## PUBLIC HEARING LABOR-MANAGEMENT PARTNERSHIPS IN THE DISTRICT OF COLUMBIA

Before the Subcommittee on Public Interest Council of the District of Columbia

The Honorable Phil Mendelson, Chairman

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Testimony of
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Natwar M. Gandhi Chief Financial Officer Government of the District of Columbia Good morning, Mr. Chairman and members of the subcommittee. My name is JoAnn Smoak, and I am the executive director of the Office of Management and Administration in the Office of the Chief Financial Officer (OCFO). The responsibility for management of labor relations in the OCFO resides in my office. It is a pleasure to testify on behalf of Dr. Gandhi, who serves as management cochair of the newly created OCFO Labor-Management Partnership Steering Committee (OCFO/LMPSC), along with our labor co-chair, AFSCME Executive Director Geo T. Johnson. The OCFO responses to the subcommittee's questions are attached to my testimony. Here with me today is Ayo Bryant, my special assistant, who, along with other OCFO staff, has been instrumental in managing the start-up activities associated with the partnership.

It is Dr. Gandhi's view that the Labor-Management Partnership Initiative is an important force in building an even stronger OCFO that will provide the highest level of service to all of its constituents.

I want to take this opportunity, on behalf of Dr. Gandhi, to thank you — Councilmember Mendelson, as chairman of the Subcommittee on Public Interest — for your leadership and support of the Labor-Management Partnership Initiative. We also thank the Mayor for his visionary leadership and support of our efforts through the excellent services of the Office of Labor Management Programs. We are also deeply appreciative of our labor partners, and the leadership of our labor co-chair, Geo T. Johnson. The newly formed partnerships at the OCFO continue to reflect the positive, cooperative spirit engendered through our shared efforts to successfully implement the OCFO/AFSCME agreement. The quality and level of

involvement and enthusiasm by both our labor and management participants in these early stages has been excellent.

## The New Beginning

Let me share with you a brief overview of what we in the OCFO, together with our AFSCME partners, jointly recognize as our "new beginning." Earlier this year, on May 9, 2003, the Office of the Chief Financial Officer and District Council 20 (AFL-CIO) of the American Federation of State, County and Municipal Employees (AFSCME) reached a settlement and formed a partnership, after a hiatus of several years. We are pleased that we were able to reach consensus after lengthy, intense negotiations. The agreement brought the OCFO into alignment with the rest of the District government in how we handle labor-management issues. Under the settlement, the collective bargaining agreements that govern the terms and conditions of employment now apply to certain OCFO employees in the Office of Tax and Revenue, Office of Financial Operations and Systems, Department of Human Services, the University of the District of Columbia, and several other OCFO offices and District agencies. It is with extreme pleasure that I report, on behalf of Dr. Gandhi, our collective efforts to ensure the success of our new partnership.

At the time of settlement, we agreed to work together collaboratively by forming a labor-management team (OCFO/AFSCME Joint Committee) to develop a blueprint for our new labor-management relationship. We placed a priority on initiating our partnership in a manner that would make evident our shared commitment. On July 16, 2003, we conducted a historic joint assembly at the Department of Labor's Great Hall to announce the terms of the OCFO/AFSCME negotiated settlement. OCFO managers and employees were provided the

opportunity to meet the leadership of AFSCME District Council 20 during the first portion of the assembly, and the employees remained during the second half of the assembly for a closed meeting with the union leadership.

In keeping with our commitment, Dr. Gandhi also established within the OCFO a Management Task Force, which I chaired, to identify the major implementation issues and provide guidance in order to move toward the full implementation of the collective bargaining agreements. Dr. Gandhi is now a member of the D.C. Labor-Management Partnership Council, on which you also sit, Mr. Chairman.

I am very happy to report that the success of these early efforts provided a solid foundation for the establishment of the OCFO Labor-Management Partnership Steering Committee. Additionally, an agency partnership has been formed in the Office of Tax and Revenue, and we expect to have two more agency partnerships within the next 60 days.

As we move forward together, we are mindful of the mission of the OCFO: to ensure the financial viability of the District Government and to maintain balanced budgets. We know that the District is currently facing some serious financial challenges, but we believe that working together, labor and management can begin the process of identifying ways to improve the efficiency of our operations and to ensure the timely delivery of the highest level of services to all of our constituents. We also know that the public and others will be watching our performance as we forge our new partnership, and we believe we can be a model team in this endeavor.

Mr. Chairman, this concludes my testimony. I will now turn to our labor co-chair who will discuss his views. Following Mr. Johnson's testimony we will be happy to answer any questions that you may have.

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