

**PUBLIC OVERSIGHT HEARING
ON THE FY 2012 AND FY 2013
SPENDING AND PERFORMANCE
OF THE OFFICE OF
THE CHIEF FINANCIAL OFFICER (OCFO)**

**Before the
Committee on Finance & Revenue
Council of the District of Columbia**

The Honorable Jack Evans, Chairman

**March 7, 2013
John A. Wilson Building
Council Chambers**



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

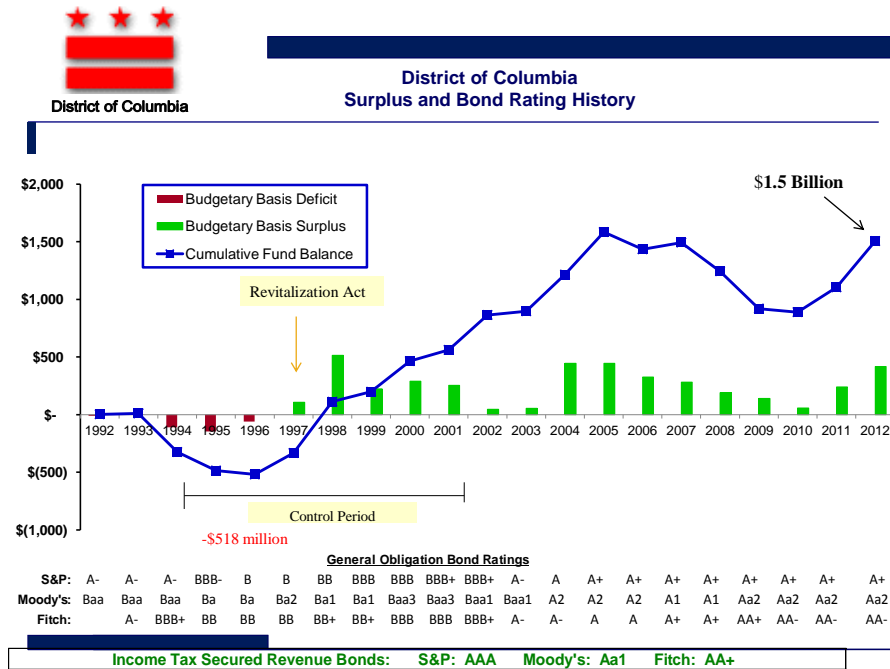
Good morning, Chairman Evans and members of the Committee on Finance and Revenue. I am Natwar M. Gandhi, Chief Financial Officer of the District of Columbia. I am here for your annual oversight hearing to testify on the FY 2012 performance and FY 2013 plans of the Office of the Chief Financial Officer (OCFO).

The deputy chief financial officers have also prepared testimonies and are here to help address specific issues or answer questions as needed. With me at the table are Stephen Cordi, Deputy CFO for the Office of Tax and Revenue (OTR); Anthony Pompa, Deputy CFO for the Office of Financial Operations and Systems (OFOS); Jeffrey Barnette, Deputy CFO for the Office of Finance and Treasury (OFT); and Fitzroy Lee, Deputy CFO for the Office of Revenue Analysis (ORA). Also here to answer questions is Gordon McDonald, Deputy CFO for the Office of Budget and Planning (OBP), who will present testimony before the Committee of the Whole on Thursday, March 14th. In addition, Buddy Roogow, executive director of the DC Lottery, is also here and testified earlier today on behalf of the Lottery. Please see Appendix 1 for an organizational chart of the entire OCFO.

BACKGROUND AND CURRENT ENVIRONMENT

I am pleased to report that the District's overall financial position is sound. For FY 2012, the District received an unqualified or "clean" opinion on its annual

financial statements for the 16th consecutive year. Our “rainy day” funds increased to \$781 million, an increase of 46 percent, and our cumulative General Fund balance increased to \$1.5 billion, an increase of 36 percent.



These impressive results are the direct result of legislation passed in December of 2010 which created the Fiscal Stabilization and Cash Flow Reserve Accounts for the purpose of rebuilding our General Fund Balance and reducing the need to borrow from external sources for cash flow purposes (Please see Appendix 2). I would like to take the opportunity to again commend the elected leadership for enacting this legislation. This sound fiscal management practice has served to increase the District’s creditworthiness and long-term financial viability.

The CAFR shows, that for the year ending September 30, 2012, the District's revenues and other resources exceeded expenditures by \$417 million. The \$417 million surplus is largely comprised of three components:

- \$266 million of additional local revenues, or about 4.4 percent above the revised estimate, generated largely from a \$53 million estate tax windfall; \$27 million from enhanced photo enforcement efforts; \$78 million from higher business income tax due to combined reporting and higher minimum tax requirements; \$68 million from sales taxes due to greater economic activity in the city from election year spending and the Nationals reaching the playoffs; and lastly \$44 million in higher than expected income taxes due to growth in withholding and capital gains.
- \$117 million of under-spending, which is about 1.8 percent below the revised budget, of which \$50 million was from local sources; \$67 million from special purpose revenues.
- \$34 million of other adjustments (Please see Appendix 3).

As you well know, unlike most other jurisdictions, the District is required to estimate revenues and develop its budget a full twenty months before that budget is fully executed. It is impossible to forecast changes in the economic environment and their resulting effects on District revenues over such an

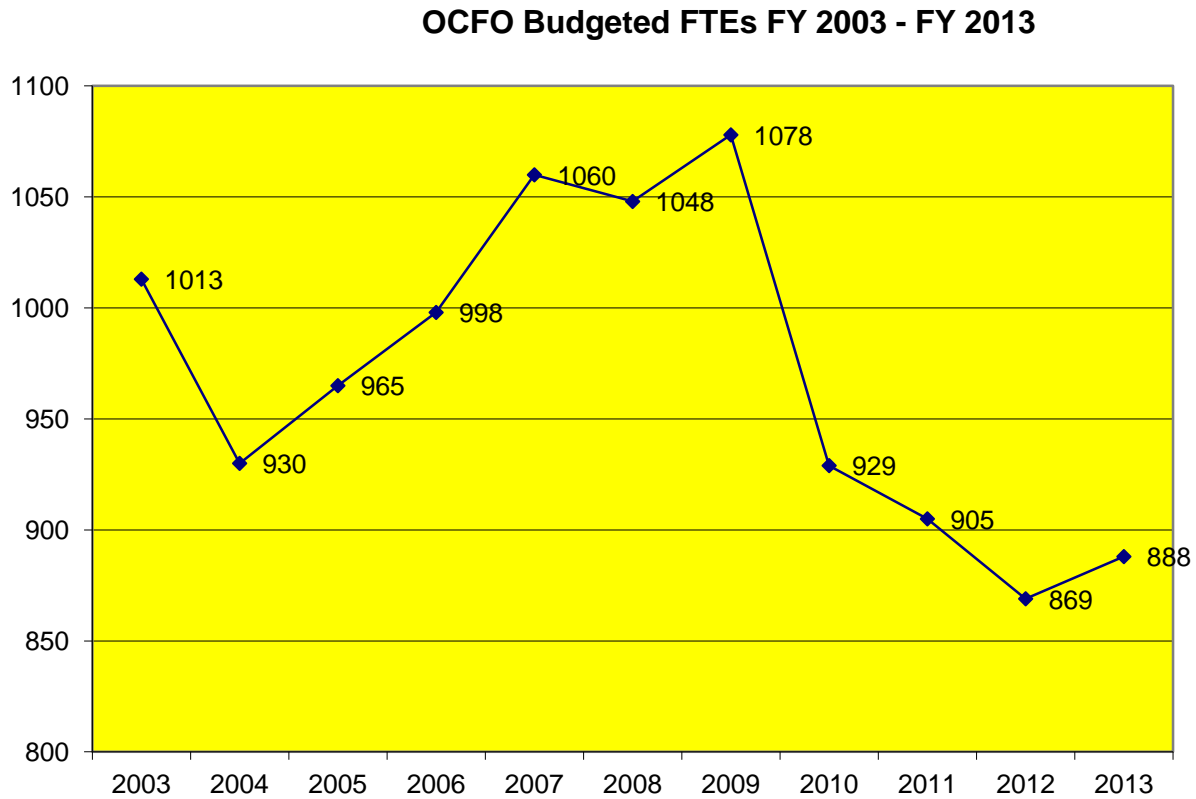
extended horizon with complete certainty. For this reason, we revise our revenue estimates on a quarterly basis to give elected leaders relevant information on the changing economic circumstances so that they can adjust their budgetary decisions accordingly. Since February 2011 through 2012, we increased the estimate for FY 2012 five times. In June 2011, we increased the estimate by \$77 million, by an additional \$1 million in September 2011, \$42 million in December 2011, \$35 million in February 2012, and by \$140 million in September 2012 (See Appendix 4- History of Revenue Estimates, FY 2012 – 2014). Both the Mayor and the Council were briefed on each revision. There were also legislative adjustments during FY 2011 which resulted in additional revenues of \$197 million.

The District continued to enjoy strong ratings on both its general obligation and income tax bonds. The District's Income Tax Secured Revenue Bonds are currently rated AAA by Standard & Poor's (S&P), AA+ by Fitch Ratings (Fitch), and Aa1 by Moody's Investors Service (Moody's). All three rating agencies have assigned "stable" outlooks to the District's Income Tax bonds. The credit rating agencies have also rated the District's general obligation bonds favorably with current ratings as follows: A+ from S&P, AA- from Fitch, and Aa2 from Moody's. Although Fitch and S&P have given "stable

outlooks” to our GO bonds, Moody’s revised its outlook on the District’s GO bonds to “negative”, citing the uncertainty surrounding federal spending and its potential effects on the District’s economy. The presence of the federal government, which in the past has provided the District with a measure of protection from economic downturns, is now having an adverse impact on the District’s revenue outlook. Federal sequestration, in its current form, will result in an estimated seven percent reduction in non-defense discretionary spending. Given that federal spending makes up approximately 60 percent of the District’s gross state product, these reductions will have a significant effect on the District’s economy and future growth.

In light of this uncertainty and to ensure our ability to withstand an economic downturn, we have incorporated the effects of sequestration into the revenue estimates recently released by my office. Additionally, the District’s leadership continues its commitment to be prudent in its use of available resources, to build structurally balanced budgets and to take no action that would compromise the District’s bond ratings, and thus increase the cost of borrowing. Overall, the financial management infrastructure of the District is strong and functions well in support of the city’s policy priorities and service delivery needs.

As an agency, we are also very serious about our responsibility to operate cost-effectively to protect the District's financial integrity and preserve and enhance its revenue stream. The OCFO has progressively become a leaner organization since FY 2000. Please see the graph below.



Starting in FY 2004, there were increases to our authorized Full-Time Equivalent (FTE) level, primarily as a result of Council-imposed tax compliance initiatives and legal mandates. By FY 2009, the total authorized FTEs reached 1,078.

In response to the economic downturn and severe budget constraints, we reduced our FTEs in FY 2010 by 149, or 14 percent. Over the next two years, an

additional 60 FTEs were eliminated, yielding a total net position loss over three years of 209, a 19 percent reduction in positions from FY 2009. These reductions were taken across the agency and did not spare OTR, our largest division. Non-personal services (NPS) cuts in OTR sharply reduced the funding available for income tax filing season staff, forms printing, and mailings, but the continued emphasis on electronic filing made these cuts manageable. By FY 2012, the percentage of individual income tax returns filed electronically had increased to 68 percent, a 36 percent increase over the 2009 level. FY 2013 electronic filing to date is 85 percent. We strongly encourage District taxpayers to file and pay electronically, which cuts down on processing costs and errors and dramatically increases the speed with which we can process refunds.

In FY 2013, primarily through the “One City” Performance Review, the OCFO was directed to implement several revenue protection and enhancement initiatives, including the recovery of unpaid sales taxes through the credit card merchant reporting requirements, lowering the interest rate applied to tax refunds, enforcement of use tax returns, implementing the newly enacted law on Vendor Sales Tax, and capturing DMV amounts due from tax refunds. These initiatives and others increased our overall FTE count by 19 to a total of 888. The FY 2013 total cost of the initiatives was \$1.8 million, but they are projected to return over

\$9 million to the District in the first year alone, a 5 to 1 return on investment for one year, with continuing revenues expected in the years to come.

I and my team are determined to maintain the effectiveness of the OCFO in FY 2013 and beyond. To further this goal, we are maximizing our investments in technology. For example, the tax office, our most labor-intensive unit, is becoming more and more automated, as evidenced by higher electronic filing, robust fraud prevention programs, and internal-control enhancements. In addition, information technology investments comprise our capital budget plan—upgrading the CAMA and Recorder of Deeds systems in FY 2013, replacing SOAR in FY 2015, and replacing ITS beginning in FY 2015.

As you review the performance of the OCFO and prepare for the FY 2014 budget review, we ask the Committee to keep this record of fiscal prudence and efficiency in mind. It is imperative for the District to maintain its capability to perform core financial functions: keeping track of the books, financing its operations, and collecting the maximum amount of revenue that it is due. Today, the District faces financial challenges that are largely external. We are working closely with the Mayor's budget team in the formulation of a fiscally responsible budget for FY 2014 that effectively manages these externalities.

OCFO OVERARCHING GOALS

As the Chief Financial Officer, my objective is to preserve and enhance the overall financial stability of the District by reliably estimating revenues, exercising control of the budget, and scrutinizing and improving internal controls, all of which help maintain and strengthen the District's standing with our residents, the financial community, and the Congress.

It is our intent to present to this Committee, the Mayor and the Council, the minimum OCFO resource request consistent with attaining our goals. In each case, I believe the achievement of these goals is absolutely necessary to maintain and strengthen the District's financial viability.

The Deputy CFOs will speak at length about the accomplishments and plans of their offices. I will give a brief summary of the highlights here.

1. Protect and Enhance District Revenues

OTR must efficiently process all tax returns voluntarily remitted and aggressively pursue enforcement action to both increase revenue and reduce the rate of noncompliance each year. OTR has implemented a variety of automated initiatives to increase revenue – the CP2000 federal matching program, offering payment plans to delinquent taxpayers (excluding real

property), contracts with collection agencies, and an automated fraud detection program. In FY 2011, OTR implemented an automated DC vendor offset program, and an automated sales and withholding tax delinquency control program. The automated DC vendor offset program has been particularly effective, resulting in collections of more than \$2.4 million to date. At the beginning of last filing season, we implemented a reciprocal refund offset program with the State of Maryland which resulted in the interception of \$1.4 million in Maryland refunds to pay overdue DC taxes. This filing season, we are implementing the reciprocal DC/federal vendor offset program which will give us access to federal vendor payments to pay DC tax debt.

In addition to its routine efforts, OTR will be conducting a series of additional community outreach activities which will provide taxpayers greater access to information and the services that we provide to assist them in meeting their tax obligations. Mr. Cordi can provide more detailed information about the schedule and other details of these events.

2. Maintain Financial Controls and Safeguard Assets

Protecting District assets requires the maintenance of internal checks and balances, effective internal audits, and the maintenance of systems to verify and record financial transactions. Written policies and procedures are also an

important element of a well-designed and effective system of internal controls, as they provide management the opportunity to establish workflows and processes that address potential risks. Since 2008, an OCFO cross-agency project team has ensured that the District-wide financial policies and procedures manual remains updated and that manuals for each cluster and central agency remain current.

I would like to emphasize that since 2008, much work has been done to strengthen the control structure throughout the OCFO. With the assistance of firms such as Kroll Associates, Deloitte Financial Advisory Services, Ernst & Young, our external auditors (BDO and KPMG), and the on-going work of our Chief Risk Officer, the OCFO has made substantial progress in developing a comprehensive system of internal controls and in developing and promoting a culture of fraud prevention, detection, and deterrence.

3. Produce Reliable Revenue Estimates

Conservative estimates are at the heart of a balanced budget and adequate cash flow. A conservative revenue estimating philosophy recognizes that economic forecasting is an inexact science and that the economic environment can change very quickly, so even during boom years our revenue estimates err on the side of avoiding a deficit in an economic downturn. Regular revision of the

revenue estimates enables the District to adjust its budget during the fiscal year in response to changing economic circumstances.

The District's economic and fiscal prospects have strengthened over the past year despite a lackluster national recovery. Despite this improvement, Federal cutbacks still pose a threat to the District's revenue outlook. The Federal government is a key driver of the District's economy. Federal civilian employees account for about 28 percent of all wage and salary employment in the District, and 34 percent of all wages and salaries paid in the city. About 75,000 District residents, or 25 percent of all employed DC residents, are employed by the Federal government. In Fiscal Year 2010, the Federal government spent a total of \$62 billion in the District in salaries and wages, procurement, grants, retirement and other benefits, and other direct payments. This represented about 60 percent of the District's gross state product, compared to 33 percent in Maryland and 32 percent in Virginia. The District also faces other downside risks, including financial market shocks from the ongoing Euro-zone debt crisis, the possibility of a slowing or reversal of a still fragile economic recovery, possible disruptions to oil supplies in the Middle East, and, given our status as the nation's capital, the ongoing threat of a national security event.

Near Term Outlook

The ability to effectively manage the District's finances depends on sound and reasonable revenue estimates. Last month, my office released a new revenue certification showing an additional \$190 million in FY 2013, \$178 million in FY 2014, \$178 million in FY 2015, and \$199 million in FY 2016. The estimate for FY 2013 through FY 2016 has incorporated the impact of current federal law requiring sequestration of federal expenditures beginning March 1, 2013.

February 2013 Revenue Estimate Compared to Previous Estimate

	Estimate			Projected	
Local Source, General Fund Revenue Estimate (\$ millions)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Previous Revenue Estimate	5,865.1	5,957.0	6,095.2	6,250.6	-
Revisions to Estimate	190.0	177.8	178.2	198.8	-
February 2013 Revenue Estimate	6,055.1	6,134.8	6,273.4	6,449.4	6,574.0
<i>Percent change from previous year</i>	<i>1.5%</i>	<i>1.3%</i>	<i>2.3%</i>	<i>2.8%</i>	<i>1.9%</i>

Our estimate of the sequestration's impact on the District's finances is based on the February 4, 2013 Budget and Economic Outlook: Fiscal Years 2013 to 2022 report from the Congressional Budget Office (CBO), the official budget scorekeepers of the U.S. Congress. It should be noted that there are still no specific details about how the sequester will actually affect the District. It should also be noted that the sequester is but one decision point in the near-term horizon.

Other austerity measures could also be enacted that could have an effect on FY 2013 and FY 2014 finances.

4. Assure Balanced Budgets

Budgets built on quality analysis that include all foreseeable costs ensure the smoothest possible execution of programs approved by the Mayor and Council. The budgeting process continues to be a challenging, year-round exercise. Constant monitoring of expenses helps to control costs and highlight operations that are off-course. The major tool used to monitor agency spending is the quarterly Financial Review Process (FRP) report, prepared by the agency fiscal officers and submitted through the agency directors to OBP for review and analysis. Additionally, OBP produces monthly Financial Status Reports (FSRs) on operating budget spending and quarterly reports on capital budget spending. The FSRs are submitted to the Mayor, Council and other stakeholders on a monthly basis and are available on the website for the public to review. We have also built on-line capacity (CFO\$olve, Agency Operational Dashboard, SharePoint) and made these resources available to Executive and Council staff to provide optimum service and transparency to District agencies and elected officials.

Fiscal impact statements are also a critical tool to ensure that budgets remain in balance. ORA prepares fiscal impact statements on all proposed permanent legislation, contracts, and regulations. All fiscal impact statements prepared by the OCFO since May 2001 are available on the OCFO website.

5. Prepare Audited Comprehensive Annual Financial Reports (CAFRs)

Our ability to record financial transactions timely and accurately is critical to our ability to produce audited financial statements on time and maintain and improve the District's bond ratings. This year, again, the annual closing process was uneventful in that there were no "surprises" and no serious threats to the schedule or calendar. Intense monitoring of the interim and annual closes proved to be very effective in producing a more efficient FY 2012 year-end close. As I previously stated, the District received an unqualified opinion for the 16th consecutive year, and the Yellow Book, which used to be the size of a phone book, is now the size of a pamphlet.

This Yellow Book for FY 2012 listed no material weaknesses and four significant deficiencies, two of which fall under the control of the OCFO (Please see Appendix 5). Significant deficiencies reflect problems in the design or operation of internal controls over financial reporting. We take these findings very seriously, and are working diligently to improve controls

in these areas, with the goal of eliminating them before the next audit. Mr. Pompa and Mr. Cordi will further discuss our plans for remediating the two OCFO findings in their testimonies.

6. Manage Debt and Maintain Bond Ratings

In FY 2012 and FY 2013 to date, we financed the District's ongoing Capital Improvements Program and our cash-flow needs with debt issuances in the financial marketplace. In October, we sold \$675 million one-year Tax Revenue Anticipation Notes (TRANs) at a record low rate of 0.19 percent. That equates to only 19 cents for every \$100 borrowed. In November, we sold \$776 million of 25-year Income Tax Secured Revenue Bonds to fund the FY 2013 Capital Improvement Plan (CIP), which received an interest rate of 3.16 percent, again a record low rate. Part of the reason for this is extraordinarily strong municipal bond market conditions, but it is also the result of our continued excellent bond ratings. The District's bond and note issuances were very well received by investors. In fact, they were vastly oversubscribed: TRANs by ratio of 9 to 1; and our IT bonds by 4 to 1. A large number of District residents demonstrated their confidence in the city's financial stability last year by purchasing more than \$130 million of income tax bonds. All of this is the result of fiscally responsible decisions made by

the city's elected leadership, including the passage of balanced budgets, vigilant adherence to the 12 percent debt cap, and the commitment to rebuild our fund balance.

In previous years, the rating agencies had indicated that the District's use of fund balance to help balance its annual budget was cause for concern. However, the use of the FY 2011 and FY 2012 surpluses to fund deposits into the two newly established reserve accounts, increased the fund balance and significantly improved the District's working capital position. These actions were very well received by the rating agencies during our visits with them last month. Indeed, our working capital position has grown to the equivalent of 47 days' spending, up from only 33 days' spending in FY 2011 (See Appendix 6). This improvement reduced our need for short-term borrowing in FY 2013, which was considered an accomplishment by the rating agencies.

Some have questioned the importance of maintaining or improving the District's high bond ratings, as though results on Wall Street have no connection to what happens on Main Street. Nothing could be further from truth. Quite simply, higher ratings provide the District with a lower cost of borrowing. Lower costs of borrowing mean that fewer dollars of our

operating budget go to pay debt service, therefore, more money is available to provide services to District residents. The difference between issuing \$100 million of junk bonds versus triple-A rated bonds is \$ 45 to 50 million savings over the life of the bonds. This equates to over 700 additional police officer. High bond ratings are not an esoteric measure of success. They represent real money!!

If the District continues to produce structurally balanced budgets (without the use of fund balance) and to display solid financial management, it will remain in sound financial health for the long-term, and will stay in good standing on Wall Street, notwithstanding the ups and downs in the economy.

CONCLUSION

The continued leadership provided by the Mayor, by Chairman Mendelson, and by you, Mr. Evans, and the Council has enabled the District to weather the recent economic crisis and provided a sound foundation to meet the challenges that lie ahead. The OCFO is committed to doing everything it can to support continued financial improvements in the city in FY 2013 and beyond.

This concludes my remarks. I would be pleased to answer any questions you may have.

Appendix 1

CENTRAL FINANCIAL OPERATIONS - Deputy CFOs

Office of Budget and Planning (OBP)
Gordon McDonald

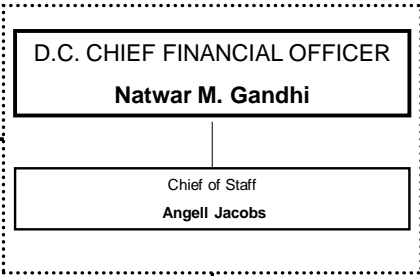
Office of Finance and Treasury (OFT)
Jeffrey Barnette

Office of Financial Operations and Systems (OFOS)
Anthony Pompa

Office of Revenue Analysis (ORA)
Fitzroy Lee

Office of Tax and Revenue (OTR)
Stephen Cordi

Government of the District Columbia Office of the Chief Financial Officer Organizational Chart



Chief Risk Officer
Kathy Crader

EXECUTIVE SUPPORT

General Counsel
David Tseng

Integrity and Oversight Executive Director
Mohamad Yusuff (Interim)

Economic Development Finance Senior Advisor and Director
John Ross

Senior Financial Policy Advisor
Vacant

Agency Chief Information Officer
Sagar Samant (Interim)

Management and Administration Executive Director
Paul Lundquist

Public Affairs Officer
David Umansky

AGENCY FINANCIAL OPERATIONS - Associate CFOs

Economic Dev. and Regulation
Cyril Byron, Jr.

Government Operations
Mohamed Mohamed

Government Services
George Dines

Human Support Services
Delicia Moore (interim)

Public Safety and Justice
Angelique Hayes

Education
Deloras Shepherd

Not-for-Profit Hospital Corporation
Michael Davis

DC Lottery
Buddy Roogow
Executive Director

EventsDC
Henry Mosley

Agency Fiscal Officers

- DCRA: Conrad Bridges
- DHCD: Andree Chian-Mann
- DISB: Bright Abaive
- DMPED: Conrad Bridges
- OPC/PSC: Gurmeet Scoggins
- EOM/DCHR: James Hurley
- DCFL: Tamara Robinson
- DGS: Massimo Marchiori
- OAG: Victoria Syphax
- DOES: Curtis Lewis
- OFRM: Natalie Mayers
- OCA: Paul Blake
- OCTO: Phil Peng
- DCOA/ORM: Shionda Wiggins

- DDOE: Robert Jose
- DDOT: Calvin Skinner
- DMV: Kimberly L. Borges
- DPW: Perry Fitzpatrick

- CFSA: Justin Kopca
- DDS/ODR: Delicia Moore
- DHS: Hayden Bernard
- DMH: Joyce Jeter
- DOH: Keith Fletcher
- DHCF: Darrin Shaffer
- DPR: Barbara Roberson
- DYRS: Delicia Moore

- DOC: Antonette Hudson-Beckham
- FEMS: Daryl Staats
- MPD: Leroy Clay
- OCME/CJCC: Vacant
- OUC/EMA: Ashraf El-Khatib

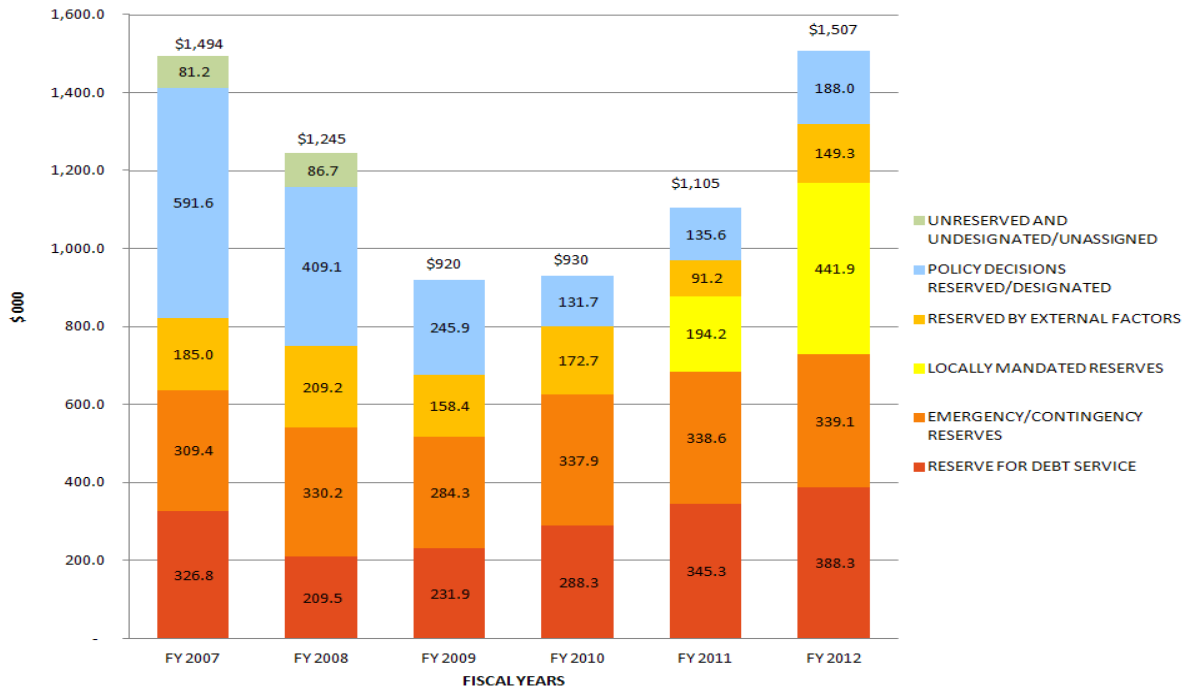
- UDC: Ibrahim Koroma
- DCCSB: Alonzo Montalvo
- DCPS: Deloras Shepherd
- OSSE: Deloras Shepherd

- DCLB: Keisha Paxton (Interim)



Composition of General Fund Balance FY 2007 – FY 2012

(\$ in millions)



Explanation of the Surplus

\$417 Million

Source	Amount (\$ millions)
Additional Revenues	
Estate Taxes	\$53
Traffic Fines	\$27
Individual Income Taxes	\$44
Business Taxes	\$78
Sales Taxes	\$68
Property Taxes	(\$14)
Other	\$10
Total Additional Revenues	\$266
Underspending (1.8% of budget) (Local Source - \$50M; O-type - \$67M)	
DHCF	\$6
WMATA	\$4
DHCD	\$4
DHS	\$4
CFSA	\$3
Other	\$29
Special Purpose Revenue (O-type)	\$67
Total Underspending	\$117
Other Adjustments	
(net of: fund balance not used, O-type revenue surplus, etc.)	\$34
Total Other Adjustments	\$34
*Numbers may not total due to rounding.	

Appendix 4

HISTORY OF REVENUE ESTIMATES, FY 2012-2014

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	
Feb-11	5,352.5	5,593.9	5,726.5	Feb. 2011 Estimate (on which FY 2012 Original Budget was based)
Jun-11	77.2	79.0	101.1	Revenue Estimate
Sep-11	197.3 0.9	153.6 (52.6)	178.5 (57.7)	Legislative Adjustments Revenue Estimate
Dec-11	42.2	(46.4)	(92.1)	Revenue Estimate
Feb-12	34.8 -	13.1 22.6	(14.1) 24.9	Revenue Estimate Additional revenue from lower impact of federal sequestration
Jun-12	18.8	102.1	90.0	Legislative Adjustments; no change in the estimate
Sep-12	139.5	-	-	Revenue estimate
Dec-12	-	-	-	No change
	\$ 510.7	\$ 271.4	\$ 230.6	Total change since Original FY 2012 Budget
	\$ 139.5	\$ -	\$ -	Change since Feb. 2012 Estimate (on which FY2013 Original Budget was based)
	\$ 5,863.2	\$ 5,865.3	\$ 5,957.1	Calculated December 2012 estimate
	\$ 5,863.2	\$ 5,865.1	\$ 5,957.0	Actual in Dec 2012 Estimate
	\$ -	\$ (0.2)	\$ (0.1)	Difference

Appendix 5

YELLOW BOOK FINDINGS FY 2001 - FY 2012		
	Material Weaknesses	Reportable Conditions/Significant Deficiencies*
FY 2001	DCPS Accounting & Fin Reporting UDC Accounting & Fin Reporting Medicaid Provider Accounting	Cash/Bank Reconciliation Human Resource/Payroll Process Mgmt Accounting - Non-Routine Transactions Monitoring of Exp Against Open Procurements Disability Comp Claims Mgmt Reporting of Budgetary Revisions
FY 2002	Health Care Safety Net Contract Mgmt Medicaid Provider Accounting	Human Resource/Payroll Process Mgmt Monitoring of Exp Against Open Procurements Disability Comp Claims Mgmt
FY 2003	Health Care Safety Net Contract Mgmt Medicaid Provider Accounting	Human Resource/Payroll Process Mgmt Unemployment Comp Claimant File Mgmt
FY 2004	NONE	Unemployment Comp Claimant File Mgmt Management of Disability Comp Program
FY 2005	NONE	Management of Disability Comp Program Management of Unemployment Comp Trust Fund
FY 2006	District of Columbia Public Schools	Management of the Medicaid Program
FY 2007	Office of Tax and Revenue - Refund Process Management of the Medicaid Program District of Columbia Public Schools	Investment Reconciliations and Activities NCRC and the AWC Management of Grants Compensation Management of Disability Compensation Program Management of Unemployment Comp. Program
FY 2008	Treasury Functions Management of the Medicaid Program	Compensation Office of Tax and Revenue District of Columbia Public Schools Management of the Postretirement Health and Life Insurance Trust
FY 2009	NONE	District of Columbia Public Schools Management of the Medicaid Program Office of Tax and Revenue
FY 2010	NONE	Information Technology Procurement and Disbursement Stand-alone reports: <i>Unemployment Comp., UDC, WCSA, UMC, Office of Risk Management and Dept. Of Human Resources</i> Office of Tax and Revenue Personnel Management and Compensation
FY 2011	NONE	Information Technology Controls Procurement and Disbursement Controls
FY 2012	NONE	Information Technology Controls Procurement and Disbursement Controls and Noncompliance Tax Revenue Accounting and Reporting Financial Reporting for Capital Assets
* "Significant Deficiency" used starting FY 2007		
	Material Weakness	Reportable Condition/Significant Deficiency
Medicaid	FY 2001, FY 2002, FY 2003, FY 2007, FY 2008	FY 2006, FY 2009
DCPS	FY 2001, FY 2006, FY 2007	FY 2008, FY 2009
Compensation		FY 2001, 2002, 2003, 2007, 2008, 2010
Information Technology Controls		FY 2010, FY 2011, FY 2012
Procurement and Disbursement		FY 2010, FY 2011, FY 2012
Office of Tax and Revenue		FY 2008, FY 2009, FY 2010, FY 2012



Total Working Capital

Congressionally Mandated Emergency/Contingency Reserves and Locally Mandated Reserves
as a Percent of Next Year's Budgetary Expenditures
And Number of Days of Funds Available in Reserve

