active and retired District employees, as well as annuitants of several federal agencies. During FY 2007, OPRS processed three biweekly and one semi-monthly payroll for approximately 37,400 employees and one monthly annuity payroll for approximately 3,800 federal annuitants. These payrolls were processed using three different payroll systems.

OPRS transitioned to a new PeopleSoft Payroll System during FY 2007. This was accomplished in phases, along with the D.C. Office of Human Resources (DCHR)

and with the support of the D.C. Office of the Chief Technology Officer (OCTO). The conversion to on-line Time and Labor reporting was accomplished in November 2006, for the majority of District agencies. In March 2007, the remaining District agencies were converted to on-line Time and Labor reporting, except for the University of the District of Columbia (UDC) and D.C. Public Schools (DCPS). While Time and Labor were on-line, actual paychecks were still issued from the legacy Unified Personnel and Payroll System UPPS . In May 2007, UDC was converted and it implemented all aspects of PeopleSoft Payroll System, including having paychecks issued from this system for the semi-monthly pay group. DCPS is now the only District agency remaining on a legacy systems – Comprehensive Automated Personnel Payroll System (CAPPS).

The conversion to PeopleSoft payroll eliminated the need for agencies submitting and OPRS processing approximately 22,000 paper sheets for each of the twenty-six pay periods comprising the District pay cycle. This advance allows for a real time update to employee records by DCHR and OPRS. It gives employees more information on their individual Earning Statement (pay stub) and it provides real time labor distribution for the grant reporting agencies which will assist them in billing for reimbursement of federal grant funds. However, as with any major IT system implementation, there are areas which require attention and improvements.

The partnership between OPRS, DCHR and OCTO continues to address agency issues, individual employee questions and the implementation of automated system changes as appropriate.

This concludes my formal testimony for the record. I will be happy to answer any questions you or the other members may have.